



## **Statement from Bulk – The Norwegian Transparency Act**

### **1. Bulk Infrastructure Group AS**

Bulk Infrastructure is a leading provider of sustainable digital infrastructure in the Nordics. We are an industrial investor, developer, and operator of industrial real estate, data centers, and fiber networks. Our headquarter is in Oslo with operational teams and sites in other places in the Nordics. We are in total approximately 85 employees and organized into three business areas of Industrial Real Estate, Fiber Networks, and Data Centers.

We believe in the value creation opportunity of enabling our digital society to be fully sustainable. Our ambition is to be the go-to player for anyone that wants to leverage the Nordics for data processing requirements of the future, whether in Denmark, Sweden, or Norway.

Bulk Infrastructure was established in 2006.

Over the years, we have developed more than 500 thousand sqm of industrial buildings including data centers, as well as 10 thousand km of subsea and terrestrial fiber networks. We have a customer portfolio ranging from specialized local players to global giants within their fields, and we own strategic land parcels in several Nordic countries.

#### **Data centers**

Bulk Data Centers is an industrial developer, owner, and operator of data centers and data center services across the Nordics. Bulk has a portfolio of assets, capabilities and partners to serve any data center customer requirement in a fast, secure, cost-efficient, and sustainable way. The base portfolio consists of three strategic assets located in Oslo (OS-IX), Kristiansand (N01 Campus) and Esbjerg (DK01 Campus) with international connectivity.

We have in-house expertise in data center design, engineering and operations that combined with our industrial real estate development experience and fiber network deployments allow us to shape the full value chain of the data processing infrastructure.

#### **Bulk Industrial Real Estate**

Bulk Industrial Real Estate is a Nordic real estate developer, specializing in industrial buildings, large modern warehouses, cross-dock terminals, and logistics parks.

The business area was established in 2006 and has already developed and delivered to customers more than 500,000 m<sup>2</sup> of high quality, flexible, and energy-efficient facilities as of 2022.

#### **Bulk Fiber Networks**

Bulk Fiber Networks owns and controls fiber infrastructure with the purpose of enabling the Nordics for large scale data processing. We operate fiber cables from Bergen to Oslo and Oslo via Kristiansand to Stavanger and Esbjerg (DK) and are part-owner of the Havfrue cable connecting the US with Northern Europe, and the Havhingsten system connecting Ireland and UK to Esbjerg. Bulk also owns and operates, the Havsil system connecting Kristiansand to Esbjerg.

Our fiber infrastructure is modern with high capacity including both subsea and terrestrial systems.

We can offer dark fiber to carriers, large scale data center customers and others that want to produce bandwidth services on top of our infrastructure. Bulk considers itself as an infrastructure provider within fiber, being a partner rather than a competitor to traditional carriers.



## **Our supply chain**

Our supply chain reflects our business areas. Since we are developing industrial real estate, we obviously have contracts with engineering and construction companies, and suppliers connected with industrial development and construction.

Our data center and fiber business both have supply chains consisting of suppliers connected to daily management of data centers, as well as electrical, engineering and production of both services and products necessary for these operations.

## **2. Guidelines and routines**

By conducting due diligence assessments, our operations aim to comprehensively identify, prevent, mitigate, and address any potential negative impacts associated with our activities that could lead to violations of human rights and undermine decent working conditions. Through these assessments, we proactively map out and account for the risks involved, enabling us to take appropriate measures to ensure the protection and promotion of human rights and fair working conditions.

Bulk infrastructure has developed guidelines for conducting due diligence assessments and has plans to implement a standardized procedure for all new suppliers and business partners in 2023. This means that conducting due diligence assessments will become a mandatory and integral component of all new business relationships established by Bulk infrastructure. By implementing this routine, Bulk infrastructure aims to ensure consistent and thorough due diligence practices throughout its operations and maintain a commitment to responsible and ethical business conduct.

The due diligence process undergoes a review and receives approval from the board. An overview of the process, along with information on where to access detailed documentation, is included in Bulk infrastructure's annual report. Before publication, the statement is signed by all board members and the CEO, ensuring their endorsement and commitment to the process. The annual report, including the signed statement, is released no later than June 30th each year.

Complete due diligence assessments are conducted every three years. In the periods between assessments, suppliers and business partners are followed up through onboarding routines and by addressing any actions identified in the previous assessment's action list. This continuous monitoring and engagement help ensure ongoing adherence to responsible practices and the fulfillment of due diligence requirements.

## **3. Due diligence process**

Bulk infrastructure conducts due diligence assessments in accordance with the guidelines outlined by the Organization for Economic Cooperation and Development (OECD) for multinational companies. The assessment process is structured into five distinct steps, which are as follows:

### **Step 1 – anchoring accountability in guidelines and management processes**

Bulk infrastructure has updated internal management systems and made guidelines for carrying out due diligence assessments in accordance with the requirements in the Transparency Act. The statement is signed by the CEO and the board.

