

The logo for SeaLoading, featuring the word "SeaLoading" in a bold, blue, sans-serif font. The text is positioned in the upper left corner of the page, set against a background of overlapping, semi-transparent green shapes that create a sense of depth and movement. The top of the page is dominated by these green shapes, which transition into a white background for the rest of the page.

SeaLoading

DISCLOSURE TRANSPARENCY ACT

SeaLoading Holding AS

SeaLoading CTV 2 AS

For period July 1- December 31, 2022

June 29, 2023

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BACKGROUND

BRIEFLY ABOUT THE COMPANIES AND IMPLEMENTATION OF THE TRANSPARENCY ACT

Introduction

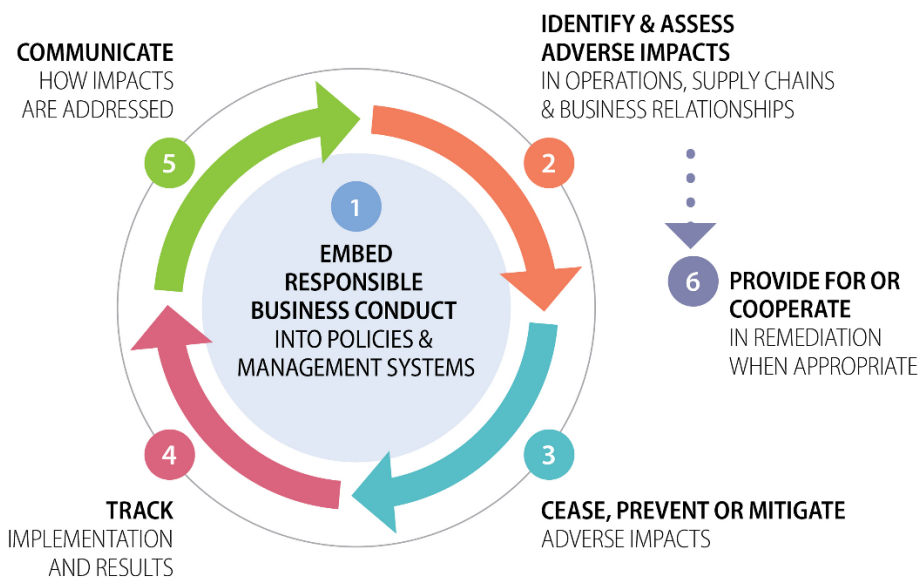
SeaLoading Holding AS, Companies number 913 749 340, and SeaLoading CTV 2 AS, Companies number 915 626 297 (hereinafter referred to as the "**Companies**") is both covered by the Act on Business Transparency and Work with Fundamental Human Rights and Decent Working Conditions (hereinafter referred to as the "**Transparency Act**") and is thus obliged to conduct and account for due diligence assessments intended to ensure fundamental human rights and decent working conditions.¹

Among other things, the Transparency Act requires the enterprise in question to identify and assess actual and potential negative consequences for violations of human rights and decent working conditions, both internally in the Companies and in its supply chain. The enterprises covered by the Act must publicly account for the due diligence assessments that are carried out. The report shall be updated and published on the Companies' website by 30 June each year and otherwise in the event of significant changes in the Companies' risk assessments.

Due diligence assessments shall be carried out in accordance with the OECD Guidelines for Multinational Enterprises in the field of Human Rights, which are consistent with the UN Guiding Principles on Business and Human Rights (UNGP).

The Companies has worked to implement the Transparency Act in line with the OECD Due Diligence Model for Responsible Business Conduct:

DUE DILIGENCE PROCESS & SUPPORTING MEASURES



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

¹ The Act applies, inter alia, to: "Larger enterprises domiciled in Norway offering goods and services in or outside Norway", cf. section 2, paragraph 1 of the Transparency Act. "Larger enterprises" means "Enterprises covered by section 1-5 of the Norwegian Accounting Act, or that on the date of the balance sheet exceed the limits for two of the following three conditions: 1) sales income: NOK 70 million, 2) balance sheet total: 35 NOK million and 3) average number of employees in the financial year: 50 full-time equivalents», cf. Section 3 (a) of the Transparency Act.

KEY INFORMATION ABOUT THE COMPANIES

NAME OF THE COMPANIES

SeaLoading Holding AS, Companies number 913 749 340

SeaLoading CTV 2 AS, Companies number 915 626 297

ADDRESS HEADQUARTERS

Kittelsbuktheien 5, 4836 ARENDAL

PRODUCTS AND SERVICES

SeaLoading is a shipping company that holds all rights to the proprietary CTV technology, and own and operate a fleet of vessels based on the unique CTV technology. The ship owned by SeaLoading CTV 2 AS is operating in Brazil.

DESCRIPTION OF COMPANIES STRUCTURE

Mitsui O.S.K. Lines, Ltd owns 100% of SeaLoading Holding AS. SeaLoading Holding AS owns 100% of the shares in the 3 companies SeaLoading CTV 1 AS, SeaLoading CTV 2 AS and SeaLoading CTV 3 AS.

REVENUE IN 2022

SeaLoading Holding AS had USD 1,676,339 in revenue in 2022. SeaLoading CTV 2 AS has USD 13,475,732 in revenue in 2022.

NUMBER OF EMPLOYEES

SeaLoading CTV 2 AS has no employees, while SeaLoading Holding AS has 2 employees.

