

Report on

Responsible Business Conduct 2021

for Nomono AS

nomono



SUSTAINABLE GOALS



To Readers Of The Report

Business has a major impact on people, society and the environment. It can make positive contributions to development but can also have negative impacts and cause harm. Companies therefore play a key role in achieving the UN's Sustainable Development Goals (SDGs). The Norwegian government expects all companies, regardless of size, to map, prevent, limit and communicate on how they handle risks for negative impact, as well as remediation mechanisms in cases of harm on people, societies or the environment. This is known as due diligence and applies to the private and public sector as well as organizations. As a consequence of the recently passed Transparency Act (åpenhetsloven), all larger corporations are obliged by law to conduct due diligence and show transparency in this work from 1 July 2022.

Members of Ethical Trade Norway have committed themselves to work with mandatory due diligence for responsible business practice. The foundation for this work is Ethical Trade Norway's Declaration of Principles (code of conduct) which covers the areas decent work, human rights, environment/climate, anti-corruption and animal welfare.

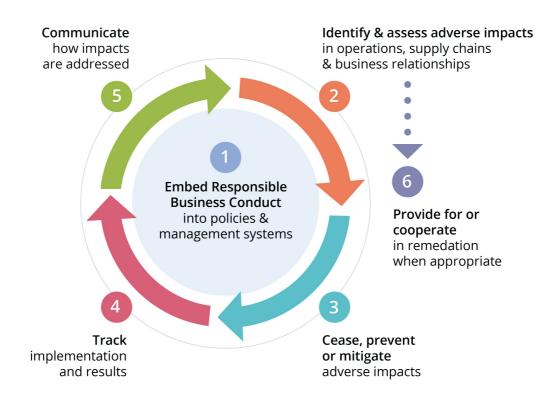
The reporting template is designed for the company to show transparency in their work on responsible and sustainable business practice, as described in the UN Guiding Principles (UNGP) and the OECD Guidelines for Multinational enterprises. The report should show how the company works with due diligence, and describe what challenges the company faces, which measures are being implemented to handle these challenges, as well as progress and results. All member reports are publicly available on Ethical Trade Norway's website.

Heidi Furustøl *Executive Director* Ethical Trade Norway

Due diligence

This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for Due Diligence for Responsible Business Conduct.

The model has six steps that describe how companies can work for more responsible and sustainable business practice. However, being good at due diligence does not mean no negative impact on people, planet and the society. It means that the company is open and honest about challenges faced and shows how this is managed in the best possible way in collaboration with its stakeholders. This report is divided in chapters following the OECD model.



Preface From CEO

Nomono is a user-centric start-up that enables storytellers to be creative by freeing them from the complexity of audio production. We build technology that fades into the background and feels invisible, to make audio storytelling a human experience, not a technical challenge. Our products are exclusive and meant to last. This way we aim to reshape the way we think about consumer electronics and diverge from the throwaway mentality and build emotional durability instead. In this work, we aim to be honest, direct, and transparent, and with the UN Sustainable Development Goals as our North Star, we have put sustainability at the very core of how we think about everything we do, both for ourselves and with our partners and stakeholders.

We recognize that we produce integrated electronics that are known to have challenges related to the sustainability of materials sourcing, production, and end-of-life (e-waste). We work at every step of the way to minimize impact. But just as important is the direct intent of Nomono's solution, namely, to simplify processes for our users that today require many more pieces of equipment and electronic components. One of Nomono's aims is to reduce total electronics consumption by eliminating the need for many of the cables, recorders, and other hardware components that a production crew must have with them today. And as the target customers will be using the Nomono hardware in the field, the costs and environmental impact associated with the transport of equipment will be lower than today's standard.

Nomono also sees great importance in future-proofing the way we work with tech. Our goal is to build a deeper connection between user and product. We want the users to feel that they get value out of taking care of their product and choosing repair options over replacing the entire product.

We firmly believe that sustainability and responsible business conduct must be at the heart of everything and that it will provide a shared value for both our business and for society; it is the driving factor in all product development - from design to supply chain and from digital to physical product. Our goal is also to strengthen local production in Norway and the Nordics in general. We aim to change the way supply chains in consumer electronics work, to bring us into a more transparent era.

