



SPAR SHIPPING AS

Transparency Act - Spar Shipping AS



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Statement

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Spar Shipping AS is a Norwegian ship-owning company established in 1994, headquartered in Bergen. The company owns and operates vessels in the supramax/ultramax segment, primarily offering time-chartered, crewed vessels to established operators in the global dry bulk market.

The Board of Directors has established general guidelines for the company's work on human rights and working conditions. The CEO is responsible for implementation and follow-up. A dedicated Compliance Officer handles the day-to-day operational responsibilities related to human rights. Spar Shipping emphasizes employee engagement and maintains regular dialogue through meetings and feedback processes to ensure sustainable and meaningful working conditions.

To strengthen our commitment to decent work and human rights, Spar Shipping has implemented the following internal policies and procedures:

- Code of Business Ethics and Conduct
- Complaints Procedure
- Environmental Policy
- Financial Crime Policy
- Ship Recycling Policy
- Social Responsibility Policy

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Labor rights

Spar Shipping engages foreign crew primarily from the Indian subcontinent, through third-party technical and crewing management provided by Fleet Management Limited and Synergy Ship Management. All seafarers are covered by collective bargaining agreements, which serve as the minimum standard for employment terms and conditions.

Fleet Management Limited and Synergy Ship Management are both global operators with large fleets and thousands of seafarers under management. They operate in a similar manner, providing technical management and crew sourcing on behalf of Spar Shipping.

Port State Control (PSC) statistics are systematically monitored and used as an objective indicator of onboard safety and labor conditions. Ensuring the health and safety of personnel is a top priority, both at sea and onshore, and appropriate measures are taken

across the value chain, including shipyards.

Onshore, Spar Shipping employs eight staff members. The company has adopted a comprehensive Code of Conduct and encourages all individuals to report any incidents or concerns. The company maintains a zero-tolerance policy against harassment and prioritizes a safe and respectful working environment.

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Fundamental human rights

Spar Shipping acknowledges its responsibility to uphold and respect human rights throughout the organization and value chain. We adhere to the OECD Guidelines for Multinational Enterprises, ILO core conventions, the Maritime Labour Convention (MLC), STCW standards, and other applicable regulations.

Human rights expectations are clearly communicated to charterers, manning agencies, and subcontractors, and are embedded in contractual agreements. Human rights risks are also assessed in the geographic areas where we operate, including locations for shipbuilding, maintenance, dry-docking, and recycling.

Extra attention is given to regions with low scores on human rights indices. The presence of our supervisors from Fleet Management during shipyard work adds a layer of oversight to ensure proper standards are met. We continuously seek to improve the human rights elements of our due diligence processes.

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Child labor

Spar Shipping maintains a zero-tolerance policy on child labor, and this requirement is clearly extended to all suppliers and partners.

In our risk assessments, we utilize data from UNICEF's Child Labor Assessment, among other tools, to evaluate the risk of child labor within our supply chain. All suppliers are assessed based on industry- and country-specific risk factors.

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Due diligence assessment

DUE DILIGENCE ASSESSMENT

Due diligence assessment

Spar Shipping conducts due diligence assessments in line with the requirements of the Transparency Act, covering both internal operations and external partners.

When selecting shipyards and subcontractors, we apply a structured evaluation process together with our technical manager. This process includes clear criteria focused on human rights and working conditions. We prioritize transparency and the physical presence of our supervisors during yard activities.

Suppliers and partners are initially screened using Metizoft's analysis tool, which incorporates the following indexes:

- ITUC Global Rights Index
- Freedom House (Political Rights and Civil Liberties)
- UNICEF Child Labor Assessment
- Transparency International's Corruption Perception Index

The supply chain is further assessed based on country of operation, industry risk, turnover, and the likelihood and severity of potential harm. All suppliers have been screened, and **no actual adverse impacts** have been identified to date.

Spar Shipping encourages both employees and external stakeholders to report concerns or observations related to human rights. The Compliance Officer serves as a contact point for such dialogue and follow-up.

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Supply chain screening

SUPPLY CHAIN SCREENING

Supply chain screening

Supply Chain Social Assessment

	2024
NAME	VALUE
New suppliers screened	100 %
Number of suppliers assessed for social impact	145
Suppliers that is having significant actual and potential negative social impact	3
Suppliers where impacts have improved as a result of assessment	0 %
Suppliers where relationship were terminated	0 %

ESRS G1-2-15b, GRI 414-1a (Sector Std 11.10.8)

Supply Chain Environmental Assessment

	2024
NAME	VALUE
New suppliers screened	100 %
Suppliers assessed for environmental impact	147
Suppliers with significant actual and potential negative environmental impact	28
Suppliers where impacts have improved as a result of assessment	0 %
Suppliers where relationship were terminated	0 %

ESRS G1-2-15b, GRI 308-1a