



# ULTRANAV DENMARK APS CSR REPORT 2020

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A partner  
you can  
trust™

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This CSR report constitutes the statutory statement of social responsibility, cf. section 99a of the Danish Financial Statements Act, and covers Ultrana Denmark ApS and all its subsidiaries: Ultrabulk A/S, Ultragas ApS (incl. its ship management division UltraShip ApS) and Ultrana Business Support ApS.

# INTRODUCTION

Ultranav Denmark ("the Company") is a fully owned subsidiary of Naviera Ultranav Ltda, Chile ("Ultranav"/"the Group"), which is a major owner and operator of a diverse fleet of vessels, and which has been operating regionally and globally for more than six decades.

Corporate Social Responsibility ("CSR") has been supported by Ultranav throughout its history with a strong focus on supporting the staff, their families and local communities.

The fragility of the surrounding ecosystems and the potential impact from the operations have long since been acknowledged, and Ultranav has invested substantial funds and taken numerous initiatives aimed towards minimizing the operational footprint on air, sea and land resources. The Company is also active in various Committees in Danish Shipping, including the Technical Committee, the CO<sub>2</sub> Committee, the Innovation Committee, the Commercial Committee, and not least Board of Danish Shipping, in order to actively participate in setting the direction for the industry from a Danish perspective.

Corporate governance is an important tool to drive sustainability and stable growth by amongst others encouraging the use of best practices, the empowerment and integrity of staff, and adopting fundamental safeguards in the management of all activities.

In developing and applying its own Corporate Social Responsibility systems, the Company respects and relies on the Ultranav adopted CSR principles, whilst introducing own specific requirements.

**We are focused on providing efficient, safe and environmentally friendly maritime transportation services and to be a partner you can trust.**

## SUSTAINABLE DEVELOPMENT GOALS

Ultranav and the Company are inspired by the 17 UN Global Goals for Sustainable Development, and throughout this CSR report, we have highlighted which SDGs are relevant for each topic. Shipping as an industry has great potential to impact some of the global challenges we face as society, while also taking climate change into consideration.



## COVID-19

COVID-19 had serious impact on the Company during 2020 alongside the rest of society. We all had to adapt to this new health risk, restrictions issued by the authorities and new working routines. Especially our onboard crews were affected by COVID-19, not being able to complete scheduled crew changes due to local restrictions in ports and airports. Our shore based staff has been prevented from working from the offices, but fortunately, our modern setup has allowed everyone to work from home.

Naturally, COVID-19 also had an impact on some of the ambitions set for 2020, and some initiatives had to be postponed to 2021. However, climate continues to be a top priority for the Company, and we succeeded in carrying out many of the activities planned for the year and will continue the important journey towards a cleaner future.

# WHO WE ARE



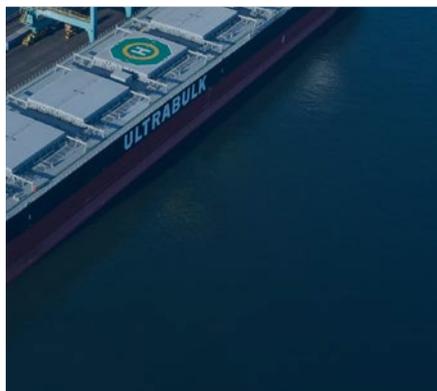
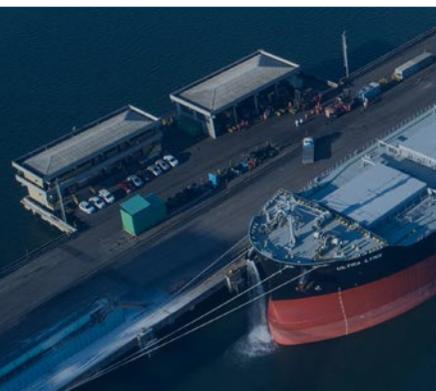
## Ultragas

Ultragas is a tier 1 gas carrier owner/operator and specialist in the transportation of liquefied petroleum and petrochemical gases. We have offices in Copenhagen, Manila and Rotterdam, and our modern fleet of owned vessels is managed by in-house technical staff.



## Ultrabulk

Ultrabulk is a leading global dry bulk operator, servicing customers within the MPP, Handy, Supramax and Panamax segments. We have offices in Copenhagen, Cape Town, Stamford CT, Rio de Janeiro, Santiago, Singapore, and Sydney and a fleet of owned and chartered vessels.



## UltraShip

UltraShip is the inhouse technical management entity supporting the entire Ultragas fleet of 18 vessels as well as a few Ultrabulk owned vessels. We also perform technical supervision, including newbuildings and projects as well as vessel crewing.



## Ultrana Business Support

Ultrana Business Support provides professional services and support functions, including Finance, Accounting, Treasury, Operations Control, IT, HR and Communication, for the commercial offices of Ultrabulk, Ultragas and UltraShip.

# HOW WE WORK

Our core values are the DNA of the company, guiding us in our approach, making us a partner our customers can trust.



## INTEGRITY

We act in an ethical manner, focused on sustainability and safeguarding our reputation.

We encourage personal and professional development and a fair balance between work and private life.

We promote team spirit in a multicultural environment, without discrimination of any kind.



## PASSION

We believe that personal commitment and work well done makes a difference.

We challenge ourselves to create value and to exceed customers' expectations.

We are passionate about our work and our company.



## EXCELLENCE

We seek to contribute to competitiveness to our customers by anticipating and meeting their needs.

We encourage creativity and innovation, introducing solutions that are beyond the ordinary.

We strive to continuously improve the quality and effectiveness of services rendered.



## SAFETY

We are committed to developing and stimulating a safe working culture onboard ships and ashore.

We place safety first, to keep health, life, environment, cargoes, and assets free of risks.

We consider safety an integral part of our mindset and key to our business success.

## THE ULTRANAV GROUP



*Ultranav Denmark and all its subsidiaries are part of the Chilean-based shipping company Naviera Ultranav Ltda.*

A partner  
you can  
trust

# BUSINESS MODEL

Combining vessels and cargo...

## VESSELS

**Owned**  
In-house ship management

**Chartered - Long term**  
6 months-10 years

**Chartered - Short term**  
< 6 months

**Pool vessels**

...on different types of contracts...

## CARGOES

**Bulk**  
Coal, fertilizer, minerals, pellets, petcoke, grain, steel

**Gas**  
LPG, ammonia, petrochemicals

... transporting our customers' goods all around the world.

