

# Requirements Responsible supply chain

Set out below are the requirements that Bane NOR currently applies to its suppliers regarding responsible supply chain. These requirements relate to contracts for building and construction. In the case of all other contracts, the requirements will apply insofar as they are appropriate.

These requirements are implemented through Bane NOR's contracts. The provisions of these requirements are more detailed in the contracts, and descriptions are provided of the consequences of any violation of each respective provision.

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## 1. Ethical norms

Acts contrary to laws, regulations, contract provisions and good business practice shall not occur. Bane NOR does not accept conditions that violate ethical norms that are widely endorsed in society, including harassment, discrimination or other behaviour that others may perceive as offensive, threatening or degrading.

## 2. Compliance with applicable laws and regulations

The supplier shall comply with all applicable laws and regulations while conducting its business.

## 3. Impartiality

The supplier must notify Bane NOR as soon as possible if any circumstances that may give rise to partiality arise.

## 4. Whistleblowing

The supplier shall notify its employees and subcontractors involved in Bane NOR assignments of Bane NOR's whistleblowing channels and procedures.

## 5. Gifts

The supplier shall not offer, give or receive gifts, hospitality or remuneration of expenses that may give or be perceived to give an undue advantage in relation to a person's position, office or assignment.

## 6. Criminal organizations, corruption, money laundering and fraud

The Supplier shall establish necessary measures in order to ensure that the business's financial transactions are not utilized for money laundering.

Bane NOR may in any case terminate the contract if the supplier is convicted by an enforceable judgment for participation in a criminal organization or for corruption, fraud or money laundering after entering into the agreement.

In addition, the right to terminate exists if the supplier has been found guilty in an enforceable judgment of a criminal offence relating to professional conduct or of serious negligence concerning professional or ethical requirements in the industry in question after entering into the agreement.

Bane NOR may also terminate the contract if it can be demonstrated as probable with a general preponderance of evidence that the supplier is guilty of such offences.

## 7. Social responsibility

### 7.1 Compliance with international conventions

Contractual work should be performed, and deliverables should be produced, under conditions compliant with the requirements of conventions and legislation as specified below:

- The UN Declaration of Human Rights
- The UN Convention on the Rights of the Child , Art. 32
- The ILO Convention, nos. 29, 87, 98, 100,105, 111, 138 and 182.

Such requirements apply to the contractor's own business as well as the supply chain.

The contractor must be able to document that work is carried out in compliance with the above. If such documentation is not presented, or if violations of the above regulations are discovered, the construction client is entitled to demand that the contractor rectifies the situation immediately, and to impose daily fines, cf. the provisions of chapter C3.

If the contractor fails to rectify the situation within 30 days of such demand made by the construction client, or if the issue is of a nature which cannot be rectified, violations of this provision is to be regarded as a material breach of contract and may constitute sufficient grounds for cancellation of the contract.

Alternatively, the construction client may demand redelivery of parts, materials, building components or other parts of the contractual work which have been produced in violation of these provisions, regardless of the costs of such redelivery, and may demand compensation for losses incurred by the breach of contract. When estimating the loss, deductions should not be made for accumulated daily fines.

The contractor carries the burden of proof that this provision has been complied with.

## 7.2 **Obligation to carry out due diligence assessments**

To ensure compliance with the requirements of point 7.1, and to prevent and deal with any deviations from said requirements, policies and routines for due diligence assessments should be set up by the contractor within 6 months of the start of the contract.

This means that the contractor must map, prevent, reduce, and clarify how they manage the risk of negative impacts on the requirements of point 7.1, and how they rectify damage. In accordance with the methods of due diligence assessments, interested parties, especially affected rightsholders, should be involved. Top priority should be given to the most serious risks, regardless of where they occur in the chain of supply.

Due diligence assessments on the part of the contractor should include:

1. One of more publicly available policies, established by the Board. The contents should as a minimum contain an obligation to comply with the requirements of point 32.1, within their own business as well as the supply chain. One or more staff on management level should be responsible for compliance and reporting to the Board on the work regarding due diligence assessments. The contractor should have routines for the communication and regular follow-up of such policies within their own business and the supply chain.
2. Routines for performing regular risk analyses within their own business and in the supply chain. This involves the mapping and assessment of risks of violation of the requirements of point 32.1.

