

## STATEMENT – THE TRANSPARENCY ACT

### 1 INTRODUCTION

The Act relating to enterprises transparency and work on fundamental human rights and decent working conditions (the "**Transparency Act**") entered into force on 1 July 2022. This statement is Hesnes Holding AS and its subsidiaries Hesnes Shipping AS, Hesnes Invest AS, Attic Forrest AS, Norwegian Oil Trading AS, Hesnes Management Services AS, and Hesnes Insurance Brokers AS (the "**Hesnes Group**") report on the due diligence assessments pursuant to § 5 of the Transparency Act.

The statement includes the due diligence assessments we have conducted for the period 1 July 2022 to 19 June 2023.

The statement is issued in English, ref. the Accounting Act § 3-4 (3).

In this statement the term "Hesnes Group" can refer to (as the context requires), the group as a whole, or an individual company in the Hesnes Group. The term "companies" are also used.

### 2 ORGANISATION AND AREA OF OPERATION

Hesnes Holding AS was founded on December 18<sup>th</sup> 2002 and is the parent company of the Hesnes Group, consisting of activities within car transportation brokering, bunker brokering and trading, insurance brokering, shipowning as well as other investments mainly related to real estate and financial assets through the companies mentioned under section 1.

The Hesnes Group has a total of 21 employees working mainly from offices at Tenvik, Nøtterøy, and have in addition through the subsidiary Norwegian Oil Trading AS an office in Singapore. The office in Singapore has 6 employees working from the office in Singapore.

### 3 GUIDELINES AND ROUTINES

The Hesnes Group has embedded the work on fundamental human rights and decent working conditions under the Transparency Act in the boards of the companies in the Hesnes Group and appointed one designated person from each company to follow up the practical work on due diligence under the Transparency Act. For several companies the designated person is the CEO. If the designated person is another person than the CEO, the designated person cooperates with the CEO in relation to the Transparency Act. The designated person regularly reports to the board on the work that has been done under the Transparency Act and will continue to do so in the future. The group CEO has had the overall leadership of the work on due diligence under the Transparency Act.

The companies' boards have also adopted internal guidelines to ensure regular follow-up of work on fundamental human rights and decent working conditions and updated the companies code of conduct for employees. The guidelines and the code of conduct are communicated to all employees.

On hesnes.no there is a separate tab regarding the Transparency Act. It also provides information about the email address [apenhetsloven@hesnes.no](mailto:apenhetsloven@hesnes.no) that can be used for questions to companies related to the Transparency Act, as well as for reporting related to the Transparency Act open to customers, suppliers and partners.

The Hesnes Group has for several years had a code of conduct applicable for amongst others employees and suppliers published on the Hesnes Group webpages. This code of conduct has been updated in connection with the work under the Transparency Act. The update was to develop a separate code of conduct for suppliers and business partners and – in short - generally highlight fundamental human rights and decent working (previously this was covered under general compliance with law provisions in the code of conduct).

This updated code of conduct for suppliers and business partners have been communicated to some of the suppliers and business partners and will be continued to be communicated to suppliers and business partners going forward.

#### 4 THE DUE DILIGENCE ASSESSMENTS

- 4.1 The Hesnes Group has used the same method for the due diligence assessments for all companies in the group.
- 4.2 Our due diligence work started with an overall analysis and gathering of information for our own business, suppliers and business partners. The purpose was to identify which areas pose the highest risk of negative impact on fundamental human rights and decent working conditions.
- 4.3 Our own business firstly consists of employees at our offices in Norway and Singapore. All employees are employed in accordance with legal requirements in Norway and Singapore. See also further information regarding each of the companies in the Hesnes Group below. We buy other services for our own business, such as renting office space, IT services, auditing, etc. These are thus suppliers to us. The bunker trading and shipowning part of the business is described in particular in item 4.8 and 4.9 below.
- 4.4 We obtained a complete list of suppliers and business partners (hereinafter collectively "**Suppliers**") during the relevant period. This overview was compiled by obtaining lists of Suppliers to whom we have had payments during the period.
- 4.5 After the total number of Suppliers had been identified, an assessment was made of which Suppliers should be followed up in further mapping.
- 4.6 The list of suppliers was then further limited according to criteria such as the size of payments from us, industry (group and product category), geography (place of production and place of origin), whether the Supplier itself is covered by the Transparency Act, whether the Supplier was individual (one-off purchases and Suppliers we no longer have a relationship with were removed).
- 4.7 The purpose of the limitation was to create a starting point for further mapping. In the further mapping, we first looked at publicly available information on the risk of violations of fundamental human rights and decent working conditions, related to the geography and industry of the relevant Suppliers. We used reports and information from the OECD, Norwegian Contact Point for Responsible Business Conduct, international organizations, special interest organizations and national human rights institutions.
- 4.8 We noted that for all companies save for the companies involved in bunker trading and shipowning (Norwegian Oil Trading AS and Attic Forrest AS), the Suppliers are with very few exceptions large, Norwegian companies providing services to the Hesnes Group. The majority of such Suppliers are also themselves subject to the Transparency Act.
- 4.9 For the shipowning part of the business the charterer has made their own due diligence assessments under the act and in that regard also obtained information from the manager of the vessels. For the bunker trading part of the business, Norwegian Oil Trading AS has requested information from prioritized Suppliers including whether the Suppliers knew whether their own operations, supply chains or business contacts involved a risk of negative impact on fundamental human rights and decent working conditions. Responses have not yet been received, and the dialogue with those Suppliers will continue.
- 4.10 We have in our due diligence assessments in 2023 not identified actual negative consequences or material risk of negative consequences through our due diligence assessments. We have therefore not implemented any concrete measures to halt any relevant negative consequences or significant risk of negative consequences that the business has uncovered through its due diligence assessments, other than the updated Code of Conduct to suppliers referred to in item 3 above. Also, we have not received all information from all relevant Suppliers yet and will therefore follow up. We will also follow

up any reports of possible violations of fundamental human rights and decent working conditions that we receive.

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22 June 2023

signed electronically by the boards and CEOs of

Hesnes Holding AS

Hesnes Shipping AS

Hesnes Invest AS

Attic Forrest AS

Norwegian Oil Trading AS

Hesnes Management Services AS

Hesnes Insurance Brokers AS