



Utkilen

Sustainability Report 2021



A leading, preferred, and reliable transporter of bulk liquids

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CEO message



Over 100 years of shipping traditions in the Utkilen family has seen both stormy and smooth sailings. That is the nature of our business. The last two years with Covid-19 pandemic has put our industry to the test. In Utkilen we have been challenged both commercially and operationally. Reduced earnings and increased costs have resulted in lower results. Travel restrictions have set back ship visits, conferences, customer visits and courses/trainings. Especially our seafarers have suffered under extra strain as a consequence of challenging crew changes, extensive testing, and quarantine. But we have coped because through years of hard work, investment and experience we have developed a sustainable business structure. Utkilen is a solid company with good values, well implemented procedures, high operational standard, and not the least competent and dedicated people both onboard

and ashore. Not only have we kept our ships in safe operation during this challenging time, but additionally:

- we have continued the energy saving path for our existing fleet
- we have started converting our four ships built in China in 2019 and 2020 to LNG propulsion
- we have ordered two Dual Fuel LNG ships from the Icdas shipyard in Turkey for delivery 2023/24.

All these projects will take us step by step towards our goal towards decarbonisation.

As the end of the pandemic was in sight we got hit by a new challenge. The war in Ukraine is affecting all of us directly or indirectly. Being a regional player in Northwest Europe with a large portion of Baltic crew, Utkilen is also affected. While ensuring the

importance and support to all our seafarers regardless of nationality we are again faced with operational challenges and having to make sure all our activities are well within the various applicable sanctions. Once again, our values and our well anchored sustainability will help us navigate towards an uncertain future. Our values are our guiding principles and fundamental beliefs.

With these values we aim to handle the obstacles on our way while never losing sight of the long-term strategy of continuous improvement and a greener future for our ships. I strongly believe sustainability is maintaining our business over the short, medium, and long term by meeting the needs and deliver continued value to all our stakeholders.

Best regards
Siri-Anne Mjåtvedt
CEO

Our mission statement:

Utkilen shall be a leading, preferred, and reliable transporter of bulk liquids

SAFE

Safety begins with me

CARING

For people, environment, and customers

SUSTAINABLE

Responsible operations for future generations



Utkilen's ESG framework

Business Integrity and Ethics:

Utkilen shall be characterized by our stakeholders as a company with high ethical standards and integrity. The reputation of the company, and the trust of our business partners is a vital part to our business.

No compromise shall be made to our corporate values or fundamental human and labor right.

Utkilen is firmly opposed to all forms of corruption. Our objective is to compete in the marketplace based on competitive services and prices.

All employees shall comply with both the letter and the spirit of all national and foreign antitrust and competition laws.

Corporate Social Responsibility (CSR)

Sustainability is the continuing commitment to act responsibly by integrating social and environmental concerns into business operations.

Sustainability goes beyond regulatory compliance to focus on how companies manage their economic, social, and environmental impacts, as well as their relationships with stakeholders (e.g. employees, trading partners, government).

Sustainability

We have declared an ambition of becoming climate neutral by 2050. To achieve this, we will use our position to shape industry standards and build more sustainable ships. We believe sustainability and value creation go hand in hand. Therefore, Utkilen will innovate with a purpose to become part of the solution.

Utkilen uses the EcoVadis sustainability rating for an independent and leading solution for monitoring sustainability in global supply chains



 <h3 style="text-align: center; margin-top: 0;">ENVIRONMENT</h3> <p>OPERATIONS Energy consumption & GHGs Water Biodiversity Local & Accidental Pollution Materials, Chemicals & Waste</p> <p>PRODUCTS Product Use Product End-of-Life Customer Health & Safety Environmental Services & Advocacy</p>	 <h3 style="text-align: center; margin-top: 0;">LABOR & HUMAN RIGHTS</h3> <p>HUMAN RESOURCES Employee Health & Safety Working Conditions Social Dialogue Career Management & Training</p> <p>HUMAN RIGHTS Child Labor, Forced Labor & Human Trafficking Diversity, Discrimination & Harassment External Stakeholders Human Rights</p>	 <h3 style="text-align: center; margin-top: 0;">ETHICS</h3> <p>Corruption Anticompetitive Practices Responsible Information Management</p>	 <h3 style="text-align: center; margin-top: 0;">SUSTAINABLE PROCUREMENT</h3> <p>Supplier Environmental Practices Supplier Social Practices</p>
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Utkilen is certified in accordance with the ISO 14001 EMS standard. The standard provides a clear administrative framework to reduce Utkilen's environmental impact and ensure that statutory requirements are met, as well as to build stakeholder trust.



Utkilen is a member of the Maritime Anti-Corruption Network (MACN).

MACN and its members work towards the elimination of all forms of maritime corruption by: raising awareness of the challenges faced; implementing the MACN Anti-Corruption Principles and co-developing and sharing best practices; collaborating with governments, non-governmental organizations, and civil society to identify and mitigate the root causes of corruption; and creating a culture of integrity within the maritime community.



Utkilen is a member of IMPA ACT, an initiative of the International Marine Purchasing Association that encourages ship owners, ship operators, and ship suppliers to demonstrate a tangible commitment to responsible supply chain management and corporate social responsibility.

At the core of the IMPA ACT initiative is the Supplier Code of Conduct, a set of social, environmental, and economic principles that are based on internationally endorsed UN minimum expectations for businesses and represent current best practice.

Those participating in the IMPA ACT initiative commit to working towards alignment with the Supplier Code of Conduct over time, both internally and within their supply chain.



CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. Utkilen demonstrates a strong commitment to environmental transparency by submitting our carbon emission to the CDP as an integrated part of our journey towards environmental leadership.



The Poseidon Principles are a global framework for assessing and disclosing the climate alignment of financial institutions' shipping portfolios. They establish a common, global baseline to quantitatively assess and disclose whether financial institutions' lending portfolios are in line with adopted climate goals. The Poseidon Principles contributes to more openness and transparency on environmental issues in the finance sector and will have a positive impact.



Utkilen is a member of- and supports- United Nations Global Compact. The UN Global Compact is the world's largest corporate sustainability initiative. The aim is to mobilise a global movement of sustainable companies and stakeholders to create a better world.

To make this happen, the UN Global Compact supports companies to:

1. Do business responsibly by aligning their strategies and operations with ten Principles on human rights, labour, environment, and anti-corruption.

2. Take strategic actions to advance broader social goals, such as the UN Sustainable Development Goals, with an emphasis on collaboration and innovation.

The Sustainable Development Goals (SDGs) are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030.

To succeed, we must turn these global goals into local business. In Utkilen we have identified several SGD's where we can contribute to achieving the goals.

Environment

Energy consumption/ Emission to air

Newbuildings with LNG
 LNG conversion of existing vessels.
 Hardware- and software- systems for monitoring and reducing consumption.
 Shore power capabilities

Pollution

Zero spill tolerance
 Waste management system
 Ecological impact project

Recycling

Utkilen assume full responsibility for the proper recycling of our vessels in accordance with Hong Kong convention.



Social

Community engagement

Supporting local communities through Corporate Social Responsibility projects

Health and safety

Strong HSEQ standards.
 Stable pool of employees

Employee relations and diversity

Providing safe and healthy work conditions with competitive salaries.
 Employee insurance programmes.
 Encouraging diversity and tolerance.

Mental health and wellbeing

Ensure close follow up and care for our colleagues



Governance

Anti-bribery and anti-corruption

Zero tolerance for corruption and bribery.

Compliance

Member of Maritime Anti-corruption Network (MACN)
 Compliance training of employees



Environment

Utkilen is certified in accordance with the ISO 14001 Environmental Management System (EMS) standard.

The EMS shall ensure that Utkilen's Environmental Policy, including the objectives, activities and targets described in the HSE program are met. Utkilen's Significant Environmental Aspects have been identified, including the control elements, and are continuously improved and monitored through Utkilen's HSE Program.

The program consists of selected HSE aspects with objectives, activities, targets, and responsibilities. The program is consistent with Utkilen's HSE policy. It shall also consider local legal requirements, customer requirements and guidelines, industry standards and own experience.

