



Bilfinger Nordics AS

Due diligence assessments in accordance with the Transparency Act 2023

Status as at 15/06/23



Table of Contents

Introduction.....	3
Project schedule	3
Activities implemented in 2022–2023:	3
Choice of method	4
Division and priorities.....	4
Results	5
Own business analysis.....	5
Supplier and Business Partner Analysis.....	6
Implemented management system updates:	6
Conclusions and further work	7



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, 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 22. The working group consists of representatives from Purchasing, HR and HSEQ, and agreed on the following plan up to 30 June 2023:

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 2022–2023:

- 24.08.22 – The working group participates in the webinar on the Transparency Act organised by *Arntzen De Besche*
- 15.09.22 – Imported the Transparency Act into ADEPT, the Company's compliance assessment system
- 20.09.22 – The working group establishes and holds regular collaboration meetings at Kanalarmen 8
- 22.03.23 – First joint meeting on Teams with representatives from *Bilfinger Engineering & Maintenance Nordics AS* for the purpose of information sharing



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](#)

From the beginning of this calendar year, 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 agreed internally to divide the wording of the Act and distinguish between *Own Business*, *Business Partners* and *Suppliers*. Furthermore, our main focus will initially be on areas where we can have the greatest direct influence. 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.

With this as a starting point, the working group prepared suitable working documents based on the model below to address the wording of the Act for further analysis within these three areas:

Supplier	PHASE 1				PHASE 2	
	Link to business	High-Risk Country	High-Risk Industry	Severity	Direct inflence	Need for further evaluations?
Name	Red	Yellow	Yellow	Green	High	Yes
Name	Red	Green	Red	Yellow	Medium	Later
Name	Yellow	Green	Yellow	Green	Low	No



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 January 2023;

Areas – Assessment of Actual and Potential negative consequences	According requirements? (Internal, Client, laws &)	Degree of influence by BIL?	Need for further evaluation	Severity / priority	Actions and measures
Implementation of new requirements in Bilfinger Standard	No - some clarifications required	Yes / High	Evaluations ongoing	Medium	Evaluate need for specifying wording in Policies and CoC Responsibilities? Main focus towards § 4 L.o.M §5
Policies	Yes	Yes / High	Evaluations ongoing	Low	Consider also including nationality, membership, political opinion and health status in equality policy/Ethical guidelines
General facilities (break room, office, toilet, changing rooms, etc.)	Yes	Yes / High	No - Considered as compliant	Medium	
Discrimination, including gender, political views, organizational membership	Yes	Yes / High	No - Considered as compliant	Medium	
Bullying/harassment/conflict	Yes	Yes / High	No - Considered as compliant	Low	
Noise	Yes	Yes / High	No - Considered as compliant	Low	
Dust	Yes	Yes / High	No - Considered as compliant	Low	
Temperature/climatic conditions	Yes	Yes / High	No - Considered as compliant	Low	
Air	Yes	Yes / High	No - Considered as compliant	Low	
Ergonomics, incl. working positions	Yes	Yes / High	No - Considered as compliant	Medium	
Vibrations	Yes	Yes / High	No - Considered as compliant	Medium	
Light conditions	Yes	Yes / High	No - Considered as compliant	Low	
Variation of tasks	Yes	Yes / High	No - Considered as compliant	Low	
Chemicals / Registrations	Yes	Yes / High	No - Considered as compliant	Medium	
Sickness	Yes	Yes / High	Evaluations ongoing	Medium	High long-term sickness absence (7.5% per 01.07.22) Involve BHT to address root causes and further preventive measures Action addressed in Management Review Meeting for 2022 (24.02.23)
Stress / mental / cohesion	Yes	Yes / High	No - Considered as compliant	Medium	
PRE	Yes	Yes / High	No - Considered as compliant	Low	
Support/follow-up from management	Yes	Yes / High	No - Considered as compliant	Low	
Company health services	Yes	Yes / High	No - Considered as compliant	Low	
AMU	Yes	Yes / High	No - Considered as compliant	Low	
Notification methods	Yes	Yes / High	Evaluations ongoing	Medium	Notification channels should be made more familiar within the company
Participation and self-determination involvement	Yes	Yes / High	No - Considered as compliant	Low	
Development according to individual prerequisites (competence, courses, training)	Yes	Yes / High	No - Considered as compliant	Low	
Child and youth care	Yes	Yes / High	No - Considered as compliant	Low	
Working hours, incl. breaks, night and weekend work	Yes	Yes / High	No - Considered as compliant	Medium	
Employment agreements, incl. salary, holiday pay, salary during leave etc.	Yes	Yes / High	No - Considered as compliant	Low	
Overtime	Yes	Yes / High	No - Considered as compliant	Low	
Resignation	Yes	Yes / High	No - Considered as compliant	Low	

Areas identified for future follow-up;

Areas of actual and potential negative consequences	Implemented actions and measures	effectiveness
Possible updates in the management system related new requirements in the Transparency Act; Adequate anchoring of responsibility in the Code of Conduct and HSE Policy	Bilfinger Human Rights (Updated 01.01.23) Internal revision of documents Communication / notification of changes	Through conformity assessment in ADEPT-system Internal audit program Feedback from external audits
Measures to reduce sickness absence (long-term)	Cooperate with local BHT Address root causes Implement preventive actions	Continuous monitoring AMU-meetings
Expand the wording in ethical guidelines to embrace more categories	Expand the terms also to: <i>nationality, trade union membership, political perception and health status</i>	Ensure compliance with SCCDA through updating supplier declarations Update governing documentation
Make different notification channels in the company better known	Courses that addresses bullying and harassment Information campaigns Prepare a "low-threshold" notification channel for employees and hired workers	Ongoing internal monitoring Employee surveys



Note that several of these areas have also been identified during, for example, internal audits and in the Management Review, with associated ongoing actions.

