

# Concordia Maritime's contribution to more sustainable tanker shipping

## About sustainability reporting

This statutory sustainability report is provided by the Board of Concordia Maritime AB (publ), but does not constitute part of the formal annual accounts. Concordia Maritime's business model is presented on page 7. The sustainability framework is presented on pages 21–23 and 33, safety aspects on pages 24–26, environmental aspects on pages 27–29 and social aspects on pages 30–32. Control and monitoring are described on page 34. Risk descriptions can be found on pages 36–41.

# Safe transportation of energy for a growing world

Global demand for energy is increasing and oil will continue to be a key raw material enabling production, mobility and growth in the foreseeable future. At the same time, production and transport of biofuels and e-fuels is becoming an increasingly important part of the road to a fossil-free world. Concordia Maritime's role is to provide the world with the energy and chemicals it needs – today and tomorrow – in the most sustainable way possible.

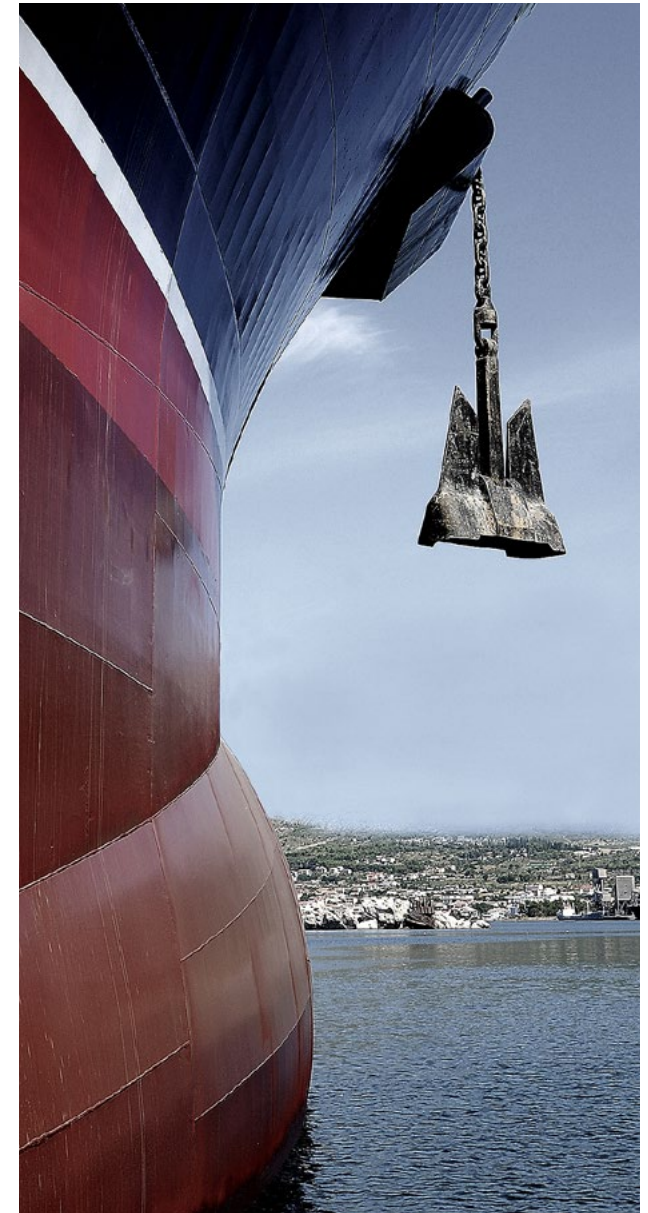
**OIL IS AN ESSENTIAL ENERGY CARRIER** for transporting people and goods, for industrial production and manufacturing, and for heating buildings and homes. It is a raw material used in many of the products that people use and consume every day.

Also, with a growing global population and middle class, demand for energy is increasing, which means that oil and petroleum products will continue to be a significant part of the energy system in the coming decades. In addition, new fuels for internal combustion engines also need to be transported across the world's oceans.

At the same time, the sector's environmental impact must be reduced and the move towards renewable energy production, energy efficiency and electrification of vehicles poses long-term challenges.

Concordia Maritime's role here is to provide the world with secure access to energy through safe and efficient tanker transportation, thereby enabling economic growth and increased prosperity. In addition, the Company is continuing its comprehensive efforts to find ways of reducing the environmental impact of vessels and to evaluate long-term business opportunities as the world gradually phases out fossil fuels.

The following pages describe how Concordia Maritime works to contribute to more sustainable shipping and, and in doing so, creates value for customers, owners, employees and society at large.





# Three focus areas for sustainable tanker shipping

## 1 Providing safe tanker transport

Concordia Maritime's operations must be conducted in a manner that protects employees, the environment and vessels. A strong safety culture at all levels of the organisation is needed to prevent the risk of accidents and incidents. Read more on pages 24–26.

## 2 Reducing our environmental impact

Concordia Maritime is strongly committed to reducing the impact of its operations on the environment. Continuous work to counter the risk of spills and to increase energy efficiency is conducted within the organisation and with other stakeholders. Read more on pages 27–29.

## 3 Taking our responsibility for employees and society

Concordia Maritime is a responsible employer and community participant, promoting good working conditions, equality, human rights and anti-corruption. Read more on pages 30–32.