## CONTRACTS

**COAs - Long term**  
1-10 years

**COAs - Short term**  
< 1 year

**Time Charter Out**

**Spot**

## MARKETS

**Global trades**

**Regional trades**  
Mainly Americas, Europe

# CLIMATE



Focus Area	Risk	Actions in 2020	KPI	Results	Ambitions
Emissions	GHG emissions have a negative impact on the climate.	<p>Ultragas is using online vessel performance monitoring for optimising the voyages as well as implementing trim optimisation. Online monitoring needs installation of hardware onboard as well as connection to shore. In total 11 vessels are installed with an online performance tool in 2020. Furthermore, installation on one existing vessel is ongoing.</p> <p>Ultrabulk started to monitor and optimise voyages by capturing reported data from the captains in a uniformed way and compare this to models and fuel tables created by VPS. This is then presented in a decision support software where we can optimise speed and consumption. Further the tool is also used to react faster to cleaning the vessels when needed</p> <p>The Company continues to be active in various Committees in Danish Shipping in order to actively participate in setting the direction for the industry and support the IMO ambition of increasing vessel efficiency by 40% in 2030 and reducing emissions by at least 50 % by 2050 based on 2008 figures.</p>	EEOI (Energy Efficiency Operational Indicator). Emissions compared to cargo transported.	<p>Unit: gCO2/tons cargo*mile</p> <p>Ultrabulk total: 7.70 Handysize: 9.55 (2019: 11.32 / 2018: 10.59)</p> <p>Panamax: 7.02 (2019: 6.53 / 2018: 6.93)</p> <p>Supramax: 7.20 (2019: 6,96 / 2018: 6.27)</p> <p>Ultragas: Handysize: 38 (2019: 45 / 2018: 48 / 2017: 54)</p> <p>Unigas: 88.6</p>	<p>To rank the Groups fleet up against new IMO measures in order to prepare the way towards a 40% increase in vessel efficiency in 2030. The measures to be used is EEXI, CII, EEOI as well as market factors.</p> <p>To continue on the development of a non-fossil fuel for the IMO 2050 goal as well as understand the commercial impacts using such a fuel.</p>

*Risk assessment continues on next page*

# CLIMATE



Focus Area	Risk	Actions in 2020	KPI	Results	Ambitions
Bunker/ Fuel & Energy consump- tion	Excess/un- necessary consumption of bunkers/ energy will have a neg- ative impact on climate and the envi- ronment.	<p>Ultrabulk has now launched the system they have been working on with ZeroNorth to improve speed setting decisions on voyages. The tool will then be used to take better decisions on speed planning a voyage as well as improved bunker planning.</p> <p>Ultrabulk also started to monitor and optimise voyages by capturing reported data from the captains in a uniformed way and compare this to models and fuel tables created by VPS in the system Vesper. This is then presented in a decision support software where we can optimise long term fleet performance and larger performance decisions like which paint to use. Further the tool is also used to react faster to cleaning the vessels when needed.</p> <p>Result of new X7 anti-fouling coating applied for better handling idle days and protect the hull performance seems to be as expected with significant emission savings. However, the performance of the X7 is to be followed over time in order to understand full circle period (5 years).</p> <p>Optimisation of vessels trim in world-wide trade have resulted in better performing ballast voyages primarily.</p> <p>Ultragas has new online access to aux engine and boiler consumption &amp; running hours.</p>	<p>Quarterly ves- sel specific &amp; updated speed &amp; consumption tables on long- term fleet.</p> <p>Ultragas: Main and aux engine con- sumption and boiler con- sumption alerts to be within current KPIs as specified by UltraShip</p> <p>No. of vessels assessed.</p>	<p>Main engine alerts: 0 observed</p> <p>Aux engine alerts: 64 observed</p> <p>Boiler alerts: 92 observed</p> <p>The high no. of AE and boiler alerts is due to the intro- duction of four new vessels into the KPIs.</p>	<p>Main engine alerts goal: max 28 observations Aux engine alerts goal: max 26 observations Boiler alerts goal: max 26 observations</p> <p>Ultragas will be ranking the fleet in accordance with the new IMO 2030 goals and use the IMO established measures (e.g EEXI, CII) when finally decided.</p> <p>Ultrabulk will start a project to improve auxiliary consumption both at sea and in port. We will do this by having a close dialogue with the team out on the ships and using the data we are gathering in Vesper.</p> <p>Ultrabulk aims to follow and take swift decisions on cleaning of all ships we have for more than 9 months, which is around 60-70 ships.</p> <p>We at the same time aim to do propeller cleaning on all the vessels at least every 6 months with a bottom fouling report included.</p> <p>With the increased knowledge we have gotten on the performance of advanced anti fouling paints, we will start to make business cases on leased vessels, to consider adding better paint on those ships as well.</p> <p>We are working on in close dialogue with technical managers and owners to get a larger allowance on Min. MCR on the engine, so we are able to slow steam further when possible.</p> <p>We aim to use the data to pre evaluate long-term vessel decisions in more detail ensuring we take vessels in that perform as we expect.</p> <p>We will increase the usage of the improve speed calculation tool we have tested and worked on with ZeroNorth with the aim of full usage on the long-term fleet.</p>



## EMISSIONS

The Company runs its business operations in accordance with internationally recognised environmental management standards as a minimum.

IMO is preparing milestone goals towards the 2050 target of 50% greenhouse gas (GHG) reduction from the international world fleet compared to 2008 figures. Fuels like LNG, LPG and methanol will in reality only reduce CO<sub>2</sub> by about 20% and it is expected that hydrogen will take the place as the main energy source either via Ammonia or direct.

The potential use of scrubbers to avoid the emission of unwanted particles of NO<sub>x</sub> and SO<sub>x</sub> will marginally increase the emissions of CO<sub>2</sub>, and the extra refining process required to produce additional Marine Gas Oil (MGO) or other IMO compliant fuels will also result in some additional emissions of CO<sub>2</sub>. Thus, reducing NO<sub>x</sub> and SO<sub>x</sub> on the one side and CO<sub>2</sub> on the other, does not quite go hand-in-hand.

It is important to emphasize that NO<sub>x</sub>, SO<sub>x</sub> and CO<sub>2</sub> emissions are not in the same category of pollutants. NO<sub>x</sub> and SO<sub>x</sub> affect the environment, whereas CO<sub>2</sub> is a GHG and has a negative effect in relation to the climate and global warming.

In 2020 the Company has further invested in online monitoring and optimisation software, ensuring cargo is being transported in the most efficient and environmentally friendly way by reducing total bunker consumption. The fleet is installed with modern technology capable of transmitting real-time data originated by dozens of different

**It is estimated that the shipping industry accounts for transporting 90 % of global trade, while being responsible for 2.5 % of the global GHG emissions. (IMO)**

sensors onboard vessels measuring among other things Main Engine and Auxiliary Machinery Consumption, GPS & Log Speed, Wind Speed/Direction, Vessel's Position and Course, RPM, Torque, Trust and Propeller Slip, Draft and Trim, and Rudder Angle. The information is processed by ©Marorka and ©SeaTrim trim adjustment software, and the output is used by the fuel efficiency teams to support the crew on the optimal parameters for navigation, in order to minimise the total bunker consumption at sea.