Environmental Policy

- Establish and maintain an Environmental Management System in accordance with the ISO 14001 standard.
- Establish and maintain the Overall Environmental Objectives.
- Develop, monitor, and maintain an environmental program with defined goals, responsibilities and KPI's.
- Optimize the vessels energy consumption through operations, design and industry best practices.
- Maintain effective pollution prevention measures, including reduction and recycling of waste.
- Compliance with applicable laws, regulations, and requirements.
- Zero environmental incident or spill.
- Openly communicate environmental performance with customers and industry bodies.
- Utkilen assume full responsibility for the proper recycling of our vessels. This also applies to vessels sold to third parties prior to recycling. All such recycling shall be in accordance with the Hong Kong Convention and EU regulations.

Overall environmental objectives

Utkilen shall continuously strive to reduce our impact on the environment

The environmental performance index shall be improved every year.

All Newbuildings ordered after year 2030 shall have zero-emission technology.

Utkilen shall reduce the CO2 emissions per transport work by 50 percent by year 2030 (compared to baseline year 2008).

Utkilen shall be climate neutral by year 2050.

Environmental activities 2021 - 2022

OBJECTIVE	ACTIVITY	RESPONSIBLE
Reduce energy consumption through voyage speed performance	Ship Energy Efficiency Management Plan (SEEMP) Speed/ consumption monitoring	Operation Department
Improve Energy management	Replace standard lightning onboard with LED lighting Energy Efficiency Management Course established in Manila	Technical department
Reduce energy consumption through RPM/Pitch controller system and monitoring system	Performance monitoring system installed on all vessels	Technical Department
Ensure that key personnel have required environmental knowledge	Quarterly meetings with 3rd parties (e.g. Class) on upcoming environmental requirements and industry standards.	HSSEQ Department
Reduce energy consumption through frequency converters	Retrofit frequency converters	Technical Department
Manage the social and environmental impact of the Company	Annually develop and distribute a Company Sustainability Report	HSSEQ Department
Define ship specific energy efficiency standards	Establish ship energy efficiency operational index (EEOI) certificates for each vessel	Operations Department
Improve and monitor Utkilen's Significant Environmental Aspects	Ship Energy Efficiency Management Plan (SEEMP)	Technical Department
Participate in project group coordinated by Maritime Bergen	Collaboration between shipping companies, mutually beneficial environmental results	Technical Department
LNG installation on vessels	LNG conversion of the 4 New-buildings.	Newbuilding Department

Emission reduction initiatives

In Utkilen we are focused on continuously reducing emissions from the individual ships, and we are developing long term plans for achieving our goals. To understand where we are heading, we need to understand where we have been, and in 2021 an effort has been made to collect, structure and visualize data from our vessels from IMO's reference year of 2008 up until today.

The Energy Efficiency Existing Ships Index (EEXI)

Since the Energy Efficiency Design Index (EEDI) came into force, it has provided a required energy efficiency standard for newbuilds, making sure that ships are built with the environment in mind. In November 2020, the IMO introduced the Energy Efficiency Existing Ships Index (EEXI), which will similarly set the required standard of energy efficiency for existing ships. The EEXI is measure of a ship's energy efficiency based on its design and is measured as grams CO2 per tonne-mile.

Carbon Intensity Indicator (CII)

Ships will be required to measure and document a Carbon Intensity Indicator (CII), which is a measure of the carbon intensity of a ship's activities, meaning the amount of CO2 it emits over some measure. Examples of CIIs are the Annual Efficiency Ratio (AER) measured as grams CO2 per deadweight-mile, or the Energy Efficiency Operational Indicator (EEOI) measured as grams CO2 per tonne-mile (same unit as EEDI and EEXI). The measured CII of a ship must be below a certain threshold every year set by the IMO, which will become stricter

with each year. In contrast to the EEXI which estimates the energy efficiency of a ship based on its design, a CII measures the energy efficiency of a ship based on how it is operated.

How do we follow up the changes to come?

The EEXI of a ship can be improved in several ways, such as limiting engine power, installing a shaft generator, or changing to a more environmentally friendly fuel type. We are rebuilding and preparing our four newest vessels (the AVIC series) for LNG propulsion, reducing EEXI by 25%. It also reduces CO2 emissions by 15% compared to MGO, which in turn reduces the CII. In addition, LNG burns significantly cleaner than MGO with low levels of NOx emissions and negligible levels SOx and particle emissions.

We are also in the process of installing **frequency converters** onboard our ships. Our ships are equipped with shaft generators which allow them to generate power from their main engines. Instead of running an extra auxiliary generator to produce necessary electricity for lighting and equipment onboard, a shaft generator allows us to generate this

from the main engine's shaft itself, saving both fuel and running hours on the auxiliary generator. However, the shaft generator can only operate when the main engine is running at a fixed speed. By installing frequency converters, we can use the shaft generators for different main engine speeds, meaning that we can reduce the engine speed and save fuel, while still running the shaft generator and thus avoiding running an auxiliary generator. Consequently, this reduces our emissions and the CII. The AVIC-series has tfrom day one this technology installed and are showing promising results.

How we operate our ships has a large influence on our emissions.

We need to consider all our activities when assessing our emissions, such as tank cleaning, cargo operations and maneuvering. Most importantly, we need to consider the ship speed. Reducing ship speed significantly reduces fuel consumption, and subsequently our emissions. However, the benefit of reducing ship speed also has its limits – let's consider a small example with the AER. If we look at the adjacent upper graph, the consumption in tonnes per day (t/24hrs) for different speeds of a

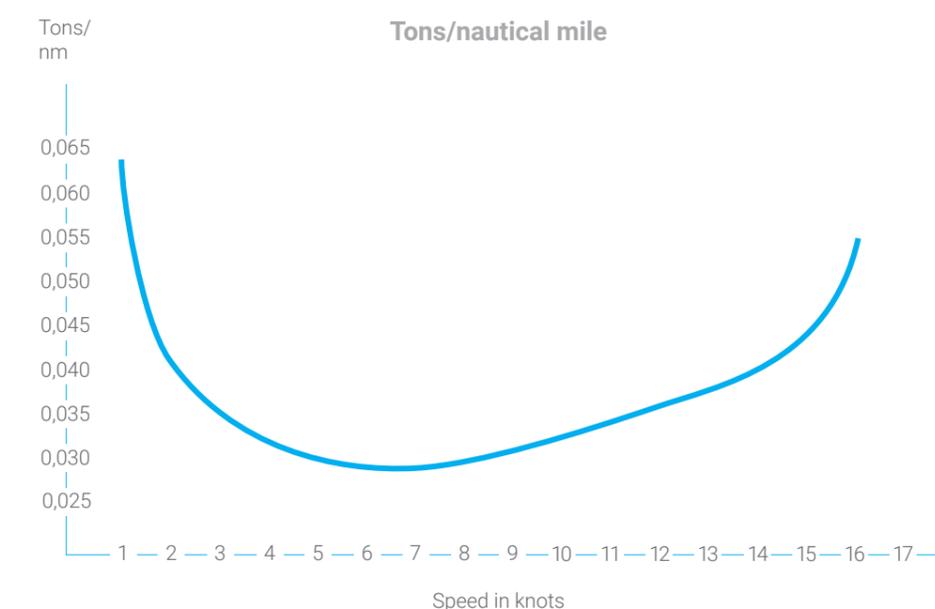
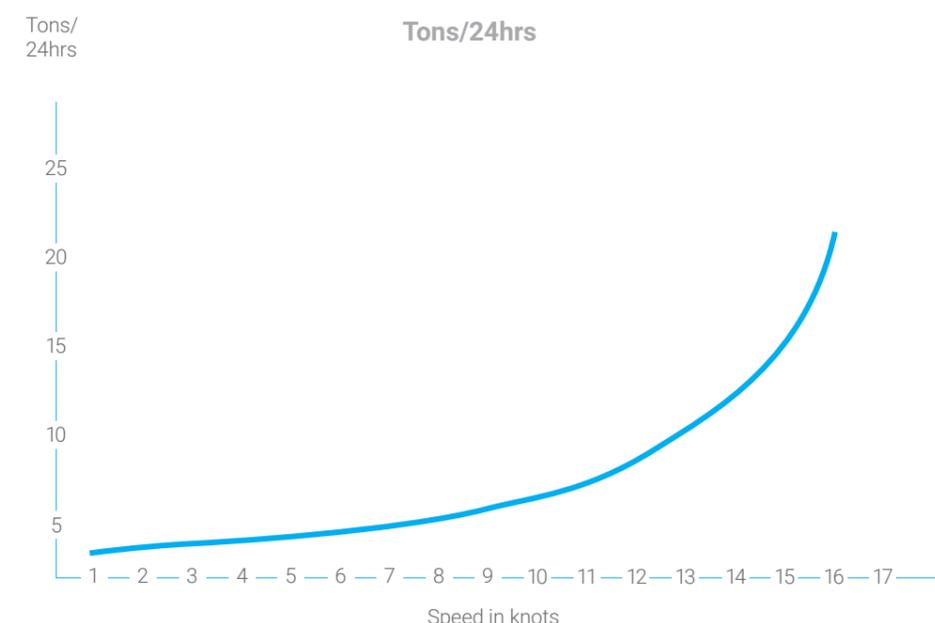
hypothetical 10,000 DWT chemical tanker. The adjacent bottom graph shows the consumption converted to tonnes per nautical mile (t/nm). The lowest AER (gram CO2 per deadweight-mile) would be achieved by running the ship with the speed where it has the lowest consumption per nautical mile. We find this point at five-seven knots. However, if we consider that the amount of cargo Utkilen transport is constant, then two ships operating at six knots would be needed to do the same job as one ship operating at 12 knots, and this would therefore not be sustainable. This is a very simplified example since it does not take into account the time in port, only at sea, but let's keep it like that for now. The two ships operating at six knots consumes 0,03 t/nm each with a total of 0,06 t/nm. One ship running at 12 knots consumes 0,035 t/nm.

