

Due diligence on Human Rights

Nord Pool's supply chain – reporting in accordance with the Norwegian Transparency Act

Table of contents

1. Introduction	3
2. Nord Pool company structure and business activities	3
3. Nord Pool policy on human rights	4
4. Due diligence analysis	5
4.1 Working conditions in Nord Pool Group	5
4.1 Nord Pool's supply chain	6
5. Findings	7
6. Measures	7

1. Introduction

The Norwegian Transparency Act (2021-06-18-99, Norwegian: *Åpenhetsloven*) shall promote enterprises' respect for fundamental human rights and decent working conditions and ensure that the general public has access to information on how enterprises address negative consequences on human rights and decent working conditions. The Norwegian Transparency Act applies to (*inter alia*) larger enterprises which offer goods and services in Norway, and which are taxable in Norway.

Nord Pool group is subject to the Norwegian Transparency act and is obliged to have sufficient policies and procedures in place to assess and follow up on possible breaches of fundamental human rights and/or decent working conditions in its supply chain.

The required activities related to the Norwegian Transparency Act have been carried out based on the business activities, suppliers, and business partners of the whole Nord Pool group, see below section 2. Any references to 'Nord Pool' in this report refer therefore to all of the Nord Pool group companies.

2. Nord Pool company structure and business activities

The Nord Pool Group is constituted by the parent company Nord Pool Holding AS, its Norwegian subsidiaries Nord Pool AS and Nord Pool European Market Coupling Operator AS (Nord Pool EMCO), as well as of Nord Pool AS' Swedish subsidiary Nord Pool AB, Finnish subsidiary Nord Pool Finland Oy and a branch office in the United Kingdom. Nord Pool Holding AS is a holding company with minimal business activity. Nord Pool Holding AS is consolidated into Euronext Group with Euronext N.V, Amsterdam, Netherlands as the parent company through Euronext Nordics Holding AS. A minority shareholding is owned by TSO Holding AS, a Norwegian company owned by the Lithuanian Uab "Epsa G" 39,6%, Statnett SF, 32,2% and Svenska Kraftnät 28,2%.

Nord Pool is an organised marketplace and offers trading, clearing, settlement and associated services in the day-ahead and intraday power markets across 16 European countries. Nord Pool EMCO is designated Nominated Electricity Market Operator (NEMO) pursuant to the CACM Regulation¹. Around 350 companies from 20 countries trade on Nord Pool's markets in the Nordic and Baltic regions, Great Britain, Central Europe (covering Austria, Belgium, France, Germany, Luxembourg, the Netherlands and Poland). Market participants are electricity generators, distributors, large consumption companies, aggregators, transmission system operators (TSOs), traders and trading representatives. Additionally, Nord Pool AS service the power markets in Croatia, Romania and Bulgaria.

¹ Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity and congestion management.

Nord Pool offers a range of consulting services around market design, rulebook development and market regulation, power market systems and capacity building, and provides seminars based on knowledge of Nordic, Baltic and Europe-wide power markets. Furthermore, Nord Pool offers compliance services, delivering efficient, simple and automated reporting tools to help market participants and TSOs meet obligations under REMIT and Transparency regulation.

Nord Pool AS has its main office in Lilleaker in Oslo.

3. Nord Pool policy on human rights

Nord Pool is concerned of the protection of the fundamental human rights and decent working conditions as follows from, among other, the United Nations' International Covenants on Economic, social and cultural rights of 1966, the International Covenant on Civil and Political Rights from 1966, and the ILO's Declaration on Fundamental Principles and Rights at work from 1998. Working to integrate respect for human rights in our everyday activities is an ongoing process, which includes due diligence, mitigating activities where needed, and stakeholder engagement.

Nord Pool has developed guidelines based on the Norwegian Transparency Act and OECD due diligence guidance for responsible business conduct. The guidelines include Nord Pool's entire business, our supply chain and our business partners.

Nord Pool regularly carries out due diligence in accordance with the OECD Guidelines for Multinational Enterprises in proportion to our size, the nature of our business and operations, and the severity and probability of adverse impacts on fundamental human rights and decent working conditions.

