

Our work related to the New Transparency Act (Norway)

General description, guidelines, and procedures

The ElecnoR Group is a global corporation present in over 50 countries whose purpose is to promote change and wellbeing by bringing infrastructures, power, and services to enable regions around the world to develop their potential. The ElecnoR Group places engineering and technology at people's service. In that way the Group helps achieve the Sustainable Development Goals established under the international agenda and is a part of the solution with a view to meeting the social and climate-related challenges currently faced.

In Norway, ElecnoR focuses its activity in two of the company's traditional businesses: high voltage substations and electrification projects in the railway sector.

Since its foundation in 1958, the ElecnoR Group and all its employees have been and continue to be committed to pursuing their professional activities in keeping with the highest ethical standards and legislation in the countries in which it operates.

In relation to the new Transparency Act entered into force in Norway on 1st July 2022, which purpose is to promote businesses' respect for human rights and decent working conditions, it must be noted that since its beginning, the ElecnoR group has been fully committed to supporting, respecting, and protecting human rights in all the areas in which it operates, in accordance with its ethical principles and Corporate Social Responsibility.

Throughout its history, the ElecnoR Group has developed (and updated) several internal policies closely linked to the requirements of the new Transparency Act:

- **ElecnoR's Sustainability Policy**
- **ElecnoR's Human Rights Policy**
- **ElecnoR's Gender Equality Plan**
- **ElecnoR's Code of Ethics and Conduct**
- **ElecnoR's Code of Ethics and Conduct for Providers, Subcontractors, and Associates**

All these ElecnoR policies are approved and reviewed by the Board of Directors and are posted on the ElecnoR Group website (www.elecnoR.com/sustainability-en) and the ElecnoR Norway website (www.elecnoR.no/our-commitment).

They provide behavioral guidance applicable to all employees, branches and subsidiaries of the Group and all the companies collaborating and having relations with the ElecnoR Group in the performance of their activities, such as suppliers, subcontractors, consultants or advisors, commercial partners, and collaborators in general.

As a main rule, all ElecnoR employees are obliged to perform their professional activities in accordance with the highest ethical standards described in ElecnoR policies and, consequently, it is the responsibility of each one of ElecnoR employees to:

- Act in accordance with ElecnoR ethical principles and values.

- Know and comply with the provisions of ElecNor policies and its implementing rules and procedures, as well as with applicable laws, regulations, and standards.
- Promptly report any possible non-compliance with the law or our internal ElecNor standards.
- Cooperate fully in investigations and audits.
- Help ElecNor's partners understand the provisions of ElecNor's policies and the obligation to comply with it in their professional dealings with the ElecNor Group.

ElecNor's Human Rights Policy is aligned with the Corporate Social Responsibility Policy and the Group's Code of Ethics, as well as with the following reference standards:

- The United Nations Universal Declaration of Human Rights
- The Principles of the United Nations Global Compact
- United Nations Sustainable Development Goals (SDGs)
- The International Labour Organisation's Declaration of Fundamental Principles and Rights at Work
- OECD Guidelines for multinational enterprises
- The Performance Standards of World Bank Group

Through this policy ElecNor is committed to exercise due diligence to identify any risk that threatens human rights, to prevent possible violations and to mitigate any impact that may arise under the United Nations Guiding Principles on Business and Human Rights.

This commitment is fulfilled by publicly establishing actions to ensure that all its stakeholders are aware of the Policy so they can also uphold the aforementioned commitment.

The ElecNor Group's commitment to conducting its activities in accordance with the highest ethical standards, and respect of human rights, is not optional. The ElecNor Group applies the principle of zero tolerance to practices that contravene ElecNor's standards and conduct policies.

ElecNor will not participate in actions that compromise the universal human rights recognized in national and international law, and promotes the following principles in all its activities and areas:

- ✓ To demand **respect for human rights** from all its professionals and partners.
- ✓ To ensure **non-discrimination** based on gender, age, race, disability, or any other form of discrimination by promoting equal opportunities and respect for diversity.
- ✓ To promote and guarantee a work environment in which the **dignity and safety** of persons is respected, avoiding any threat or expression contrary to the said dignity and safety and, especially the different forms that harassment may take (job-related, sexual, physical, moral, and psychological).
- ✓ To **reject forced labour** in all its forms and any abuses of power, as well as the use of **child labour**.