### The basis of sustainability work

- Care** Care and quality in everything we do.
- Innovation** An innovative corporate culture helps us to perform and improve.
- Performance** First-class performance.
- Transparency** Our ambition is full transparency. What we report must be relevant and linked to the most important issues for our business.

### Principles and guidelines

A clear framework sets out the guidelines on how Concordia Maritime should act as a responsible company and employer.

### Partnerships and collaboration

Influence is exerted by working closely with partners and other forms of collaboration.

### Monitoring and controls

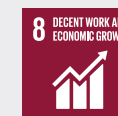
A structured approach to monitoring and controls creates conditions for measuring and improving the Company's sustainability performance.



## THE GLOBAL GOALS

For Sustainable Development

Concordia Maritime supports the UN's 17 sustainable development goals. The focus is on goals 7, 8, 9, 13, 14, and 17 where there is clearest relevance and greatest scope to make a positive impact. Learn more about the work on the UN Global Goals at [concordiamaritime.com](http://concordiamaritime.com).



**CONCORDIA MARITIME HAS LONG BEEN AT THE** forefront of tanker shipping in terms of safety, quality and employer responsibility. The most relevant sustainability issues include minimising the risk of accidents and continuously reducing the impact of the Company's operations on the environment. The work is carried out on a long-term basis and is monitored according to a structured plan headed by the CEO, who is also responsible for continuous reporting to the Board. Read more about control and monitoring of sustainability work on page 34.

Concordia Maritime's sustainability efforts are largely reflected in the work carried out in each partner's operations.

### **Continuous development of sustainability performance**

Tanker shipping is probably one of the most strictly regulated and scrutinised industries. The regulations cover environmental and safety aspects, as well as technical and work environment areas. The combination of this regulatory control and our own internal regulations helps to ensure that consistently high quality is maintained.

The Company works continuously with Stena Bulk and NMM to develop working practices and technical solutions to improve the sustainability performance, thereby enabling emission requirements to be met and a safe work environment to be provided for seagoing employees. This work is based on three main pillars:

- **Fleet Assessment Model:** a model to improve understanding of the fleet vessels' status in terms of existing and future regulations and legal requirements – and what can be done to meet them.
- **Operational and Commercial Measures:** analysed using a behavioural science approach to identify the effect of different factors on sustainability performance. This includes the evaluation of alternative fuels.
- **Behaviour Based Safety:** a systematic and standardised method of identifying and reporting risks on board vessels.





# 1 Providing safe tanker transport

**FOR A TANKER SHIPPING COMPANY**, safety always comes first. To prevent the risk of accidents and to minimise any damage should an accident nevertheless occur, Concordia Maritime devotes considerable resources to the continuous development of vessels, procedures and crews.

This includes both the design and construction of the vessels and their equipment, as well as systematic work to identify potential risks and hazardous operations on board the vessels.

## Key figures

	Target 2021	Outcome 2021	Target 2022
LTI (Lost Time Injury)	0	0	0
LTIF (Lost Time Injury Frequency)	0	0	0
Number of inspections with more than 5 observations (owned vessels)	0	1	0
Average number of vetting observations per inspection (owned vessels)	<4	1.9	<4
Number of PSC inspections with detentions	0	0	0
Number of piracy-related incidents	0	0	0
Damage to property	0	1	0
Medical treatment case	0	0	0
Restricted work case	0	4	0
High potential near miss	0	5	0
High risk observation	0	0	0

Definitions, see page 97.



### AMBITION AND FOCUS

- To ensure ships and routines are of the highest quality
- To continuously increase the safety of employees on board ships

### ACTIVITIES AND INITIATIVES

- Systematic risk identification
- Behaviour Based Safety model for standardised reporting and follow-up
- Continuous exercises and skills development
- External controls and inspections
- Proactive work to prevent hijackings
- Unannounced tests and random checks regarding zero tolerance for drugs and alcohol



## Safety Leader of the Month

NMM runs the Safety Leader of the Month programme, which aims to highlight seafarers who have demonstrated a positive and supportive attitude to safety in all aspects of their work and have contributed to the safety culture on board their vessel. The feedback from many vessels is that the programme has been well received on board.

Pictured is Dandy Caballero, a repairer on *Stena Polaris*, who was one of the crew members named Safety Leader of the Month during 2021.

### Continuous skills development

Working at sea places high demands on officers and ratings on board. In addition to comprehensive international regulations, there are also stringent internal requirements and procedures to ensure safety on board. To ensure that quality, environmental and safety demands are met, we provide continuous skills development. This is done through training activities that are both general and specially adapted for a specific vessel.

### Systematic risk identification

Systematic risk identification is the most important component of continuous improvement of safety on board. On Concordia Maritime's vessels, part of every crew member's daily routine includes spending some time studying how procedures and movement patterns are followed. The reporting is based on a standardised model (Behaviour Based Safety). The observations are compiled into reports, which are then distributed to all vessels in the fleet.

