

## Watrium: Human Rights and Transparency Act Report 2022

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### About the Transparency Act

On 1<sup>st</sup> July 2022 the Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (the Transparency Act) entered into force. The purpose of the 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. The Act shall also ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.

The Act applies to larger enterprises (meaning enterprises that are covered by Section 1-5 of the Norwegian Accounting Act) that are resident in Norway and that offer goods and services in or outside Norway. The Act also applies to larger foreign enterprises that offer goods and services in Norway, and that are liable to tax to Norway pursuant to internal Norwegian legislation.

Companies that fall under any of these definitions have a duty to:

- Carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises, and
- Publish an account of the due diligence.

### Policy for handling requests of information

According to the Transparency Act, everyone has the right to information about how Watrium prevents and handles negative consequences on basic human rights and decent working conditions. Watrium has therefore established a routine to secure a consistent internal handling of request which are in accordance with the Transparency Act. Our Office Manager has the responsibility to deal with all incoming requests and will, together with other relevant colleagues, handle the request in accordance with the routine.

## About Watrium

Watrium is a private investment firm focusing on active, long-term ownership of a global financial portfolio, industrial assets and top-tier commercial property in central business districts. Watrium was established in 2002 and relates back to the Anders Wilhelmsen Group, which was founded in 1939 by shipowner Anders Wilhelmsen (1st generation).

For many years, Watrium was a significant shareholder in the industrial investment company Awilhelmsen. These shareholdings have over time been realised, as Watrium took an active ownership role of its full portfolio.

Today, Watrium manages a balanced portfolio of real estate, private capital, public capital and liquid financial assets. We invest across industries and geographies, but our main focus is Northern Europe and the industry sectors:

- Real estate and infrastructure
- Energy
- Financial services
- Professional services
- Healthcare
- Maritime services and aquaculture

The Watrium team consists of experienced investment professional and administrative personnel with broad domestic and international experience across a number of industry sectors.

Watrium has offices in Oslo, Norway, and London, UK.

## Guidelines and routines

Watrium's day-to-day operations and investments are governed by a set of core values. The same values define who we are and express what is important to us as owners, colleagues, investors and members of society. Our core values are:

- **Long-term ownership:** We are a long-term investor. We utilise this investment perspective to the benefit of the businesses we invest with. Watrium has an intergenerational perspective on our firm and our investments. Watrium is on temporary loan to the current generations of owners and the main task is to continuously develop the firm and the portfolio and subsequently hand it over the next generation in an improved state – financially, operationally and reputation-wise.
- **Transparency in business:** We invest with and employ people we trust. We meet partners, employees and stakeholders with openness and honesty, and expect the same in return.
- **Responsible:** We operate responsibly and invest conscientiously. Watrium strives to provide a positive contribution to society as a whole.

## Governance

Watrium's Board of Directors ('the Board') are responsible for carrying out necessary control functions and ensure that the company is satisfactorily managed and organised. The Board is overseeing the organisation's due diligence and other processes to identify and manage Watrium's impacts on human rights and decent working conditions.

## Code of Conduct

Our Code of Conduct presents Watrium's obligation and commitment to ethical business practices and describes the standards and requirements which employees must adhere to in their work. The Code of Conduct provides a framework to ensure that board members, elected officers, permanent and temporary employees, hired staff, consultants and agents acting in or on behalf of Watrium complies with relevant local and international legislation, and acts in accordance with internal policies and the company's values.

## Whistleblowing

Everyone that suspect or witness any unethical conduct, breach of the Code of Conduct or applicable law, are encouraged to report it. Every concern will be taken seriously and followed up in an appropriate manner and within a reasonable timeframe. The person reporting will be protected against retaliation, as per Norwegian law.

### Risk assessment

Watrium relies on a limited number of suppliers, and the majority of suppliers are located in Norway where the risk of human rights breaches is considered to be low<sup>1</sup>. However, to reduce the risk of negative impact, we conducted a due diligence process in 2023 to identify and assess actual and potential adverse impacts on fundamental human rights and decent working conditions in our value chain. In this process, we mainly focused on suppliers that Watrium regularly engage with.

Thus, out of our total number of suppliers in 2022, more than half received a request for more information about the supplier's impact on and work to secure human rights and decent working conditions. Suppliers could either fill out our ESG questionnaire (which contain questions about country of operations, relevant certifications, laws and regulations that the supplier adheres to and whether or not the supplier had established its own policy documents, routines, and sustainability reporting), or send us their own activity report linked to the Transparency Act, if applicable.

We did not uncover any specific risk areas that require immediate actions in the 2023 assessment, nor did we receive any complaints/reports of irregularities in the reporting period. We will continue to track and monitor our suppliers going forward, and will provide for or cooperate in remediation when appropriate.

### Going forward

Going forward, we will look at measures to further strengthen our work to secure human rights and decent working conditions. In 2023, Watrium will:

- Conclude the due diligence of existing suppliers
- Conduct due diligence of all new suppliers
- Establish a separate Supplier / Business Partner Code of Conduct to be included in all contracts
- Communicate our policies to employees, suppliers and other relevant stakeholders

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<sup>1</sup> Based on the The Global Economy's [Human Rights and Rule of Law Indicator](#) and the [ITUC Global Rights Index 2022/2023](#).