" Our products are exclusive and meant to last. This way we aim to reshape the way we think about consumer electronics and diverge from the throwaway mentality and build emotional durability instead. "

Jonas Rinde *CEO*

Company information and business context

Key company information

Company name

Nomono AS

Head office address

Strandveien 43, Trondheim

Main brands, products and services offered by the company

Audio Equipment and Software

Description of company structure

We're organized by functional specialties: Product, Revenue, Finance, and Operations. Functions are the family that each specialist has, helping to keep best practices and standards in place across a discipline. A manager heads each function to coach and guide us towards our vision. From these functions, we form cross-functional teams to collaborate on products. Through Sustainability by Design, we have put sustainability at the very core of everything, from how we drive innovation, evaluate risks, and assess growth opportunities. Hence, our due diligence for responsible business conduct is anchored on all levels (management and R&D) and across all product teams.

Nomono's internal culture also encourages collaboration with others who share our passion and build on our ideas but challenge our thinking. A truly sustainable organization cannot be shaped alone, but our sustainability strategy is based on building closer stakeholder relationships. We bring together our capabilities across the company to develop and boost stakeholder alignment and ensure stakeholder-centric decision-making.

Turnover in reporting year (NOK)

Number of employees

35

Major changes to the company since last reporting period

N/A

Contact person for the report (name and title)

Torun Larsen, Supply Chain

Email for contact person for the report

torun.larsen@nomono.co

Supply chain information

General description of the supply chain and the company's sourcing model

Nomono is a young company and is now in the prototype stage for both Hardware and software. For the supply chain hardware process, there will be a difference between the plans for 2021/2022 (prototype) and the ones for mass production in 2023.

Key raw materials and direct materials are mainly sourced from Asia at the prototype stage but will mainly be from Europe when we start mass production.

Hardware products are produced and developed in Norway. Electronics printed in Norway - Electronics, and mechanics are assembled into a finished product at our Contractor Manufacturer (CM) in Norway. For reporting years, subcontractors for electronic components and mechanics are mainly from Asia. When it comes to volume production, some of the mechanics and electronics will be moved to Europe. Components for electronics will come from Asia but will be assembled into finished electronics cards here in Norway. The product will have Norwegian origin.

The Supply Chain process of servers and software are managed by Nomono Senior iOS Developer for 2021 and 2022.

For internal purchases of office equipment etc, we have a guide that informs the employees where to buy office equipment from. As of today, this is a form available for everyone - New employees are informed about this under the Nomono Sustainability group onboarding process.

Number of suppliers with which the company had commercial relations in the reporting year

11

Comments

Direct contact and Commercial relations i Supply Chain Prototype Process.

Approximate ratio by sourcing options

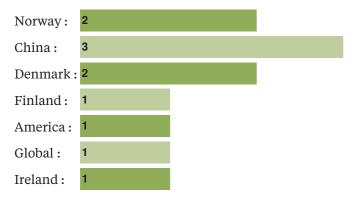


0%

Other

Above are approximate figures.

List of first tier suppliers (producers) by country



Above are approximate figures for reporting the year 2021

State the number of workers at first tier producers that the company has an overview of, and the number of suppliers this overview is based on:

Number of workers

10 000

Number of suppliers this overview is based on

11

Numbers of workers per supplier (calculated average)

910

Comments to number of workers

Contract Manufacturer (CM) and third-party manufacturer of components and/or products - Some of our manufacturer have more than one factory.

Key inputs/raw materials and associated geographies

Electronics	China Norway The European Union
Plastic	China
Display	USA
Cables	China
Battreies	China Norway
Packaging	Norway Sweden
Pouch	China
Magnets	Finland
Display Glass	Denmark
Mesh	Finland
Server energi	Ireland

Is the company a supplier to the public sector?