### **Step 2 – Mapping and assessment of the company's negative impact/damage**

The purpose of step 2 is to uncover whether there is a risk of potential or actual negative impact. In accordance with the law's requirement for proportionality, Bulk infrastructure makes a limitation of which suppliers and business partners are to be assessed. The limitation is in line with the company's



size and influence. Bulk infrastructure has chosen a delimitation based on the turnover value in the previous fiscal year.

Every supplier falling under this definition undergoes an assessment based on four criteria: their core activities, nationality, ownership, and an overall impression of the company. Subsequently, a more detailed evaluation is conducted for those companies deemed necessary, determining which suppliers should be contacted for further assessment.

Suppliers requiring further scrutiny are sent a questionnaire regarding their practices in safeguarding human rights and promoting decent working conditions. The responses provided in the questionnaire are thoroughly assessed to determine whether there is a need for additional follow-up with the supplier.

### **Step 3 – Stop, prevent or reduce negative impact**

In the event that potential or actual negative impacts are identified during the due diligence assessments, Bulk infrastructure is committed to taking prompt and appropriate actions to address and mitigate these impacts. These actions may include measures to halt, prevent, or reduce the negative consequences associated with its operations. By taking proactive steps, Bulk infrastructure aims to ensure that responsible practices are followed, and that any adverse effects on human rights or working conditions are effectively managed and minimized.

### **Step 4 - Monitoring and follow-up of measures and results**

Bulk infrastructure maintains an action plan that encompasses specific details such as the supplier or business partner's name, a comprehensive description of the findings, an assessment of the severity of the issues identified, information about the measures that have been implemented, the expected outcomes of these measures, and a deadline for closing each action item. The prioritization of these measures is determined based on both the severity and probability of the identified findings. By organizing the action plan in this manner, Bulk infrastructure can effectively address and resolve the identified issues, ensuring a systematic and structured approach to mitigating any adverse impacts on human rights and working conditions.

### **Step 5 - Communication of negative impact/damage**

If negative impacts or damages are discovered during the due diligence assessments, Bulk infrastructure is committed to communicating the details of these findings, as well as the steps taken to address and mitigate them, to the parties affected by such impacts. The communication will provide information on whether and how the identified issues are being handled and resolved.

Furthermore, the findings and the corresponding actions taken to address them will be included in the statement prepared by Bulk infrastructure. This ensures transparency and accountability by documenting both the identified negative impacts and the measures implemented to address them, thus providing a comprehensive overview of Bulk infrastructure's commitment to responsible business practices.

## **4. Due diligence 2023**

Bulk infrastructure commenced the due diligence assessments in the autumn of 2022. To streamline the process, Bulk infrastructure decided to narrow down the number of suppliers and business



partners based on their turnover value from the preceding financial year. As part of stage 2, all suppliers with whom Bulk made purchases exceeding NOK 500,000 in 2022 underwent evaluation based on four predetermined criteria.

Furthermore, Bulk infrastructure maintains a comprehensive record of critical suppliers, and each of these suppliers has undergone an assessment based on the established criteria. The restriction on supplier evaluation led to a thorough review of 263 suppliers. Among these, 75 suppliers were identified for further investigation. A significant portion of these companies specializes in providing products within high-risk categories or operates in industries that are known for non-standard employment practices, social dumping, unsatisfactory health, safety, and environmental (HSE) conditions, as well as concerns related to wages and working hours, among other factors.

In January 2023, a questionnaire was sent to 75 suppliers, inquiring about their efforts to protect human rights and ensure fair working conditions within their supply chain and with their business partners. The suppliers also provided information regarding their major owners and the extent of their supply chain links. The feedback received from all suppliers was evaluated, and subsequently, three of them were requested to provide additional clarification regarding their responses.

## **5. Findings**

No significant issues or concerns requiring damage control or restoration efforts have been discovered during the assessments. Likewise, no findings have emerged that necessitate an immediate termination of cooperation or the halting of deliveries.

However, certain companies have not provided satisfactory explanations regarding their internal processes or systems. Ongoing follow-ups are being conducted to ascertain the acceptability of their systems.

Additionally, there are some companies that have indicated an anticipated timeline for providing a satisfactory response. These companies are being monitored and followed up in accordance with their specified schedule.

## **6. Follow up/measures**

Bulk has identified certain companies that require regular follow-ups, and a schedule has been devised to accommodate these intervals for effective monitoring and evaluation.

Furthermore, comprehensive procedures have been implemented to carry out due diligence assessments for new suppliers and business partners when entering into contractual agreements for the first time. Simultaneously, individual follow-up routines will be established for each new supplier/partner to ensure ongoing compliance and adherence to standards.

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Oslo, 29.06.2023

The Board of Bulk Infrastructure Holding AS



Torbjørn T. Moe

Torbjørn T. Moe

Member of the board

Peder Nærbø  
Founder and Executive Chair

Lars Oskar Bustgaard  
Member of the board

Member of the board

Lars Erich Nilsen  
Member of the board

John Anthony Carrafiell  
Member of the board

General Manager  
Jon Gravråk