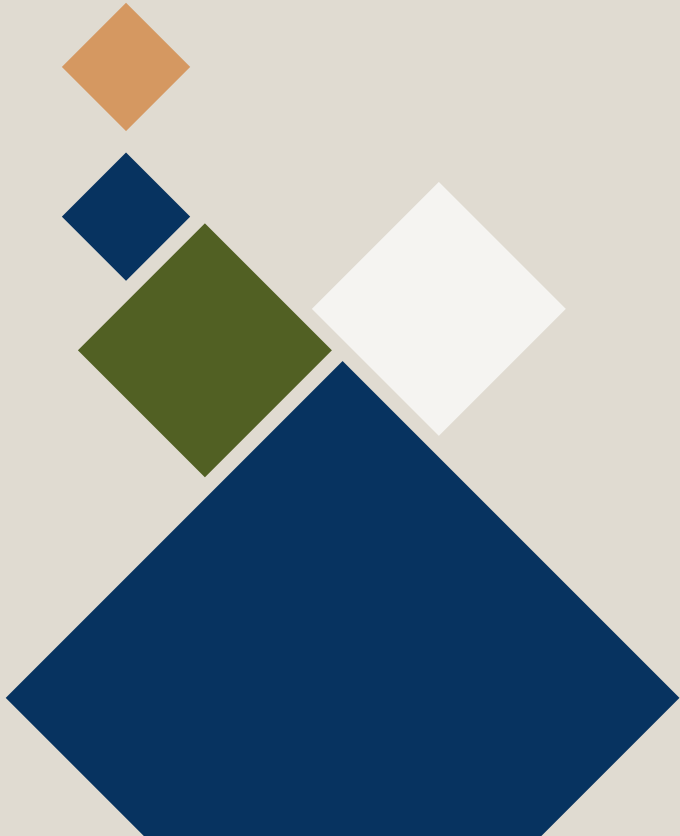




SUSTAINABILITY REPORT

20212022



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Guest

FOREWORD BY THE OWNERS

SUSTAINABILITY – A NATURAL EXTENSION OF OUR CORE PRINCIPLES

The view is quite spectacular from the historic Turbine Hall which houses our headquarters. We are located on the shore of the narrow, beautiful strait of Little Belt. There are long stretches of pristine woodlands on the opposite shore, and the strait itself is endowed with a large shoal of porpoises.

It all serves as a daily reminder of a planet worth saving for Mia Østergaard Rechner and Nina Østergaard Borris, our second-generation owners. Both sisters grew up with a keen awareness of environmental and social issues. This awareness has grown even stronger and has accelerated USTC into a new reality, where USTC must set a responsible and sustainable course forward. A course that has been prepared by the entire owner family and stewarded by Mia and Nina.

Since founding the company in 1981, their father and USTC's founder Torben Østergaard-Nielsen has imprinted his ethics on all employees. The challenges facing the world have evolved and grown ever more complex since then. But the basic moral force driving today's sustainability agenda is clearly linked to the founding values of decency and

leadership. A commitment to be a good corporate citizen, a desire to have a positive influence in the larger ecosystem, and a determination to reduce the negative impact from the Group's operations.

That made the decision to engage in sustainability efforts a logical one for our owner family. This is not a change in direction or philosophy, but a natural extension of our core principles ensuring the long-term prosperity of our Group and the ownership for future generations.

If the decision to implement an ESG framework was easy, executing the ideals and visions are less so, not least because a unified ESG framework must cover businesses engaged in industries as diverse as bunkering, shipping, logistics, IT, and risk management. And so, the complexity has evolved with the growth of our Group, and we have to live up to being a responsible citizen in all respects.

While we have high ambitions, we acknowledge that we do not have all the answers yet, but we do have the serious, ambitious, and determined efforts towards finding them.



LETTER FROM OUR CHIEF GOVERNANCE OFFICER

A STEADFAST COMMITMENT

We have just led USTC on the first few steps of what promises to be a long and challenging journey. Here, as in other organizations with global operations, promoting and driving socially and environmentally conscious practices will require steadfast commitment and long-term vision.

Through the family ownership of USTC, we can lay down ambitious markers and make bold decisions that will bear fruit in ten- or twenty years' time. And just as importantly, USTC's people and stakeholders can trust the Group to stay the course.

Much of the sustainability reporting is driven individually by the companies in the Group, with each Management team taking ownership of their aspirations and the way forward, as many of the challenges of sustainable development are unique to each company. However, USTC has defined four areas where it makes sense for the Group to have a unifying and supportive role, such as setting the ambition level and looking for synergies with other companies.

Earlier this year, each company in our Group established ESG Councils that convene regularly with Executive Management and key employees seated around the table. We engage in crucial topics with important stakeholders, and we identify areas with potential for synergies, cooperation, and support across the Group. We also challenge the status quo, if need be, and we intend to push each company to be as pioneering as possible.

The general status report is that USTC may only have taken the first few steps, but they are important steps: The key challenges have been determined, and the road ahead mapped out. Internal reviews have been planned to gauge progress on the issues.

We recognize that we have set our companies a difficult task – one where they understand many of the challenges, but where the road to finding the solutions is not that straightforward. At frequently held evaluation meetings, the question will be: What have we done to move the needle?

Sometimes moving the needle will be especially difficult because it concerns challenges that are beyond the direct control of the Group. The majority of our companies act as intermediaries, and many of the issues at hand often lie further down the value chain.

Over the coming decade, we are really going to lean into the challenges. We will advise our customers as they make difficult decisions on sustainable energy sources and technologies. But the transition to sustainable fuels across all industries is a monumental challenge that will take decades to solve.

As we move forward, we intend to be open, transparent, and honest about our challenges, our processes, and our successes. We will press on, step by step.

Sincerely

Mia Østergaard Rehnitzner, Chief Governance Officer of USTC

ABOUT THIS REPORT

As USTC's first ever Sustainability Report, this report underpins our firm commitment to increase transparency around our Group and how we impact the environment, people, and society. In the report, we unfold our baselines, ambitions, and targets for USTC's material ESG topics. The report is a supplement to our annual report covering the financial year 2021/2022.

As USTC is the parent company in a conglomerate, the overwhelming majority of economic and ESG related activity resides with each individual operating company. The information presented in this report focuses on the ESG topics that go across the entire Group and are material to USTC as a parent company.

In addition to USTC's own activities, the scope of the information presented covers the four largest operating companies in USTC: Bunker Holding, Uni-Tankers, SDK FREJA, and Unit IT. You will be able to find more detailed disclosures on each operating company within their respective reporting. In the future, we will consider bringing more of USTC's companies into the scope of our sustainability reporting.

USTC'S REPORTING FRAMEWORK

This report has been prepared in line with USTC's first comprehensive materiality assessment as performed between December 2021 and June 2022. The report has been informed by established ESG reporting frameworks and standards such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB),

the Greenhouse Gas Protocol, and the UN Sustainable Development Goals (SDGs), but we have not prepared the report in accordance with any single framework. Instead, we have focused on presenting the topics and information that we think best describes how we operate as a group while still following good practice on non-financial reporting. That way, we hope to give a representative image of our Group status today as well as lay the foundation for our future reporting in line with the regulatory developments around sustainability reporting underway in the EU and globally.

The figures discussed throughout the report were chosen based on a thorough materiality analysis of USTC's business segments, but also considers the maturity of data to ensure a sufficiently high data quality on each KPI. Hence the financial year 2021/2022 is used as the baseline for all figures presented in the report. For more details on our accounting principles for our carbon accounts, please see the relevant section on page 68.

We are proud to publish USTC's first ever Sustainability Report. At the same time, we acknowledge that remaining dedicated to the sustainability agenda requires us to continuously improve and set ambitious targets. We therefore expect that the scope and content of our sustainability reporting will change in future iterations as we learn, grow, and adapt as a group to changes in our industries, and as we align with future regulatory requirements.

Going forward, we will consider including the remaining operating companies within our portfolio into the scope of our ESG framework and coming reports. We also have

an ambition to seek assurance on the key ESG metrics presented for each material topic.

As of 2025, The Corporate Sustainability Reporting Directive (CSRD) will introduce additional sustainability reporting requirements for large companies. We are aware of the upcoming EU Corporate Sustainability Reporting Directive and expect to be required to report according to an initial set of mandatory Sustainability Reporting Standards for the financial year 2025/2026. These requirements are also in line with the Group's own ambitions for sustainability reporting. We have begun the process of phasing in the necessary steps in our reporting process to ensure that we adhere to the regulations for proper sustainability reporting.

We encourage you to engage with us with any comments, suggestions, or questions you may have with respect to this report. Please reach out to press@ustc.dk.

For further information about USTC, please visit www.USTC.dk. For more in-depth information about our financial performance, we refer to USTC's Annual Report.



USTC AT A GLANCE

When Torben Østergaard-Nielsen took over the local shipbroker that would eventually become United Shipping and Trading Company, or USTC, he saw something others had not; he saw a business in being an independent facilitator for marine fuels in the shipping industry. In 1981, he founded our first bunker company, Dan-Bunkering, and took the foundational steps towards creating a promising venture. That sense of business acumen has permeated our diversified journey from shipping to bunkering to IT and energy, and it is still present in everything we do at USTC.

USTC leads a diverse group of companies, and we take a long-term approach towards our businesses, enabled by our agile leadership and our company values. These factors render it possible for USTC to create value, which is why we are confident that we are the best possible owners for each of the companies within our Group. And these exact same factors are the common denominators for our Group and the reason why we do not feel limited to the industries in which we operate today.

Within each of our industries, our operating companies occupy a distinct section of the value chain and specialize in delivering those activities and solutions better than any other actor in the market. This approach is what enables us to grow each company through scale, while simultaneously growing the Group as a whole through scope by seeking new business activities with a strategic relevance to the Group.

The main objective of USTC as a parent company is to direct, govern, and contribute to the long-term development of the operating companies in the Group. USTC creates value for and across the entire Group through three avenues: 1) Providing direction and leadership support through establishing and driving good corporate governance principles 2) Allocating capital and providing funding for strategic investments, and 3) Creating and driving synergies, including supporting with back-office expertise.

USTC has established central HR and communications functions to better support, scale, and drive strategic projects and agendas across the Group. These functions play a key role in anchoring USTC's ambitions and governance approach within the operating companies.

COMPANIES IN SCOPE FOR THIS REPORT

BUNKER HOLDING

Bunker Holding is fueling world trade as the world's leading bunker supplier. Through a professional global setup, Bunker Holding purchases, sells, and supplies marine fuel and lube oil to ships. In addition, it provides the shipping industry with risk management solutions and other vital services, reducing complexity for shipping companies. Bunker Holding's three main business areas are: Bunker trading, risk management, and physical operations. Bunker Holding is present worldwide with 66 offices in 34 countries.

UNI-TANKERS

Uni-Tankers is a leading tanker shipping company operating in the intermediate and small tanker segment. Uni-Tankers operates 40 owned and chartered vessels comprising modern and flexible product- and chemical tankers consistently with focus on high security and quality in sizes up to 15,000 dwt. At the end of the financial year, the tonnage available under Uni-Tankers' activities totals 349,202 dwt with an average age of 10.35 years, which places the fleet among the youngest in Uni-Tankers' core markets.

SDK FREJA

SDK FREJA is a full-service shipping and logistics company. SDK FREJA's main activities include freight forwarding within road, air & sea, and project cargo, logistics, as well as stevedoring, agency, customs clearing, commercial chartering, liner and cruise services. In addition, the company offers specialist logistics solutions within healthcare, warehousing, and refrigeration. SDK FREJA is present with locally based offices in Northern Europe and strategic positions in China and Spain.

UNIT IT

Unit IT is a full-line IT infrastructure partner across private and public cloud with specialized expertise within business intelligence, data platform, and cybersecurity. Unit IT occupies six office locations in Denmark with headquarters in Middelfart.

ESG FRAMEWORK AND GOVERNANCE

USTC values the autonomy of our companies that allows them to drive their businesses in the most optimal way. Hence, USTC's approach is to set an overall framework and direction that supports standardized structures and processes throughout the Group. Each company in the Group is accountable for their own ambitions and agendas, covering not only the strategic and commercial aspects of their business, but also their work with sustainability.

The purpose of USTC's ESG framework is to anchor the Group's core sustainability efforts firmly within each operating company and to establish USTC as an enabler of the Group, offering strategic guidance and support. All material decision making regarding the strategic direction and management of each company continues to be taken by the appropriate corporate bodies and Boards of Directors in line with established principles on good corporate governance. As part of the ESG framework, each operating company in scope must live up to a number of minimum governance requirements, ensuring that the Group focuses its efforts around a common standard and direction:

First, each operating company sets their own internal governance and must have a clear and well-described internal ESG framework in place, which establishes how ESG is governed in the company as well as the process for identifying and revising the company's material ESG topics and priorities.

Second, each operating company must have clearly defined ambitions, targets, and strategies for addressing identified material topics in line with existing business objectives. As a minimum, each company must address the overall material topics as defined by USTC.

Third, each operating company must establish and maintain appropriate systems and processes for monitoring and reporting on their ESG performance. Systems and processes must provide internal and external stakeholders with a high degree of confidence in the reporting, including potentially being subject to assurance from third parties.

In addition, USTC has set additional requirements for each overall material topic, which are described in detail later in this report.

USTC's requirements are reviewed on an ongoing basis in dialogue between USTC and the operating companies. As noted, only the four companies Bunker Holding, Uni-Tankers, SDK FREJA, and Unit IT are in scope for the financial year 2021/2022. The ambition is to have all relevant activities within our Group covered by the ESG framework.

