



Due diligence for responsible business conduct with regards to people, animals, society and the environment

Account reporting year 2023

for Incentra SA

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SUSTAINABLE DEVELOPMENT GOALS



To Readers Of The Report

Enterprises and the public sector have a great impact on people, society, the environment, climate, and animals and can both contribute positively to development, or negatively by causing harm. Enterprises therefore hold a central role in achieving UN's Sustainable Development Goals (SDGs) and the Paris Agreement's 1,5-degree target.

This report can be used as an account for the Transparency Act, but it has a broader scope with climate and the environment, circular economy, and anti-corruption indicators also being included. Our members are obligated to carry out due diligence and report annually on their work. Base level1 members also meet the Transparency Act's due diligence duty, and partially the Act's information duty.

Ethical Trade Norway's concept of responsible business conduct equals OECD's terminology and due diligence methodology. This is the systematic effort that enterprises do to identify, prevent, or mitigate adverse impacts and explain how they manage their risks of negative impact, as well as provide remediation to people, animals, society, and the environment where this is required – is called due diligence. Norwegian authorities expect all enterprises, regardless of their size, to carry out due diligence on society, the environment, and animals in accordance with the UN's Guiding Principles for Business and Human Rights (UNGPs) and OECD's Guidelines for Multinational Enterprises. This applies to enterprises, the public sector, and organisations.

Ethical Trade Norway's Declaration of Principles (our Code of Conduct) for Responsible Business Conduct covers the areas of decent work, human rights, environment/climate, anti-corruption, and animal welfare. This report is done in full transparency and in line with UNGPs and OECD's guidelines. The reports of all members are publicly accessible on Ethical Trade Norway's website.

Heidi Furustøl

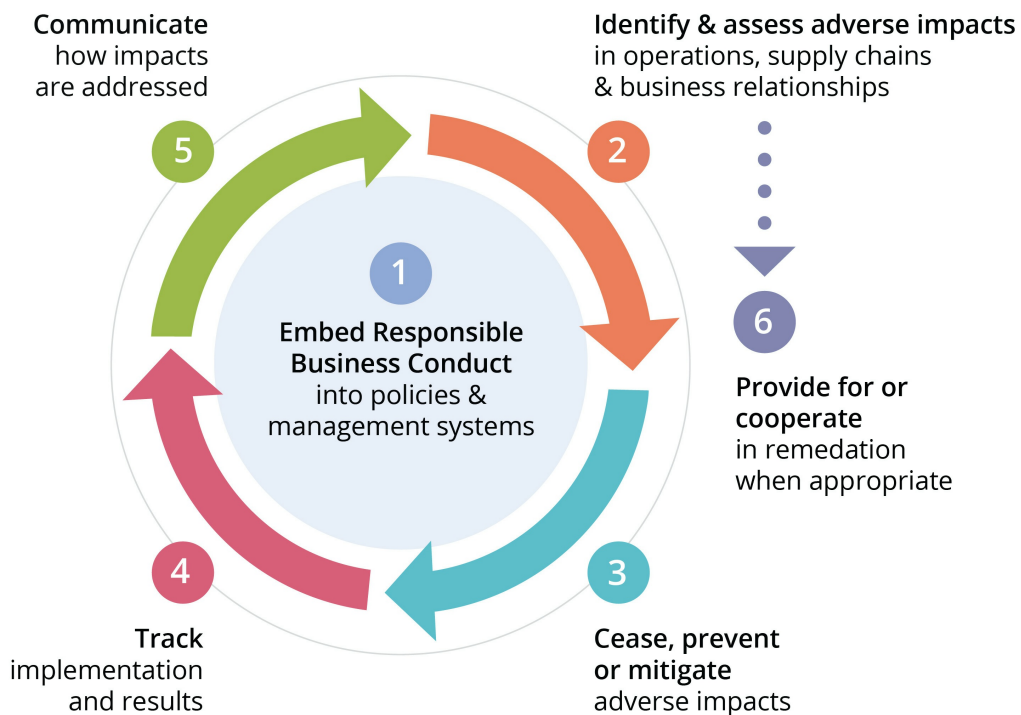
Executive Director

Ethical Trade Norway

Due diligence

This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for Due Diligence for Responsible Business Conduct.