We will collect credible data processing that in real-time tracks underperformance relative to sister vessels, docking intervals, paint types etc. rather than to mainly just compare to charter party terms in hindsight, and we will be able to target auxiliary engine and port consumption as well. Everything with a view to reduce the vessels' consumption by making propeller and hull cleaning with the right timing, using sister vessel comparisons to the underperforming ships, and document the benefits of upgrading hull paints. A KPI system has been developed

enabling benchmarking amongst sister vessels and to follow trends and development in performance, incl. EEOI measures. Also, thanks to the data collected by ©Marorka, we monitor the hull anti-fouling degradation and have in place a hull cleaning management programme, planning in advance hull/propeller cleaning at the most suitable place, avoiding having to sail with excessive fouling.

We have through the year launched pilot voyage performance optimisation talks with our customers to highlight the cost and emission transparency we currently offer and expect to have a voyage-by-voyage online overview ready as a standard in 2022. We deemed it absolute necessary to engage our customers in these talks in order to create the needed climate awareness among the stakeholders.

Together with an external provider, Ultrabulk is utilising own as well as industry and AIS data to reduce time spent in ports and thus CO<sub>2</sub> emissions per tons transported. Part of this is done by establishing terminal standards and benchmarks.

Ultrabulk has teamed up with an external provider to develop a tool combining technical and commercial information to enable the operators to take a decision on which speed to sail at that both helps the environment and that is financially viable still. The system is now operational on the long-term fleet. The system will use the fuel tables on the vessels and expected performance and combine this with market information, weather data and commercial terms. All to give full decision support to the commercial team.

Slow steaming is often used to promote a shipowner's contribution towards CO<sub>2</sub> reductions. The reality is, however, that most often slow steaming is only done when it makes economic sense i.e. when the fuel savings exceed the value of the time lost at sea due to slow steaming. Ultrabulk is investigating to increase the use of slow steaming, even if it is not economically viable, by working together with institutions that can issue CO<sub>2</sub> credits covering the fuel (CO<sub>2</sub>) savings.

Ultragas has invested in another type of anti-fouling coating less sensitive to idle periods and has clear indications of significant savings during the first months after dry docking. However, a close focus on the expected degradation of the anti-fouling paint over a dock cycle of 5 years is needed in order to establish the full picture.

In 2020 Ultragas further invested in tools for online monitoring of main engine, auxiliary engines and boiler consumptions on further four vessels.

## ENERGY EFFICIENCY OPERATIONAL INDICATOR (EEOI)

The EEOI is a monitoring tool for managing energy performance over time. EEOI allows operators to measure a vessel's fuel efficiency per metric tons of cargo moved. The monitoring of EEOI may assist in identifying decrease in performance, compare sister vessels, and identify opportunities for improvement of vessel performance, impact of trading patterns and decisions as to speed instructions depending on market fluctuations, as well as to follow the impact of initiatives taken.

## IMO 2030 & 2050 CLIMATE GOALS

The Group is following the IMO development of short-term measures towards the 2030 goal being 40% more energy efficient – vessel by vessel – based on 2008 figures. Even though the measures are not finally decided yet it seems that the so-called EEXI, CII and to a certain point EEOI will be used. We have therefore initiated the first studies ranking our fleet up against the expected requirements even though the border lines are currently unknown. This work will continue for the years to come meeting and preferably exceeding the IMO requirements.



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## Ultrana Group supports the Getting to Zero Coalition



**GLOBAL  
MARITIME  
FORUM**

Unleashing the  
potential of the global  
maritime industry

The Ultrana Group has joined the Getting to Zero Coalition, an industry-led platform for collaboration organised by the Global Maritime Forum, the Friends of Ocean Action and the World Economic Forum.

The ambition of the Getting to Zero Coalition is to have commercially viable Zero-Emission Vessels operating along deep sea trade routes by 2030, supported by the necessary infrastructure for scalable zero-carbon energy sources.

# ENVIRONMENT



Focus Area	Risk	Actions in 2020	KPI	Results	Ambitions
NO <sub>x</sub> and SO <sub>x</sub> and particles	NO <sub>x</sub> and SO <sub>x</sub> particles can be a threat to human health.	Installation of scrubbers on 1 bulk unit and 2 LPG/c vessels.  Successfully timely implemented new 2020 sulphur regulations on entire fleet.	Calculation of sulphur emissions.  No. of violations with ECA zones.	N/A  0	Reducing sulphur emissions of >95% and particles by 100% on vessels with scrubber installed.  Continuous reduction in bunker consumption, which will lead to reduction in NO <sub>x</sub> and SO <sub>x</sub> .  Installation of SO <sub>x</sub> scrubber on further one bulk unit in 2021.
Ballast water	Ballast water discharge disrupts the local marine eco system.	Complete implementation of the ballast water management plan (BWMP).	No. of Port State detention due to BWMP violations.  No. of Port State deficiencies.  Vetting BWMP related observations.	0  0  1	Zero Port State detention due to BWMP violations.  Max 4 Port State deficiencies.  To present an overview of vetting BWMP related observations and agree on a KPI.
Oil spills	Oil spills disrupt the local marine eco system.	Proper planning of ship operations to avoid incidents causing oil spills into the water.	No. of spills into the water on owned vessels.	0	0 spills into the water.
Ship recycling	Incorrect handling of ship recycling has a negative impact on environment and safety.	Adhere to the Hong Kong Convention and/or EU Ship Recycling Regulation for ship recycling.  EU requirements ref Inventory Hazardous Materials (EU IHM) resulted in fleet onboard inspections of IHM relevant materials and final certification by Class before end of year 2020.	No. of vessels recycled vs. no. of vessels recycled as per Hong Kong Convention and/or EU Ship Recycling Regulation.	0/0	Handle all vessels recycling according to the Hong Kong Convention and/or EU Ship Recycling Regulations.
Waste management	Waste not disposed of correctly has a negative impact on environment.	Auditing and crew training.  Ensure compliance with waste management regulations.	No. of waste disposals into the water.  No. of deficiencies at the Port State Controls (PSC).	0  0	0 waste disposals into the water.  0 deficiencies at the PSCs.  Eliminate any kind of waste disposal violations.

# ENVIRONMENT



Conscious care of the environment starts by managing the immediate operational impacts. The Company strives towards having the smallest effect possible on the environment amongst others by focusing on minimising emissions, avoiding oil spills, managing ballast water discharges, ship recycling and the disposal of waste.

