



# NORLED

*De beste reiseopplevelser*

## Transparency Act Report for 2024

Åpenhetsloven



**NORLED**

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# 1 Handling of Transparency Act

## 1.1 About Norled

The Norled group, of which Norled AS is the parent company, is one of the country's largest privately owned shipping companies for the transport of passengers. The head office is in Stavanger. Norled AS has three subsidiaries that are part of the group, Norled Drift AS, Lysefjord AS and SHIFTR AS.

Norled is owned by CBRE Investment Management, an independently operated affiliate of CBRE Group, Inc. (NYSE:CBRE), the world's largest commercial real assets services and investment firm (based on 2021 revenue).

The group's activities are located in Troms, Nordland, Trøndelag, Møre and Romsdal, Vestland, Rogaland, Oslo and Østfold municipalities. The group's activity is operation of ferries and express boats with associated catering services. In addition, the company is active in tourism by renting out vessels and organizing tours. All operations take place in Norway.

Norled's aim is to make a significant contribution to the development of the ferry and express boat industry, by focusing on innovation and environmentally friendly solutions. Our ability and willingness to stimulate this development will continue to position Norled as a leading and profitable player in the Norwegian ferry and express boat industry. The company's vision is to offer the best travel experiences through innovative and sustainable solutions and proud employees.

The company's statement according to the Transparency Act is published on the company's website; [www.norled.no/en/transparency-act/](http://www.norled.no/en/transparency-act/)

## 1.2 Background

Norled commenced preparing for compliance with the Transparency Act before it came in force on 1 July 2022, establishing accountability for its delivery to the sustainability function. The sustainability project manager is responsible for overall coordination and compliance, with cross-functional support from the rest of the company, primarily from the purchasing department. Key decisions on the processes underpinning continued compliance have involved the management team, with proportionate briefing to the Board of Directors.

Norled already has ethical guidelines and work regulations that apply to all employees in the company. Everyone who is employed in the company must be informed of the guidelines and regulations, and familiarize themselves with them. Norled is audited annually in accordance with ISO 9001 and 14001. Mapping of the working environment is done every three years through working environment surveys.

After familiarizing with the regulations to understand what to expect, it became clear that we needed a clarification of ethical guidelines for suppliers. This resulted in the production of a dedicated document, being the "Code of Conduct for suppliers", which was formally adopted in September 2022. The guidelines have been distributed to several of our existing suppliers, and are attached to new contracts. The remaining will be distributed through our purchasing system.

In order to effectively respond to inquiries about the Transparency Act and our handling of this act, a separate email address was created; [apenhet@norled.no](mailto:apenhet@norled.no). This is handled by the project manager for sustainability. It is also possible to submit notifications, anonymously or not, through our portal for this, which can be found at our website.

This report refers to the financial year 2024, preparatory work to the issue of this report was undertaken in spring 2025.



## 2 Transparency Act Report for 2024

### 2.1 Internal conditions in Norled

Internally in Norled, the focus is on decent working conditions also for its own employees, and it is obvious that human rights must be respected. This is primarily done by respecting applicable laws and regulations.

The HR department is responsible for following up on employee contracts. The employees have several channels through which they can notify if they think something is in breach. The first channel is through own manager, but there are others anonymous notification systems, safety representatives, union representatives and designated persons, all of whom can be intermediaries for safety matters, personnel matters, etc. Four meetings a year are held on a regular basis between union representatives and the administration.

The employees at sea who do not live at home are ensured good living conditions during the working periods, and a committee ensures well fitting uniforms that cover both safety and comfort. Separate uniforms adapted for women are available. Working environment surveys are conducted regularly and management training is provided to ensure that the managers in the company are fit to do good job.

Norled has a strong involvement in the industry initiative against bullying and harassment, initiated by NHO Sjøfart. Here we have four representatives directly involved in the project, and the management stands behind it.

Norled also participates annually in NHO's "Women at sea", which shines a spotlight on how women are doing in maritime professions and what it takes to recruit more women.

### 2.2 Screening of suppliers

An internal preliminary screening of our suppliers was conducted to get an overview of those with the potential highest risk for violations of human rights and decent working conditions. Parts of the management team, along with representatives from procurement and sustainability, participated in this review. The screening was based on the 14 categories under which we classify our purchases, and the top 10 suppliers in each category based on revenue. We also assessed the companies based on the country they are established in. The likelihood of violations was classified into three categories: green indicating low likelihood, yellow indicating some likelihood, and red indicating high likelihood.

