

Report on due diligence assessments pursuant to the Transparency Act – Promon Group

1. Promon Group

Promon operates a global business, with customers and employees all around the world. We deliver our products and technology to demanding customers in sensitive industries. Promon is headquartered in Norway, with operations in the US, Germany, the UK, Hong Kong, and India. Out of our five subsidiaries, two solely function as sales and marketing offices and are in the US and Hong Kong. The rest of our subsidiaries operate in both sales and technical engineering.

Promon is the leader in proactive mobile app security. Our vision is to make the world safer, one app at a time. We work with various global Tier 1 clients, counting customers in industries such as finance, streaming, gaming, health, the public sector, and more. Promon's patented deep protection technology, Promon SHIELD™, protects apps used by hundreds of millions of users. Our products are non-tangible, so all our production stages rely on personnel.

Promon AS and its five subsidiaries are all subject to report on the Transparency Act. The subsidiaries are Promon US Inc., Promon Appsec UK Limited, Promon Germany GmbH, Promon India Pvt Ltd and Promon Asia Pacific Ltd (Hong Kong).

2. Governance

We must maintain strong guidelines and rules to ensure that we are compliant with the demands made by our stakeholders: customers, partners, owners, and employees.

It is the Board of Directors (BoD) that outlines the general principles for management and control in Promon. The BoD of Promon sets high standards for Promon's employees, officers, and directors. Implicit in this philosophy is the importance of sound corporate governance. This also includes, but is not limited to, promoting Promon's respect for fundamental human rights and fair working conditions as stated in the Transparency Act.

It is the duty of the BoD to serve as a prudent fiduciary for shareholders and to oversee the management of Promon's business. The transparency act puts responsibility on management and the BoD in Promon. The BoD has appointed the CFO to oversee the implementation of the Norwegian Transparency Act. The BoD committed with its responsibility and has approved the risk assessment method for human rights and decent labour conditions and receives periodic updates of the progress of this work.

3. Anchored in governing documents

Promon's Code of Conduct institutes the company commitment to respect fundamental human rights and decent working conditions. This way of operating is considered a fundament for the business and aligns with the values of the company. These aspirations are also reflected in Promon Groups Supplier Code of Conduct, which you can read [here](#).

Our employees regularly receive training to follow the internal procurement policy before engaging with a new supplier and follow the internal approval process before purchasing any

goods or services. Training is conducted via Group staff meetings and smaller group sessions with department directors and managers with budget responsibility.

Promon has a Supplier Code of Conduct to be distributed and confirmed by relevant suppliers. It holds the supplier responsible for adherence to the law, compliance with all applicable anti-corruption, anti-bribery and anti-money laundering laws and regulations as well as commitment to Human Rights and decent labor conditions, hereunder respecting their employees' right to be member of a labor union and be represented in collective negotiations.

Suppliers may only give gifts and offer services within the limits of sound work ethics and on condition that they are within the limits of the laws applicable in the market where Promon and the supplier operates. Promon Group does not accept suppliers that use child labor, slave labor, debt labor or forced labor. Our suppliers shall actively strive for an equal and non-discriminatory recruitment process and workplace and shall offer employment terms adapted to the markets on which they operate and always pay at least the regulatory minimum wage. Our suppliers should work to ensure a secure and safe work environment.

4. Scope, definitions, and mapping

Promon Group's supply chain consists of different, but not highly variable, suppliers and purchases. The top five industries we trade with, and that are key for Promon as a technology company, are consulting services, software services, accounting services, computers and equipment purchases and catering. Our suppliers are mostly based in Norway and countries where we have subsidiaries.

As Promon Group does not produce its products from any raw material and is not reliant on any external supply, the number of suppliers, as defined in section 4.3, is limited to only a few. The consultants provide sales and marketing services, that Promon work with fall under this category as well as the Employer of Record companies being used.

4.1 Scope

Promon has conducted due diligence on active third parties for the financial year 2024. The assessment covered registered transactions / third parties for the headquarters and all five subsidiaries.

