



LOCKTON NORWAY AS

ESG Statement

OCTOBER 2024

Introduction to Lockton

Lockton Norway AS is a Norwegian limited liability company (hereafter “Lockton Norway” or the “Company”). The Company’s principal business activity is that of an insurance broker for marine and non-marine insurances. Lockton Norway is part of the Lockton worldwide group of companies (“hereafter “Lockton” or “Lockton Group”), the world’s largest privately held insurance broker.

Environmental responsibility, social impact, and corporate governance (ESG) considerations play an important role in how we approach our business and our culture at Lockton. Lockton Norway confirms that we carry out our business activities in accordance with internationally recognized principles and guidelines, laws or rules relating to human and labour rights, the environment, corruption and anti-money laundering.

Lockton Norway is a small company with a modest global footprint. However, as a significant part of the Company’s business is marine brokerage, we are an integral part of a value chain that dominates world trade. We are required to understand risk and secure risk transfer in order to keep goods and services moving around the globe. This requires us to be aware of the consequences of our choices, and the influence we may exert on our trading partners. By setting realistic and achievable goals for sustainability within our own organization, we aim to play our part in making the maritime industry focus on a better future.



1. Environmental

As a global group with clients in more than 100 countries, Lockton recognize that we must be good stewards of our planet, be responsible neighbours and provide a comfortable environment for our people to work in and contribute to improving our client's business.

Exposure to climate change remains a long-term industry concern as we continue to see firsthand the impacts on our clients, people and communities. Our activity to make an impact in this space continues to focus on our business operations and the ways we engage with suppliers, vendors and clients in their journeys towards sustainable operations.

Lockton represents a diverse range of clients operating globally in many industries. We pride ourselves on assisting many of them in their journeys to reduce their environmental impact and mitigate the physical impact, transition, and liability risks associated with climate change on their business.

- The international shipping industry is embarking on the single largest energy transition in modern times; the only way it can be achieved is together. Therefore Lockton has signed up affiliate member of the Poseidon Principles for Marine Insurance (PPMI). The PPMI represent an important development in cross-party dialogue through the provision of a carbon reporting standard for insurers alongside a net-zero target. Lockton is proud to be a part of this work and we look forward to contributing our expertise in support of this initiative and our clients' journeys towards a decarbonised future.

While joining global efforts, we also focus on how we can contribute to a sustainable future closer to home. Lockton offices across the globe have implemented internal sustainability initiatives that in turn reduce the environmental impact on their local communities.

Lockton Norway focuses on sustainable consumption and contributes in the fight to combat climate change by having implemented the following measures:

- **COMMITTING** to not increasing our CO2 emissions since 2022.
- **RECYCLING** and reusing wherever possible. Our computer equipment and phones are repaired rather than replaced. Office furniture and other property is well looked after to ensure the longest possible life span. We facilitate reduce waste and increased recycling at both our Norwegian offices.
- **PROMOTING** paperless transactions as far as practicable.
- **TRAVELLING** with the most emission-friendly means of transport. We will not travel by airplane to meetings whether internal or external where we may achieve the same objectives if held via video or telephone. When required to travel we will endeavour to always use and we endeavour to book our airline tickets with CO2 compensation.
- **OFFSETTING** carbon emissions. For the last 2 years Lockton Norway has calculated our own greenhouse gas emissions Scope 1, 2 and 3, and purchased carbon credits to offset such emissions. The offset is certified by CEMAsys. The carbon credits are tracked in the registry using unique serial numbers to prevent double counting or double selling. The offset is contributed to a small-scale voluntary Project Activity (VPA) in Madhya Pradesh, India, which aims at providing safe drinking water to rural and tribal communities in the tribal belt of Central India. The VPA supplies up to 30,000 households (approx. 150,000 people) in tribal communities in Khandwa and Barwani District of Madhya Pradesh with safe drinking water through Solar Water Disinfection (SODIS) with the UV indicator WADI. The method will ensure safe drinking water supply for households that depend on unsafe water due to common barrier factors or are currently boiling water using non-renewable fuel sources.
- **SUPPORTING** environmentally friendly developments within our industry by developing insurance products that will make such initiatives possible. We have in the past designed products to mitigate the transfer to the IMO 2020 regime for those ship owners who install scrubbers. We will not facilitate insurances for business which is environmentally unfriendly, such as scrap voyages or tows which is not in compliance with international standards and requirements.