The model has six steps that describe how companies can work for more responsible and sustainable business practice. However, being good at due diligence does not mean no negative impact on people, planet and the society. It means that the company is open and honest about challenges faced and shows how this is managed in the best possible way in collaboration with its stakeholders. This report is divided in chapters following the OECD model.



Preface From CEO

Sustainability is a strategic focus area for Incentra. Incentra shall through collaborating with suppliers and members strive for sustainable purchasing & logistics, reduced environmental impact, sustainable innovation, and a healthy and safe working environment throughout the value chain. Incentra is committed to the UN Global Compact's principles. Incentra have established a Supplier Code of Conduct that is an integrated part of the contract with the suppliers. With the membership in Ethical Trade Norway, Incentra wants to further develop the sustainability work. Incentra has established an action plan and KPI's on sustainability to move ahead in the area.



Pål Widerøe
Managing Director

Enterprise information and enterprise context

Key enterprise information

Enterprise name

Incentra SA

Head office address

Storgata 8, Oslo

Main brands, products and services offered by the enterprise

Spare parts in the aftermarket

Description of enterprise structure

Incentra SA is a marine purchasing organisation where shipowners, -managers and rig companies are members. Incentra negotiate, enter and manage framework agreements with suppliers of goods and services for operation and maintenance of ships and other marine vessels. Incentra collaborate closely with the member companies. The board of directors consist of representatives from the member companies. There are four employees working in the Incentra administration. The contract Manager work together with a group of purchasers from the member companies to establish framework agreements.

Turnover in reporting year (NOK)

Number of employees

4

Is the enterprise covered by the Transparency Act?

No

Major changes to the enterprise since last and current reporting period

No changes

Contact person for the report (name and title)

Hedda Skotland, HSEQ Manager

Email for contact person for the report

hedda.skotland@incentra.no

Supply chain information

General description of the enterprise's sourcing model and supply chain

Incentra negotiate and enter framework agreements on behalf of the member companies. The member companies buy from the suppliers according to the contracts. These agreements are exclusively used by Incentra members. Incentra conduct prequalification and audit of suppliers to verify degree of compliance with the contract, to check compliance with HSEQ and CSR requirements, to contribute to quality improvement for mutual benefit and to improve future operation and cooperation.

The portfolio consist of both local and global suppliers. Many suppliers have been with us for many years. The suppliers are both makers and traders.

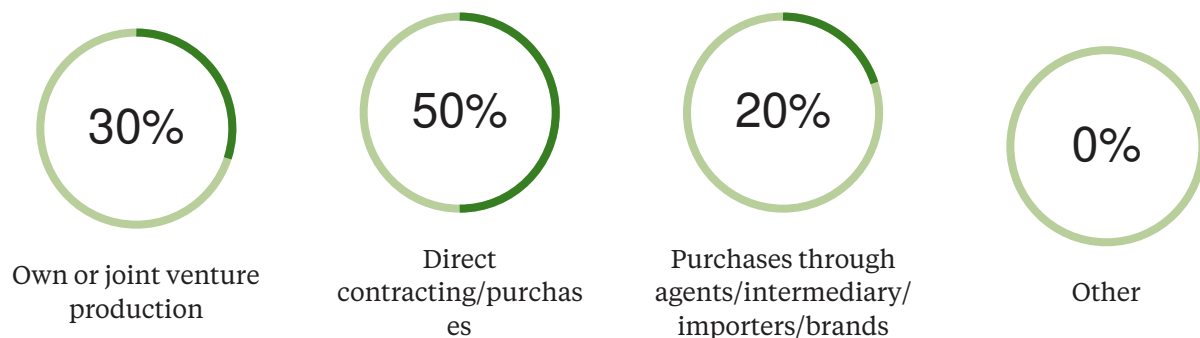
Number of suppliers with which the enterprise has had commercial relations in the reporting year