No

Goals and progress

Goals and progress for the reporting year

1	
Goal :	1) 100% renewable energy for all of Nomono's severs.
Status :	Amazon energy servers - They have 65% renewable as per 2021/2022, and a goal of 100% for their cloud services by 2025
2	
Goal :	2) Implement focus and awareness culture of Sustainability goals. When employees buy something on behalf of Nomono, think through our environmental role globally and as Nomono representative employee together with the UN's sustainability goals.
Status :	80% see action plan
3	
Goal :	3) Separate Onboarding session new employees to inform about company policy of sustainability
Status :	100% - complete
4	
Goal :	4) Design for disassembly applied on physical products.
Status :	100% applied minimum use of glue for physical product. Batteries are replaceable.
5	
Goal :	5) Packaging from recycled sources and without the use of plastic
Status :	50% - in progress with hindrances of reaching 100% due to low volume
6	
Goal :	6) The design principles for our brand reflect the ambitions in our sustainability strategy.
Status :	50% - in progress with finishing date this year before launch

Goal for coming years



Produce larger volumes so that it becomes cheaper to use recycled material from raw material suppliers. Packaging from recycled sources and without the use of plastic



Follow up requirements for subcontractors on the working environment



Continue having all new employees participate in the onboarding session from the sustainability group



100% product information including materials/manufacturing available on product.

5

Complete the e-learning program for Nomono Sustainability Group by 2024

6

Further work on guidelines for design for disassembly.



The responsibility to follow Nomono's guidelines on sustainability is a part of every new employee's contract by 2024.

8

Hire an expert on sustainability in tech companies.



We have rooted responsible business conduct in our company structure, culture, and brand.



Governance and commitment to responsible business conduct

Embedding responsible business conduct means that the company should have strategies and plan, as well as relevant policies* and guidelines for due diligence which are adopted by management. These should comprise the enterprise's own operations, its supply chain and other business relationships. Effective management systems for implementation are key to succeeding, and due diligence should be an integrated element in company operations. Clear expectations from senior management are crucial, as well as clearly assigned responsibilities within the company, for the implementation of the steps in the due diligence process. Those involved need to know how to proceed.

1.A Policy* for own business

1.A.1 Link to publicly available policy for own business

https://nomono.co/policy-for-responsible-business-conduct

1.A.2 What does the company say publicly about its commitment to respect people, society and the environment?

At Nomono, we value respect for another, whether at our Trondheim office in Norway or any of our suppliers. Our goal is to go away from the general acceptance of the status quo and instead start to question every step of the way that potentially creates harm/suffering to people, animals, and the environment. Consequently, we aim to assess as many stops of our supply chain as possible and to use our position as an existing or a possible customer in favor of the ones potentially at risk. However, we are aware that we are a pre-revenue start-up with limited ability to impact the underlying problems with the supply of raw materials and the connected labor.

We set high standards for our products and have passionate employees who go the extra mile to secure better products for a better future. We want to be proud of our products and our company, and we want to be able to be transparent without feeling bad about what we are sharing.

Our ambition is to learn as much as possible from others to later share our knowledge with those who are in the same situation as we were when we started. We aim to combine these learnings with our thoughts and Nomono's foundational company values. To summarize, we want our policies and guidelines to not only inform but inspire people.

1.A.3 How has the policy/commitment been developed and how is it anchored in the company?

Nomono has made sure to involve representatives from all areas within the company, to develop the policies and guidelines for responsible business conduct. We aim to create a business strategy that includes these guiding principles at all stages of the R&D process - from early research and concept design, over mechanical and software engineering all the way to supply chain and follow up for our customers.

1.B Organisation and internal communication

1.B.1 How is the due diligence work organised within the company, and why?

Our COO, Kristine Snyder (Management/People & Culture), is responsible from management's side and one of our Industrial Designers, Karoline Müller (Design), is leading the Sustainability Committee at Nomono. Apart from Kristine and Karoline, this committee is consisting of three other members:

1. Torun Larsen, Supply Chain Manager (Supply Chain). Torun works with all our suppliers and has oversight over our entire supply chain.

2. Øyvind Grimnes, Senior Software Engineer (Software & Services). Øyvind makes sure our digital products live up to the same standards as our physical ones, his focus is on servers and server energy used during the operation of our digital products.

3. Osmund Bøe, Senior Mechanical Engineer (Hardware). Just like Torun, Osmund also works very closely with our suppliers. He establishes preventive engineering and design methods, like Design for Disassembly, early on in the development process.