The results show that the majority of our suppliers fall into the green risk category. The suppliers classified in the yellow risk category were categorised based on foreign ownership, production operations outside Norway, or uncertainty related to the supply chain.

Norled decided to implement a module in the Ignite procurement system to strengthen the screening process and conduct systematic due diligence assessments. This solution provides an efficient overview of the company's numerous suppliers and allows for the issuance of due diligence requests and the collection of responses in a structured manner. The same applies to the distribution and follow-up of ethical guidelines for suppliers – these can easily be sent out and tracked to ensure they are signed by the recipient.

The questions asked in the due diligence assessments are partly based on recommendations from the supplier of the procurement module and a collaborating law firm, and partly on the topics covered by Norled's own ethical guidelines for suppliers.

## 2.3 Due diligence assessments, selection of candidates

To decide on who should receive a due diligence assessment, we used the first screening we had done of suppliers, and combined this with results from the analysis system. In this system all suppliers are linked to country and type of transaction/purchase (category), and based on international databases (IUTC/NACE codes) you can get an assessment of which risks that are material. The system can combine this with how much money we have spent on each supplier each year, and based on this, we have come up with a list of who will receive due diligence assessments.

The criterion for receiving a due diligence assessment from Norled in 2024 is therefore that you fall under one or more of the following categories:

- The company comes from a country with a generally high risk of human rights violations
- The company is of a type of industry with a general high risk of human rights violations
- Norled has spent a lot of money on the company in recent years
- Norled envisions using the company again. This means that some companies are excluded in this round, despite potential high risk or high consumption, as we consider it unlikely that we will enter into new contracts with the company.

## 2.4 Dispatch of due diligence assessments

Based on the criteria described above, due diligence assessments were sent out to 30 suppliers.

They were given a two-week deadline, and those who had not responded were followed up. After two reminders, we received responses from 16 of the 30 surveys sent, resulting in a response rate of 53.8%, which is slightly lower than in 2024. Seven suppliers responded for the first time.

Of those who did not respond, 6 out of 14 had responded last year, and the responses from last year were satisfactory. A few of the suppliers have also been evaluated by Incentra with satisfactory answers, so we can rely on these assessments.

## 2.5 Result of due diligence assessment

After collecting the responses, where 16 out of 30 respondents replied, we reviewed the answers.

The maximum possible score was 20 points, distributed across three categories with multiple sub-questions. These categories were "Labor Rights" (max 9 points), "Supply Chain" (max 6 points), and "Health and Safety" (max 5 points).

Suppliers scored between 15 and 20 points, with four achieving full marks and five scoring 19 points. Furthermore, five companies received 18 points, while two scored 15 points. Overall, the score achievement is high, indicating that the companies have an active and conscious approach to human rights and decent working conditions. This is shown in the table below.

**Tabell 2.1. Distribution of assessment scores**

Scored points	Number of suppliers
20	4
19	5
18	5
15	2
Under 15	0

## 2.6 Changes since last year

Six suppliers responded to the survey both last year and this year, and all of them have improved their scores. It is encouraging to see consistent progress among these respondents. However, six target suppliers who participated last year did not respond in 2024. Additionally, two of the respondents received lower scores compared to last year, which is further explained in the following section. One of the key suppliers has become bankrupt, so it is the reason for this supplier not responding.

Nevertheless, Norled takes these findings seriously and recognizes that there is room for improvement—both in the follow-up process with suppliers and in ongoing dialogue to ensure greater accountability throughout the supply chain. Management recognizes the need for a more structured and systematic engagement effort with suppliers.

## 2.7 Disclosure of negative consequences

No direct negative consequences were uncovered through the due diligence assessments, but some areas with potential risks for negative consequences were identified. These will need to be clarified further through continued follow-up.

Two companies stood out with a score of 15 points and will be followed up further. The rest scored between 18 and 20 points. It is reasonable to believe that those scoring highly are focused on and actively working with human rights and decent working conditions.

