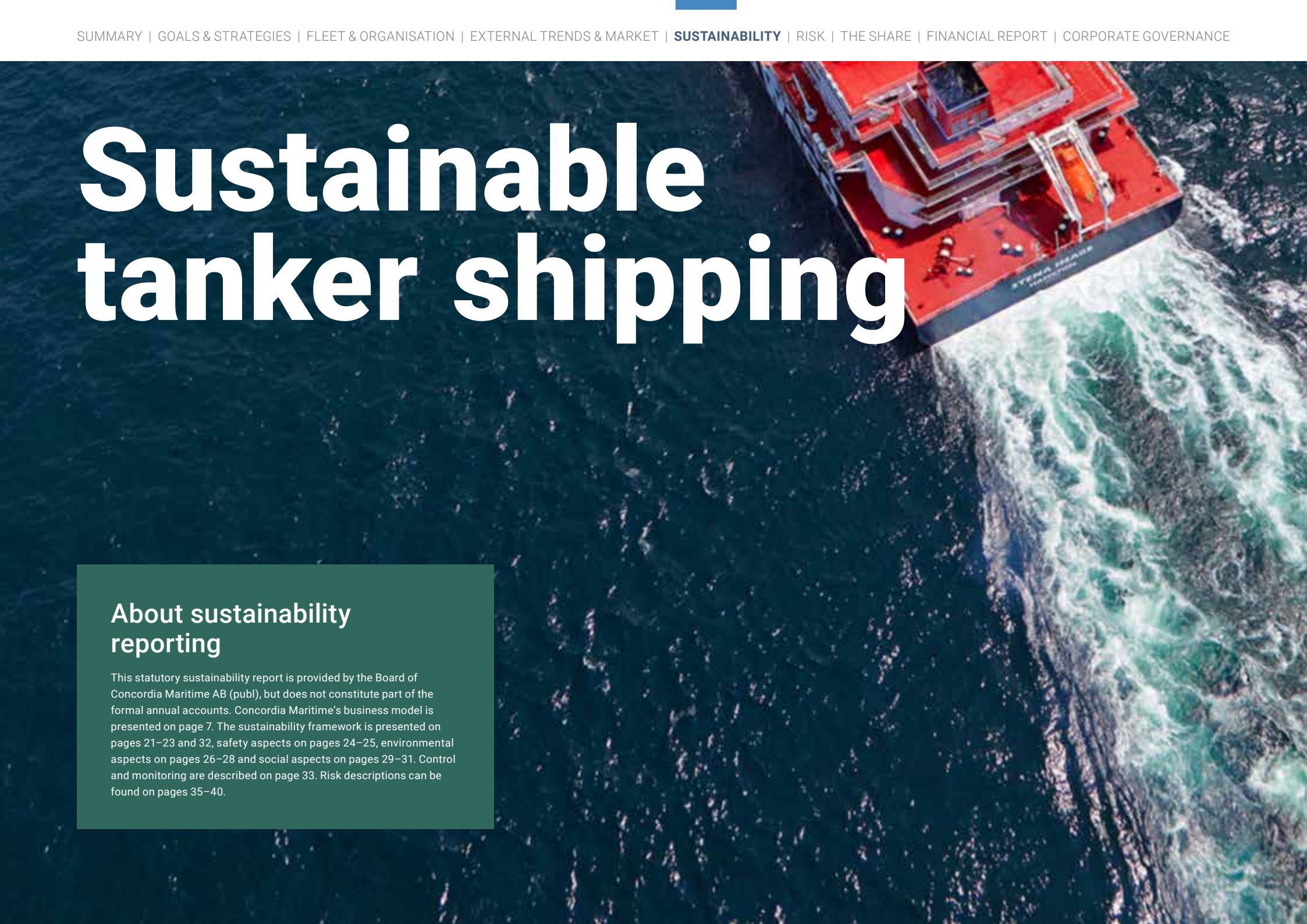


Sustainable tanker shipping



About sustainability reporting

This statutory sustainability report is provided by the Board of Concordia Maritime AB (publ), but does not constitute part of the formal annual accounts. Concordia Maritime's business model is presented on page 7. The sustainability framework is presented on pages 21–23 and 32, safety aspects on pages 24–25, environmental aspects on pages 26–28 and social aspects on pages 29–31. Control and monitoring are described on page 33. Risk descriptions can be found on pages 35–40.