- ✓ To **protect the health and safety** of its professionals by making safety a non-negotiable value and by undertaking a commitment to causing zero accidents and damage to the health of the people.
- ✓ To **respect the rights of local communities** with particular attention to more vulnerable groups, such as ethnic minorities and indigenous communities, by promoting initiatives and ongoing dialogue.
- ✓ To **reject corruption** in all its forms by committing to the highest ethical standards and compliance with the law and implementing a principle of zero tolerance towards malpractice.
- ✓ To **have complaints procedures** to deal with possible cases of human rights violations.
- ✓ To recognize the **freedom of association and affiliation** of their employees.
- ✓ To **ensure the confidentiality of and right to privacy** of all persons who interact with the company and to use all the data it possesses appropriately.

In order to implement its commitments with human rights, the company tracks its performance in accordance with the United Nations Guiding Principles on Business and Human Rights.

The due diligence is carried out in 4 steps:

- **Step 1. Identification and evaluation of risks on human rights or working conditions.**

The methodology followed consist of analyzing how each of the company's activities is related to each of the human rights by identifying the actual or potential risks that may arise either by the nature of the work performed or by the environment and conditions in which it is carried out.

This analysis is reflected in an evaluation matrix where all the identified risks are listed, and an evaluation (probability / impact) and treatments are assigned to each one of them.

Once this evaluation matrix is obtained, the preparation of mitigation measures will proceed (Step 2).

- **Step 2. Mitigation measures and adaptation of the most significant risks.**

This step includes all the Company's Policies and Conduct Codes previously mentioned that are approved by the Board of Directors and publicly posted and shared with all the employees. They are mandatory for all the employees and subcontractors who must apply them, make them known and transmit them to lower levels and all the partners working with the company.

In addition, specific mitigation measures for the most significant risks identified in Step 1 are incorporated.

For each project carried out by the company these measures and guidelines are materialized in a "Code of conduct" which incorporates all the measures implemented to monitor the significant impacts identified in Step 1. This Code of Conduct is given to all employees, subcontractors and partners involved in the project, it is incorporated in the agreement with the contractor and it is also shared on information panels.

Likewise, a person is appointed, a social technician, to be in charge of controlling and monitoring all the parameters included in said Code and who is the reference person in case of any kind of problem.

- **Step 3. Internal evaluation of the application of the incorporated measures.**

In this step, the degree of compliance of the implemented measures is checked internally.

Periodically, an internal evaluation must be carried out to verify that the measures incorporated are being met. To do so, the social technician has a checklist in which it will be assessed whether the measures are compliant, non-compliant or if there are any kind of comments or observations.

In parallel to the verification of the social technician, there is a formal mechanism for claims and complaints available to both employees and groups that are directly or indirectly related to the projects (local communities, administrations, and partners). It is an information exchange tool that has the objective of giving those who need the opportunity to be able to transmit if there is any violation of their rights or working conditions.

- **Step 4. External audits that assess compliance with the above steps.**

To objectively confirm the company's compliance with the principles and actions shared with employees, customers, and stakeholders, Elecnor undergoes external audits which evaluate strong points, opportunities for improvement and non-conformities with the parameters established and standards to which Elecnor is adhered to.

In 2022, Elecnor and Elecnor Servicios y Proyectos were certified by AENOR for Corporate Social Responsibility (CSR) according to IQNet SR10:2015 standard.

IQNet certificate is available at Elecnor's website:

www.elecnor.com/sustainability-en

Impacts and risks identified

Through its due diligence, in the scope of its activity and the types of projects it develops, Elecnor has identified three major risks to which it has given priority:

- Risk associated with **gender equality**.
- Risk associated with **discrimination** based on cultural differences, age, race, disability, or any other form of discrimination.
- Risk associated with the **safety** of workers in the execution of projects.

