


<b>Title:</b> Ardyne AS Transparency Act Report 2024	<b>Author:</b> Murray Fearn	<b>Created:</b> 07.06.2024	
<b>Workspace name:</b> Norway Transparency Act	<b>Document number:</b> DUID-1626993653-15	<b>Version:</b> 3.0	

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## 1 About Ardyne

Ardyne AS (hereinafter “Ardyne AS”, “company”, “we”, “us”, and “our”) is a limited liability company registered in Norway with registered address Kontinentalvegen 10 4056, Tananger. Ardyne AS is a subsidiary of Ardyne Holdings Limited, a company headquartered in Aberdeen, UK, but Ardyne AS only operates in Norway.


Ardyne AS currently has 35 employees. 11 of those are field engineers who work offshore, with the rest working from our main operating base in Tananger, or at our sales office in Bergen.

Ardyne AS develops and supplies specialised technology and services to the global energy industry. Our technology is designed to optimise operations, cut costs and reclaim rig time, and is backed by decades of operational insight from our team. We provide field service in the below applications, delivering Ardyne AS’s expert knowledge and experience with a focus on responsiveness and adaptability.

- Well Abandonment – Casing Recovery, Casing Removal and Rigless solutions for Permanent Plug & Abandonment Applications.
- Slot Recovery/Re-entry – Systems for Well Preparation including Recovery and Removal of Casing, Whipstocks and Contingency Standard and Specialised Fishing Tools.
- Workover – Well Repair components including fishing & contingency tools, and Milling, Cutting & Pulling Tools.

In addition to developing our own systems and tools, Ardyne AS works with selected suppliers of industry best technology, to provide tried and tested solutions for P&A, Slot Recovery/Re-entry, and Workover applications. Combining this best-in-class existing equipment with our independent service capability and knowledge transfer options, we offer reliable conventional fishing services in addition to our own niche technology, to bring our customers a full range of options to suit their operations.

On the 31<sup>st</sup> January 2024, Ardyne was acquired by Weatherford, a leading global energy services company, providing equipment and services used in the drilling, evaluation, well construction, completion, production, intervention, and responsible abandonment of wells

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across the broad spectrum of energy sources. However, information in this report is relevant to Ardyne AS specifically.

## 2 The Norwegian Transparency Act

The Norwegian Transparency Act came into force on July 1<sup>st</sup>, 2022. Its purpose is to promote Norwegian enterprises' respect for fundamental human rights and decent working conditions.

The act obliges Norwegian enterprises over a certain size, and foreign enterprises over a certain size offering goods and services in Norway, to conduct integrity due diligence. The due diligence includes identifying and assessing actual and potential adverse impacts on fundamental human rights and decent working conditions that the enterprise has either caused or contributed toward, or that are directly linked with the enterprise's operations, products or services via the supply chain or business partners. Enterprises are also required to implement suitable measures to cease, prevent or mitigate adverse impacts based on the enterprise's prioritisations and assessments.

In addition to conducting this integrity due diligence, the Act obliges the enterprises to publish an account of the due diligence work at least annually, and no later than 30<sup>th</sup> June.

## 3 Ardyne AS framework for conducting integrity due diligence

Ardyne AS seeks to promote fairness and good ethical values for all its employees. We are dedicated to upholding the highest standards of integrity, safety, and respect for human rights across our operations and we have comprehensive frameworks in place to ensure compliance with these principles. Adherence to these principles ensures our operations contribute positively to society and the environment. Our key policies and procedures are as follows:

### Code of Conduct


Our Code of Conduct sets forth the ethical standards and expectations for our employees, contractors, and partners, promoting integrity, accountability, and transparency.

### Human Rights Policy

We are committed to respecting and promoting human rights in accordance with international standards such as the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.

### Health, Safety, and Environmental (HSE) Policies and Procedures

We prioritise the health and safety of our employees and the protection of the environment through our HSEQ management system.

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## Implementation and Accountability

Our leadership is dedicated to upholding these Policies and Procedures and integrating them into our business strategy.

## Supply Chain Due Diligence

Our critical suppliers also contribute to our success, and as such it is important for us to ensure that the same fairness and good ethical values also exists for staff employed by our suppliers. In Ardyne AS, we strive to ensure that all our suppliers respect fundamental human rights and decent working conditions.

To achieve this, we have adopted a risk-based approach. We currently categorise all our suppliers based on known risk factors such as region of operation, and type of goods or services being procured. Suppliers are evaluated, qualified and selected based on their ability to deliver a good quality product/service in a professional, safe, healthy and environmentally acceptable manner.

