



CHAMPION TANKERS AS

BERGEN, NORWAY

**Champion Tankers AS
and
Nesttun Invest Group**

June 2023

**Our work on human rights and
decent working conditions**

**Transparency Act
Statement on due diligence**

The Transparency Act

The Norwegian Transparency Act came into effect on July 1, 2022. The Act aims to promote businesses' respect for fundamental human rights and decent working conditions in the production of goods and provision of services, and ensure public access to information on how businesses handle negative consequences for fundamental human rights and decent working conditions.

In this statement, we will describe our policies and procedures for how our company manages risks related to fundamental human rights and decent working conditions. Furthermore, we will describe the significant risks we have identified through due diligence assessments. Finally, we will discuss the measures we have implemented to address our identified risk points, as well as the outcomes or expected results of these measures.

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1. Our company

Nesttun Invest AS is the parent company of the Nesttun Invest group and the parent company of Champion Tankers AS. The group's operations are based at Tveiteraas in Paradis, near Bergen in Norway.

Our business focuses on owning and operating a fleet of MR-sized chemical/product tankers. We typically operate 20-24 vessels at any given time. Our specialization lies in the transportation of cargoes such as vegetable oil, molasses, biodiesel, liquid fertilizers, and refined oil products. Our trade routes span across the globe.



As a company operating ships worldwide, Champion Tankers adheres to standards that commit us to contribute to sustainable development and respect human rights. These principles are enshrined in our Code of Conduct guidelines, which have been adopted by the board of Champion Tankers. We have outsourced functions for purchase, maintenance and crew management to reputable technical managers. These technical managers also follow the same standards of corporate social responsibility and human rights as us.

Our Corporate Social Responsibility policy states that Champion Tankers shall adhere to guidelines for environmental and social responsibility, including the ten principles of the UN Global Compact. We are committed to conducting our business in a manner that upholds fundamental human rights, as defined in documents such as the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social, and Cultural Rights, the ILO's eight core conventions, and the OECD's guidelines for multinational enterprises.



This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for due diligence for responsible business conduct. The model consists of six steps that describe how businesses can work towards more responsible and sustainable business practices. Being proficient in due diligence does not mean that a company has no negative impact on people, communities, and the environment, but rather that the company is open and honest about challenges and handles them in the best possible way in consultation with its stakeholders.

