

Purpose Objectives Values

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6 Purpose

Vision

Mission

12 Objectives

Owners

Employees

Customers

External environment

Suppliers

Society

Health, safety and environment

18 Values

Reliability

Freedom to exercise entrepreneurship and discipline in relation to goals and requirements

Thoroughness and hard work

Persistence in achieving profitable growth

Management through presence and involvement



AF Group ASA is a leading contracting and industry group. The purpose of our business is to create value for our customers, owners, employees, suppliers and society. Our attractiveness is demonstrated by how we create and manage value.

"Purpose, objectives and values" is intended to provide a brief outline of who we are, what we stand for and what we want to achieve. To achieve our objectives, all our employees must have a clear understanding of what is expected from their work. The objectives set out in this booklet are therefore the basis for all the subsidiary objectives developed at every level of the group.

The history of AF Group is one of a value-based corporate culture. Our core values have their roots in the period before AF Group was founded in 1986 and have changed little over the years. These represent the bedrock of our business and we expect all our employees to identify and comply with them.

We hope that an appreciation of our purpose, objectives and values will provide inspiration and confidence in our joint efforts to develop AF Group further. If we steer our organisation towards challenging tasks and objectives, our business will, over time, retain and improve its position on the market and continue to generate value growth based on our core values.

May 2008

Corporate Management Team

Purpose





Clearing up the past...

Clearing up the past

AF Group aims for European leadership in environmentally sustainable construction, building and real estate development, onshore as well as offshore.

In focusing on environmentally viable solutions, energy efficiency, safe demolition and recycling, AF Group removes and destructs harmful materials, [contaminated] soil and inadequate energy solutions in a highly responsible manner.

...building for the future

Building for the future

Through the use of architecture, materials and energy solutions, AF Group sets new standards in creating surroundings meeting tomorrow's needs. Our contribution is an improved environment, reduced waste and less use of non-renewable energy.

AF Group is an industrial group delivering value by creating tomorrow's environment. We deliver building and construction solutions as well as energy and environmental services, based on unwavering safety and ethical standards.

Industry group

AF Group has a portfolio of related businesses and is a supplier of project-oriented operations.

We take on complete responsibility from concept development to finished products * and solutions.

Creating value

AF Group creates value for its owners, employees and society by focusing on and achieving profitable growth.

Shaping the future

AF Group creates solutions that are designed for the future and improves the environment by means of its innovation in property development, building, civil engineering, energy and the environment.

Safety and ethics

AF Group has a fundamental understanding and acceptance of the necessity to avoid personal injury, damage to equipment and to create a positive working environment.

AF Group's business and employees must be distinguished by good ethical conduct in all communities and markets in which we operate.

^{*} Products are defined as goods and services.

Objectives



Owners

Objectives

- To create continuous value growth that makes us attractive to shareholders and investors and gives us freedom of action in our business
- To achieve an operating margin and a return on invested capital that is higher than the average for our listed natural competition
- To seek opportunities, as well as organising and conducting our business in such a way as to render the value we create visible

Measurement parameters and figures

- · EVA (Economic Value Added)
 - = earnings before tax
 - + interest expenses
 - group's cost of capital
- EBIT
 - = Earnings Before Interest and Tax

Employees

Objectives

- AF Group must be a preferred employer among comparable companies
- We must recruit and develop employees with the ability and independence to
 - · identify with our core values and follow our code of conduct
 - analyse
 - · see business opportunities
 - · lead and inspire
 - · make decisions and implement them
- We must focus on internal recruitment
- We must train and develop our employees by means of development programmes consistent with our objectives and values
- Employees must be given competitive terms.
 We must have a performance-based pay system

Measurement parameters and figures

- All employees must be evaluated at least once a year
- All employees must have an appraisal interview at least once a year
- Sick leave < 3%
- Accident frequency rate = 0 (no injuries resulting in sick leave)

Customers

Objectives

- We must work systematically and purposefully in order to identify and satisfy customer requirements and needs
- We must deliver our products and services to the agreed quality, on the agreed date and at the agreed price, while simultaneously ensuring our interests
- We must establish and develop long-term relationships with selected customers

Measurement parameters

 Customer relationships are evaluated for profitability, customer satisfaction and safety (accident frequency rate)

External environment

Objectives

- The environment is a management responsibility within AF Group. AF Group must demonstrate its environmental awareness through its employees' knowledge, attitudes and actions
- We must conduct our business with an emphasis on continuously reducing negative environmental impact

