



ACCOUNT OF DUE DILIGENCE

Norwegian Transparency Act





The Norwegian Transparency Act

Bertel O. Steen Power Solutions AS and its subsidiaries (“BOS Power”) have a rigorous approach to business ethics developed in accordance with Norwegian and international frameworks. This approach focuses on issues such as human rights; labor rights; environmental protection; health and safety; diversity; equal opportunity; and prevention of illegal behavior, bribery and corruption.

One framework that plays a particularly important role in guiding our approach to business ethics is the Norwegian Transparency Act, which was enacted by the Norwegian Parliament on June 10, 2022. The Transparency Act establishes requirements for certain Norwegian businesses - including ours - to report on fundamental human rights and working conditions:

“The Act shall promote enterprises’ respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.”

The Transparency Act also requires that companies like ours regularly publish assessments of what we are doing to comply with the Transparency Act and achieve its aims.

This report contains our assessment for 2023. It begins by giving some background about our company and then describes the steps we have taken, and continue to take, to promote fundamental human rights and working conditions.

About BOS Power

BOS Power is an industrial company headquartered in Bergen, with 10 additional locations in the Nordic region. Our more than 200 employees provide propulsion, energy storage, and power generation systems to customers in the Nordic region. Our systems help secure critical operations in the commercial marine, data storage, health care, energy, telecommunications, and industrial sectors. As a systems integrator, we deliver complete solutions and work with customers from design to production to commissioning.

We also have extensive support and service offerings, which allow us to ensure that the systems we deliver are meeting our customer’s daily needs. Our network of engine workshops carry out overhauls and refurbishments, while our mobile, multi-discipline technicians ensure fast and reliable on-site support.

Headquartered in Bergen, with over 200 employees, BOS Power operates in 10 locations throughout the Nordic region and is part of the Bertel O. Steen Group in Norway.

Embedding Responsible Business Conduct in Our Policies

To ensure that we operate ethically and in compliance with law, we have formulated a set of guidelines and a code of conduct (referred to jointly as our “Policies”) that describe our expectations and requirements for how we carry out business. Our Policies apply to all employees and consultants in BOS Power and its subsidiaries; all board members in our subsidiaries; all partners and agents working on our behalf; and to all companies providing strategic or critical products and/or services to us.



The Policies make clear that BOS Power supports and promotes fundamental human rights and decent working conditions and that we expect those who work with us to do the same. The Policies address expected standards for work, the importance of complying with routines to ensure that ethical practices are followed, and the need to follow all internationally recognized human and labor rights principles.

Risk of Negative Consequences for Human Rights and Labor Rights

In the past years, BOS Power has invested heavily to increase the sustainable power solutions that we are able to offer the market. We expect to continue to expand our sustainable offerings. This will necessarily involve participation in new markets and activities, and we recognize that when a company begins operating in a new ways and places, there may be an increased risk of failing to promote human and labor rights.

Furthermore, since 2020, BOS Power has acquired a number of companies through M&A transactions. It may acquire additional companies in the future. These companies business ethics' programs and approaches may not always be as mature as those of BOS Power. And while BOS Power works with the companies it acquires to make sure that they adopt and integrate our Policies and practices, this process can take some time. During this time, there may be an increased risk of failing to promote human rights and decent working conditions.

We also acknowledge the risk of limited supply chain transparency for some of our components. To combat this, we have increased our focus on monitoring and managing suppliers and have a supplier follow-up process in place. This allows to assess products and their origin, as well the qualification of our suppliers. We invested more in supply chain monitoring and management in 2023 and expect further investment in 2024.

Based on risk assessments, we have identified that suppliers located outside of Europe require special attention due to a higher risk of human and labor rights violation. To mitigate these risks, we require that these suppliers pass our supplier screening, agree and adhere to our Policies, and accept requests for additional information and audits.

Measures to Stop, Limit or Reduce Negative Consequences for Human and Labor Rights

We take a number of steps to protect human rights and working conditions. First, and most importantly, we focus on the safety of our employees and business partners. We do this by having robust HSE systems in place, carrying out HSE training, and monitoring workplace safety closely.

Second, we provide our staff with annual training on compliance with laws and ethical guidelines.

Third, we hire employees directly through our own companies, reducing the risk of human and labor rights issues. The recruitment policy is open and inclusive. There is no unwanted part-time in the company, and working hours and times are arranged for special needs. The company facilitates equal opportunities for all employees.



Fourth, and as described above, we require our suppliers to adhere to our Policies, and we make clear to them what our expectations, principles, and minimum requirements for behavior are, particularly concerning fundamental human rights and decent working conditions.

Finally, we carry out corporate social responsibility due diligence. This applies both to our suppliers and ourselves. It includes a review of country risk ratings, grievance mechanisms, organizational structure, operational scope, and stakeholders.

If we identify risks, we analyze their probability and severity, and identify mitigating measures. Our risk assessments takes into consideration the nature, size, geographical location, and proximity of the risks, with a particular focus on human rights and working conditions.

Communication and Reporting

Compliance with law and ethical practices is non-negotiable for us. We wish to receive information regarding any activity related to our business that could be illegal or unethical.

If anyone within our organization is aware of a breach of law, ethical guidelines, or our Policies (including breaches of human and labor rights), they are obligated to bring this to our attention. Suppliers are also urged to report these types of breaches. Our employees, contractors and suppliers all have the opportunity to use our whistleblower channel, which provides for anonymity, if they wish to report a breach or potential breach ([BOS Power Whistleblower Channel](#)). They are also informed that they may make such reports to line managers or senior managers.

We will not retaliate or accept any discrimination against, or other negative consequences for, persons or companies reporting possible misconduct to us.

Bergen, June 26th, 2024

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