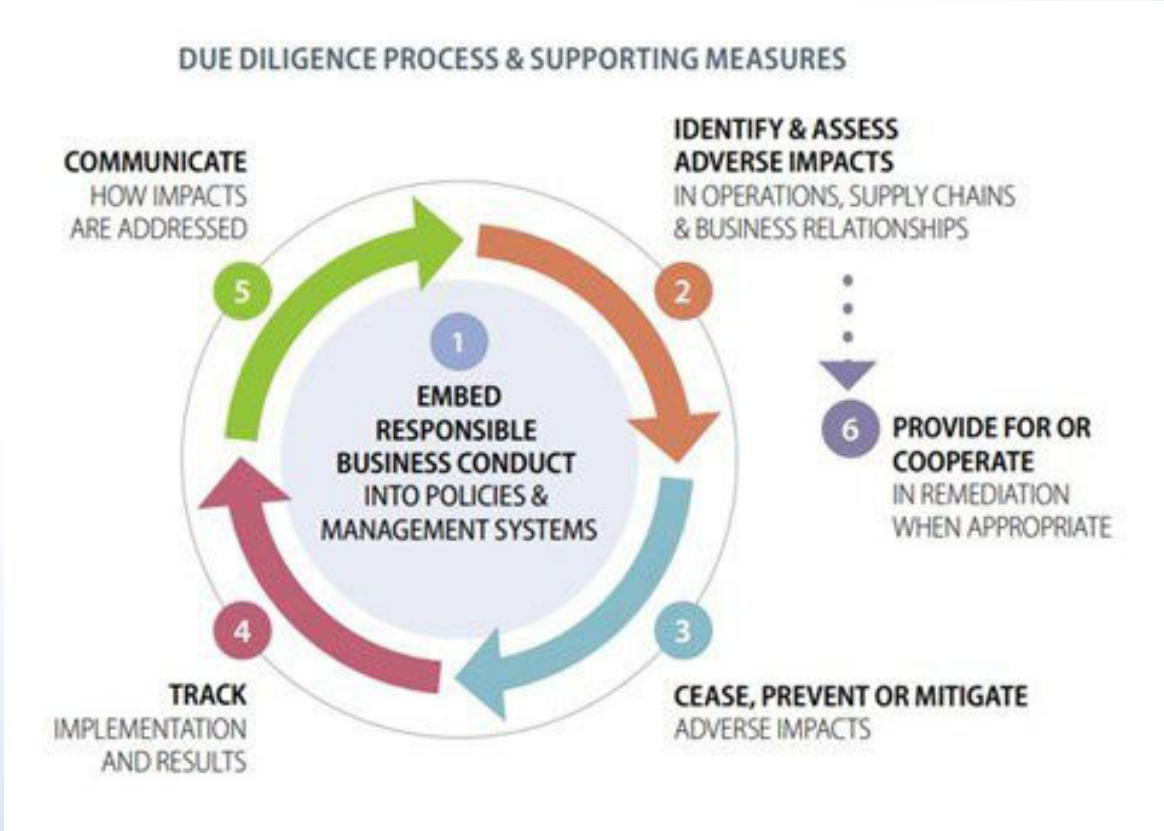


Figure:
OECD (2018) OECD Due Diligence Guidelines for Responsible Business Conduct



2. Our due diligence assessments

Champion Tankers has conducted an assessment to identify areas where we may have a negative impact on fundamental human rights and decent working conditions within our own operations and supply chain. This process has helped us identify the most significant areas of risk for our business. We have prioritized these areas based on the level of risk and our ability to influence them. Risk assessment has been conducted based on severity (severity of potential harm, scope, and potential for recovery) and likelihood. The assessment of influence has been based on the connection to the risk and Champion Tankers' ability to exert influence. The assessment has shown that the highest risk for significant negative impact lies within our supply chain.

Our highest priority areas of risk are as follows:

Poor wages and working conditions, as well as human rights violations, in the supply chain related to the operation of our vessels, particularly concerning:

1. Crew on board our vessels
2. Periodic maintenance carried out at shipyards
3. Procurement of goods and services for ongoing maintenance
4. Purchase of equipment and supplies for the daily operation of the vessels
5. Services related to port calls

By identifying these priority areas, we can focus our efforts on addressing and mitigating the potential risks of negative impacts on human rights and decent working conditions within our supply chain.



3. Our Measures

The people working on our vessels

- We ensure that our technical managers have procedures in place to ensure Health, Safety, and Environment (HSE) on board our vessels. Written procedures exist for all work carried out. The International Safety Management Code (ISM Code), which is a legal requirement for ships, is followed. ISO certification ensures proper routines and procedures.
- The crew members are also taken care of through the International Transport Workers' Federation (ITF), which is represented in the United Nations' International Maritime Organization (IMO).
- Routine visits on board the vessels ensure that we have good dialogue with the crew and can observe compliance with applicable HSE rules and that working conditions on board are as expected and agreed upon with our suppliers.
- Injuries and accidents on board are reported and followed up on.
- Through close contact and collaboration with our technical managers, we can ensure that systems for safety procedure training are followed up on.
- Digital medical services have been implemented on board to provide proper medical assistance in case of illness and injuries.
- Job development opportunities for all categories of crew members are ensured through career development programs offered by our technical managers.
- Training programs include measures to prevent discrimination based on gender, sexual orientation, age, ethnicity or religion.



4. Moving forward

Our main focus so far has been on our employees onshore and those working for us on our vessels.

Going forward, we will focus on subcontractors of various goods and services and their treatment of their employees. This will be done through the following measures:

- Ensuring that all procurement agreements reference a sound human rights policy that aligns with Champion Tankers' principles.
- Sending out checklists/questionnaires.
- Physical presence at shipyards.
- Collaboration and information exchange with our technical managers who handle purchases on our behalf.

We actively address the impact we have on people, both within our own operations and throughout our supply chain. While no actual negative consequences were uncovered in this year's due diligence assessments, we will continue the work of identifying actual negative consequences and risks, as well as developing our methodology and approach to promoting fundamental human rights and decent working conditions.

This report is presented by the boards of Nesttun Invest AS and Champion Tankers AS.