1.B.2 How is the significance of the company's due diligence work defined and clarified for the employees through their job description, work tasks and incentive structures?

Nomono has a stated and deliberate focus on sustainable business practice, as described by our CEO in his introduction. We invite all employees to participate in our employee share ownership program, and by becoming owners the employees' incentives align with the company's objectives, also in the area of sustainability. Further, our performance management process is informal in nature, and we encourage continuous and open feedback in our teams. In these conversations, sustainable business practices are a regular topic for discussion. In this way sustainability is kept top of mind in decision making and in expectation setting with our employees.

1.B.3 How does the company make sure employees have adequate competence to work on due diligence for responsible business conduct?

At Nomono we want to include responsible business conduct in the workflow of every employee. Every new employee starts with one session on responsible business conduct during their onboarding program. These sessions contain everything from how we handle internal purchases for and/or by employees, to an overview of our R&D process and how it is rooted in our guidelines for responsible business conduct. We follow up the work on the due diligence for responsible business conduct during our monthly company-wide meeting. Here, the sustainability committee addresses relevant updates on how the work with this topic is progressing, shares updates on guidelines, and invites other employees to discuss/give feedback on those guidelines. Within the sustainability committee, members take part in Ethical Trade Norway's internal courses to better their knowledge on responsible business conduct.

1.C. Plans and resources

1.C.1 How are the company's commitments to respect people, society and the environment rooted in strategies and action plans?

We try to define clear goals together with relevant stakeholders based on the experience from our day-to-day work at Nomono. Our goal is to always go the extra mile to find real solutions to real problems while being open about the ones we haven't solved yet. While our efforts in this don't have one specific budget, all teams at Nomono have their own budgets and it is highly encouraged to use it to take the necessary steps towards responsible business conduct.

Our policies are available publicly on our homepage and our aim for 2022 is to create an easy-to-understand, illustrated version of our sustainability strategy. This will then also be available on our homepage and social media.

Examples of how we want to work with the action plan further are to closely follow up internal meetings every quarter where we actively review information with the respective involved. Example apply for certifications for packaging will be one action.

1.C.2 How is the company's strategies and action plans to work towards being responsible and sustainable followed up by senior management and in the board?

All policies and policy changes need to be passed by senior management and the board, while action plans are created in line with the policies by the product teams and the sustainability committee. Nomono's management also works on providing and relocating resources.

1.D Partnerships and collaboration with business associates, such as suppliers

1.D.1 How does the company emphasise the importance of responsible and sustainable business conduct in its business relationships, particularly in the supply chain?

Link to publicly available guidelines for suppliers: https://nomono.co/guidelines-for-suppliers

We require that our suppliers comply with the Nomono Supplier's Code of Conduct and implement accordingly measures in own supply chains.

Nomono strives to get all suppliers to sign ethical guidelines. The suppliers' traceability in the chain in relation to subcontractors - we encourage our subcontractors to take the questions further - and down the chain. Nomono will request management systems and certifications.

Nomono routines for communication of expectations are divided into two groups. 1) Directly from our supplier (CM) who has routines for suppliers. They visit regularly where possible - and where it is not possible, they will submit their own approval form for signing the supplier.

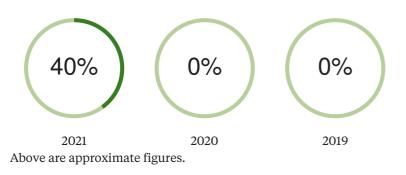
2) Third-party agreement signed between Nomono and subcontractor - these agreements take care of all points as far as possible regarding regulations and working environment.

We strive to get all subcontractors to sign our Nomono Code of Conduct. For some subcontractors in some countries, this can be challenging. In these cases, we request their document to start the process from the subcontractor's point of view. In this way, we want to put pressure and expectations on what we demand as a company and manufacturer.

Nomono as a company, we want to clarify the importance of accountability and sustainability in our supplier contracts, which include the company's ethical guidelines, guidelines for suppliers, domestic worker policy, migrant worker policy (incl. guidelines for the use of staffing agencies), animal welfare policy, responsible materials, and fiber policy m.m. Our suppliers are responsible for disseminating and following up compliance with these policies further down the value chain.