METHODOLOGY: THE DUE DILIGENCE PROCESS

ANCHORING OF RESPONSIBILITY

The companies have had board meetings where they have anchored the executive responsibility in the board, to ensure that the requirements that follow from the Transparency Act are implemented, safeguarded, and complied with. In addition to the Board assuming executive responsibility for promoting and respecting human rights and decent working conditions in the Companies, the Companies has been assigned the following mandates:

SeaLoading Holding AS

- Yoshiro Kubo, CEO
Mandate: Overall responsibility for safeguarding and complying with the Transparency Act in the Companies.
- Yoshiro Kubo, CEO
Mandate: Overall responsibility for incorporating routines for handling the duty of disclosure and ensuring that these are complied with in the Companies.

SeaLoading CTV 2 AS

- Yoshiro Kubo, CEO
Mandate: Overall responsibility for safeguarding and complying with the Transparency Act in the Companies.
- Yoshiro Kubo, CEO
Mandate: Overall responsibility for incorporating routines for handling the duty of disclosure and ensuring that these are complied with in the Companies.

The Companies has introduced guidelines for suppliers and business partners, routines for handling the duty of disclosure and plans for risk analyses and due diligence. It has also been decided that the Board shall draw up a concrete plan to ensure compliance with the requirements set out in the Transparency Act, as well as for how the Companies shall work with this in practice.

The aforementioned guidelines and procedures will be introduced to specify how the Companies shall work with fundamental human rights and decent working conditions, and will enable the Companies to work systematically and efficiently with:

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

It has been decided that the Board, in accordance with the overall responsible parties (ref. the mandates mentioned), shall update relevant routines and guidelines as necessary.

MAPPING AND IDENTIFICATION OF RISK

OWN BUSINESS

We have started work on mapping internal conditions in the Companies, to identify which areas pose a risk of negative impact on human rights and decent working conditions.

SeaLoading holds all rights to the proprietary CTV technology, and we own and operate a fleet of vessels based on the unique CTV technology. The Companies within the group has built two vessels, both of which are hired with a full crew and operated by a ship management company. The Companies states that the way this is done and handled is common and standard practice in the industry. The business that the Companies conducts is not in a risky industry, and the work performed is not particularly risky.

SeaLoading Holding AS currently has only two employees, and a hired-in CEO from the parent company in Japan. The areas that have been mapped and assessed in more detail in relation to violations of fundamental human rights and decent working conditions are areas where we believe there is the highest risk of negative impacts on human rights and decent working conditions in this specific activity. The list below is not exhaustive, but examples of areas where we have conducted due diligence internally:

- Working conditions
- Salary
- Discrimination
- Labour rights/ environment
- Work with health, safety, and environment
- Forms of affiliation for employment
- Respect for the right to join trade unions

Sealoding CTV 2 AS owns a ship which is operating in Brazil. The company has no employees.

Completed risk assessments generally show a low-risk picture internally in the business, but the business has a potential for improvement in relation to knowledge of Norwegian working environment legislation. No actual negative consequences or significant risk of negative consequences have been identified, but some areas for improvement have been proposed. Among the measures being considered for implementation are efforts to further implement the systematic HSE work and ensure good structures and systematics. Furthermore, ensure that we establish good structures for the exercise of co-determination and to raise awareness among the employees of the importance of the Transparency Act and our work with this. It is expected that proposed measures will help further reduce already low risk.

AT OUR SUPPLIERS

We have started mapping and assessing actual and potential negative impacts on fundamental human rights and decent working conditions at our suppliers.

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

We have 23 suppliers in SeaLoading Holding AS, of which 19 are Norwegian. SeaLoading CTV 1 AS has 15 suppliers, of which 10 are Norwegian and SeaLoading CTV 2 AS has 14 suppliers, of which 9 are Norwegian.

We have carried out a risk evaluation of our suppliers. To determine which of these we should turn to for further follow-up under the Transparency Act, we have based our work on country risk, industry risk, product risk and known risk.

Country risk in particular forms the basis for rough sorting of foreign suppliers. We have based our work on several indexes such as the Global Rights Index and Global Slavery Index. We have chosen to follow up the suppliers from which we have procured the most, and who come from countries with a higher risk of violations of fundamental human rights and decent working conditions.

We have also assessed the Norwegian suppliers in relation to industry risk and included other parameters such as ratios indicating the supplier's financial condition (so-called z-risk), and whether the supplier has received an auditor's note. This may give an indication of whether the supplier does not adhere loyally to the applicable rules regarding workers' rights but does not have to do so. Furthermore, the Companies has made use of other indicators such as the size of turnover from the individual supplier compared to turnover from the other suppliers to the Companies, in addition to the ratio of the supplier's total turnover compared to the turnover to us. The latter gives an indication of the influence we have on the individual suppliers if they find that, for example, workers' rights are not adequately safeguarded. Based on the above procedure, we have arrived at a prioritized list. Assessments have then been made as to whether some of the suppliers should be given a lower priority or a higher priority among themselves.

Our largest Norwegian supplier is a ship management company, specializing in operations of vessels, including seafarers. The crew hired comes from the Phillipines, Norway, Poland etc. One of the foreign suppliers is a sister company to our Norwegian supplier described above. This supplier is from Brazil which is a high-risk country. As a starting point, based on an overall risk assessment, we have decided to follow up on these two suppliers.

In our inquiries, we have asked specific questions in relation to the areas we believe have the highest risk of violations of workers' rights, etc. at the selected supplier.

We have not uncovered actual negative consequences or significant risks of negative consequences for fundamental human rights and decent working conditions.

SUMMARY AND THE WAY FORWARD

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

Our work with the Transparency Act is a continuous process, where we will conduct due diligence on a regular basis. Among other things, we plan to follow up the improvement items after the internal review, as well as to follow up responses from our suppliers.

Furthermore, we will continue our efforts to raise awareness among our employees and among our suppliers about the importance of the Transparency Act. One of our most important tools to ensure that we do not attract rogue actors is to have good systems and routines for uncovering 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 of fundamental human rights and decent working conditions.