Measurement parameters and figures

 AF Group must aim to comply with the ISO 14001 environmental standard

Suppliers

Objectives

- Our suppliers must contribute to effective value creation in our projects by supplying products and services in accordance with current requirements and at the agreed time and price
- We must use the combined buying power of the group and the international market to increase competitiveness and ensure available capacity
- We must develop professional long-term relationships with selected suppliers with a view to improve productivity

Measurement parameters and figures

· Annual evaluation of relationship with selected suppliers

Society

Objectives

 We must create competitiveness by developing our business in accordance with the resource-related and environmental requirements placed on us by society

Measurement parameters and figures

Impeccable reputation

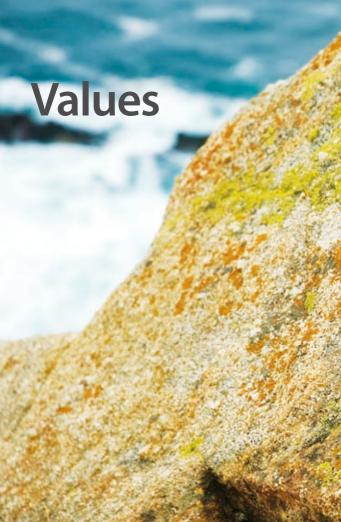
Health, safety and environment

Objectives

- Our planning and implementation must be based on a fundamental understanding and acceptance of the fact that all injuries have a cause and can be avoided
- The experience gained from previous undesirable events must be made use of in preventive work
- Health, safety and environment work must be carried out systematically, ceaselessly and with contstant improvement
- All AF Group employees must conduct themselves in a manner that sets a good example and ensures positive attitudes to health, safety and environment
- Responsibility for health, safety and environment must rest with the line organisation
- AF must be well prepared with a view to minimising injury and loss if an accident occurs

Measurement parameters and figures

- Avoidance of personal injuries and damage to the working environment and equipment
- Accident frequency rate = 0, no injuries resulting in sick leave
- · Avoidance of sick leave caused by the workplace
- Total sick leave < 3%





Reliability

- The morality and conscience of the business are represented by its employees and the management in particular
- Morality and conscience are a consequence of the maturity produced by the social influence of managers, employees and others
- All employees have a right and duty to take part in discussions to do with issues and processes in the business. Once decisions have been taken, they must be implemented quickly, loyally and effectively

Freedom to exercise entrepreneurial spirit and discipline in relation to goals and requirements

- · Our operations must be decentralised
- We must give scope to employees who recognise and grasp opportunities that enable us to achieve our objectives
- We must reward employees who increase our value growth through initiative, creativity and daring
- We must exercise discipline in relation to goals and requirements. Nonconformities must be dealt with, and corrective and preventive action taken
- · There must be a good balance between freedom and discipline

Thoroughness and hard work

- Thoroughness and preparation are primary factors in the success of a job
- Perseverance ensures thorough preparation, clear, complete decision making, full implementation and reliable documentation
- Risk taking demands flexible employees who can go the extra mile when the situation requires hard work
- Responsibility is an obligation to meet objectives and requirements

Persistence in achieving profitable growth

- We must achieve continuous value growth through profitable growth in turnover
- · We must be businesslike in all our dealings
- We must improve our ability to achieve growth by developing and increasing our ability and capacity to run an expanding organisation
- We must invest in new business areas where we can achieve competitive advantages
- We can merge with or take over a business that will bring us value growth if the other party is positive

Management through presence and involvement

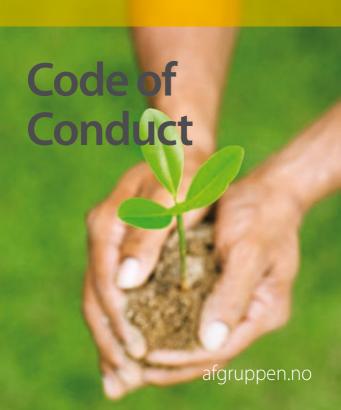
- Taking the lead is the most important normative element with regard to management
- We must concentrate our resources on a small number of prioritised and defined tasks. Prioritisation is about selecting

 and rejecting
- Managers have a duty to properly inform and instruct their subordinates
- Correction is a necessary element of the management role.
 Supervision is part of correction and preparation