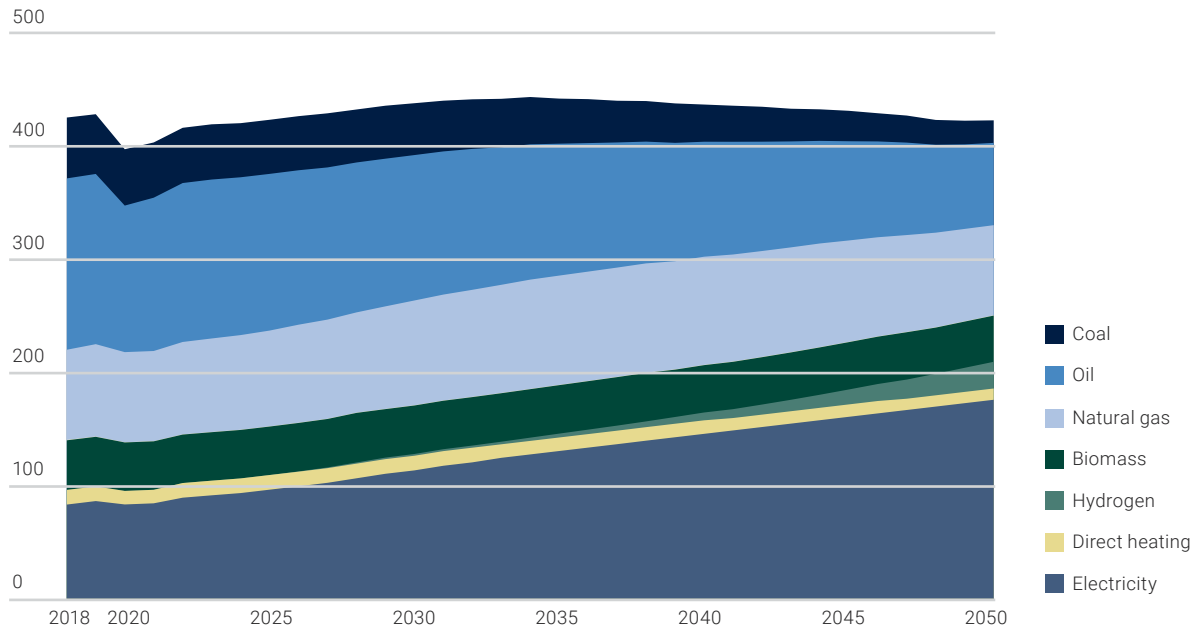
Concordia Maritime's role:

Providing the world with energy

Concordia Maritime's key contribution to sustainable development is to provide safe and efficient transportation of liquid energy and chemicals that are needed to enable economic growth, increased prosperity and a higher standard of living around the world.

Demand for oil remains strong

Exajoules per year



The chart shows the forecast for future demand for energy distributed among different energy carriers. Source: DNV Energy Transition Outlook 2020

OIL IS A KEY COMPONENT of today's society and the global economy. It is an energy carrier that is necessary for transporting goods and people, conducting industrial production and manufacturing and heating properties and homes. Oil is also a raw material used in many of the products that people use and consume every day.

With the global population and the middle class growing, demand for energy is increasing. To enable production, mobility and growth – in both developed countries and emerging economies – the world will continue to be dependent on oil as a type of energy. Oil and petroleum products will therefore continue to form a significant part of the energy system in the coming decades even though there is a trend towards more renewable energy production, energy efficiency and electrification of vehicles.

Concordia Maritime's role is to meet this need as sustainably as possible with safe and efficient tanker transportation in order to provide the world with energy, thereby enabling economic growth and increased prosperity.

To reduce the negative environmental and climate impacts of shipping, extensive work is being conducted at all levels, from legislation to technical innovation. The following pages describe how Concordia Maritime works to contribute to this – and in doing so, creates value for customers, owners, employees and society at large.

