

ULTRANAV DENMARK APS CSR REPORT 2019





CONTENT

INTRODUCTION	3
HOW WE WORK	4
BUSINESS MODEL	5
CLIMATE	6
ENVIRONMENT	9
HUMAN RIGHTS	12
SOCIAL & LABOUR CONDITIONS	14
ANTI-CORRUPTION	18

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), Ultrana Business Support ApS, and Othello Shipping Company ApS.

INTRODUCTION

Ultrana Denmark ("the Company") is a fully owned subsidiary of Naviera Ultrana Ltda, Chile ("Ultrana"/"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 Ultrana throughout its history with a strong focus of support of 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 Ultrana 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 CSR Committee, the Technical Committee, the CO₂ 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 Ultrana adopted CSR principles, whilst introducing own specific requirements.

Ultrana 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.

“It’s all about caring



HOW WE WORK

The Mission Statement of UltranaV says:

“ We aspire to be a partner you can trust who provides efficient and safe marine transportation services to the mutual benefit of our customers, employees, communities and the environment.

In so doing, the four main values are:



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

Who What Where How



A leading gas carrier owner and operator

Transporting LPG, ammonia, petrochemicals

Offices in Copenhagen, Manila, Rotterdam

Fleet of owned vessels managed by in-house technical staff

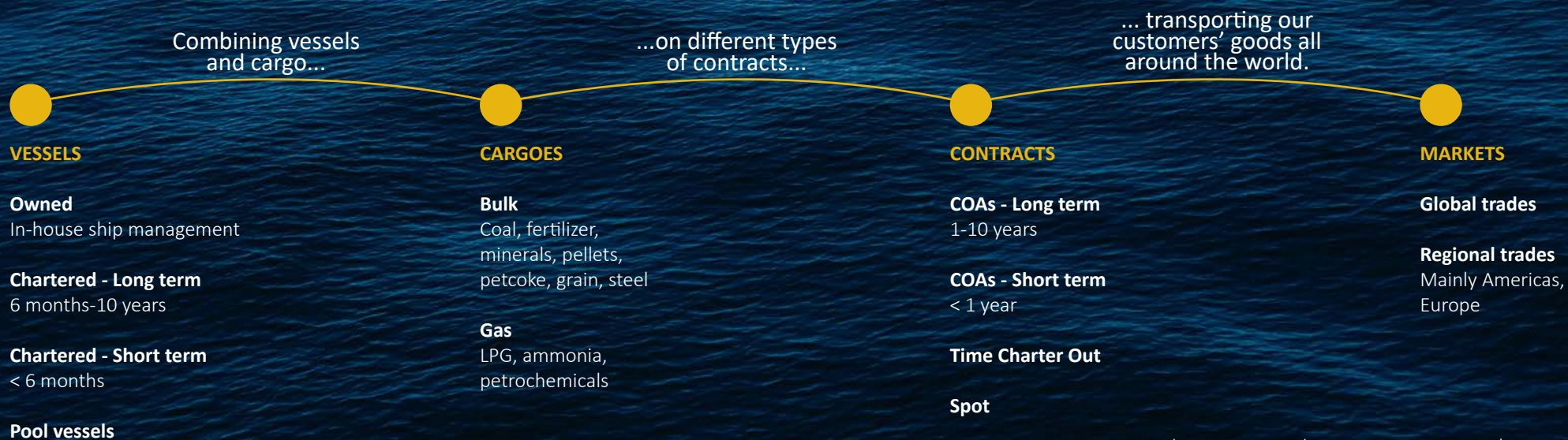


A globally recognized dry bulk operator

Transporting mainly coal, fertilizer, minerals, pellets, grains and steel

Offices in Copenhagen, Cape Town, Stamford CT, Rio de Janeiro, Santiago, Singapore, Sydney