Indicator

Percentage of the company's suppliers that have accepted guidelines for suppliers



1.E Lessons learned and changes in the reporting period

1.E.1 What lessons has the company learned during the reporting period concerning responsible business conduct, and what has changed as a result of this?

We believe that our power as a start-up lies in being a good example of how much can be done in the consumer electronics sector, even without having any revenue yet. During our work with responsible business conduct, we have realized that real change does not happen in isolation. With this in mind, we have learned that transparency and collaboration, with anyone from suppliers to our competition, are the key to ethical and sustainable success.

One very important lesson we have learned during the reporting period is that responsible business conduct should not be an afterthought. Rather, it should be guiding the entire research and development process. Moreover, we do see the need for long-term plans. Especially for a small company like us, we realize that we can't do everything at once - it is neither feasible from a production/supply chain point of view nor from a financial/business point of view. In other words, we need and want to survive to make an impact.



Defining the focus for reporting

Identify and assess the company's impact on people, society and environment

"Identify and assess" is about identifying the company's risk for, and actual negative impact on, people, society and the environment, including in the supply chain and through business relations. As a first step the company should get an overall risk picture, before subsequently prioritising measures where the risk of negative impact is the greatest, i.e. salient issues. How the company is involved in the negative impact is central to determine the right actions to take. Involvement of stakeholders, especially those affected, is central when assessing risks. It is also important to consult with stakeholders when implementing measures to manage the negative impact.

2.A Mapping and prioritising

STATEMENT ON SALIENT ISSUES

Prioritising one or more risk areas on the basis of severity does not mean that some risks are more important than others, or that the company should not take action on other risks, but that risks with the greatest negative impact are prioritised first. Mapping and prioritisation are a continuous process.

2.A.1 List the company's prioritised risk of negative impact on people, society and environment.

Salient issue	Related topic	Geography
Due to our low volumes in 2022 and 2023 we will have little power to influence our suppliers' practices and choose the suppliers with the least negative impact.	Freedom of association and collective bargaining Harsh and inhumane treatment Wages Working hours Environment	Global
We source some parts from the US and China, where unionizing options are limited or restricted.	Freedom of association and collective bargaining Harsh and inhumane treatment Wages Working hours	China Northern America
Issues with transparency of the supply chain of our suppliers in China.	Environment Use of materials	China
The origin of raw materials (ex. cobalt) for electronics is not possible for us to control at the time being.	Freedom of association and collective bargaining Child labour Harsh and inhumane treatment Wages Working hours Use of materials	

The follow up will be to set alerts in our PLM system - as well as have quarterly meetings in the Supply Chain and in the Sustainability group. This will be the way we systematize how we follow up.

DETERMINATION OF SALIENT ISSUES

2.A.2 Describe in short the company's routines for mapping and identifying risk and show how the negative impact was identified and prioritised in this period. Describe how information was gathered, what sources were used, and which stakeholders have been involved/consulted. Further, describe whether you have identified areas where information is lacking in order to get an overview, and how you are planning to proceed to collect more information/handle this.

In our first phase (Base Level), we have focused on risk in production countries in relation to transparency, trade unions, human health, the environment, and corruption. We have also adapted to the work with this so that we can take into account the type of product / raw material and the type of production etc. Since we do not have a product in production yet, we do not have the ability to get all the information from suppliers but we aim to build the relationships with suppliers further as we go up in volume.

In 2022 and 2023, we will have a high focus on further work with mapping concerning volume so that it will be easier for us as a company to achieve the goals we have set ourselves.

Nomono routines for mapping and identifying risk will happen in two steps. First, through our "Outline for Signing with Suppliers" and then, through separate fields in our PLM system - so that we assess all components, parts and suppliers at line level from the time we start developing a product until it is completed. Please see the attachment 'Nomono - Kartleging leverandører'. Sources used are certifications - such as SA8000, WRAP, ISO and International sources such as Difi, CSR risk check tool, Media and web search, country risk, Chamber of Commerce, Export handbook,

Information from the different suppliers is collected from audits done by our CM and ourselves through the Self-Assessment Program and video meetings and written contact with the suppliers.