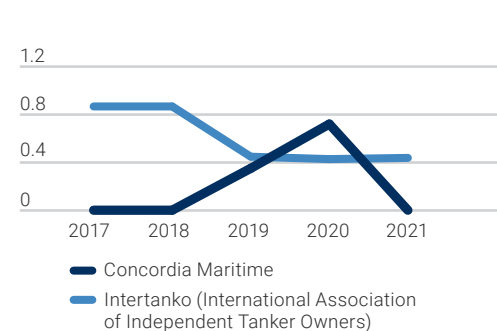
The systematic safety work is clearly reflected in the number of injuries and LTIFs, with Concordia Maritime for many years being significantly lower than the industry average.

### A year without any lost time injuries

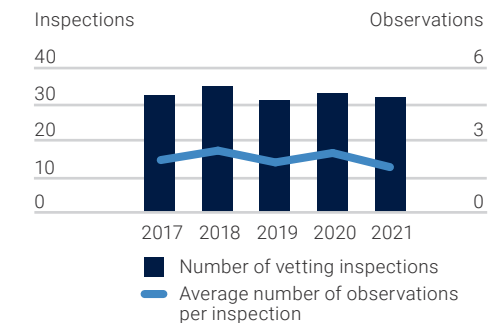
During the year, there no workplace incidents resulting in the individual employee being unable to return to a work shift on the following day (lost time injury). However, there were four incidents classified as restricted work cases. On *Stena Premium*, a crew member slipped during maintenance of a ballast tank. During a drydocking operation in Portugal, a crew member tripped and fell, injuring a finger and on *Stena Primorsk*, a crew member suffered a sprained ankle. During an overhaul of the main engine, an engineer twisted his foot awkwardly, requiring first aid to be provided. All of these employees have made a full recovery.

During the year, there were no work-related injuries requiring treatment by healthcare personnel (medical treatment case). Five incidents classified as high potential near misses occurred.

### LTIF compared with industry



### Vetting inspections of our fleet<sup>1)</sup>



<sup>1)</sup>Oil companies' vessel inspections



One minor incident resulted in damage to property. During a loading operation in Malaysia, a hose was connected incorrectly, causing slight deformation of a freshwater tank on the starboard side.

### **Zero tolerance for drugs and alcohol**

There is zero tolerance for alcohol and drugs on board Concordia Maritime's vessels and the captain of each vessel is entitled to carry out unannounced tests. Random checks are also conducted regularly by third parties. Tests were carried out on all vessels in 2021 and on no occasion was any effect of alcohol or drugs identified.

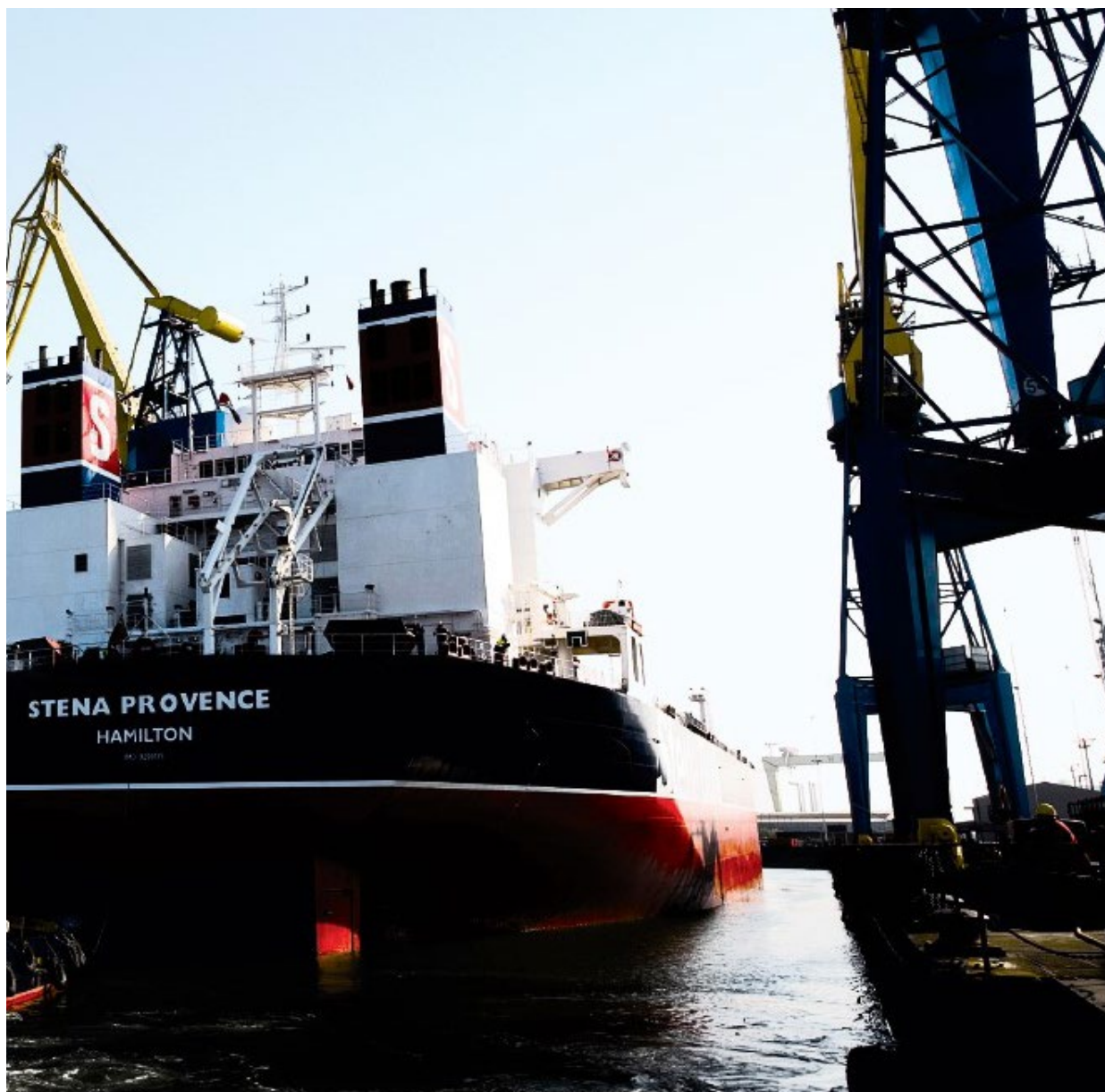
### **External controls and inspections**