Fleet of owned and chartered vessels



CLIMATE RISK ASSESSMENT



Focus Area	Risk	Actions in 2019	KPI	Results	Ambitions
Emissions	CO ₂ emissions have a negative impact on the climate.	During 2019, Ultrabulk participated in a project to evaluate the feasibility of installing sails on a panamax bulk carrier. We are still evaluating the findings and looking for investors. 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. Equipment has been installed in 3 vessels purchased in 2019 as well as two existing vessels and implementation of these tools on board and in the shore organisation is on-going. 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 reducing emissions by at least 50 % by 2050.	EEOI (Energy Efficiency Operational Indicator). Emissions compared to cargo transported.	Ultragas Handyops vessels: 41.06 gCO₂/cargo tons x mil per vessel. Ultrabulk owned vessels: 10.0 gCO₂/cargo tons x mil per vessel in 2019 (compared to 10.2 in 2018). Ultrabulk chartered-in vessels: 9.6 gCO₂/cargo tons x mil per vessel in 2019 (compared to 9.5 in 2018).	Reduce EEOI by 2021 compared to 2018 levels. Ultrabulk will start 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. Investigating the possibility to expand the EEOI KPI with market rates as well as establish an overview of CO₂ emitted from 2008 and forward. This is done with the focus on the 2030 & 2050 required Greenhouse Gas (GHG) emission reductions.
Bunker/Fuel & Energy consumption	Excess/unnecessary consumption of bunkers/energy will have a negative impact on climate and the environment.	Ultrabulk has teamed up with a tanker operator to try to make a tool that combines technical information and commercial information to enable the operators to take a decision that both helps the environment and that is financially viable still. Ultragas: Vessel specific hull performance screening → faster reaction towards hull cleanings. Higher number of hull & propeller cleanings performed. Intermediate dry docking applying new layer of anti-fouling coating. Documentation of the negative impact on hull performance from idle days. New X7 anti-fouling coating applied for better handling idle days and protect the hull performance. New online access to aux engine and boiler consumption & running hours. Assessment of onboard energy consumption and suggestions for optimisation opportunities. On-board attendance by an Energy Efficiency Consultant on owned vessels exceeding 5 years of age.	Ultragas: Quarterly vessel specific & updated speed & consumption tables. Main and aux engine consumption and boiler consumption alerts to be within current KPIs as specified by UltraShip No. of vessels assessed.	Main engine alerts: 0 observed Aux engine alerts: 18 observed Boiler alerts: 44 observed	Main engine alerts goal: max 21 Aux engine alerts: goal: 9 Boiler alerts goal: 9 Reduce EEOI by 2021 compared to 2018 levels. Ultrabulk will start 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. Ultragas will develop and set goals for EEOI based on 2012 (founding year) → “to-date” fuel consumption; needs to be finalised in 2020. Energy improvement in assessment of owned fleet.

CLIMATE



EMISSIONS

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

The first major milestone was the 2020 global limit on sulphur emissions, requiring that the maximum content of sulphur in the fuel used must be below 0.5%. This means that vessels will not be able to operate on Heavy Sulphur Fuel Oil (HSFO) after 1st January 2020, unless there is a so-called scrubber installed.

IMO is preparing milestone goals towards the 2050 target of 50% greenhouse gas (GHG) reduction from vessels compared to 2008 figures. Fuels like LNG, LPG and methanol will in reality only reduce CO₂ by about 20%.

The potential use of scrubbers to avoid the emission of unwanted particles of NO_x and SO_x will marginally increase the emissions of CO₂, 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 CO₂. Thus, reducing NO_x and SO_x on the one side and CO₂ on the other, does not quite go hand-in-hand.

It is important to emphasize that NO_x, SO_x and CO₂ emissions are not in the same category of polluters. NO_x and

SO_x affect the environment, whereas CO₂ is a GHG and has a negative effect in relation to the climate and global warming.

In 2019 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 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

“ It is estimated that the shipping industry accounts for transporting 90 % of global trade, while being responsible for 2.2 % of the global GHG emissions. (IMO)



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.

Together with an external provider, Ultrabulk is utilising own as well as industry and AIS data to reduce time spent in ports and thus CO₂ emissions per tons transported. Part of this is done by establishing terminal standards and benchmarks.

Ultrabulk has teamed up with a tanker operator to try to make a tool combining technical and commercial information to enable the operators to take a decision that both helps the environment and that is financially viable still. 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 CO₂ 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 CO₂ credits covering the fuel (CO₂) savings.

Ultrabulk has partnered with one of its clients to endeavour to reduce carbon emissions from ocean transportation through the design of a concept cargo ship equipped with innovative sail technology. The next level of this project is pending on building a sustainable business case that can attract investors. Ultrabulk expects to continue to contribute alongside our customer as far as the projects finds support from investors.