3. The routine(s) should describe what measures the contractor will implement to stop, prevent, or reduce negative impact and damage to the requirements of point 32.1.
4. The contractor should clarify their routines for monitoring the performance and effect of such measures.
5. The contractor must be able to refer to publicly available information on the work on due diligence assessments within their own business and in the supply chain. This includes how they deal with the risk of violations to the requirements of point 32.1, and any resultant damage within their own business and in the supply chain.
6. If the contractor has caused or contributed to damage, this should be dealt with by rectifying or cooperating to rectify the damage and offering compensation to injured parties.

### 7.3 Obligation to participate in the contract follow-up

The contractor should ensure compliance with the requirements of points 7.1 and 7.2 within their own business and in the supply chain.

If the contractor is made aware of situations violating points 7.1 and 7.2 in the supply chain, the contractor should report this to the client without undue delay.

The construction client may demand documentation of compliance by one or more of the following measures:

1. Presenting the established policies and routines, cf. point 7.2.
2. Presenting an overview of production units within the supply chain, including contractual information, for selected products and/or components and/or raw materials. The client specifies which products and which part of the supply chain.
3. Replying to self-reporting no later than six weeks after it has been sent out by the client unless the client has specified a different deadline.
4. Presenting accomplished risk analyses and reporting on the follow-up and handling of the findings.
5. Participating in follow-up talks with the client, and other relevant parties where applicable.
6. Producing report(s) relevant to the requirements of points 7.1 and 7.2.
7. Control and revision of the requirements of points 7.1 and 7.2 on the part of the contractor.
8. Control and revision of the requirements of points 7.1 and 7.2 within the supply chain.

Contract follow-up may be carried out by the client or by a public entity in cooperation with the client.

The client reserves the right to share revision reports and other contract follow-up information with other public entities. Such public entities are bound by confidentiality.

### 7.4 Sanctions

In case of violation of points 7.1-7.3, or of insufficient documentation, the follow additional sanction provisions apply:

The client may:

1. Demand rectification: The contractor should present an action plan on when and how breaches of contract will be rectified. The actions should be reasonable in relation to the nature and extent of the breach. The action plan should be presented within four weeks. In case of material breach of contract, the client may set a shorter deadline. The action plan and documentation of rectifications should be approved by the client.
2. Implement immediate halt of the whole or parts of the delivery when the contractor fails to comply with the requirement of presenting an action plan, or when the action plan is not complied with. During such halt of delivery, replacement purchases made with a different contractor will not be regarded as breach of contract.
3. Demand that the contractor changes a subcontractor in case of material breach of contract, repeated serious violations, or if the action plan is not complied with. This should be done at no extra cost to the client.
4. Cancel the contract: In case of material breach of contract, repeated serious violations or if the action plan is not complied with.

## 8. Membership of StartBANK

For contracts relating to building and construction services as well as cleaning services, the following applies:

Upon entry into the contract, the supplier shall provide a StartBANK ID or submit a copy of its StartBANK registration certificate. The supplier shall authorise StartBANK to collect tax and fee information throughout the duration of the contract.

## 9. Requirements for HSE-card

For contracts relating to building and construction services as well as cleaning services, the following applies:

All employees who carry out work on building and construction sites, including employees who perform support functions such as canteen operation, cleaning etc. when they are permanently established inside the site perimeter, must have an HSE card (HMS-kort) and wear it so that it is clearly visible.

The construction client reserves the right to perform inspections to ensure compliance with the requirements set out in the first paragraph. On request by the construction client, the supplier and any subcontractors shall produce documentation of compliance with said requirements.

People who transport goods to building and construction must have an HSE card if the work takes place regularly.

People who do not have an HSE card shall be expelled from the building and construction sites.

## 10. Access to and transfer of supplier data

For contracts relating to building and construction services, the following applies:

The supplier shall establish a system for access control on building and construction projects.

In the case of building and construction projects where the supplier is responsible for access control, it shall grant Bane NOR access to all existing registered information in the supplier's registration systems. The supplier shall transfer information to Bane NOR's system on an ongoing basis. The information that shall be transferred as a minimum includes the unique identification of each person who is granted access to a construction site, including the time in and time out, and other details contained in the HSE card.

