



Report on account of work with the Norwegian Transparency Act in The Swedish Club Norway

Introduction

The Act on companies' work with basic human rights and decent working conditions (the Transparency Act) came into force on 1 July 2022. The act shall meet increased expectations about companies' responsibility in relation to basic human rights and decent working conditions, as well as the consumer's demand for information about the company's business relationships.

As a leading provider of marine insurance products, it is important for The Swedish Club Norway to safeguard our social responsibility according to the law, by ensuring transparency and providing information about the negative consequences the business, supply chains and business partners have on human rights and decent working conditions. As a responsible branch, The Swedish Club Norway will strive to ensure that the law's requirements are implemented as part of the organisation's guidelines and procedures.

About the report

In the following, the company's work with basic human rights and decent working conditions is explained, cf. the Transparency Act, including risk assessments of its own operations and of the supply chain and business relationships for the calendar year 2024.

The Swedish Club Norway is covered by the scope of the Transparency Act as it constitutes a larger business, cf. section 2 of the Transparency Act cf. section 3 letter a.

The Swedish Club Norway in brief

Organisation and management

The Swedish Club Norway org no 996 241 769 is a branch of The Swedish Club, which sells marine insurance products from rented premises at Dyna Brygge 9, Tjuvholmen in Oslo. The branch's business office is located in Oslo municipality. The branch was established on 7 December 2010. The Swedish Club is a Swedish insurance company with its own branch in Norway. The Swedish Club (Sveriges Ångfartygs Assurans Förening) was founded on 22 January 1872 in Gothenburg, Sweden. The Swedish Club has a turnover of more than USD 230 million in annual gross premium income and at the end of 2024 had 148 employees in Gothenburg, Hong Kong, Singapore, Oslo, London and Athens.

For more than 150 years, The Swedish Club has been committed to a strategy based on prudent pricing, long-term relationships and effective risk management.



The Club has always been flexible, innovative, and a pioneer in providing comprehensive “all-in-one” insurance solutions and proactive loss prevention expertise.

Today, we deliver on our environmental, social, and governance (ESG) responsibilities through the quality of our people, the way we do business and the trust shown in us by our members and business partners.

We have our members’ best interests at heart at all times, always have done and always will. Our core values continue to guide us in everything we do.

The Swedish Club Norway has an Area Manager who has the highest decision-making authority locally for the branch in Norway. The branch does not have a separate board. The Area Manager of the branch reports to the Managing Director of The Swedish Club.

The Area Manager is The Swedish Club Norway's top operational manager and is responsible for the day-to-day management of the business. The branch had employed 6 staff by the end of 2024.

Products and services we deliver

Team Norway is responsible for the Club's marine insurance activities in Norway and for property insurance (Hull & Machinery, IV and Loss of Hire) for Mobile Offshore Units and FPSOs.

The Swedish Club has been present in Norway since 2010 and the Team acts as a centre of excellence for marine insurance related to Energy (FPSOs and MOUs) and Builders' Risk.

Our guidelines and routines

ESG Framework Policy

The Club’s Board of Directors adopted an ESG Framework Policy at its October 2020 meeting. The purpose of the Club’s ESG Framework Policy is to provide the organisation with a declaration of intentions for the Club’s work on sustainability. The policy aims at assisting in establishing a common view of what sustainability means to the Club, as well as providing guidance to its employees and members. The ESG Framework Policy is a forward-looking document which is subject to annual review.

The Club’s ESG Framework Policy takes the four principles for sustainable insurance - as defined by the United Nations Environment Programme’s Finance Initiative (the UNEP FI) - as the starting point, namely:

- a) To embed ESG in the Club’s decision making;
- b) To raise awareness about ESG;
- c) To promote widespread action with ESG; and
- d) To demonstrate accountability and transparency within the ESG area.



To further assist the work in the ESG area, the Club's ESG Framework Policy adopts four of the United Nations' Global Goals for Sustainable Development to provide direction in the Club's further ESG efforts.

The UN Sustainable Development Goals (SDGs) are, as identified by the UN, the blue-print for achieving a better and more sustainable future for everyone. The goals are all inter-connected and intended to address global challenges.