Routine for mapping will be to create tasks in our PLM system which means that we are forced to approve the supplier to approve a design and a product before a new product or supplier goes into purchase and production

There are some simple reasons why we have not included some things - the reason is that we are in the early stages of company structure and new products. It is an idea that we should have full focus on Sustainability both on people and product - Since we have only existed for three years and are few people and do not yet have a product, it can be difficult to write about this in detail. We want to prove that we have a thorough and good plan for practicing culture, ethics, and sustainability in the years in front of us.

ADDITIONAL SEVERE IMPACTS

2.A.3 Describe any other severe impacts on people, society and the environment that were identified in the mapping of the business, supply chain or other business relationships during the reporting period and how these have been handled.

We are still a small start-up so for the time being, we have not been able to visit all factories and suppliers. To prevent us from ending up with a supplier who does not follow our general policies, we have decided to not sign with any supplier who hasn't been visited by any of our trusted local contacts.

The recurring follow-up is to set alerts in our PLM system - as well as have quarterly meetings in the Supply Chain and in the Sustainability group. This will be the way we systematize how we follow up.

3

Management of salient issues

Cease, prevent or mitigate negative impacts

"Cease, prevent and mitigate" is about managing findings from the risk assessment in a good way. The most salient negative impact on people, society and the environment should be prioritised first. This does not mean that other risks are insignificant or that they are not handled. The way the company is involved in the negative impact is key to taking the appropriate action. Negative impact that the company causes or contributes to must cease, be prevented and be reduced. To address negative impact directly linked to the company, e.g. in the supply chain, the business must use its leverage to in¬fluence the entity causing the negative impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the company's own policy documents and management systems. Effective management of the negative impact on people, society and the environment is a major contribution to the achievement of the Sustainable Development Goals (SDGs).

3. A Cease, prevent or mitigate

3.A.1 For each salient risk, add a goal, progress status and describe the measures you have implemented to handle the company's prioritized negative impact on people, society and the environment

Salient issue	Due to our low volumes in 2022 and 2023 we will have little power to influence our suppliers' practices and choose the suppliers with the least negative impact.
Goal :	Increase volume.
Status :	Since we're still in the prototyping stage, we're not yet able to fulfill this goal.
Objectives in reporting year :	Find ways of increasing our influence on our supply chain.

Actions :

-Negotiate long-term contracts with higher MOQ

-Connect with our startups in similar situations to co-order standard parts or organize in other ways

Salient issue	We source some parts from the US and China, where unionizing options are limited or restricted.
Goal :	Move more of our production to Norway and Scandinavian countries in general.
Status :	Since we're still in the prototyping stage, we still produce in China/ the US.
Objectives in reporting year :	Create a plan of how to transfer the production of parts to Norway and the Scandinavian countries. Assess and influence working conditions and environmental effects of our suppliers abroad.

Actions :

-Start the process of outlining a grievance system for workers in countries where they don't have access to unions.

-Find credible sources and, where possible, visit factories and suppliers.

Salient issue	Issues with transparency of the supply chain of our suppliers in China.
Goal :	Move more of our production to Norway and Scandinavian countries in general.
Status :	Since we're still in the prototyping stage, we still produce in China/ the US.
Objectives in reporting year :	Create a plan of how to transfer the production of parts to Norway and the Scandinavian countries. Assess and influence working conditions and environmental effects of our suppliers abroad.

Actions :

-Inform and involve and ask for sub-supplier agreement signature - collaboration agreement signature.

Salient issue	The origin of raw materials (ex. cobalt) for electronics is not possible for us to control at the time being.
Goal :	Put pressure on our suppliers to mine/excavate/source ethically sourced raw materials.
Status :	Not started yet.
Objectives in reporting year :	Assess and influence working conditions and environmental effects of our suppliers abroad.