There were 32 vetting inspections on board Concordia Maritime's vessels during 2021. There were 62 observations recorded during these inspections, resulting in an average of 1.9 observations per inspection. There were no observations of a serious nature. One inspection had more than 5 observations. There were also 23 port state controls during the year. None of these resulted in observations of a serious nature.

### **No piracy-related incidents**

Concordia Maritime works actively to reduce the risk of hijacking or other types of threats. The work is regulated by recommendations from international maritime organisations and by the IMO's ISPS (International Ship and Port Facilities Security) Code. The Code contains requirements regarding ships' equipment and requires every ship to have security procedures and a trained person responsible for this area.

Concordia Maritime's partner NMM has a separate department that conducts a risk analysis before each voyage. None of Concordia Maritime's vessels were involved in any piracy-related incidents during 2021.



## 2 Reducing our environmental impact

**SHIPPING IS ONE OF THE MOST** energy-efficient ways of transporting large quantities of goods. However, as in other sectors, emissions must be reduced to meet global climate targets. Together with its partners, Concordia Maritime engages in systematic, long-term environmental work.

### Tougher regulations

To achieve progress, a number of emission controls have been introduced in recent years, which Concordia Maritime welcomes. In 2023, additional regulations will be introduced that will affect all shipping companies worldwide:

- **Energy Efficiency Existing Ship Index (EEXI)**, a regulation from IMO that covers the energy efficiency of existing ships from a technical perspective (not how they are operated). The EEXI requires approximately 20 percent greater energy efficiency compared with a historical baseline. Ways of achieving this include technical improvements and limiting engine efficiency.
- **Carbon Intensity Indicator (CII)**, an IMO regulation that covers operational energy efficiency. The indicator takes into account both the technical performance of the ship and how it is operated. The CII requires annual emission reductions up to the year 2030. These can be achieved through energy efficiency measures with technical solutions, renewable fuels and through operational improvements.
- **The EU Emissions Trading Scheme (ETS)** is being amended to include shipping, which will mean increased CO<sub>2</sub> emission costs for travel to and from EU countries.



AMBITION AND FOCUS	ACTIVITIES AND INITIATIVES
Reduce emissions from operations	<ul style="list-style-type: none"> <li>■ Energy management</li> <li>■ Route planning based on real time data – Orbit</li> <li>■ Technical measures to increase fuel efficiency and reduce emissions</li> <li>■ Evaluation of alternative fuels and carbon capture (CCS)</li> </ul>
Reduce the impact on the marine environment	<ul style="list-style-type: none"> <li>■ Installation of ballast water treatment systems</li> <li>■ Routines to reduce the risk of oil spills</li> <li>■ Reduction of discharges of waste water</li> <li>■ Phasing-out of disposable plastic and testing of a filtered drinking water system on board</li> </ul>
Take responsibility for vessels' life cycle /value chain	<ul style="list-style-type: none"> <li>■ Clear criteria for ship orders</li> <li>■ Invest in existing tonnage for technical development and maintenance</li> <li>■ Any scrapping must be in line with relevant regulations</li> </ul>



In the longer term, both the IMO and the EU have set emission reduction targets for 2030 and 2050. The IMO target for 2050 is a 50-percent reduction in total carbon emissions compared with 2008 levels. The EU has set a net zero target for shipping by 2050, which is also the vision for Concordia Maritime.

### Technical development and maintenance

In order to meet current and future requirements, Concordia Maritime and Stena Bulk carry out ongoing analysis and development work that includes technical, operational and commercial measures for the fleet vessels. Extensive fuel efficiency efforts have been in progress since 2012. Activities and measures include detailed monitoring of vessels' energy consumption and implementation of systems and routines that enable speed and route optimisation based on weather conditions, demurrage, bunker costs and customer needs.

In addition to work on route planning, optimisation of speed and energy management, the Company also conducts continuous technical development and maintenance of the vessels. Measures to reduce fouling on the hull, propellers and gears have a significant effect on fuel consumption.

