



# TRANSPARENCY ACT STATEMENT

Aasen Shipping AS

Aasen Transport AS

AS Aasen Bulk

Aasen Shipping Management AS

Reporting period 2023

[07.05.2024]

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ABOUT THE COMPANIES AND THE IMPLEMENTATION OF THE TRANSPARENCY ACT

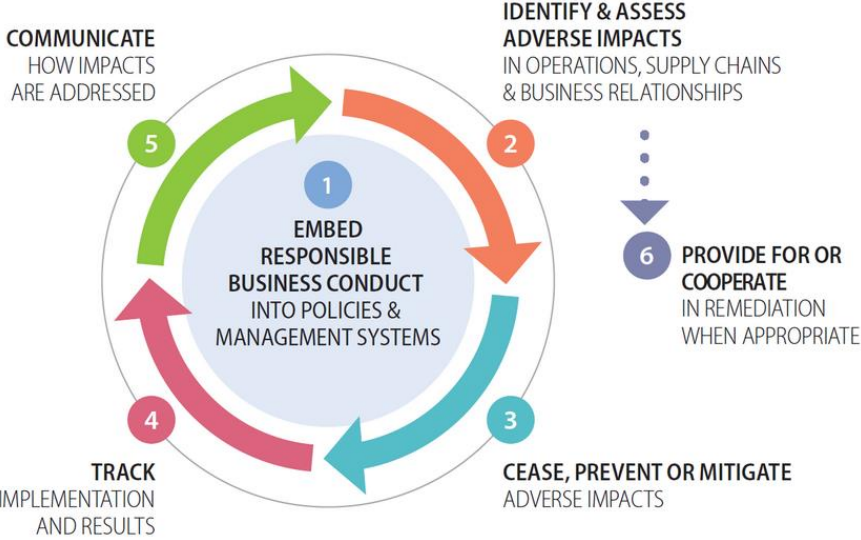
Introduction

Aasen Shipping AS, org.no. 936 488 323, Aasen Transport AS, org.no. 971 201 118, Aasen Ship Management, org.no. 964 785 627 and AS Aasen Bulk, org.no. 961 906 776 (hereinafter the Companies) are covered by the Act on the transparency of businesses and work with basic human rights and decent working conditions (hereinafter the "Transparency Act") and are thus obliged to conduct and report on due diligence assessments that are to ensure basic human rights and decent working conditions.

The Transparency Act requires, among other things, that the business in question must map and assess actual and potential negative consequences for violations of human rights and decent working conditions both internally in the Companies and in their supply chain. The businesses that are by the law must publicly report on the due diligence assessments that are conducted. The statement must be updated and published on the website by June 30<sup>th</sup> each year and otherwise in the event of significant changes in the company's risk assessments.

The due diligence assessments must be carried out in line with the OECD's guidelines for multinational companies in the area of human rights, which correspond to the UN Guiding Principles on Business and Human Rights (UNGPs).

The Companies have worked to implement the Transparency Act in line with the OECD's model for due diligence assessments for responsible business:



In the model, the due diligence assessment process is divided into six steps, which must be adapted in relation to the individual business's size, nature, context, as well as the severity of and likelihood of negative consequences.

<sup>1</sup> The act applies to "larger enterprises that are resident in Norway, and that offer goods and services in or outside Norway", cf. Transparency Act § 2, Section 1. By "larger enterprises" it is meant "businesses covered by the Accounting Act § 1-5, or which on the balance sheet date exceed the limits for two of the following three conditions: 1) sales revenue: NOK 70 million, 2) balance sheet total: NOK 35 million and 3) average number employees in the accounting year: 50 man-years", cf. the Transparency Act § 3 letter a).

## KEY INFORMATION

### NAMES OF THE COMPANIES COVERED BY THIS STATEMENT

Aasen Shipping AS, org.no. 936 488 323

Aasen Transport AS, org.no. 971 201 118

AS Aasen Bulk, org.no. 961 906 776

Aasen Ship Management, org.no. 964 785 627

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### ADDRESS MAIN OFFICE

Dalanesvegen 60, 5440 Mosterhamn, Norway

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### PRODUCTS AND SERVICES

The Aasen group is a shipping company that operates in international shipping with goods, and which also offers related services. The main activities in the group are carried out by through AS Aasen Bulk and Aasen Transport AS which deals with the transport of goods, including dry cargo freight, in Europe.