4.2 Method for mapping

The data obtained from Promon Group is listed and sorted based on the following:

- Group company (which company in the Group uses the supplier)
- Name of supplier
- Supplier Industry
- Supplier type
- Risk level

We have worked through the group companies separately and assessed each supplier to assign what *type* of supplier it is and what *risk* Promon carries based on the definitions outlined in 4.3 and 4.4.

4.3 Supplier type

Based on the initial mapping, the suppliers were classified as per definitions established in the Norwegian Transparency Act.

Supplier is defined as any part in the chain of suppliers and sub-suppliers that supplies or produces goods, services or other input factors included in an enterprise's delivery of services or production of goods from the raw material stage to a finished product (connected to our products).

Business Partner is defined as anyone who supplies goods or services directly to the business, but who is not part of the supply chain (connected to our daily business).

We identified 292 third parties whereof 23 were categorized as suppliers and 268 were categorized as business partners. Our suppliers, as identified by the Transparency Act, are solely in the procurement category of consultancy services whilst our business partners are mostly in the procurement category software, fairs and events, consulting services and catering.

4.3.1 Identified suppliers

In countries where Promon Group does not have a subsidiary an Employer of Record is sometimes used to ensure local compliance with employment regulations. The Employer of Record companies handle employment, payroll, and payroll related services on behalf of Promon. The hiring terms and conditions are defined by Promon Group in accordance with local laws, regulations and company policies and is treated in line with direct employment.

In regions where Promon does not have any local presence, self-employed consultants are sometimes used primarily for performing sales and marketing related services on behalf of Promon AS. We conduct business with these consultants because of their network and local expertise. The terms and conditions are agreed with the consultant directly and normally we conduct a benchmark analysis with another local company to validate that the terms and conditions are according to market standards.

4.4 Mapping of risk

To map the risks of potential negative impact on human rights and decent labor conditions, we developed a risk framework based on a structure where risk levels run from high (1) to low (3).

- Risk level 1 is set in cases where Promon directly sets terms and conditions in a way that causes the violation or the risk of violation because of these.
- Risk level 2 is set in cases where Promon has an impact on the supplier, can set reasonable requirements and it is likely the supplier is willing to improve
- Risk level 3 is set in cases where Promon buys goods or services from a supplier that is randomly selected, without any knowledge about the supplier and / or production.

5. Identified risks and potential negative consequences

To further evaluate the inherent risks of Promon Group's suppliers and business partners, we have implemented a tool called *The Transparency Chain*, provided by PwC. The tool helps to gather information from selected suppliers and business partners to complement our assessment with in-depth knowledge of the supplier's profile vis á vis its existing control framework.

Our findings show that there are only a handful of suppliers that fall under the highest level (1) of risk. Promon Group delivers in-house produced technology; therefore, our supply chain is

quite short. We present below a summary of the findings disaggregated for each of the risk levels.

5.1 Risk level 3 (low)

There are no level 3 suppliers. Business partners in Norway rated as low risk are providing services and goods used in the daily operations. Business partners in this category are mostly Norwegian companies, providing services such as audit, legal advice, insurances, and office rental. Those business partners are subject to reporting on due diligence themselves and are therefore considered low risk. 14% of business partners in this category are software providers who are used daily, and the remaining business partners cover all other services and goods connected to daily operations.

Business partners in the subsidiaries provide legal services, accounting services, insurances, recruiting assistance, software for daily operations and similar. They are considered low risk due to the industry they operate in. Any recruitment goes through our in-house Talent Acquisition Manager. For business partners in Hong Kong and India the risk is low due to regulated and high levels of formalization in the industry they operate in despite the country risk. In addition to this, Promon is considered a small client of business partners with limited influencing power.