Concordia Maritime's contributions to more sustainable tanker shipping

Concordia Maritime's sustainability work is based on three focus areas that the Company considers to be the most important and where there is greatest potential for influence.

1

Providing safe tanker transport

Concordia Maritime's operations must be conducted in a manner that protects employees, the environment and vessels. A strong safety culture at all levels of the organisation is needed to prevent the risk of accidents and incidents. Read more on pages 24–25.

2

Reducing our environmental impact

Concordia Maritime is strongly committed to reducing the impact of its operations on the environment. Continuous work to reduce emissions and increase energy efficiency is conducted within the organisation and with other stakeholders. Read more on pages 26–28.

3

Taking responsibility for employees and society

Concordia Maritime is a responsible employer and community participant, promoting good working conditions, equality, human rights and anti-corruption. Read more on pages 29–31.

Principles and guidelines

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

Partnerships and collaboration

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

Monitoring and controls

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

Read more on pages 32–33.



Sustainable tanker shipping

The basis of sustainability work

Care

Care and quality in everything we do

Innovation

An innovative corporate culture helps us to perform and improve

Performance

First-class performance

Transparency

Our ambition is full transparency. What we report must be relevant and linked to the most important issues for our business

Clear control

- The CEO is responsible for overall coordination and follow-up
- Reporting and follow-up at all ordinary Board meetings
- Quarterly status review with partners

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

Concordia Maritime has been at the forefront in safety, quality and employer responsibility for a long time. Sustainability work is based on a materiality analysis in which the main and most relevant sustainability issues are identified. The key aspects of this work include minimising the risk of

accidents and continuously reducing the impact of the Company's operations on the environment. The work is conducted on a long-term basis and is monitored using a well-structured plan for which the CEO is ultimately responsible. The CEO is also responsible for continuous reporting to the Board. A large proportion of Concordia Maritime's daily operational work is purchased from cooperation partners, mainly in the Stena Sphere. Consequently, the Company's sustainability work is largely reflected in the work carried out in the partners' operations.

UN's Sustainable Development Goals

In 2015, the UN General Assembly adopted the resolution "Transforming our world: 2030 Agenda for Sustainable Development", with 17 global goals that summarise the global challenges and priority areas that the world faces. The purpose of the goals is to end poverty, protect human rights, promote equality and combat climate change.

Concordia Maritime fully supports the 17 goals and believes that they provide the potential to contribute to more sustainable development – both for society at large and individual companies and businesses.

Concordia Maritime's operations have a bearing on several of the goals, but the focus of the work is on goals 7, 8, 9, 13, 14, and 17 where there is clearest relevance and greatest scope to make a positive impact.



THE GLOBAL GOALS
For Sustainable Development



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



13 CLIMATE ACTION



14 LIFE BELOW WATER



17 PARTNERSHIPS FOR THE GOALS

Learn more about the work on the UN Global Goals at concordiamaritime.com.

1 Providing safe tanker transport

SAFETY WORK is one of the cornerstones of Concordia Maritime's business. Substantial resources are invested in continuously developing vessels, procedures and crews. The goal is to prevent the risk of accidents arising and to limit and minimise any damage if an accident should occur.

Safety work is carried out on several different levels – during the design and construction of the actual vessel and its equipment, and as part of a continuous process of identifying potential risks and dangerous operations.

Key figures

	Target 2020	Outcome 2020	Goal 2021
LTI (Lost Time Injury)	0	2	0
LTIF (Lost Time Injury Frequency)	0	0.72	0
Number of inspections with more than 5 observations (owned vessels)	0	2	0
Average number of vetting observations per inspection (owned vessels)	<4	2.5	<4
Number of PSC inspections with detentions	0	0	0
Number of piracy-related incidents	0	1	0
Damage to property	0	3	0
Medical treatment case	0	0	0
Restricted work case	0	1	0
High potential near miss	0	3	0
High risk observation	0	0	0

Definitions, see page 95.