In the case of building and construction projects where Bane NOR has its own system for registration in place, the supplier shall ensure that those persons performing work on site register themselves in Bane NOR's registration system.

## 11. Subcontracting chains

For contracts relating to building and construction services as well as cleaning services, the following applies:

The supplier may not have more than two links below in the chain of subcontractors. This provision does not cover contracts for the delivery of goods.

The supplier's use of sole traders shall be justified in writing.

If the supplier fails to meet this obligation, the Bane NOR shall be entitled to retain part of the contract price, corresponding to 10 per mille of the contract price until it has been documented that compliance has been achieved. This sanction is not limited by the Contract's limitations in responsibility. Additional remedies for breach of contract can be enforced by the Bane NOR, including the right to terminate the Contract.

## 12. Wages and working conditions

For agreements covered by Regulation No.112/2008 of 8 February 2008 regarding wages and working conditions in public contracts, the following applies:

In areas covered by the regulations relating to the general application of collective agreements, the supplier shall ensure pay and working conditions that comply with the applicable regulations. In areas not covered by the regulations relating to the general application of collective agreements, the supplier shall ensure pay and working conditions that comply with the current national collective agreement for the relevant industry.

In this context pay and working conditions are defined as the provisions relating to minimum working hours, pay, including overtime premiums, shift and rotation premiums, and inconvenience premiums, and the reimbursement of expenses due to travel, board and lodging, insofar as a collective agreement sets forth such provisions.

The supplier is obliged to make sure that employees in own and Subcontractor's organization, that directly contribute to enforce this Contract, have wages and working conditions in accordance with this obligation. This applies to work performed in Norway.

The Bane NOR and the one who he designates is entitled to supervise and control that the supplier's meet this obligation and shall have access to necessary documentation to supervise that the Contract's



wages and working conditions are fulfilled. Hereby the supplier is obliged on request to give the Bane NOR copy of contract of appointment for the employees who directly contribute to enforce this Contract, their paychecks and time sheets, the employer's bank statement and documentation on sufficient living conditions to the employees. The documentation shall be on personal level. In addition, the Bane NOR can demand access to the locals that are used to accommodation og the employees.

The supplier shall carry out all necessary checks in relation to Subcontractors that directly contribute to enforce this Contract. The supplier shall document the results of the controls and send the documentation to the Bane NOR. On request by the Bane NOR the supplier shall enforce specify controls og the Subcontractors. That means that the supplier also shall control and document that the working hours in total are in accordance with the legal limits where the supplier's own employees and/or the Subcontractor's employees fulfill work at other projects, for other customers and/og other contractors. Breach of the working time conditions are in this context to be considered as å breach of the supplier's working hours.

The supplier has the burden of proof that the supplier meets this obligation. Gross or repeated violation of this obligation are to be considered as a significant breach og the Contract.

If the supplier fails to send the documentation within 30 days after that the Bane NOR has requested documentation or within other time limit the supplier shall pay liquidated damages of NOK 3 000 for each weekday until sufficient documentation is received.

If the supplier fails to meet this obligation, the Bane NOR shall be entitled to retain part of the contract price, corresponding to approximately two (2) times the savings of the supplier, until it has been documented that compliance has been achieved.

These sanctions are not limited by the Contract's limitations in responsibility. Additional remedies for breach of contract can be enforced be the Bane NOR, including the right to terminate the Contract.

## 13. Self-reporting of pay working conditions

For agreements covered by Regulation No.112/2008 of 8 February 2008 regarding wages and working conditions in public contracts, the following applies:

The supplier shall submit a completed form for self-reporting of wage and working conditions. This form must also be submitted to all subcontractors.

## 14. Requirement of mandatory occupational pension

The supplier and any subcontractors must have an agreement of mandatory occupational pension (with an approved pension facility, in accordance with the Act on mandatory occupational pension.

The construction client reserves the right to perform necessary controls of the compliance with the requirements set out in the first paragraph. On request by the construction client, the supplier and any subcontractors shall produce documentation of a valid agreement of mandatory occupation pension with an approved pension facility, and that all employees who are covered by the scheme have been registered effective from their first day of work.

In case of violations of this requirement, the construction client will impose sanctions as specified in chapter C3.