Aasen Transport AS and AS Aasen Bulk are pure shipping companies that own ships but have no employees. Aasen Shipping AS and Aasen Ship Management AS has employees who deliver services in the form of management functions within the group, including in relation to technical assistance, accounting, staffing and safety management.

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### DESCRIPTION OF OWNERSHIP STRUCTURE

Aasen Shipping AS is owned by Olea Invest AS (org.no.: 988 975 427) and Aastun Holding AS (org.no.: 898 406 172) as largest shareholders with respectively 38,61 % and 21,25 % of the shares. The remaining shares are held by Jan Holding AS (org.no.: 989 085 743), OMT Vest AS (org.no.: 917 155 046) and AUJ Holding AS (org.no.: 917 192 235). Aasen Shipping AS owns 100 % of the subsidiaries Aasen Maritime AS, Aasen Transport AS, Aasen Ship Management AS and AS Aasen Bulk.

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### SECURING RESPONSIBILITY

In their respective board meetings, the companies have secured the executive responsibility in the board, to ensure that the requirements arising from the Transparency Act are implemented, taken care of and complied with. In addition to the board taking executive responsibility for promoting and respecting human rights and decent working conditions in the Companies, it has been assigned the following mandates:

- Managing Director, Aasen Shipping AS  
Mandate: Overall responsibility for safeguarding and compliance with the Transparency Act in the Companies.

- Managing Director, Aasen Shipping AS  
Mandate: Overall responsibility for incorporating routines for handling information obligations and ensuring that these are complied with in the Companies.

The Companies have introduced guidelines for suppliers and business partners, routines for handling the information obligation and plans for risk analyses and due diligence assessments. It has also been decided that the board will lay down a plan to ensure compliance with the requirements of the Transparency Act, as well as how the Companies will in practice work with this.

The aforementioned guidelines and routines are being introduced to specify how the Companies must work with basic human rights and decent working conditions, and will facilitate that the Companies can work systematically and effectively with:

- i. mapping, control and follow-up of internal conditions and the supply chain,
- ii. preparation of risk analyses and due diligence assessments, as well as
- iii. handling of access requests.

It has been decided that the board, in accordance with the superiors responsible (ref. mentioned mandates), shall update relevant routines and guidelines when necessary.

## MAPPING AND IDENTIFICATION OF RISK

### INTERNALLY IN OWN COMPANY

We have continued our work on mapping and assessing actual and potential negative consequences for basic human rights and decent working conditions within the Companies. AS Aasen Bulk and Aasen Transport do not have any employees, due diligence assessments have been carried out internally in Aasen Shipping AS and Aasen Ship Management AS.

The areas that we have mapped and assessed in more detail are areas where we believe there is, on a general level, the highest risk of negative consequences for basic human rights and decent working conditions in our industry and in our business. The list below is not exhaustive, but are examples of areas we have surveyed and carried out a due diligence assessment of internally:

- Our ethical guidelines and systematic work with human rights
- Physical and psychosocial work environment
- Work with health, environment and safety
  - Respect for the right to join trade unions
  - Discrimination
  - Warning systems
  - Forms of employment - permanent employment, temporary employment and the use of hired labour
  - Working hours, pay and holiday

Based on our mapping and investigations of actual conditions, we are of the opinion that internally in our own business we neither cause, contribute to, nor are directly linked to actual or potential negative consequences for basic human rights and decent working conditions. There is a low risk in Aasen Shipping AS and its subsidiaries.

The companies has nine vessels in operation, approx. 160 seamen of different nationalities and 9 employees in the administration. The company is not part of an industry with an increased risk of negative impact on employee rights.