This shows that the way to the most sustainable shipping is not the lowest possible speed, but the right speed that fits the specific trade you are operating. This is a difficult equation that requires the consideration of many variables, such as fleet flexibility, port restrictions, port performance, cargo quantities and weather, and is dealt with daily by our chartering and

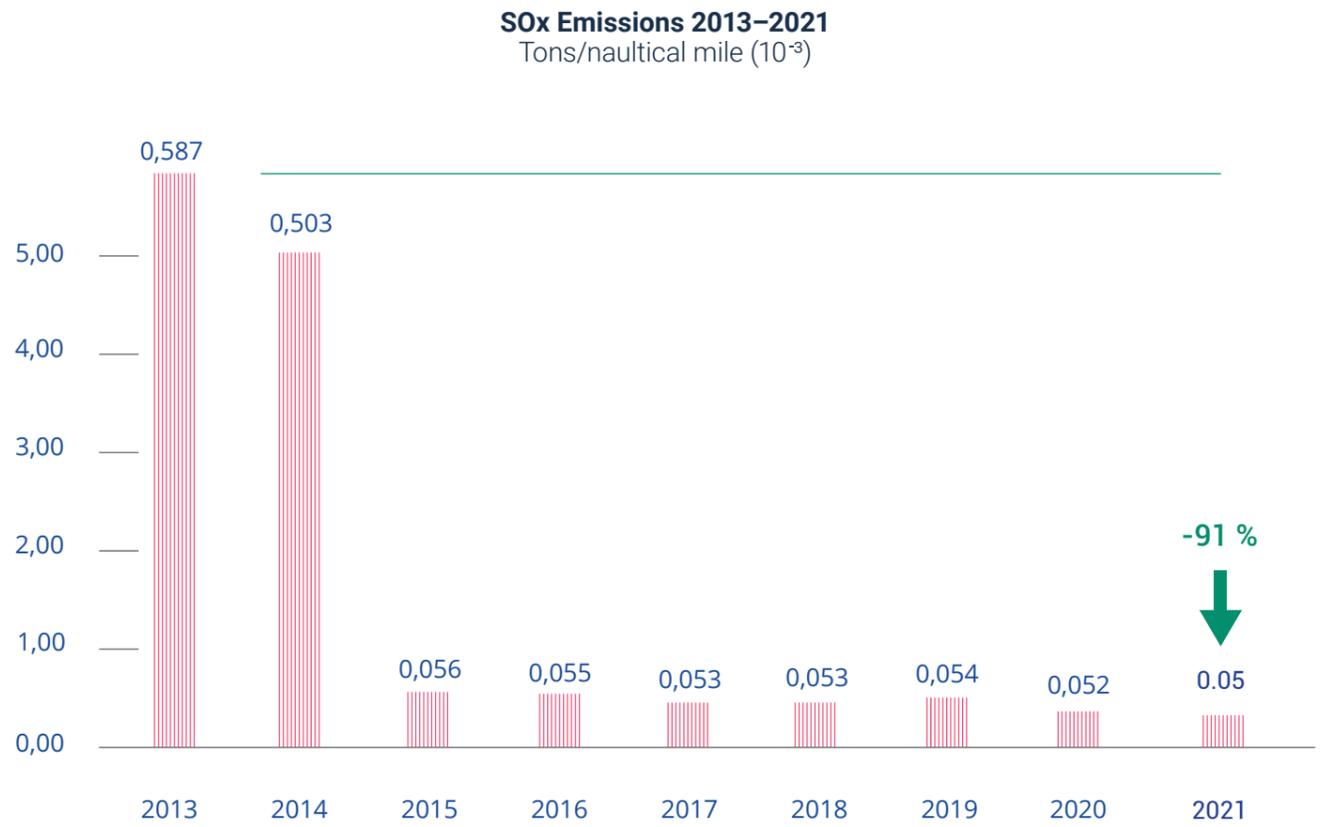
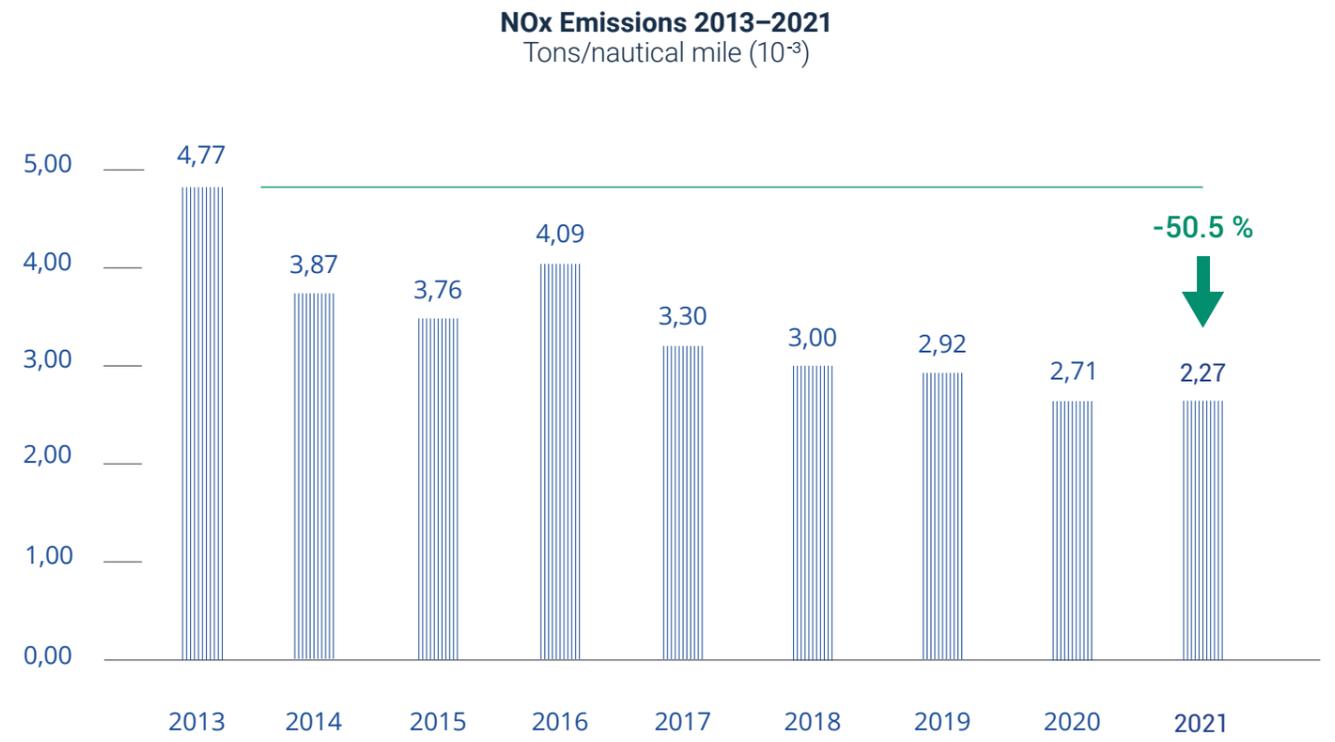
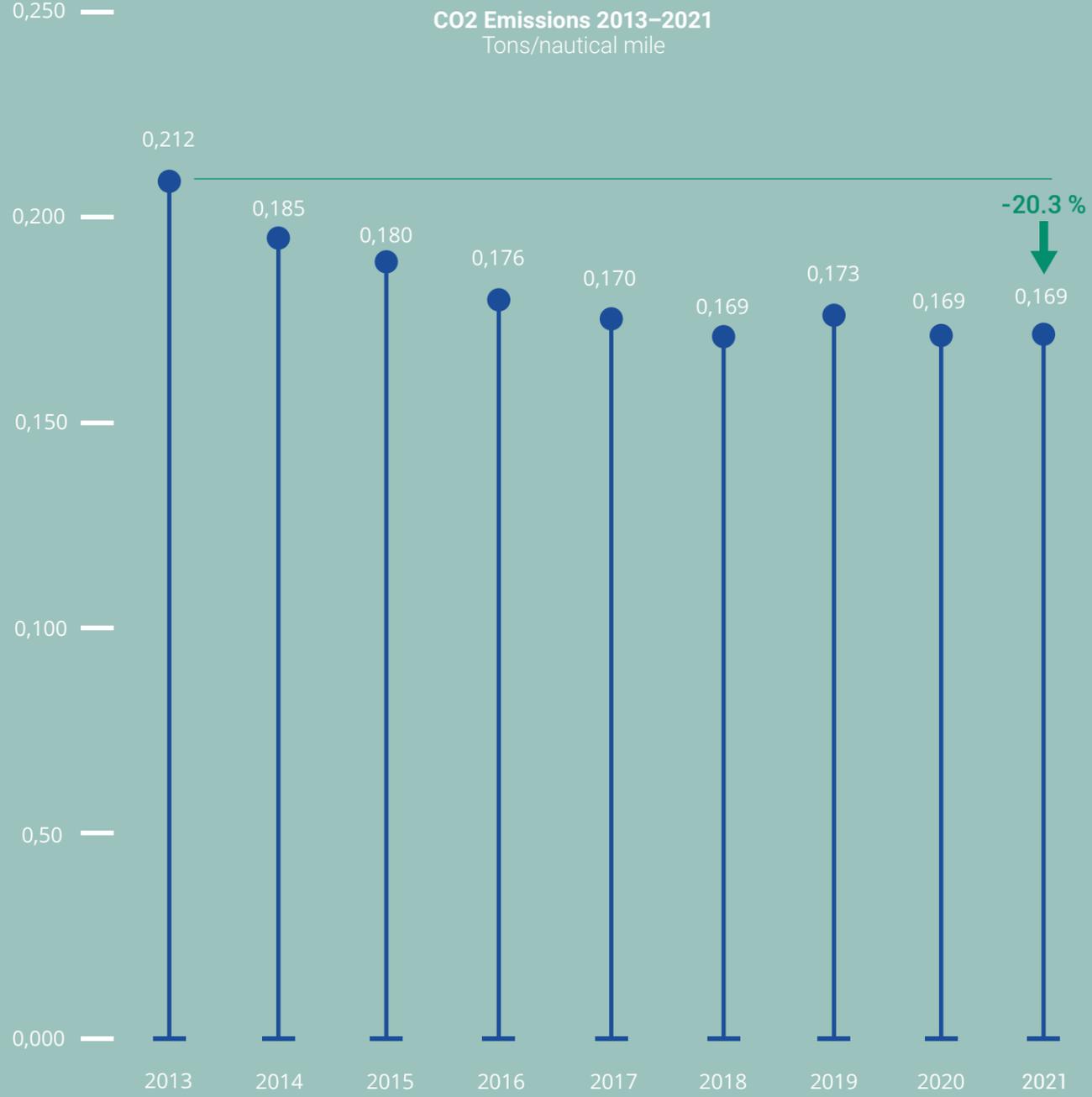
operations departments.