Supplier and Business Partner Analysis

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

In addition to a materiality assessment to the left of the model, these items are further highlighted:

Category, turnover, contractual relationship, signed CoC, completed self-assessment, actions planned/carried out in connection with the Transparency Act, audits, experience, Google search and membership

(Company name and contact persons have been removed from the document below)

Screening Suppliers and Business Partners														Materiality assessment / analysis								
Company Name*	Internal ID	Type	Contact details*	Category	Turnover in BOK with BOK	Turnover in BOK with BBL	Contract relationship (a with BBL)	Does the company report the law's Code of Conduct (2022)?	Are the company's activities in the Transparency Act?	Is YES, what have been taken?	Does the supplier have a self-assessment for the Transparency Act?	Does the company have a self-assessment for the Transparency Act?	Area of concern based on search in Google?	Has the company completed the self-assessment from the Transparency Act?	Are there any pending investigations / Supplier Audit of the Company being done?	How many years of experience?	Are the company a member of any industry associations?	High-risk Company	High-risk industry	Severity	Degree of interest in the BBL?	Need for further investigation?
Business Partner 1	2005429	Business Partner	Details removed*	Cleaning/Chewing	kr 1 030 000	kr 2 500 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No
Business Partner 2	2002286	Business Partner	Details removed*	Maintenance (Buildup)	kr 314 000	kr 431 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No
Business Partner 3	2005425	Business Partner	Details removed*	Accommodation	kr 4 300 000	kr 22 950 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No
Supplier 1	2002246	Supplier	Details removed*	Surface treatment	kr 5 172 000	kr 6 800 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	Yes - for some material.	Low	No	Company has a system in place for their supply chain
Supplier 2	2005497	Supplier	Details removed*	Personnel ID	kr 18 839 000	kr 167 500 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	Yes			No	No	Low	No	No
Supplier 3	2005441	Supplier	Details removed*	Personnel ID	kr 37 043 000	kr 84 500 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	Yes			No	No	Low	No	No
Supplier 4	2003421	Supplier	Details removed*	Personnel ID	kr 20 960 000	kr 53 032 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	Yes			No	No	Low	No	No
Supplier 5	2005704	Supplier	Details removed*	Personnel ID	kr 1 322 000	kr 21 953 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	Yes			No	No	Low	No	No
Supplier 6	2002204	Supplier	Details removed*	Equipment	kr 3 535 000	kr 9 441 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No
Supplier 7	2003478	Supplier	Details removed*	Toolmaking	kr 41 700 000	kr 17 734 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No
Supplier 8	2002274	Supplier	Details removed*	Steel	kr 1 953 000	kr 5 432 000	No	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No
Supplier 9	2002291	Supplier	Details removed*	Hardware	kr 2 395 000	kr 9 600 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No
Supplier 10	2005762	Supplier	Details removed*	Adhesive	kr -	kr 2 874 000	No	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No
Supplier 11	2002836	Supplier	Details removed*	Transport	kr 442 300	kr 1 231 000	Yes	No	From submitted to the Company. Pending feedback.	TBU based on internal form*	TBU based on internal form*	TBU based on internal form*	No	Yes	No			No	No	Low	No	No

The Purchasing Department has started to contact and follow up on selected companies above and collecting their feedback from May. This is work that is currently ongoing and will continue throughout the summer and autumn with possible further actions.

Implemented management system updates:

December 2022 - Checklist for supplier audits updated with a separate point related to the Transparency Act

March 2023 - The Pre-qualification Form sent to new suppliers incorporates a specific point regarding the Transparency Act

April 2023 - Update of existing wording in Terms and Conditions and Vendor Declaration. Furthermore, this document is also translated into Norwegian



All identified internal measures and follow-up from the analyses above are addressed as internal actions in the reporting system Synergi Active #518554 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 analyses carried out during the last quarters.

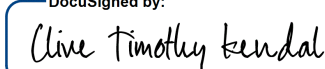
The Company will continue to work actively to safeguard human rights and working conditions by continuously monitoring our existing barriers to potentially “negative consequences” in these areas.

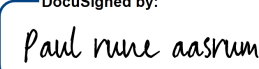
If you have any questions, please contact:


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

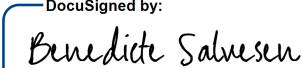
rune.erland@bilfinger.com

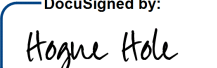
Sola, 15 June 2023


DocuSigned by:

 285061AEAF7D491...
 Clive T. Kendal
 Chairman of the Board

DocuSigned by:

 8F612381EE87449...
 Paul Rune Aasrum
 Deputy Chairman/CEO

DocuSigned by:

 9CBF1F96138346E...
 Christof Springer
 Member of the
 Board/Financial Director

DocuSigned by:

 7C1B78B5D7A94A6...
 Benedicte Salvesen
 Member of the Board

DocuSigned by:

 8D9377BA1E45481...
 Hogne Hole
 Member of the Board

DocuSigned by:

 D4225A9A23A8483...
 Kjetil Ellefsen
 Member of the Board