## NO<sub>x</sub> and SO<sub>x</sub>

New and stricter sulphur requirements were implemented by January 2020.

Vessels can comply with the 2020 sulphur requirements by having a “scrubber” (Exhaust Gas Cleaning System) installed, which cleans the exhaust for sulphur particles; alternatively vessels can operate on MGO or other compliant fuels with a sulphur content of max 0.5%. Compliant fuels are in many cases blends of HSFO and a distillate.

As part of the Company’s commitment to reduce the fleet’s emissions, the Company has invested in retrofitting several units with Open Loop Exhaust Gas Cleaning System (EGCS). The use of the EGCS captures and removes from the air almost 100% of the SO<sub>x</sub>, up to 94% of the Particulate Matter (PM10/PM2.5), up to 60% of the Black Carbon and a significant amount of PAH.

During 2020 Ultrabulk installed scrubber on one of its bulk vessels, in the addition to the vessels which had scrubbers installed in 2019, and Ultragas had scrubbers installed on two of its gas vessels, in addition to the two vessels which had scrubbers installed in 2019.

All other vessels without scrubbers installed are running on compliant fuels as since 1st January 2020.

Compliant fuels are most often a blend of heavy fuel oil and gas oil and the use of compliant fuel has throughout 2020 caused several challenges onboard our vessels. Such blends can become unstable and difficult to purify onboard, which results in the increased consumption of engine parts and extraordinary attendance by engine room staff.

## BALLAST WATER

Ballast water is being used to stabilise a vessel during a voyage. When taking in ballast water, various micro organisms may enter the vessel’s ballast tanks, which are subsequently emptied at a different location when the vessel de-ballasts. This could potentially introduce new invasive species with unwanted consequences for local ecosystems. To avoid or minimise the problem, IMO adopted in 2004 the International Convention for the Control and Management of Ships’ Ballast Water and Sediments.

All Company vessels have installed a ballast water treatment system to clean the ballast water before discharging and thereby obtained an international ballast water management certificate.

## OIL SPILLS

As is the case with all vessels in service worldwide, the Company owned vessels are using oil for various purposes

on board and thereby potentially posing a risk to the environment in case of a spill. Proper procedures to prevent oil spills and/or to handle potential oil spills are provided on board and crew members are thoroughly trained, including through drills to act accordingly. In addition, the Company conducts annual emergency exercises covering oil spills involving vessels and relevant third parties.

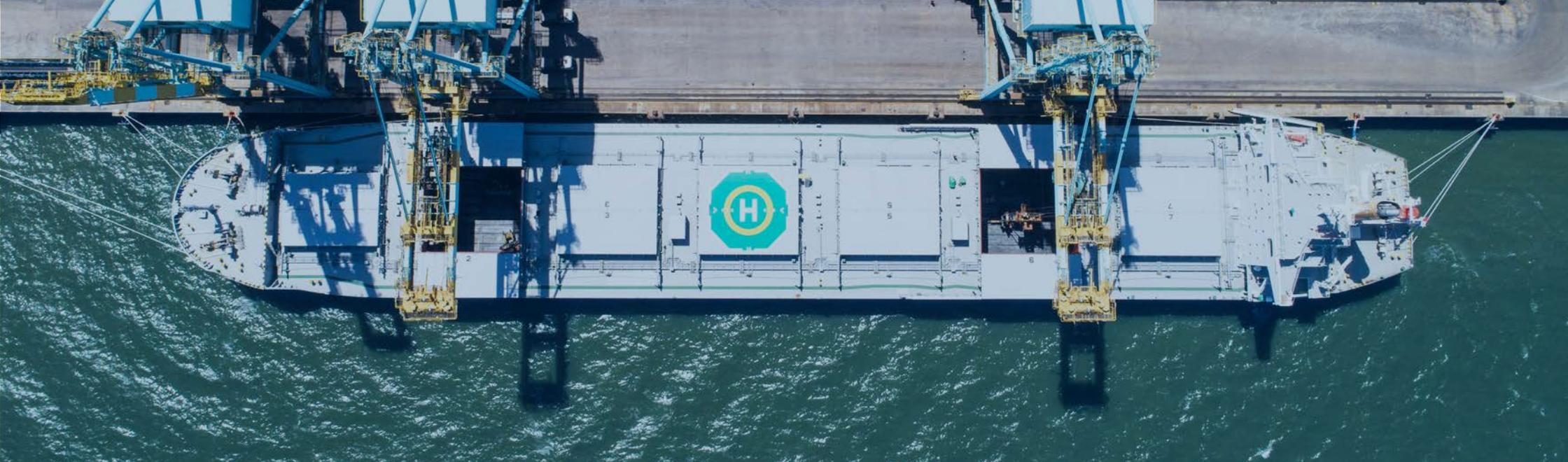
## SHIP RECYCLING

The Company is strictly following the Hong Kong Convention, EU Ship Recycling Regulation and other applicable regulations in relation to health, safety and environmental issues when it comes to ship recycling. When ships in the past have been recycled, the Company has been auditing the recycling facilities in order to verify proper compliance.

## WASTE MANAGEMENT

Garbage from vessels is sorted out and disposed of in accordance with international regulations and local legislation in the host ports. The Company endeavours to land garbage ashore in ports for recycling, wherever facilities are available and in compliance with local regulations.

Slops generation is always monitored, and efforts are taken to reduce same. The disposal of slops is handled in strict compliance with MARPOL and local regulations.



## INVENTORY OF HAZARDOUS MATERIALS

*"Inventory of Hazardous Materials (IHM) is a structured system to control hazardous materials onboard ships and achieve compliance with the EU Ship Recycling Regulation (EU SRR) and Hong Kong Convention (HKC) for the Safe and Environmentally Sound Recycling of Ships."* (source: Lloyd's Register).

IHM demands that companies keep control with the materials they buy, and that they maintain a structured record of the hazardous materials contained in the products bought for installation onboard.

Several internal teams play a key role in the structuring, implementation and continuous upkeep of this system, and the Company has contracted with an external provider,

specialized in this area, to scan for these materials, and ensure a dedicated database is kept up to date with data and documentation.

Documentation to establish contents of materials delivered must come from the suppliers, and contracts are being updated to include responsibilities related to IHM.

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## Ultranav Denmark is a member of Trident Alliance



Ultrabulk A/S and Ultragas ApS are members of the Trident Alliance, a network of shipping companies and other stakeholders with a shared interest in robust and transparent enforcement of environmental regulations within sulphur emissions. The Trident Alliance works to help maintain fair competition as well as to protect health and environmental interests, and the members focus is on raising

awareness of the issue, supported by compliance and transparency measures, as well as on initiatives to foster innovation in enforcement technology. The Trident Alliance member list counts more than 40 shipping companies of all sizes, operating several thousand vessels across all shipping segments.