Over the last years we have therefore focused on lowering the fuel consumption when sailing with the speed we have found to be most efficient for our ships, typically 12-14 knots. We have done this through our Lean Marine systems. These installations optimizes fuel consumption by adjusting propeller pitch and main engine speed to optimize consumption based on various factors such as weather conditions and target speed. In addition, Lean Marine's software Fleet Analytics provides us with a full overview of sensor data from our vessels, such as live speed and consumption data.

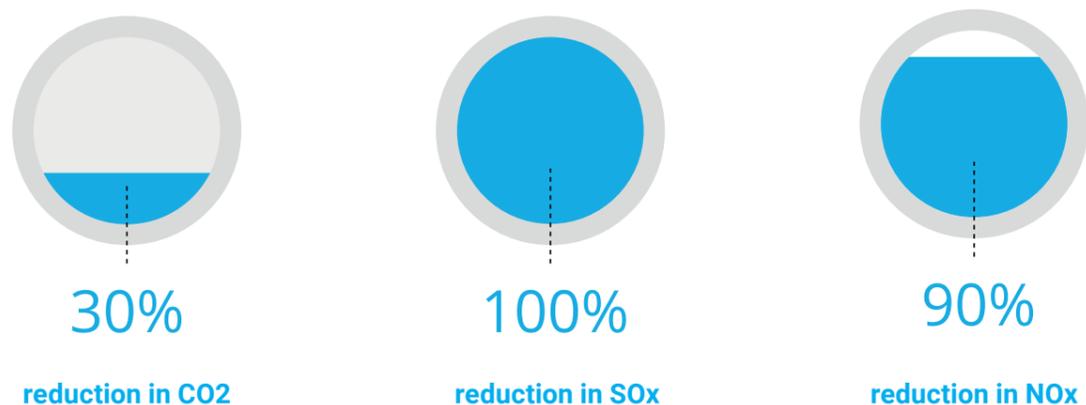
Even though we have come far, we still have a long way to go to become climate neutral in 2050. However, we believe that LNG as a fuel on our new vessels is a further step forward. Utkilen will continue to look for improvement in the way we operate our ships and closely follow developments in new technology and alternative fuels!



Environmental impact



Powered by LNG



A large step in a greener direction

Utkilen is finalizing the process to convert our four newest ships to LNG propulsion and within a year we will be one of the few chemical ship owners in the world with LNG fuelled ships.

The four ships were delivered in 2019 and 2020 from China. They had dual fuel gas ready engines, a fuel-efficient hull, EU standard shore connections for loading and discharge capacities without use of Auxiliary engines and other operational energy efficient features. These ships represent the newest generation of chemical tankers.

However, we are already ready to take these ships to the next level by investing in LNG propulsion. The conversion include installation of 2 x 170 m³ stainless steel, vacuum insulated gas tanks built on TCS (tank connection space) and bunker stations place in front of deck houses on both sides of catwalk. There will be two sets of pipes between engine room and tanks, one set for Glycol and one gas pipe. The gas pipe will be connected to a GVU (Gas valve unit) for processing gas to main engine placed a short distance from main engine. All inside mounted gas pipes will be double wall pipes. Control and alarm systems will be connected to existing systems onboard. When the system is up and running, we will be able to follow all monitors and sensors onboard in the main office.

The installation itself will be done in several steps. To minimize off-hire, most of the preparations such as piping etc will be done while the ships are in operation. We aim for final installation of tanks onboard by the end of 2022.

By using LNG as fuel it is possible to achieve significant environmental advantages in comparison with low-sulphur marine gas oil. **Compared to similar older ships in our fleet these ships will have around 30 % reduction in CO2, 100% reduction in sulphur and 90% reduction in NOx.** We are conscious about the methane slip in connection with LNG so we will equip all four vessels with sensors for measuring of methane slip in exhaust outlet. In addition, we are in

close dialogue with makers and external parties for future possibilities to reduce the slip. This conversion also offers opportunities in connection with biogas. Biogas blending will represent further emission cuts and some LNG filling stations in North Europe are already offering LNG with LBG blends.

Even though there are still work to be done from maker side and class society, these four ships will in many ways also be ready for new alternative fuels such as ammonia and methanol.



Newbuilding program

Utkilen has ordered two advanced chemical tankers from the Icdas Shipyard in Turkey for delivery late 2023 and early 2024.

The vessels are hybrid electrical stainless steel chemical tankers.

The vessels are design by FKAB in Sweden with similar layout as the four newbuildings delivered to Utkilen in 2019-2020, wich will also be equipped with LNG propulsion in 2022.

The design includes low resistance hull strengthened to Ice Class 1A with 100% coated low resistance smooth Ice paint and low resistance twisted rudder. The Main Engine is LNG driven and the vessels use shore power in port for cargo operation. Battery installation for peak-shaving and blackout prevention is included.