On the one hand, Elecnor has consistently indicated its commitment to Equality and non-discrimination. Regarding gender equality, its branch of activity has historically had a low percentage of female presence so the company continues to focus on reducing this gender disproportion and promoting measures avoiding discrimination between men and women.

In addition, Elecnor has a multicultural workforce composed by employees from different countries, cultures, and with different religions so the risk of discrimination based on cultural differences, especially when workers live together in the life bases or site camps has been assessed as probable and the company focuses on ensuring

that there is any kind of discrimination between the staff and also against any of them by external partners.

On the other hand, due to the type of activity carried out by ElecNor and the dangerous nature of the works involved in construction and electrification projects, the health and safety of everyone taking part in its activities is one of the ElecNor's main objectives and priority risk on which the company focuses its attention.

Measures implemented

✓ Measures implemented to promote gender equality:

ElecNor has established an Equality Plan which is available at the company's website: www.elecnor.com/sustainability-en. It develops ElecNor's commitment to guarantee real and effective equal opportunities between men and women in the company and explains the works areas targeted in the implementation of measures.

To promote the gender equality, ElecNor has established measures in the following areas:

- **Selection and hiring:**

ElecNor applies non-discrimination and equal opportunity criteria both in selection processes and in the development of its employees' professional careers.

In the selection processes, gender is absolutely excluded as a professional evaluation factor. Only experience, training and knowledges are used as criteria for selection.

In the same way, in the development of its employee's professional careers, only merit, effort, performance results, and future potential are used as criteria in the promotion process.
- **Training:**

The company promote training actions that equally facilitates the development of skills and competencies, regardless of gender.

Both men and women are ensured equal access to in-house trainings to drive professional development and adaptability to job requirements.

The company also facilitates the participation of people returning to work after extended leaves of absence for family reasons in appropriate training courses for their professional retraining.
- **Remuneration:**

ElecNor seeks to ensure that its remuneration policy respects the criteria of objectivity and fairness, recognizing and rewarding merits and not based on gender factors. The company implements a remuneration system that always guarantees neutrality. ElecNor's wage policy is for men and women performing jobs with equal responsibility to receive equal pay.
- **Communication:**

Owing the fact that equality begins as of the company's communication with its shareholders (employees, shareholders, and customers), ElecNor is committed to incorporated in both internal and external communication the gender perspective, to which end a Communication Policy will be drafted.

In all company communications, as well as in its public dissemination, publicity and recruiting actions, special care will be taken to use neutral, non-sexist language.

The process will bear in mind that communication encompasses language, images, and content.

The company has established a mailbox (codigoetico@elecnor.com) so that employees can send any type of suggestion or resolve a conflict.

- **Social protection:**

The company works on preventing and avoid any sexual or gender-based harassment by means of a whistleblowing channel in Corporate Compliance and a Protocol to prevent situations of workplace and sexual harassment.

The company is committed to investigate all complaints received through the whistleblower channel.

All the workers have right to use the whistleblower channel with guarantees of not being subject to intimidation, unfair or unfavorable treatment, assuring them also total confidentiality in the investigation of the complaint.

Behavior or actions that constitute any form of sexual or gender-based harassment will be considered as a workplace misdemeanor that will lead to the company adopting disciplinary measures in accordance with the gravity of the events.

- **Work-life balance:**

In addition to complying with the country's requirements in relation to the rights and leaves of absence linked to the balance between professional obligations and personal and family life, the company is gradually introducing other measures to ensure that the conciliation is as optimal as possible -such as telecommuting, flexible working hours, and other non-statutory leaves of absence for personal affairs.

✓ **Measures implemented to mitigate the risk of discrimination:**

To prevent and avoid any type of discrimination for cultural or ethnic reasons, the company establishes the following measures:

- The principles in **selection, hiring, training, and promotion processes** previously mentioned are also applied to ensure non-discrimination and equal opportunity regardless of race, nationality, social origin, marital status, sexual orientation, ideology, religion, or kinship. All these are excluded as professional evaluation factors and only merit, effort, performance results, training, experience, and future potential are used as criteria for professional differentiation between people.

