



REPORT ON TRANSPARENCY ACT 2024

Norwegian Hull Club



NORWEGIAN HULL CLUB

Norwegian Hull Club's Report on Transparency Act 2024



Introduction

This report has been prepared in accordance with the Norwegian Transparency Act and outlines Norwegian Hull Club's diligence process and mitigants on fundamental human rights and decent working conditions. The reporting period is from 1st of January 2024 to 31st of December 2024.

About Norwegian Hull Club

Norwegian Hull Club is a mutual marine insurance company serving clients worldwide. As conveyed by the company slogan 'Expect More', The Club aims to be the 'number-one service provider'. Its service concept includes claims handling, emergency response support, prevention and mitigation training for clients' onshore and offshore personnel, benchmarking services for clients, operational, technical and legal advice, as well as knowledge sharing in general. The Club ranks as one of the world's largest marine and offshore energy underwriters and insures 9,762 unique vessels. Of these, 5,829 are on claims lead with The Club. The company employs 145 people and has offices in Bergen (main office), Oslo and London.

Norwegian Hull Club has three wholly owned subsidiaries:

- **Marine Benefits AS**
Marine Benefits AS prides itself on being the shipping industry's leader in employment benefit solutions for seafarers, offering 'Medical Plan' as well as 'Crew P&I' insurance. The company employs 101 people across its offices in Bergen, Manila and Malmö.
- **Insurance Technology Solution AS**
Insurance Technology Solutions AS (Instech) was established in 1994. Instech develops innovative marine insurance software that supports the transformation of The Club's product and service provision, as well as the long-term needs of the industry. Instech employs 37 people in Bergen.
- **NIORD AS**
NIORD AS is dedicated to the offshore renewables segment. The company, which became operational on January 1 2024, serves owners, developers and operators of offshore renewable energy installations, including their main contractors and service providers in relation to the development, construction, and operation of such installations. Its service concept includes claims handling, emergency response support, preventive and mitigating training for clients' onshore personnel, in addition to operational, technical and legal advice related to insurance. NIORD employs 12 people and is located in Bergen.

This report covers Norwegian Hull Club. Marine Benefits AS is the only subsidiary that falls within the scope of the Transparency Act and the company prepares its own report, which is available at www.marinebenefits.no.

Norwegian Hull Club's approach

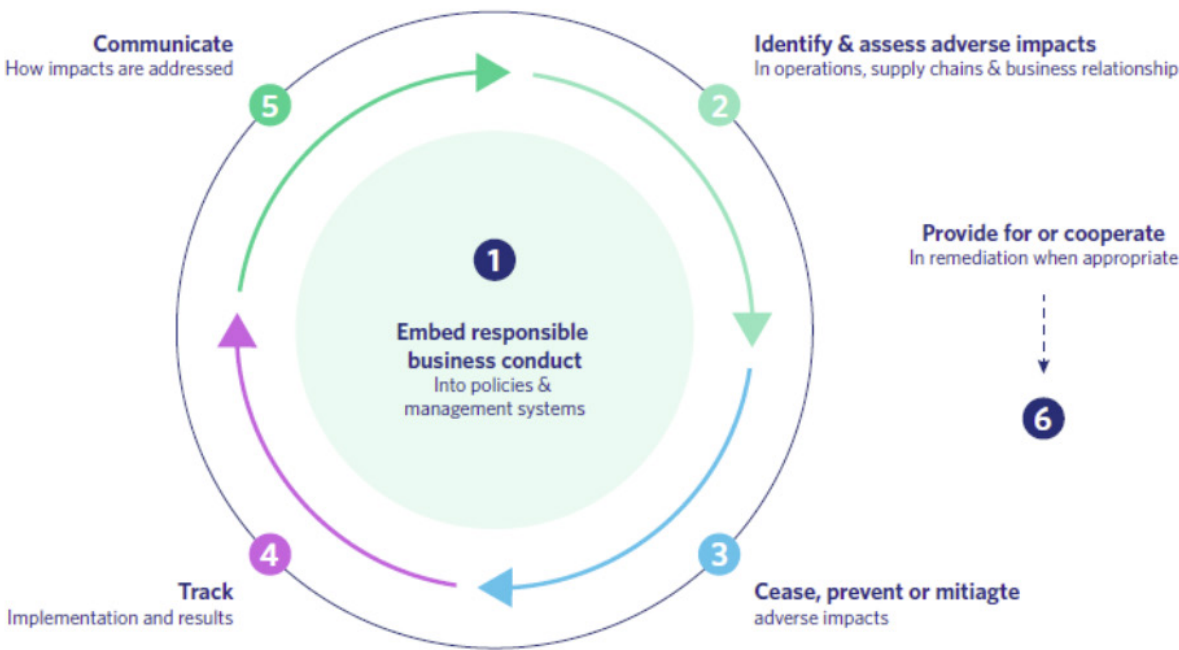
Norwegian Hull Club's Mission is to secure lives, health, environment and property to help protect both people and the planet. Integrity is one of The Club's core values and, as a global company, this includes a focus on respecting human rights in its own business, its supply chain and with its business partners. Norwegian Hull Club conducts its business and operations with the greatest integrity and to the highest ethical standards. These elements are embraced by the entire organisation.