48

Comments

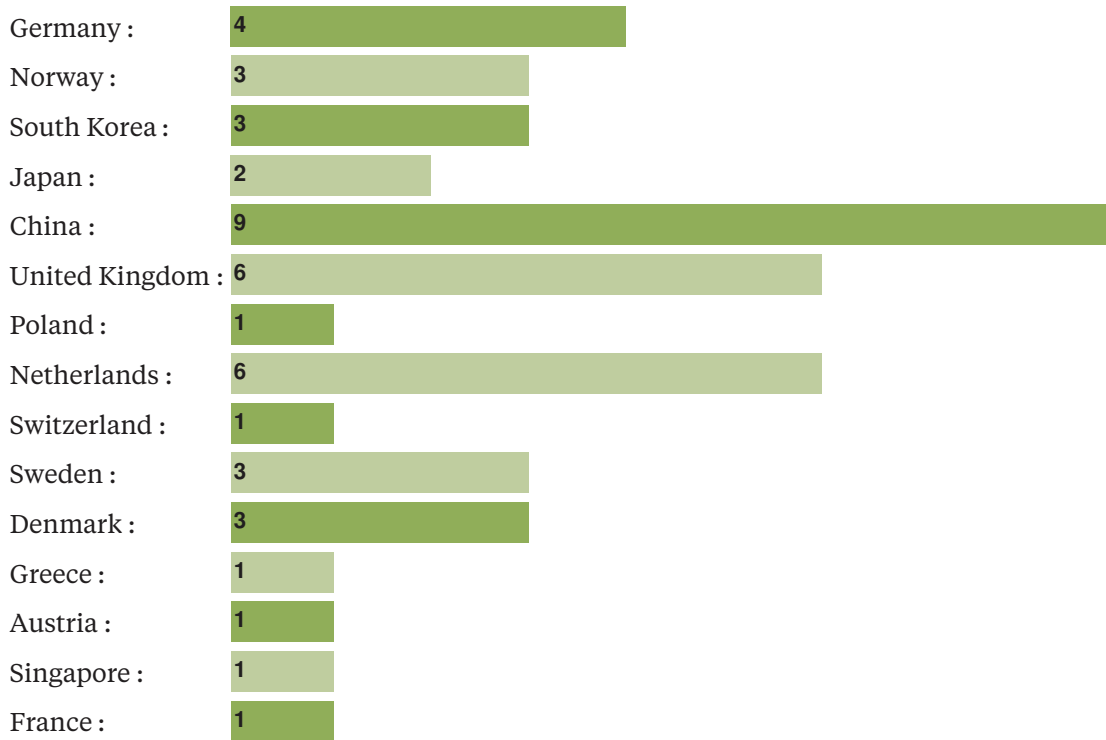
Incentra aims to establish long-lasting relationships with the suppliers. Many of our suppliers have been us for a long time.

Type of purchasing/ suppliers relationships



We asked all suppliers to state if they are producer, purchase direct from producer or purchase through agent/importer or brand supplier in a self-assessment survey, the % of purchase volume in each category is directly taken from the reply given by the suppliers.

List of first tier suppliers (producers) by country



State the number of workers at first tier producers that the enterprise has an overview of, and the number of suppliers this overview is based on:

Number of workers

Number of suppliers this overview is based on

Comments to number of workers

Key inputs/raw materials for products or services and associated geographies

We have started mapping this but do not have the overview yet

We have started to map this but we currently don't have an overview of components and originating country.

Is the enterprise a supplier to the public sector?

No

Goals and progress

Process goals and progress for the reporting year

1

- Goal :** Conduct self assessment survey on HSEQ & CSR on the suppliers
Conduct supplier audits to verify that the suppliers act according to the Supplier Code of Conduct signed in the contract
- Status :** Done
-

