

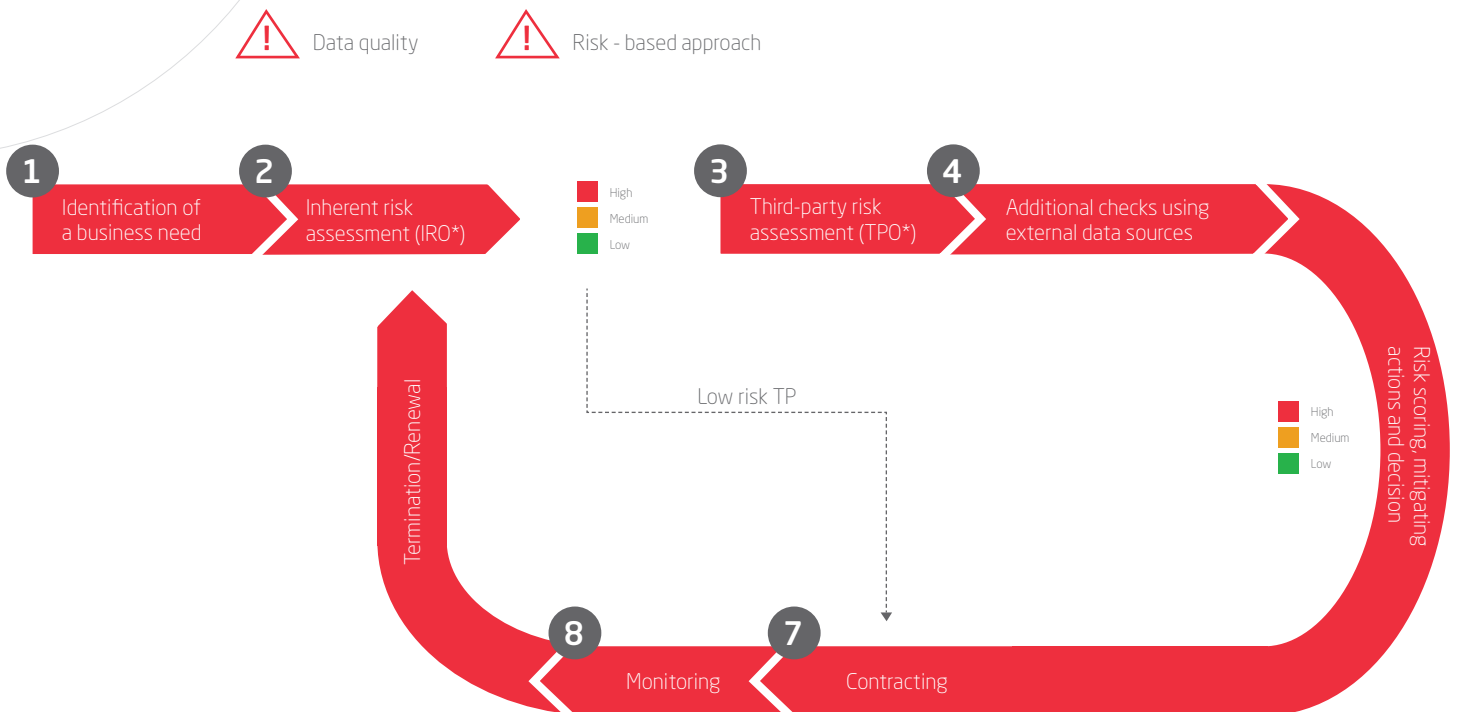
TRANSPARENCY ACT



Introduction

The Transparency Act, which comes into force on 1 July 2022, aims to reduce the risk of human rights violations and ensure decent working conditions in our own operations, in the value chain and among partners. In addition to promoting human rights and decent working conditions, the law must also ensure access to information.

Alloc's approach shall be in accordance with the principles of the OECD Guidelines for Responsible Business Conduct. Conducting due diligence is part of our existing management system according to the process as outlined:



*IRQ = Inherent Risk Questionnaire
*TPQ = Third Party Questionnaire

Source : PWC

Presentation of the company

Alloc AS is Norway's leading manufacturer of laminate flooring. In addition, the company produces wall panels for kitchens and bathrooms. We are approximately 200 employees and have a turnover of approx. 1.1 billion NOK. The head office and factory are located in Lyngdal. Alloc AS is part of the Beaulieu International Group, which is headquartered in Belgium.