Material breach of the requirement of mandatory occupational pension, including the requirement of documentation, may be cited by the construction client as ground for termination of the contract, even if the supplier rectifies the situation. If the breach has occurred with a subcontractor (including staffing agencies), the construction client may demand that the supplier "replaces the subcontractor. Such replacement shall occur at no cost to the construction client.

## 15. Payments to bank

Salaries and other payments to own employees, subcontractors, subcontractors' employees and hired employees who are directly involved in contractual work shall be paid to bank accounts.

The construction client reserves the right to perform necessary controls of compliance with the requirements set out in the first paragraph. On request by the construction client, the supplier and any subcontractors shall produce documentation of such compliance.

In case of violations of this requirement, the construction client will impose sanctions as specified in chapter C3.

## 16. Extended tax certificate

For contracts relating to building and construction services as well as cleaning services, the following applies:

Bane NOR has entered into a collaborative agreement with the Norwegian Tax Administration that requires all the suppliers that enters a contract has to sign a power of attorney that entitles Bane NOR, an unlimited number of times, to obtain information on the tax affairs of its suppliers and subcontractors, as specified in the power of attorney.

## 17. Reporting to the Assignment and Employee Register

The supplier shall notify Bane NOR within one week if it or its subcontractor(s) enter into an agreement or contract with a foreign firm or foreign labour. The supplier shall also report to the Assignment and Employee Register within 14 days following entry into any agreement with subcontractors.

## 18. Disclosure duty and language skills

Fulfilment of the contract will be done using the Norwegian language, unless otherwise specified.

A work team must at all times contain at least one person who understands and is able to communicate in Norwegian or English. This person must also understand and be able to communicate in a language which

all the other people in the work team can understand and communicate in. The term «work team» refers to a group of people performing a task together in a physically delimited area.

Written documentation used in, or relevant to, the work to be performed by any individual must be available in a form which can be well understood by the individual. If the supplier or subcontractors use workers with a foreign native language, documentation must be produced of a system of communication which ensures that the workforce used at any given time have received all relevant information pertaining to their work. Such documentation may be e.g. plans, routines, information relating to safety, health and work environment, wage and work conditions, safety training, safety protocols, safety instructions, safety leaflets, warning signs and manuals for tools and work equipment.

In case of breach of this requirement, the construction client is entitled to stop the works at the risk and expense of the supplier, to the extent that the construction client deems it to be necessary. The delay incurred by the supplier as a result of such stoppage gives the construction client the right to impose daily fines, according to the rules on delays in chapter C1 pt. 34 of the contract.

## 19. Requirements for skilled staffing

For contracts relating to building and construction services, the following applies:

When carrying out contracted works, a minimum of 40% of the total worked hours in the building and construction professions shall be performed by persons with certificates of completed apprenticeship, advanced craft certificates or documented skilled training accordance with national professional training legislation or equivalent foreign professional training. There shall be skilled workers in all the aforementioned professions. The requirement may also be fulfilled by worked hours being carried out by persons who are undergoing systematic training and have been registered according to the requirements set out in the Experience-Based Trade Certification scheme (Act of 17 July 1998 no.61 relating to Primary and Secondary Education and Training, § 3-5), or according to corresponding schemes from another EU/EEA member state. In sole proprietorship companies, the above requirements apply to the owner.

The requirements for skilled staffing set out above may be fulfilled by the supplier or by one or more of its contract assistants.

On concluding the contract, the supplier must provide documentation of how the requirement will be fulfilled. The supplier's monthly reports must show the degree of fulfilment, and on request by the construction client the supplier must submit staffing plans showing the fulfilment.

In case of breach of this requirement, the construction client has the right of retention as specified in chapter C3. If the breach is not rectified within a reasonable period of time, this will be regarded as material default.

## 20. Apprenticeship Scheme

For contracts relating to building and construction services, the following applies:

In the performance of the contract works, at least 7% of the total hours worked in the building and construction professions (applies to the subjects covered by the education program for building and

construction, electrical, as well as landscaping) shall be carried out by apprentices (Act of 17 July 1998 no.61 relating to Primary and Secondary Education and Training, § 4-1). This requirement may be fulfilled by the supplier and one or more of its subcontractors.