- 4 Management statement
- 6 Employee declaration
- 7 The code of conduct applies to
- 8 Employees' responsibilities
- 9 How to raise a conduct problem
- 10 Sanctions for breaching the code of conduct
- 11 Working environment
- 12 Personal conduct
- 15 Personal finances
- 16 **Competition**
- 17 Regulations, agreements, internal standards and instructions
- 18 Customers and suppliers
- 19 Gifts and entertainment
- 20 Appearance
- 21 Mass media and mobile phones
- 22 Conflicts of interest
- 24 Confidentiality
- 24 Insider trading
- 25 Protecting AF Group's assets
- 25 Health, safety and environment

Management statement

Our employees have helped to establish AF Group's reputation as a company to be relied on. This reputation is affected every day by the conduct of every single employee.

AF Group has enjoyed an untarnished reputation ever since the company was founded. There have been no sanctions by public bodies or qualifications in auditors' reports and no feedback from customers or inspectors alleging price fixing. The company has an AA credit rating. This is all thanks to the employees and their ethics, good conduct and competitiveness.

AF Group is a rapidly expanding group. Growth and profitability are dependent on a constant commitment to uncovering any faults or defects in our services or products. We have to deal with them in accordance with contracts, standards and internal requirements so as to satisfy the customer.

Our competitiveness and place in society begins and ends with our reliability. We therefore ask all our employees to follow this code of conduct, and to think and act in accordance with our core values.

Managers at AF Group have a general responsibility to exercise leadership that creates a culture in which good conduct is recognised, valued and conformed to by employees. The code of of conduct must be used in organisational development processes to establish such a culture, generate commitment and develop competence.

We have reason to be proud of the group we have created. However, what has been built up over many years can be demolished by a single event. We therefore need to be uncompromising when it comes to following this code of conduct and acting in accordance with our core values.

May 2008

Corporate Management Team

Employee declaration

The code of conduct contains the rules that AF Group lives by and must be understood and followed by all employees.

If my convictions change and come into conflict with the code of conduct or core values, I will accept the consequences and leave the group.

The code of conduct applies to

- All employees and everyone who works for the company and wholly owned subsidiaries
- All employees of companies in which AF Group owns a share of 50 per cent or more, or employees in companies in which AF Group has a controlling interest
- · All employees in integrated working partnerships in Norway
- Third parties who are contracted to AF Group. AF Group must require everyone who represents the company to follow the code of conduct. The management for the area in question must:
 - Identify which people or companies that conduct business on behalf of AF Group in matters covered by the code of conduct
 - Require such people and companies to comply with the relevant sections of the code of conduct
 - Give such people and companies an appropriate introduction to the code of conduct

Employees' responsibilities

- You should have a basic understanding of this code of conduct and a detailed understanding of how it affects your work
- Ask for help from a superior if you have questions regarding how to interpret the guidelines
- Contact your superior immediately if you suspect a possible breach of the code of conduct
- · Set a good example

Managers at AF Group must exercise leadership at all levels in such a way as to create a culture in which the code of conduct is valued and respected by all employees by:

- Being a visible manager
- Always dealing with matters or processes that you believe to be a breach of the code of conduct
- Ensuring that employees understand that results must not be achieved at the expense of the code of conduct
- Implementing reviews that identify nonconformities and taking corrective action
- Using the code of conduct in processes that promote appreciation of the code and develop the organisation
- · Punishing breaches of the code of conduct

How to raise a conduct problem

All employees can raise possible breaches of the code of conduct, statutes or regulations and ask questions regarding how to interpret the code of conduct with:

- · Their immediate superior
- The manager at the next level of the line organisation if you have raised the matter with your manager and are not satisfied with the result. You must always tell your manager before contacting a manager at the next level
- Union members can discuss possible breaches of the code of conduct with their union representatives
- If a breach of the code of conduct leads to a written warning, the manager of the business unit must report the matter to the relevant executive vice president

Sanctions for breaching the code of conduct

Employees who breach the code of conduct will be subject to sanctions, which may include disciplinary measures and loss of bonus. Disciplinary measures can include everything from a verbal warning to dismissal. Only the Corporate Management Team and business unit managers can terminate employment or dismiss someone.

Examples of actions that can lead to sanctions:

- · Breaching the code of conduct
- · Asking other people to breach the code
- · Failing to report a breach of the code
- Reprisals against another employee for reporting a breach of the code
- Failure to exercise visible leadership to ensure that the code is complied with

In the case of third parties, sanctions can include the exclusion of individuals, a reduction in payment and cancellation of the contract.