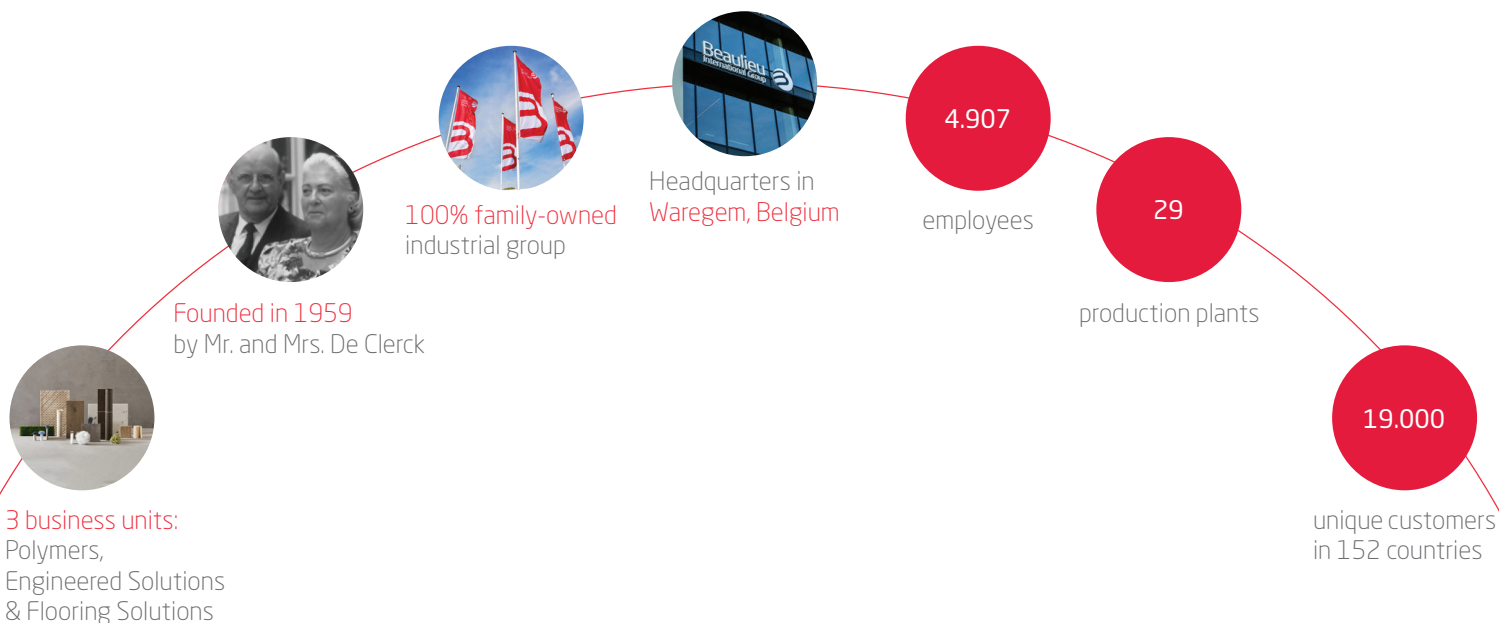
Alloc invests in new buildings and new production equipment. By 2024, the factory will have doubled its capacity and emerge with future-oriented technology, focusing on sustainability, product development and efficient processes.

We have our own sales force in the Nordic region, which is responsible for the sale of our own products and certain products from the Group. The products are marketed under the brand name BerryAlloc. Alloc AS is aiming for further growth in the Nordic region and in the rest of the world.

We have a vision to excite the customer.

Alloc AS is part of the Beaulieu International Group (B.I.G.).

Hereafter you can find the B.I.G. Group at a glance. For more information, we refer to our Annual Report published on our [website](#).