Aasen Shipping AS has implemented the strict requirements resulting from the ISM code, which is particularly aimed at the management of shipping companies and operating organizations and sets standards for good management for the operation of ships, and the STCW convention, which is the international convention on standards for training, certificates and watchkeeping for sailors. Furthermore, Aasen Shipping AS must comply with the various flag states' follow-up, inspections and requirements. We have a DPA (Designated Person Ashore) who has particular responsibility for safety on board the individual vessel, and who is easily accessible to everyone on board. We work systematically and continuously with the environment and safety to ensure that all our employees have a safe and sound physical and psychosocial working environment at all times, including a good non-conformance system and good routines for handling and closing non-conformities. Our administrative resources on land ensure frequent visits and follow-up on the vessels.

Completed mapping and assessment of the actual conditions consistently show a low risk within the companies. Actual or potential negative consequences have not been uncovered, but concrete focus areas have been proposed to reduce the possibility of the employees being exposed to this. Among the focus areas is the work to increase awareness among employees of the importance of the Transparency Act and our work with this, as well as increased awareness of the company culture, taking into account different cultures and nationalities, as well frequent turnover of the workforce. It is expected that our work with the focus areas will contribute to further reducing risk.

## WITH OUR SUPPLIERS

The Companies has continued working on mapping and assessing actual and potential negative consequences for basic human rights and decent working conditions at our suppliers.

We have carried out a survey of our suppliers to identify which areas pose a risk of negative impact on human rights and decent working conditions.

In this process, we have started with all our suppliers in 2023. We have over 300 suppliers to our companies.

We have carried out a risk evaluation of our subcontractors. In order to determine which of these we should turn to for further follow-up under the Transparency Act, we have started from country risk, industry risk, product risk and known risk. We have set a materiality limit of NOK 100,000 for purchases from each individual supplier.

Only two suppliers are from countries with an inherently high risk of violations of human rights or workers' rights. These two are crewing agencies, but since we are the ones who pay the wages to the crew, we assume that the risk here is nevertheless low. We have selected a foreign shipyard for further follow-up. This is because we assume that there is generally a latent risk of negative consequences for workers' rights at a shipyard. This is also the foreign supplier we have acquired the most from in 2023.

In relation to the selection of Norwegian suppliers for further follow-up, it is particular industry risk that forms the basis for rough sorting of the suppliers, but since many suppliers belong to the same industry, we have also used other parameters in the selection.

We prioritize suppliers with whom we have close working relationships. In other words, suppliers from whom we make the most purchases are more likely to receive closer follow-up attention. We believe that by focusing on these suppliers, we can have a greater impact. It's essential for us to allocate

effort toward suppliers where we believe our influence can be most significant. This approach ensures that we achieve the best possible results given the resources we invest in this work.

Based on the above procedure, we have concluded with a prioritized list. Assessments have then been made as to whether any of the suppliers should be given a lower priority or a higher priority amongst themselves. Among other things, certain suppliers have been removed from the risk list, e.g. because they are no longer suppliers, that it is only a sole proprietorship, or that it is a group company over which we have good control. Based on this, we have selected 5 suppliers for further follow-up before this year's report. In our inquiries, we have asked specific questions in relation to the areas we believe have the highest risk of violations of employees' rights, etc. with the selected supplier.

We have not uncovered actual negative consequences or a significant risk of negative consequences for basic human rights and decent working conditions.

## SUMMARY AND THE WAY FORWARD

In working with the Transparency Act, we have established accountability in the board, started work on mapping and assessing actual and potential negative consequences for basic human rights and decent working conditions internally in the Companies, as well as in relation to our suppliers. We have so far not uncovered any actual or significant risk of negative consequences for basic human rights and/or decent working conditions.

Our work with the Transparency Act is a continuous process, where we will carry out due diligence assessments on a regular basis. We are planning, among other things, to follow up on the improvement points after the internal review, as well as to follow up on responses from our suppliers.

Furthermore, we will continue our work to raise awareness among our employees and among our suppliers about the importance of the Transparency Act. One of our most central tools to ensure that we do not attract unscrupulous actors is to have good systems and routines to uncover actual or significant risks of negative consequences on human rights and decent working conditions at our suppliers, so that we reduce the risk of violations on basic human rights and decent working conditions.