Nord Pool also recognises that training and awareness are important means to ensure respect for human rights in our processes.

This annual report on Nord Pool's due diligence will be published on Nord Pool's website at the latest on 30 June for the previous year. Nord Pool will respond, as is our obligation under the Transparency Act, to written requests asking for information from Nord Pool on how we address actual and potential adverse impact as identified in the due diligence analysis.

Written requests can be sent to a dedicated e-mail address and information about this as well as on Nord Pool's work with Human Rights is part of the ESG section on Nord Pool's website².

² [The Norwegian Transparency Act | Nord Pool \(nordpoolgroup.com\)](https://www.nordpoolgroup.com)

4. Due diligence analysis

Given the nature and context of Nord Pool's business, the risk of Nord Pool contributing to violations of human rights is considered low. Nord Pool annually carries out a due diligence analysis to map risks in the supply chain as well as doing an internal review of Nord Pool's treatment of its own employees. A summary of this analysis and review is provided below.

4.1 Working conditions in Nord Pool Group

Nord Pool has approximately 160 employees and contractors spread across Norway, Finland, Sweden, UK, Germany, Belgium, Italy and the Baltics. Most of the workforce is located in Nord Pool's offices in Oslo and Espoo and a few employees are located to a small office in Stockholm. In London and Brussels the Nord Pool Office is co-located with the Euronext office. All office facilities are modern and of a high standard.

The work force consists of highly skilled personnel with their educational background in IT, economics, finance, law, engineering, administration and similar. All employees are white collar. Employees are given the flexibility to work up to two days per week from home, providing extended flexibility to combine family and work. Nord Pool employs people from 33 different countries on all 6 continents. Corporate language is English, promoting a diverse group of individuals to work in an international work and business environment.

Nord Pool follows local national legislation regarding employment and working conditions. All countries where Nord Pool employees are employed have committed to the ILO convention.

Nord Pool has a dedicated HR department and internal HR procedures to secure proper employment procedures in accordance with national regulations, hereunder check of minimum age, adherence to rules related to working hours and holidays, leave entitlements, absence due to sickness etc. Nord Pool has a Personnel Plan that serves as a guideline for all Nord Pool group companies in personnel planning and personnel development. The plan also outlines the current situation and any measures to promote diversity, equity and inclusion (DEI) among its employees

A survey is conducted annually among employees to measure their well-being, engagement, and motivation. In 2024 the annual survey was conducted first time as part of the Euronext employee survey. The survey includes focus on diversity, inclusion and engagement in the company. All employees are kept informed about the results and the progress via various internal communication channels, Senior Management and the HR Team. Results from the survey are used by the employer, inter alia, to assess the need for, and potentially to implement improvements, to secure healthy and motivating working environment.

Nord Pool voluntarily follows relevant collective union agreements in Sweden and Finland. In Norway, Nord Pool has entered into the B-contract with SAN concerning working hours, employment, and working conditions, including an insurance scheme.

Personnel with employment within operations, trading desk and IT, have some degree of irregular working hours, consisting of weekend duty and 24/7 on-call duty. Working hours and compensation for duty arrangements is regulated under a separate agreement between Nord Pool and the employees.

4.1 Nord Pool's supply chain

Nord Pool's supplier list has been assessed collectively for the entire group. Each supplier or business partner in our supplier list delivers services or goods to at least one of the companies in the group. The starting point for the due diligence analysis were the suppliers and business partners through the year 2023. There were more than 360 suppliers and business partners – including those who have made one-off deliveries. Some of the important suppliers are those delivering systems to the European market coupling projects that Nord Pool take part in as a NEMO cooperating with other European NEMOs.

The market participants trading on Nord Pool's platforms have not been part of the due diligence analysis conducted by Nord Pool since market participants have been regarded as Nord Pool's customers, paying for access to trade on Nord Pool's platforms. When selling electricity through Nord Pool's platforms the market participants could be considered suppliers to Nord Pool due to Nord Pool's position as central counterparty in trading. However, Nord Pool is of the view that it is a service provider to the market participants, both with regard to providing access to trade and the subsequent clearing and settlement. Nord Pool provides to the market participants access to a marketplace and, consequently, Nord Pool is a supplier to the market participants.