Our clear commitment to responsible business

In 2022, we formalized our commitment to be a Responsible Business with a new Policy. We reaffirmed our commitment to conduct our business in a manner that respects the rights and dignity of all people, adhering to the UN Guiding Principles on Business and Human Rights and the 10 Principles of the United Nations Global Compact.

We support the elimination of all forms of forced labor, the effective abolition of child labor and the elimination of discrimination based on race, national origin, religion, gender, age, sexual orientation, disability, or any other characteristic protected by the relevant laws.

We do not tolerate any form of harassment. We combat any abuse, including sexual and psychological harassment, mental and physical coercion and any verbally inappropriate behavior.

We are committed to providing a safe and healthy working environment, fair remuneration, adequate healthcare assistance, working hours that comply with the relevant laws and ensuring workers' welfare in line with international standards.

Beyond compliance with local labor laws, we have the same respect for the basic values and principles of freedom of association in all the countries in which we operate. We also respect our employees' freedom to negotiate and to bargain collectively.

We expect our employees and all our business partners to respect human rights, fully adhering to the content of this statement as well as to our other policies and complying with our Code of Conduct.

Within the fields of our business activity, risks to the integrity of human rights occur particularly in upstream supply chains. We have therefore developed a Third-party Risk Management program, which means that we perform a comprehensive assessment and risk analysis within our supply chain and take measures to reduce any risk.



United Nations
Global Compact

Beaulieu
International
Group



Route 2030

In light of our sustainability goals, B.I.G. defined a clear route towards 2030. We have taken the time to work out a sustainability strategy that we all believe in and are willing to fight for. One that's based on actionable commitments, encompasses our key priorities and reflects the spirit of B.I.G. in a sincere way.

Our vision for the B.I.G. change is to actively build a better future by reducing our environmental footprint to zero, taking care of our people and those around us, and doing business in a transparent, ethical way.



In Route 2 we defined our ambition on our people - We value our employees and the people around us.

Indeed no sustainability strategy without people. But it isn't just a numbers' game, you need the right people in the right place at the right time, surrounded by the right conditions. That's when the magic happens. This people-centric focus and our family values are something we like to extend to local communities as well.

Why does it matter?