Working environment

You must contribute to a working environment where there is no prejudice, discrimination, verbal abuse or persecution based on race, skin colour, religion, nationality, gender, sexual orientation, age or disability.

Handle recruitment, appointments, training, pay, promotion, punishment and other working conditions without regard to friendship and a person's race, skin colour, religion, nationality, gender, sexual orientation, age or disability.

Activities that do not promote a good working environment must not occur. This includes threats, violent conduct and the distribution, sale, possession and use of illegal drugs.

No one must attend work under the influence of alcohol or other intoxicants.

We consider it inappropriate for spouses/partners to work in the same department. Connected persons may not work under the same manager.

Nor must connected persons have jobs with AF Group where one checks the other's work, or where the jobs are otherwise incompatible.

You must strive for open, honest communication and not belittle other employees. AF Group must be both large and small. We must battle every day to maintain the informal, lively and simple style of our own "small" organisational unit, while exploiting our shared strength as a group.

Personal conduct

AF Group's reputation is your responsibility. You represent AF Group in relation to customers, suppliers, employee representatives, shareholders, the authorities and colleagues in commercial and social contexts. You must conduct yourself in a manner that inspires trust and is compatible with the code of conduct and our core values.

The morality and conscience of the company are represented by its employees and the management in particular. Morality and conscience are also a consequence of the maturity produced by collective processes. When you meet other people, you must always be aware of this.

It's taken for granted that you must be loyal to AF Group whatever the situation. Loyalty must not, however, be a barrier to open communication and discussion internally, even when criticism is involved. Once a decision has been taken, it must be implemented quickly, loyally and effectively

AF Group respects you as an individual, your private life and

your dignity. However, if the company discovers that your conduct at or outside work is having a negative impact on your performance, the performance of other employees or the company's interests, your conduct may become a matter for AF Group.

If you are responsible for storing personal information about other employees or have been given access to such information, you must make sure that it is not passed on unintentionally or misused. Employees, or anyone in the process of being employed, who have a directorship or similar position of trust or intending to take up such a position in other companies/businesses, have a duty in such cases to inform the company of this so that any problems connected with loyalty and integrity can be addressed and resolved.



Personal finances

You may not receive or buy benefits-in-kind, including services, from AF Group.

- Buying a home is an exception. The development and construction of housing for sale for our own benefit is an ongoing activity for the company. Employees with AF Group may buy a home in such developments on the same terms as external buyers. The following rules apply:
 - · The purchase may not be financed by AF Group
 - Senior staff and line managers who are involved in the development, marketing and sale of own-account projects may only buy a home with the prior consent of the Corporate Management Team.
- Buying work clothing and items advertising AF Group is an exception. Such items may be purchased in accordance with the current arrangements in the company
- Gifts and tokens of esteem from AF Group in accordance with the provisions of the Personnel Guide are an exception
- The purchase of condemned goods is an exception. Goods that have been condemned are made available for purchase. The price is fixed by the project manager
- Goods made by AF Group that are freely available for purchase on the open market are an exception. Such goods may be sold to employees at a price that conforms to AF Group's standard price list. Note that only goods may be sold, not services

You may make private purchases through AF Group's suppliers. The relevant invoicing will be no concern of AF Group.

Employees may not take part in business activities that compete with, supply goods or services to or are directly linked with the company's operations. Where this is a problem, the employee has a duty to raise the matter with the Corporate Management Team.

Competition

We must comply with current legislation and regulations regarding competition.

You must not have discussions, make suggestions or enter into agreements with competitors - direct or indirect, formal or informal, written or verbal - in respect of competitive factors between AF Group and competitors when selling to third parties.

Regulations, agreements, internal standards and instructions

Statutes, regulations, standards and specifications are framework conditions that AF Group must comply with. Our business units and projects must be planned and implemented in accordance with statutory requirements in the respective countries.

We make the necessary arrangements for tradesmen and production workers to be organised. It is a matter of principle at AF Group to abide by all collective agreements entered into.

You must conscientiously comply with the standards, procedures, instructions and work tasks given to you by your superior if they are in accordance with your terms of employment.

Even if an action or omission leads to positive results for AF Group, the result will not be accepted if it is achieved by breaching or evading statutes, regulations, current internal standards, procedures and instructions or this code of conduct.

Customers and suppliers

You must treat all customers and suppliers fairly. You must not do business with a relation or close friend on behalf of the company.