2. Social

Diversity, Equity & Inclusion

Lockton is committed to fostering a safe and inclusive workplace for all associates, producers, clients, and vendors. As the Lockton Group DEI strategy continues to evolve, focus is put on building a global strategy that ensures Lockton remains the best place to work, developing forward-thinking client solutions, and creating strategic civic and vendor partnerships to transform the communities where we live and work.

- Lockton is committed to addressing and mitigating unconscious bias. A critical step towards achieving our DEI goals and helping to create a more fair, inclusive, and effective workplace has been to require that Lockton associates complete unconscious bias training.
- Associates are empowered to create employee networks to create safe spaces, deliver learning opportunities and grow allyship. Some of the networks across the Lockton group, many of which are online for associates across the globe to join, include:
 - LGBTQ+
 - Working parents/caregivers
 - Young professionals
 - Black & African American
 - Women

Lockton believes its commitment to social responsibility creates a greater level of fulfilment by connecting our Associates' personal and professional relationships. Each of our offices around the world has the unique freedom to support, volunteer and donate to beneficiaries that are important to their people and their communities. In 2023, the Lockton Group's community impact totalled more than \$23 million, benefiting 250+ organizations across the globe.

Lockton Norway focuses on contributing to inclusive quality education and learning opportunities for all. Lockton Norway supports SOMTO, Karoline Aadlands Memorial Foundation with 0,1% of our annual wage bill. The word SOMTO comes from the Swahili word "somesha mtoto", which means "educate a child". The foundation aims to secure proper education and safe living conditions for underprivileged children in Nairobi, Kenya (www.somto.no/).

Photo: SOMTO, Karoline Aadlands minnestiftelse



Human rights and decent working conditions

Lockton Norway is committed to conducting our business with respect for fundamental human rights and the right to decent working conditions.

Lockton Norway is subject to the Norwegian Transparency Act. The purpose of the Transparency Act is to promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and to ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.

In accordance with the act Lockton Norway carries out due diligence assessments in accordance with the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct of our own company and our supply chain and business partners, to identify and assess any actual and potential adverse impacts on fundamental human rights and decent working conditions. Lockton Norway's first report under the Transparency Act will be published no later than 30 June 2025.

Lockton International Holdings Ltd. has issued an Anti-Slavery Policy which all companies in Lockton are required to abide by. Slavery is an abhorrent practice and Lockton is committed to ensuring that it is absent from Lockton's own business and supply chains globally. Lockton has a zero tolerance of slavery, servitude, force or compulsory labour and human trafficking in all its forms.

Lockton Norway has no appetite for causing harm to persons, damaging its reputation, being subject of legal action or incurring financial loss or standing in the business community arising from a failure to comply with the Transparency Act. Our policies, controls and procedures are designed to reduce risk to this level.

All Lockton employees are required to complete modern slavery awareness training. Management employees including those in charge of supply chain management, are fully informed and aware of the company policy and statements relating to modern slavery. Knowledge and ability to mitigate the risk of slavery and human trafficking in supply chains is delivered by regular interactive training sessions and/or workshops by specialist providers.

Health and Wellbeing

The Lockton way is to care for our Associates. Despite differing programs around the globe, Lockton puts its Associates and their families first, offering benefits options to support them where they are and where they want to go.

In Lockton Norway we offer our Associates one of the markets best group life insurances and pension insurances, which includes disability coverage, travel insurance that covers the Associates and their families for work travel and leisure, health insurance that provides them with top care if they get ill, including access to psychologists and physiotherapy and annual occupational health service.

Supporting clients

Our people are at the core of who we are. Therefore we strive to fully support our clients' people.

Our People Solutions practices across the globe help guide clients to solutions that drive employee understanding, engagement and satisfaction.

The Lockton Norway People Solutions team:

- Offers individual counselling sessions with clients' employees.
- Assist in all phases of the employment cycle, not only in relation to pension planning and communicating the companies' pension and insurance programme, but also in relation to recruitment, downsizing, restructuring and life crises. We can in particular assist in relation to working environment, employment conditions, and fair restructuring.
- Challenge pension providers on sustainability investments that give employees the opportunity to choose the most sustainable options in their pension portfolio.

3. Governance

Lockton has established enterprise-wide codes of conduct and policies and procedures around the world to mitigate the risk that Lockton, its associates, clients and trading partners are exposed to financial crime. Operational controls are also in place to ensure compliance with these procedures. Associates receive regular training on financial crime issues.