In order to reduce fuel consumption, efforts have also been focused on the technical development of the propellers themselves. On several of the vessels, VTA turbines have been installed, with blades that can be

angled to adapt the turbine's efficiency to the vessel's speed. Other activities include analysis and evaluation of various alternative fuels such as methanol, biofuels, hydrogen and ammonia. In addition, Stena Bulk is conducting studies on carbon capture on board vessels.

### Decision-making based on real-time data

Concordia Maritime and Stena Bulk work on data-driven analysis of both individual vessels and the fleet as a whole. The work is based on ORBIT, a digital platform that enables continuous monitoring and optimisation of operational activities and ship operation.

Internally and externally generated data is used to enable more efficient route planning, resulting in a higher level of service to customers and lower fuel consumption – which in turn contributes to reduced emissions and bunker costs. Built-in KPIs and key figures make it easy to continuously adjust operations based on relevant emissions targets. The system can also be adapted to new regulations and requirements.

### Lower emissions but poorer emission efficiency

In 2021, actual emissions from Concordia Maritime's fleet decreased, while emission efficiency (grams of CO<sub>2</sub> per tonne-mile) showed a deterioration. This is due to the departure from the fleet of the newly built IMOIMAX vessels and a few contracts involving longer term float-storage of cargo with a short sailing distance.

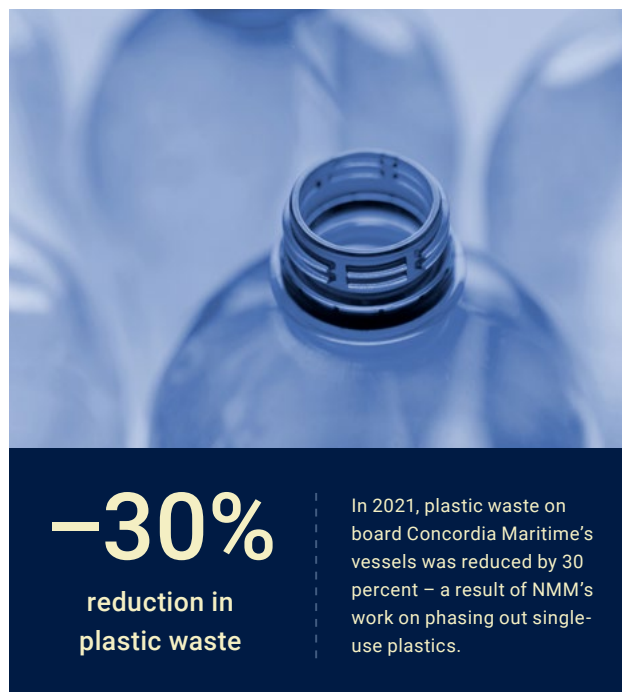


Concordia Maritime's environmental impacts are emissions of carbon dioxide, sulphur and nitrogen oxides and particles associated with bunker fuel consumption. In addition, there is also a potential risk of spreading organisms as a result of the discharge of ballast water. In both areas, work is carried out to reduce or completely eliminate the environmental impact.

### Key figures

	Outcome 2021	Outcome 2020
<b>Bunker consumption (tonnes)</b>		
HSFO	0	0
LSFO	62,666	79,399
MGO	14,738	20,407
<b>Total</b>	<b>77,404</b>	<b>99,806</b>
<b>Emissions (tonnes)</b>		
CO <sub>2</sub>	242,421	312,680
SO <sub>x</sub>	641	847
NO <sub>x</sub>	6,927	8,930
Particulates	80	101.6
<b>Efficiency (EEOI)</b>		
gCO <sub>2</sub> /tonne-NM	13.26	11.16
Oil spills, litres	0	0

Definitions, see page 97.



### Measures to reduce emissions of sulphur and nitrogen oxides

In addition to carbon emissions, shipping also affects the environment through emissions of sulphur and nitrogen oxides. The sulphur content of the fuel affects the emissions in several different ways. In addition to determining the amount of sulphur dioxide released, the sulphur content also affects emissions of particles and nitrogen oxides.

Maximum sulphur content may differ according to where the vessel is sailing. In sulphur emission control areas (SECAs), the limit is 0.1% m/m. These areas include the Baltic Sea, North Sea, English Channel, Canada and the United States. The limit in areas outside the SECA has been 0.5% m/m since 2020.

To meet the requirements, shipping companies can use low-sulphur marine fuels or alternative fuels such as methanol, or equip vessels with scrubbers that clean exhaust gases during use of high-sulphur fuel. Concordia Maritime has decided against investing in scrubbers but has been using low-sulphur fuels since 2020.

Emissions of nitrogen oxides from shipping have fallen sharply in recent years as a result of tighter regulation and technological improvements. The current emission limit values for nitrogen oxides are governed by when the engine was manufactured and when the vessel was built. All vessels in Concordia Maritime's fleet meet the IMO's Tier I standards.

### Ballast water management and treatment

To reduce the risk of impacts on local ecosystems, the IMO introduced a ballast water management convention in 2017, aimed at preventing alien organisms from being spread with ships' ballast water. This applies to all ships on international voyages and requires each ship to have a built-in ballast water management and treatment system to remove micro-organisms in the ballast water before it is discharged.