ESG risks in the Club's Business Segment

The main ESG risks in the Club's business segment, as a marine insurance provider, are:

Inadvertently providing insurance coverage for illegal fishing, illegal shipping activities, intentional pollution and illegal scrapping of ships; and

Inadvertently providing insurance coverage for breaches of climate-related emission levels, labour and trafficking laws and regulations, poor worker safety records and money laundering.

Below is an overview of how the Club works to facilitate sustainability and mitigate the ESG risks within its business segments.

Ethical Code of Conduct

Social responsibility is a central part of the Club's operations. The Club has an Ethical Code of Conduct which each employee reviews and gives consent to annually. Adherence to the ethical guidelines is followed up at regular employee/manager meetings, as well as through interactive questionnaires on the Club's intranet.

Staff

The Club is a true knowledge-based company. As such, it is entirely dependent on the expertise, as well as the well-being of its employees. The Club is dedicated to growing and developing its staff. Equally important is promoting good health, motivation and commitment through initiatives that encourages a healthy lifestyle, whilst also developing job skills. The Club is a signatory to collective bargaining agreements through its membership in The Swedish Insurance Employers Association (Försäkringsbranshens Arbetsgivareorganisation, FAO) and engages in dialogue with the local unions.

Employee Engagement

Every second year, the Club measures employee engagement and satisfaction through a survey carried out by a third party. Following the survey in 2023, the KPI for employee work satisfaction was significantly higher than the Swedish national industry benchmark. Further, a majority of other KPIs came out better or levelled with the benchmark. The employee satisfaction level remains on the same high level as in the previous surveys from 2017, 2019 and 2021. It is high for all employee groups. Satisfaction with physical, as well as the social working environment is included in the survey. Results are followed up over time and any issues arising are actively addressed.

The survey covers areas of discrimination and bullying, a field in which the Club has a zero tolerance. According to the Club's written policy on equal treatment, the Club shall safeguard equal



opportunities of employment, education, promotion, and development in the work role, regardless of gender, sexual orientation, ethnicity or religion. The Club has a policy to combat discriminatory behaviour.

Whistle-blower Policy

The Club has a whistle-blower policy that enables employees to submit complaints on a confidential basis, through an external law firm.

The confidential complaint may relate to amongst others: non-compliance; any kind of illegal or unethical activity; or any other abusive or erroneous behaviour which has an adverse impact on an individual, the Club, its members, other stakeholders or the environment.

Human Rights – Employees & Business Associates

The Club's work in identifying and mitigating risks include several tools that are used for safeguarding respect for human rights of both the Club's employees and the Club's business associates. The P&I insurance provided by the Club contains elements for enabling due compensation to be reimbursed by the Club to its members for compensating their seafarers for work-related illness and injuries under applicable contracts, law and convention limits when serving on insured ships. The Club has issued a Slavery and Human Trafficking Statement, which outlines a zero-tolerance approach to ensure that modern slavery and human trafficking have no place in our business and partnerships.

Repatriation of Seafarers following Abandonment

The P&I insurance has been extended to include financial security, required under the Maritime Labour Convention, for repatriating seafarers as well as up to four months' wages, in case the seafarers are abandoned by their employer on a ship entered with the Club for P&I risks. This was done in response to a request put forward by the International Labour Organization.

Supplier Code of Conduct

The Club has issued a Supplier Code of Conduct to ensure ethical and professional standards across all aspects of our business. The Supplier Code of Conduct outlines the principles and expectations we hold for all suppliers and business partners, ensuring that their operations align with our core values, beliefs and regulatory requirements.



Information about risk

The Swedish Club Norway's work with risk prevention and due diligence assessments

The Swedish Club has identified a number of risks in our operations. The Swedish Club has an effective and well-functioning risk management system to manage the risks. The risk management system includes processes, strategies and desired risk levels as control decisions. It also contains the distribution of responsibilities and structure required to be able to identify, measure, monitor, manage and report risks in the business. In The Swedish Club's Global Risk Assessment, risks for human trafficking have been identified. To handle this risk, The Swedish Club conducts a due diligence of new and existing customers where screening for adverse media and human trafficking is one component. This screening is recurring.