5.2 Risk level 2 (medium)

There are thirteen level 2 suppliers in the Group and two business partners. The suppliers are freelancers and Employer of Record companies used to hire people in countries where Promon does not have subsidiary or self-employed consultants providing primarily sales and marketing services for Promon in the region where they operate. The Employer of Record is rated at a medium level due to the impact Promon has on the employees' contractual content. Early 2025, Promon became aware of a case involving allegations of corporate espionage against one of its suppliers. While the situation is still unfolding, Promon is actively monitoring developments and has been in contact with the supplier. Promon is assessing whether the case could have any implications for its own operations or supply chain. So far, Promon has not identified any concerns but is prepared to take appropriate action if the lawsuit or allegations reveal anything troubling. Promon remains committed to responsible business conduct and transparency and will continue to follow the case closely. The first business partner at this risk level is a company in the cleaning industry. Even though the business partner is subject to The Norwegian Working Environment Act, we have rated it at medium risk due to the industry it operates in. The other business partner provides accounting services daily and has employees in different parts of the world.

5.3 Risk level 1 (high)

There are ten level 1 suppliers in the Group. All of them are self-employed consultants providing primarily sales and marketing services for Promon in the region where they operate. They are rated at level 1 due to the risk Promon carries by having a potential impact on the contractual content. There are no level 1 business partners.

6. Stop, prevent, and limit negative consequences

The Promon Group is aiming to take responsibility in the fight for human rights. Any supplier or business partner who does not align with our Supplier Code of Conduct or in any other way

is red flagged by our internal controls, will be opened a dialogue with and as a last resort end up in contract termination.

6.1 Preventing measures

Promon conducts regular audits to assess and improve compliance with human rights standards. Staff are provided with avenues to report violations anonymously without fear of retaliation and promote worker education and awareness about their rights. Promon enforces labor laws that protect workers' rights and engage in continuous dialogue with stakeholders to identify and address emerging challenges.

Staff are regularly reminded about the importance of assessing any new supplier before purchasing and what the approval steps are. For identified suppliers Promon outline expectations for ethical practices in the Supplier Code of Conduct and foster transparency by requiring suppliers to disclose information about their practices. Regular review and update of policies to adapt to changing global standards are part of Promon's prevention measures. Promon utilizes technology to enhance transparency and traceability on the supply chain.

6.2 Remediation or compensation when required

If the Promon Group finds itself in a situation where Promon has violated or contributed to human rights violations, the management and the Board of Directors would be notified instantly. Selection of grievance remediation measures to be provided depends on the specific breach and circumstances, including what type of breach has been caused, the extent of the impact and how quickly Promon can restore and compensate.

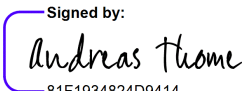
6.3 Monitoring, implementation, and communication

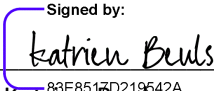
Promon Group performs a quarterly review looking for new suppliers and business partners to ensure that we keep track of the Group's risk exposure. The selected suppliers and business partners from the previous year will be kept for monitoring purposes as well as being requested to answer new questionnaires if any circumstances change during the year. Any breaches that occur will be handled individually and will be flagged for the BoD to ensure alignment and correct handling.

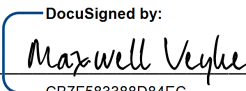
6.4 Whistleblowing channel

Whistleblowing is when someone exposes illegal or unethical activity, usually at work. If that concern isn't raised, and remains undetected, it could lead to serious damage for an organisation, individual or wider society. Using a reporting channel such as a whistleblowing system makes it possible for someone to report wrongdoing. In Promon we use Whistlelink as a channel for both internal and external parties to discover misconduct and deal with it professionally.

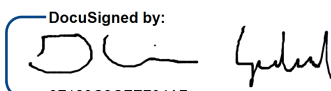
7. Board signatures

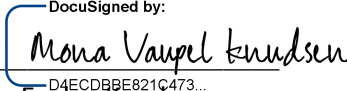
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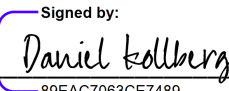
Andreas Thome
Chairman
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Katrien Beuls
Board Member
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Maxwell Veyhe
Board Member

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Kim Gulstad
Board Member
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Mona Evelyn Knudsen
Board Member
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Daniel Kollberg
General Manager