The requirement may be partially fulfilled by worked hours being carried out by persons who are engaging in systematic training and are registered in accordance with the requirements of the Apprenticeship Scheme (Act of 17 July 1998 no.61 relating to Primary and Secondary Education and Training, § 3-5).

Non-Norwegian contractors can satisfy the requirement by using apprentices from an apprenticeship scheme in the country of origin. If the country of origin does not have an apprenticeship scheme, the requirement can be met by using trainees from a training scheme in the country of origin.

A supplier who is attached to an apprenticeship scheme, and who can document genuine, but unsuccessful attempts to conclude apprenticeship contracts, shall be considered by the construction client to have fulfilled the apprenticeship requirements. A supplier who is attached to an apprenticeship scheme and has concluded an apprenticeship contract, but who is unable to make use of the apprentice due to circumstances caused by the apprentice, shall be considered by the construction client to have fulfilled the apprenticeship requirements if the supplier can document genuine, but unsuccessful attempts to conclude a new apprenticeship contract.

Upon the start of the contract, and on request during the contractual work, the supplier shall provide documentation of fulfilment of the requirements. On takeover, the supplier must produce an overview of the number of apprentice worked hours. Timesheets must be provided on request.

In case of breach of this requirement, the construction client will impose sanctions as specified in chapter C3. If the breach is not rectified within a reasonable period of time, this will be regarded as material default.

## 21. Compliance with the Norwegian Sanctions Act and associated regulations

Both parties shall comply with the Sanctions Act, 16. April 2021 nr. 18, and associated regulations ("Norwegian Sanctions Legislation").

On request, the Supplier shall ensure that the Contracting Authority receives the information and documentation necessary to check that the Norwegian Sanctions Legislation are complied with at all stages of the supply chain. This includes information about the origin of materials, freight arrangements, supply lines and ownership of the contractor, subcontractors and commercial partners.

Violations of the Norwegian Sanctions Legislation by the Supplier are considered a material breach of the contractual obligations. The same applies if it is clear that violations of the Norwegian Sanctions Legislation

will occur. The Supplier has the burden of proof that the Norwegian Sanctions Legislation have been complied with.

Violations of the Norwegian Sanctions Legislation by a subcontractor give the Contracting Authority valid grounds to demand replacement. The same applies if it is clear that violations of the Norwegian Sanctions Legislation will occur or where the subcontractor does not, within specified deadlines, submit requested information or documentation.

If the Supplier does not send information and documentation within 30 days of the Contracting Authority submitting a request for this, the Supplier shall pay a daily fine of NOK 3,000 per workday until satisfactory information and documentation has been received.

## 22. Transfer of contractual obligations to subcontracting chains

The supplier is obliged to continue all requirements of this document in its agreements with subcontractors/employment/hire companies/sole traders that directly help to fulfill work under this agreement.

## 23. Breach of contractual obligations – consequences on future competitions

Any violation of the supplier's obligations will be noted and may be of significance in future procurements.

	Violations of the requirements on mandatory occupational pension	<p>If the suppliers fails to submit the documentation within 14 days after the request made by the construction client, the supplier shall pay a daily fine of NOK 3000 per working day, until satisfactory documentation has been received.</p> <p>The construction client is entitled to withhold a amount corresponding to twice the supplier's estimated saving, until it is documented that the situation has been rectified for the entire contractual period. If documentation is not submitted, or if the situation has not been rectified before takeover, the withheld amount will be deducted from the final settlement.</p>
	Violations of the requirements on payments to bank	The construction client is entitled to withhold a amount corresponding to twice the amount which the supplier has

		<p>paid out in cash contrary to this requirement, until it is documented that the situation has been rectified. If documentation is not submitted, or if the situation has not been rectified before takeover, the withheld amount will be deducted from the final settlement.</p>
	Violations of the requirements for skilled staffing	<p>The construction client is entitled to withhold up to 10 per mille of the contractual amount until the situation has been rectified.</p> <p>If the requirement has not been fulfilled before takeover, up to 10 per mille of the contractual amount will be deducted from the final settlement.</p>
	Violations of the requirement for apprenticeship schemes	<p>The construction client is entitled to withhold up to 5 per mille of the contractual amount until the situation has been rectified.</p> <p>If the requirement has not been fulfilled before takeover, up to 5 per mille of the contractual amount will be deducted from the final settlement.</p>