The overall responsibility for USTC's ESG framework lies with USTC's Chief Governance Officer who, over the coming years, will build an organization and add the necessary capacity to manage the Group's ESG performance.

On an operational level, all subsequent policies and substantial activities under the ESG framework are developed and owned directly by each operating company and hence falls under the responsibility of Executive Management. The only exceptions to this are HR policies, which are owned and maintained by USTC in a dialogue with the operating companies.

For more information on how ESG is governed in each operating company, please see their respective annual sustainability reports.

GOVERNANCE REQUIREMENTS

INTERNAL ESG FRAMEWORK

IDENTIFIED MATERIAL TOPICS

ESG PERFORMANCE REPORTING

TOPIC REQUIREMENTS



CORPORATE GOVERNANCE



CLIMATE IMPACTS



DIVERSITY, EQUALITY, AND INCLUSION



COMPLIANCE

ANNUAL BOARD REVIEW

CARBON ACCOUNTS

DEI FRAMEWORK

CODE OF CONDUCT

DOCUMENTATION OF DUTIES AND RESPONSIBILITIES

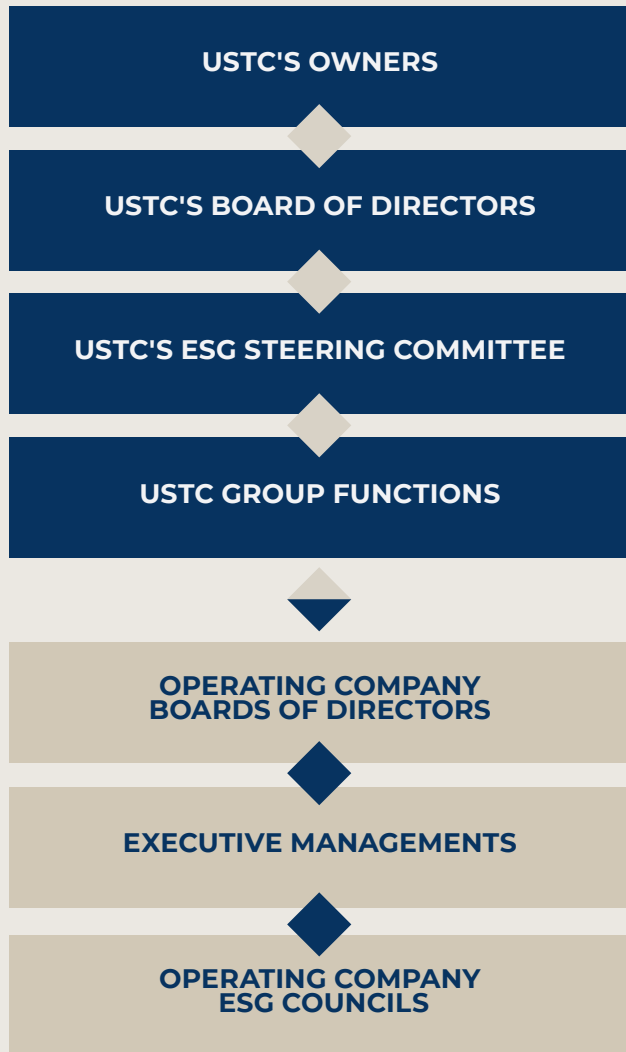
SCOPE 1 AND 2 TARGETS

INDIVIDUAL CORPORATE COMPLIANCE PROGRAM

CORE POLICY REVIEW

SCOPE 3 TARGETS

CARBON STRATEGY & ROADMAP



USTC's owners set the overall frameworks for USTC and ensure that the Group is guided by the right mindset and values by e.g. appointing and regularly evaluating the Management teams and the progress of the operating companies. They meet at regular intervals to discuss long-term visions for the Group.

USTC's owners participate actively in developing the Group through their roles as joint shareholders as well as senior leadership positions in USTC and directorships within several Boards across the Group.

The USTC Board of Directors sets and oversees the overall strategic direction for USTC's sustainability commitments. The Board of Directors consists of individually selected, independent directors and USTC's owner family, ensuring the Group has a broad range of relevant knowledge, experience, and long-term perspectives available to develop the Group.

As a new initiative, USTC has established a Group ESG Steering Committee. The ESG Steering Committee is represented by the owner family, the Senior ESG Lead, the Group Communications Senior Director and the Group Chief HR Officer. The Council, which serves as the formal steering body for ESG in USTC, has identified the following four areas within ESG where they see clear synergies and opportunities, and where they will support and facilitate cooperation across the entire Group: Corporate Governance · Climate Impacts · Diversity, Equality, and Inclusion · Compliance.

USTC's Group functions ensure that the owners' ambitions are anchored in the Group, set requirements, and identify strategic opportunities within the ESG domain. USTC is responsible for setting up relevant ESG forums or bodies to coordinate between our owners, USTC functions, and the operating companies. In some cases, USTC will drive a strategic approach to sustainability directly while in others, USTC will serve in an advisory role.

The Board of Directors for each operating company sets and oversees the overall strategic direction for the companies' commercial and sustainability activities. Each Board consists of both independent directors and representatives from the USTC owner family.

The Executive Management for each operating company is responsible for their overall business, which includes overseeing their sustainability commitments and performance.

In 2022, ESG Councils have been established in each operating company to serve as the formal steering body for ESG. Each ESG Council consists of both members from Executive Management and other senior stakeholders with key responsibilities relating to ESG.

USTC's owner family.

Mia Østergaard Rechnittzer, Chief Governance Officer of USTC

Torben Østergaard-Nielsen, Chairman of the USTC Board of Directors

Nina Østergaard Borrís, Chief Executive Officer of USTC



MATERIALITY ASSESSMENT

USTC has decided to formalize how we work with sustainability, both as the parent company of a conglomerate and as a group of distinct companies. This year, we have therefore conducted our first ever comprehensive materiality assessment covering USTC and four of the companies within our Group: Bunker Holding, Uni-Tankers, SDK FREJA, and Unit IT. In the assessment, we apply the concept of double materiality to determine both how investing in sustainability can constitute risks and opportunities to our performance as businesses as well as how we as a group of companies impact the environment, people, and society. In the assessment, we have considered both how we can drive positive change and prevent harmful impacts. The overall objective has been to set a clear and actionable direction for how we work with sustainability, allowing us to take firm action and use our roles in the markets to exercise our responsibility.

USTC has partnered up with Deloitte to enforce a rigorous materiality process and ensure that the Group's work aligns with best practice in our industries as well as the leading ESG standards and frameworks. As each operating company within our Group operates in a distinct market, each operating company has conducted their own materiality assessment to ensure a clear link to their business and unique ESG footprints. Following these, we have conducted an overall assessment for USTC to capture those material topics going across the Group. The following section describes the general materiality process for the operating companies and how it ties up to USTC's assessment.

To inform each individual materiality assessment, we gathered and analyzed input from a broad range of stakeholders, which include the owner family, management, employees, business partners, financial institutions, and input obtained from other stakeholders as part of our normal ways of doing business. In addition, we analyzed and benchmarked against several ESG initiatives, standards, and frameworks of relevance to the companies in the USTC Group. These include GRI, SASB, MACN, the Poseidon Principles, the GHG Protocol, the UN Global Compact, and the UN Sustainable Development Goals as well as reporting done by our peers and other relevant companies within our sectors.

We have used this input as broader points of reference for potential material ESG topics not immediately considered by ourselves or our stakeholders, which has informed valuable discussion in relation to the scoping, definitions, and potential disclosures for our material topics.

Following the initial assessment, we conducted several workshops with internal stakeholders to discuss and align on how we define and understand each individual topic. We also surveyed a broader group to gather additional input and ensure that the topics chosen were representative of our global presence and cultural diversity.

Finally, the ESG Council in each respective company validated and approved the materiality assessment, with some companies having already submitted it for final approval with their respective Board of Directors. As this

was the first comprehensive materiality assessment performed in the USTC Group, USTC was directly represented throughout the process to provide input and affirm our commitments to the sustainability agendas of each operating company. The final lists of topics can be seen in the reporting for each respective company.

Based on the operating companies' assessments, our owners have had continuous discussions regarding their long-term visions and ambitions for the material ESG in the Group. As a result, USTC has decided to prioritize four of the material topics that not only reflect the overall topics in the operating companies but also the ownership's vision.

Throughout the process, there was broad agreement on the range and scope of material topics identified both within the operating companies and together with USTC. In addition, all involved stakeholders have emphasized the need to enhance and prioritize our efforts within the ESG domains in addition to using these topics as the frame for future sustainability efforts.

We will evaluate our material topics on an ongoing basis, considering feedback from relevant stakeholders across the operating companies, external parties, and the experiences to come from our coming efforts. This could include expanding USTC's list of material topics. We will report the outcome of these evaluations in our reporting for the next financial year.

USTC'S FOUR PRIORITIZED TOPICS



CORPORATE GOVERNANCE



CLIMATE IMPACTS



DIVERSITY, EQUALITY, AND INCLUSION



COMPLIANCE

TOPICS IDENTIFIED BY OPERATING COMPANIES

BUNKER HOLDING

- CLIMATE IMPACTS FROM SUPPLIED FUEL
- CLIMATE IMPACTS FROM OWN ACTIVITIES
- RESOURCE AND WASTE MANAGEMENT
- AVOIDING OIL SPILLS
- DIVERSITY, EQUALITY, AND INCLUSION
- HEALTH AND SAFETY
- TALENT AND CAPABILITIES
- LOCAL COMMUNITY IMPACT
- CORPORATE GOVERNANCE
- TRANSPARENCY AND REPORTING OF PERFORMANCE
- COMPLIANCE
- CYBERSECURITY
- HANDLING AND REPORTING OF MISCONDUCT
- RESPONSIBLE TAX POLICY

UNI-TANKERS

- EMISSIONS REDUCTION
- SPILL PREVENTION AND BIODIVERSITY
- WASTE MANAGEMENT
- WATER MANAGEMENT
- VALUE CHAIN IMPACTS
- VESSEL RECYCLING AND SCRAPING
- HEALTH, SAFETY, AND SECURITY (HSS)
- RECRUITMENT AND EMPLOYEE RETENTION
- EMPLOYEE RELATIONS
- DIVERSITY, EQUALITY, AND INCLUSION
- LEARNING OPPORTUNITIES
- CORPORATE GOVERNANCE
- TRANSPARENCY AND REPORTING
- COMPLIANCE
- DATA PRIVACY AND SECURITY
- HANDLING AND REPORTING OF MISCONDUCT
- RESPONSIBLE TAX AND FLAGGING POLICY

SDK FREJA

- CLIMATE IMPACTS UNDER OUR CONTROL
- CLIMATE IMPACTS FROM OUR VALUE CHAIN
- RESOURCE AND WASTE MANAGEMENT
- DIVERSITY, EQUALITY, AND INCLUSION
- HEALTH AND SAFETY
- EMPLOYEE ATTRACTION AND RETENTION
- COMMUNITY ENGAGEMENT
- CORPORATE GOVERNANCE
- TRANSPARENCY AND REPORTING
- COMPLIANCE
- DATA PRIVACY AND SECURITY
- HANDLING AND REPORTING OF MISCONDUCT

UNIT IT

- CO2 EMISSIONS AND CLIMATE IMPACTS
- CLIMATE IMPACTS FROM OUR VALUE CHAIN
- E-WASTE MANAGEMENT
- DIVERSITY, EQUALITY, AND INCLUSION
- HEALTH AND SAFETY
- EMPLOYEE ATTRACTION, RETENTION, AND DEVELOPMENT
- HYBRID WORKPLACE
- CORPORATE GOVERNANCE
- COMPLIANCE
- DATA PRIVACY AND SECURITY
- HANDLING AND REPORTING OF MISCONDUCT

CORPORATE GOVERNANCE



Without a strong governance structure, many of the important sustainability initiatives would lose supervision, direction, and finally traction

Mia Østergaard Rechnitzer
USTC Chief Governance Officer

NEVER UNDERESTIMATE CORPORATE GOVERNANCE

In working with ESG, the G – Governance – is one important but perhaps often overlooked caveat. But instead of underestimating the G, you should acclaim it as the very foundation upon which every ambitious and far-reaching ESG goal rests, suggests Mia Østergaard Rechnitzer, Chief Governance Officer at USTC.

“Without a strong governance structure, many of the important sustainability initiatives would lose supervision, direction, and finally traction. You cannot succeed with anything if you do not have the right governance model,” she says. “And our governance model fits our ESG work all the way from the top through to the actual operation, where the changes need to happen.”

“Having a governance structure with central bodies that have both the mandate and the responsibility to deliver on the ESG agenda is key. Not to mention having a strong governance system in place, ensures that we are tracking the progress we are making. This will be critical in shaping and guiding future decision-making,” says Mia Østergaard Rechnitzer.

Mia and her family exert an active ownership that is marked by respect for each individual company’s freedom to manage their business, and where the family’s focus is on ensuring long-term value creation; where a management team is typically planning five years ahead for their current strategies, the Østergaards are looking 20 or 30 years into the future to ensure the longer-term prosperity of the company and the outside world that it affects.

“Especially with ESG, this is a huge strength for us. Because this is the same perspective of transformation for driving the sustainability agenda.”

“The ESG agendas are driven by each company, and they take ownership and responsibility for their goals. Meanwhile, we will ensure that there is a strong governance model for ESG - not only in the individual companies, but across the entire Group.”

The Chief Governance Officer has ensured that ESG is on the agenda at board meetings in every company and that ESG competencies are represented across the Board of Directors. Also, each company has an ESG Council where Executive Management and key employees regularly meet to plan the way forward, and every area of priority has been given a Topic Owner. In areas with scope for cooperation across the USTC Group, Mia Østergaard Rechnitzer has added working groups where key figures from the various companies come together. The goal here is to promote cross-group learning and take optimal advantage of possible synergies.