Actions :

-Ask for more transparency in the sourcing process of our suppliers -Plan out how to reduce the use of "black-box" materials (or how to include them in a closed circle) for future products

OTHER ACTIONS RELATED TO MANAGEMENT OF NEGATIVE IMPACTS

Describe cross-cutting actions to cease, prevent or mitigate negative impacts, including in your supply chain

3.B.1 Reduction of environmental and climate footprint

-Trusted local contacts instead of traveling all over the world

- -Trying to use the train when possible (instead of by airplane)
- -Not shipping air in the packaging
- -Maintain 100% of server energy is coming from renewable sources

-Actively designing for disassembly and minimal carbon footprint

3.B.2 Adapting own purchasing practices (sourcing)

-Working out contracts, deliverables, costs, and deadlines before signing a contract to prevent unpredicted/sudden pressure on suppliers. This means long-term forecasts to avoid quick decisions and late purchases to avoid last-minute decisions.

-Internal guidelines for where to buy supplies for offices, to prevent indirect/unknown support of negative impact. See attached print from our internal Confluence page - Routines for buying stuff.

3.B.3 Choice of product design and raw materials

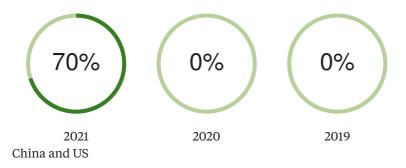
-We are designing with materials' lifetime and robustness in mind -Working on changing the raw material to fully recycled

3.B.4 Actively support free trade union organisation and collective bargaining, or where the law does not allow it, actively support other forms of democratically elected worker representation.

-Our guidelines for suppliers call for creating a workplace with unionizing possibilities -We are encouraging all our employees to unionize at Nomono

Indicator

Percentage of supplier located in countries with restrictions on trade union rights or collective bargaining



3.B.5 Contribution to development, capacity building and training internally and of suppliers and workers in the supply chain

-We have yet to map out the need for training of suppliers and workers in the supply chain -Meeting with all Suppliers to go trough Guidelines for suppliers.

-We have started to train the entire company, and the sustainability committee in particular, in responsible business conduct -Attended Ethical Trade's workshops

3.B.6 Other relevant information concerning the company's work to cease, reduce and handle negative impact on people, society and environment

Currently, our outline for signing with new suppliers is very focused on corruption and people and focuses less on the planet and animals. We are planning to add to this document, focusing more on those factors.

4

Track implementation and results

Tracking implementation of actions and results relates to measuring the effects of the systematic approach and own work in each step of the due diligence process, showing whether the company conducts sound due diligence work. The company needs to have procedures and routines in place in order to uncover and critically assess own conclusions, prioritizations and measures that have been made as part of the due diligence process. For example, is mapping and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect the actual conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the company's negative impact work as intended? Is negative impact remediated where relevant? This may apply to measures taken by the company alone or carried out in collaboration with others. The company's experiences from working on due diligence should be used to improve procedures and routines in the future.

4.A. Track and assess

4.A.1 Describe the assignment of responsibility for tracking the effect of measures implemented to cease/prevent/mitigate salient risks of negative impact on people, society and the environment, as well as how the tracking is done in practice

As mentioned earlier in this report, Nomono's current size and the fact that we don't have any revenue yet brings our focus towards educating all of the employees collectively and giving each and every one the responsibility to do their best in finding alternatives to common practices and following up the work on this continuously. Also, the Sustainability group plus COO and Supply Chain have the main responsibility of bringing this to the board - as well as in the organization and externally to subcontractors - and also to customers.

4.A.2 Describe how the company ensures that measures taken to identify, prevent and reduce negative impact actually work

We have our "Guidelines for suppliers" as a first tool in identifying and preventing possible negative impacts. Our hope is that, even though our ordering quantity is a lot lower than most companies, we can start to touch upon certain topics already despite the fact that we cannot use them as demands. If the company/supplier is in the Scandinavian countries, we make sure that they are following our guidelines and that we visit production sites and clarify our encouragement for unionizing. Further, if the company/supplier is abroad we ask trusted local sources to get more insight into their practices by visiting the companies.

We try to reduce our negative impact by choosing the right materials and making sure our supply chain (both upstream and downstream) has an as little negative impact as possible.



Communicate how impacts are addressed

A prerequisite for good external communication on due diligence for responsible business conduct is that it builds on concrete activities and results. Companies should make relevant documents concerning due diligence publicly availble, i.e. policies, codes of conduct, guidelines, processes and activities related to identifying and handling the company's actual and potential negative impacts on people, society and environment. Communication should include information about how the risks have been identified and handled, as well as the effect of the measures/activities. The Transparency Act (Åpenhetsloven) §5 requires companies to publicly account for their human rights due diligence on an annual basis.

