



Human Rights and Decent Working Conditions





Human Rights and Decent Working Conditions (Transparency Act)

This report forms part of Skuld's Sustainability reporting framework in compliance with Section 5 (§ 5) of the Norwegian Transparency Act (2021). This report is compiled for Assuranceforeningen Skuld (Gjensidig), Norway and its branches and subsidiaries.

This report was approved by Skuld's Executive Management in June 2024, and will be submitted to the Board of Directors for approval in September 2024.

Skuld's commitment

Skuld is committed to respecting and promoting human rights and decent working conditions. As a global business, this includes focusing on respecting human rights in our own business, in our supply chain and with our business partners. As a marine insurer, this includes sharing our experience with our members and clients to equip them with the knowledge we have learned over the more than 125 years of Skuld's existence so that our assureds can keep their seafarers safe.

We act ethically and with integrity in all our business dealings and relationships. That includes zero tolerance to modern slavery or forced labour of any kind.

We implement and enforce effective systems and controls to ensure modern slavery does not take place within Skuld or our supply chains. We state our zero-tolerance policy on slavery, human trafficking, and human rights abuse clearly in our global [Code of Conduct](#).

We do not tolerate any form of harassment or discrimination based on gender, ethnic background, disability, sexual orientation etc. We pledge transparency on these issues wherever it is relevant or required.

Skuld's Sustainability Working Group ensures our commitment to responsible business practices, including human rights and decent working conditions, is embedded into our organisation across all levels. It works to map and assess how well Skuld, our suppliers, and our business partners adhere to, amongst other important categories, fundamental human rights, and whether employees enjoy decent working conditions. We work continuously to improve our knowledge and work related to human rights.

About Skuld

Skuld is a global marine insurance provider with more than 300 employees worldwide. As a mutual association, Skuld is owned and governed directly by its members. Skuld offers a wide range of marine insurance products, with the main products being the following:

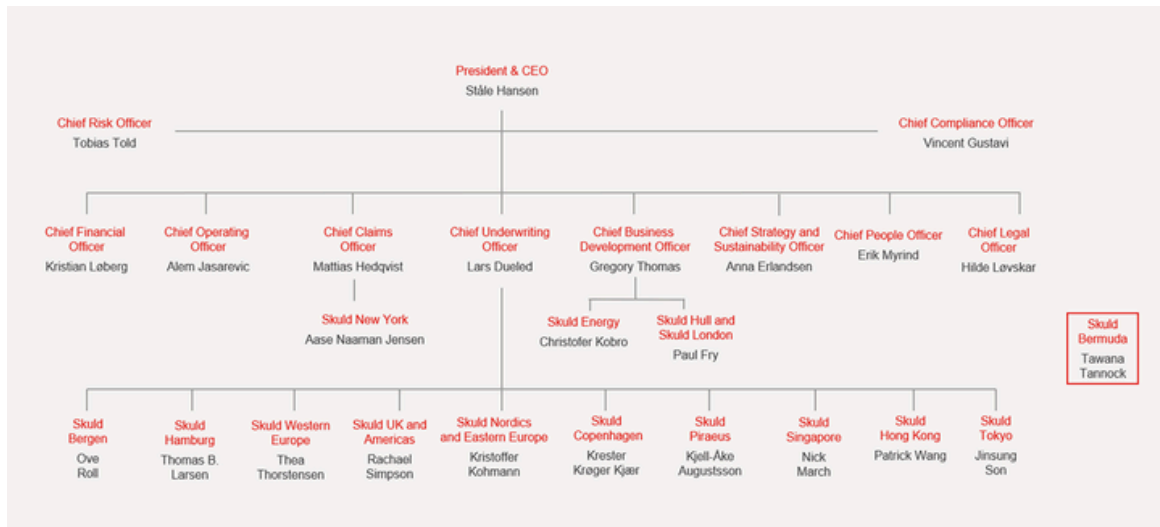
- Owners' Mutual P&I and Defence
- Hull and Machinery plus ancillary products including Loss of Hire
- Charterer's Liability and Defence
- Yacht P&I
- Fixed P&I
- Offshore P&I and Offshore Energy products including liability and physical damage



Skuld's head office is in Oslo, Norway. Skuld also has offices in Bergen, Bermuda, Copenhagen, Hamburg, Hong Kong, London, New York, Piraeus, Singapore and Tokyo.