“We intend to push the ESG agenda, and to set the level of ambition sufficiently high,” she says. “We want to ensure that Boards of Directors and Executive Management teams reflect our goals and values, not least on environmental and social criteria. It goes both ways though, because we are also dependent on our businesses bringing insights from their respective markets and putting forward creative ideas for what we can do to move the needle.”

Each company in the Group focuses on their broader, unique ESG challenges but in areas with clear similarities and common challenges and opportunities, it makes sense for USTC to support and facilitate cooperation across the Group.

“They are stand-alone companies, but at the same time part of something bigger. We have tried to find the right balance where there is room for agility, but also complete transparency and accountability. As with everything else, the governance model will continuously be evaluated as we develop our approach.”

CORPORATE GOVERNANCE AT USTC

As USTC has grown both organically and through acquisitions, we have had a continuous focus on strengthening governance across the Group. At the same time, we have slowly and steadily been implementing a generational shift in the ownership, ensuring that Torben Østergaard-Nielsen's baton has been passed to his two daughters Mia Østergaard Rechnitzer and Nina Østergaard Borris. These developments have been natural, intentional, and highly connected.

In 2020 when Nina and Mia each took over one third of the shares of USTC and Nina Østergaard Borris took on the role of COO of USTC, it was not only part of the planned succession process for the ownership, but also a very intentional step towards developing the Group holistically and executing an aggressive growth plan through strategic acquisitions. With Mia's return to the family business in 2021 as Head of Corporate Governance, USTC acquired an asset solely dedicated to strengthening sustainability, ESG, and governance across the Group.

Nina's and Mia's new roles in USTC as Chief Executive Officer and Chief Governance Officer respectively, reflects both the planned succession for the family as well as a continuous and strengthened focus on developing the Group.

At USTC, we have also reviewed the ownership's directorships in the Group's operating companies. With our current scale and the scope of our activities, no one can be present everywhere and keep any dedicated

focus. We have therefore made appropriate adjustments to ensure that the ownership only has directorships where it makes sense and creates value, and that cross-group coordination takes place in USTC's owner forum. The ownership will continue to possess at least one directorship in each operating company to maintain the direct presence of the family ethos.

SETTING THE FRAMEWORK

Being a constant in times of great changes, the overall objective of our corporate governance framework remains the same as when USTC was founded: To enforce our family values of business acumen, leadership, and decency. The framework builds on the following characteristics:

- We want to combine strong governance principles with our ability to be adaptive, proactive, and have a long-term perspective to managing our businesses.
- We want autonomy for those making the decisions for our businesses. In practice, that means that all responsibility, operational activity, and the accountability this entails resides with each operating company. In turn, this means ensuring that the Executive Management team and Board of Directors have the mandate to make the right dispositions for the business.

USTC OWNERSHIP: DIRECTORSHIPS



Torben Østergaard-Nielsen Chairman
Nina Østergaard Borris Board member
Mia Østergaard Rechnitzer Board member



Torben Østergaard-Nielsen Vice Chairman
Nina Østergaard Borris Board member
Mia Østergaard Rechnitzer Board member



Torben Østergaard-Nielsen Chairman
Nina Østergaard Borris Vice Chairman
Mia Østergaard Rechnitzer Board member



Torben Østergaard-Nielsen Vice Chairman
Nina Østergaard Borris Board member
Mia Østergaard Rechnitzer Board member



Nina Østergaard Borris Chairman

Lastly, we want our corporate governance framework to enable transparency and synergies across our Group. That means that we are actively looking to structure ourselves in a way that facilitates collaboration across the individual operating companies when it makes sense.

As part of our corporate governance framework, we require the Board of Directors of each company to be governed and managed following the highest, professional standards, for instance relating to the independence of directors, communications with stakeholders, and duties and responsibilities of the Board of Directors. As part of this work, we have identified three concrete requirements:

- First, we require that each Board conducts an annual review of board effectiveness using generally accepted principles and recommendations for good corporate governance as guidance. As USTC is headquartered in Denmark, we refer to the recommendations by the Danish Committee on Corporate Governance, which is aligned with Danish and EU corporate law as well as the OECD Principles of Corporate Governance.
- Second, we require that each company formally documents the duties and responsibilities of the Board of Directors and Executive Management teams in mandate letters.
- Third, we require each company to regularly review its core policies to ensure that they reflect the current operations, risks, and opportunities of each company. This includes their Codes of Conduct, ESG frameworks, etc.

THE ACTIVE ROLE OF USTC

Beyond setting the requirements for the Group's formal corporate governance setup, USTC also takes a more active role in establishing governance structures, systems, and processes across the Group, as well as ensuring that the best people are in the right leadership positions.

As part of the active ownership, formal leadership assessments are systematically conducted for Executive Management teams and their direct Management to

support their continuous development. We are working with external partners to ensure these evaluations are performed with a professional and independent approach and in accordance with each company's unique context. This provides valuable insight for the leaders themselves and helps safeguard the values on which USTC is founded.

As part of the general strengthening of ESG across our Group, we have established a permanent ESG Steering Committee in USTC as well as ESG Councils in each of the four main operating companies. The purpose of the ESG Councils is to firmly anchor the ESG agenda within each entity, as well as to align on, challenge, and monitor ESG performance. The ownership and USTC representatives are present and participate actively in each operating company's ESG Council.

On a more flexible basis, USTC also facilitates specialized forums and committees in order to share knowledge, identify synergies, and develop solutions for common challenges across the Group. As one example, senior stakeholders across our Group meet in USTC's Cyber Security Forum to discuss and support each operating company in addressing the rising cyber threat. Another example is the HR Forum, which was established in 2021, and which eventually developed into our centralized HR function covering the entire Group.

Over the coming year, we intend to facilitate additional forums to strengthen intra-group cooperation on USTC's material ESG topics, including Climate Impacts, Diversity, Equality, and Inclusion, and Compliance. Our Compliance Forum will meet for the first time in Q4 2022 as part of the implementation of our compliance framework (see section on page 39).





RESPONSIBLE TAX POLICY

At USTC, we recognize that taxation is key to providing funding for the obtaining of public objectives such as the UN Sustainable Development Goals, and that we as a company have a moral and legal obligation to contribute towards the societies in which we operate. USTC's overall Tax Policy is underlined by three tenets:

- 1) We shall act with integrity and maintain good corporate citizenship in handling the tax affairs of the USTC Group.
- 2) To the best of our best effort we intend to comply with applicable tax regulations.
- 3) We will act in an upright manner towards public authorities and pay taxes as required by law.

USTC has activities in many countries and income from our activities are by default taxed where we operate. Despite company registrations in certain low and zero-tax jurisdictions, income is not allocated to these countries since USTC Group activities are taxed where our subsidiaries' activities have their origins and thereby where they are tax residents. By following this principle, USTC directly contributes towards the UN Sustainable Development Goal number 17 by contributing towards domestic resource mobilization (target 17.3) and by respecting each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development (target 17.15).

USTC has ongoing dialogues with many authorities as part of the normal operation of our business and tax affairs. USTC does not participate in formalized partnerships with tax authorities. We expect all our employees and partners

to act towards authorities in a principled manner and not engage in any behaviors undermining society and local institutions, and we have made these expectations clear in our Code of Conduct.

We aim to ensure that we are aware of all relevant tax risks, compliance matters, and legislative developments, and we proactively engage authorities and external service providers to ensure that we follow local requirements as well as actively identify, manage, and mitigate our tax risk. These service providers include both international and local tax advisors. Any risks of misconduct which may affect our tax affairs - such as bribery and fraud – are managed as part of the normal compliance programs of each company within the USTC Group. We strongly encourage our employees or any other stakeholder to promptly raise any relevant concerns through our whistle-blower channel.

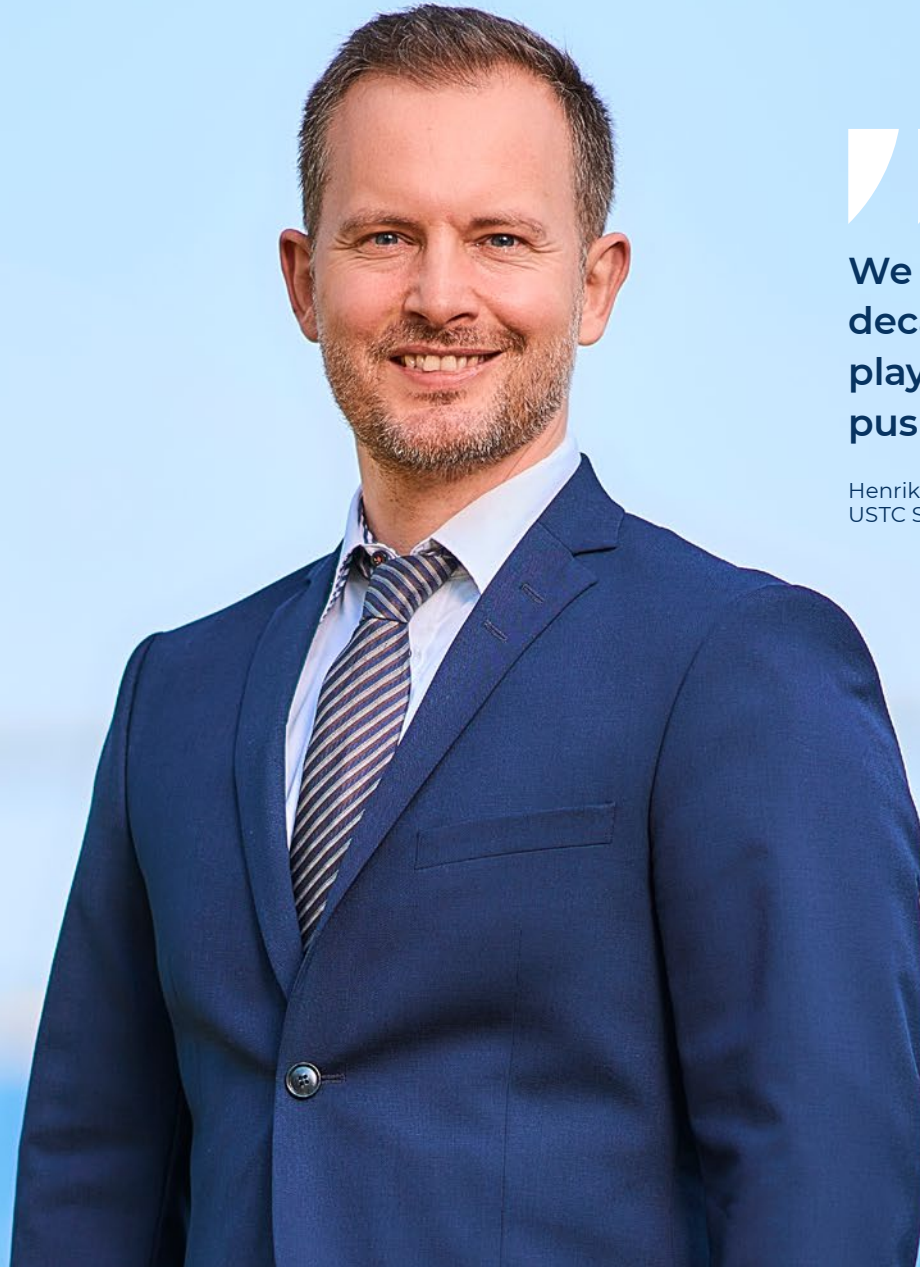
In countries where tax incentive programs exist, USTC considers whether they make ethical and commercial sense. By default, we do not take part in tax incentive programs, and we did not do so in the financial year 2021/2022. By following the principles and policies outlined above, USTC contribute directly towards the UN Sustainable Development Goal number 16 by promoting the rule of law (target 16.3), not contributing towards corruption and bribery in any forms, (target 16.5), and contributing toward the functioning of effective, accountable, and transparent institutions (target 16.6).

As part of our ongoing commitment to tax transparency, we will expand our reporting to include an overview of our tax contribution and effective tax rate over the next year.

TAX GOVERNANCE

The Chief Financial Officer of USTC has the overall responsibility for tax matters and approves the Group's Tax Policy. Since the Group's operating companies engage in widely different business activities, the Chief Financial Officer of each individual operating company is responsible for handling tax in line with the unique tax circumstances of their operations. Hence, each operating company may adopt a more specific tax policy taking into account those circumstances while still being aligned with USTC's overall Tax Policy. As examples of those circumstances, our ship-owning activities in Uni-Tankers is taxed through the tonnage tax system, Unit IT only operates in Denmark, and Bunker Holding has taxable business activities across the world. All tax reporting and payments are nonetheless consolidated and performed at the level of USTC.

CLIMATE IMPACTS



We cannot dictate the pace of decarbonization, but we want to play a key role in facilitating and pushing the transition.

Henrik Schou Pedersen
USTC Senior ESG Lead

AN AMBITIOUS VENTURE

USTC's companies play important roles in powering global trade. Inevitably, this means they are also responsible for a significant amount of the emissions caused by world trade.

The consolidated figure for Scope 1, 2, and 3 emissions for the Group – calculated this year for the first time as part of its new ESG program – add up to more than 104 million metric tonnes of CO₂e.

Group companies operate as intermediaries and facilitators, and the overwhelming share of the carbon footprint of each company comes in the form of indirect emissions from their value chain. For USTC, these Scope 3 emissions account for 99.9 percent of the total footprint.

“The vast majority of our carbon footprint is generated beyond our direct control. However, we do have varying degrees of influence, and we are committed to setting targets covering the entire value chains of our operating companies,” says USTC Senior ESG Lead, Henrik Schou Pedersen.