All Concordia Maritime's vessels follow a Ballast Water Management Plan, based on existing guidelines. Eight of the vessels in the fleet have ballast water management

systems installed, five of which were installed in 2021. The remaining vessel in the fleet will have similar systems installed during drydocking in 2022.

### Another year with no oil spills

Oil spills resulting from groundings, collisions or other accidents can have grave environmental consequences. However, with today's safe and modern tanker fleet, and stringent legal requirements and regulations, oil spills are very rare.

Strict reporting procedures enable good control over incidents, both in port and at sea. No Concordia Maritime vessels were involved in any incident that resulted in bunker oil or cargo discharging into the water in 2021.

### Cargo-flexible vessels

Concordia Maritime's P-MAX vessels are designed to transport different types of oil products, which creates good cargo efficiency. Three of the P-MAX vessels have been converted to IMO3 class after delivery, resulting in a further increase in cargo flexibility, as they can also carry vegetable oils and lighter chemicals.

One of the P-MAX vessels' main properties is the hull design, which makes it possible to carry about 30 percent more cargo than a standard tanker on the same draft. At full load, this means lower fuel consumption per unit load than with traditional MR vessels built at the same time. Concordia Maritime's suezmax vessel *Stena Supreme* is a first generation ECO-design tanker, which means significantly lower fuel consumption than the previous generation.



### 3 Taking our responsibility for employees and society

**COMPETITION FOR** trained and experienced seafarers is fierce. Attracting and retaining skilled and experienced employees is not only dependent on competitive salaries but also a good reputation as a long-term, responsible employer.

Concordia Maritime and its manning partner Northern Marine Management (NMM) endeavour to be perceived as an attractive employer, offering competitive conditions while also providing stimulating and safe workplaces. Respect for the individual, skills development opportunities and a strong safety culture play a key part in these efforts.

As an international tanker shipping company, Concordia Maritime also has social responsibility. The Company and its partners work according to codes of conduct and guidelines in order to contribute to sustainable development in areas such as corruption, human rights and working conditions.

For local community engagement, priority is given to projects and initiatives that support the progression towards more environmentally and socially sustainable shipping or contribute to positive development in the local markets where the Company operates.

#### Key figures

	Target 2021	Outcome 2021	Target 2022
Medical treatment case	0	0	0
Restricted work case	0	4	0
Malpractice reported through whistleblower system	0	0	0

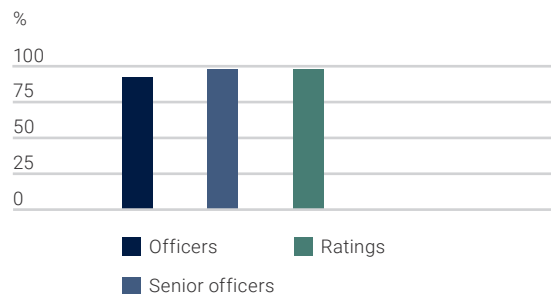
Definitions, see page 97.



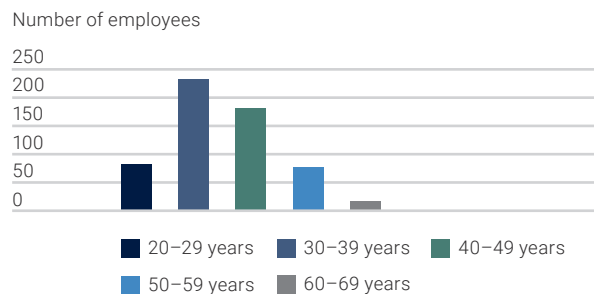
GOAL	ACTIVITIES AND INITIATIVES
Create a safe and stimulating workplace	<ul style="list-style-type: none"> <li>■ Continuing work to prevent the spread of coronavirus on board ships</li> <li>■ Initiatives for increased well-being</li> <li>■ Development and career opportunities</li> <li>■ Fair and competitive conditions</li> <li>■ Group-wide whistleblower system</li> </ul>
Contribute to sustainable social development	<ul style="list-style-type: none"> <li>■ Zero tolerance for bribery and corruption</li> <li>■ Requirement for suppliers and partners to comply with human rights</li> <li>■ Support for Mercy Ships Cargo Day</li> </ul>



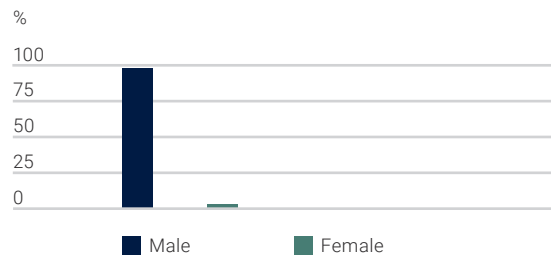
### Retention rate over the calendar year, seagoing



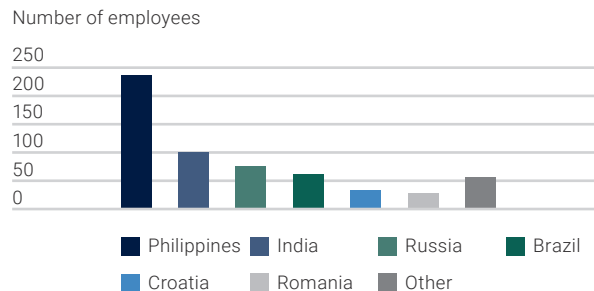
### Age distribution



### Gender distribution



### Nationality



### Measures to limit the spread of infection

The pandemic continued to affect crew changes but Concordia Maritime was spared any major outbreaks of Covid-19 on board the Company's vessels in 2021. Concordia Maritime and NMM continued to carry out extensive measures to reduce the spread of infection. Since the pandemic, a number of preventive measures have been taken, including the introduction of many special routines. These include continuous risk assessments and drills, such as special procedures on what should be done before, during and after loading or unloading, contacts with onshore personnel and sanitation on board. In addition, there are also established routines in the event of someone in the crew being considered ill.