Goal for coming years

1

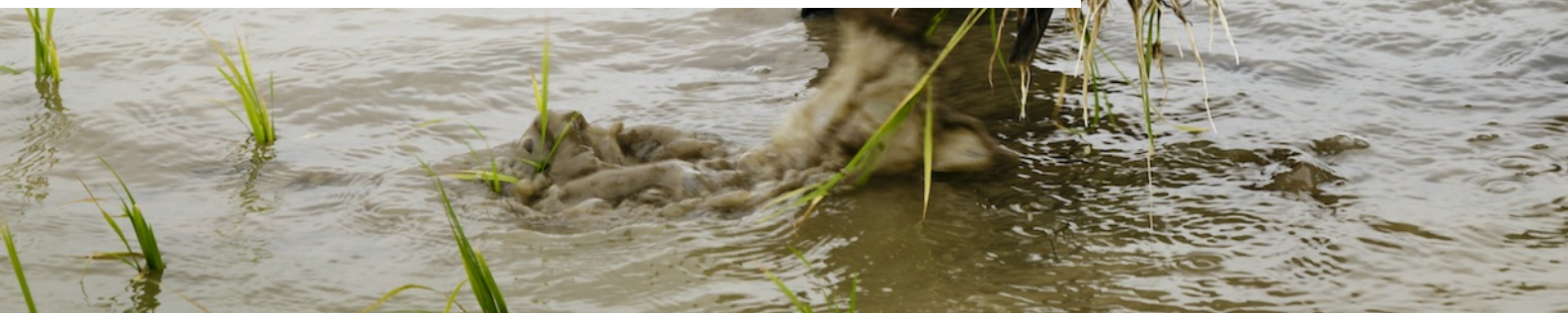
- Finalize the report to Ethical Trade Norway
 - Update the Incentra Policy, the Supplier Code of Conduct and the Ethical guidelines
 - Conduct supplier audits
 - Map and prioritise risks in the supply chain
 - Include sustainability information (certifications, approved subsupplier etc.) in price list from supplier
 - Communicate in regard to our sustainability work on the Incentra website
-



1

Governance and commitment to responsible business conduct

Embedding responsible business conduct means that the enterprise should have strategies and plan, as well as relevant policies and guidelines for due diligence for responsible business conduct (hereafter due diligence) which are adopted by management. These should comprise the enterprise's own operations, its supply chain and other business relationships. Effective management systems for implementation are key to success, and due diligence should be an integrated element in enterprise operations. Clear expectations from senior management are crucial, as well as clearly assigned responsibilities within the enterprise, for the implementation of the steps in the due diligence process. Those involved need to know how to proceed. Transparency about commitments the enterprise has for itself, challenges they are facing, and how these are managed is fundamental



1.A Policy* for own enterprise

1.A.1 Link to publicly accessible policy for own enterprise

We are currently updating our policy and therefore it is not available yet.

1.A.2 What does the enterprise say publicly about its commitments to respect people, animals, society, the environment and climate?

Same as for 1.A.1

1.A.3 How has the policy/commitment been developed and how is it embedded in the enterprise?

The Policy will be established according to the requirements from Ethical Trade Norway. It will be approved by the board. The policy will be informed in training to the administration and the negotiation committee.

1.B Organisation and internal communication

1.B.1 How is the due diligence work organised within the enterprise, embedded in internal guidelines and routines, and why?

Due diligence assessments are part of the follow-up activities of the supply-chain and the responsibility of the HSEQ Manager. The result of the due diligence assessment is discussed with the management in periodic meetings. The MD will further report to the board.

1.B.2 How is the significance of the enterprise's due diligence work defined and clarified for the employees through their job description (or the like), work tasks and incentive structures?

The responsibility is identified in the work instruction for the HSEQ Manager and the role and responsibility description in the management system.

1.B.3 How does the enterprise make sure employees have adequate competence to work on due diligence for responsible business conduct?

HSEQ Manager has taken courses on due diligence assessment at ethical trade norway. Competence requirements are discussed when updating the business strategy and annual KPI's. Competence need is also discussed during the annual appraisal talk.

1.C. Plans and resources

1.C.1 How are the enterprise's commitments to respect people, animals, society and the environment embedded in strategies and action plans?

Sustainability is a focus area in the Incentra strategy plan.

1.C.2 How is the enterprise's strategies and action plans to work towards being responsible and sustainable followed up by senior management and the board?

The strategy plan is reviewed annually by the administration and Board. KPI's are identified with owner and deadline. Status on the KPI's are updated every quarter. The Managing Director informs the Board on the development on the KPI's in periodical board meetings.

1.D Partnerships and collaboration with business relationships, suppliers in particular

1.D.1 How does the enterprise emphasise the importance of responsible and sustainable business conduct in its business relationships, particularly in the supply chain?

The Supplier Code of Conduct is signed in the contract. New suppliers are assessed based on a self assessment survey where they answer questions on supply-chain; follow-up, insight and control, risk assessment, country risk, environment and carbon footprint among others. Compliance with the Supplier Code of Conduct is checked and verified in audits of the suppliers.