“We cannot dictate the pace of decarbonization, but we want to play a key role in facilitating and pushing the transition.”

Already, USTC companies act as active advisors, experts, and partners on new, sustainable fuel types.

“We help producers of new fuels understand the logistics of delivering their product to the shipping industry, which is often a completely new and unknown market to them.” In the coming years and decades, this effort will only increase.

But here in 2022, it is still just the first tentative steps that are being taken on what everyone in the industry expects to be a long and winding path. At USTC, some of these steps have involved developing the Group's first climate framework with common standards, principles, and requirements.

USTC has asked each company to calculate publicly available carbon accounts for their full value chain and establish their carbon reduction strategies. For Scope 1 and 2 emissions, every company must have absolute carbon reduction targets. For Scope 3 emissions, targets may be results-based or activity-based, such as the number of new partnerships, for now.

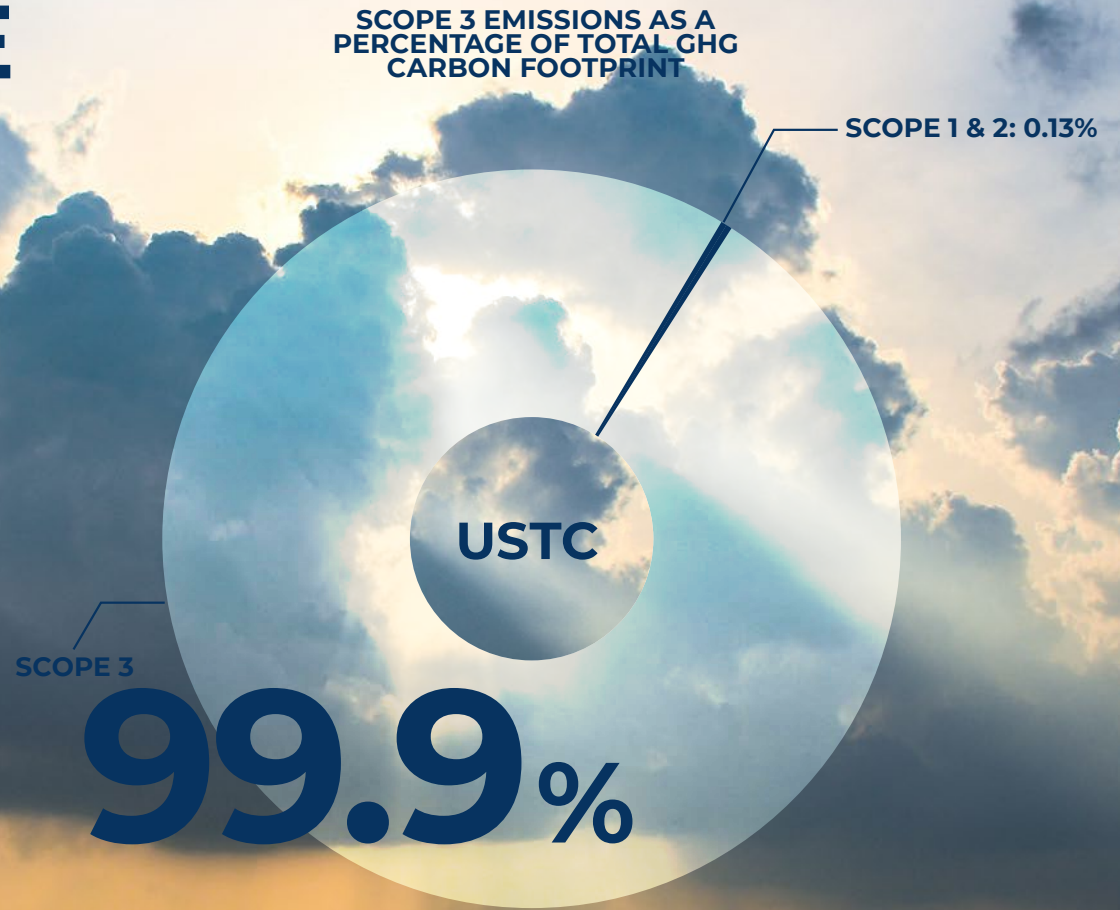
Going forward, USTC will have a very active role in supporting the companies achieving their goals. It is actively engaged in all ESG Councils across the Group, offering expertise, resources, and strategic sparring, and pursuing synergies and opportunities to cooperate across the Group. In the coming year, Henrik Schou Pedersen will chair a new USTC decarbonization forum that further aims to foster dialogue between key stakeholders.

Even though it is dwarfed by the towering figures for indirect Scope 3 emissions, the direct carbon footprint stemming from the Group's Scope 1 and 2 emissions is still enough to have a significant impact. Consequently, they will not be overlooked, but actively mitigated.

“With Scope 1 and 2 emissions we can make a difference now, so this is where we start taking concrete steps today,” says Henrik Schou Pedersen.

One example of this effort is at Unit IT, where computers and servers are now powered by renewable energy. In the grand scheme of things this may just move the Group a couple of small steps closer to its faraway goal. But when you embark on a marathon, committing yourself to the challenge and crossing the starting line are the most important steps of them all.

USTC CLIMATE IMPACTS



The pace of the transition to a low carbon future will differ across each industry. In Denmark, where our IT services business is located, powering offices and servers with renewable electricity is both feasible, affordable, and seen as a good practice in the industry. In our road logistics segment, low-carbon technologies are beginning to see wider adaptation, but large-scale infrastructure, long-range solutions, and the market's willingness to pay still needs to improve. In the shipping industry, the IMO has set a target of reducing carbon emissions by 50 percent in 2050 compared to 2008 levels of CO₂ emissions. Yet, the new fuels that will drive this objective have not yet been determined, and the industry will remain fossil-dependent for decades to come.

The majority of USTC's companies operate as intermediaries and facilitators and thereby occupy important segments of their value chains, enabling market activity and facilitating the global transport of goods and services. As such, the overwhelming share of the carbon footprint of each of our operating companies comes from fossil fuel consumption across our value chain, also defined as Scope 3 emissions by the Greenhouse Gas Protocol (GHG). This means that most of our carbon footprint is generated by people and assets beyond our control, but over which we have varying degrees of influence. Nevertheless, we are committed to setting sustainability commitments covering the entire value chains of our operating companies.

SETTING THE FRAMEWORK

Over the past eight months, we have worked to develop USTC's first climate framework. The overall objective of the climate framework is to establish the common standards, principles, and requirements for how the Group addresses our climate impact. In this first iteration of our climate framework, we have set four main requirements towards our Group.

1. Each operating company must have calculated their carbon accounts for their full value chain covering the entire financial year. Each carbon account must be publicly available and compliant with the guidance outlined in the GHG Protocol and aligned with other recognized standards and best practice for their industry.
2. Each operating company must have absolute carbon reduction targets covering Scope 1 and 2 emissions. Each target must be developed with reference to recognized standards and best practice for their industry and be aligned with the overall ambitions of USTC.

SCOPE 3 INTENSITY ACROSS THE FOUR OPERATING COMPANIES

BUNKER HOLDING

99.99%

UNI-TANKERS

67.31 %

SDK FREJA

97.76 %

UNIT IT

99.51 %

3. Each operating company must have relevant carbon reduction targets covering Scope 3 emissions. Targets may either be activity-based (e.g., number of active partnerships) or results-based (e.g., relative carbon reduction achieved) but must address the most significant parts of Scope 3 emissions. Each target must be developed with reference to recognized standards and best practice for their industry and be aligned with the overall ambitions of USTC.

4. Each operating company must establish a strategy and roadmap for achieving carbon reduction targets, which includes having established clear governance and communicated this externally.

An overview of progress towards these requirements can be seen below.

THE ACTIVE ROLE OF USTC

USTC plays an active role in supporting our operating companies in living up to our requirements and pursuing their own sustainability ambitions. We are actively engaged

in our operating companies' ESG Councils, offering our expertise, resources, and strategic sparring where relevant, as well as ensuring that opportunities to cooperate are pursued across the Group.

Cooperation across the Group will be key to driving a lot of learnings needed to achieve our ambitions. As one good example, Uni-Tankers conducted a trial of biofuel earlier this year using biofuel sourced by one of Bunker Holding's subsidiaries. The trial provided valuable insights into the reduction of the vessels' well-to-wake CO₂ emissions impact. While initiatives such as these will not save the world, they provide key learnings to our Group, and it is something we want to further pursue.

In general, there is a clear avenue for closer cooperation on the use of biofuel and other alternative, low-fossil fuels in shipping, which Uni-Tankers, Bunker Holding, and SDK FREJA's Shipping division are investigating. At the same time, some of the learnings from these initiatives are relevant for SDK FREJA's Logistics division – or vice versa.

We also see other opportunities in relation to facility management, energy procurement, managing and

handling electronic and IT equipment, etc. In the coming year, we will establish a decarbonization forum chaired by USTC's Senior ESG Lead to foster dialogue between key stakeholders across the Group.

In other areas, USTC supports more directly by providing policies, systems, and insights to the operating companies. For instance, we have ensured that all operating companies use the same tooling, methodology, and templates to calculate their carbon accounts. Over the coming year, we will continue to work closely with the operating companies to improve and establish controls on carbon data quality to prepare for future reporting requirements as set forth in the CSRD.

In addition, we will be looking further into the possibility of leveraging our ownership structure to support and finance investments for reaching our climate objectives.

PROGRESS AGAINST CLIMATE FRAMEWORK

	Calculated carbon account in compliance with GHG Protocol guidance	Established absolute carbon reduction targets for Scope 1 & 2	Established relevant carbon reduction targets for Scope 3	Established a carbon reduction strategy and roadmap with clear ownership
Bunker Holding	Yes	Expected in 2022	Expected in 2022	Expected in 2022
Uni-Tankers	Yes	Expected in FY2022/2023	Expected in FY2022/2023	Expected in 2022
SDK FREJA	Yes	60% emissions reduction by 2040	50% emissions reduction by 2040	Expected in 2022
Unit IT	Yes	Expected in 2022	Expected in 2022	Expected in 2022

CARBON ACCOUNTS

This year, we have calculated our first ever carbon accounts for the four operating companies Bunker Holding, Uni-Tankers, SDK FREJA, and Unit IT. The carbon accounts provide us with detailed insights into how we as a Group impact the climate, and they are a prerequisite for us to take responsibility of our operations. The carbon accounts have been compiled by Deloitte in accordance with the Greenhouse Gas (GHG) Protocol and cover all material emissions from the full value chain of each of the four operating companies for the financial year 2021/2022. For further information, see the Accounting Principles on pages 68-73.

We have prepared the carbon accounts for each of the four companies in scope for this report separately, which we have then consolidated into USTC Group figures. There are some overlaps between the individual companies' emission figures presented below due to intra-group trade. For instance, Uni-Tankers occasionally source fuel from Bunker Holding for their own vessels, which is then both counted as Uni-Tankers' Scope 1 and Bunker Holding's Scope 3 emissions. We have therefore adjusted USTC's consolidated carbon accounts for material overlaps by a total of 325,018 metric tonnes of CO₂e.

The carbon accounts presented below provide the Scope totals as well as highlight subcategories relevant to the particular operations of each operating company. See each company's own reporting for a more detailed breakdown and explanation of the respective carbon accounts.

USTC CONSOLIDATED FIGURES

MT CO ₂ e	
Scope 1	133,130
Terminals & Offices	4,410
Company cars	425
Owned Vessels	110,765
Owned Trucks	17,530
Scope 2	4,937
Electricity_LB	1,745
Electricity_MB	3,809
Heating	312
Cooling	817

MT CO ₂ e	
Scope 3	104,004,588
Purchased goods/services (cat. 1)	17,503,139
Purchased capital goods (cat.2)	18,683
Fuel and energy-related (cat. 3)	28,950
Upstream transportation (cat. 4)	53,501
Subcontracted ROAD (cat. 4)	797,799
Subcontracted AIR (cat. 4)	23,923
Subcontracted SEA (cat. 4)	85,685
Waste handling (cat. 5)	18
Business travel (cat. 6)	6,377
Employee commuting (cat. 7)	1,013
Bunker One fleet (cat. 8)	167,978
TC Vessels Uni-Tankers (cat. 8)	189,462
TC Vessels SDK FREJA (cat. 8)	3,394
Downstream transportation (cat. 9)	385,301
Use of sold products (cat. 11)	84,739,365

USTC's consolidated carbon footprint is 104,142,655 metric tonnes CO₂e. See a detailed breakdown of how each individual company in the Group contributes to the consolidated carbon footprint on the following pages.

BUNKER HOLDING

MT CO ₂ e	
Scope 1	3,821
Terminals & offices	3,620
Company cars	201
Scope 2	1,948
Electricity (market-based)	968
Electricity (location-based)	698
Heating	163
Cooling	817
Scope 3	103,169,961
Purchased goods and services (cat. 1)	17,494,347
Purchased capital goods (cat. 2)	1,211
Fuel and energy-related (cat. 3)	614
Upstream transportation (cat. 4)	59,564
Business travel (cat. 6)	2,791
Chartered fleet (cat. 8)	173,057
Downstream transportation (cat. 9)	385,301
Use of sold products (cat. 11)	85,053,076

Bunker Holding's total carbon footprint is 103,175,730 metric tonnes of CO₂e of which more than 99 percent are related to fuel products that the company sells to customers. These are fuels that Bunker Holding itself does not consume.

Most of Bunker Holding's Scope 1 emissions occur from the consumption of traditional fuels for heating bunker terminals.

Scope 2 emissions stem from electricity, heating, and cooling consumed at Bunker Holding's offices and terminals.