Main Particulars

Deadweight 6 700mt

Cargo capacity 7 700 m3

LOA 105 m

Breadth moulded 19,2 m

Design draft 7,2 m

Wartsila main engine 6L34DF LNG/LBG with in line SCR

Main engine and propulsion

For our main engine, we have chosen the Wartsila 6L34DF c-version. This dual fuel engine provides high fuel flexibility as it is able to operate on conventional liquid marine fuels (LFO, HFO or liquid biofuel) and gases such as LNG and biogas. The engine can also be adjusted to operate on ammonia and methanol, which gives us the possibility to retrofit to run on these fuels at a later stage. As we are a short sea shipping company, we spend a lot of time in port performing cargo operations. It is therefore very important for us to also focus on our emissions in port. With the chosen **hybrid configuration** we can use the main engine for cargo operations in port when needed. This allows us to load/discharge on LNG and biogas, reducing CO2 emissions, significantly reducing NOx emissions and nearly eliminating SOx and particulate matter while in port, compared to loading/discharging on conventional diesel engines. While at sea, the main engine utilizes Wärtsilä's EcoControl system. This is a smart control system which combines the optimal engine loading by changing engine RPM with the optimal propeller pitch. This reduces fuel consumption to

its most efficient level while sailing. Furthermore, we use a shaft generator to power the ship while sailing. The shaft generator is powered by the main engine through the gearbox. Using a shaft generator to power the ship saves fuel and is more economical in terms of running hours compared to using the auxiliary generators, as you only have to run one engine (the main engine), which is more fuel efficient than the auxiliary engines. However, as the engine RPM changes with the Wärtsilä EcoControl system, the shaft generator cannot normally be used as it would generate an incorrect frequency into the electrical network. To counter this, frequency converters will be installed, which corrects the electrical frequency. This allows us to use the shaft generator in most situations while sailing. The hybrid configuration also allows for an easy Take-Me-Home operation. In case of an emergency where the main engine is not operable, we can use the auxiliary generators to deliver power to the propeller shaft through the shaft generator and maneuver the vessel safely back to shore.

Battery and shore power

The vessels will be fitted with a battery installation for peak-shaving and blackout preventions. While maneuvering in fjords, canals, narrow waters and to/from port, the battery will serve as a reliable spinning reserve in case of a blackout for a limited amount of time until the auxiliary engines are up and running. Furthermore, depending on the power requirements during loading/discharging, the battery may be used for peak shaving during these operations.

With a shore power connection, the vessels will be able to load and discharge on 100% electricity while in port, reducing local emissions to zero during these operations.

Hull

The vessel is fitted with a Promas type propulsion system. This system streamlines the flow from the propeller onto the rudder. In addition, a twisted flap rudder has been chosen to further increase the hydrodynamic efficiency of the hull. The hull is painted with 100% ice paint for high mechanical resistance and low hull drag resistance.

Various equipment

The vessels will be fitted with electrical bow thrusters and electrical mooring and anchor winches. Compared to hydraulic systems, this reduces the risk of oil leaks and significantly reduces noise. It also has a high energy efficiency and allows for easy maintenance.

One boiler used to produce steam for heating and cleaning will run on LNG for reduced CO2 emissions. Furthermore, cooling water used to cool the engines contain a considerable amount of heat after being used. To take advantage of this waste heat, a heat recovery solution for tank cleaning and heating of accommodation, etc., will be installed. In addition, the three auxiliary engines have SCR for Tier III.

Ship recycling

Utkilen assume full responsibility for the proper recycling of our vessels. This also applies to vessels sold to third parties prior to recycling. All such recycling shall be in accordance with the Hong Kong Convention and EU regulations.

In accordance with this policy for recycling of ships, any sale agreement of ships from Utkilen will contain clauses to ensure that the relevant ship is recycled responsibly in accordance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships by the end user.

Number of ships recycled/sold to 3rd party 2012 – 2021



Ecological impact - sewage turned into biogas

Utkilen entered into a partnership with the Baltic Sea Action Group (BSAG) on a pilot project. This project where about to move into another phase and they were eagerly looking for participants.

algae matter in deeper waters. Oxygen depletion has existed in the Baltic Sea for thousands of years. The density structure of the water column severely restricts water column mixing, and by so oxygenation of deep water.

BSAG has been developing a concept together with different parties at Hamina and Kotka ports in Finland. Their aim is to get ships to discharge their black water, grey water and food waste when calling these ports. Both treated and untreated sewage can be discharged. The target is to minimize the nutrient load ending up in the sea. Increasing nutrient load to coastal waters have created increased algae activity and have resulted in oxygen depletion from the degrading

Instead of increasing eutrophication and oxygen depletion in the sea the nutrients could instead be used in production of biogas.

There are more than 2000 vessels operating in the Baltic Sea every day, so the potential for an impact is great. For the companies involved discharging black water, grey water, and food waste ashore it would be a step towards decreasing the environmental burden of shipping, and a step

towards sustainable shipping business. The delivered sewage and grey water are used in the Biogas production in Finland. Who knows; maybe

the sewage delivered by the Utkilen fleet can be used as LBG on the our vessels in the future.



M/T Bergstrum delivering sewage in port of Kotka

Environmental Key Performance Indicators

Environment	2017	2018	2019	2020	2021
Emission CO2 (metric tonnes)	190 675	191 062	187 302	175 718	160 000
Emission NOx (metric tonnes)	3 692	3 398	3 159	2 812	2 149
Emission SOx (metric tonnes)	59,5	59,6	58,5	53,4	50,0
Emission CO2 (pr nautical miles)	0,17039	0,16863	0,17315	0,16948	0,16880
Emission NOx (pr nautical miles)	0,00330	0,00300	0,00292	0,00271	0,00227
Emission SOx (pr nautical miles)	0,00005	0,00005	0,00005	0,00005	0,00005
Environmental Performance Index	NA	NA	NA	0,0465	0,0352

Environmental Performance Index = Total emitted mass / Transport work (total tonnes/ total nm)

	2021 Target	2021 Result
Hydraulic Oil Spills:		
Overboard	0	0
On deck	< 5	2
Cargo/ Bunker Spill:		
Overboard	0	0
On deck	0	0

Social

Health and safety

The human capital is essential to sustainable operations in Utkilen. 550 employees from different countries and cultures at shore and at sea make sure that all our vessels are run in safe and efficient way. Communication and cooperation especially between shore and sea-based personnel are key words for a smooth and seamless operation. Development within digital communication tools

has given better opportunities to improve the relationship between ship and shore as well as various office locations.

Our industry is in constant change and is regularly faced with new technologies, rules, and regulations. Continuous training and making sure the necessary skills are in place is high on our agenda. It is equally important to be able to offer good support to our

seafarers regarding the various challenges which may occur in our daily operation.

A good working environment is our priority and responsibility. Our employee's high retention rate and the number of years in the company is proof that we have succeeded. We take great pride in the physical and mental wellbeing of everyone working for us.



Health, safety and working environment policy

Utkilen shall be a safe and healthy working place for all our employees. Any personnel injury is unacceptable, and our goal is zero harm to personnel.