Indicator

Percentage of the company's suppliers that have accepted guidelines for suppliers



Almost all suppliers have signed the Supplier Code of Conduct in the contract. A few exceptions have included their own instead, in those cases Incentra have checked that their own Code of Conduct is equal or better than Incentra's.

1.E Experiences and changes

1.E.1 What experiences have the enterprise encountered during the reporting period concerning responsible business conduct, and what has changed as a result of this?

Incentra became a member of Ethical trade Norway in September 2023 and we saw the need to go through all our processes and documents on sustainable business principles.



2

Defining the focus for reporting

Identify and assess the enterprise's impact on people, animals, society and the environment

“Identify and assess” is about identifying the enterprises's risk for, and actual negative impact on, people, animals, society and the environment, including in the supply chain and through business relationships. As a first step the enterprise should get an overall risk picture, before subsequently prioritising further mapping and measures where the risk of negative impact is the greatest, i.e. salient issues. The enterprises's involvement in the negative impact on people, animals, society and the environment is central to determine which measures the enterprise should implement in the next step of the due diligence model. Involvement of stakeholders, especially those affected, is central when assessing risks. It is also important to consult with stakeholders when implementing measures to manage the negative impact.

2.A Mapping and prioritising

PRIORITISED ACTUAL OR POTENTIAL NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

Prioritising one or more risk areas on the basis of severity does not mean that some risks are more important than others, or that the company should not take action on other risks, but that risks with the greatest negative impact are prioritised first. Mapping and prioritisation are a continuous process.

2.A.1 List the enterprises's actual negative impacts and/or prioritized significant risks of negative impact/harm on people, animals, society and the environment. Take note that the prioritized risk that you list in the table below will be exported to step 3 of this report, where you will be asked to answer how you work with stopping, preventing, or reducing the negative impact.

Salient issue	Related topic	Geography
This is something we can address once we have finalized the risk mapping of the suppliers.		

JUSTIFICATION FOR THE PRIORITISATION OF RISKS OF NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

2.A.2 Describe: a) the enterprise's routines for mapping and identifying risk and show how the negative impact was identified and prioritised in this period: b) eventual aspects of the enterprise that have not been covered in this report (product groups, own products, departments etc.) and why you not chose to prioritize these in the continued work: c) how information was gathered, what sources were used, and which stakeholders have been involved/consulted: d) whether you have identified areas where information is lacking in order to get an overview, and how you are planning to proceed to collect more information/handle this.

All supplier are screened by conducting self-assessment surveys and supplier audits. Through the screening we verify whether the suppliers are compliant with our Supplier CoC and we gain knowledge about risks and possible negative impact that we will prioritize for follow-up.

ADDITIONAL SEVERE IMPACTS

2.A.3 Describe any other negative impacts on people, animals, society and the environment that were identified in the mapping of the enterprise, supply chain or other business relationships during the reporting period and how these have been handled.

We havent completed the mapping yet, this will be done this year.

A woman in a blue surgical cap and gown is shown in profile, looking down, likely performing a procedure in an operating room. The background is blurred, showing other staff in similar attire and the sterile environment of the room.

3

Management of salient issues

Cease, prevent or mitigate negative impacts

“Cease, prevent and mitigate” is about managing findings from the risk assessment in a good way. The most salient negative impact on people, animals, society and the environment should be prioritised first. This does not mean that other risks are insignificant or that they are not handled. The way the enterprise is involved in the negative impact is key to taking the appropriate action. Negative impact that the enterprise causes or contributes to must cease, be prevented and be reduced. To address negative impact directly linked to the enterprise, e.g. in the supply chain, the business must use its leverage to influence the entity causing the negative impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the enterprise’s own policy documents and management systems. Effective management of the negative impact on people, animals, society, and the environment is a major contribution to the achievement of the Sustainable Development Goals (SDGs).

3. A Cease, prevent or mitigate

3.A.1 For each salient risk, add a goal, progress status and describe the measures you have implemented to handle the enterprise's prioritized negative impact on people, animals, society, and the environment

Salient issue	This is something we can address once we have finalized the risk mapping of the suppliers.
Goal :	
Status :	
Goals in reporting year :	

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

OTHER ACTIONS RELATED TO MANAGEMENT OF NEGATIVE IMPACTS

Describe the enterprise's general measures to cease, prevent or mitigate negative impacts, including in the supply chain.