The Club has a comprehensive risk management and internal control framework to systematically identify, assess, manage and communicate risks throughout the organisation. Clients and business partners can trust that Norwegian Hull Club conducts its business with high levels of responsibility, respect and transparency and in accordance with applicable laws, legislations and standards.



Norwegian Hull Club's respect for human rights is enshrined through policies, statements and guidelines that cover the following:

- Code of Conduct for employees and business partners
- Business partner Code of Conduct
- Diversity & Inclusion
- Data Protection
- Information Protection
- Sustainable Ship Recycling
- Whistleblowing
- Anti-Bribery & Anti-Corruption



Human Rights due diligence

The Transparency Act (see *diagram, above*) requires companies to conduct due-diligence assessments into human rights and decent working conditions throughout their supply chain and business relationships. Due diligence shall be carried out in proportion to the size and nature of the company, the context of its operations and the severity and probability of adverse impacts on fundamental human rights and decent working conditions.

Norwegian Hull Club has carried out a due diligence process in accordance with the Guidelines from the Organisation for Economic Cooperation and Development (OECD). The Club has also implemented an internal policy and guidelines regarding the Transparency Act. The internal policy describes how The Club is systematically identifying and evaluating its supply chain's or business partners' actual and potential negative impact on fundamental human rights and labour conditions, and how The Club requires that its business partners operate in accordance with Business Partners Code of Conduct. It also describes what kind of measures The Club is implementing to reduce, prevent or mitigate negative impacts.



Human Rights assessment

The Club has identified and assessed actual and potential negative impacts on human rights and working conditions that the organisation has either caused or contributed to, or that are directly linked with its operations or services internally and/or via the supply chain or business partners. A risk-based approach is used to focus on higher-risk areas and/or where we can have real influence. As Norwegian Hull Club operates globally, the following criteria are used to categorise/assess suppliers and business partners:

- Geography (as certain countries have increased risks, Global Rights Index, Corruption Perception Index (Transparency International), The Financial Action Task Force (FATF)
- Business industry
- Size of business (small business of 3 employees will have a risk profile entirely different to that of a large multinational)
- Type of product/services

In 2024, The Club reevaluated its assessment framework and used the above risk criteria/model to identify suppliers and business partners with high risk. Suppliers and business partners with the highest risk are followed up to make sure they comply with The Club’s expectations regarding human rights and labour conditions.

This process allows The Club to understand its suppliers and business partners’ concerns regarding human rights and working conditions, and work with them to improve where necessary. As such, this process will be repeated annually. The 2024 assessment did not raise any major concerns regarding The Club’s suppliers and business partners. Findings from the assessment have been addressed and have led to an improvement of procedures and increased awareness. Following the assessment, Norwegian Hull Club has made improvements to its Business Partner KYC form and simplified the ethics reporting service to The Club and the entire Norwegian Hull Club Group.

Own operations

To achieve its goals of being an attractive employer and delivering excellent service, Norwegian Hull Club aims to build a diverse team with varied experiences, educational backgrounds, ages, nationalities and genders. Different viewpoints and skills from such teams inspire innovation.

Last year, employee ages ranged from 24 to 70, representing 16 different nations. Although there has been progress in improving gender balance at management levels, closing the gender gap remains a focus. In 2024, 3 out of 7 (2 out of 7 in 2023) top managers were female, and 7 out of 19 (5 out of 20 in 2023) direct reports were women.

The Club continues to focus on recruiting and promoting women to senior roles. Commitment from management at all levels to diversity and inclusion is vital, and efforts are made to raise awareness of unconscious bias in business decisions.



Flexibility is valued, providing support for home office setups to help balance work and life. Since 2019, The Club has reported on gender equality via the SHE Index. For 2024, The Club scored 92 out 100, an increase of 26 points since the 2023 reporting year (66 out of 100), and expects that it reflects the positive development that has taken place in respect of female representation at management levels.

To promote diversity, the recruitment process has been revised, and exit interviews are conducted to understand employee turnover. The goal is a gender-balanced workforce (50% men and 50% women) and diverse teams in experience, nationality, age, and background. The company structures its Health, Safety, and Environment (HSE) work around various processes and activities, utilising different tools to identify and assess HSE challenges. The company’s third-party “whistle-blowing” channel, secures that all employees can report issues anonymously.