Scope 3 covers emissions from all relevant activities across Bunker Holding's value chain. 80 percent of these emissions are generated by the consumption of supplied fuel products by Bunker Holding's customers, and 17 percent occur from the extraction, processing, refining, and transportation of those fuels from well-to-tank.

Another significant source of Scope 3 emissions is the consumption of marine fuels in our chartered fleet, which the subsidiary Bunker One uses to transport sold products to our customers.

UNI-TANKERS

MT CO ₂ e	
Scope 1	110,924
Terminals & offices	15
Company cars	144
Owned vessels	100,765
Scope 2	47
Electricity (market-based)	47
Electricity (location-based)	16
Heating	0
Scope 3	228,512
Purchased goods/services (cat. 1)	5,530
Purchased capital goods (cat. 2)	6,750
Fuel and energy-related (cat. 3)	23,982
Upstream transportation (cat. 4)	165
Business travel (cat. 6)	2,622
Leased assets (cat. 8)	189,462

Uni-Tankers' total carbon footprint is 339,483 metric tonnes of CO₂e, of which 88 percent comes from the consumption of marine fuels in Uni-Tankers' owned and chartered vessels.

Scope 1 emissions come almost exclusively from consumption of fuels in Uni-Tankers' own vessels.

Scope 2 covers emissions from purchased electricity consumed at Uni-Tankers' offices.

Scope 3 covers emissions from all relevant activities across Uni-Tankers' value chain. 83 percent of Scope 3 emissions comes from the consumption of fuel in chartered vessels. Another significant source of emissions comes from the extraction and refining of fuel consumed by owned vessels.

SDK FREJA

MT CO ₂ e	
Scope 1	18,371
Terminals & offices	773
Company cars	69
Owned trucks	17,530
Scope 2	2,942
Electricity (market based)	2,793
Electricity (location based)	895
Scope 3	928,342
Purchased goods/services (cat. 1)	816
Purchased capital goods (cat. 2)	10,678
Fuel and energy-related (cat. 3)	4,333
Subcontracted road transport (cat. 4)	797,799
Subcontracted air transport (cat. 4)	23,923
Subcontracted sea transport (cat. 4)	85,685
Waste handling (cat. 5)	18
Business travel (cat. 6)	684
Employee commuting (cat. 7)	1,013
Leased assets (cat. 8)	3,394

SDK FREJA's total carbon footprint is 949,655 metric tonnes of CO₂e, of which 96 percent are generated by the consumption of fuel by SDK FREJA's subcontractors.

Scope 1 emissions come predominantly from the consumption of fuels in trucks owned by SDK FREJA.

Scope 2 covers emissions from purchased electricity and heating consumed at SDK FREJA's offices and warehouses.

Scope 3 covers emissions from all relevant activities across SDK FREJA's value chain. 98 percent of Scope 3 emissions comes from the consumption of fuel by SDK FREJA's subcontractors when transporting goods on behalf of the company by road, air, and sea.

UNIT IT

MT CO ₂ e	
Scope 1	14
Scope 2 (market-based)	0
Scope 2 (location-based)	135
Scope 3	2,791
Purchased goods/services (cat. 1)	2,445
Purchased capital goods (cat. 2)	45
Fuel and energy-related (cat. 3)	20
Business travel (cat. 6)	281

Unit IT's total carbon footprint is 2,805 metric tonnes of CO₂e, of which 87 percent comes from estimated emissions from purchased goods and services.

Scope 1 emissions stem predominantly from the consumption of fuel in company cars.

Scope 2 covers emissions from purchased electricity and heating consumed at Unit IT's offices. All relevant consumption in this Scope is covered by renewable energy certificates, so the market-based emissions are 0. Additional emissions related to non-metered electricity and heating is included in Scope 3, category 1.

Scope 3 covers emissions from all relevant activities across Unit IT's value chain. The predominant share of emissions derives from purchased goods and services such as IT services and electronics as used by both Unit IT and our customers. Business travel also constitutes a material share of Scope 3 emissions.

DIVERSITY, EQUALITY, AND INCLUSION



The diversity of the working environments across the Group is very eye opening

Alexander Jaffe
USTC Chief Human Resources Officer

BALANCING AMBITIONS

While USTC's people are from all cultures, ages, backgrounds, and experiences, the Group's companies face challenges on Diversity, Equality, and Inclusion.

In principle, the challenge facing Alexander Jaffe is quite straightforward. As Chief Human Resources Officer, he must spearhead the Group's global effort to ensure equal opportunities for all across very diverse cultures. However, as with so many aspects of sustainability, it is not as simple as just that.

USTC HR supports all companies in the Group which encompasses people as diverse as bunker traders, IT specialists, truck drivers, dock workers, and financial experts. Whilst each company in USTC works with Diversity, Equality, and Inclusion, as the challenges and potential solutions relate to them and their markets, Alexander Jaffe and his team are centrally positioned to identify synergies between the different companies, and how each company can benefit from learning and cooperating with each other.

Diversity, Equality, and Inclusion is one of the four areas in the ESG framework that will be spearheaded by USTC.

"In my experience, companies with an inclusive, gender-balanced, and diverse workforce are more successful. Their decision-making is superior, they are innovative, and better positioned to outperform the market. Although we have worked with Diversity, Equality, and Inclusion for several years, we know there is still room for improvement. So, we ask ourselves the important questions: How do we ensure nuanced and new ways of thinking? How do we attract a bigger and more diverse talent pool? How do we avoid unconscious bias in the way we recruit and promote employees?"

"We have always had the ambition to improve. We have always known that the balance needs to be much better. Now, with our ESG framework, the process of figuring this out becomes much more structured and focused. But our challenges are not something we will solve in one, two, or three years."

At this stage, it is easy to list the challenges and the complexity that it encompasses, and it is difficult to provide clear answers. With more than 50 nationalities working at offices in 40 countries around the globe, one size will rarely fit all. Cultural differences mean that while one approach would be fine in one office, it would have the opposite effect elsewhere. Some solutions work well in the Emirates, but not at all in the Nordics.

Alexander Jaffe does know where to start, however. The recruiting process must be strengthened to secure a diverse pipeline of talent, and the Group must build a more flexible and fluid framework so that it can attract a bigger and broader talent pool.

"But we do have an issue with diverse representation in leadership positions and this also means looking much further into how we promote a larger variety of our people. How we can help by removing roadblocks and create a better work environment for those that typically experience more adversity as they advance through their career. We believe that by being in different industries and markets across USTC, we can inspire one another if we connect on common issues and basic human experiences. And the

diversity of the working environments across the Group is very eye opening."

Alexander Jaffe and his team cannot help but note how employees across the Group approach their workday very differently. While some of USTC's companies and departments have adopted a hybrid workplace model, others have opted for the opposite. This reflects the diverse portfolio of companies in the USTC Group.

"Clearly, there are many ways of working. The pandemic also served to open our eyes to that. As many employees suddenly became housebound, we had to adopt alternative ways of working. It forced us to think outside the box and consider how some of our employees could work more flexibly and actually benefit from it all around. Our learnings from this experience are something we take with us as we go forward and continue to share with one another."

"What the Group is trying to accomplish will require immense dedication and constant re-evaluation of what we are doing and the effect that it has. The return on investment will not be immediate either. We do not want to change our valued workforce overnight but rather shift it towards more diversity over time so we can look into a future of more participation for all."



DIVERSITY, EQUALITY, AND INCLUSION AT USTC

At USTC, we firmly recognize the value of having a diverse workforce across our Group. We are aware that external differences such as gender, ethnicity, nationality, or age do not by themselves have any bearing on the performance of individuals or our Group. Nor does internal factors such as religion or sexual orientation. These factors do, however, represent other differences that do matter to us, and which are supportive of our core value of business acumen. At the same time, we believe that including differences and treating people well is the right thing to do and one of the ways, in which we demonstrate decency across our Group.

As USTC has grown to become a global conglomerate, we have benefitted immensely from having access to local knowledge and experience and being present where we operate. We have always been proud of the many nationalities in our Group – this year more than 50 – and we want to continue our trajectory and accelerate our openness and inclusion towards new perspectives, competencies, and talents.

Over the past years, we have focused on fostering a more balanced gender composition in our companies, as well as among those who lead

them. Historically, the industries we operate in are male dominated, which we want to challenge as a Group. This is also the reason why we have chosen to focus on gender ratio as a starting point. In the future, we will expand our reporting scope to also include other areas within Diversity.

We can see that our industries and Group are gradually becoming more balanced, but that we still have a long way to go, especially in relation to upper management positions. We simply need to do more – and better.

Throughout our efforts to become more diverse and inclusive, we must, however, always remember that the value does not come from genders, nationalities, or cultural backgrounds alone. As we continue to adapt and grow as a business, we will maintain our commitment to broad diversity and inclusion and make a concerted effort to continuously identify and promote those structures and behaviors that create value for our Group – and which are conducive to our corporate values of leadership, business acumen, and decency.

WORKFORCE GEOGRAPHY

	Nationalities	Countries with Operations
USTC	+50	40
Bunker Holding	53	34
Uni-Tankers	18	4
SDK FREJA	19	8
Unit IT	4	1

GENDER COMPOSITION

	Female Board Members*	Female Executive Management	Female Employees**
USTC	33%	67%	28%
Bunker Holding	22%	0%	36%
Uni-Tankers	22%	0%	33%
SDK FREJA	17%	0%	28%
Unit IT	33%	0%	13%

*The gender composition in the Board of Directors in the current financial year 2022/2023 for the operating companies is as follows: Bunker Holding: 44% female, Uni-Tankers: 33% female, SDK FREJA: 38% female, Unit IT: 60% female.

**The figure is based on the consolidated number from USTC and the four operating companies in scope for this report.

SETTING THE FRAMEWORK

The overall objective of USTC's Diversity, Equality, and Inclusion framework is to establish policies, requirements, and systems to govern and monitor progress on our Diversity, Equality, and Inclusion ambitions. Our long-term target is to have either gender make up at least 40 percent of the composition of the Board of Directors, Senior Management, and full organization for each of our operating companies. As we mature as a group, we expect to broaden the scope of our framework to also incorporate other dimensions than gender. The responsibility for governing the framework lies with USTC's central HR function, which covers the entire Group, while implementation is the responsibility of each operating company and their HR partners.

Our overall policy is described in our Code of Conduct and entails that all employees must have equal career and management opportunities. We promote an open-minded and unprejudiced culture which allows each individual employee to make the best possible use of their skills. Likewise, internal management training programs in USTC are available to anyone with the right skills.

When recruiting new colleagues, we always look for the best candidate for the job. Historically, we used to say that gender or other characteristics say nothing about a person's competencies, level of commitment, or ability to cooperate with others, which is why they have not been decisive factors for us. Now, we are however increasingly attentive to the synergies that arise when different people come together. We are becoming more aware of the biases that exist within everyone and how they influence the way we hire, the way we make decisions around promotions, and the way we talk to each other. Our approach to diversity will mature over the coming years as we will increase our awareness on these issues.

We recognize that we still have far to go in this area, and we have therefore engaged with an external advisor to develop a comprehensive Diversity, Equality, and Inclusion framework, including strategic pillars, concrete ambitions, relevant KPIs, and an actionable roadmap. This work will begin in Q4 2022, and we expect to begin implementing the framework end of 2022 to beginning of 2023.

THE ACTIVE ROLE OF USTC

Both structure and culture are critical elements in shaping people and outcomes across our Group. Since USTC play a direct role in establishing and managing structures across the Group, our current focus is to systematically identify and remove the structural roadblocks going across and within each of our operating companies. For instance, our recruitment and promotion processes are key to maintaining a balanced talent pipeline, while our policies on flexibility, parental leave, non-discrimination etc. are important to leveling the playing field and creating equal outcomes in our people's daily work lives. We do however recognize that we will only succeed if we simultaneously continue to promote an inclusive culture throughout the Group.

To better identify these roadblocks, we have established data requirements for our Group, reviewed our current data and systems infrastructure, and found a number of gaps limiting our current level of insight. For instance, we lack a sufficiently granular insight into gender distributions across different organizational levels and functions as well as throughout the different stages of our hiring processes.

This year, we have also begun the process of implementing a new, single HR system for the entire Group, which will deliver more reliable, high-quality, and comparable data on our people. We expect to have fully implemented the new system in the financial year 2023/2024, after which we expect to disclose more granular data on our Diversity, Equality, and Inclusion performance.

USTC
PARENT COMPANY
EMPLOYEES

25

+18 COMPARED
TO 2020/21



COMPLIANCE



“
Compliance should
be a living, breathing
part of every office

Jakob Schultz Nielsen
USTC Chief Financial Officer

TOWARDS BEST IN CLASS

Over the coming year, each company in USTC will embark on arduous journeys towards compliance excellence.

Today, compliance at most companies in the Group is on par with their peers in their respective industries, with good procedures, policies, and processes. But USTC has decided that generally, compliance needs to be best-in-class across the Group.

“Our goal is for compliance to be much more than a policy document. Compliance should be a living, breathing part of every office, and it should be top-of-mind with every employee,” says USTC Chief Financial Officer, Jakob Schultz Nielsen.

Given that USTC’s companies, and the industries they operate in, are so diverse, there is no ‘one size fits all’ for compliance. Complexity has only grown concurrently with USTC, which has grown geographically to cover much of the globe with 141 offices in 40 countries.

The Group has decided to focus on four risk areas – corruption and bribery, money laundering, anti-trust, and trade sanctions. The operating companies will build their own individual programs, all of them resting on the same foundation and constructed around the same framework.

