

Bilfinger Nordics AS

Due diligence assessments in accordance with the Transparency Act 2024

Status at 17/06/24



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Introduction

Bilfinger Nordics AS (hereinafter "the Company") is part of the Bilfinger SE Group. The Company offers design, maintenance and support services related to scaffolding and access technology, surface treatment, insulation, architecture and passive fire protection. In addition to its head office in Stavanger, the Company has project offices in Porsgrunn, Haugesund, Bergen and Hammerfest, as well as work sites both onshore and offshore. The main markets are primarily in oil & gas and the process industry.

Project schedule

In the summer of 2022, the Company established a separate working group to work on the new requirements of *the Act on Corporate Transparency and Work on Fundamental Human Rights and Decent Working Conditions*, which came into force on 1 July 2022. The working group consists of representatives from Purchasing, HR and HSE, and regular working meetings have been held over the past two years. An ongoing plan for the work has been established:

1. Incorporating accountability into governing documents
2. Identifying and evaluating risks in relation to "own operations", "supplier chains" and "business partners"
3. Prioritising the most important risk areas through materiality analyses based on severity, probability and possibility of impact
4. Implementing specific measures based on the above analyses
5. Following up and monitoring implemented measures in accordance with PDCA methodology

Activities implemented in 2023–2024:

22.03.23 – First joint meeting on Teams with representatives from *Bilfinger Engineering & Maintenance Nordics AS* for the purpose of information sharing

15.05.24 - Human Rights included as a separate topic in the Management Review input template under the ISO 45001 related evaluation section

23.05.24 - Started review of Bilfinger Standard to ensure adequate implementation of Human Rights in processes and activities

01.06.24 - New system for managing ESG and Supply Chain Sustainability: *Integrity Next*

03.06.24 - Planning of new whistleblowing function in BilfingerIN app

Choice of method

As part of the Bilfinger SE Group, the Company is used to strict requirements and procedures related to compliance in areas such as environment, human rights, working conditions and ethics. These are the basic principles set out in [the Bilfinger Code of Conduct for Subcontractors and Suppliers](#) and [the Bilfinger statement of Principles on Human Rights](#)

The Bilfinger Group is required to comply with the *Supply Chain Due Diligence Act* (SCDDA). By complying with the SCDDA, we have already complied with most of the provisions that are also covered by the Transparency Act, except for the requirement to answer questions in § 6 and § 7. See the designated contact person at the end of the report for further questions related to the Company's local activities in order to meet the requirements of the Transparency Act.

In general, the Company is well prepared for further work with activities that ensure compliance with new requirements based on knowledge from previous audits of the business, surveys, employee surveys, collaboration between parties and supplier portfolio.

Division and priorities

Early on, we decided to divide the wording of the Act and distinguish between *Own Business*, *Business Partners* and *Suppliers*. Furthermore, our main focus is on areas where we can have the greatest direct impact, as the Transparency Act is based on principles of risk and proportionality. The Company therefore wants to use our resources in areas where we can implement concrete improvements for human rights and decent working conditions in the short term.

Results

Own business analysis

Assessment of selected *areas of relevance to working conditions, compliance with requirements, our own ability to influence, severity* and potential *measures*. Green is rated as satisfactory, while yellow items are addressed in more detail as areas for internal improvement.

Excerpt of working document related to conditions for "Own business" that was completed in May 2024;

Areas - Assessment of actual and potential adverse consequences	According to requirement (Internal, customer, regulatory requirements)	Possibilities for impact?	Requirements for further evaluation?	Priority level	Action plans
Implementation of requirements from Transparency Act in Bilfinger Standard (management system)	Some are missing	Yes/High	Actions implemented	Medium	Further clarification of Human Rights in the management system
Policies	Yes	Yes/High	No - rated as satisfactory	Low	
General facilities (break room, office, toilet, wardrobes, etc.)	Yes	Yes/High	No - rated as satisfactory	Medium	
Discrimination; including gender, political opinion, organisational membership	Yes	Yes/High	No - rated as satisfactory	Medium	
Bullying/Harassment/conflict	Yes	Yes/High	No - rated as satisfactory	Low	
Noise	Yes	Yes/High	No - rated as satisfactory	Low	
Dust	Yes	Yes/High	No - rated as satisfactory	Low	
Temperature/climatic conditions	Yes	Yes/High	No - rated as satisfactory	Low	
Air	Yes	Yes/High	No - rated as satisfactory	Low	
Ergonomics, difficult working positions	Yes	Yes/High	No - rated as satisfactory	Medium	
Vibrations	Yes	Yes/High	No - rated as satisfactory	Medium	
Light conditions	Yes	Yes/High	No - rated as satisfactory	Low	
Variety of tasks	Yes	Yes/High	No - rated as satisfactory	Low	
Chemicals/Registrations	Yes	Yes/High	No - rated as satisfactory	Medium	