# HUMAN RIGHTS



Focus Area	Risk	Actions in 2020	KPI	Results	Ambitions																				
Diversity	<p>A uniform staff may show a lack of competencies, limited perspectives and limited role models.</p> <p>Harassment or discrimination.</p>	<p>The Company considers diversity as an asset and is committed to not discriminate or accept discrimination of any kind.</p> <p>Initiatives initiated through recruitment, onboarding and development processes (Working with communication, working culture and behaviour through UltranaV Values).</p> <p>Committed to the Charter for More Women in Shipping.</p> <p>The Company supported WIS-Denmark's "Women in Shipping" and will continue to do so.</p> <p>The Company hired 7 new cadets for the cadet program. Out of the 7, 3 are female.</p>	No. of nationalities, age distribution, gender distribution.	<p>Gender equality ratio 2020 (total): 31% women/69% men (2019: 30% women/70% men) (2018: 31% women/69% men).</p> <ul style="list-style-type: none"> <li>• Ultrabulk: 24% women/76% men</li> <li>• Ultragas: 18% women/82% men</li> <li>• UltraShip: 18% women/82% men</li> <li>• UBS: 63% women/37% men</li> </ul> <p>Recruitment 2020: Gender equality ratio - All new hires: 36% women/64% men.</p> <table border="1"> <thead> <tr> <th>% women /men</th> <th>2020</th> <th>2019</th> <th>2018</th> </tr> </thead> <tbody> <tr> <td><b>Ultrabulk</b></td> <td>40/60</td> <td>22/78</td> <td>14/86</td> </tr> <tr> <td><b>Ultragas</b></td> <td>100/0</td> <td>0/100</td> <td>0/100</td> </tr> <tr> <td><b>UltraShip</b></td> <td>50/50</td> <td>33/67</td> <td>0/100</td> </tr> <tr> <td><b>UBS</b></td> <td>29/71</td> <td>100/0</td> <td>100/0</td> </tr> </tbody> </table> <p>In 2020, 33% of graduates* recruited were women and 67% were men (*Trainees, Student Assistants, Interns and directly from university).</p> <p>In 2020, the average no. of nationalities was 24. In 2019, it was 23, and 21 in 2018.</p>	% women /men	2020	2019	2018	<b>Ultrabulk</b>	40/60	22/78	14/86	<b>Ultragas</b>	100/0	0/100	0/100	<b>UltraShip</b>	50/50	33/67	0/100	<b>UBS</b>	29/71	100/0	100/0	<p>To continue to have a diversified and gender balanced staff composition as well as an inclusive working culture.</p> <p>To have a balanced selection of men and women for all vacancies.</p> <p>Gender equality ratio for graduates: 50/50.</p> <p>Gender equality ratio for all hires: 35% women/65% men.</p> <p>Set up initiatives to have more diversity in the management group.</p> <p>Define relevant actions to attract and retain more women in shipping based on initiatives defined by Danish Shipping.</p> <p>Offer education to all leaders and employees related to diversity, inclusion and unconscious bias.</p> <p>Offer Career Development activities for Women and emerging female managers.</p> <p>Review terms and implement support programme before, under and after maternity/paternity and parental leave.</p>
% women /men	2020	2019	2018																						
<b>Ultrabulk</b>	40/60	22/78	14/86																						
<b>Ultragas</b>	100/0	0/100	0/100																						
<b>UltraShip</b>	50/50	33/67	0/100																						
<b>UBS</b>	29/71	100/0	100/0																						

# HUMAN RIGHTS



Integrity is one of the core values of UltranaV. It is an important element in the Company's overall policy to support and respect the protection of human rights. The Company considers diversity an asset and all persons shall be treated with dignity and respect.

## DIVERSITY

Company staff is comprised of numerous nationalities, cultures and age groups. This is considered an asset and the Company appreciates the diversity. The Company is committed to maintaining a workplace free of harassment and discrimination for any reason, whilst assuring work/life balance and flexibility.

The Company considers diversity as an asset and is committed to not discriminate based on difference. Diversity can be many things such as (but not limited to): Race and Ethnicity, Age and Generation, Gender and Gender Identity, Sexual Orientation, Religious and Spiritual Beliefs, etc.

## ACCESS TO EDUCATION

Through Ultraship Crewing Philippines Inc. (UCPI) we have in the past supported a local elementary school. The school is placed in rural area and it solar powered. The school system in Manila has been heavily affected by the COVID-19 pandemic. Teaching is now done by distance. This is difficult if not impossible with the current lack of IT equipment and internet connection. This year we would like to focus on updating their equipment and possibilities.

## CHARITY

After the Hurricane Vamco thrashing the Philippines in November 2020, UCPI office in Manila have collected voluntary contributions from vessels and office. The company have matched that amount. After that, our office employees in Manila have participated in relieve operatios in rural areas donating daily supply and sanitary items.

## WHISTLEBLOWER PLATFORM

Since 2018, UltranaV has a verified whistleblower system in place and encourages any stakeholders to file a report if they observe any violations of human rights.

In 2020, we had 1 seafarer that reported 2 whistleblower cases on the same vessel. The Company did everything reasonably possible to investigate the two cases and both have been handled accordingly.

## MODERN SLAVERY ACT

The Company supports the UK Modern Slavery Act and its objective to eradicate forced labour and human trafficking. We strive to live up to this responsibility by insisting on honesty, integrity and fairness in all aspects of our business and we expect the same in our relationships with all those with whom we do business.