Type of suppliers

The suppliers and business partners to Nord Pool are those providing services and goods needed in order to offer the services as described in section 2 above. Our list of suppliers is sorted into the following categories:

- System Suppliers
 - System developers, suppliers of standard software solutions and business tools, hosting services and tele-communication
- Consultancies
 - Within auditing and within project or business management
- Banking and insurance
- Law firms
- Communication and Marketing
- Hotel/Conference
 - Meeting and conference facilities, hotel rooms, restaurants
- Office rentals

- Goods
 - Computers, phones, IT equipment, office supplies, furniture, profile articles, plants, etc.
- Services
 - Cleaning and janitorial services, canteen, transport and courier services, security companies, occupational health service, and recruitment services
- Other
 - Research institutions, interest organisations, universities, governmental institutions and registries

The key input factors in Nord Pool's business are IT technology and knowledge (own employees). The strategic suppliers to Nord Pool are system suppliers. Nord Pool has entered into long-term contracts with several large system suppliers.

No individual supplier within the categories goods and services is of significant relevance to Nord Pool's core business. However, due to the general nature of several of the businesses in this category, they have been regarded as relevant and have therefore been included in the due diligence analysis.

The Norwegian Labour Inspection Authority provides list of approved companies operating within cleaning, occupational health service and recruitment. All Nord Pool's Norwegian suppliers within these categories are included in the list of approved companies.

Geography

The geographical source of services and goods procured has been mapped. The suppliers of Nord Pool have business addresses within the Nordic and other European countries, mainly Germany, UK, Austria, Belgium, France, and the Netherlands. Some suppliers are part of multinational or world-wide corporations.

5. Findings

Nord Pool has not discovered any negative consequences or material risks through its due diligence assessments. Suppliers and business relations come from Nordic/European countries and are within business areas where breach of human rights is not common. Employees have strong negotiation power either through trade unions or because they themselves are highly educated with a possibility to choose between jobs.

6. Measures

Nord Pool implemented its human rights policy and internal guidelines for responsible business conduct after the entry into force of the Norwegian Transparency Act in 2022.

Nord Pool has adopted framework and policies regarding ESG from its parent company Euronext as part of its integration process with the Euronext group.

At the time of writing, Nord Pool is in process of implementing Euronext procurement policy and procedures. Procurement processes will include screening of all new suppliers and biannual review of all existing vendors against a 'Country risk file'. All new suppliers will be asked to review and sign a supplier's code of conduct before entering into a commercial agreement with Nord Pool.

Creating awareness with regard to human rights is viewed as an important way to help reduce the risk of human rights violation anywhere. Internal training and implementation of policy and guidelines are valuable measures in this regard.

Nord Pool's work with human rights and fulfilment of the obligations under the Norwegian Transparency Act is rooted in the company's management and Board of Directors. This report was presented and approved by the Board of Directors in the board meeting on 12 June 2024.

Helsinki, June 12th, 2024

Camille Beudin
Camille Beudin (Jun 27, 2024 16:37 GMT+2)

Camille Beudin
Chairman

Torger Lien
Torger Lien (Jun 28, 2024 17:07 GMT+2)

Torger Lien

Manuel Bento
Manuel Bento (Jun 28, 2024 16:56 GMT+2)

Manuel Bento

Ghislain Bardon
Ghislain Bardon (Jul 1, 2024 09:09 GMT+2)

Ghislain Bardon

Tatyana Valkova
Tatyana Valkova (Jul 3, 2024 18:08 GMT+2)

Tatyana Valkova

Geir Heggem
Geir Heggem (Jun 30, 2024 15:54 GMT+2)

Geir Heggem

Sami Meri
Sami Meri (Jun 28, 2024 16:24 GMT+3)

Sami Meri

Ekaterina Moiseeva
Ekaterina Moiseeva (Jun 27, 2024 21:36 GMT+2)

Ekaterina Moiseeva

Tom Darell
Tom Darell (Jun 27, 2024 16:07 GMT+2)

Tom Darell, CEO