By closely following hull performance as an integrated part of our day-to-day business, Ultragas has through 2019 succeeded to react much earlier than previously on early warning signs and initiate corrective actions. It has become obvious that vessels with long port stays or idle time

experienced a severe negative impact on the performance of the presently used anti-fouling coating. Ultragas is now investing in another type of anti-fouling coating less sensitive to idle periods. Two vessels had this new anti-fouling type (X7) applied during scheduled dry-dockings in 2019, while same has been planned for the five sister vessels as they are being dry-docked through 2020-2022.

In 2019 Ultragas further invested in tools for online monitoring auxiliary & boiler consumptions. Ultragas and UltraShip now have access to monitor aux. consumptions on these vessels, and are implementing best practices.

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.

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.

ENVIRONMENTAL RISK ASSESSMENT



Focus Area	Risk	Actions in 2019	KPI	Results	Ambitions
NO _x and SO _x and particles	NO _x and SO _x particles can be a threat to human health.	Installation of scrubbers on 1 bulk unit and 2 LPG/c vessels from 2019. Preparing remaining fleet for the upcoming sulphur regulations.	Calculation of sulphur emissions	0 violations with ECA zones.	Reducing sulphur emissions of >95% and particles by 100%. Installation of SO _x scrubber on further one bulker and two LPG/c in 2020.
Ballast water	Ballast water discharge disrupts the local marine eco system.	Complete implementation of the ballast water management plan (BWMP). Installed ballast water treatment system on one LPG/c in 2019.	No. of Port State detention due to BWMP violations. No. of Port State deficiencies. Vetting BWMP related observations.	0 2	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	Zero 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 for ship recycling.	No. of vessels recycled vs. no. of vessels recycled as per Hong Kong Convention.	100%	Handle all vessels recycling according to the Hong Kong Convention. Incorporate EU regulations into Company policies.
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 1	Zero waste disposals into the water. Zero deficiencies at the PSCs. Eliminate any kind of waste disposal violations.

ENVIRON- MENT



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_x and SO_x

Existing vessels can be made to comply with the 2020 sulphur requirements by installing a scrubber, 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 will in many cases be 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), and with the option to purchase more. The use of the EGCS will capture and remove from the air almost 100% of the SO_x, up to 94% of the Particulate Matter (PM10/PM2.5), up to 60% of the Black Carbon and a significant amount of PAH.

In 2019 Ultrabulk had a scrubber installed on one of its bulk vessels and Ultragas had two scrubbers installed on gas vessels. In Q1 2020 an additional bulk vessel will be

equipped with a scrubber and same for two gas vessels. All vessels without scrubbers installed will be running on compliant fuels as from 1st January 2020 latest.