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					<p>Status as of April 2024:</p> <p>Short-term sick leave 3.51%</p> <p>Long-term sick leave 5.01%</p> <p>Ongoing preventive actions against sick leave</p>
Sick leave and absence due to illness	Yes	Yes/High	Actions implemented / continued	Medium	
Stress/mental issues/fatigue	Yes	Yes/High	No - rated as satisfactory	Medium	
Safety equipment	Yes	Yes/High	No - rated as satisfactory	Low	
Support/follow-up from management	Yes	Yes/High	No - rated as satisfactory	Low	
Occupational health services	Yes	Yes/High	No - rated as satisfactory	Low	
Security service and AMU	Yes	Yes/High	No - rated as satisfactory	Low	
					<p>Existing and established whistleblowing channels should be further communicated within the company</p> <p>Establish a new and simpler whistleblowing method</p>
Whistleblowing options	Yes	Yes/High	Actions implemented	Medium	
Involvement and self-determination	Yes	Yes/High	No - rated as satisfactory	Low	
Development according to individual prerequisites (competence, courses, training)	Yes	Yes/High	No - rated as satisfactory	Low	
Child and youth labour	Yes	Yes/High	No - rated as satisfactory	Low	
Working hours, incl. breaks, night and weekend work	Yes	Yes/High	No - rated as satisfactory	Medium	
Employment agreements, incl. salary, holiday pay, salary during leave, etc.	Yes	Yes/High	No - rated as satisfactory	Low	
Overtime work	Yes	Yes/High	No - rated as satisfactory	Low	
Termination	Yes	Yes/High	No - rated as satisfactory	Low	

Identified areas for further internal follow-up in 2024-2025:

Proven range of actual and potential adverse consequences	Implementation of measures (corrective and/or preventive)	Follow-up/verification of implemented measures
Some deficiencies related to the implementation of Human Rights in Bilfinger Standard at the operational level	<p>Review processes and activities in the Bilfinger Standard on Human Rights to identify areas where this should be further specified</p> <p>Include a clear definition of human rights in the management system</p> <p>Update Bilfinger Standard processes, activities and documents based on identified needs</p>	<p>Internal audit programme</p> <p>Feedback from external audits</p> <p>Completed and updated May 2024: Human Rights included as a separate topic in the Management Review (ref evaluation section related to ISO 45001:2018)</p>
Measures to reduce short-term sick leave	<p>Ongoing campaigns:</p> <p>“Closer to Previous”</p> <p>“Build Back”</p> <p>“ABEL” - project health guidance for 4 months (from 2024 June)</p>	<p>Continuous monitoring (monthly)</p> <p>AMU meetings (quarterly)</p>
<p>Make the reporting channels in the company sufficiently known</p> <p>Simplify the possibility of anonymous reporting</p>	<p>Course dealing with bullying and harassment</p> <p>Information campaigns</p> <p>Update BilfingerIN app with anonymous whistleblowing function</p>	<p>Ongoing internal monitoring</p> <p>Employee surveys</p>

Supplier and Business Partner Analysis

Working document prepared based on our most important “Suppliers” and “Business Partners”.