# SOCIAL & LABOUR



## Risk assessment for crew on board vessels

Focus Area	Risk	Actions in 2020	KPI	Results	Ambitions
Safety	<p>Unsafe working procedures may result in fatalities or injuries happening to crew on board vessels.</p> <p>Insufficient safety culture ashore and at sea may present a safety risk.</p>	<p>Provide tools and procedures to safeguard health and safety and to prevent personal incidents.</p> <p>Introduce safety culture program across all business units.</p> <p>Continued the Safety Leadership Courses in 2020.</p>	<p>Lost Time Injury Frequency (LTIF).</p> <p>Total Recordable Case Frequency (TRCF).</p>	<p>LTIF = 1.29</p> <p>TRCF = 2.27</p>	<p>LTIF &lt;0.75</p> <p>TRCF &lt;2.5</p>
Health	Crews unable to complete crew changes due to COVID-19.	High focus on physical and mental wellbeing of our colleagues during the COVID-19 pandemic. High focus on completing crew changes.	% of seafarers who completed crew change.	100%	100%
Working/ resting hours	Lack of rest may result in reduced concentration which may result in accidents and incidents.	Auditing and ensuring compliance with the policies.	% of vessels that have implemented a reporting culture onboard.	100%	All owned vessels have implemented a reporting culture. Continue efforts in the implementation.
Drugs/ alcohol	Greater risk of accidents or incidents on board vessels if crew is under the influence of drugs or alcohol.	Auditing and ensuring compliance with the "Zero" drugs/alcohol policy.	No. of violations.	0	0 violations.
Retention	Unqualified staff may lack motivation and may cause accidents and incidents.	Provide support and development opportunities in order to maintain qualified staff.	Percentage of seafarers retained.	92.8% across all ranks	Retention >92%
Safety Culture	Undefined safety culture leading to unsafe acts, unsafe conditions and unsafe behaviours.	Measuring the onboard safety culture to identify leading indicators for improvement and proactive mitigating measures.	Each crew member on all vessels shall pass through a number of measuring cycles through Safety Delta in 2020.	2 cycles	<p>Min. 2 cycles.</p> <p>Min. 8 Delta Dialogue meetings to be conducted onboard vessels.</p>

# SOCIAL & LABOUR



## Risk assessment for shore-based staff

Focus Area	Risk	Actions in 2020	KPI	Results	Ambitions
Health	<p>Employees without a good physical and mental health may not perform or may leave the company.</p> <p>Without a healthy working environment it becomes difficult for the company to retain and keep high-quality talent.</p>	<p>High focus on physical and mental well-being of our colleagues during the COVID-19 pandemic.</p> <p>Improvements of office buildings, including ventilation system.</p> <p>All employees were offered to join fitness sessions at work.</p> <p>Virtual training sessions by certified physiotherapists to prevent injuries, as well as virtual team gatherings to keep up spirits, especially while working from home.</p>	<p>Statistics from Danica on physical/mental issues, based on the use of our health insurance programme.</p>	<p>The no. of new health insurance cases increased for both mental health and physical health compared to 2019 figures. Our insurance company report this as a general trend due to COVID-19.</p>	<p>Preventive health care programme in co-operation with Danica to be initiated to improve physical and mental health (initiatives moved from 2020 to 2021 due to COVID-19).</p> <p>During the 2021 employee satisfaction survey, we plan to focus on topics such as diversity, gender equality and anti-harassment.</p>
Retention	<p>A high turnover may lead to unmotivated staff and lack of productivity.</p> <p>Higher cost related to hire and training</p>	<p>Provided support and development opportunities in order to maintain a qualified staff (Growth &amp; Development process initiated).</p> <p>Started measuring retention rate on newly hired employees (1-2 years' seniority).</p>	<p>Retention rate on newly hired employees (1-2 years' seniority).</p> <p>Retention rate (employees who have chosen to leave the company)</p>	<p>Retention rate for newly hired: 12 months: 92% 24 months: 85%</p> <p>Retention rate: 91%</p>	<p>New-hire retention rate &gt;85 %</p> <p>Retention rate &gt;85%</p>

Risk assessment continues on next page

# SOCIAL & LABOUR



## Risk assessment for shore-based staff

Focus Area	Risk	Actions in 2020	KPI	Results	Ambitions
Harassment	<p>Harassment negatively impacts all employees.</p> <p>Workplace harassment too often goes un-reported.</p> <p>Creates stress and demotivation.</p> <p>Retention can decrease.</p>	<p>The Company will not accept any form of harassment towards employees based on e.g. gender, religion, sexual orientation, etc. Harassment policy in place.</p> <p>Appointed go-to-persons and communicate the same to the organisation:</p> <ul style="list-style-type: none"> <li>- Immediate manager</li> <li>- Top management</li> <li>- HR department</li> <li>- Work Environment Committee</li> <li>- Whistleblower platform</li> </ul> <p>All members of the management team have been trained to act on notifications of harassment, bullying and sexual harassment. The management team is committed to continuously evaluate the working environment in order to prevent a culture of harassment arising.</p>	No. of incidents reported in 2020.	0	<p>To have a harassment-free workplace. Initiatives will be defined in order to create more awareness around harassment and discrimination through education, onboarding and management communication.</p> <p>Whistleblower function to be made more visible.</p>
Education	<p>Employees may feel unmotivated if they are not offered the opportunity to develop on a professional as well as a personal level.</p> <p>Employees without the proper educational background, training and experience may show lack of competencies and limited perspectives.</p> <p>If the Company does not offer continued training and education, we lack behind global trends, market transformations and technological innovations.</p>	<p>Ultranav is a part of the advisory board for at BSc. International Shipping and Trade at Copenhagen Business School and will continue to develop the programme in order to improve the education, develop talents and align with business needs.</p> <p>We create training programmes that give students earlier access to the corporate environment (internships, work-study programmes, traineeships, etc.).</p> <p>We invested in employee development and offered leadership education to managers and key employees in the organisation.</p>	Average no. of education days per employee per year.	0,7 (due to COVID-19)	<p>Employees as well as management to be presented with opportunities to participate in courses that aim to develop their skills. In average each employee receives two days of education each year.</p> <p>Continue to establish relationships with government entities and higher education institutions to improve education curricula to better align with business needs.</p> <p>Support students in their professional development by offering opportunities such as internships and student assistants positions.</p> <p>Evaluate training needs and offer relevant leadership development opportunities to managers and future talents.</p>

# SOCIAL & LABOUR



Strict company policies are in place regarding working/resting hours, drugs/alcohol, smoking and welfare in order to ensure a healthy and motivated staff on board and ashore.

## RETENTION

The Company invests in the educational and personal development of all employees to maintain a motivated and skilled staff and to ensure a high retention rate. Main focus areas include performance evaluation, career programmes and promotions, training, workplace environment assessment and labour inclusion. For sea-based staff employed by the Company directly, the aim is for a retention rate of >95 %. For office staff we aim for a retention rate of >85 %. By maintaining an attractive working environment, continuous personal and professional development possibilities and a proper remuneration system, the Company seeks to retain its valuable human resource. A large part of the staff has more than 10 years of seniority. Being part of a large, global and diversified Group enables career opportunities in different areas, both geographically and by function.

## EDUCATION

Over the years the Company has developed and fine-tuned its intensive two-year trainee programme consisting of theoretical studies at The Danish Shipping Academy and hands-on training in the different departments. This is complemented by a period assignment to one of the overseas Ultrana operating units.

The Company encourages its staff to participate in courses and seminars on relevant topics, as well as joining business

schools/business programmes including the Danish HD and MBA courses. Training varies from master classes and leadership courses to courses targeted towards a specific skill such as Accounting, Bills of Lading Masterclass. Each year the Company employs new trainees, and they are often offered a full time position when they graduate.

