



# THE TRANSPARENCY ACT REPORT 2023

CLARKSONS SECURITIES AS

## 1. Introduction

The Norwegian Transparency Act requires that larger enterprises carry out due diligence assessments of its business related to fundamental human rights and decent working conditions, publicly report on these due diligence assessments and provide information upon request. The due diligence must be conducted in accordance with the OECD Guidelines for Multinational Enterprises and shall be carried out in our operation, our supply chain and with our business partners.

This report describes how Clarkson Securities AS ("Clarksons Securities", "we" or "our") are organized, how we work on human rights, how we have embedded responsible business conduct in our management systems, identification and assessments of risks, and measures to mitigate the potential risks.

This report constitutes Clarkson Securities account for the period from 1<sup>st</sup> of January to 31<sup>st</sup> of December 2023 as required by the Transparency Act.

## 2. About Clarkson Securities

Clarkson Securities is part of the Clarkson group (the "Group"). The parent company of the Group is Clarkson PLC with headquarters in London. Clarkson PLC's shares are listed on the London Stock Exchange under the ticker CKN. The Group operates in 24 countries across 60 offices and has over 2,000 employees. Clarkson Securities has its headquarters in Oslo and a wholly owned subsidiary in USA (New York), Clarkson Securities Inc. along with a wholly owned subsidiary in Canada (Calgary), Clarkson Securities (Canada) Inc.

Clarkson Securities is a securities firm that offers services including equity and fixed income sales, equity and credit research and investment banking services, including advising clients on a range of equity and debt capital markets and M&A transactions. We specialize in the Group's core maritime sectors; shipping, offshore, metals & minerals, renewables and oil and gas exploration & production (E&P). Clarkson Securities reaches out to a global market, with the biggest markets being in Europe, USA and United Kingdom. We are regulated by the Financial Supervisory Authority of Norway with a membership on the Oslo Stock Exchange.

## 3. Guidelines and procedures

We work to ensure that fundamental human rights and decent working conditions is integrated into the business and is a part of our core values.

We believe that the respect of human rights is integral to being a responsible company and we are committed to treating individuals with respect and dignity. Clarkson places value on difference and believes that diversity of people, skills and abilities is a strength that helps us to achieve our best. Any discrimination based on race, religion, nationality, gender, age, marital status, disability, sexual orientation or political affiliation is prohibited within the business. We are committed to providing a workplace free of any form of harassment or discrimination and expect our suppliers and business partners to do the same.

As an employer, Clarksons Securities shall respect the fundamental human rights, as well as employee rights, and ensure decent working conditions for our employees and the supply chain. These obligations are anchored in different employee instructions, such as our Compliance Manual and Employee Handbook and is supervised by the work environment committee (AMU), as well as the internal policy for compliance with Transparency Act. Both internal and external policies and guidelines are updated regularly and is approved by the board of directors.

Through our core values we expect that all suppliers and business partners ensure that fundamental human rights and decent working conditions are followed in accordance with the Transparency Act and international and European standards for accountability and human rights.

Clarksons Securities is also covered by the Clarksons Group policies. The Group's Ethics Policy and Compliance Code is a set of principles and procedures to support ethical behaviour and decision making at Clarksons Securities. In addition, all employees of the Group are required to perform annual training within bullying and harassment, sanctions, anti-bribery and corruption etc.

#### **4. Whistleblowing**

Clarksons Securities has developed a policy for whistleblowing, allowing employees, directors, hired personnel and advisors to report suspected misconduct, illegal acts or failure to act within applicable internal rules and policies by employees or other related parties. This policy provides a mechanism where concerns can be raised in confidence, and anonymously. The policy includes breaches in accordance with the Transparency Act.

All employees have a responsibility to be compliant, and must report if someone acts contrary to laws, regulations, and internal and external policies and guidelines, including breaches of the Transparency Act.

#### **5. Clarksons Securities' operations**

ESG and the Transparency Act is considered in every part of the business to ensure that we do not contribute to violations of human rights. The priority of the risk-assessment is done based on the supplier and client's geographical risk, type of activity or product, industry and sector risk and other relevant aspects such as corruption risk.

Clarksons Securities considers the risk to be greatest where we, through our services, may facilitate that capital flows into entities with activities that can contribute to negative consequences for fundamental human rights and decent working conditions. To ensure that our investment banking activities do not contribute to breaches of the Transparency Act, the deal committee assesses inter alia, the client and its business, the purpose of the new financing, ESG and the Transparency act in all potential projects.

#### **6. Risk Assessment and Due Diligence**

Conducting due diligence is the core of the obligations set out by the Transparency Act. The risk of negative adverse impacts on fundamental human rights and decent working conditions

in securities firms as Clarksons Securities, are limited. Most of our activity is built on harmonized EU-rules, such as MiFID II. Because of the low risk and impact, due diligence and other measures can be held at a limited level and are conducted based on a risk-based approach.