Risk prevention

The Swedish Club works to reduce risks related to basic human rights and decent working conditions in the business or in the company through, among other things:

- Resource utilization at supplier level in the form of a defined correspondent network world wide which is regularly reviewed and updated based on a set of quality criteria and by a designated function at the company head office
- Development of the company's own employees and management, individual, regular follow-ups between manager and employee, preventive, structured work with health and the working environment, competence and resource planning to meet new competence requirements and balance between requirements and resources. Furthermore, the company works to offer a safe, ethical, equal workplace, with room for differences and diversity and free from any form of discrimination. This helps to maintain our good corporate culture. It's worth mentioning that The Swedish Club Norway staff is equally gender balanced.
- P&I insurance policies issued by The Swedish Club contain elements that enable the provision of appropriate compensation by The Swedish Club to its members to compensate their seafarers for work-related illness and injuries.
- The P&I insurance provides financial security for repatriated seafarers in the event that the seafarers are made redundant by the employer.

Staff

The risks within inclusion and diversity that the company has identified are:

- Reputational risk
- Legal risk
- Risk of not attracting and retaining a diverse workforce



The risks in working environment and safety that the company has identified are:

- Sedentary work
- Stress due to high workload and low balance between needs and resources

The risks in relation to employees and satisfaction that the company has identified are:

- Competence in line with higher requirements
- Maintained culture as the company grows

Suppliers

The risks in the supplier network that the company has identified are:

- Risk that the supplier has deficiencies in terms of quality in the delivery.

In the case of suppliers or business partners, several assessments are carried out in areas relevant to the Transparency Act before entering into a contract. Among other things, it is considered:

- Whether the conclusion of the contract is in line with The Swedish Club's strategy, including sustainability
- Whether to process data that requires information security and privacy assessments
- Conditions related to independence
- Results of reputation, sanction and background checks

Overall, these assessments provide a good basis for saying something about the overall risk picture for own business and suppliers or business partners, including risks related to human rights violations and indecent working conditions.

The Swedish Club delivers a product that is based on a high degree of trust. We strive to work only with reputable and responsible players in the industry who enjoy a high degree of recognition from public authorities, partners and the media.

Summary of risks and measures

In the work on companies' accountability related to basic human rights and decent working conditions, as well as the consumer's demand for information about the company's business relationships, which are covered by the Transparency Act, no actual negative consequences for basic human rights or decent working conditions have been uncovered.

Based on assessments mentioned earlier, there is a low risk of violations of human rights and decent working conditions.



The Swedish Club Norway's own activities:

The risk areas that have been identified as most relevant to The Swedish Club Norway's own operations are, as detailed earlier, risks related to inclusion and diversity, working environment and safety as well as employees and satisfaction.

Overall risk in the area is considered **low** as a result of the guidelines and measures that have been implemented in this area.

Suppliers and business relationships:

The risk areas that have been identified as most relevant for The Swedish Club Norway's suppliers and business relationships are risks linked to the party's industry affiliation.

Overall risk in the area is considered **low**, and this is mainly due to the fact that the suppliers are mainly companies that are subject to extensive quality assurance procedures from The Swedish Club.

Further work

The Swedish Club works continuously to improve the processes related to decent working conditions in its own business and the onboarding of suppliers and business partners. In our further work with the Transparency Act, we will facilitate a holistic and integrated process where due diligence assessments are carried out regularly and coordinated together with adjacent assessments in our own business and by third parties. The Swedish Club will do this based on a risk-based approach so that human rights and decent working conditions are given the right priority and are continuously safeguarded.

In order to uncover potential negative consequences for basic human rights and decent working conditions, The Swedish Club will continue to have regular follow-up of suppliers and business partners and continuously assess whether there is a need to carry out visits and/or risk-based audits.

If The Swedish Club discovers negative consequences for basic human rights and decent working conditions, specific assessments will be carried out and adequate and proportionate measures will be taken to stop and/or limit the consequences. This is regardless of the legal implications it may entail or whether the action actually represents an offence.

In order to reduce the risk of negative consequences for basic human rights and decent working conditions, we will continue to look at opportunities to increase our influence towards suppliers and business partners.

Oslo, 28 February 2025

Tore Forsmo
Area Manager