## SAFETY

In 2020 we have continued to conduct Safety Leadership-courses (for officers) and Safety Mindset (for ratings) courses, but due to the ongoing pandemic we had to convert the courses from 'normal' classroom courses to online courses. It is expected to have all crew members through the applicable course by 2021. In 2021, we will develop a Company specific 'refresher' training course which will be launched in the beginning of 2022.

All Company vessels pass through two Safety Delta cycles (Diagnosis, Dialogue, Development) within a year where the on board Safety Culture is measured/evaluated. The most important step of the process is the ship-shore dialogue which is conducted via phone, but now we are aiming to conduct this Dialogue in connection with a visit to the vessel by the office staff (internal audits, technical inspections, others), alternatively via online meeting, or as a last stand, via phone.

As another safety measurement tool, the Company uses the Lost Time Injuries Frequency (LTIF) and the Total Recordable Cases (TRC). LTIF is defined as the sum of fatalities, permanent total disabilities, permanent partial

disabilities and lost workday cases and the goal is to have less than one incident per one million work hours. TRC is defined as the sum of all work-related fatalities, lost time injuries, restricted work injuries and medical treatment injuries and should be less than three incidents per one million work hours for crew and land-based staff. Since we consider all 24 hours per day as time at work on board vessels we also include incidents occurring due off time on board.

## COVID-19

Throughout 2020, the Company had a high focus on physical and mental wellbeing of our colleagues during the COVID-19 pandemic. Many of our crews were unable to complete the scheduled crew changes due to local travel and quarantine restrictions in ports and airports around the world. Our crewing teams worked hard to find solutions for everyone.

Our shore based staff has for extended periods been unable to work from the offices, so the company had to provide equipment for working from home, and offered virtual training sessions by certified physiotherapists to prevent injuries, as well as virtual team gatherings to keep up spirits.



*In the pursuit of establishing a best-in-class safety performance, UltranaV has launched a global safety development programme – the UltraSafe programme – designed in accordance with UltranaV’s core values: Integrity, Excellence, Passion and Safety, and with the aim to create a safety culture which is resilient and strong and which is respected and adopted throughout the organisation.*



## THE SAFETY I'S

UltraSafe is based on five behavioural patterns, the Safety I's: Insight – Intervention – Influence – Innovation – Integration, which means that;

- We constantly seek and share **INSIGHT** to reach the goal of zero incidents.
- We create an environment where it is possible to **INTERVENE** and let ourselves be intervened whenever we see unsafe behaviour.
- We show strong team spirit where we positively **INFLUENCE** each other.
- We strive to be **INNOVATIVE** in the way we manage safety.
- We **INTEGRATE** safety considerations into all aspects of our work processes and behaviour.

## THE SAFETY DELTA

To ensure continuous improvement of our safety performance, especially for our crew at sea, UltranaV engages in the Safety Delta concept to build and maintain a proactive safety culture. It is a circular process of 3 stages based on crew perception of the safety onboard;

- Crew makes a **DIAGNOSIS** of the vessels safety condition by answering a survey about safety practices on board.
- **DIALOGUE** about the report results and improvement opportunities is conducted among crew on board and between ship/shore.
- Specific **DEVELOPMENT** actions are defined, planned and executed on board to improve the safety conditions.



Source: Green Jakobsen.

# ANTI-CORRUPTION



Focus Area	Risk	Actions in 2020	KPI	Results	Ambitions
Facility payment & bribery	Facilitation payments and bribery interfere with global trades and encourage dishonesty and criminal actions.	<p>Employee training in anti-corruption.</p> <p>Report facilitation payments through our membership in the Maritime Anti-Corruption Network, MACN.</p> <p>Participate in MACN sessions and debates related to countries where facilitation is known to occur.</p> <p>UltraShip has renewed its policy on bribery and facilitation payments.</p> <p>Through our membership in MACN we have been engaged in the development of a new e-learning platform that was introduced in October, 2020 and is in the process of being rolled out internally.</p> <p>Continuing employee training and communication to increase awareness of the Company's General Business Principles and Policies.</p>	<p>% employees trained.</p> <p>No. of bribery payments.</p>	<p>Less than 50 % onshore staff (due to new system not yet implemented)</p> <p>0 bribery payments.</p>	<p>Roll-out of new e-learning platform to all own staff off- and on-shore.</p> <p>All employees (staff/crew) receive proper training within the first six months of employment.</p> <p>No bribes paid.</p>

# ANTI-CORRUPTION



## FACILITATION PAYMENT, BRIBERY AND EXTORTION

The Company is strongly committed to a strict compliance worldwide with relevant laws prohibiting bribery, defined as *“any conduct to influence the decision-making of public officials, government authorities or to an employee, agent, partner or other auxiliary person of a third party in the private sector – be it directly or through agents or other intermediaries – with the purpose of securing an undue action or advantage”*. No employee at any level may offer, promise, authorise or give anything of value to any public official in any country, or to any third party in the private sector, in order to gain any improper business advantage of any kind. Nor may any employee solicit or accept any form of bribe from any person.

The Company is equally committed to the elimination of facilitation payments, defined as *“small value payments or gifts (e.g. cigarettes, soft drinks, cash or other items of value) to low-level public officials in order for him or her to perform a task that the payer is already entitled to receive.”*

As a member of Maritime Anti-Corruption Network (MACN), the Company works for a maritime industry free of corruption that enables fair trade to the benefit of society at large and in that respect it is committed to resist, record and report any request for a facilitation payment. The Company offers training to all employees, on board and ashore, on how to act and react if met with demands of bribery or extortion. The Company offers online training courses on anti-corruption to all, and extended training on how to handle bribery and extortion at sea for seafarers.

Training specifically targeted for seafarers is divided into two different kind of training set ups – mandatory training and non-mandatory training.

Mandatory training is required by rules and regulations while non-mandatory training is encouraged and freely provided by the Company in order to develop seafarers' competences in support of the Company's strategy and policies.

Non-mandatory training is mainly related to protection of people, the environment, and assets with an embedded safety culture as the back-bone.

Non-mandatory training may consist of shore-based training, on board training by a trainer, on board training by the crew, or computer-based training, either individually or as a combination. In most cases it is a combination of various training methods.

## WHISTLEBLOWER PLATFORM

Ultranav has a verified whistleblower system in place in order to ensure transparency and openness as well as to give any stakeholder, be it employee, customers, suppliers or any other stakeholder a platform to raise any doubts they may have about the way Ultranav conducts its business.

