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ANNUAL REPORT

THE NORWEGIAN TRANSPARENCY ACT

GRØNTVEDT AS

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1. THE GROUP'S REPORT PURSUANT TO THE TRANSPARENCY ACT FOR 2023

1.1. Introduction

Grøntvedt AS and its subsidiaries (from now on called the Group) shall conduct due diligence in accordance with the Transparency Act each year and publish a report on the assessments and findings.

The purpose of the Transparency Act is to promote companies' respect for fundamental human rights and decent working conditions.

This report comprises the Group's duty to account for the due diligence assessments conducted by the Group in 2023. In the report, the Group also describes the measures that have been assessed and implemented to reduce the risk of adverse impact the Group's activities may have on fundamental human rights and decent working conditions.

The Group is headquartered at Uthaug and is resident in Norway.

For the fiscal year of 2023 the Group had sales revenues of NOK 1,353.072.000 and a balance sheet total of NOK 1,849.672.000. In 2023 the Group has had an average of 184,5 full-time equivalents. Consequently, the Group is subject to reporting obligations.

1.2. Contact information

Any inquiries in connection with this report can be directed to:

Grøntvedt AS
Group Chief Accounting Officer, Cathrine Ovesen
Cathrine.ovesen@grontvedt.no

2. ABOUT THE GROUP'S OPERATIONS

2.1. The Group's organisation and area of operations

The Group is one of the world's leading pelagic companies specializing in herring products customized to customer preferences. The Group has many years of experience in the industry and a strategic location close to the rich fishing grounds of the Northeast Atlantic. The production facility is located in Ørland municipality in Trøndelag county (Norway).

For generations Grøntvedt has made its living from processing fish from healthy and viable fish stocks, and we take pride in preserving the finest fish from these waters and transform them into quality food products for distribution to customers worldwide. The business is certified by MSC and aims to utilize 100 % of the raw material.

The by-products go to production of human grade protein meal- and oil processed by Grøntvedt Nutri.



The Group has a supply chain that delivers products and services to our core operations. The vast majority of suppliers have offices in Nordic countries.

The Group offers the following products:

- Human grade quality;
 - Frozen and marinated Herring
 - Frozen mackerel
- Food grade quality;
 - Fish oil and fishmeal
 - Keto 3 Fish oil

2.2. Internal guidelines

The Group has its own guidelines on how it embeds the work on human rights and decent working conditions.

The guidelines also contain information about the Group's whistleblowing channels that are meant to uncover adverse impact on fundamental human rights and decent working conditions linked with the Group's activities.

2.3. Ambitions and progress

2.3.1. Overall ambitions and progress

The Group has ambitions to work continuously on risk assessment related to its activities and make use of its business contacts (suppliers and business partners) in this respect. Furthermore, the Group will work continuously on implementing measures to achieve the ambitions. See items 3 and 4 of the report for guidance on the work done in the reporting year.

2.3.2. Ambitions for the coming year

The Group has set several prioritised ambitions for the future.

Ambitions	Status
Submitting an evaluation form to our largest Nordic suppliers.	Sent to 31 suppliers and business contacts, with a response rate of 42%. Started analysis and classifications.
Submitting an evaluation form to our largest suppliers outside the Nordic countries.	Started.
Monitor progress and impact of transparency measures.	Started.
Addressing suppliers who do not live up to an acceptable standard, and addressing changes needed to continue doing business.	Not yet started.



We shall further improve the due diligence based on our experience.	In progress.
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3. THE DUE DILIGENCE

3.1. Focus for the Group's due diligence

The Group makes assessments of the risk of adverse impact on fundamental human rights and decent working conditions linked with the Group's activities and business relationships. The Group has ambitions for the future to continuously track any violations of human rights or violations of decent working conditions that is connected with the Group's activities. If any violations of human rights or violations of decent working conditions that is connected with the Group's activities is revealed, the Group will follow up by addressing requirements for improvement. The Group's activity refers to both the Group's own operations and the activities of its suppliers and business partners.