We must market and sell products, including services, on the basis of product features and the advantages of using AF Group as a supplier. We must not belittle our competitors.

Only do business with suppliers who meet statutory requirements, the requirements contained in collective agreements, the internal requirements of AF Group and this code. The company has organisational responsibility for the entire contract pyramid. Take care to ensure that there is no illicit dealings.

Make sure that you comply with all the statutory requirements regarding money laundering and the reporting of cash transactions. Learn to identify and watch out for the danger signs of money laundering.

Provide supplier support to ensure that customers' quality expectations are satisfied. Suppliers who are too small to develop their own support systems and improvement processes must be included in those of AF Group.

Gifts and entertainment

You, your family and your close friends may not receive money or gifts that could be regarded as being connected with AF Group's business affairs.

As an exception, you may, however, accept gifts with no appreciable value, such as promotional-items, if they are also given to other people who have a similar relationship with the customer or supplier. Insignificant gifts that are customary in business (flowers, Christmas greetings, etc.) and are unlikely to put your integrity in doubt are also exceptions. The receipt of other gifts must be reported to the manager of the business unit or the Corporate Management Team, or returned.

Participation in courses, conferences, excursions, Christmas parties, trade fairs and demonstrations organised by customers and suppliers must be approved by the CEO of the business unit. Foreign trips must be approved by the manager of the business unit. Travel and accommodation must always be paid for by the respective company or business unit in AF Group.

Appearance

We must attach importance to maintaining a good appearance. What is more, everything, including equipment, culture, social matters and nature, must be combined and shaped so that the whole makes a good aesthetic impression

Dress so that you look well groomed and in a manner that shows respect for customers, suppliers and colleagues. In production the required safety equipment, a t-shirt and trousers must be worn at the very least. Work clothes must conform to company dress codes.

As well as being a workplace, AF Group's offices are places where a variety of external persons meet AF Group. Employees must therefore attach special importance to their role as representatives of the company.

Mass media and mobile phones

Information from AF Group is designed to enable the outside world to paint an accurate picture of our business.

Statements to the mass media must only be made by the authority of the Communications Manager or the Corporate Management Team.

Managers may comment on issues and processes within their particular sphere of responsibility if they are nominated to do so.

Under some contracts only the client can issue information to the mass media.

The use of noisy mass media is not permitted in the workplaces of AF Group.

Our employees may not use their mobile phone during any meeting organised by AF Group. The chairman may grant an exemption from this rule if someone may need to be contacted in an emergency. The use of mobile phones in other situations must not have a detrimental effect on safety, good communication with colleagues and concentration.

Conflicts of interest

AF Group recognises and respects your right to participate in financial, commercial and other activities outside the company.

You must avoid situations that might result in a conflict between AF Group and your personal interests. You must not become dependent on AF Group's customers, shareholders, suppliers or other connections in any way.

Examples of conflicts of interest

- Financial interests in companies whereby you can influence the business of AF Group
- · A paid sideline that might affect your work for AF Group
- Putting business in the way of customers or suppliers that are partly or wholly owned by family or close friends

- Business relations with former employers, work colleagues and companies with which you have business contacts
- Involvement in interest groups, condominium boards and political activities relating to matters of relevance to your work at AF Group
- Decisions to employ or promote a spouse, partner, relation or close friend
- A romantic or other personal relationship that might give rise to a conflict of interest with the employee's sphere of responsibility at AF Group

Tell your superior about any activities, financial interests, relationships or friendships you have that might give rise to a possible conflict of interest.

Confidentiality

You have a duty of confidentiality in respect of confidential information that you encounter during the course of your employment.

This duty of confidentially applies not just in relation to the outside world, but also in relation to colleagues who do not need the information in question for their work.

Insider trading

If you have information that might affect the price of the company's shares, you may not buy or sell shares in AF Group before that information becomes public knowledge.

No one has, by virtue of their job, the right to use or misuse information to obtain financial advantages for themselves or others. The misuse of information in the purchase/sale of shares is regulated by the Norwegian Penal Code and constitutes grounds for dismissal.

Protecting AF Group's assets

Intellectual property rights to systems, methods and registers are just as important for AF Group as tangible assets. You must protect these assets.

You must familiarise yourself with, take part in processes to do with and preserve the core values in our corporate culture.

Health, safety and environment

Familiarise yourself thoroughly with your personal health, safety and environment handbook, the emergency management plan and the health, safety and environment action plan for your project.