

Bonheur ASA

Transparency Act Statement

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Bonheur remains focused on conducting its business with honesty and integrity and expects everyone involved in Bonheur's business to reflect high standards of behaviour in accordance with internationally established human rights and applicable regulations for and within the Bonheur group of companies.

Promoting fundamental human rights and decent working conditions and business relationships, is important to Bonheur. Thus, Bonheur is in support of regular due diligence assessments in accordance with the OECD Guidelines for multinational enterprises.

Background and overview

Bonheur ASA is domiciled in Norway with its head office in Oslo and is listed on the Oslo Stock Exchange. Today, Bonheur is invested in various business segments through distinct operating subsidiaries. Bonheur is managed by Fred. Olsen & Co. AS and have no employees.

Bonheur's energy sector investments focus solely on renewable energy and a strong eco-system of renewable energy related companies has been developed, including industrial and financial partners, with operating subsidiaries to drive profitable growth and sustainability. Through its operating subsidiaries, Bonheur owns a substantial portfolio of both operable wind farms and development projects mainly located in Scandinavia, Ireland, Italy and the United Kingdom. Capitalizing on its vast experience from diversified investments and interests in marine operations and renewable energy, Bonheur's investments and interests have over the years expanded further into the offshore wind service industry where it i.a. comprises transportation, installation and maintenance services related to offshore wind turbines.

Bonheur reports its consolidated results in reference to four distinct business segments: Renewable Energy, Wind Service, Cruise and Other Investments.

Currently, Bonheur's operating subsidiaries hold development projects at different stages of maturity and operates assets with varying supply chains. To the extent that Bonheur's operating subsidiaries sit in joint venture operations, the relevant respective partners' supply chains have by such subsidiaries been considered out of scope for the purpose of such subsidiaries' reporting under the Transparency Act.

Suppliers and business partners of Bonheur's operating subsidiaries are based in different countries in different regions, and there is a uniform focus within these subsidiaries to support the upholding of human rights throughout various value chains. With a global supply chain, the risk of unfavourable working conditions is higher than in domestic operations, and there is a focus within these operating subsidiaries to continue developing and assess measures in place to reduce this. Business activities have an indirect positive effect on workers in the value chain by creating and sustaining jobs and expectations set towards suppliers can contribute to better working conditions.

At the same time, it is recognized that parts of the operating subsidiaries' value chain may have activities in geographies and industries that may have inferior workplace safety and respect for

workers' rights. Workplace accidents and injuries, and illnesses can lead to increased costs, reduced productivity, and reputational damage, potentially affecting long-term values.

In reference to the Transparency Act, due diligence has been undertaken by operating subsidiaries of Bonheur, following the recommendations in OECD's six-step process. This statement points to findings from the said due diligence.

Embed responsible business conduct

The first step in a proper due diligence process is to assess whether responsible business conduct is duly embedded in the business conduct of the company in issue. The applicable Code of Conduct serves as a guideline for operations. It states the policies for maintaining high ethical standards and integrity and covers aspects that are relevant for the operations of subsidiaries, supply chain, and other business relationships. The relevant Code of Conduct is published internally and at the relevant subsidiaries' websites, and employees must undergo mandatory training on the Code of Conduct.

Identify risks

A scoping exercise to identify where risks are most likely to be present and most severe, has been undertaken. Correspondingly, operations have been assessed as well as the respective value chains. The due diligence process points to two steps, addressing industry risks as well as geographic risks.

Industry risks

In order to identify the industry risks, operating subsidiaries have used the European Bank of Reconstruction and Development's (EBRD) index. They have assessed the industries relevant for their operations as well as the main industries assessed as relevant for major suppliers. According to the EBRD index, the industry risk has been assessed low for operating subsidiaries of Bonheur and for their major suppliers.

Geographic risks

In the assessment of geographic risks, operating subsidiaries have used the International Trade Union Confederation (ITUC) Global Rights Index for working condition risks associated with a country. This has been used to assess geographic risks for all countries where such subsidiaries have employees, and for countries where they have suppliers. ITUC divides the countries into 6 categories:

1. Occasional violations of rights
2. Repeated infringement of rights
3. Regular violations of rights
4. Systematic violations of rights
5. No guarantee of rights
6. No guarantee of rights due to breakdown in the rule of law

Activities of the operating subsidiaries in Norway, Sweden, Denmark, Italy and Ireland have been considered as low risk when it comes to human rights breaches and working conditions. ITUC

identifies higher risk in the USA and in the UK, where recent legislation and practices could indicate worsened conditions for trade unions and the right to collective bargaining. However, the general risk related to activities and the value chain in the UK and the USA are still considered low. Overall, the assessment shows an increase in high-risk vendors based on geographic location for some of Bonheur's subsidiaries. One of the reasons for this is the ITUC change in classification of UK that in 2022 were a medium risk.

Cease, prevent or mitigate adverse impacts

To mitigate identified risks, operating subsidiaries have reported on implementing different appropriate measures. One example is a requirement of written confirmation on compliance with different aspects relating to human rights from suppliers in the Philippines. The suppliers were also required to provide a copy of their HSE policies as part of the tender process. A process is ongoing within subsidiaries on developing new policies and guidelines for sustainable business practices, including procedures for due diligence assessments. Such guidelines will be implemented by operating subsidiaries as appropriate. and they will point to due diligence assessments becoming part of the operations within the respective departments of the relevant operating subsidiaries. Training of relevant personnel and increasing the amount of supplier dialogue to understanding of risks and mitigating measures will be part thereof.

Follow-up processing

If Bonheur should become aware that any subsidiary contributes to adverse human rights impacts, either directly or through their value chain, adequate steps will be considered.

No actual adverse impacts have been reported during 2023. Bonheur is continuously assessing which markets and geographies to be engaged in through its operating subsidiary companies.

Bonheur will as appropriate make available relevant information on due diligence policies in accordance with Transparency Act §5. Such account information will be made available by no later than 30th of June the following year.

The Board of Directors and the Managing Director
of Bonheur ASA