AMBITION AND FOCUS

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

ACTIVITIES AND INITIATIVES

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

Training and risk identification

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

Behaviour Based Safety

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

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

Two workplace incidents during the year

During the year, there were two workplace incidents resulting in the individual employee being unable to return to a work shift on the following day (lost time injury). In one case, some grating on *Stena Provence* gave way, causing a crew member to fall and sustain injuries. The crew member was later given a clean bill of health. In the other case, a *Stena Premium* crew member sustained a hand injury while cleaning a lathe in the workshop.

During the year, there were no work-related injuries requiring treatment by healthcare personnel (medical treatment case). However, one incident resulted in restrictions in the performance

of scheduled work (restricted work case). The incident involved a crew member on board *Stena Perros* who sustained an injury from a tool.

There were three incidents resulting in damage to property during the year. The damage affected included a small hole in a ballast tank when a sandblasting machine started unintentionally while a vessel was in drydock. One incident classified as a restricted work case occurred during the year and three incidents were classified as high potential near misses.

Zero tolerance for drugs and alcohol

There is zero tolerance for alcohol and drugs on board Concordia Maritime's vessels. The captain of each vessel is entitled to carry out unannounced tests, and random checks are also regularly conducted by third parties. Tests were carried out on all vessels in 2020 and on no occasion was any effect of alcohol or drugs identified.

External controls and inspections

There were 33 vetting inspections on board Concordia Maritime's vessels during 2020. A total of 83 observations arose from these inspections, which gives an average of 2.5 observations per inspection. None of the observations were of a serious nature. No inspection had more than 5 observations. There were also 18 port state controls during the year. None of these resulted in observations of a serious nature.

Hijacking

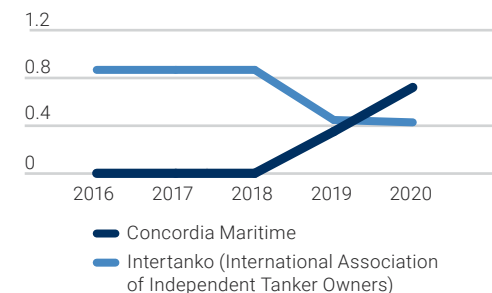
Concordia Maritime works actively to reduce the risk of hijacking or other types of threats. The work is regulated by recommendations from international maritime organisations and by the IMO's ISPS (International Ship and Port Facilities Security) Code. The Code contains requirements regarding ships'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

procedures and a trained person responsible for this area.

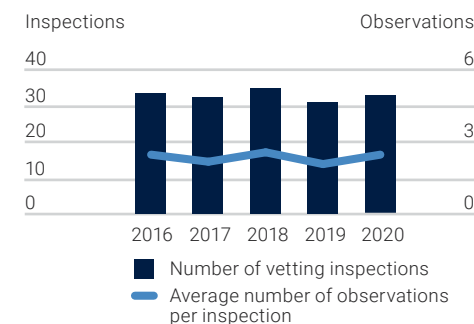
Concordia Maritime's partner NMM has a separate department that conducts a risk analysis before each voyage.

One of Concordia Maritime's vessels was involved in a piracy-related incident during the year. While *Stena Important* was anchored at Doula, Cameroon, pirates attempted to board the ship. The attempt was thwarted, which shows that processes and risk management are efficient.

LTIF compared with industry



Vetting inspections of our fleet¹⁾



¹⁾ Oil companies' vessel inspections

2 Reducing our environmental impact

CONCORDIA MARITIME WORKS SYSTEMATICALLY to continuously reduce the adverse impacts of operations on the environment. The Company has a major focus on reducing emissions into the sea and air, increasing fuel efficiency and maintaining a high overall operational quality.

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

Key figures

	Outcome 2020	Outcome 2019
Bunker consumption (tonnes)		
HSFO	0	75,343
LSFO	79,399	3,256
MGO	20,407	19,903
Total	99,806	98,502
Emissions (tonnes)		
CO ₂	312,680	308,722
SO _x	847	3,838
NO _x	8,930	8,818
Particulates	101.6	100.5
Efficiency (EEOI)		
gCO ₂ /tonne-NM	11.16	13.14
Oil spills, litres	0	0

Definitions, see page 95.