More information about Skuld and its sustainability focus can be found in our [2023/2024 Annual report](#).

Skuld's organisation chart:



Skuld's commitment to the human rights and working conditions of crew.

Skuld's commitment to respect and promote human rights ties in with our purpose statement "protecting ocean industries". Skuld's commitment extends to our members, clients and to global ocean industries. This can readily be seen by our P&I products, which allow us to reassure our members and clients that if difficulty, injury or worse should happen to their crew, Skuld will be there to support them and see they receive the treatment and help they need.

In further support of the crew of our members and clients, Skuld is a signatory to the Neptune Declaration on Seafarer Wellbeing and Crew Change, a declaration seeking to globally recognise seafarers as key workers, giving them priority access to vaccines as well as establishing gold standard health protocols and collaboration between operators and charterers.

Activities to identify negative human rights impacts

Skuld has created a comprehensive system of internal governance, including:

- Policies approved by the Board of Directors
- Instructions (owned by a member of the Executive Management)
- Guidelines for specific areas of Skuld's operations
- A continuous audit and improvement process, facilitating our ability to identify risks and process failures in our framework regarding human rights and working conditions in line with the Transparency Act and remedy them.

These documents provide detailed guidance on various key responsible business conduct subjects.



Skuld is owned by its member shipowners

The Annual General Meeting (AGM) is the organisation's highest authority. The Board of Directors is responsible for strategic decisions related to Skuld's operations. Its members are elected from among the membership and are actively involved in Skuld's operations and initiatives. The Board also approves Skuld's development strategy, which includes our clear focus on sustainability and our robust Code of Conduct. The President, CEO, and other members of senior management form the Executive Management. Their responsibility is to ensure that the instructions and recommendations of the governing bodies are carried out, and that Skuld operates efficiently.

The Executive Management is vital to ensuring Skuld's vision is carried out through day-to-day operations that allow Skuld to deliver sustainable solutions. Skuld aims to have open and transparent communication with members, employees and other stakeholders.

Our commitment to respecting and supporting human rights and decent working conditions, both internally and when working with suppliers and business partners, is integrated into Skuld's governance framework. We have ongoing review of our governance documents, adding new when necessary as well as amending our existing documentation to enhance the focus on human rights in our operations.

Our board-approved Human Rights Policy outlines Skuld's commitment to respect, support, and promote human rights. It includes our commitment to comply with the Norwegian Transparency Act in its references to:

- The UN Convention on Economic, Social and Cultural Rights from 1966.
- The UN Convention on Civil and Political Rights from 1966.
- The International Labour Organization's core conventions on fundamental rights and principles in working life.

Our Correspondent Guidelines have been updated to enhance their focus on human rights and decent working conditions. They make clear our expectation that correspondents adhere to these precepts.

Additionally, Skuld's Supplier Code of Conduct outlines our expectations for our suppliers' conduct in their operations with respect to human rights, decent working conditions and other elements of responsible business conduct.

As part of Skuld's Purchasing Instruction, all existing and potential suppliers shall have this Code of Conduct communicated to them, and their acknowledgement of their understanding and commitment to the Code must be received.

An overview of relevant Policies and Instructions implemented in Skuld is listed in the Appendix to the Code of Conduct.

Skuld has developed a process to identify and follow up on suppliers that may be at risk of breaching Skuld's Supplier Code of Conduct. Using a risk matrix, assessment questionnaires and dialogue with our suppliers, we aim to continually improve the human rights and working conditions environment amongst our network. Further details are found below under the supplier due diligence heading.



Protecting employees' human rights

Skuld is a knowledge-based company headquartered in Norway. As such, we have identified the main potential drivers of internal risk to human rights to be: discrimination and long working hours. We have measures in place to monitor and manage those risks. We have also conducted a leadership survey in 2023, where employees reported that the leaders help maintaining a healthy work-life balance and promote an inclusive culture.

We also conduct an annual assessment in accordance with the requirements under the Activity and Reporting obligation to identify, map and resolve risks in this area. More information about our work is found in our [Board approved 2023/2024 Annual report](#).

To further improve our employees' working conditions we continue to focus on work-life balance and prioritise employee well-being. Some of our initiatives in 2023/2024 was further developing our Future Way of Work (Skuld's flexible work-from-home arrangement) and new mental health training to our employees.

