



**DEN NORSKE
KRIGSFORSIKRING
FOR SKIB**

Reporting on Human Rights Due Diligence

Reporting under the Transparency Act

DNK is subject to the Norwegian Transparency Act (Åpenhetsloven).¹ This act requires DNK to report on our organisation and area of operation, guidelines and routines for handling actual and potential negative impact on fundamental human rights and decent working conditions, and how due diligence assessments are done.

Furthermore, DNK has to report specific information on cases where there are actual negative consequences or substantial risk for negative consequences which we have identified, and inform about the measures taken to stop or limit such unwanted circumstances.

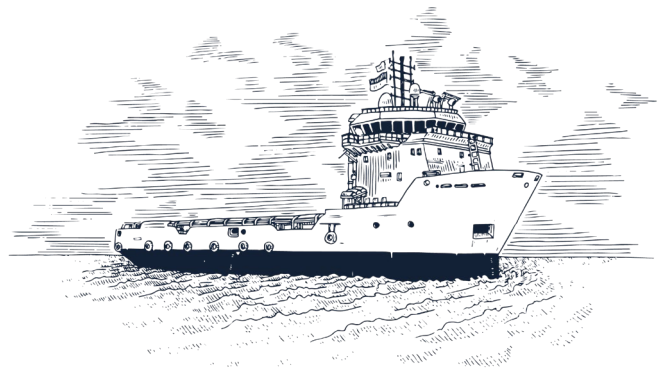
DNK is actively working to promote respect for human rights and decent working conditions, both internally and amongst its suppliers and business partners.

This report is a summary of the work done in this respect between 1. January and 31. December 2023.

About DNK

The Norwegian Shipowners' Mutual War Risks Insurance Association, ("DNK" or "the Association") is a mutual insurance company insuring members' interests in ships, drilling rigs and other similar mobile units against the risks of war, terrorism, and piracy.

The Association is owned by Norwegian shipowners and conducts its business from Oslo. Most of our members are also subject to the Transparency Act.



To prevent damage to people, the environment, and to insured assets is at the core of DNK's business model since the establishment of the Association in 1935.

Providing loss prevention and financial security through insurance to ensure sustainable and secure operations for our members' employees is an integral part of DNK's business model.

Responsibilities

The DNK Board of Directors consists of representatives from our member companies and has the overall responsibility for ensuring respect for human rights and decent working conditions throughout DNKs activities.

¹ Lov om virksomheters åpenhet og arbeid med grunnleggende menneskerettigheter og anstendige arbeidsforhold.

The CEO has the lead operational responsibility for DNKs human rights due diligence. The CFO is responsible for implementing our investment strategy and which requires the consideration of ESG factors (environmental, social and governance) in investment decisions.

DNK has not been involved in any incidents where it has caused or contributed to adverse impact in 2023.

Organisation

We seek to contribute to the professional development of employees by valuing diversity, equality and collaboration. The working environment shall be non-discriminating, safe and inclusive.

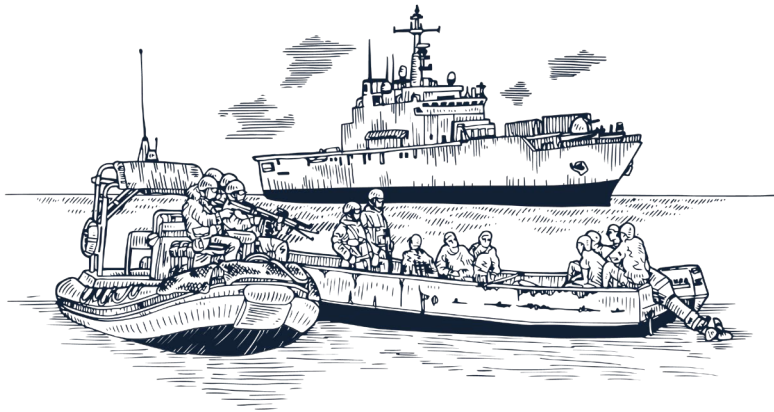
In 2023 the DNK Board consisted of 40 % women. Top management consisted of 30 % women, and the total administration of 35 % women.