AMBITION AND FOCUS	ACTIVITIES AND INITIATIVES
Reduce emissions from operations	<ul style="list-style-type: none"> ■ Energy management ■ System for real-time decision-making – Orbit ■ Transition to low-sulphur bunker oil ■ Technical measures to increase fuel efficiency and reduce emissions
Reduce the impact on the marine environment	<ul style="list-style-type: none"> ■ Installation of ballast water treatment systems ■ Routines to reduce the risk of oil spills ■ Reduction of discharges of waste water ■ Phasing-out of disposable plastic bottles and testing of a filtered drinking water system on board
Take responsibility for vessels’ life cycle/value chain	<ul style="list-style-type: none"> ■ Clear criteria for ship orders ■ Invest in existing tonnage for technical development and maintenance ■ Any scrapping must be conducted sustainably and in line with relevant regulations

Improved emission efficiency

Carbon dioxide emissions are directly related to the vessels' fuel consumption. In order to continuously reduce emissions, great emphasis is placed on efficient operation and ongoing technical improvements on vessels.

Within the framework of commercial and technical operation, a large-scale fuel efficiency program has been in progress since 2012. Activities and measures include more frequent and detailed monitoring of vessels' energy consumption and implementation of advanced systems and routines that enable speed and route optimisation based on weather conditions, demurrage, bunker costs and customer needs.

In 2020, more tonne-miles (increased transport work) for Concordia Maritime's fleet of owned vessels and vessels on long-term contracts meant that emission efficiency (grams of CO₂ emissions per tonne-mile) improved compared with the previous year, even though the amount of bunker oil consumed and emissions to air were higher than in 2019.

System for real-time decision-making (ORBIT)

Extensive digitisation opens up completely new opportunities for data-driven analysis of both individual ships and the fleet as a whole. Concordia Maritime and its chartering partner Stena Bulk use the ORBIT digital platform to continuously monitor and optimise operating activities and ship operation. The platform uses both internally and externally generated

data. More efficient route planning ensures a higher level of service to customers and lower fuel consumption – which in turn contributes to reduced emissions and lower bunker oil costs. Built-in KPIs and key figures make it easy to continuously align operations with Concordia Maritime's own targets and the IMO's emission targets. The system can also be easily adapted to new regulations and requirements.

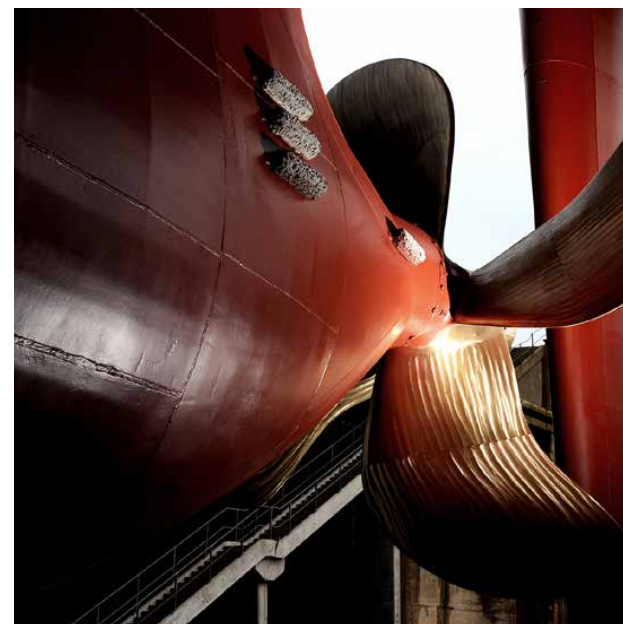
Measures to reduce emissions of sulphur and nitrogen oxides

One of shipping's main environmental impacts is emissions of sulphur and nitrogen oxides. In addition to health risks, the emissions also contribute to eutrophication and acidification of forests, soil and water.

Sulphur oxides

Sulphur is naturally contained in all crude oils and is converted into sulphur dioxide on combustion. The amount of sulphur dioxide released during combustion of sulphur-containing fuel is proportional to the amount of sulphur in the fuel. The sulphur content of the fuel affects the emissions in several different ways. In addition to determining the amount of sulphur dioxide released, the sulphur content also affects emissions of particles and nitrogen oxides.