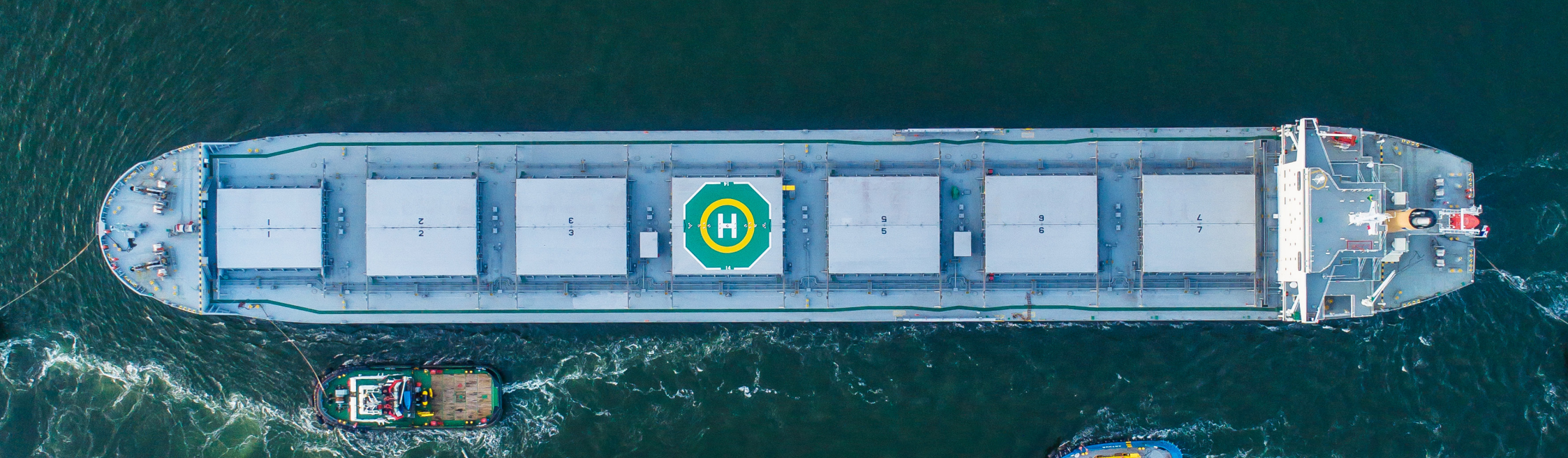
BALLAST WATER

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 deballasts. 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 and other applicable regulations in relation

to health, safety and environmental issues when it comes to ship recycling.

Recycling facilities have been audited 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.

Ultrana 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 RISK ASSESSMENT



Focus Area	Risk	Actions in 2019	KPI	Results	Ambitions
Diversity	A uniform staff may show a lack of competencies, limited perspectives and limited role models. Harassment or discrimination.	The Company considers diversity as an asset and is committed to not discriminate or accept discrimination of any kind. The Company supported and promoted Danish Shipping's "Girl Power" campaign and WIS-Denmark's "Women in Shipping" and will continue to do so.	No. of nationalities, age distribution, gender distribution.	In 2019 the average no. of female staff was 30 % compared to 31 % in 2018. In 2019 47 % of joiners were women compared to 29 % in 2018. In 2019 the average no. of nationalities was 23 compared to 21 in 2018.	To continue to have a diversified staff and an inclusive working culture. Recruit graduates basis a 50/50 gender balance in average. Set up initiatives to have more diversity in the management group. Commit to the Charter for More Women in Shipping.



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 an acceptable work/life balance.

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.

SUPPLY CHAIN

The Company is focused on making sure that all parts of the supply chain, be it suppliers, service providers, or customers do not violate human rights. This is primarily done by including relevant clauses in the contracts as well as focusing on long-standing partnerships with well-known

“ Staff is our most valuable asset and a critical success factor and that is why we invest in its well-being and continued development.

suppliers and customers, whom we trust. It is our impression that the CSR clauses have increased the formal commitment to respect human rights.

ACCESS TO EDUCATION

Throughout UltranaV there is a strong focus on ensuring access to basic education. UltranaV's activities are historically focused in South America, thus the support in this respect is mainly focused in that region.

WHISTLEBLOWER PLATFORM

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

SOCIAL AND LABOUR RISK ASSESSMENT



Risk assessment for crew on board vessels

Focus Area	Risk	Actions in 2019	KPI	Results	Ambitions
Safety	Unsafe working procedures may result in fatalities or injuries happening to crew on board vessels. Insufficient safety culture ashore and at sea may present a safety risk.	Provide tools and procedures to safeguard health and safety and to prevent personal incidents. Introduce safety culture program across all business units. 6 Safety Leadership Courses in 2019.	Lost Time Injury Frequency (LTIF). Total Recordable Case Frequency (TRCF).	LTIF = 1.20 TRCF = 2.70	LTIF <0.75 TRCF <2.5
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.	Number of vessels that have implemented a correct reporting culture onboard.	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	Zero 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.	92.9% across all ranks.	Retention >92%
Safety Culture	Undefined safety culture leading to unsafe acts, unsafe conditions and unsafe behavior.	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 2019.	Two cycles	Min. two cycles. Min. 8 Delta Dialogue meetings to be conducted onboard vessels.