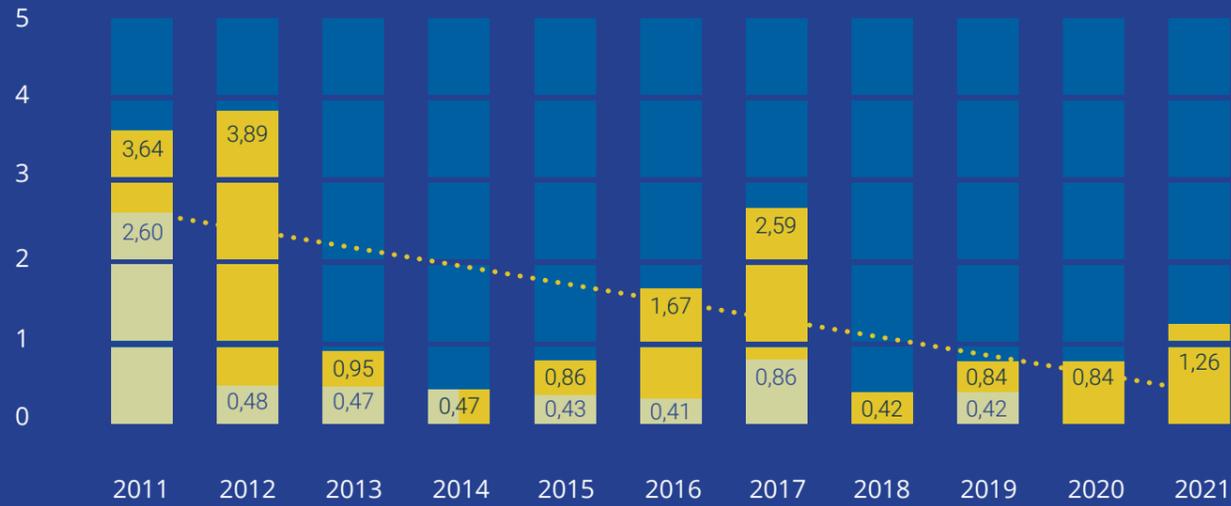
- Promote and maintain a strong safety culture onboard and ashore.
- Comply with all applicable laws, regulations, and requirements.
- Enhance a proactive approach to the management of Health, Safety and Working Environment onboard our vessels and ashore.
- Develop, monitor, and maintain a Health, Safety and Working Environment program with defined goals, responsibilities and KPI's.
- Run a Risk Management program where identification of risks in the Fleet is constantly reviewed and assessed.
- Train and develop our personnel to ensure that Health, Safety and Working Environment is continually improved.
- Openly communicate Health, Safety and Working Environment performance with customers and industry bodies.

Human and labour rights policy

Utkilen shall conduct its business in a manner that respects the right and dignity of all people. Utkilen shall com

- All people shall be treated with respect regardless of their background, gender, race, class, sexual orientation, political beliefs, age, or any other human right.
- All employment with Utkilen is voluntary, and all employees have work contracts complying with applicable laws and regulations. The minimum age of employment is eighteen.
- All employees have the right to join trade unions or have recognized employee representation in accordance with local law.
- Diversity is encouraged. Different backgrounds, skills and experience is recognized as a competitive advantage for the Company.

Fleet LTIF/TRCF



■ LTIF = Lost Time Injury Frequency
■ TRCF = Total Recordable Case Frequency
⋯ Linear (TRCF = Total Recordable Case Requency)

Retention rate for our seafarers:

* 24 months rolling

TOP 4 OFFICERS



ALL CREW

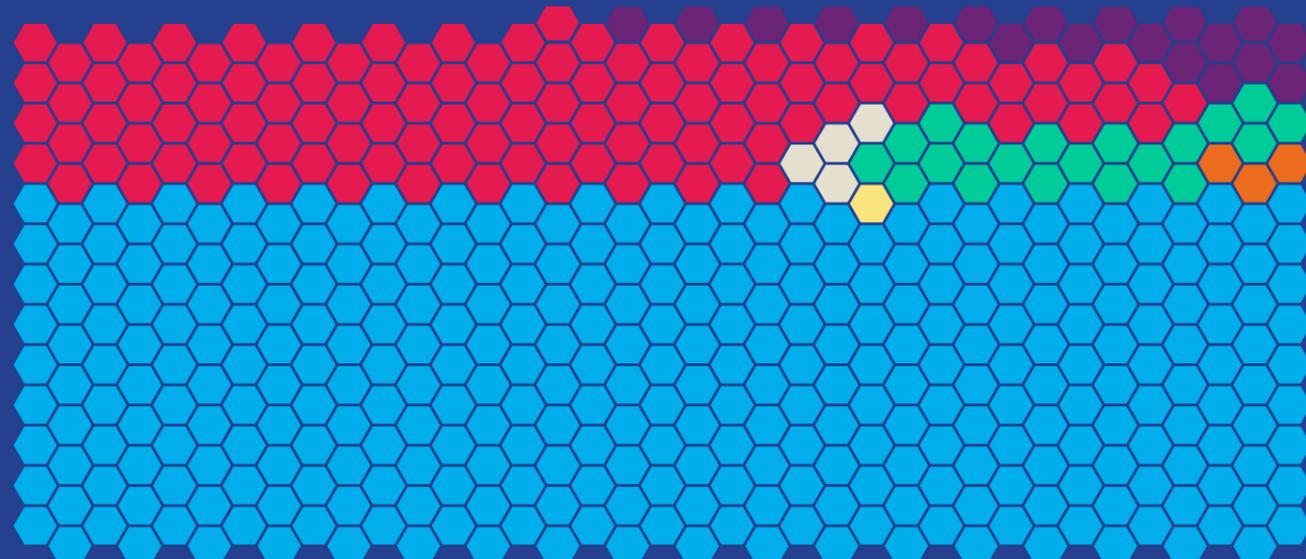


Sick leave 2021



Nationalities

● NORWAY 19
 ● SWEDEN 1
 ● LATVIA 112
 ● LITHUANIA 4
 ● RUSSIA 19
 ● UKRAINE 3
 ● PHILIPPINES 333



Average years in Utkilen:

MASTERS **20,2**
 CHIEFENGINEERS **17,7**

Average years in position:

MASTERS **12,0**
 CHIEF ENGINEERS **12,4**

People 2021





ALL IP ROOM

STEAM

THIS WA...

TEAM GEN...

TK. IC. SOUNDING

Human resources

Covid-19, vaccination:

Utkilen had high focus on vaccination for our seafarers. Availability of vaccine in our trading area as well as the willingness of seafarers to be vaccinated facilitated the process. As a result a 100% vaccination was achieved within six-eight months of first roll out of vaccines for seafarers. As of January 2022 all seafarers joining our vessels are fully vaccinated.

Mental health:

With the prolonged pandemic situation Mental Health became increasingly important. As for most seafarers in the world our seafarers were subject to higher level of anxiety, pressure, stress and frustration brought by following reasons:

- Potential Covid infection will not only lead to potential health concerns, but will also cause challenges for the crew changes and hence mental impact both for on signer and off signer.
- Restrictions in regards to travel and crew changes in port created delays in crew changes and frustration especially for crew wishing to go home.
- Quarantine rules and isolation in hotel for days was an additional mental challenge our crew had to endure.



From the beginning of the pandemic, our seafarers wellbeing was high on the agenda. Increased welfare budget and internet access was accommodated. Increased communication between ship and shore was encouraged and available psychological advisers for all the crew was made available in case of need. In addition various activities were organized such as photo contests, virtual Christmas parties among others.

Social Project

Utkilen is supporting the "Ma Ma Children Center of Norway", located in south of Manila. The founder, Rachel Trovi passed away this year, 94 years old.

The centre has an orphanage with three wards and a home for the elderly. They employ four sociologists and have extensive work in several slum areas and visiting work in three local prisons. They also support more than 10 000 pupils and students each year with equipment and uniforms for their school days. Ma Ma Children centre of Norway have also built an aftercare home for relocated orphanage children and a preschool on the hospital site.



Governance

Corporate governance

Utkilen shall be characterized by our stakeholders as a company with high ethical standards and integrity. The reputation of the company, and the trust of our business partners is a vital part to our business.

No compromise shall be made to our corporate values or fundamental human and labor right.

Utkilen is firmly opposed to all forms of corruption. Our objective is to compete in

