

Disclosure under the Norwegian Transparency Act

The Norwegian Transparency Act requires companies to publish a statement regarding integrity due diligence assessment. Norske tog understands that what is set out below is in line with the duty of disclosure in the Norwegian Transparency Act.

Over the last year, Norske tog has focused on adapting its organisation and procedures in line with the Norwegian Transparency Act, which entered into force on 1 July 2022. The company has remained up to speed on the Norwegian Transparency Act and integrity due diligence assessments by means of seminars under the auspices of Ethical Trade Norway.

Norske tog has also established new guidelines for its operations in 2022: “Carrying out integrity due diligence assessments that safeguard people, the environment and society”. These guidelines were developed by Norske tog’s executive team and legal department, and the Board has been notified of the work. Only general information from this work – and not full guidelines – has been published up to now.

Norske tog is now performing integrity due diligence assessments in line with the UN Guiding Principles on Business and Human Rights, as well as the OECD Guidelines for Multinational Enterprises.

Conducting integrity due diligence assessments involves interdisciplinary involvement and takes place as an integral part of the enterprise. The legal department is responsible for ensuring that Norske tog’s work on integrity due diligence assessments is in line with applicable legislation and international frameworks. The administration department checks that the guidelines are implemented correctly in the projects and supervises any non-conformities. The project department is responsible for conducting risk assessments linked with countries, input factors and suppliers for the individual projects in which integrity due diligence assessments are to be conducted.

Integrity Due Diligence (IDD) assessment is a background investigation of risks in respect of ethics and integrity, which also includes respectable work and human rights. IDD assessments are performed for

projects worth over NOK 1 billion, and also on the basis of a specific assessment for projects worth less than NOK 1 billion. The assessment is based on risk assessments, relevant cases that Norske tog is aware of that relate to the supplier and / or corresponding production, and the value of the procurement procedure.

Norske tog has conducted an overall risk assessment at company level as part of its new in-house procedures. The analysis showed that of the various parts of the enterprise, the procurement procedures for new trains are most at risk of breaches of fundamental human rights and working conditions. In 2022, Norske tog completed IDD assessments of all four eligible tenderers for the long-distance train procurement procedure.

Risk assessment is key to the implementation of the Norwegian Transparency Act. Norske tog conducts both an initial risk assessment in connection with procurement procedures and a supplier-specific risk assessment in cooperation with the selected supplier when concluding the contract. Procurement procedures with high inherent risk in respect of human rights and labour rights, the environment or society are prioritised for further monitoring regardless of value.

In 2022, Norske tog has established a risk assessment tool with an associated process in order to identify and prioritise significant risks for each individual project. Any reports received via the Norske tog whistleblower channel also form part of these risk assessments. Measures to halt, prevent or reduce any adverse impact / damage are identified on the basis of probability and severity, as well as an assessment of any links Norske tog may have with the situation.

For more detailed information about Norske tog’s work with due diligence assessments, please see the company’s annual report for 2022.