“This is a very ambitious undertaking. On their own, some companies in the Group would probably struggle to achieve such an ambitious compliance framework. But working together, we can give them all the support and guidance they need,” says Jakob Schultz Nielsen.

One company has already completed its compliance upgrade. Bunker Holding passed its external audit with strong results and is now ready to share their experience and help facilitate the coming process for the rest of the Group.

For all companies, the road to best-in-class compliance has been outlined by USTC. They will now go through a well-defined process to develop compliance charters, establishing clear governance, structures, and organizations as the strong foundations for their compliance programs.

In turn, each company will go through an individualized risk assessment process, ensuring that they are presently aware of all the material and unique risks associated with their business and markets. For some companies, this analysis will be relatively simple. Unit IT, for example, solely operates

on their domestic market. Conversely, Uni-Tankers operates internationally in markets where some risks are much more likely to materialize.

To address these risks, each company will craft policies and ensure that all employees have a good understanding of what compliance entails, know why it is important to them, and live compliance in their daily lives.

All of this will naturally be thoroughly tested, monitored, and controlled, ensuring that each compliance program is set to take on the future.

“This is a vibrant compliance framework of a very high standard, and we still have a long way to go. At the moment, we are at step one, discussing governance, and expect to launch our risk assessments soon.”

COMPLIANCE AT USTC

The world that USTC operates in is not the same as when the company was established more than 40 years ago. It might not look that way, as we still essentially support our customers with bringing their goods and services to market in the best possible way. But the way we do this is shifting fundamentally, especially during the last decade.

In many ways, our world used to be simpler. Value chains tended to be more integrated, and business relations tended to be more direct and built on personal connection and trust. Businesses tended to be mainly held accountable for their direct business partners. Today, a simultaneous globalization, specialization, and fragmentation of value chains have resulted in a more complex business environment and a demand for increased transparency. More distinct actors are involved in each individual transaction, and a greater focus on chain responsibility means that it is no longer enough for us to only know our own counterparties – we also need insight into our counterparties' counterparties.

Every day, our Group is faced with a plethora of requirements and expectations, not only from authorities but also from our business partners, who have taken a greater interest in and responsibility for their value chains. Our compliance frameworks are challenged further by the fact that we constantly need to improve our speed of reaction as well as the sophistication of our systems and controls. These challenges are fueled not only by the establishment of new requirements, but also by broader trends such as digitalization, which helps us illuminate

otherwise unseen behavior and trends, and political instability to which we have reacted with ever-increasing speed and decisiveness.

Our commercial success as a group is directly tied to our ability to navigate and comply with rules, expectations, and regulations. Every day, our customers, suppliers, employees, partners, and others we deal with trust us to conduct our business impeccably both legally and ethically. And in order to provide good service, we also need to understand which requirements our own customers and suppliers are expected to live up to by their counterparties.

Compliance is key to building resilience and operating as a group of businesses, ensuring that we live up to the highest standards and ethics in our industries. In order to do that, our operating companies have established robust and effective systems of control and compliance, extending not only to our own conduct, but also across our value chains.

To us, compliance is how we as a group define and seek to live up to our requirements and expectations. It encompasses several topics that are key to the operations of our companies, including anti-bribery and anti-corruption, competition laws, anti-money laundering, sanctions, human and labor rights, personal data protection, whistle-blowing concerns, and responsible tax practices. But we also understand compliance in a broader sense of whether we live up to our promise and corporate value of maintaining decency in all our actions. We thus see compliance as critical for both creating and protecting value in our Group.



SETTING THE COMPLIANCE FRAMEWORK

Each company within USTC is responsible for establishing and managing a compliance program tailored to address each company's unique risk profile. The overall accountability for compliance resides with the Chief Financial Officer of each operating company, who is responsible for ensuring that compliance functions as an integrated and natural part of operations in their company.

At the same time, we are aware that compliance is an ever-increasingly important domain for our Group, and we have therefore decided to establish a USTC-level compliance framework to establish a common direction and ways of

working based on a risk-based and analytical approach to compliance, as well as share knowledge and synergies across the Group. The compliance framework focuses on the four common key risks of corruption and bribery, money laundering, anti-trust, and trade sanctions.

The core of USTC's compliance framework consists of two parts. First, we will review and establish USTC's Code of Conduct as the overall, uniform guidance for how the Group conducts our business in compliance with the rules and regulations governing the areas in which we operate. Second, beginning in Q4 2022, each operating company

will go through a process to ensure that they possess an individualized corporate compliance program based on overall requirements and guidance from USTC.

On top of these six requirements, USTC has established a compliance forum to facilitate cooperation and knowledge-sharing across the Group as well as ensured a uniform implementation of the compliance framework. The forum consists of representatives from both USTC and each company's compliance organisation who will meet regularly beginning in Q4 2022.

REQUIREMENTS TO THE INDIVIDUALIZED CORPORATE COMPLIANCE PROGRAMS

COMPLIANCE PROGRAM CHARTER	INDIVIDUAL RISK ASSESSMENT	POLICIES AND PROCEDURES	PROCESSES AND RISK MITIGATION	PROGRAM IMPLEMENTATION	CONTROLS, MONITORING & TESTING
<p>Each company must have a corporate compliance program charter thereby setting the compliance organisation and governance structures including a compliance committee with both Compliance Officers and representatives from the Executive Management and their responsibilities.</p>	<p>Each company must conduct an individual risk assessment based on USTC's standardized methodology in addition to establishing a risk approach and the company's risk appetite.</p>	<p>Each company must possess compliance policies and procedures covering key risks, risk mitigation, and compliance handling, including supplemental guidelines where relevant.</p>	<p>Each company must possess relevant compliance processes and risk mitigation procedures including compliance handling (e.g., screening and due diligence processes), risk mitigation practices (e.g., onboarding/contracting timelines and frequencies), and supporting tools (e.g., external compliance feeds/systems).</p>	<p>Each company must implement and maintain their compliance program, including conducting training sessions (e.g., e-learning, tests, and customized training) and initiating awareness campaigns.</p>	<p>Each company must possess controls, monitoring, and testing of their compliance programs, including monitoring of legislation, yearly risk assessments using same risk methodology, yearly reviews of the program, and regular meetings within compliance committees.</p>





SUSTAINABILITY AT THE USTC OPERATING COMPANIES

ESG AT BUNKER HOLDING



We do not define ourselves as a company delivering oil, but rather as a company that is fueling world trade

Keld R. Demant
Bunker Holding CEO



AN INTEGRATED PART OF WHAT WE DO

At Bunker Holding, we want sustainability to be an integrated part of what we do at all levels, and that starts with a strong commitment from Management.

Bunker Holding is the world's leading bunker supplier, but our name can be easily misunderstood. Bunkers used to be coal. Today they are based on oil and in the future, bunkers will be something else. Hence, we do not define ourselves as a company trading and delivering oil, but rather as a company that is fueling world trade. As such, we do so much more than brokering deals; we play a key role in the logistics of the shipping industry.

Our business model is essentially a partnership model. We facilitate collaboration between fuel suppliers, physical operations, hedging solutions, ports, and fuel consumers, thereby reducing the complexity of doing business in the 1,764 ports we call every year. In doing so, we deliver the right product at the right time and price, reducing shipping transit times and costs, facilitating a more accessible market for all players and new fuel products, and promoting transparent and responsible practices in world trade.

At Bunker Holding, we want sustainability to be an integrated part of what we do at all levels, and that starts with a strong commitment from Management. Over the past year, we have had many difficult conversations with the Management team, our owners, and our organization on shoring up our existing efforts and taking the next steps. We have dissected our ESG risks and opportunities, and we are now moving quickly towards turning them

into something concrete, relatable, and actionable for all parts of our organization. Our approach to sustainability is summarized in the following three commitments:

WE ARE COMMITTED TO ACCELERATING THE DECARBONIZATION OF THE MARITIME SECTOR

When I talk to our stakeholders, there has really been an explosive increase in awareness and sense of urgency around tackling climate change. A small group of stakeholders is actively moving forward, while a larger group accepts the challenge but is unsure how to proceed. We are committed to stepping forward and leading the way. Over the coming years and decades, we intend to do everything we can to facilitate the transition to sustainable fuels.

WE ARE COMMITTED TO CREATING A MORE DIVERSE AND INCLUSIVE WORKPLACE

We are a truly global company and some of our greatest strengths are our local presence in 34 countries and our diverse talent composition, with employees encompassing

53 nationalities. Striving to ensure that everyone at the company enjoys equal opportunity has always been important to us. We are actively working on our gender distribution at the present, as we are aware that there is – as is also the case in the shipping industry at large – definite room for improvement.

WE ARE COMMITTED TO TAKING ON THE COMPLEXITY FOR OUR STAKEHOLDERS

We have invested heavily in governance over the years, and we intend to further strengthen our position. I believe it is a prerequisite for our continued success: It is much easier to act freely, creatively, and innovatively, when everyone understands the framework, they are working with. Governance is an area that is rapidly becoming ever more complicated with new regulations and restrictions. We are constantly digitalizing and automating to stay on top and be able to pass on our expertise to our stakeholders.

Sincerely

Keld R. Demant, CEO of Bunker Holding

57,000

BUNKER SUPPLY
TRANSACTIONS
TO EXTERNAL
PARTIES

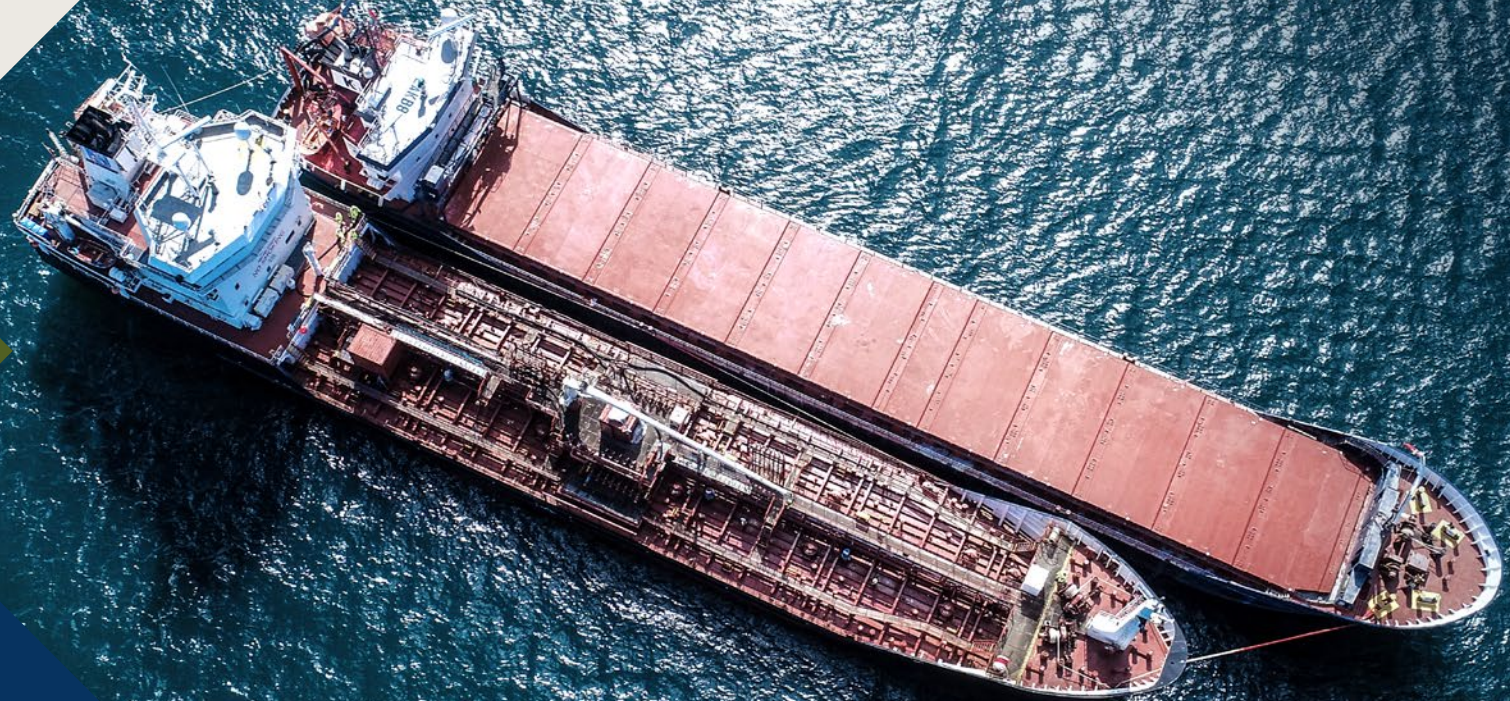
36%

FEMALE
EMPLOYEES

A STAFF OF

1,500+

COVERING 34 COUNTRIES
AND 53 NATIONALITIES



HELPING THE INDUSTRY MOVE INTO THE FUTURE

Over the past year, Bunker Holding has set a clear framework to steer our future ESG efforts, allowing us to take firm action and use our role as a market leader to make an impact. We have defined 14 material ESG topics as the common frame going forward. But we will also have a continuous dialogue internally and with USTC on how to best organize and deliver on our responsibility and commitments.

The following section contains an overview of how Bunker Holding works with the four material topics defined by USTC. For a more detailed description of ESG at Bunker Holding, including how the company works with other material ESG topics, see the Bunker Holding ESG Report, which can be accessed at www.bunker-holding.com.

CORPORATE GOVERNANCE

In our view, good corporate governance starts at the top and permeates the organization at all levels. In some sense, it is about procedures and policies. But in a broader sense, it is who we are and the foundation for our ambition to create a more responsible company able to lead, adapt, and thrive in our market. It is at the very core of sustainability.