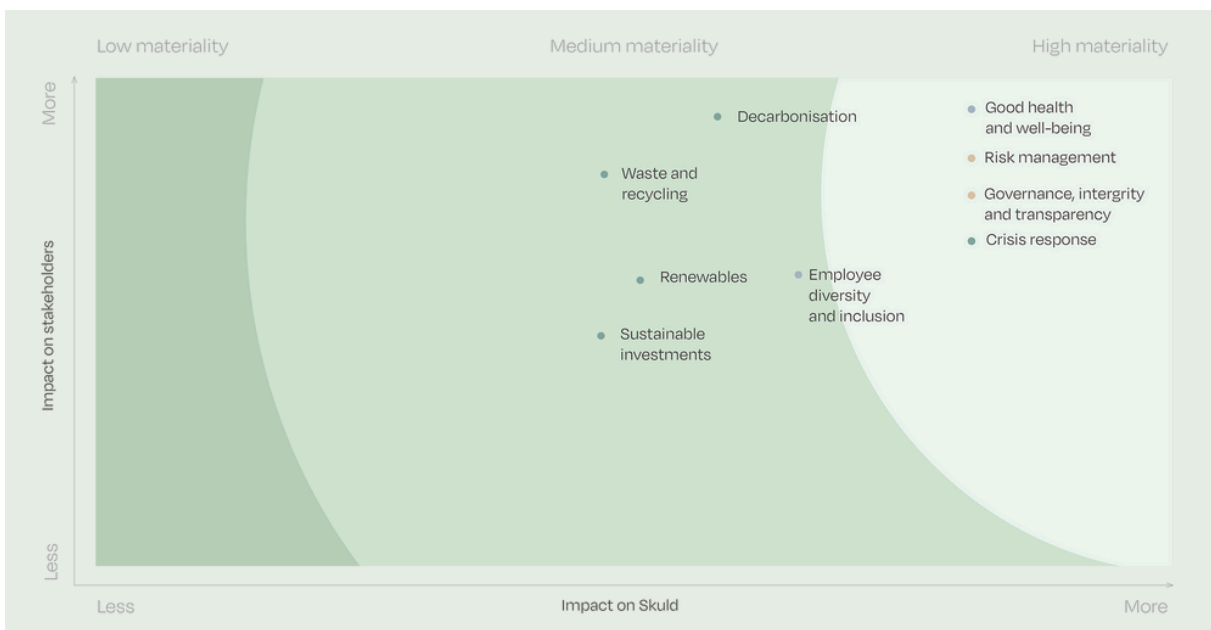


Further demonstrating our commitment, Skuld has publicly committed to the United Nations Sustainable Development Goals (SDGs). Specifically related to human rights and working conditions, Skuld has adopted SDG3: Good health and Wellbeing, and SDG10 Reduced Inequalities.

Skuld has joined a number of initiatives in order to push progress in our SDG commitments. These include:

- Our adherence to the Women's Empowerment Principles, a set of principles established by UN Women and the UN Global Compact. These principles seek to guide businesses on their path to gender equality.
- Our position as a signatory to the Women's International Shipping & Trading Association (WISTA) Norway "40 by 30" programme, a drive that seeks to increase the number of women in senior leadership roles to 40% by 2030.
- Benchmarking our gender diversity performance against employment market through the SHE Index, a voluntary index that maps the gender diversity of its signatories.

In the 2023/24 year, Skuld has also updated its materiality assessment. This assessment identified the most pertinent factors facing Skuld from a sustainability perspective, and it can be seen that our focus on good health and wellbeing, as well as employee diversity and inclusion scored highly as being of high material relevance for Skuld and our key stakeholders: Our people.





We have taken a range of measures to focus on ensuring that Skuld employees are not exposed to the human and working condition risks that has been identified by the materiality assessment. Full details can be found in our 2023/2024 Annual report, between pages 60 to 76, found [here](#).

Supplier due diligence

As noted previously, Skuld requires its suppliers to acknowledge and commit to our Supplier Code of Conduct. Our philosophy towards building a sustainable future with our suppliers does not allow us to stop our due diligence once our suppliers have given us their commitment.