Maximum sulphur content may differ according to a vessel's location. With effect from 1 January 2015, the sulphur content of fuel may not exceed 0.1% m/m in sulphur emission control areas (SECAs). These areas include the Baltic Sea, North Sea, English Channel, Canada and the United States. With the introduction of IMO 2020 on 1 January 2020, the limit outside SECA was reduced from 3.5 to 0.5 percent m/m. To meet the requirements, a transition to low sulphur marine fuels or use of alternative fuels (e.g., LNG or methanol) is necessary. In addition, the regulations have also been an incentive to install



scrubbers that clean exhaust gases during use of high-sulphur fuel.

Concordia Maritime has decided against investing in scrubbers, but has switched to low-sulphur fuels instead.

Nitrogen oxides

Nitrogen oxides are formed during combustion of bunker oil. As a result of stricter regulations and companies' own improvement efforts, there has been a significant reduction in emissions of nitrogen oxides from shipping in recent years. The current emission limit values for nitrogen oxides are controlled by when the diesel engine was manufactured and when the vessel was built. All vessels in Concordia Maritime's fleet were built after 1 January 2000 and therefore meet the IMO's Tier I standards. Two of the vessels in the fleet also meet the Tier II standards.

-15%

Emissions per
transport work

CO₂ emissions per
tonne-mile fell by
15 percent in 2020.



Technical development and maintenance

In addition to work on route planning, optimisation of speed and energy management, the Company also conducts extensive and continuous technical development and maintenance of the vessels. Various measures to reduce fouling on the hull, propellers and gears have a large effect on fuel consumption. Fouling has the effect of significantly increasing fuel consumption and it may also have an adverse effect on handling, and therefore safety.

Great effort has also been put into further technical development of the propellers, including the installation of hub vortex absorbing fins behind the propellers. The fins break the vortex that would otherwise be created behind the propellers.

To reduce emissions into the air, VTA (Variable Output Turbine Area) turbines have been installed on four of the vessels in the fleet. The main advantage is that by angling the blades in the turbine, the turbine's thermal efficiency can be adapted to the vessel's speed, which reduces fuel consumption.

Installation of ballast water treatment systems

To reduce the risk of impacts on local ecosystems, the UN International Maritime Organisation (IMO) has issued a ballast water management convention. The convention, which came into force in September 2017, aims to prevent alien organisms from being spread with ships' ballast water. This applies to all vessels on international voyages that take on and release ballast water.

According to the Convention, all international traffic vessels are obliged to manage ballast water according to a ship-specific ballast water management plan. All vessels are required to keep a ballast water book and hold an international ballast water management certificate. The Convention also includes requirements for built-in ballast water management systems that move or kill micro-organisms in the ballast water before it is released.

All Concordia Maritime's vessels follow a Ballast Water Management Plan, based on existing guidelines. Several of the fleet vessels have already had special ballast water management systems installed. In 2020, these systems were installed on a further two vessels. Other vessels in the fleet will have similar systems installed when they go into drydock in 2021 and 2022.

No oil spills

The largest environmental risk associated with tanker shipping is the risk of an oil spill in connection with a grounding, collision or other accident. With the increasing modernisation and safety of the global tanker fleet, the number of oil spills has declined significantly. This trend is due to a combination of comprehensive improvement work on the part of the world's shipping companies and tougher requirements from regulators, customers and other stakeholders.

Strict reporting procedures enable total control over all incidents – in port and at sea. 2020 was another year in which none of Concordia Maritime's vessels were involved in any incident that resulted in bunker oil or cargo discharging into the water.

Focus on niche trades

Concordia Maritime's main contribution to more sustainable tanker shipping is a cargo-flexible fleet. Both the P-MAX tankers and IMOIMAX tankers are designed to transport different types of oil products, which allows good cargo efficiency. Three of the P-MAX vessels have been converted to IMO3 class after delivery, resulting in a further increase in cargo flexibility, as they can now also carry vegetable oils and lighter chemicals.