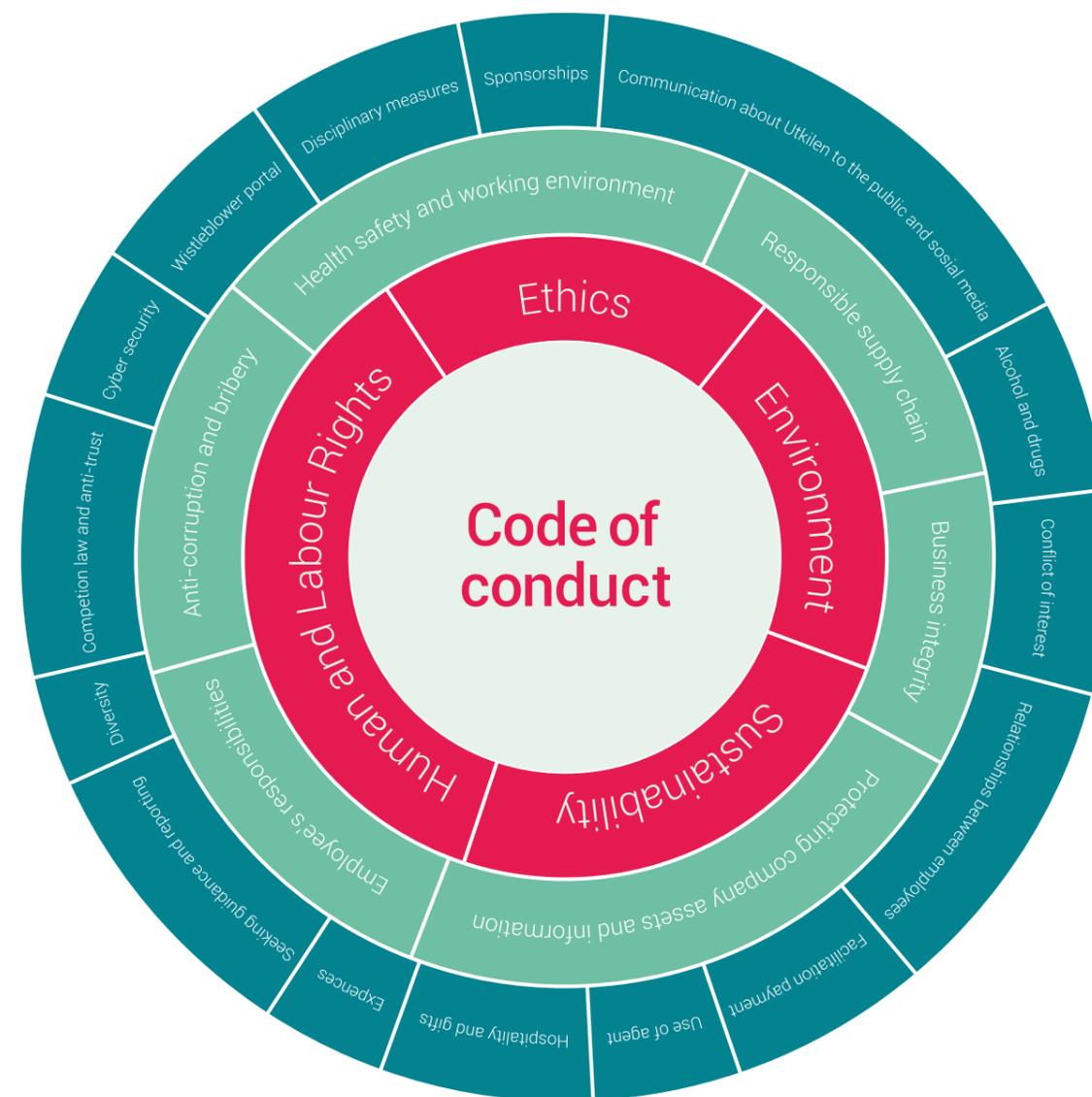
the marketplace based on competitive services and prices.

All employees shall comply with both the letter and the spirit of all national and foreign antitrust and competition laws.

Success can only be celebrated when it is achieved in the right way. Our manner of conducting business defines who we are as a company. Utkilen has a history going back to 1916 and operates more than 20 chemical tankers.

Stakeholder groups

Internal stakeholders	External stakeholders
Shore staff	Customers
Crew	Banks
Owners	Suppliers and contractors
Board of Directors	Government
	Regulatory bodies
	The general public



Code of conduct

Employees shall comply with all of Utkilen's policies and procedures, as well as local laws and regulations. They are responsible to read and abide by the Code of Conduct and integrate the principles it sets forth in personal conduct and in the way we conduct business on behalf of Utkilen. All employees shall know that they have the right and responsibility to seek guidance if in doubt about a business decision. They have an obligation to report what is in good faith consider to be violations or possible violations of the Code of Conduct, laws and regulations and material

breach of Utkilen's policies and procedures, as soon as possible. Managers in Utkilen have additional responsibilities that go beyond the basic requirements of all employees. They shall always lead by example and uphold the highest standard set forth in the Code of Conduct.

Compliance and Internal Control

Utkilen shall employ necessary means of internal control, to monitor that the Code of Conduct is being fully complied with. Senior managers within the management group shall on an annual basis report compliance with the Code to the CEO. Internal control is the responsibility of the management. If in doubt about how to understand and practice the Code, the employee is urged to discuss this with his/her superior. Similarly, should the employee be aware of any violations to the Code he/she shall report this directly to the Compliance Officer or

Designated Person Ashore (DPA). As part of the National Work Environment Laws - any employee that reports violations is protected from sanctions as in accordance with the Whistle-blower mandate. Utkilen will not tolerate retaliation against anyone who has reported an actual or suspected violation. We will protect those who report in good faith. Our tool for notification reporting system is found at the whistle-blower site "MittVarsel".

Hospitality and gifts

At Utkilen, we prefer not to give or receive gifts. Hospitality, gifts, and expenses that could affect or be perceived to affect the outcome of business transactions are prohibited, as they can be used as a cover for bribery. You must always base your business decisions on objectivity and loyalty to Utkilen, and not on personal loyalty or preferences

Facilitation Payment

Payments, in cash or in kind, made for the timely completion of a routine action, are often referred as facilitation payments or "grease payments". These actions that the recipient is obliged to perform and may include processing papers and issuing permits. The payments could be of nominal value. You shall never make facilitation payments on behalf of Utkilen. This applies regardless of whether the payments is made directly or indirectly through a business partner, and whether the payment is in cash or in kind.

Use of Agents and/or Brokers:

The use of agents and/or brokers may, in some locations, enable Utkilen to pursue its business more easily and cost effectively. An agent and/or broker must never be used to carry out activities, which contravene with Utkilen's Code of Conduct.

Responsible supply chain management



Utkilen is a member of IMPA|ACT, an initiative of the International Marine Purchasing Association that encourages ship owners, ship operators, and ship suppliers to demonstrate a tangible commitment to responsible supply chain management and corporate social responsibility.

At the core of the IMPA|ACT initiative is the Supplier Code of Conduct, a set of social,

environmental, and economic principles that are based on internationally endorsed UN minimum expectations for businesses and represent current best practice.

Those participating in the IMPA|ACT initiative commit to working towards alignment with the Supplier Code of Conduct over time, both internally and within their supply chain.



Utkilen have been active in the IMPA|ACT programme and represent one of the frontrunners in responsible supply chain management for the maritime sector. Having undertaken full commitment to the programme Utkilen have engaged in the six step process of IMPA|ACT and engaged suppliers through dialogue. The senior management commitment to IMPA|ACT and active participation in the programme through the procurement department represents a significant effort over the past twelve months. We are delighted to have Utkilen as a key member of the IMPA|ACT programme and look forward to further collaboration and their support.

- Stephen Alexander, COO and Secretary General of IMPA, The International marine Purchasing Association



72 %

Of Utkilen main suppliers have signed the IMPA|ACT Supplier code of conduct

Third party inspections

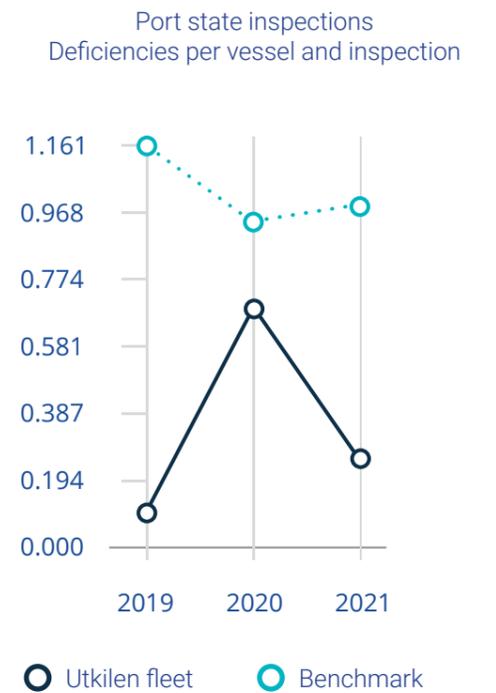
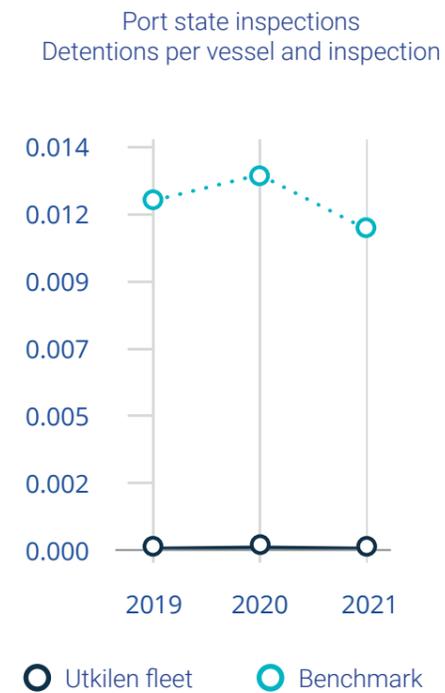
Multiple inspections were carried out during 2021 from Port State Control, customers, authorities, and flag states. Utkilen has demonstrated a high level of performance reflected in these inspections over several years.