We have established routines in order to follow up on our suppliers' efforts and attitudes towards responsible business practice. As Skuld utilises a high volume of different suppliers across the world and across varying industries, we have developed a system of prioritising which of our suppliers we should examine in further detail. This system creates a free-standing supplier sustainability risk matrix, and makes use of a risk model considering various elements and assigning them a score, mainly:

- Geographic area, as certain locations may have increased sustainability risks more than others;
- Business relationship, as suppliers we engage with frequently with a long and trusted relationship are suppliers we see as being open to change and growing their sustainability policies and commitments with us;
- Business industry, as both the potential for risk, as well as the potential severity of a materialised risk, can vary widely in different industries; and
- Size of business, as a small business of 3 employees will have a risk profile entirely different to that of a large multinational.

Activities to prevent and mitigate negative human rights impacts

In 2023 we took a focus on our correspondents, and identified those who have the highest risk profile based on the abovementioned risk model.

The 16 correspondents who scored as being the highest risk were asked to complete our self-assessment questionnaire, which asked 30 questions regarding their company's processes and stances on human rights and decent working condition concerns for their employees. The intention behind this is to take those suppliers who score with the highest risk factors according to our risk model, then get to know them better so we can learn about their policies, processes and how they think about human rights, decent working conditions and sustainability as a whole. From here, we can strike a dialogue with our suppliers and if necessary, work with them to build up their sustainability profile.

Of the 16 correspondents identified as being high risk, following the feedback we received from the self-assessment questionnaire we noted only 2 respondents provided answers that warranted a follow up discussion. This was due to answers that indicated some deficiencies in their defined processes and policies related to decent working conditions.

During the course of our discussions with these suppliers, through a mix of updating policies and providing background context to the management and the small size of the organisations in question, our concerns about potential risks regarding decent working conditions for their employees were alleviated.

This process allows us to understand our suppliers' policies and procedures regarding human rights and working conditions, and work with them to improve where necessary. As such, this process will be repeated annually with different suppliers to map the different industries and geographic areas we utilise suppliers. To this end, we have also refined our self-assessment questionnaire and the platform it uses to better target the areas, which we have expanded to include environmental and governance matters, we wish to build on with our suppliers.



Industry initiative

Skuld recognises that we are not the only insurers in our industry who use external service providers, such as correspondents, lawyers, surveyors, and adjusters, to support our operations and serve our clients. Many of these service providers work with several marine insurers and may be subject to multiple due diligence requests and assessments from different parties. We understand that this can create inefficiencies and inconsistencies for both the service providers and the insurers.

Therefore, Skuld has initiated an industry initiative through the Norwegian Marine Insurance Association (CEFOR) that aims at ensuring consistent and streamlined due diligence and follow-up of external service providers that are common to the members of CEFOR. The initiative will seek to establish a common due diligence questionnaire for assessing and monitoring the sustainability performance of service providers, including their compliance with human rights and decent working conditions. The initiative will also foster dialogue and collaboration between the insurers and the service providers on how to address and mitigate any potential adverse impacts.

Skuld believes that this initiative will benefit both the insurers and the service providers, as well as contribute to the advancement of sustainability in the marine insurance industry. Skuld will actively participate in the development and implementation of this initiative, and will update our stakeholders on the progress and outcomes in our future reports.

Whistleblowing

Skuld has a dedicated whistleblowing instruction that outlines the processes and actions involved in a whistleblowing event. Clear pathways exist internally for employees to raise any concerns or complaints, and in addition to this, in the interest of promoting confidence in discretion Skuld has also entered a whistleblowing and grievance agreement with an external party. This allows any Skuld employee or third party to anonymously file a whistleblowing or grievance report on any breaches of Skuld policies, free from the worry of facing any retaliatory conduct. The third-party solution can be found [here](#).

Transparency Act Information Request

Any person has the right to information from Skuld regarding how Skuld addresses and assesses our actual and potential adverse impacts on human rights and decent working conditions under the Norwegian Transparency Act. Skuld has a dedicated Transparency Act information Request Instruction that addresses these processes internally, and Skuld will provide such information in line with our obligations under the Act.

Requests for information under the Transparency Act should be addressed to Skuld's Chief Compliance Officer. These contact details for the Chief Compliance Officer can be found at <https://www.skuld.com/contacts/oslo/> under Compliance.

Continued commitment

Skuld considers protecting human rights and promoting decent working conditions as a long-term commitment. It forms a natural part of the Skuld's strategy and sustainability focus. To further integrate this area into our sustainability framework we will incorporate this report into our Annual Report from the 2024/2025 financial year to provide a holistic approach.