

Transparency Act

Bredengen aims to make our approach to sustainable business practices transparent through the Freedom of Information Act. We actively and systematically work to identify, prevent, mitigate, disclose, and facilitate how we manage the risks of negative impact on people, society, and the environment as part of the business community.



Procedure for due diligence assessments

1. Due diligence assessments are conducted according to the following methodology:
 - A working meeting for conducting due diligence assessments should be held at least once a year, preferably at the beginning of the second quarter.
 - Risk mapping related to our procurement of goods and services is carried out during the working meeting.
 - We will seek available information about suppliers and carry out risk assessments.
 - Based on risk mapping and prioritisation/significance assessment, we will prioritise areas for improvement and outline necessary actions.
 - The results of the risk mapping are documented in a written report.
 - The written report from our due diligence assessments is made easily accessible on our company's website in accordance with the Transparency Act.
 - In line with the Transparency Act, we disclose where the report is available in the annual report and update and publish the report by June 30th each year.
2. Actions to stop, prevent, and reduce negative impact/harm:
 - Based on risk mapping and prioritisation/significance assessment, specific actions should be evaluated and decided upon by the management team in the company.
 - Actions can be implemented directly towards suppliers/wholesalers from our company.

3. In case of changes:
 - If Bredengen AS becomes aware of significant changes among suppliers, the QA manager, in collaboration with the managing director, should follow up on this and, if necessary, ensure a revision of due diligence assessments and document it.
4. Follow-up actions and their effectiveness:
 - During the meeting (referring to the section on due diligence assessments above), the management team/purchaser should ensure follow-up and evaluation of actions.
5. In case of deviations:
 - If there is suspicion of breaches of contractual obligations related to the Openness Act, this should be reported as a deviation.
 - The QA manager will follow up with purchasing and respective suppliers.
 - Deviation handling is documented in our quality system EQS.

The company's work on mapping and due diligence assessments

Bredengen AS strives to ensure that the business upholds fundamental human rights and decent working conditions.

We work on corporate social responsibility in accordance with our ethical guidelines (<https://www.bredengen.no/ethical-guidelines>), which bind our employees, as well as our Code of Conduct (<https://www.bredengen.no/code-of-conduct>), which binds our suppliers of goods and services worldwide. The law is thus integrated into our ongoing work. We have regular follow-ups with suppliers through discussions, visits, surveys, and risk-based analyses.

As a general principle, this applies to everyone we collaborate with. We set strict requirements to ensure the best possible protection of the environment, working conditions, and social rights and comply with national laws and regulations.

Mapping and delineation

Through our work with ISO 9001 and 14001, we have made significant progress in mapping our challenges. All our suppliers have approved and signed our Code of Conduct (<https://www.bredengen.no/code-of-conduct>).

We have divided our suppliers into the following groups: operational suppliers, transport suppliers, and product suppliers.

- **Operational suppliers:** Our operational suppliers are mainly local companies; upon review, we consider these companies low-risk.
- **Transport companies:** Our transport companies are divided into two categories:
 - the transportation companies we use for imports. These are large international companies that focus on human rights and decent working conditions, and we have limited influence over them.

- The transportation companies we use for product delivery in Norway, of which Ramberg and Transportsentralen are our suppliers for product distribution. We have good dialogue and clear overview of how they address human rights and working conditions; therefore, these companies are low risk.
- **Product suppliers:** We have focused on our foreign product suppliers, specifically the six largest suppliers that account for over 85% of our turnover.

Additionally, we will continue working with the remaining small suppliers. We do not make regular purchases from these suppliers, and they are primarily based in Asia and the USA.

Due diligence assessments of product suppliers

For our major product suppliers, we primarily engage in long-term partnership agreements with established suppliers who commit to delivering on health, safety, and environmental standards, as well as ensuring decent working conditions and upholding social rights. Our key suppliers are based in Europe but have production facilities in various locations worldwide. We have a good overview of their operations and practices, giving us good opportunities for influence.

Our six largest suppliers are

- Huber+suhner <https://www.bredengen.no/huber-suhner-ag>
- Prysmian Group <https://www.bredengen.no/prysmian>
- FIMO <https://www.bredengen.no/fimo>
- SPINNER Group <https://www.bredengen.no/spinner>
- ASSMANN <https://www.bredengen.no/assmann>
- NKT <https://www.bredengen.no/nkt>

No human rights violations or risks of indecent working conditions or environmental issues were identified based on conducted investigations. Our impression is that the suppliers have good control over these aspects within their own companies.

Risk of negative consequences

The risk analysis covers all Bredengen AS' suppliers, not just the largest ones. Therefore, we have identified the need to focus on small suppliers categorised by country. The assessments encompass factors relevant to the Transparency Act (fundamental human rights and decent working conditions) and environmental risks.

We expect increased pressure in these areas will result in requirements cascading back through the value chain, necessitating even better control of the supply chain.

Implemented measures to mitigate significant risk of negative consequences

We have conducted a thorough review of the websites of all our suppliers to assess what they have documented on their websites. We have also updated our questionnaire and are now re-sending it to all product suppliers, including the smaller ones in Asia and the USA.

Conclusion

The management regularly reviews the company's risk profile, and any identified risks are followed up with specific actions. As of July 2023, no negative consequences have been identified, but we will continue our efforts to gain an even better overview.