### Development and career opportunities

Concordia Maritime works with NMM to provide employees with opportunities for skills development. Employees are also offered various career options, which means that seafarers have the opportunity to work on shore in various staff positions. For employees wanting to advance through the ranks, there are clearly laid out career paths, which both NMM and Concordia Maritime encourage.

### Low staff turnover

A total of 604 staff were employed on Concordia Maritime's vessels at the end of 2021, all hired through the Company's manning partner Northern Marine Management. The year's average staff turnover for seagoing employees was about 4 percent, which is relatively low compared with industry standards. All seagoing personnel on our vessels are covered by ITF (International Transport Workers' Federation) agreements.



### Initiatives for increased well-being

Concordia Maritime and NMM work actively to offer onboard employees as stimulating and pleasant a work-place as possible. Seagoing employment involves long periods at sea and the well-being of the employees is therefore a key element in creating a safe and secure work environment.

In order to improve well-being, NMM is working with Mission to Seafarers, an initiative to support seafarers and their families. Through its catering partner Oceanic Catering, healthy food is offered to onboard personnel. During the year, vessels have been provided with upgraded gym equipment to encourage exercise and fitness. It also includes guidelines for mental health and the "Well at Sea" app, developed by psychologists. Another example is an ongoing study on the feasibility of having greenhouses on board for growing fruit and vegetables.



Concordia Maritime CEO Erik Lewenhaupt on board *Africa Mercy* in February 2022. Learn more about the opportunity to support Mercy Ships' activities at [mercyships.se](https://mercyships.se).

### Zero tolerance for bribery and corruption

Within Concordia Maritime, Stena Bulk and NMM, there is zero tolerance for all forms of corruption, including all types of bribery, extortion, nepotism, racketeering and misappropriation. In addition, work to eliminate facilitation payments is also in progress. See also Principles and guidelines on page 33.

### Human rights

Concordia Maritime supports and respects the United Nations Declaration on Human Rights and ILO's International Programme on the Elimination of Child Labour (IPEC). The Code of Conduct clarifies that forced labour is not accepted in any form, nor is the use of prisoners or illegal labour in the manufacture of goods or services, either for Concordia Maritime or its suppliers and other partners.

Concordia Maritime endeavours to provide fair working conditions and equal opportunities for all. No employee may be discriminated against or treated differently on the basis of gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age. Likewise, employees' right to freedom of association and collective bargaining must be respected. Concordia Maritime has zero tolerance for harassment and abuse, and does not accept any type of violence, threat or destructive behaviour in the workplace.

### Life-saving care with Mercy Ships

Concordia Maritime has supported Mercy Ships Cargo Day since 2016. Its purpose is to raise funds for Mercy Ships, a charity organisation that provides free surgery, dental care

and other qualified medical care to people in countries where there is no other way to get essential care. Mercy Ships operates what is currently the world's largest private hospital ship, *Africa Mercy*, with six fully-equipped operating theatres and six wards with a total of 80 beds on board.

In 2022, *Africa Mercy* will be joined in relief work in countries in Central and Sub-Saharan Africa by *Global Mercy* – an even larger, purpose-built hospital ship with six operating theatres, 200 beds, a laboratory and an eye clinic. With *Global Mercy*, the capacity to perform life-saving operations and train healthcare professionals is more than doubled. The ship was delivered from the shipyard in China in summer 2021 and sails to Senegal in 2022 for its first deployment in Mercy Ships' vital work.

## Principles and guidelines

**CONCORDIA MARITIME'S** Board and management have jointly formulated and adopted a framework that defines guidelines on how Concordia Maritime should act as a responsible company and employer.

The framework consists mainly of the Company's sustainability policy and code of conduct as well as the external principles and recommendations that Concordia Maritime has undertaken to follow. Other internal guidelines relevant to sustainability include the Board's rules of procedure, the CEO's instructions, the information policy, the financial policy and authorisation instructions.

### Sustainability Policy

The sustainability policy describes Concordia Maritime's overall approach to sustainability and the overall principles for control and monitoring of sustainability work.

The Sustainability policy is available on Concordia Maritime's website.

### Code of Conduct

Concordia Maritime's Code of Conduct sets out applicable guiding principles to ensure operations are conducted in an ethically, socially and environmentally correct way,

and deals with areas such as the environment, social conditions, personnel, human rights and anti-corruption. The Code of Conduct also deals with relationships with business partners, with Concordia Maritime reserving the right to withdraw from a relationship if a partner does not meet the standards of business ethics that the Group expects.