In the mapping work, the Group utilizes a digital platform developed by Ignite Procurement AS. The platform simplifies the implementation of due diligence assessments in accordance with the requirements of the Transparency Act. Through the platform, the Group has obtained a systematic overview of first-tier suppliers and business partners. It has the ambition in the future to also get a systematic overview of other known subcontractors. Based on this overview, the platform has conducted initial assessments of the risk of negative impact on fundamental human rights and decent working conditions. The steps in this assessment are explained in the following:

1. Based on supplier data obtained from the Group's ERP system, who have invoiced NOK 300 000 or more in 2023, a complete overview of the Group's first-tier suppliers is created. The Group has divided this into suppliers and business partners. The overview of the Group's first-tier suppliers will continuously be updated through the platform.
2. In the platform, supplier information is enriched through third-party collaborations with ENIN. The platform gathers information and financial details about the Group's suppliers, such as industry codes (NACE) and Group structure.
3. Through steps 1 and 2, the Group obtains an overview of first-tier suppliers, business partners, and will in the future get an overview of other known subcontractors, along with their corresponding supplier information.
4. The classification tool in the platform has conducted an initial risk classification of the Group's first-tier suppliers and business partners based on classification rules created within the platform. The Group has established the following classification rules relevant to its supply chain: geography, industry, type of product and service, production process, previously identified risks, signed Code of Conduct, etc. Through the classification tool, suppliers that meet defined risk parameters are classified as



having “high”, “medium”, or “low risk” of negative impact on fundamental human rights and decent working conditions.

5. As part of the risk assessment, the Group, through the platform, has sent customized questionnaires to defined business contacts to gather additional information. The Group has ambition in the near future to use the platform to request documentation and certifications from first-tier suppliers, business partners, and other known subcontractors.
6. Based on the findings in points 4 and 5, the Group will continually assess which actions should be taken to investigate potential negative consequences for fundamental human rights and decent working conditions. The Group will implement actions where the severity and likelihood of harm are highest and where the Group has the greatest influence for positive development. The prioritization is aligned with the Group's connection to and responsibility for the risk and should be proportionate to the size, nature, and context of the business.
7. The Group has the ambition to involve stakeholders, suppliers, and business partners in the implementation of actions.

In the analysis tool within the platform (interactive dashboard), analyses of the supply chain have been developed based on supplier data, the outcome of risk classification, and gathered information from the supply chain. In section 3.2, the following information generated by the analysis tool in the platform is provided:

- a. The number of first-tier suppliers and business partners.
- b. Overview of the Group's first-tier suppliers and business partners, who have been presented with and have responded to questionnaires relevant to the Group's due diligence assessment.
- c. Overview of the Group's first-tier suppliers and business partners who have indicated:
 - a. That their business is covered by the Transparency Act.
 - b. That a due diligence assessment of their business has been conducted in accordance with the requirements of the Transparency Act.
 - c. That the results of the due diligence assessment have been documented in a report in accordance with the requirements of the Transparency Act.
- d. Further classification of the Group's first-tier suppliers and business partners based on risk profiles “high”, “medium”, and “low”.
- e. Overview of first-tier suppliers and business partners where actions have been implemented, as described in step 6 above.



Relevant factors for the due diligence related to the Group's activities and business conditions include, among other things:

- The context of the Group's operations
- The Group's business model
- The Group's position in the supply chain
- The type of product and services

In the following, we will account for any significant risk of adverse impact on human rights or decent working conditions identified through the Group's due diligence assessments. The report also includes any uncovered violations of human rights or decent working conditions.

3.2. The due diligence assessments of the Group's own operations

Norway's Transparency Act requires certain companies to carry out due diligence activities to ensure they are operating responsibly, respecting both human rights and decent working conditions. For The Group this is ensured by internal control systems covering training, work conditions, including the physical working environment. Freedom of membership in different workforce organisations is founded in the Group's COC.

Code of conduct also include whistle blower regulative and reporting to third party. Wages, working conditions, freedom of association, banning of forced labour is governed in the document and regulated by the HSE system established and inspected by official representatives from the government.

