



## Report on due diligence assessments in accordance with the Norwegian Transparency Act

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The Transparency Act came into force on 1 July 2022. The Transparency Act's stricter requirements for transparency and accountability are intended to help prevent human rights violations and indecent working conditions at enterprises' business partners and in their supply chains. For Gassco, this means that the company will provide anyone who requests it with information about how Gassco addresses actual and potential negative impacts on fundamental human rights and decent working conditions. In the following, Gassco will report on the work on due diligence assessments based on the requirements of the Transparency Act.

The President and CEO of Gassco has overall responsibility for addressing actual and potential negative impacts on fundamental human rights and decent working conditions. Responsibility for sustainability management is delegated to the Director of the Safety, Security and Sustainability Unit, who must ensure that due diligence assessments are conducted and help address actual and potential negative impacts of our activities.

Gassco has worked with CSR as an integral part of its corporate governance for a good many years. This is described in the company's framework document "Management of Corporate Social Responsibility", which is in line with the international standard for corporate social responsibility, ISO26000. The company takes a risk-based approach to this work.

Processes have been established in Gassco's management system to support the company's work on conducting due diligence assessments pursuant to Section 4 of the Transparency Act. Gassco has anchored its responsibility for conducting its business in an ethical, sustainable and socially responsible manner in a separate policy, which is available (in Norwegian only) on its website:

"Gassco's policy for fundamental human rights and decent working conditions". This policy provides more information on how Gassco works to ensure that fundamental human rights and decent working conditions are respected, both in its own activities and supply chain and at business partners with direct links to its activities.

Gassco's business partners and suppliers deliver a wide range of goods and services related to its area of responsibility. These range from basic goods and services within administrative support functions to technologically advanced equipment and services related to the company's infrastructure, as well as research and development.

Gassco's head office is in Norway, with dedicated employees at the receiving terminals/departments in Belgium, France, Germany and the UK. The first link in the company's supply chain includes suppliers in Norway, Belgium, France, Germany, Italy, Spain, Sweden, Switzerland, the Netherlands, the UK and the US.

The day-to-day operation of the transport system is performed by technical service providers (TSPs). Equinor Energy AS is the TSP for the majority of the pipeline system, as well as the process plants at Kårstø, Kollsnes and Vestprosess. A/S Norske Shell is the TSP for Nyhamna process plant. The operations and procurements carried out under the TSP agreement are vital for Gassco. Interaction with the TSP for follow-up of suppliers and compliance with the requirements of the Transparency Act has been established in accordance with Offshore Norge's Guideline No. 148, "Recommended Guidelines for the Transparency Act", where it is assumed that the operator's role applies correspondingly to the TSP.

Gassco has already established a number of preventive measures to address the negative impacts of our activities. As an operator, Gassco is subject to an overriding duty to follow up everyone who performs work for the company, which in practice refers in particular to TSPs. Among other things, this duty entails ensuring that the TSPs comply with applicable regulations.

Gassco imposes demands on suppliers in the procurement process through a code of conduct and requirements relating to health, safety and the environment:

- During the prequalification process, the supplier's procedures for safeguarding health, safety and the environment (HSE), decent working conditions and human rights are surveyed. Investigations are conducted to determine whether there have been incidents of corruption, child labour, human rights violations, violations of workers' trade union rights, etc. This information is obtained from the suppliers themselves, as well as through internet searches and the use of external resources. The scope of this research depends on a risk-based approach. Factors that are identified may have consequences for the supplier's participation in the tender process.
- Gassco sets requirements for its suppliers through a code of conduct that covers, for example, decent working conditions and human rights for its employees. The code of conduct contains provisions concerning follow-up and sanctions.
- Gassco's goal is to ensure that the company's activities do not harm people, the environment or material assets. Gassco requires its business partners to strive to achieve the same goal. To this end, its suppliers are subject to extensive HSE requirements.

Gassco has conducted due diligence assessments in accordance with the OECD guidance, through which it has mapped and assessed actual and potential negative impacts for fundamental human rights and decent working conditions as a result of its business activities. This includes damage to, and drawbacks for, the environment and factors related to corruption.

As part of this work, Gassco has mapped the first link of the supply chain with the help of an external supplier. In addition, an initial mapping of Gassco's project portfolio and operational tasks has been carried out, including an assessment of risk based on the complexity and scope of the work in question.

The survey did not identify any actual negative impacts from the company's activities - either at Gassco or at its suppliers or business partners.

Nor have significant risks been identified for Gassco's activities, although the company has identified some areas that it wishes to prioritise and improve. These are, in order of priority:

- 1.** Establishing a new procurement procedure that clarifies roles and responsibilities in Gassco, including procurements at terminals, and establishing clearer requirements for the qualification of suppliers with regard to human rights and decent working conditions.
- 2.** Supplier follow-up in non-TSP project execution. For example, clarifying responsibilities and roles in Gassco, as well as developing checklists for human rights and decent working conditions at suppliers' places of work.
- 3.** Reviewing and updating contracts for existing suppliers.
- 4.** Improving Gassco's expertise in work environment management, both internally and in connection with projects.
- 5.** Requiring climate impact documentation and emphasising environmental considerations in project procurements.