3.B.1 Reduction of nature- and environmental impact

This is something we will address once the supplier risk mapping is finalized

3.B.2 Reduction of greenhouse gas emissions

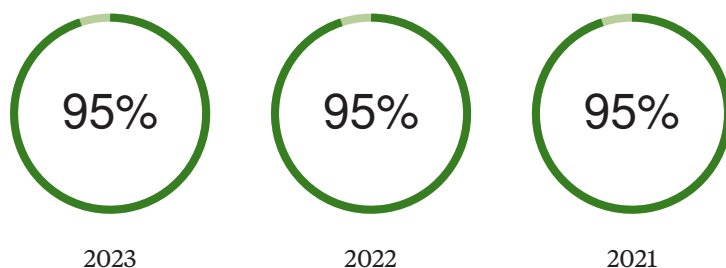
This is something we will address once the supplier risk mapping is finalized

3.B.3 Adapting own purchasing practices (sourcing)

More and more suppliers have incentives in the agreement to gain a more sustainable purchasing practice. For example, some suppliers give discounts when you order early so that they can book a more sustainable transport option, some also give discount if you order bigger quantities at one time, instead of several small orders. Some suppliers have established price lists with only suppliers that they have followed-up and checked according to the sustainability requirements.

Indicator

Percentage of the company's suppliers with whom the company has had a business relationship for more than three years



The only suppliers we haven't had a relationship with for more than 3 year are new suppliers. The initial supplier agreement is 3 years plus option periods. We have many suppliers that has been with us for many years.

3.B.4 Choice of products and certifications

3.B.5 Actively support free trade union organisation and collective bargaining, or where the law does not allow it, actively support other forms of democratically elected worker representation

This is a requirement in our Supplier CoC that is signed in the contract with the suppliers

3.B.6 Contribution to development, capacity building and training internally and of suppliers and workers in the supply chain

We have assisted suppliers in developing their sustainability work and given them information regarding regulations and requirements to assist them in establishing policies like Code of Conduct and ethical guidelines.

3.B.7 Combatting corruption and bribery in own enterprise and supply chain.

Anti-corruption is addressed in the Supplier CoC signed in the contract with suppliers. Anti-corruption is specifically addressed in the prequalification and audit of suppliers to see that they are compliant.

3.B.8 Other relevant information concerning the enterprise's work to reduce, prevent, and manage negative impact on people, animals, society and the environment



4

Track implementation and results

Tracking implementation of actions and results relates to measuring the effects of the systematic approach and own work in each step of the due diligence process, showing whether the enterprise conducts sound due diligence work. The enterprise needs to have procedures and routines in place in order to uncover and critically assess own conclusions, prioritizations and measures that have been made as part of the due diligence process. For example, is mapping and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect the actual conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the enterprise's negative impact work as intended? Is negative impact remediated where relevant? This may apply to measures taken by the enterprise alone or carried out in collaboration with others. The enterprise's experiences from working on due diligence should be used to improve procedures and routines in the future.

4.A. Track and assess

4.A.1 Describe the a) assignment of responsibility for tracking the effect and result of measures implemented to cease/prevent/mitigate salient risks of negative impact on people, animals, society and the environment, as well as how the tracking is done in practice, b) who is responsible for evaluating the enterprise's implementation and work with due diligence, and how the evaluation is done in practice.

The HSEQ Mgr. will conduct the due diligence on the supply chain. The findings and follow-up will be discussed with the administration and the Managing Director.

4.A.2 Describe how the enterprise ensures that measures taken to identify, prevent and reduce negative impact actually work

We have close communication with both members and suppliers. We periodically audit the suppliers and verify the effect of the corrective action.



5

Communicate how negative impacts are addressed

A prerequisite for good external communication on due diligence for responsible business conduct is that it builds on concrete activities and results. Enterprises should make relevant documents concerning due diligence publicly accessible, i.e. policies, codes of conduct, guidelines, processes and activities related to identifying and handling the enterprise's actual and potential negative impacts on people, animals, society and environment. Communication should include information about how the risks have been identified and handled, as well as the effect of the measures/activities. The Transparency Act (Åpenhetsloven) §5 requires companies to publicly account for their human rights due diligence on an annual basis.