3.3. The Group's supply chain and business partners

The Group has commercial relationships with 214 direct suppliers in the reporting year. The Group's suppliers are located in the following country/geographic area:

Country/geographic area	Number of suppliers and business partners
Norway	183
Denmark	10
Sweden	5
Polen	4
Iceland	2
Netherlands	2
USA	2
Japan	1
Lithuania	1
Spain	1
Republic of Singapore	1
Germany	1



Among these, the Group has commercial relations with 46 suppliers who has invoiced NOK 300.000 or more in the reporting year. These suppliers are located in the following country/geographic area:

Country/geographic area	Number of suppliers (NOK 300.000 or more)
Norway	43
Netherlands	1
Polen	1
Republic of Singapore	1

Among these, the Group has commercial relations with 19 business partners who has invoiced NOK 300.000 or more in the reporting year. These suppliers are located in the following country/geographic area:

Country/geographic area	Number of business partners (NOK 300.000 or more)
Norway	19

The classification tool in the platform displays the following classification of the Group's first-tier suppliers and business partners who has invoiced NOK 300.000 or more in the reporting year.

Number of first tier suppliers and business partners (NOK 300.000 or more)		
Low	Medium	High
44	17	4

3.4. The due diligence assessments of the Group's product categories

3.4.1. *Marinated category*

Products are made from fileted herring and preserved in brines consisting of salt, sugar and/or vinegar. The finalized products are stored in refrigerated warehouses before being packed into consumer packaging and shipped to retailers.

All steps up to consumer packaging are carried out in Norway in compliance with domestic regulations and guidelines. This includes full freedom of association, no use of forced labour, adherence to health, safety, and environmental (HSE) standards, and wages regulated by the workers union tariff agreements.



3.4.2. *Marinated product category*

Products are made from fileted herring and preserved in brines consisting of salt, sugar and/or vinegar. The finalized products are stored in refrigerated warehouses before being packed into consumer packaging and shipped to retailers.

All steps up to consumer packaging are carried out in Norway in compliance with domestic regulations and guidelines. This includes full freedom of association, no use of forced labour, adherence to health, safety, and environmental (HSE) standards, and wages regulated by the workers union tariff agreements.

3.4.3. *Frozen product category*

Products are made from fileted or round fish, herring or mackerel, and preserved in brines consisting of salt. The finalized products are stored, deep frozen, in warehouses before thawed and packed into consumer packaging and shipped to retailers.

The steps up until consumer packaging is done in Norway in compliance with domestic regulations and guidelines. This includes full freedom of association, no use of forced labour, adherence to health, safety, and environmental (HSE) standards, and wages regulated by the workers union tariff agreements.

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3.4.4. *Consumer packed category*

The products originate from whole or pieces of herring fillet. They are preserved in brines containing salt, sugar, vinegar and preservatives. The finalized products are refrigerated in warehouses in consumer packaging before shipped to the retailers.

All processes up to consumer packaging are carried out in Sweden in compliance with domestic regulations and guidelines. This includes full freedom of association, no use of forced labour, adherence to health, safety, and environmental (HSE) standards, and wages regulated by the workers union tariff agreements.

3.4.5. *Fishmeal and fish oil food grade quality.*

The trimmings from food production are transported fresh from fillet production. The products classified as marine ingredients, are transported to refinement. Protein fractions are dried to produce fish meal, while oil fractions are stored in insulated stainless steel tanks.

A portion of the oil undergoes separation and refining. Volumes of fish meal and oil not intended for food supplements are separated and sent to the feed industry.

The processing steps are conducted in Norway in accordance with domestic regulations and guidelines. This includes full freedom of association, no use of forced labour, adherence to health, safety, and environmental (HSE) standards, and wages regulated by the workers union tariff agreements.