A materiality assessment has been carried out based on the criteria:

- *High-risk countries*
- *High-risk industry*
- *Severity level*
- *Does Bilfinger have the opportunity to influence?*
- *Need for investigations?*

The overview also contains the following items:

- *Name of organisation*
- *Supplier's number*
- *3rd party type*
- *Contact person*
- *Category*
- *Annual turnover with Bilfinger (last 3 years)*
- *Does the supplier have a contractual relationship with Bilfinger today?*
- *Has the supplier signed Bilfinger's updated Code of Conduct (2023/2024)?*
- *Does the supplier have knowledge of the Transparency Act? If so: What has been done to adapt to the law?*
- *Does the supplier have a dedicated reporting channel for bullying, harassment, financial misconduct or other unethical behaviour?*
- *Does the supplier conduct regular supplier audits of its suppliers?*
- *Are there any concerns arising from Google searches of the supplier?*
- *Has the supplier previously completed self-assessment documentation?*
- *Will an on-site inspection be carried out at the supplier's premises in 2023/2024?*
- *How much industry experience does the supplier have?*
- *Is the supplier a member of Ethical Trade Norway?*

See excerpt from overview as of May 2024:

(Note that *company name* and *contact persons* have been removed from the table below)



Firmanavn	Type 3dje part	Kategori	Omsetning med Bilfinger 2020	Omsetning med Bilfinger 2021	Omsetning med Bilfinger 2022	Omsetning med Bilfinger 2023	Har leverandøren et kontraktis oppdaterte Code of Conduct 2023/2024?	Har leverandøren signert Bilfinger is oppdaterte til Åpenhet sloven?	Hvis ja hva har blitt gjort for å tilpasse seg loven?	Har leverandøren en egen varslings kanal for mobbing, trakassering, økonomisk utroskap eller andre kritikkverdige forhold?	Gjennomfører leverandøren regelmessige leverandør auditorer av sine leverandører?	Dukker det opp forhold som bekymrer ved Google selskaper?	Har leverandøren tidligere fylt ut selv-assesment?	Skal det gjennomføres on-site inspeksjon hos leverandør 2023/2024?	Hvor lang bransje erfaring har leverandøren?	Er leverandøren medlem av Etnisk Handel Norge?	Høyrisikoland	Høyrisikobrandsje	Alvorlighetsgrad	Har Bilfinger mulighet for påvirkning?	Behov for undersøkelser?	
Leverandør 1	Leverandør	Service Temp Labour	kr 17 811 249	kr 104 082 623	kr 167 536 700	kr 155 236 944	Ja	Nei	Ja	Selskapet har	Ja	Ja	Nei	Ja	Selskapet har drevet	Nei	Nei	Nei	Uten	Nei	Nei	
Leverandør 2	Leverandør	Service Temp Labour	kr 32 548 056	kr 37 043 444	kr 84 500 444	kr 91 400 570	Ja	Nei	Ja	Har udarbeidet	Ja	Ja	Nei	Ja	30 år haft et tett og	Nei	Nei	Nei	Uten	Nei	Nei	
Leverandør 3	Leverandør	Service Temp Labour	kr -	kr 20 960 422	kr 53 092 512	kr 34 048 762	Ja	Nei	Ja	Har gjennomført	Ja	Ja	Nei	Ja	Selskapet har 2 års	Nei	Nei	Nei	Uten	Nei	Nei	
Leverandør 4	Leverandør	Isolation, Scaffolding, Corrosion & Construction Materials	kr 5 800 107	kr 41 110 975	kr 17 794 902	kr 18 715 523	Ja	Nei	Ja	Ikke innenfor	Ja	Ja	Nei	Ja	Ja	Nei	Nei	Nei	Uten	Nei	Nei	
Leverandør 5	Leverandør	Consumables	kr 6 099 747	kr 9 593 463	kr 11 460 393	kr 10 312 461	Ja	Nei	Ja	Se vedlagt brev	Ja	Ja	Nei	Ja	Nei	15-20 år	Nei	Nei	Nei	Uten	Nei	Nei
Leverandør 6	Leverandør	Isolation, Scaffolding, Corrosion & Construction Materials	kr 2 938 909	kr 5 716 002	kr 6 797 960	kr 8 402 369	Ja	Nei	Ja	Har alltid hatt	Ja	Ja	Nei	Ja	Nei	CA 15-20 år	Nei	Nei	Ja	Uten	Nei	Nei
Leverandør 7	Leverandør	Isolation, Scaffolding, Corrosion & Construction Materials	kr 2 136 789	kr 2 698 803	kr 9 698 037	kr 6 698 059	Ja	Nei	Ja	Vi har satt opp	Ja	Ja	Nei	Ja	Nei	Over 20 års erfaring	Nei	Nei	Nei	Uten	Nei	Nei
Leverandør 8	Leverandør	Steel, Piping Materials & Fittings	kr 234 784	kr 1 959 034	kr 5 631 150	kr 4 940 259	Nei	Nei	Ja	Etablert egen	Ja	J	Nei	Ja	Nei	Etablert i 1957 og har	Nei	Nei	Nei	Uten	Nei	Nei
Leverandør 9	Forretningspartner	Facility service and rental	kr 1 634 083	kr 1 037 966	kr 2 424 935	kr 2 746 774	Ja	Nei	Ja	Gjennomført	Ja	Ja	Nei	Ja	Nei	20 års erfaring med	Nei	Nei	Nei	Uten	Nei	Nei
Leverandør 10	Leverandør	Transportation	kr 594 167	kr 642 350	kr 1 231 332	kr 1 546 448	Ja	Nei	Ja	Har jobbet med	Ja	Ja	Nei	Ja	Nei	40 års bransjeerfaring	Nei	Nei	Nei	Uten	Nei	Nei
Leverandør 11	Leverandør	Service Temp Labour	kr 335	kr 1 922 969	kr 27 413 802	kr 1 437 989	Ja	Nei	Ja	Utarbeidet	Ja	Nei	Nei	Ja	Ja	Fra 2023	Nei	Nei	Nei	Uten	Nei	Nei
Leverandør 12	Forretningspartner	Facility service and rental	kr 419 338	kr 314 267	kr 411 524	kr 540 321	Ja	Nei	Ja	Vennligst se	Ja	Ja	Nei	Ja	Nei	50+ år	Nei	Nei	Nei	Uten	Nei	Nei
Leverandør 13	Forretningspartner	Accommodation	kr 3 330 042	kr 4 794 804	kr 22 664 635	kr 347 912	Ja	Nei	Ja	Etablert	Ja	Ja	Nei	Ja	Nei	Over 10 år	Nei	Nei	Nei	Uten	Nei	Nei