Inspections 2021:	Number of inspections	Target *	Actual result *
OCIMF	39	< 3	1,92
CDI	19	< 3	1,63
Port State Control	12	< 0,50	0,17

(*) Findings per inspection



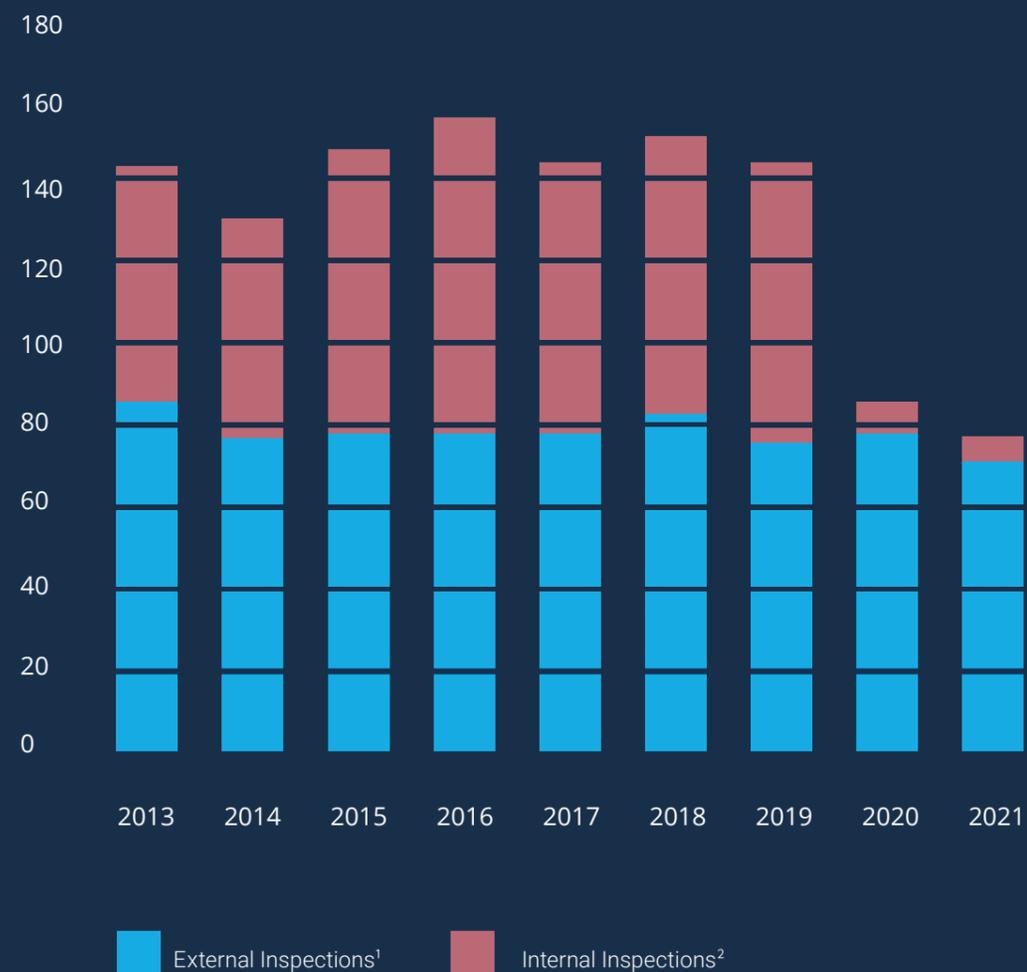
Utkilen is a top performer compared to industry peers in accordance with DNV industry benchmark.



Governance Key Performance Indicators 2021



Number of inspections and audits onboard the vessels



¹Inspections by: OCIMF, CDI, Port State and Flag State
²Reduction in internal inspection 2020 and 2021 due to the Covid-19 pandemic

Key Performance Indicators

KPI	2021 target	2021 actual result
Personnel injuries:		
Fatalities	0	0
Lost Time Injuries	0	0
Restricted Work Case	0	2
Medical Treatment Case	0	1
First Aid Case	< 10	7
Lost Time Injury Frequency	0	0
Total Recordable Case Frequency	0	1,26
Hydraulic Oil Spill:		
Overboard	0	0
On deck	< 5	2
Cargo/ Bunker Spill:		
Overboard	0	0
On deck	0	0
Inspections: (*)		
OCIMF	< 3	1,92
CDI	< 4	1,63
Port State Control	< 0,50	0,17

(*) Findings per inspection

Key figures

People	2017	2018	2019	2020	2021
Number of seafarers	494	493	491	492	491
Number of office staff	48	46	47	46	46
Lost Time Injury Frequency (LTIF)	0,83	0,00	0,42	0,00	0,00
Total Recordable Case Frequency (TRCF)	2,59	0,42	0,84	0,84	1,26
Fatalities	0	0	0	0	0
Lost Time Injury	2	0	1	0	0
Training Days (shore based)	2 038	2 175	2 953	1 729*	1090*

*Restriction caused by Covid-19

Environment	2017	2018	2019	2020	2021
Emission CO2 (metric tonnes)	190 675	191 062	187 302	175 718	160 000
Emission NOx (metric tonnes)	3 692	3 398	3 159	2 812	2149
Emission SOx (metric tonnes)	59,5	59,6	58,5	53,4	50,0
Emission CO2 (pr nautical miles)	0,17039	0,16863	0,17315	0,16948	0,16880
Emission NOx (pr nautical miles)	0,00330	0,00300	0,00292	,0271	0,00227
Emission SOx (pr nautical miles)	0,00005	0,00005	0,00005	0,00005	0,00005
Environmental Performance Index	NA	NA	NA	0,0465	0,0352

Environmental Performance Index = Total emitted mass / Transport work (total tons/ total nautical miles)



About Utkilen

Utkilen AS is a fully integrated shipping company with headquarters in Bergen, Norway. The company, with a history back to 1916, was founded in 1967 and owns and operates 22 chemical tankers ranging from around 6 000 to 20 000 dwt. in size. Utkilen is one of the major seaway transporting companies of chemicals and other bulk liquid cargoes in Northern-Europe. Four of our modern 20 000 dwt. stainless steel vessels built in 2018 and 2019 is operating in global trade under our Stream brand.

Vessel	IMO no.	Built	Grt.	Dwt.	Class	Ice class
MOSTRAUM	9829796	2019	7 231	10 543	DNV	1A
VIKSTRAUM	9829784	2019	7 231	10 543	DNV	1A
SALTSTRAUM	9854466	2020	7 231	10 543	DNV	1A
SYDSTRAUM	9854478	2020	7 231	10 543	DNV	1A
NORDSTRAUM	9523548	2012	6 768	9 616	DNV	1A
GOLFSTRAUM	9390991	2011	7 100	9 500	DNV	1A Super
RYSTRAUM	9391000	2012	7 100	9 500	DNV	1A Super
STRAUM	9406726	2010	12 862	19 934	DNV	E3
SUSANA S	9406714	2009	12 862	19 540	DNV	E3
DORIS	9172210	1998	9 956	16 028	DNV	1A
FINNSTRAUM	9172222	1999	9 956	16 028	DNV	1A
LATANA	9186352	2000	9 960	15 990	DNV	1A
XANTHIA	9246152	2003	10 578	16 698	DNV	1A Super
KILSTRAUM	9164732	1999	4 667	6 008	DNV	1C
BERGSTRAUM	9108740	1996	6 045	9 494	DNV	1A
CHRISTINA	9118496	1996	6 045	9 494	DNV	1A
FJELLSTRAUM	9140815	1997	3 726	5 846	DNV	E3
FJORDSTRAUM	9114763	1996	3 726	5 846	DNV	E3
STREAM ARCTIC	9817509	2018	12 075	19 998	NK	N/A
STREAM ATLANTIC	9829722	2019	12 075	19 998	NK	N/A
STREAM BALTIC	9838668	2019	12 075	19 998	NK	N/A
STREAM PACIFIC	9838670	2019	12 075	19 998	NK	N/A

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