3.5. The result of the due diligence assessment

The due diligence has revealed the following findings that the Group has identified and prioritised in the reporting year:

Product/Service	Identified violations of human rights/decent working conditions	Geography	How were the violations of human rights/decent working conditions uncovered?
Product described 3.4.1, 3.4.2, 3.4.3, 3.4.4, 3.4.5	None identified so far	Norway, Sweden	N / A

Product/Service	Significant risk of violations of human rights/decent working conditions	Country/geographic area	How were the risk of human rights violations/decent working conditions uncovered?
Product described 3.4.1, 3.4.2, 3.4.3, 3.4.4, 3.4.5	There has been identified risk of violations of human rights / decent working conditions for 4 suppliers, which will be subject to further investigation. The risk assessment is a work in progress.	Norway and Republic of Singapore	The risks were indicated from the algorithms built in our digital platform developed by Ignite Procurement AS as described under 3.1.



4. MEASURES TO CEASE, PREVENT OR MITIGATE THE ADVERSE IMPACT

We have implemented the following measures based on the Group strategy

Identified violation/risk of violation	There is no obvious risk observed needing special attention or preventative action, but the risk assessment is a work in progress.
Measures taken	As a general preventative measure as the Group (Grøntvedt AS) has applied to membership in UN Global compact.
Ambitions for the reporting year	Improve internal procedures and report to UN Global compact. Marine trust and MSC that all has a chapter in their standard covering elements in the transparency act. The Group also has ambitions to expand the due diligence work to include customers outside the Nordic region during 2024,
Status	In progress

5. MONITORING OF THE MEASURES – IMPLEMENTATION AND RESULTS

5.1. Introduction

We work continuously on monitoring the implementation of the measures and the outcome.

5.2. Procedures for monitoring

Director of Quality and HSE in Grøntvedt has the overall responsibility for monitoring the implementation and outcome of the measures taken. Grøntvedt has established the following procedures for monitoring and implementation of the measures of suppliers in accordance with The Transparency Act.:

- We monitor the implementation and the effect of the Group's internal obligations, activities, and goals for the due diligence.
- We aim to regularly carry out internal and/or third-party assessments or audits of the achieved results and communicate the results at relevant levels within the Group.
- We aim to receive regular feedback from our suppliers to confirm that the risk-reducing measures are being followed and/or to confirm that damage in fact has been prevented or reduced.
- We aim to receive feedback from work force via their representatives and trade unions of the affected employees regarding how they experience the work and the work environment.



- We learn from the experience and the feedback that the Group has acquired through our due diligence assessments and use it to improve the process and results in the future.

6. COMMUNICATION WITH AFFECTED STAKEHOLDERS AND RIGHTS-HOLDERS

The Group has not uncovered any violations of human rights or decent working conditions in the reporting year. Nor has the Group uncovered any significant risk of violations as mentioned.

7. REMEDIATION AND COMPENSATION

The Group has not uncovered any cases requiring remediation or compensation in the reporting year.

Uthaug, 28.06.2024

BJØRNAR GRØNTVEDT

CEO AND MEMBER OF THE BOARD

HELGE GÅSØ

CHAIRMAN OF THE BOARD

HEGE AASEN VEISETH

MEMBER OF THE BOARD

ANNE SOFIE UTNE

MEMBER OF THE BOARD

ALEXANDER BORGE GRØNTVEDT

MEMBER OF THE BOARD

BENGT MARTIN THOMAS BRUE

MEMBER OF THE BOARD



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Name	Date	Name	Date
Grøntvedt, Bjørnar	2024-08-12	Gåsø, Helge	2024-07-22

Identification

 Grøntvedt, Bjørnar

Identification

 Gåsø, Helge

Name	Date	Name	Date
Veiseth, Hege Aasen	2024-07-23	Utne, Anne Sofie	2024-07-23

Identification

 Veiseth, Hege Aasen

Identification

 Utne, Anne Sofie

Name	Date	Name	Date
Grøntvedt, Alexander Borge	2024-07-23	Bengt Martin Thomas Brue	2024-07-22

Identification

 Grøntvedt, Alexander
Borge

Identification

 Bengt Martin Thomas Brue



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