The purchasing department contacts and follows up on relevant suppliers and obtains their feedback. This is work that is currently ongoing and will continue throughout the summer and autumn with possible further campaigns.

Earlier this month, the Bilfinger Group entered into an agreement with *Integrity Next* to use their platform in order to comply with the requirements of the Transparency Act and the OECD Guidelines. This platform contains ESG risk assessments and analyses, impact analyses, proposals for preventive and corrective measures, as well as reporting.

The purchasing department has also received a link to *Integrity Next*. This will be distributed to all suppliers from August, so that they can start the process of registering in this system.

Implemented updates 2024-2025:

May 2024 - Human Rights included as a separate topic in the input template for the Management Review under the evaluation section related to ISO 45001

June 2024 - Bilfinger Group has entered into an agreement with *Integrity Next*

All identified internal measures and follow-up from the analyses above are addressed as internal actions in the reporting system Synergi Active #623477 for further work going forward. Furthermore, this ensures visibility and ownership internally.



Conclusions and further work

Based on the fact that the Company, irrespective of requirements in the Transparency Act, has historically worked actively on issues such as the environment, sustainability, working conditions and SDDC, the Company has a good starting point for meeting the requirements. Furthermore, all our suppliers are also required to follow our strict guidelines in these areas by signing the *Vendor Declaration*.

This is also reflected in internal analyses and external audits.

The Company will continue to work actively to safeguard human rights and working conditions by continuously monitoring our existing barriers to potentially “negative consequences” in these areas.

If you have any questions, please contact:

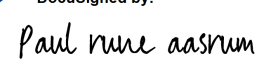
Rune Erland, *Director HR, Payroll & Administration and Compliance Representative*;

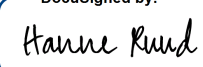
rune.erland@bilfinger.com

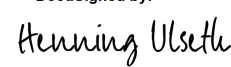
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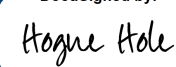
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 Geir Reidar Folkestad
 Chairman of the Board

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 Paul Rune Aasrum
 Deputy Chairman of the Board & CEO

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 Hanne Ruud
 Member of the Board

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 Henning Ulseth
 Member of the Board & employee representative

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 Hogne Hole
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 Christian Johannes Hansen Torsvik
 Member of the Board & employee representative