5.A External communication

5.A.1 Describe how the enterprise communicates with affected stakeholders about managing negative impact

Currently we inform when approached or asked about the topic. Once we have completed all the steps in the due diligence process we will publish the information on the Incentra homepage available to all.

5.A.2 Describe how the enterprise publicly communicates its own work on identifying and managing negative impact/harm

Currently we inform when approached or asked about the topic. Once we have completed all the steps in the due diligence process we will publish the information on the Incentra homepage available to all.

5.A.3 Describe the enterprise's routines for maintaining and answering external inquiries related to the information requirement imposed by the Transparency Act

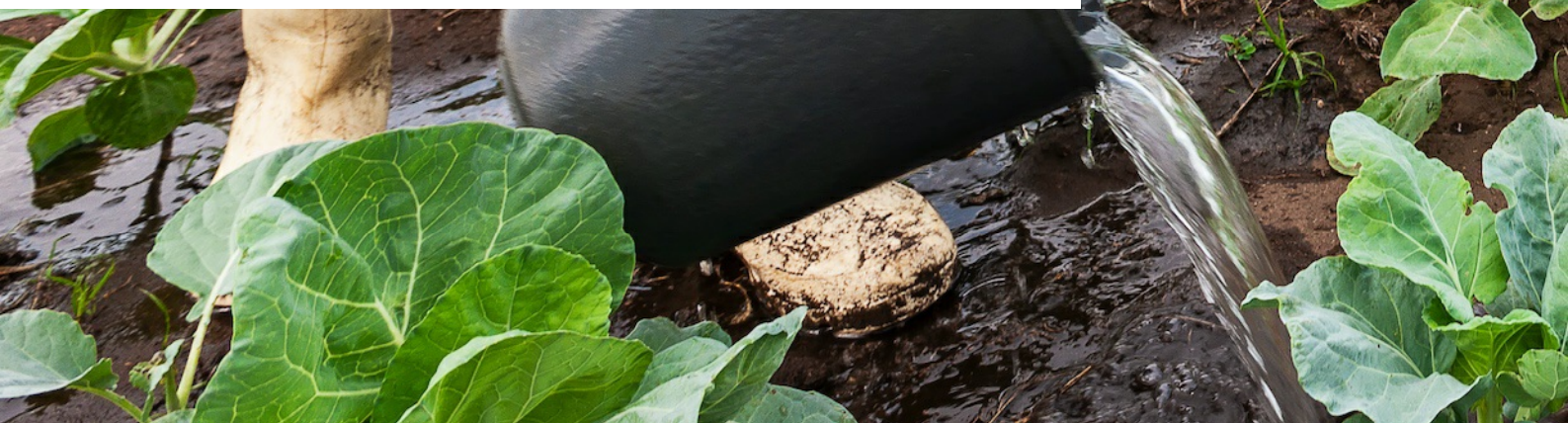
When approached we will inform about our work.



6

Provide for or cooperate to ensure remediation when appropriate

Once an enterprise has identified that it has caused or contributed to negative impact on people, animals, society or the environment, the enterprise must provide for, or cooperate in, remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. Another aspect of remediation is that companies should provide for, or cooperate with legitimate complaint mechanisms, to ensure that workers and/or local communities can raise complaints and be heard.



6.A Remediation

6.A.1 Describe the enterprise's policy for remediation of negative impacts on people, animals, society and the environment

The policy is under establishment.

6.A.2 If relevant, describe cases of remediation in the reporting year

We haven't had any cases yet.

6.B. Ensure access to grievance mechanisms

6.B.1 Describe what the enterprise does to ensure that employees in own enterprise and other stakeholders, especially impacted workers and local communities have access to whistleblowing systems and grievance mechanisms when this is needed

The Incentra administration only consists of four employees, communication lines are very open and transparent. If needed, an employee can report to the Board if they have concerns. For the supply chain this is anchored in the Supplier Code of Conduct signed in the contract. We check and verify that the supplier has whistle blowing channel in place during supplier audits.

Contact details:

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