Human and Labor Rights

DNK aims to provide timely and relevant threat assessments and loss prevention support, so that our members can mitigate and manage crisis situations and accidents that may have a negative impact on crew working conditions and safety.

DNK has a longstanding tradition of approaching its war risks insurance business broadly when taking care of crew members who have been subject to captivity or violent acts. The support offered to members is designed to ensure redundancy in the ability to protect crew members before, during and after an incident.

No ethical incidents or legal actions were taken against DNK on human or labour rights in the reporting period.



Anti-corruption

DNK has zero tolerance for corruption and bribery. This applies to our employees, suppliers, counterparties, and members.

Ethical guidelines and policies regarding anti-money laundering, anti-terrorism financing, anti-corruption, and fraud are discussed and made available to employees and other stakeholders. Regular Know Your Customer (KYC) controls, including sanctions screening and monitoring of financial transactions, are performed to minimize the risk of inadvertently doing business with non-compliant counterparties.

DNK's Board, management and control functions are subject to regular fit and proper checks. Suspicious activity and illegal or unethical behaviour can be reported in a safe and confidential way by DNK employees.

DNK also routinely reports details of all cases involving ransom demands to the Norwegian national economic crimes unit (Økokrim), the National Crimes Agency in the UK and INTERPOL.

In 2023 DNK had no confirmed cases of sanctions non-compliance, corruption or bribery.

Environment

The war risks insurance business is not directly impacted by environmental factors. However, human-imposed threats such as piracy or terrorism may be influenced by increased tensions and conflicts due to climate or environmental challenges in certain regions.

Global warming may lead to the development of new traffic patterns and result in more demanding working conditions for employees in maritime trade. DNK's loss-prevention activities aim to minimize potential loss of lives and environmental damage as a consequence of damage to maritime assets.

We also continuously invest in new technology, data-driven solutions and digital collaboration tools in our own organisation and among our members, in order to increase productivity and limit negative operational impact on the environment.

Guidelines and routines for handling Human Rights Due Diligence in DNK

Ensuring the protection of human rights is vital to DNK. While the Association itself does not conduct business in countries or industries that are at risk for human rights violations, we endeavor to ensure that our members, partners and providers are compliant with all regulations and laws related to this.

DNK has routines and guidelines to ensure personal data protection, responsible purchasing and evaluation of contracts with our suppliers, providers, and partners. This includes evaluating risk associated with the relevant industry and country of operation of the other contracting parties.

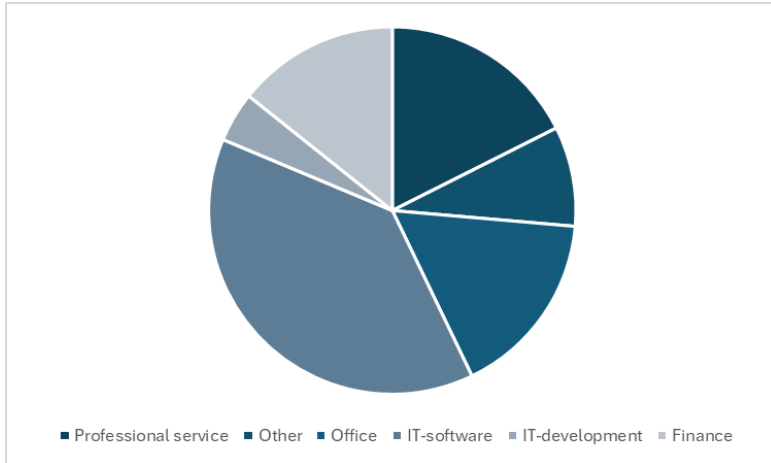
DNK also has a Code of Conduct for its employees and business partners that outlines the Associations expectations and requirements with regards to human rights compliance.