We want to maintain and operate clear and transparent processes and procedures. We want to do so while ensuring high-level

governance and accountability of our activities, enabling us to manage our enterprise risks to our global operations.

Bunker Holding consists of a network of legal entities located across the world, which we govern through uniform, global rules, policies, and frameworks. For instance, our Compliance Policy and our Code of Conduct apply to all of our legal entities irrespective of their location. This ensures a more streamlined and straightforward process for our stakeholders.

While Bunker Holding's Board of Directors exercises the ultimate oversight over the Group, our Executive Management team plays a key role in overseeing the individual clusters and is represented in their Boards of Directors. By extension, Cluster Management oversees the individual entities within their portfolio. As a general rule, all entities subsidiary to the parent company Bunker Holding A/S have internal directors to ensure alignment across our Group, except where applicable regulation requires otherwise.

Bunker Holding's Legal team consistently reviews our setups and formalizes informal processes and procedures in an internal Governance Policy to ensure that we have a greater internal transparency into how we govern our Group, including risks from our legal setup. We will make periodic assessments of our compliance with the internal Governance Policy and report overall findings in future reporting.

TOPICS IDENTIFIED BY BUNKER HOLDING

-  CLIMATE IMPACTS FROM SUPPLIED FUEL
-  CLIMATE IMPACTS FROM OWN ACTIVITIES
-  RESOURCE AND WASTE MANAGEMENT
-  AVOIDING OIL SPILLS
-  DIVERSITY, EQUALITY, AND INCLUSION
-  HEALTH AND SAFETY
-  TALENT AND CAPABILITIES
-  LOCAL COMMUNITY IMPACT
-  CORPORATE GOVERNANCE
-  TRANSPARENCY AND REPORTING OF PERFORMANCE
-  COMPLIANCE
-  CYBERSECURITY
-  HANDLING AND REPORTING OF MISCONDUCT
-  RESPONSIBLE TAX POLICY

In addition, Bunker Holding wishes to increase our external transparency towards how our company is governed. Going forward, we wish to report on our compliance with directions from the “Recommendations for Corporate Governance” as implemented by Nasdaq Copenhagen. We are currently in the process of completing this review and will report our performance in coming ESG reports.

CLIMATE IMPACTS

More than 99 percent of Bunker Holding’s carbon footprint is generated by our value chain. That amounted to 103,000,000 metric tonnes of CO₂e last financial year alone. Almost the entirety (+99 percent) of these emissions come from the consumption of marine fuels supplied to our customers as well as the upstream emissions from extracting, refining, storing, and transporting the fuels. As an intermediary, we cannot force our customers or suppliers to make the transition to sustainable fuels. We can, however, enable and simplify their transition by mapping supply, supporting the development of bunkering infrastructure, consolidating demand for the producers, and supporting the financing of the expected price premium on the next generation of marine fuels. So that is what Bunker Holding does.

In our global Center of Excellence, experts and stakeholders from across Bunker Holding come together to pool our resources, learnings, and experiences, and to pass that knowledge on to our dedicated traders. We are actively involved in several global green fuel projects, including conducting trials with biofuels, investigating opportunities to establish low-carbon bunkering infrastructure, as well as conducting feasibility studies.

These initiatives will however not be enough to achieve Bunker Holding’s ambition of being the market’s leading independent facilitator in shipping’s transition to zero carbon fuels. That is why we will increase our investments in five areas:

We will continue building in-house expertise and advisory capabilities within decarbonization. We will engage with industry stakeholders to support research and development within decarbonization. We will support the establishment of the bunker infrastructure needed to supply low- and zero emission fuels. We will support our customers in the documentation of their fleet’s carbon profile, as well as compliance with mandatory carbon markets. And we will enable customer access to low-carbon fuels through projects and start-up investments.

We do not let the emissions from Bunker Holding’s value chain distract us from the fact that we also need to look inwards. In fact, addressing Bunker Holding’s own emissions will be key to develop the learnings and awareness necessary to achieve our ambitions. It also sends a signal that we take the climate commitments to heart when we decarbonize our own business where we have direct control.

Bunker Holding has set two commitments for our own emissions. First, we commit to becoming net-zero by 2040 for our service operations, which excludes emissions from sold fuel and our physical operations. This commitment covers all our back-to-back trading operations and risk management solutions. Second, for emissions stemming from our physical operations, we commit ourselves to IMO’s target of reducing greenhouse gas emissions by 50 percent by 2050 compared to 2008.

We are currently in the process of setting an appropriate baseline, identifying relevant investments, and developing a decarbonization roadmap for both of these commitments, which we will communicate in Bunker Holding’s next ESG report covering financial year 2022/2023.

DIVERSITY, EQUALITY, AND INCLUSION

Bunker Holding believes that diversity fosters innovation and better decision-making across our business. As a global market leader, we want to be a diverse and inclusive company that provides equal opportunity for all and treats people fairly.

Having a local presence and understanding has always been key to us in providing the best service to our customers, and we have therefore always striven to reflect the diverse and multicultural world, we operate in.

We recognize that the shipping industry is still characterized by a historical gender imbalance, which is also reflected in the composition of Bunker Holding. While this picture is gradually changing, we want to accelerate the pace to ensure that we have access to the right pool of talents as well as live up to our values of decency and leadership. We aim towards a gender ratio of 60/40 across all management levels in the long-term.

We are aware that Diversity, Equality, and Inclusion is a broadly encompassing agenda and must be approached systemically on all levels. That includes bottom-up through recruitment and talent management, horizontally by facilitating cooperation, dialogue, and mobility, and top-down from senior stakeholders with clear communication, ensuring that relevant role models and ambassadors are present and visible, and establishing relevant and meaningful policies.

The gender representation in Bunker Holding varies widely in relation to management level and functional areas. While 36 percent of our total employees are women, only 10 percent of Bunker Holding’s Management team are women, and the Executive Management team consists solely of men. 44 percent of our Board members in Bunker Holding’s Board of Directors are women.

With our current pace, we do not believe that our target will be met organically. Bunker Holding is therefore working closely with USTC to finalize a plan on how to achieve our targets within a reasonable timeframe. We have also already initiated a number of initiatives, including improving our HR data flows and system support, reviewing our recruitment and promotion processes, as well as removing other barriers to how we organize our business.



LEADING BY EXAMPLE

Bunker Holding recognizes the need for a more inclusive shipping industry, and although progress has been slow so far, we are determined to keep pushing in that direction. We believe that identifying the right advocates, giving them a platform, and listening to their input is essential to achieving positive change.

As part of that effort, Claire-Celine Ancher Bausager, a Senior Bunker Trader in our subsidiary, Dan-Bunkering, was asked to join Senior Management and other important stakeholders in the Group on the new ESG Council dedicated to improving performance on social and environmental sustainability.

Claire-Celine Bausager is already regarded as a change advocate, having formed the industry group Women in Shipping (WIS). WIS is a professional network for women working in the maritime industry. It was founded by the Dan-Bunkering trader out of a desire to improve the status of women working in the shipping industry as well as to increase diversity and equality in the sector.

Together with Ms. Bausager, Bunker Holding is committed to working on and succeeding in attracting and retaining women in the commercial part of the maritime business.



COMPLIANCE

Bunker Holding operates in an extremely competitive business environment, where adhering to rules and regulations may mean short-term loss of some business. Nevertheless, we firmly believe that ensuring we are always compliant is equivalent to showing good business acumen and allows us to thrive and find solid footing, year after year.

As a market leader, Bunker Holding has a responsibility to take leadership and set an example for our industry. We want to be transparent around compliance, and in doing so serve as trusted advisors and partners to our customers and other stakeholders. Therefore, Bunker Holding wants to operate, promote, and maintain a compliance culture and program being regarded as best in class in our industry.

From our operations across the globe, we deal with counterparties and vessels from all corners of the world and are subject to rules, regulations, and requirements under different local legal regimes, and the UN, EU, US, and UK. Under these legal regimes, we pay attention to a variety of compliance issues, including economic trade sanctions, anti-corruption and bribery, anti-money laundering, counterparty due diligence, anti-competitive behavior, and data privacy. Bunker Holding has established a corporate

compliance program designed to identify, prevent, and mitigate risks related to these compliance issues.

We have designed Bunker Holding's compliance program as a fine-meshed safety net using a combination of measures to ensure that we maintain an effective compliance system unparalleled in the bunker industry.

Overall, and as affirmed by an external audit carried out during Q4 2021 until early 2022, Bunker Holding maintains robust compliance measures and efficient internal controls with adequate training, enjoying strong support from Senior Management. The compliance program is adequate and effective for a company of our size, complexity, and risk profile. It also matches up with the expectations of international regulators. Nevertheless, we recognize that there are always areas where improvements can be made.

For a more detailed description of compliance at Bunker Holding, including ambitions and priorities for the coming years, see Bunker Holding's ESG Report, which can be accessed at www.bunker-holding.com.

Each layer of controls filters out risks, and the overall effect is a fine-meshed safety net. Overall, in FY2021/22:



Out of the 141,000 vessels and 30,000 entities recorded in our system, around 23,260 unique vessels and 2,350 unique entities are currently blocked.



Bunker Holding carried out more than 57,000 bunker supply transactions to external parties, supplying more than 18,800 different unique vessels, all of which passed through our screening system.



Around 2,820 cases were escalated to the Compliance Team for further assessment. After in-depth assessment, approximately 65% of the unblocking requests were approved by the Compliance Team.

ESG AT UNI-TANKERS



Working in shipping means being at the mercy of the sea, trusting your crewmembers, and being able to rely on clear leadership.

Per Ekmann
Uni-Tankers CEO



MOVING FORWARD RESPONSIBLY

At Uni-Tankers we believe the responsibility of sustainability efforts to be of great importance to sustaining our industry. Taking care of the environment, our co-workers, and providing strong governance are key to moving forward responsibly.

Uni-Tankers have always kept the sustainability agenda close to heart, even before we had an all-encompassing reporting structure to rely on. As any seafarer knows, working in shipping means being at the mercy of the sea, trusting your crewmembers, and being able to rely on clear leadership. This is the essence of the Environmental, Social, and Governance agenda and something that is deeply incorporated into Uni-Tankers' DNA.

However, in moving from simply having these guidelines internalized into our corporate DNA to preparing our first formalized ESG Report, we have cooperated closely with our parent company, USTC. Through knowledge sharing and cross-company synergies, we can continue drawing on the many strengths that lie in being part of the USTC Group.

In working with a standardized ESG framework under USTC scrutiny also means setting targets. But before targets comes the baseline. And as this is our first ESG report, we have focused heavily on creating the proper framework going forward, identifying our strengths and weaknesses, and pointing out what has worked in the past and what to improve on.

Environmentally, the burning of fossil fuels is our number one concern. But also somewhere we have made great progress. Since 2014, a total of 63 projects have been evaluated to support carbon reduction and reduce footprint, and 34 specific projects have been selected and initiated. Fuel saving systems have been installed on 41 percent of the fleet providing documented fuel savings of 7-15 percent. Biofuel testing has been conducted on our own vessel during May 2021, where a new B30 biofuel blend consisting of a second-generation bio feedstock has resulted in a 25 percent reduction of the vessel's well-to-wake CO₂ discharge. The installation of ECO-Pac systems on board have reduced CO₂ emissions from pumps and ventilation by 50 percent.

We are aware that we would not be able to make such progress if it were not for our dedicated people. That is why we put employee health and safety above all. This in part explains our high retention rate of 90 percent for offshore staff, which is achieved in part through permanent contracts for crew and high levels of welfare on board. The retention rate for onshore staff is 89 percent. The Group's strategy going forward involves continuing to recruit and maintain skilled labor. Internal promotion will remain

a priority as we implement our crewing strategy and recruitment practices, along with annual satisfaction and workplace assessment surveys for all onshore staff.

Corporate governance is well established at Uni-Tankers, where the responsibilities of the Board of Directors, Executive Management, and our owners are clearly delineated with clear reporting lines between the our different business areas and Executive Management – including regular KPI reporting and monitoring. Today, our ESG work is incorporated into existing corporate governance reporting lines. Going forward, Management aims to continue developing the Uni-Tankers' ESG function, project structures, and governance.

I am extremely proud of the substantial progress we have made on our work with the environmental and social aspects and the corporate governance of our business. The ESG report for this year provides us with a baseline that will serve as the foundation for our continuous work with the targets to be included in the report for the following year.

Sincerely

Per Ekman, CEO of Uni-Tankers



ESG AT UNI-TANKERS

As a leading tanker shipping company trading in the intermediate and small tanker segment, Uni-Tankers has an essential role in the logistics of the shipping industry as we move the goods vital to everyday life across millions of nautical miles each year. To continue doing so, measuring and meeting ESG targets have become the highest priority for our owners, Board of Directors, Management, and employees.

The basis for our ESG report was established in 2020. Since then, the scope of Uni-Tankers' ESG reporting has grown rapidly over the last two years and is now an integral part of our strategic efforts going forward.

The material topics at hand include benchmarking and setting targets for Climate Impacts, Diversity, Equality, and Inclusion, Compliance, and Corporate Governance.

We have been able to accomplish several key ESG milestones that impact our everyday operations and will enable us to transform into a greater organization in the future. The following are some of the significant highlights:

- We have implemented a proactive maintenance approach on board our vessels to reduce the supply of purchased goods and services – this includes training and ship-to-shore communication aimed at minimizing breakdowns.
- We have incorporated diversity and inclusion principles across our business and HR practices on our journey towards better representation, starting with gender diversity.

- We have a strong data-driven approach to ESG optimizing our business processes to understand our customers and the workforce on a deeper level.