5.A External communication

5.A.1 Describe how the company communicates with affected stakeholders when managing negative impact

We aim to have an open dialogue with suppliers throughout the entire process. This enables us to discuss the harder questions, for example managing negative impact. We are obligated to do our best to ensure that this is handled immediately and with input from the people affected by it. Going forward, our aim is to conduct surveys among our suppliers' workers in high-risk countries. Further, we always have a direct contact at factories, to minimize the distance between us and the workers.

5.A.2 Describe how the company communicates publicly about its own work on identifying and managing salient risks

We try to be as transparent as possible. Since we are pre-revenue for the time being, we mainly aim to educate ourselves about sustainability work, responsible business conduct, and Nomono's role in making change happen. Our communication about this is mainly through policies and strategies on our homepage but our aim is to expand how and where we communicate to reach a broader audience via social media and other platforms.

In our work with responsible business conduct, we have actively worked toward getting input from all parts of the company and starting discussions that engage Nomono's employees. We believe that everyone at nomono has input for these types of questions. Our main focus so far has been on understanding the pre-defined notions within the consumer electronics industry. We believe that this will give us the foundation to work on our way of creating our own version with people, animals, and the planet in mind.

We have stumbled on quite a few things that have proven to be challenging. For one, we do see that many consumer tech businesses (and their customers) still see the product's supply chain as a bit of a black box. We do see non-transparent parts in our supply chain as well, especially when it comes to raw materials for our electronics. Other than that, we also realized that there is a lot that can be done but that the marked and the main marked shareholders have been going too slow for too long. We believe that start-ups like us can give a fresh perspective, and all the while we get bigger and a more influential voice in the marked we have the opportunity to make some companies and people rethink their strategies when developing and buying things.



Provide for or cooperate to ensure remediation when appropriate

Once a company has identified that it has caused or contributed to negative impact on people, society or the environment, the company must provide for, or cooperate in, remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. Another aspect is that companies should provide for, or cooperate with legitimate complaint mechanisms, to ensure that workers and/or local communities can raise complaints and be heard.

6.A Remediation

6.A.1 Describe the company's policy for remediation of negative impacts on people, society and the environment

If Nonomo has identified that we as a company have caused or contributed to the damage or negative impact, it will be handled by delivering some form of improvement to the parties affected by our practices. The following 4 steps will be used by the Nomono Security Board, which deals with risk assessment for all parts of the company with a focus on compliance-related issues, to provide appropriate remediation.

1. Assess: The damage will be assessed together with the affected party to determine the cause and who in particular is affected.

2. Discuss & Research: What type of compensation or remediation is chosen, will be based on how similar cases have been handled by other companies and "the perspective of those affected on what is appropriate" (OECD, p. 88. 2018. Due Diligence Guidance for Responsible Business Conduct).

3. Implement: In practice, we will implement the agreed-upon remediation as soon as possible. These compensations can include compensations for victims, legal help (for the cases in which the negative impact was caused by another party than the affected one or Nomono), and long-term solutions such as grievance systems to prevent similar situations.

4. Follow up: While we follow up on our specific practical actions, we will also be going through our guidelines and practices to find out how this negative impact can be avoided in the future. This step is done internally and the changes are based on our own company policy.

6.A.2 If relevant, describe cases of remediation in the reporting year

In the reporting year 2021, no cases have been reported where a remedy has been necessary.

6.B. Ensure access to grievance mechanisms mechanisms

6.B.1 Describe what the company does to ensure that workers and local communities have access to effective grievance mechanisms when this is appropriate

We aim to ask all manufacturers what tools they have in place so that employees have the opportunity to make complaints/suggestions or raise conflicts or other feedback in the workplace. This is often through own practice in the individual workplace, but in some cases also via their unions. Ensure access to complaint mechanism.

We want to strive for all our subcontractors and their workers to have access to a complaint mechanism by setting this up in our third-party subcontractor contract.

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