We have identified and prioritised human rights risks based on potential adverse impacts.

Clarksons Securities' risk areas:

- Working hours, remuneration and benefits
- Discrimination and harassment
- Health and safety
- Privacy
- Gender equality

## **6.1 Identification and assessment**

### **Risk assessment of our supply chain and business partners**

Clarksons Securities is conducting risk-based due diligence of all suppliers of services and activities we use, our business partners as well as other suppliers who delivers goods or services to us. This includes due diligence of all critical suppliers necessary for the daily operations.

The supply chain to our business comprises suppliers and business partners providing a range of support and products, including other financial companies, law firms, catering, maintenance, information technology, cleaning and security. Whilst we do not consider most of the suppliers to be a significant stakeholder in our business due to the nature of our business model, we are committed to treating our suppliers fairly.

In 2023, Clarksons Securities AS had 187 suppliers and business partners, where 66% of the suppliers was located in Norway. None of the other suppliers is registered in high-risk countries, and all suppliers are mainly located in the Nordic countries or in other European countries know for high degree of regulation of human rights and working conditions.

Out of the 187 suppliers and business partners, Clarksons Securities has assessed 27 of the suppliers which is considered critical or necessary for the daily operations. There is not revealed any breaches of fundamental human rights or decent working conditions in our supply chain, and the risk of negative impacts is considered low.

### **Risk assessment of our clients**

All clients of Clarksons Securities must undergo a Know Your Client ("KYC") process, where sanctions or breaches in accordance with the applicable sanction lists, as well as risk factors such as geographical risk, industry or sector risk, etc. will be taken into consideration.

Clients with potential positive hits on sanctions must be approved by the Group's sanction team, ensuring no potential breaches.

### **Decent working conditions**

The annual report of 2023 shows that the working environment in the Group is viewed as good, and that the board does not view that special initiatives are required. Clarksons Securities, with the other Clarksons companies in Oslo, have a common work environment committee (AMU)



with representatives from staff and management. The working environment committee address issues related to the work environment, security and general welfare, and functions as a monitoring body in terms of decent working conditions.

In 2023, the sick leave amongst employees was 2,3% compared to 2,5% in 2022. All employees have health insurance and is offered a medical check every other year.

### **Equal rights and non-discrimination**

Clarksons Securities seek to promote equal rights and diversity, and to increase the share of women and employees with minority background. We acknowledge that the employee group consists predominantly of male employees with Norwegian background, considering women only represent 15% of total employees as of the year 2023. Of 65 full time employees, only 10 are women. There are no women in the management team.

This is an area Clarkson Securities is prioritizing, through encouraging females to apply to positions within Clarkson Securities and prioritizing these applicants in situations where several candidates are viewed as equally qualified.

Clarksons Securities ensures equal pay for equal work, as well as being focused on having the same opportunities for promotion and development between the genders. Further, the Group has a "Gender Pay Gap Report", following the UK Government's requirements with analysing and publishing the gender pay gap on an annual basis.

## **7. Measures**

It has not been revealed that Clarkson Securities has contributed to breaches of fundamental human rights or decent working conditions in our operation, our supply chain or with our business partners. Further, there has not been revealed significant risk for negative impacts in Clarkson Securities.

In cases of negative adverse impacts, Clarkson Securities must implement measures for remediation and compensation where this is required. In these cases, we will initiate measures ensuring that those responsible for the breach rectify this.

Clarksons Securities remains committed to building and strengthening our existing policies and practices to conduct business in accordance with the Transparency Act. We aim to continue to review the effectiveness of our current arrangements and, where necessary, implement additional safeguards and procedures.

## **8. Communication**

Our Transparency Act Statement will be updated and published no later than 30 June of each year and otherwise in case of significant changes to the enterprise's risk assessments. The latest version will be made available on our websites without any notifications thereof. Clarkson Securities will also in annual reports inform of where the Transparency Act Statement can be accessed.

These actions show our suppliers and business partners that we are transparent in accordance with the Transparency Act.

Further, any person has the right to receive information regarding our work towards ensuring fundamental human rights, decent working conditions and sustainability, as well as how we address actual and potential impacts.

Such inquiries can be sent to [compliance.oslo@clarksons.com](mailto:compliance.oslo@clarksons.com).

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Oslo, 19 June 2024

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Jørgen Lund  
Chairman  
[signed electronically]

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Birger Nergaard  
Board member  
[signed electronically]

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Ragnar Horn  
Board member  
[signed electronically]

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Erik Helberg  
Chief Executive Officer  
[signed electronically]