

Report on Human Rights Due Diligence in Utkilen 2024



Table of Contents

Description	3
Utkilen’s organization and area of operation.....	3
Policies, governance and commitment.....	4
Risk mapping and due diligence.....	5
Mitigation activities	5

Description

The Transparency Act was enacted by the Norwegian Parliament on 10 June 2021 and establishes legal requirements for larger enterprises' duty to report on the work they do to ensure compliance with fundamental human rights and decent working conditions in the enterprises themselves, in their supply chains and with their business partners.

The Transparency Act's aim is to promote enterprises' respect for fundamental human rights and decent working conditions and ensuring that consumers, organizations, trade unions, journalists and the public have access to information. The Transparency Act is a Norwegian initiative, but we see similar initiatives in other European countries as well as at EU level.

The report requires a general description of:

- The enterprise's organization and area of operation.
- Guidelines and routines for handling actual and potentially negative consequences for fundamental human rights and decent working conditions.
- How the work with the due diligence assessment is organized.

and specific information on:

- Actual negative consequences and substantial risk for negative consequences which enterprises have identified through their due diligence assessments and measures the enterprises have taken or plan to take to stop actual negative consequences or to limit substantial risk.

The report shall be updated and published no later than 30 June each year and otherwise in case of significant changes to the enterprise's risk assessments. The report shall be published on the enterprise's website and may also be included in the enterprise's annual report or sustainability report. The report must be signed by the board and the general manager.

Utkilen's organization and area of operation

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 15 chemical tankers ranging from around 6 000 to 17 000 dwt. in size. Utkilen is one of the major seaway transporting companies of chemicals and other bulk liquid cargoes in Northern Europe.

About 450 Norwegian and international seagoing personnel work onboard our vessels and the shore organization totals about 50 employees. We have a strong focus on safety and quality and our safety and quality systems are certified by DNV. The company has in-house functions for chartering, operations, ship management and crewing. It is the policy of the company to develop long-term business with first class charterers, and with high contract coverage.

Policies, governance and commitment

Utkilen has developed and implemented a human and labor rights policy that is part of our company Code of Conduct. The policy clearly states that Utkilen shall conduct its business in a manner that respects the rights and dignity of all people. Utkilen shall comply with all applicable laws and regulations and is committed to respecting the protection of internationally recognized human rights. In Utkilen all people shall be treated with respect regardless of their background, gender, race, class, sexual orientation, political beliefs, age, or any other human right.

Further, a health, safety and working environment policy is incorporated stating that 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. We continuously promote and maintain a strong safety culture onboard and ashore.

Utkilen uses the EcoVadis sustainability rating for an independent and leading solution for monitoring our sustainability work where labor and human rights are included together with ethics, environment, and sustainable procurement. This rating is an annual exercise where our labor and human rights efforts are being independently evaluated.

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 addressing the minimum expectation to suppliers based on United Nations Global Compact's principles including human rights.

Utkilen is a member of the Maritime Anti-Corruption Network (MACN) working 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, creating a culture of integrity within the maritime community.

Utkilen has been a signatory to United Nations Global Compact initiative since 2020 and is committed to do business responsibly by aligning our strategies and operations with the ten principles on human rights, labor rights, environment, and anti-corruption.

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. As part of the National Work Environment Laws - any employee that reports violations is protected from sanctions in accordance with the Whistle-blower mandate. Our tool for notification reporting system is found at ["MittVarsel"](#), where reports can also be filed anonymously.

Risk mapping and due diligence

The human rights due diligence process in Utkilen includes risk assessments towards our potential impact on human rights. The impact assessment is risk-based meaning that the mitigating measures introduced shall correspond with the degree of severity of any negative impact and the probability that the negative impact will occur. When the probability and degree of severity both are high, the requirements for implementing mitigating measures will be correspondingly higher. The human rights impact risk assessments are reviewed annually during then corporate management review, and/or if significant changes to the organization or operations should occur.

Utkilen has identified that potential significant risk exposure to human rights violations may be detected in the global supply chain. The most important prescriptions in the International Bill of Human Rights related to supply chain management are:

- Right not to be subjected to slavery, servitude, forced labor, or child labor
- Right to enjoy just and favorable conditions of work, and
- Right to health

The potential human rights impact from our operations is risk evaluated against the countries and locations where Utkilen operates. The result of these assessments show that the most significant risk of impact are those countries and regions that generally score low on human rights indexes.

Utkilen's operation with most significant risk in these regions is the use of newbuilding-, maintenance/ repair- and recycling- yards, including the yards use of sub- contractors.

Mitigation activities

Utkilen has implemented a due diligence process before selecting shipyards. The due diligence process includes the use of "Eksportfinans- Guideline for labor rights assessments at shipyards", contracts with human rights and labor condition requirements, physical audits and inspections of the yards and supervision by Utkilen during the yard stay.

Bergen, 30 September 2024

Board of Directors of Utkilen AS

Anders Utkilen (Chairperson)

Ove Utkilen

Dag Døskeland

Michelle Williams

Kjell Ove Breivik

Liv Hege Dyrnes

Siri-Anne Mjåtvedt (CEO)

2024-09-30 09:12:40

Siri-Anne Mjåtvedt

 bankID

NO BankID - 1ee58f9e-4180-4cb9-826d-178e8168f642

2024-09-30 15:38:48

Dag Døskeland

 bankID

NO BankID - eccce80c-7ab1-40e4-809b-daa778ab24fe

2024-09-30 18:33:47

Michelle Williams

 bankID

NO BankID - edab5f9e-0e32-45f0-9b7f-65bb58adf54e

2024-10-01 10:55:30

Ove Ingvard Utkilen

 bankID

NO BankID - 54caef73-03d3-4eec-8142-8a299518caa3

2024-10-01 18:14:45

Liv Hege Dyrnes

 bankID

NO BankID - 915023ad-6421-44a5-98ce-2b9d9a2e22aa

2024-10-02 14:20:15

Anders Utkilen

 bankID

NO BankID - d4103223-8e8a-4a47-80d5-15d92e71fc07

2024-10-03 18:41:39

Kjell Ove Breivik

 Vipps

NO Vipps - f2bba59f-5e29-48ff-a94f-310ac2c105f7