The Code is based on internationally recognised conventions and guidelines, such as the UN Conventions on Human Rights, the ILO Conventions, OECD Guidelines and the UN Global Compact.

The Code applies to all employees without exception and all employees receive regular training in it.

The Code of Conduct is available on Concordia Maritime's website.

### Code of Conduct for partners

Concordia Maritime's partners Stena Bulk (chartering and commercial operation) and Northern Marine Management (manning, operation and maintenance) are wholly owned by Stena AB. The companies' operations are subject to Stena's Group-wide Code of Conduct, which sets out applicable guiding principles to ensure operations are conducted in an ethically, socially and

environmentally correct way. The Code deals with areas such as environmental issues, social issues, good business practices and human rights. The Code also deals with relationships with business partners, with Stena reserving the right to withdraw from a relationship if a partner does not meet the standards of business ethics that Stena expects.

The Code of Conduct is available on Stena's website: [bit.ly/Stena-CoC](http://bit.ly/Stena-CoC)

### External guidelines and alliances

- **Global Compact** Concordia Maritime follows both the UN Global Compact Initiative and the Universal Declaration of Human Rights. The Global Compact is the largest international initiative for corporate responsibility and sustainability issues. The corporate members undertake to comply with ten principles on human rights, environment, labour and anti-corruption, and to respect them throughout the value chain.
- **OECD Guidelines for Multinational Enterprises** The OECD Guidelines for Multinational Enterprises are recommendations addressed to multinational enterprises operating or based in any of the OECD countries. The guidelines

cover how these enterprises are to relate to human rights, environment and labour.

- **The ILO's Fundamental Conventions** The International Labour Organization's eight fundamental conventions represent a minimum global standard for labour. The conventions address fundamental human rights at work.
- **World Ocean Council** In 2017, Concordia Maritime became a member of the World Ocean Council, a sectoral global organisation gathering together leaders in ocean and related industries. The overall goal is to contribute to sustainable development of the global ocean.
- **Maritime Anti-Corruption Network** In 2016, Concordia Maritime became a member of the Maritime Anti-Corruption Network (MACN), an international initiative created by maritime industry players to share experiences and promote best practice in combating all forms of corruption and bribery.



## Monitoring and controls

**THE CEO OF CONCORDIA MARITIME** is responsible for coordinating and running the Company's sustainability work on an overall level and regularly reporting on developments to the Board. The Board continuously monitors the Group's work on sustainability issues. Developments are always dealt with as a separate agenda item at each ordinary Board meeting.

### Monitoring with partners

The Company works continuously with its partners, primarily Stena Bulk and Northern Marine Management (NMM), to develop sustainable working practices and further improve the sustainability performance.

There is a quarterly follow-up of the work on safety, environmental and social issues with representatives of Stena Bulk and NMM. Vetting deviation reporting is conducted on a weekly basis. The results are recorded and used in ongoing improvement work.

Both Stena Bulk and NMM have well-developed systems, procedures and processes to ensure that their operations are conducted in line with defined goals and Concordia Maritime's Code of Conduct.

### Whistleblower system

Within the Stena Sphere, there is a Group-wide whistleblower system. Employees who discover something that violates Concordia Maritime's, Stena Bulk's or NMM's codes of conduct, values, policies or applicable law are able to report the malpractice anonymously. The service is provided by an external partner and all information is encrypted to ensure anonymity.

In 2021, no cases were reported that had a bearing on Concordia Maritime's operations, staff or seagoing employees.

### External controls

In addition to our own controls, there are also comprehensive inspections and follow-ups from authorities and customers. The vessels in the fleet, both owned and chartered, are subject to continuous quality inspections in the form of vetting by the oil and chemical industry, flag state annual inspections, published port state controls and the classification societies' inspections.

The inspections include the ship's construction and its general condition, equipment and procedures for navigation, survival equipment, fire-fighting equipment,

cargo handling systems, oil recovery equipment and procedures for crisis management. Crew numbers, the crew's qualifications, employment conditions, the ship's logbooks and certificates are also examined.

Shore-based activities are checked primarily by auditing processes and procedures.

Read more about external controls under *Operational control in 2021* on page 91.

### Compliance with laws and regulations

As a publicly listed company with global operations, Concordia Maritime is obliged to comply with a number of laws, regulations and rules. These include the Swedish Companies Act, Nasdaq Stockholm's Rules for Issuers, the Swedish Corporate Governance Code and the EU Market Abuse Regulation.

No violations of laws or permits resulting in legal consequences or fines were reported in 2021. Nor has the Company derogated from stock exchange rules or been the subject of decisions or criticisms in stock market matters. For derogations from the Code, see page 92.

### Auditors' opinion regarding the statutory Sustainability Report

To the General Meeting of Concordia Maritime AB (publ), corp. ID 556068-5819

#### Assignment and responsibilities

The Board is responsible for the 2021 Sustainability Report on pages 7, 21–34 and 7–34, and for ensuring that it is prepared in accordance with the Annual Accounts Act.

#### Focus and scope of the review

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

#### Opinions

A statutory sustainability report has been prepared.

Gothenburg, 13 April 2022  
Öhrlings PricewaterhouseCoopers AB

Fredrik Göransson  
*Authorised Public Accountant*