



## **SUBCONTRACTOR AUDIT POLICY**

As the company utilizes a lot of external and internal subcontractors, we need to audit those on a regular basis to make sure, that they live up to national and local legislation, the policies of our company and that they would be a worthy representative of us and our principals.

### **The audit works in the following way:**

1. There has to be made one audit yearly for all subcontractors.
  - Unless the subcontractor has not been used during the past 6 months, then the audit is just made before next employment
2. The audit is conducted by the HSSE-manager, member of safety committee or specially appointed employee by the management
3. The audit is based on the "Subcontractor Audit form"
4. When the audit is completed the audited file will be kept and registered
5. If the company does not get approved by the audit system, then we either end our partnership with the subcontractor or help them get an approval. Of course this depends on the particular situation and the relationship with the company
  - The final audit will be agreed on site between auditor and company. Then they will have enough time to get confirmed on our future meeting.

The audit report is filled out with a "**yes**" or "**no**" dependent on answers from the subcontractor. If the subcontractor fulfils the majority of the questions as well as produce documents as required, they are well qualified to be subcontractor to our company. The last-mentioned is determined after finishing the audit and depends on how the audit has been processed.



## PROCEDURES FOR SUB-CONTRACTORS

To make sure that we are appointing the right sub-agents, they must meet the following requirements:

- The company has to be approved by our internal audit system
- The company has to have the necessary qualifications and abilities in house
- The company, in general, has to be trustworthy and it should only be employing certified employees on regular contracts
- The company should be no earlier outstanding issues before proceeding. (This requirement might need further assessment by the person in charge of the operation)
- The company has to comply with national and internal requirements regarding HSSE. This applies both to their attitude to safety and their work environment