Risk assessment for shore-based staff on next page

SOCIAL AND LABOUR RISK ASSESSMENT



Risk assessment for shore-based staff

Focus Area	Risk	Actions in 2019	KPI	Results	Ambitions
Health	Employees without a good physical and mental health may not perform or may leave the company. Without a healthy working environment it becomes difficult for the company to retain and keep high-quality talent.	Agronomic reviews related to workstations done. Improvement of ventilation system.	Statistics from Danica on physical/mental issues, based on the use of our health insurance programme.	The no. of new health insurance cases was decreased compared to 2018 figures.	Continue improvement of ventilations systems. Preventive health care programme in co-operation with Danica to be initiated to improve physical and mental health.
Retention	A high turnover may lead to unmotivated staff and lack of productivity. Higher cost related to hire and training	Provided support and development opportunities in order to maintain a qualified staff.	Retention rate on newly hired employees (1-2 years' seniority).	Better than the benchmark average.	We want to be the preferred employer in the shipping industry. Start measuring retention rate on newly hired employees (1-2 years' seniority). New-hire retention rate >85 %
Harassment	Harassment negatively impacts all employees. Workplace harassment too often goes un-reported.	The Company will not accept any form of harassment towards employees based on e.g. gender, religion, sexual orientation, etc. Harassment policy in place.	Number of incidents reported in 2019.	0	Appoint a go-to-person and communicate the same to the organization. To have a harassment-free workplace.
Education	Employees may feel unmotivated if they are not offered the opportunity to develop on a professional as well as a personal level. Employees without the proper educational background, training and experience may show lack of competencies and limited perspectives. If the Company does not offer continued training and education, we lack behind global trends, market transformations and technological innovations.	Ultrana 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. We create training programmes that give students earlier access to the corporate environment (internships, work-study programmes, traineeships, etc.). We invested in education and offered Mini MBAs to managers and key employees in the organisation.	Average no. of education days per employee per year.	N/A for 2019	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. Continue to establish relationships with government entities and higher education institutions to improve education curricula to better align with business needs. Support students in their professional development by offering opportunities such as internships and student assistants positions. Evaluate training needs and offer relevant leadership development opportunities to managers and future talents.



SOCIAL & LABOUR CONDITIONS



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 education and personal development of all employees to maintain a motivated and skilled staff and to ensure a high retention rate. Main focus areas of organisational development 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 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.

In 2019 the Company held a so-called mini-MBA, an intensive five-day programme conducted by a professor from Harvard Business School, INSEAD and London Business School. The programme included courses on four selected main topics, namely strategy, leadership, customer focus and change management, and the tuition consisted of lectures, group discussions as well as plenary discussions of real-life cases. A total of 20 senior members of staff participated in the programme.

SAFETY

In 2019 six Safety Leadership courses were conducted for the vessel crews. As a 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.

In 2019, the Company has further explored the opportunities of new technology minimising risks for our crew while onboard Company vessels. Hence, the Company has invested in five cleaning robots with an option for five more. The cleaning robots will increase crew safety as hold cleaning can be carried out remotely, and the robots will also significantly reduce the environmental footprint of these vessels.



“ There were no fatalities, nor total or partial disabilities due to accidents among our crews in 2019.

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 key values: Integrity, Safety, Passion and Excellence, 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 the crew at sea, UltranaV engages in the Safety Delta concept to maintain a proactive safety culture. It is a circular process of 3 stages based on crew evaluation;

- 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 RISK ASSESSMENT



Focus Area	Risk	Actions in 2019	KPI	Results	Ambitions
Facility payment	Facilitation payments interfere with global trades and encourage dishonesty and criminal actions.	Employee training in anti-corruption. Report facilitation payments to MACN. UltraShip has renewed its policy on bribery and facilitation payments. Continuing employee training and communication to increase awareness of the Company's General Business Principles and Policies.	% employees trained.	94 % onshore staff.	All employees (staff/crew) receive proper training within the first six months of employment.
Bribery	Bribery interferes with global trade and encourages dishonesty and criminal actions.	Continuing employee training and communication to increase awareness of the Company's General Business Principles and Policies.	% employees trained. No. of bribery payments.	94 % onshore staff. 0 bribery payments.	All employees (staff/crew) receive proper training within the first six months of employment. No bribes paid.

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.

FRAUD

The Company continues its fight against fraud, and invests heavily in IT systems and staff education to prevent fraud. In 2019 all subsidiaries of the Company were offered a course on how to discover and handle fraud attempts and several new IT systems were introduced with the same object.



“
The Company insists on honesty, integrity and fairness in all aspects of its business and expects the same in its relationships with all those with whom it does business.”

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



MACN
Maritime Anti-Corruption Network

Ultranav, including the Company (and/or its subsidiaries) is an active member of the Maritime Anti-Corruption Network (MACN), a collaboration of some of the world's leading shipping companies which aims to eliminate facilitation payments and other forms of corruption in the maritime industry.



Ultrabulk A/S is certified in anti-corruption and transparency by the globally recognized organization TRACE. TRACE accredits transparency in good business practices. Basic principles such as ethics, respect for people, high professionalism and integrity are Company pillars when conducting business, which is validated through annual certification.

ULTRANAV DENMARK APS
CSR REPORT 2019