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

3 Taking responsibility for employees and society

SHIPPING IS GLOBAL IN NATURE – in terms of business and competition, but also in relation to the labour market for seafarers. Demand for educated and experienced seafarers is high and is expected to increase further in the coming years, partly due to large numbers of retirements. In addition to competitive wages to attract skilled and experienced officers and crews, a long-term approach and a good reputation as an employer are also required.

Concordia Maritime and its manning partner Northern Marine Management (NMM) endeavour to ensure they are an attractive employer, offering competitive conditions while also providing stimulating and safe workplaces. Respect for the individual, skills development opportunities and a strong safety culture are important components of this work.

Key figures

	Target 2020	Outcome 2020	Goal 2021
Medical treatment case	0	0	0
Restricted work case	0	1	0
Malpractice reported through whistleblower system	0	0	0

Definitions, see page 95.



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



Extensive efforts to stem the spread of Covid-19

During the year, major efforts were concentrated on minimising the risk of Covid-19 spreading on board the vessels. The Company and NMM have taken a large number of preventive measures, including the introduction of many special routines. These include continuous risk assessments and exercises. These include special procedures regarding what should be done before, during and after loading or unloading, contacts with onshore personnel and cleaning on board. In addition, there are also established routines in the event of someone in the crew being considered ill.

Despite rigorous preventive work, some of the crew on the P-MAX vessel *Stena Premium* became ill with Covid-19 during 2020. All of those affected only showed mild symptoms.

Development and career opportunities

In addition to compulsory safety-related training, Concordia Maritime works with NMM to provide employees with opportunities for skills development in other areas and to offer various career choices. In practice, this means that there are opportunities for seagoing employees to work on shore in

various staff positions. For seagoing employees wanting to advance through the ranks, there are clearly laid out career paths, which both NMM and Concordia Maritime encourage.

Low staff turnover

A total of 596 staff were employed on Concordia Maritime's vessels at the end of 2020, all employed through the Company's manning partner NMM. The year's average staff turnover for seagoing employees was about two percent, which is relatively low compared with industry standards. All seagoing personnel on our vessels are covered by ITF (International Transport Workers' Federation) agreements.

Initiatives for increased well-being

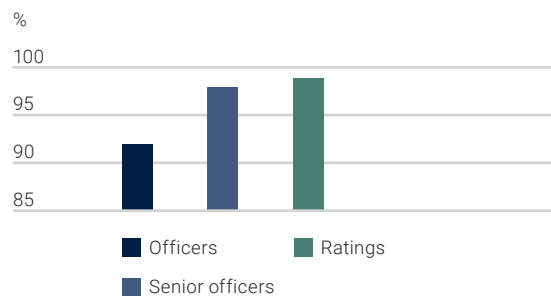
Concordia Maritime and NMM work actively to offer onboard employees as stimulating and pleasant a workplace as possible. Seagoing employment involves long periods at sea and the well-being of the employees is therefore a key element in creating a safe and secure work environment.

The work includes everything from offering a healthy diet to providing good fitness and training opportunities. It also includes guidelines for mental health and the "Well at Sea" app, developed by psychologists. Another example is an ongoing study on the feasibility of greenhouses on board to enable employees to grow their own fruit and vegetables.

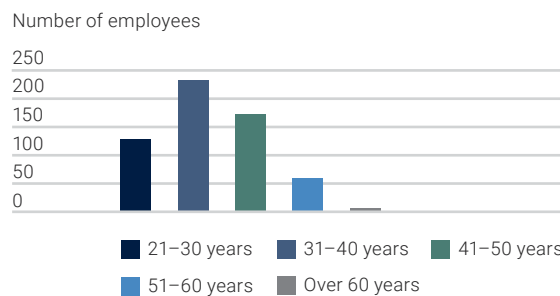
Zero tolerance for bribery and corruption

Within Concordia Maritime, Stena Bulk and NMM, there is zero tolerance for all forms of corruption, including zero tolerance for all types of bribery, extortion, nepotism, racketeering and misappropriation. In addition, work is also in progress to completely eliminate facilitation payments. See also *Principles and guidelines* on page 32.