- Lockton is committed to minimizing financial crime, which encompasses money laundering, terrorism, bribery and corruption, international sanctions, fraud, malpractice, insider dealing, anti-competition practices and market abuse. We promote a zero-tolerance approach to financial crime.
- Lockton is committed to supporting government, law enforcement and international bodies to combat the use of the financial services sector to facilitate financial crime.
- Lockton strives to maintain the highest standards of governance, personal and corporate ethics, compliance with all laws and regulations and values integrity and honesty in dealings with all associates, customers, agents, suppliers and other stakeholders.

Lockton has no appetite for:

- Incurring regulatory or legal censure, fines or prosecution relating to money laundering by failing to ensure that our business complies with the laws and regulations of every country and territory in which it operates, including any applicable sanctions.
- Failing to maintain an effective and risk-based system of internal controls to prevent fraud, malpractice, corruption and/or any other illegal activity which may impact upon direct costs, our reputation, supervisory risk, ethics and client care.
- Failing to maintain an effective and risk-based system of controls to prevent fraud, malpractice, corruption and/or any other illegal activity from external parties which may impact upon direct costs, our reputation, supervisory risk, ethics and client care.
- Failure of any part of the organization to adhere to laws and regulations of the country or territory in which it operates, together with failure to implement the group anti-money laundering or fraud and malpractice standards.

Anti-Money Laundering

Lockton is committed to implementing single global standards shaped by the most effective anti-money laundering standards available in any location where Lockton operates.

Lockton has established an Anti-Money Laundering Framework (“AML Framework”) for this purpose. The objective of the AML Framework is to ensure that money laundering risks identified by Lockton are appropriately mitigated. This is achieved by establishing Board-approved, minimum governing policies, principles, and standards and implementing appropriate controls, to protect Lockton, its Associates, Partners and clients from money laundering. The AML Framework provides guidance to all Lockton Associates, requiring them to conduct business in accordance with applicable AML laws, rules, and regulations. The AML Framework is based upon various laws, regulations and regulatory guidance from the United Kingdom, the European Union, the United States of America, and other local jurisdictions in which Lockton does business.

Lockton Norway has made local adaptations to ensure compliance with the Norwegian Act relating to Measures to Combat Money Laundering and Terrorist Financing.

Anti-Bribery

Lockton is committed to high standards of ethical behaviour and has zero tolerance towards bribery and corruption. Lockton requires compliance with all anti-bribery and corruption laws in all markets and jurisdictions in which it operates. These laws include the UK Bribery Act and the US Foreign Corrupt Practices Act, as well as all other similar laws and regulations in the countries where Lockton operates. Lockton Norway is committed to comply with the Norwegian Penal Code provisions on bribery. Lockton requires all Associates, Partners and Associated Persons, to comply with the principles in the policies in the performance of their services for or on behalf of Lockton.



The ABC framework incorporates the below risk factors:

- **Associate Risk:** All Lockton companies and Associates are required by the ABC framework to have appropriate controls in place to manage risks and maintain records when offering or accepting gifts, entertainment, sponsorships, travel & accommodation, or other advantage or when engaging in charitable giving, political expenditure or recruitment.

Recruitment must be merit-based, fair, and in keeping with the stringent hiring standards applied by Lockton. Hiring, in paid or unpaid, temporary, or permanent roles, must not be used to improperly influence third parties or to improperly obtain or retain business or an advantage in business.

- **Third Party Risk:** All Lockton entities and individuals are required by the ABC framework to ensure that appropriate due diligence and controls are applied to any third party they engage, to ensure that they comply with the letter and spirit of applicable anti-bribery legislation and regulation. When a third party performs services for or on behalf of Lockton, additional controls are applied to manage the enhanced risks from Associated Persons.

- **Strategic Risk:** All Lockton entities and Associates are required by the ABC framework to apply controls in order to protect against bribery and corruption risks, in areas such as strategic proprietary investments, acquisitions, disposals, joint ventures and the development of products & services.
- **Client Risk:** All Lockton entities and Associates are required by the ABC framework to ensure that bribery & corruption risks identified from client behaviour or the provision of products and services to clients and insureds are effectively managed through the application of controls.

As part of the prevention, identification and remediation of ABC issues, mandatory training is conducted throughout Lockton, in addition to targeted training tailored to the roles of the individuals.

Lockton also maintains clear whistleblowing policies and processes, to ensure that individuals can confidentially report concerns, with no fear of retribution, confident that they will be investigated and remediated appropriately.

The Lockton Global Impact Report 2024 can be found here: [Global Impact Report](#)



Lockton Norway AS

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Authorised and supervised by the Financial Supervisory Authority of Norway.

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