Ardyne AS's due diligence work is also based on the principle of proportionality. We place our larger suppliers under more scrutiny than our smaller suppliers. This allows us to maximise our impact on human rights and decent working conditions.


When managing our suppliers, we use a diversified toolset in our due diligence work. For example, we expect our suppliers to complete our Supplier Selection and Evaluation Questionnaire (SC-FORM-005) which has recently been updated to include human rights and decent working conditions related questions. We also expect our suppliers to adhere to rules and regulations regarding fundamental human rights and decent working conditions. To ensure this, we have clauses in our terms and conditions that oblige our suppliers to comply with all relevant rules and regulations, and to notify Ardyne AS upon any suspicion of breach.

Furthermore, we now also require our suppliers in Norway to complete our Norway Transparency Act Compliance Questionnaire regarding fundamental human rights and decent working conditions as per the Norwegian Transparency Act, as further described below.

## 4 Risk Evaluation of Ardyne AS Suppliers

### Location Risk

Ardyne AS strives to use local suppliers wherever possible and is proud of the fact that approximately 90% of our critical suppliers are in the same region as our Tananger operations facility, while other critical suppliers are based in the UK and Germany. We understand that Norway has a well-developed regulatory compliance framework for human rights and HSE. This means that the risk of breaches of fundamental human rights and decent working conditions is generally lower in Norway. Some of our critical suppliers are also themselves obliged to adhere to the Transparency Act and conduct their own integrity due diligence.

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## Industry/Product Risk

Our industry requires the use of raw materials, which we believe can present a higher risk of adverse impact for human rights and decent working conditions. We have identified suppliers of Ardyne AS providing manufacturing/machine shop services, and the supply of elastomers/seals as those who may be exposed to higher risk.

As required under the Transparency Act, identification of any adverse impacts on human rights within our own operations or pertaining to our supply chain will be evaluated, addressed and monitored through the actions outlined in our Forward Plan.

## 5 Achievements to date


With respect to our forward plan reported in last year's report, *Ardyne AS Transparency Act Report 2023* the following has been carried out:

1. We created and distributed a Norway Transparency Act Compliance Questionnaire (QHSE-FORM-005) to twenty-one suppliers, including suppliers providing manufacturing/machine shop services, and the supply of elastomers/seals. From the responses received to date, no significant incidents or issues regarding labour conditions within each supplier's own supply chain was noted.
2. We revised and improved our own Supplier Selection and Evaluation Questionnaire (SC-FORM-005) to include and gather comprehensive information on suppliers' (i) Organisation Code of Conduct, (ii) Human Rights Policy, and (iii) due diligence work on Human Rights practices down the supply chain, (iv) processes and procedures around Whistleblowing. This questionnaire was issued to all suppliers in our approved supplier list in Q1' 2024.
3. The Norway Transparency Act has been included as an agenda item in the Ardyne Management Review to ensure continued awareness and commitment from the Management Team.

## 6 Forward Plan

Managing our impact on human rights and decent working conditions is an ongoing commitment. In light of the risk assessment in section 4 above, we have identified the following areas to build upon in 2024. The Action Plan is as follows:

1. Follow up with suppliers who have not yet responded to the Norway Transparency Act Supplier Questionnaire. To-date, a 33% response rate was achieved.
2. Evaluate supplier response to the Norway Transparency Act Supplier Questionnaire, along with any other collected documentation, to determine if any further action needs to be taken.
3. Update our Approved Supplier List to include data on suppliers' policies and documentation on Human Rights and ethical conduct.
4. Provide in-person Human Rights training to our employees.

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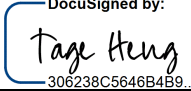
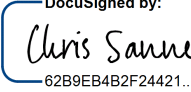
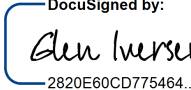
5. Include the results of this Action Plan in the 2024 Management Review and communicate any findings with all employees.

## 7 Report Approval

This report provides an account of Ardyne AS' due diligence pursuant to the Norwegian Transparency Act. It is made available on the company's website and included in/referred to in the company's annual report.

This report is signed by the board and general manager of Ardyne AS. The report will be updated annually and in the event of significant changes to the information presented here.

[=Date]

Name	Position	Signature	Date
Tage Heng	Managing Director	 306238C5646B4B9...	6/26/2024
Bjarne Christopher Petersen Sanne	Chairman of the Board	 62B9EB4B2F24421...	6/24/2024
Glenn Iversen	Tore Director	 2820E60CD775464...	6/24/2024