- To prevent discrimination behaviors or actions between employees or against them by external partners, a "**Conduct Code**" is established for each project which incorporates all the measures and guidelines that must be met in the performance of the duties and in the cohabiting environment. This Code of Conduct is given to all employees, subcontractors and partners involved in the project, it is incorporated in the agreement with the contractor and it is also shared on information panels.

And, a social technician is appointed to be in charge of controlling and monitoring all the parameters included in said Code and who is the reference person in case of any kind of problem.

- Apart from the social technician, those responsible for the different departments must ensure that they maintain a **work environment free of discrimination**. They must react and report all types of behaviors that are suspected of causing any type of discrimination.

- **A whistleblower channel** is established so that any worker can use to announce any kind of discrimination treatment or problem, with guarantees of not being subject to intimidation, unfair or unfavorable treatment, assuring them also total confidentiality in the investigation of the complaint.

✓ **Measures implemented to ensure safety work conditions:**

To ensure safe working conditions, mitigate the risk of accidents and make all workers aware of the importance of complying with the safety requirements in the performance of activities, Elecnor implements the following measures:

- **Emphasis on training:**
 - The company ensures that all employees received the mandatory training courses for the execution of their activities.
 - The company ensures that health and safety prevention training are undertaken both in the project site and between office's personnel.
 - The company ensures that all training courses related to health and safety are periodically updated and renewed.
- **Emphasis on specific safety requirements** in the use of machinery, in the execution of specific works and in the use of the adequate personal protective equipment:
 - In each project, the Health and Safety Department oversees the transmission of the safety requirements in the use of machinery and in the execution of specific works. Among the activities carried out, great emphasis is placed on the safety measures required for work at heights, work with live equipment and the use of lifting machinery.
 - The company supplies the Personal Protective Equipment (PPE) required and ensures that workers are made aware of the importance of using them correctly and of periodically checking them to detect possible wear and tear or defects that could lead to their renewal.
 - The company ensures that the workers are made aware that, in case of differences between the safety requirements imposed by the contractor or the country/region in which the project is executed and the Elecnor's internal safety requirements, the strictest must be followed.
- **Development of awareness campaigns** for the entire Group:
 - The company carries out various campaigns to make employees aware of the importance of following the correct safety measures to avoid accidents. These campaigns consist of awareness-raising videos that are posted on the company's intranet, incorporated into prevention courses and meetings, and sent to all employees by email. As an example, one of the latest campaigns, under the slogan "Complicit or protective?" sought to raise awareness of the need, not only to comply personally with safety requirements, but also not to be complicit in the non-compliance of other colleagues, conveying the importance of always alerting and protecting colleagues who may be at risk.
 - In addition, in its desire to raise awareness, Elecnor has established as an internal requirement that all project meetings, management

meetings and executive meetings begin with a "Security Contact", a first point of the meeting that must address the importance of safety either through the reminder or lecture of Elecnor's safety principles, a relevant "Lesson learned" in the field of safety or by including some of the awareness campaigns carried out.

- **Ongoing site inspections and audits**, and adoption of suitable corrective measures in order to correct the origin of the deficiencies.
 - The Health and Safety Department performs site inspections and audits to ensure proper compliance with security requirements.
 - Notifications and eventually warnings are imposed to those who disregard the safety instructions.
 - Periodically, the company also distributes to all employees, by email and publicly on the intranet, brief sheets called "Lessons learned" alerting of risk situations occurred in other projects, what lesson has been learned, and how the situation should be handled in future cases to avoid accidents.

Through all these measures, Elecnor wants to achieve its goal of excellence in safety and zero accidents and damage to the health of the people.

You can read more about how Elecnor works to ensure the respect of human rights and decent working conditions through all the company's policies posted on our website: <https://www.elecnor.com/sustainability-en>.

For more information, inquiries can be sent by email to elecnonorway@elecnor.com or by post to:

Elecnor / Elecnor Servicios y Proyectos
Prinsens Gate 5
0152 Oslo.