Retention rate, seagoing



Age distribution



Human rights

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

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

Community engagement

Concordia Maritime's guidelines on community engagement give priority to initiatives that have a clear link to the Company's values, expertise and operations. The projects or initiatives that are supported must be largely related to shipping. They must contribute to a safer everyday life for each seagoing individual, support the progression towards more environmentally and socially sustainable shipping, or contribute to positive development of the local markets in which the Company operates.

Concordia Maritime has supported Mercy Ships Cargo Day since 2016. The purpose is to raise funds for Mercy Ships, a non-governmental organisation operating hospital ships. Mercy Ships provides free surgery, dental care and other qualified medical care in places where the need is greatest.



Photo Mercy Ships

Principles and guidelines

CONCORDIA MARITIME'S Board and management have jointly formulated and adopted a framework that defines guidelines on how Concordia Maritime should act as a responsible company and employer. The framework consists of the Company's sustainability policy and code of conduct as well as the external principles and recommendations that Concordia Maritime has undertaken to follow.

Sustainability Policy

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

Code of Conduct

The Code of Conduct describes Concordia Maritime's guidelines for suppliers and partners. It also describes the relationship with employees, business partners and other stakeholders, and the attitude to gifts and bribes. The Code is based on internationally recognised conventions and guidelines, such as the UN Conventions on Human Rights, the ILO Conventions, OECD Guidelines and the UN Global Compact, which Concordia Maritime signed in 2015.

Concordia Maritime's Code of Conduct sets out applicable guiding principles to ensure operations are conducted in an ethically, socially and environmentally correct way, and deals with areas such as the environment, social conditions, personnel, human rights and anti-corruption. The Code of Conduct also deals with relationships with business partners, with Concordia Maritime reserving the right to withdraw from a relationship if a partner does not meet the standards of business ethics that the Group expects.

The Code applies to all employees without exception, and training in the Code is compulsory for all employees. The Code of Conduct is available on Concordia Maritime's website.

External regulations and alliances

■ **Global Compact** Concordia Maritime follows both the UN Global Compact Initiative and the Universal Declaration of Human Rights. The Global Compact is the largest international initiative for corporate responsibility and sustainability issues. The corporate members undertake to comply with ten principles on human rights, environment, labour and anti-corruption, and to respect them throughout the value chain.

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

Stena AB's Code of Conduct

Concordia Maritime's partners Stena Bulk (chartering and commercial operation) and Northern Marine Management (manning, operation and maintenance) are wholly owned by Stena AB. The companies' operations are subject to Stena's Group-wide Code of Conduct, which sets out applicable guiding principles to ensure operations are conducted in an ethically, socially and environmentally correct way. The Code deals with areas such as environmental issues, social issues, good business practices and human rights. The Code also deals with relationships with business partners, with Stena reserving the right to withdraw from a relationship if a partner does not meet the standards of business ethics that Stena expects.



Monitoring and controls

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

Concordia Maritime has a number of internal regulations, which with the external regulations and laws provide the framework for the Company's operations. They include the Articles of Association, the Board's rules of procedure, the CEO's instructions, the Code of Conduct, the sustainability policy, the information policy, the financial policy and authorisation instructions.

Close cooperation with partners

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

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

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

Group-wide whistleblower function

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

strengthens security. In 2020, no cases were reported that had a bearing on Concordia Maritime's operations, staff or seagoing employees.

External controls

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

The inspections include the ship's construction and its general condition, equipment and procedures for navigation, survival equipment, fire-fighting equipment, cargo handling systems, oil recovery equipment and procedures for crisis management. Crew numbers, the crew's qualifications, employment conditions, the ship's logbooks and certificates are also examined. Shore-based activities are checked primarily by auditing processes and procedures.

Read more about external controls under *Operational control in 2020* on page 90.

Compliance with laws and regulations

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

No violations of laws or permits resulting in legal consequences or fines were reported in 2020.

Concordia Maritime has not derogated from stock exchange rules. For derogations from the Code, see page 91.

The Company has not been the subject of any decision by Nasdaq Stockholm's Disciplinary Committee or any decision by the Swedish Securities Council on violations of good practices in the stock market.