Employees at The Club have freedom of association, and employee representatives are regularly engaged by the company. The employees are also represented in the governing bodies and are elected by their peers. The working environment, encompassing both physical and psychosocial aspects, is included in the employee satisfaction survey conducted to highlight areas that require special focus. Since autumn 2023, the company has adopted Winningtemp as its employee engagement platform. Winningtemp, an AI-powered tool, measures and optimizes the employee experience through regular pulse surveys, providing managers with accurate, detailed and current insights into team sentiment. In 2024, 92% of employees responded to the survey at least once throughout the year, with the overall satisfaction score reaching 8.2 out of 10, an improvement from 7.9 in 2023. Norwegian Hull Club believes that its culture, policies, and benefits will attract diverse talent and foster greater inclusivity. With frequent employee work environment surveys, The Club also has a tool to monitor this.



Supply chain and business partners

Human rights due diligence covers The Club’s value chain including suppliers and business partners. Its purpose is to identify and assess actual and potential negative scenarios, as well as to implement suitable measures to cease, prevent or mitigate their adverse impacts. Norwegian Hull Club has offices in Norway and in the UK and it uses local providers for office administration-related services.

For suppliers with higher inherent risk, such as suppliers who operate in an industry and/or a country where the risk of violations of human rights is greater, a more thorough assessment is performed. New service providers or business partners shall be screened in accordance with the customer due-diligence process, including obtaining additional information from the supplier or business partner, where the necessary information is not publicly available.

In general, the negative impact of The Club’s value chain on human rights and working conditions can be considered low or moderate. The organisation aims to use regulated, rated, authorised and/or audited counterparties in its underwriting, re-insurance and investment operations.

In services related to claims handling, emergency response and salvage, purchase of assistance may be dependent on the access and regulations in the geographical area where an incident occurs. This includes areas which are assessed as high risk in regard to human rights and labour conditions. In these high-risk areas, several mitigating measures are in place to reduce the risk including, but not limited to, screening through due diligence tools, extended questionnaires, and assessment of ownership. In general, Norwegian Hull Club aims to use long-term partners whose services are evaluated continuously.

In regard to the repair process, decisions are made by the insured, and the selection of repair facilities is dependent on a range of criteria described in the insurance conditions and agreed by the insurance community that is co-insuring the object. Norwegian Hull Club and the industry acknowledges that the focus on human rights and labour conditions differ between repair facilities. Consequently, the industry continues to emphasise the importance of raising awareness, influencing and amending insurance conditions to enhance the focus on due diligence and selection of repair facilities. Gradually, constant awareness can lead to change and Norwegian Hull Club supports development

of tools and initiatives that will help raise standards, while contributing to the process of facilitating standardised evaluation of suppliers through broader industry initiatives, e.g. through Cefor. Through its additional insurance product Sustainable Recycling Interest, Norwegian Hull Club encourages clients to recycle total losses at EU-verified yards.

The Club has achieved a more organised and accessible overview of its direct suppliers, and efforts continue to raise awareness further into the supply chain concerning indirect suppliers.

With the belief that more can be achieved – with a greater positive impact - The Club engages in discussions and cooperation within industry forums and associations where human rights and decent labour conditions are high on the agenda to accommodate transparency and industry standards that promote these principles. Norwegian Hull Club has implemented measures to reduce, prevent or mitigate negative impacts based on its priorities and evaluations performed in impact assessment. All observations, alerting signs or identified breaches on fundamental human rights and decent working conditions shall be reported in Norwegian Hull Club’s reporting channel and will be followed up by management.

Whistleblower channel

The Club has an official procedure for requests regarding the Transparency Act on its webpage, which includes contact details. The Club also has a complaint-handling procedure described online. For employees, a non-conformance reporting process that includes incidents related to employment practices/workplace safety is well-integrated. The Norwegian Hull Club Group also has an external whistleblowing channel which can be used anonymously to report concerns.

Our responsible path into the future

For Norwegian Hull Club, a knowledge-based company - with a service concept founded on the delivery of the continuously developed expertise of its employees, and where knowledge sharing and training of offshore and onshore personnel to prevent and mitigate losses is founded in its Mission to secure lives, health, environment and property - people and their wellbeing are naturally the centre of attention.

Norwegian Hull Club will continue to maintain a high focus on work environment surveys to identify risks and possible negative trends, and to handle any issues at the earliest possible stage.

The Club conducts annual revisions of its policies and adds new ones when required. This leads to a continuous assessment of the processes and measures The Club has implemented to reduce, prevent or mitigate negative impacts, also regarding human rights.

Norwegian Hull Club’s high focus on cooperation within and across industries to achieve more faster, will remain. In 2025, The Club will advance its vendor management process further to secure better overview and follow-up mechanisms of existing and new suppliers and business partners.

Bergen, 22 May, 2025



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