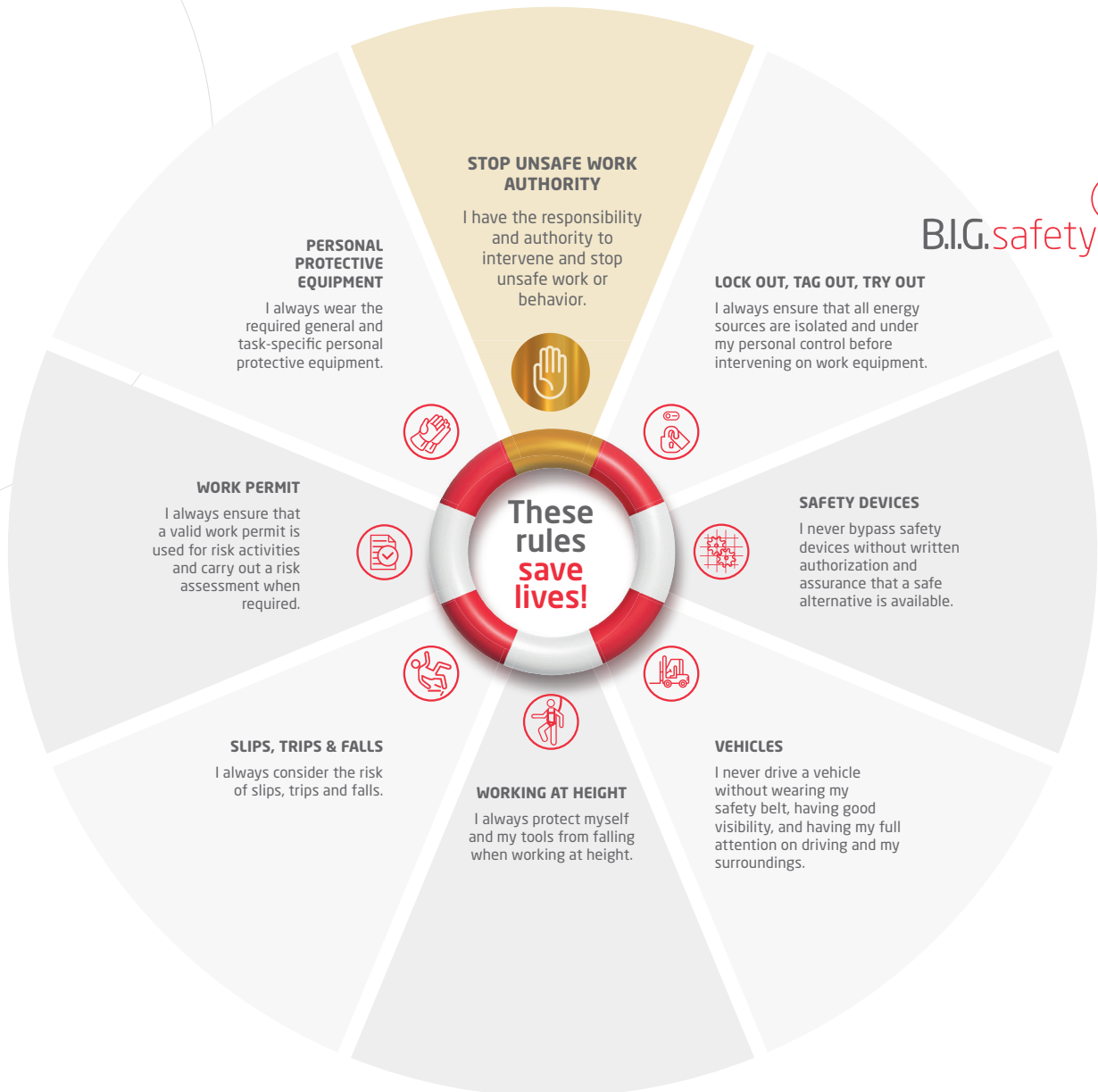
People are the base of every strong and long running organization. They run the show, not business units, divisions or departments. So, we make it our mission to surround every single employee with the respect, care - and yes - love they deserve. This talent-first approach, inspired by our Group's family values, adds to our resilience, because in times of test, family is best. We're not saying anything remotely new with this. But we can't stress the importance of our workforce hard enough. Happy, healthy and committed employees matter in numerous ways. They stay longer with us, become ambassadors of our brands, increase profitability, create a warm culture, inspire new ideas ... And that's just the tip of the iceberg. As an organization that employs 4.907 people, we have an overwhelming responsibility. Most of all because employees have several hats, of which being a B.I.G. employee is just one. They're also brothers, daughters, mums, friends, volunteers, sports fanatics, hobby chefs ... You name it. Only by seeing them as Farid, Anna or Céline, and not as a Process Engineer or Team Manager, can we make a positive impact on their lives - and that should always be the goal.

What are we aiming for?

We want to be an exemplary talent-first organization in our industry. Something we wish to achieve by:

1. fostering a culture of transparency, open communication, recognition and togetherness
2. providing various opportunities for our people to do what they love most and do best
3. creating an environment that allows for healthy minds in healthy bodies
4. building a diverse workforce, where everyone feels included

Safety



As an employer, we have the moral and legal duty to provide a safe workplace. No employee should ever compromise their health and bodily integrity to carry out a job. Everyone should always go home safe and sound at the end of the working day. Moreover, a safe workplace is a productive workplace. When safety is a priority and there's a culture of wellbeing within the workplace, team members thrive: they deliver a higher quality of work and increase effectiveness.

What are we aiming for?

In 2021, after interactive workshops, we defined our Safety, Health and Environment (SHE) ambition, together with a grand plan for 2025. This is what we want to achieve in a nutshell:

Leadership:

We want to establish a culture of leadership that prioritizes self-awareness of each employee to recognize SHE as their responsibility and to act upon it.

Tools:

We want to develop user-friendly tools and systems, and implement them to make our SHE performance visible, to stay self-aware and to keep moving forward. This includes a set of leading and lagging KPIs, as well as SHE software to follow up on events and actions. Additionally, all sites will have management systems in place in accordance with the international standards ISO 14001 (environmental management) and ISO 45001 (occupational health and safety management).