The potential negative consequences relate to the lack of routines and internal regulations, which could lead to accidents due to insufficient risk assessments and a lack of focus on health and safety. The companies with the lowest scores lacked several necessary procedures and systems for ethical responsibility and sustainability. They had no procedures for minimum age or human rights assessments, and there were no guidelines for negative effects of ESG issues in the supply chain or for the follow-up of ethical guidelines. The absence of health and safety systems also increased the risk to workers' welfare. Overall, these shortcomings resulted in lower scores than the others, as they weaken both ethical compliance and operational safety.

## 2.8 Further follow-up of suppliers

Based on the responses received, we can see that follow-up is needed for the suppliers who scored the lowest. One of the suppliers has had low results in previous years as well, while the other has shown a negative development. The explanation for the many "no" answers in the survey is that these are small companies, but even small companies are expected to have policies and regulations in place when their annual turnover exceeds 20 million NOK. Therefore, feedback will be sent to the two suppliers with the lowest scores.

For those with higher scores, we do not see an immediate need for follow-up. However, they will be surveyed again next year, and we will monitor to ensure that they do not show a negative trend.

## 2.9 Other suppliers

Norled has received questions about the battery delivered to our new build projects, as it has been known that several mineral producers do not behave ethically in relation to working conditions and human rights. The batteries delivered are mainly contracted either through the construction yard, which in turn buys in via an integrator, or directly from the integrator. The integrator is again the point of contact with the battery manufacturers. We have received written assurances from battery manufacturer that they follow up their subcontractors for minerals used in battery production and that there is a focus on only using sources where social responsibility is taken seriously.



## 3 Measures

### 3.1 Measures to limit and stop negative consequences

To minimize the negative consequences, further contact has been established with the companies that received the lowest scores in our survey. The goal is to understand the reasons behind their responses and to support them in implementing improvement measures.

In 2024, Norled established three phases for further follow-up:

**Follow-up Phase 1** involves an initial assessment of the suppliers. Norled will conduct Teams meetings with the suppliers who received the lowest scores. In these meetings, they will be required to implement actions to comply with the transparency law requirements.

**Follow-up Phase 2** consists of evaluating the need for further follow-up after Phase 1. The suppliers will be asked to complete a new self-assessment. If this shows no improvement, we will consider moving forward with physical meetings or inspections to gather more information. The aim of this phase is not only to set requirements but also to observe working conditions and maintain an open dialogue. This phase is especially relevant if there is a pattern of low scores in both the self-assessment and Ignite.

**Follow-up Phase 3** involves evaluating the measures that have been implemented. If these do not yield the desired effect, the suppliers will receive a written warning. In the worst case, the contract may be terminated, and the supplier replaced. Other serious incidents may also lead to the termination of the supplier relationship.

As for the companies that have not responded to our inquiries, we currently have no information about the reasons. This concerns eight companies. Further follow-up will be assessed.

### 3.2 Expected results

Through dialogue with suppliers, it is expected that we can help them achieve a higher score in the next survey, especially those who scored the lowest this year. This follow-up will also raise awareness around decent working conditions and human rights, and provide a deeper understanding of why this is crucial for maintaining the supplier relationship with Norled.

#### Further goals for Norled:

- Develop internal expertise for the effective handling of due diligence assessments. This will be followed up by the sustainability officer and procurement officer to ensure that the assessments are conducted in accordance with the company's ethical guidelines and legal requirements.
- Receive whistleblower reports, both anonymous and non-anonymous, through Norled's whistleblowing portal. This portal provides a safe and transparent channel for employees and partners to report concerns.
- Respond to inquiries related to the Transparency Act and how we handle it via a specific email address: [apenhet@norled.no](mailto:apenhet@norled.no). This channel will open up for questions and dialogue regarding the compliance with the law.

By implementing this follow-up plan, work on human rights and decent working conditions in the supply chain will be a prioritised issue for Norled. Norled will strengthen its responsible supplier work in line with the Transparency Act, thereby ensuring legal compliance and reinforcing its position as a responsible actor in the transportation industry. This is an important part of our contribution to sustainable transformation and

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corporate social responsibility.

## 4 Signatures

Signatures in accordance with Accounting Act § 3-5.



Tone Wille  
Chairperson of the board



Rannveig Elisabeth Drengstig  
Chief Executive Officer



Gioia Torresi  
Board member



Andreas H. Köttering  
Board member



Anne Helen Hurn  
Board member



André Myhr  
Board member



Bjarte Morken  
Board member



Ove Borgen  
Board member



Pav Lamba  
Board member



Vegard Hellekleiv  
Board member