The platform operates with the support of Corporate Integrity, an independent consultant company which guarantees the process confidentiality. Corporate Integrity is responsible for bringing queries or complaints to the Ethical Committee, located within Ultranav headquarters in Chile, from where each query or complaint is monitored, evaluated and shared with the relevant business unit.

### Ultranav Denmark is a member of the following anti-corruption associations



**MACN**  
Maritime Anti-Corruption Network

Ultranav Denmark is an active member of the Maritime Anti-Corruption Network (MACN), a collaboration of some of the world's leading shipping companies aiming to eliminate facilitation payments and other forms of corruption in the maritime industry.



Ultranav A/S is certified in anti-corruption and transparency by the globally recognised organization TRACE. TRACE accredits transparency in good business practices through annual certification.



# ULTRANAV DENMARK APS CSR REPORT 2020

# Appendix: Accounting practices

## for Non-financial KPIs

TOPIC & KPI	ACCOUNTING PRACTICE
<b>CLIMATE</b>	
EEOI - Energy Efficiency Operational Indicator	gCO2 emission per ton-mile of transport work done by the fleet. Calculation: (mass of fuel consumed * fuel to CO2 mass conversion factor) / (MT Cargo carried * total distance sailed). Includes all voyages on owned vessels and vessels taken in on time-charter where they are not sent out on time-charter again. Time-charter: when the vessel is time-chartered out we are leasing the vessel to someone else and do not have control over the usage of the vessel, therefore we do not find it relevant for our EEOI numbers.
Vessel specific & updated speed & consumption tables on long-term fleet.	No. of updated speed & consumption tables: No. of long-term vessels and no. of new tables per quarter. Only measured for the long-term fleet in Ultrabulk. Long-term vessels are defined as vessels that are in our fleet for three years or longer.
Boiler consumption alerts	To ensure that the oil-fired boiler is not running during normal operational load on the main engine at sea. Alerts are occurring when oil-fired boiler records fuel consumption at vessels speeds > 5 knots and a continues period of 5 hours. Alert are forwarded to UltraShip
Aux engine consumption	To ensure the auxiliary engines are operated in the most optimal way and load depending on the power demand, an automatic alert is set to notify when two or more aux engines are running below 85% load for one aux engine in more than 6 hours, at more than 5 knots and no cooling. Valid for seven of our gas units.
<b>ENVIRONMENT</b>	
Calculation of sulphur emissions	The max allowed Sulphur content in bunker consumed world wide (for non-scrubber vessels) is 0.5% and in 0.1% in SECA. Calculation: LSFO consumed * 0.5% & MGO consumed * 0.1% = emitted tons of Sulphur.
No. of violations with ECA zones	No. of vialoations with ECA zones. ECA zones are sea areas in which stricter controls were established to minimize airborne emissions from ships.
No. of Port State detention due to BWMP violations	No of code 30 deficiencies (PSC detention) due to BWMP violation.
No. of Port State deficiencies	No. of any deficiencies due to BWMP violation.
Vetting BWMP related observations	No. of of vetting inspection observations as per SIRE V.I.Q.
No. of spills into the water on owned vessels	No. of effluent spills in the water from Company vessels - irrespective of size.
No. of vessels recycled as per HK Convention	No. of vessels recycled vs. no. of vessels recycled as per HK Convention.
No. of waste disposals into the water	No. of waste disposals NOT disposed to shore reception facilities or incinerated.
No. of waste disposals into the water	No. of deficiencies / No. of PSC inspections in Company fleet.
<b>HUMAN RIGHTS</b>	
Gender equality ratio	Includes everyone employed at the offices managed by the DK-HR Department. Calculation: No. of female or male employees / the total no. of employees.
Gender equality ratio - All new hires	Includes all new employeese in the offices managed by the DK-HR Department. No. of female or male joiners / the total no. of joiners.
Gender equality ratio - Graduates	Includes all new employements of Trainees, Student Assistants and Interns in the offices managed by the DK-HR Department. No. of female or male graduates joiners / the total no. of graduates joiners .
No. of nationalities	No. of nationalites across shore based staff.

# Appendix: Accounting practices

## for Non-financial KPIs

TOPIC & KPI	ACCOUNTING PRACTICE
<b>SOCIAL &amp; LABOUR (CREW AT SEA)</b>	
Lost Time Injury Frequency (LTIF)	LTIF (Lost Time Injuries Frequency) is the number of lost time injuries, where a person is away from his/her job for more than 24 hours per 1 million workhours. Measured for employees at sea only.
Total Recordable Case Frequency (TRCF)	The sum of all work-related fatalities. Measured for employees at sea only.
No. of vessels that have implemented a correct rest/working hours reporting culture onboard	Lack of rest may result in reduced concentration which may result in accidents and incidents, so all vessels must have implemented a reporting culture.
Alcohol/drugs violations	There is a greater risk of accidents or incidents on board vessels if crew is under the influence of drugs or alcohol, hence we have a zero-tolerance policy when it comes to alcohol/drugs.
Percentage of seafarers retained	Retention rate = (New hire retained / no. of hired Employees) * 100. Calculation is based on Intertanko Formula.
No. of crew members on all vessels to pass through Safety Delta cycles in 2020	Each crew member on all vessels shall pass through a number of measuring cycles through Safety Delta in 2020. Includes all seafarers hires by our inhouse shipmanagement. No. of seafarers who have participated in the Safety Delta Cycles.
<b>SOCIAL &amp; LABOUR (STAFF ASHORE)</b>	
Statistics from Danica on physical/mental issues, based on the use of our health insurance programme	No. of employees who used the insurance provided by the company. Includes only shorebased staff working out of Gentofte, DK.
Retention rate on newly hired employees (1-2 years' seniority)	New hire Retention Rate = (New hire retained / no. of hired employees) * 100. Includes only employees who have resigned, and not employees who have been asked to leave or contractors who have completed their contractual period.
Retention rate (YTD)	Retention Rate = (1 - (Resignations / ((average)Total Employees)) * 100. Includes only employees who have resigned, and not employees who have been asked to leave or contractors who have completed their contractual period.
No. of incidents reported in 2020	No. of internal harrasement incidents reported. Harasement can be sexism, racism and other experiences of intimidation or pressure.
Average no. of education days per employee per year	No. of training days reported. Includes every training, course, seminar, any extra degree (university, college) that the company invest in (online, eLearning, face to face, etc.) for the employees to improve soft and/or technical skills.
<b>ANTI-CORRUPTION</b>	
% employees trained	No. of staff (shore and off-shore) who have completed e-learning course measured against total number of employees.
No. of bribery payments	No. of reported bribery cases. As a result of 6000+ port calls per year, we meet demands for facilitation and bribery in many areas of the world.