DNK follow the six steps and supporting measures set forth in the OECD Due Diligence Guidance for Responsible Business Conduction:

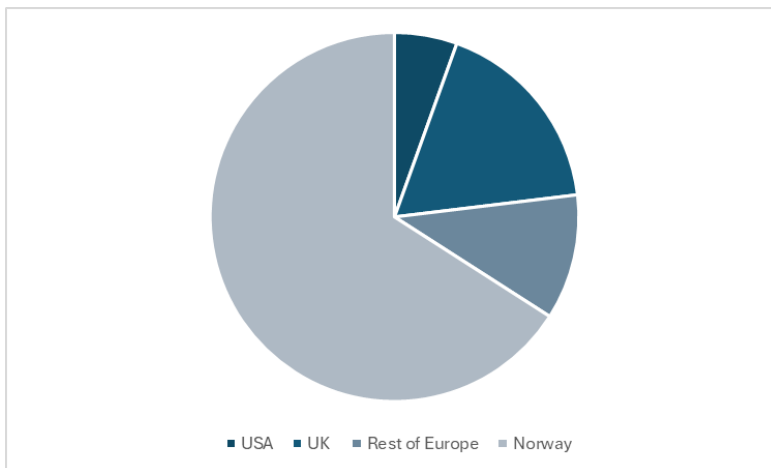
1. Embed responsible business conduct into policies and management systems;
2. Identify and assess adverse impacts in operations, supply chains and business relationships;
3. Cease, prevent or mitigate adverse impacts;
4. Track implementation and results;
5. Communicate how impacts are addressed; and
6. Provide for or cooperate in remediation when appropriate.

Supply chain responsibility

DNK's suppliers and contractual parties consist mainly of service providers related to IT-software, professional services (including information and intelligence, consulting and advisory), and finance, see industry split for 2023 below:



In 2023, 66% of our suppliers were based in Norway, 29% in Europe/UK and 5% in the USA:



Most of our suppliers are subject to the Norwegian Transparency Act or similar regulations, and we have no suppliers who operate in countries which are considered to have a low level of human and labour rights protection.

DNK has identified all of our suppliers to have low risk of human and labor rights violations.

We are currently implementing comprehensive digital solutions to improve data collection and to further support continuous monitoring and evaluation of our supply chain.

DNK has not discovered any negative consequences for human and labor rights among our suppliers and business partners in 2023.

Risk of negative consequences for Human and Labor Rights

DNK recognizes the critical role it plays in situations that are sensitive to potential violations and difficulties. DNK has an active role in aiding its members through insured events before, during, and after they take place.

Because of this, DNK is in a unique position to meet seafarers with comprehensive post-incident support after experiencing potential human rights violations, such as kidnap and ransom incidents. We are continuously doing what we can to build competence both within the organisation and for its members.

DNK supports not only a wide range of projects related to war risks insurance and the maritime environment, but also humanitarian causes. While financial contributions are sometimes substantial, the Association also provides support by allowing employees time to contribute.

Incident reporting

DNK has secure and confidential complaints- and whistleblowing procedures for raising and reporting of concerns of misconduct.

No concerns have been reported to DNK in 2023.

Human and labor rights within the Association

Human and labor rights have to be protected not just in DNK's relations with external stakeholders, but also within the organisation itself.

DNK is continuously working towards a workplace that is diverse, equal, and inclusive. In 2023, DNK increased its HR resources to better protect its employees. This has provided additional streams of internal reporting and increased knowledge of employees' rights and the Association's obligations.

DNK continues to seek internal feedback and external guidance in becoming a workplace of diversity, equity, and inclusion.

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Oslo, 21st June 2024

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Mons Aase
Chair of the Board

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Svein Ringbakken
Managing Director