Standards:

We want to determine global SHE standards for tools and equipment, which we will implement in a structured way across our sites.

Impact:

We want to create a safer and healthier working environment, while we also want to reduce the ecological impact of our activities and products.

Suppliers

But we are not only placing the bar high for ourselves. We also expect the same from our suppliers. Only together can we really make a difference. Read more about our Supplier Code of Conduct [here](#).

At B.I.G., we are committed to ethical and responsible conduct in all of our activities, whereby compliance with laws and respect for the rights of all individuals and the environment are of vital importance.

We expect the same commitment of our suppliers, agents and other involved parties. That's why we've detailed our standards of conduct around these three topics:

- **Human and social rights:** Suppliers must comply with all applicable employment laws and will support the protection of fundamental human rights wherever they operate in the world.
- **Environmental management:** We expect suppliers to collaborate with us in achieving our sustainability goals, complying to all applicable environmental laws, regulations and standards, promoting safety, striving for environmentally-friendly production and transport and maintaining quality in their finished products.
- **Governance:** Suppliers must be committed to the highest standards of ethical conduct in all of their operations and when dealing with employees, other suppliers, government authorities and customers.

Due diligence

As a large industrial Group, we operate in multiple countries and in diverse cultural, legal and regulatory environments. That puts responsible and ethical business conduct across the whole value chain right on top of our agenda for Governance – the G in ESG. The truth is that even in 2022, things many of us take for granted, such as human rights, safe working conditions, fair remuneration and legal compliance, aren't guaranteed at all times – making due diligence a must for businesses. We should all move forward. Responsible business conduct is also an internal priority, from safeguarding product quality to treating all employees with respect and integrity. Businesses should set the example within their facilities. Important benefits of responsible business for B.I.G. include risk management, access to capital, long-term relationships, brand reputation, cost savings and eventually profit.

What are we aiming for?

To secure a value chain that's aligned with us on key sustainability principles and values, we've defined several supplier goals for 2023:

- develop processes to enable the remediation of any adverse human rights impacts we may cause or to which we may contribute and more specifically within our supply chain.
- actively advocate our Code of Conduct for Suppliers.
- calculate sustainability scores for suppliers (accounting for 80% of our total spend).
- screen new suppliers on 3 domains: anti-bribery & corruption, environmental performance, and human rights.

As to our own business conduct, we'll continue to focus on third-party recognitions and finetuning our B.I.G. policies and guidelines. For example, with additional and improved labels and certificates, we want to add further credibility to our claims and assure unconditional quality for our customers.

Human rights due diligence

In 2022 we also performed an assessment to identify the more salient risks related to human rights:

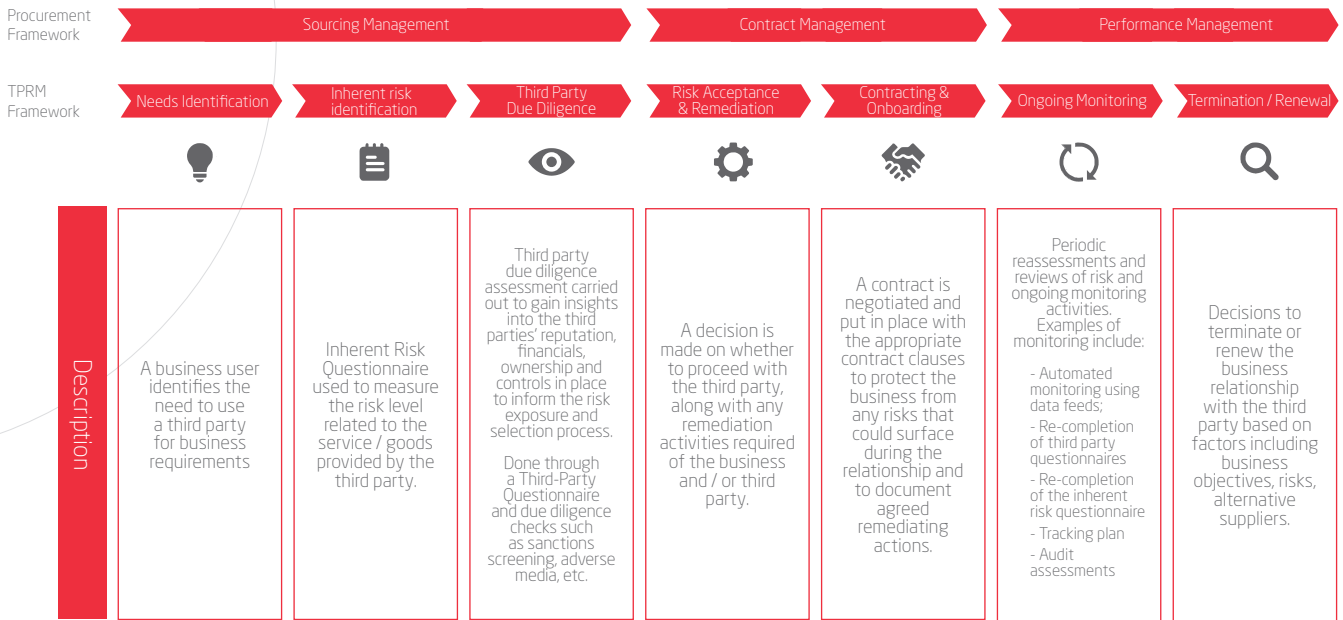
More salient human risks	
Own workforce	- Right to safe and healthy working conditions - Right to equal treatment and opportunities for all - Right to training & development
Value Chain	- Right to safe and healthy working conditions - Right to fair working conditions (adequate wages, freedom of association, ...) - Diversity and equal opportunities in the value chain - Child labor, forced labor

In 2023, we will assess whether current measures to prevent and mitigate more salient human rights risks, but also other, are sufficient.

We will also develop processes to enable the remediation of any adverse human rights impacts we may cause or to which we may contribute. Measurements to prevent and mitigate In 2022, we added our Code of Conduct for Suppliers to the general terms and conditions in our contracts. Moreover, we laid the groundwork for extensive supplier screenings as well as supplier ratings. To stress the maturity of our own responsible business practices, we also succeeded in obtaining various external recognitions.

Supplier due diligence

We designed a clear supplier due diligence process which encompass the following steps :



Each prospective third-party relationship is assessed first for the inherent risk posed to B.I.G. based on the nature of the products or services provided and, the country of origin of the goods/services delivered. This determines whether the third party has a high, medium or low inherent risk. The inherent risk assessment assesses distinct categories of risk and the total risk of the relationship.

Specific risk areas examined include:

- Anti-Bribery & Anti-Corruption risk (ABAC)
- Human Rights risk
- Environmental risk

Depending on the outcome and risk scoring in the inherent risk assessment phase, a third party questionnaire (TPQ) is sent to the third party on one or a combination of the identified risk topics - anti-bribery & anti-corruption, human rights and or environment (for high and medium scores).

The responses of the third party are evaluated and followed by the acceptance or denial of the third party relationship. Where needed, a subject matter expert will evaluate whether a mitigation plan will be requested to the third party.

Whistleblowing / Speak Up

B.I.G. seeks to conduct its business in compliance with all applicable laws, rules and regulations in all countries in which B.I.G. operates. We encourage a free and open culture of communication. Several reporting channels have been established for employees, suppliers and others to report information/behavior that is inconsistent with B.I.G. Code of Conduct, laws, regulations or company policies, or place the company's reputation at risk.

In their relationship with B.I.G., third parties can :

- Share their concerns when they have suspicion of violation of B.I.G.'s Supplier Code of Conduct
- Report knowledge or suspicion that there is a violation of law, regulation or company policy in relation to B.I.G. to either :
 - their usual B.I.G. point of contact;
 - to the internal audit department in writing, addressed to the Group Internal Audit Director or by mail to Beaulieu International Group NV, Kalkhoevestraat 16 Box 0.1, 8790 Waregem, Belgium or by email to bhw-internalaudit@bintg.com
 - or through entering a report via our safe, confidential and compliant Speak Up platform <https://bintg.whispli.com/lp/speakup>