IMPLEMENTING THE FOUR MATERIAL TOPICS OF ESG

Working with the ESG agenda, Uni-Tankers works with the four material topics defined by USTC: Corporate Governance, Climate Impacts, Diversity, Equality, and Inclusion, and Compliance. Adhering to setting targets and fulfilling them remains, however, solely at Uni-Tankers' discretion.

CORPORATE GOVERNANCE RELIES ON STRONG LEADERSHIP

Maintaining a strong divide between the Group's owners, the Board of Directors, and the Executive Management is crucial in establishing a clear-cut corporate governance procedure.

For all board meetings and meetings between Executive Management and the owners, strict meeting procedures are followed. There are clear reporting lines between the Group's different business areas and Executive Management – including regular KPI reporting and monitoring.

TOPICS IDENTIFIED BY UNI-TANKERS

-  EMISSIONS REDUCTION
-  SPILL PREVENTION AND BIODIVERSITY
-  WASTE MANAGEMENT
-  WATER MANAGEMENT
-  VALUE CHAIN IMPACTS
-  VESSEL RECYCLING AND SCRAPING
-  HEALTH, SAFETY, AND SECURITY (HSS)
-  RECRUITMENT AND EMPLOYEE RETENTION
-  EMPLOYEE RELATIONS
-  DIVERSITY, EQUALITY, AND INCLUSION
-  LEARNING OPPORTUNITIES
-  CORPORATE GOVERNANCE
-  TRANSPARENCY AND REPORTING
-  COMPLIANCE
-  DATA PRIVACY AND SECURITY
-  HANDLING AND REPORTING OF MISCONDUCT
-  RESPONSIBLE TAX AND FLAGGING POLICY

33%

FEMALE
EMPLOYEES

A STAFF OF

620+

EMPLOYEES

CLIMATE IMPACTS

For Uni-Tankers, consumption of bunker fuel is the primary source of emissions. Working towards reducing this footprint relies heavily on upgrading equipment and introducing new fuel types. In line with this, a total of 12 Uni-Tankers vessels are now fully compliant with the IMO Energy Efficiency Existing Ship Index (EEXI), and Uni-Tankers' remaining five vessels will achieve compliance well ahead of the January 1st 2023 deadline. The Annual Efficiency Ratio (AER) for the company's owned vessels in the financial year 2021/2022 shows a 33 percent reduction in CO₂ emissions compared to a 2008 baseline, calculated using IMO methodologies.

DIVERSITY, EQUALITY, AND INCLUSION ARE CENTRAL TO UNI-TANKERS

On board Uni-Tankers' vessels, diversity and inclusion are considered business critical. Onshore, the company also promotes an open, diverse, and inclusive workplace. Uni-Tankers operates on the principle of "best person for the job" and does not discriminate against candidates based on gender, nationality, age, physical abilities, culture, ethnicity, political or religious beliefs, or sexual orientation. We do however acknowledge the fact that biases exist in everyone and therefore also influence the people sitting in our business making employee decisions. This will therefore be a focus area in our DEI efforts going forward.

In terms of gender representation, women currently account for approximately 32 percent of Uni-Tankers' onshore employees, while 1.4 percent of offshore workers are women. In financial year 2021/22, Uni-Tankers' commitment to the Charter for More Women in Shipping – signed in 2019 – remained strong, and the company continues to live up to its Charter obligations in both Denmark and the foreign offices with initiatives ranging from specific recruitment drives to more general inclusion work. Today, 22 percent of the members of the Board of Directors selected by the shareholder's committee are women. Uni-Tankers aims to have 33.3 percent female Board members by 2024.

COMPLIANCE ENSURES A LEVEL PLAYING FIELD

Uni-Tankers operates in parts of the world where there is a higher risk of corruption. The company is attentive to the risks of corruptive behavior and combats this by following the Code of Conduct of the parent company, USTC, and by complying with supplier and customer codes of conduct. Uni-Tankers is also in the process of joining the Maritime Anti-Corruption Network (MACN).

During recent years, Uni-Tankers has invested many resources in strengthening internal reporting structures and data collection methods for areas as diverse as health, safety, procurement, and waste management. The company aims to collect all critical business data in its business intelligence system to further support a data-driven approach.

For a more detailed description of ESG at Uni-Tankers, including how the company works with other material ESG topics, see the Uni-Tankers ESG Report, which can be accessed at www.uni-tankers.com/responsibility.



INTELLIGENT ENGINE SOFTWARE

In collaboration with Danish company Frugal Technologies, the intelligent engine software Frugal Propulsion was installed on the tanker Endelo Swan in connection with a docking in June 2020. Uni-Tankers has managed to reduce the amount of fuel consumed on Endelo Swan by 12.2 percent over a period of 10 months. Uni-Tankers has already installed the system on two vessels, and it will install the system on an additional vessel.

"With Frugal Propulsion, we have a system that enables us to reduce the climate impact of our fleet while at the same time strengthening our competitiveness. Endelo Swan is a really sensible business case, and it was not a difficult decision to expand the collaboration with Frugal Technologies," says Peter V. Stokbro, Technical Director at Uni-Tankers.

Frugal Propulsion is a patented system which ensures that the vessel's engine and propeller are constantly optimized in relation to draft, load, waves, and wind conditions. The system is based on sensors, Big Data, and algorithms, which enable fuel savings as the system gets to know the vessel.

SUSTAINABILITY AT SDK FREJA



We pride ourselves
on conducting
business in an
honest, reliable, and
trustworthy way

Søren Gran Hansen
SDK FREJA CEO



STEPPING UP OUR GAME

We are very proud to present SDK FREJA's first ever consolidated Sustainability Report. And with the merger of SDK and FREJA in 2021 to one unified organization, we are now ready to step up our sustainability game.

Our main areas of operation are within Shipping and Logistics, and with the increase in global trade, it is more important than ever to find more sustainable solutions to help reduce the industries' CO₂ emissions impact. We realize we are a small player in the global industries we operate in, but we set our sights high. We are committed to going the extra mile to lower the negative impact on the climate and environment with the responsibility and accountability that this commitment entails.

Through combining vital experience and knowledge from both SDK's and FREJA's previous work with ESG and drawing on the expertise of our parent company USTC, SDK FREJA have now developed our joint ESG framework and established an ESG reporting framework. This will provide our organization with ambitions and concrete targets to work towards.

We acknowledge that the road ahead is going to be a bumpy one, and that we will run into obstacles along the way. But we will not let this deter us from ensuring we continue to live up to our commitments to our people, the environment, and society.

TOWARDS A FOSSIL-FREE FUTURE

In the global effort to reduce the negative impact that shipping and transport & logistics sectors have on the climate and the environment, we expect that sustainable fuels will play a critical role over the coming years. At SDK

FREJA, we will continue to work closely with our suppliers and customers to find greener and more innovative solutions while working towards our ambition of being the most flexible and reliable partner in the countries we operate in.

We acknowledge that we need to address our Scope 1 and 2 emissions, which stem from sources under our control. However, our Scope 3 emissions make up the largest part of our total carbon emissions. These emissions stem from our subcontracted logistics services we rely on to deliver our customers' cargo. A prioritized focus for us will therefore be to continue our close collaboration and dialogue with our customers on moving forward with advocating for more sustainable fueling solutions and testing new technologies.

TOWARDS A MORE PEOPLE-CENTRIC ORGANIZATION

To reach our targets and ambitions, we rely heavily on our employees, their commitment, and their motivation. Our people represent many different nationalities, ethnicities, religious beliefs, and ages. And together, our colleagues bring with them a valuable wealth of experience and expertise.

We have always striven to ensure that we provide our people with a safe, inclusive, and fair workplace. We also acknowledge that we are not where we want to be. We have a gender imbalance in our organization and in the coming

years, we will work hard towards achieving a more balanced gender composition. Attracting and maintaining the best talent means that we must be inclusive and provide equal opportunities for all our people. This will in turn foster innovation and creativity and ensure we continue to thrive as an organization.

TOWARDS A BEST-IN-CLASS CORPORATE GOVERNANCE

Following our merger, our governance is strengthened, and we continue to put great effort into reinforcing our governance across the entire Group. We pride ourselves on conducting business in an honest, reliable, and trustworthy way, and we are guided by strong governance and clear processes and procedures for each business area to support our managers and employees.

Our business areas are numerous, and we are present in many countries. This entails a complex compliance setup, but we are very much on top of things. We have invested heavily in high-quality systems, and we adhere to the necessary standards and requirements in each of the industries and countries we have operations.

Sincerely

Søren Gran Hansen, CEO of SDK FREJA



37%

OF OUR
EMPLOYEES ARE
WOMEN

WE COMMIT
TO REDUCING
OUR SCOPE 1 & 2
EMISSIONS BY

60%

BY 2040

SUSTAINABILITY AT SDK FREJA

As a full-service shipping and logistics company, SDK FREJA spans over numerous locations, activities, and business areas, each of which entails a unique mix of sustainability impacts to our business as well as the environment, our people, and the societies in which we operate.

SDK FREJA has only recently come together as one company, and it has therefore been essential for us to establish an overarching ESG framework that fits our entire portfolio, enables us to take meaningful action, and which builds upon the many good successes and learnings of the past. Over the next months, years, and decades, this common framework will help drive and encourage our transition towards a shared set of principles and values for SDK FREJA.

In our ESG framework, we have identified 12 material ESG topics to focus our efforts around, for each of which we have established clear ambitions and actions and either have been or are in the process of setting concrete targets for.

HOW SDK FREJA WORKS WITH THE FOUR OVERALL MATERIAL TOPICS

We have worked closely with USTC to incorporate USTC's four overall topics into SDK FREJA's ESG framework and ensuring that we focus on the aspects that are most relevant to our business. The following sections outline how SDK FREJA works with and contributes to the Group's overall sustainability ambitions.

CORPORATE GOVERNANCE

Corporate governance is essential for our ability to function as a business operating in diverse business sectors. We depend on having the right structures, rules, practices, and processes in place for us to be able to focus on what we do best, which is helping to solve our customers' shipping and logistics challenges seamlessly and effectively.

SDK FREJA is established as the governing organization for a group of subsidiaries. As such, SDK FREJA's Board of Directors exercises the ultimate oversight over the Group. The Board consists of four independent directors and two members of USTC's owner family.

Within the SDK FREJA Group, our ISO management certifications are the backbone of how we govern our business internally. In the financial year 2021/2022, 67 percent of our entities maintained an ISO9001 certification of our Quality Management Systems, which we aim to expand to all our entities in 2024. At the moment, SDK FREJA employs two different Quality Management Systems, which we plan to merge by the end of financial year 2022/2023. This will enable us to govern SDK FREJA through a single system and ensure that our policies, processes, and procedures are aligned across the Group.

TOPICS IDENTIFIED BY SDK FREJA

-  **CLIMATE IMPACTS UNDER OUR CONTROL**
-  **CLIMATE IMPACTS FROM OUR VALUE CHAIN**
-  **RESOURCE AND WASTE MANAGEMENT**
-  **DIVERSITY, EQUALITY, AND INCLUSION**
-  **HEALTH AND SAFETY**
-  **EMPLOYEE ATTRACTION AND RETENTION**
-  **COMMUNITY ENGAGEMENT**
-  **CORPORATE GOVERNANCE**
-  **TRANSPARENCY AND REPORTING**
-  **COMPLIANCE**
-  **DATA PRIVACY AND SECURITY**
-  **HANDLING AND REPORTING OF MISCONDUCT**

CLIMATE IMPACT

SDK FREJA employs an asset light operating model to serve our customers' shipping and logistics needs. That model means that the majority of our carbon footprint is generated by our road, air, and sea freight subcontractors, which own and operate the assets moving our customers' goods on our behalf. At SDK FREJA, we are committed to reducing the greenhouse gas emissions from our value chain by 50 percent by 2040. In addition, we wish to reduce the GHG emissions from our own operations by 60 percent by 2040.

To achieve these targets, we will use financial year 2022/2023 to set milestones for our reduction targets and develop a concrete decarbonization roadmap. We are, however, already working seriously and focused with both our own operations and with our suppliers and customers through two avenues: 1) Reducing inefficiencies, and 2) reducing the carbon intensity of operations across our value chain.

1. We are always looking into ways of optimizing our operations and reducing inefficiencies inherent in shipping and logistics. For instance, we are working tirelessly to reduce our empty haulage and minimize the number of empty trailers on the road through continued improvements of our Route Management System and insights into our fleet. In similar lines, we are also looking to increase our load utility for road transportation and thereby the volume of goods moved per truck. We also see clear opportunities to optimize our consumption of energy at facilities like offices, warehouses, and dock locations, and we will be conducting a mapping of all facilities throughout the financial year 2022/2023 to establish a reduction strategy for our facilities.

2. Reducing inefficiencies will only take us so far – especially as we intend to continue growing SDK FREJA – and it is therefore essential that we also take measures to significantly reduce the carbon intensity of our value chain by considering new and alternative ways of serving our customers' needs. Even though significant efforts still need to be put in to improve infrastructure around Europe, we

have already identified several routes that can be serviced by lower greenhouse gas emitting methods such as electric ferries and rail transit. For example, we have already moved the majority of our road transportation between Dombås and Olso in Norway onto railways, reducing yearly greenhouse gas emissions by 231.8 metric tonnes.

We are also looking to change the fuels and sourcing of our energy consumption across our own operations. As an example, we wish to change all our company vehicles from fossil to electric propellants and source our energy consumption at facilities from less carbon-intensive sources than today. We are also working with our suppliers and customers to offer solutions fueled with HVO biodiesel or other low-carbon fuels, and we are already able to make individualized agreements on driving with HVO for full loads.

DIVERSITY, EQUALITY, AND INCLUSION

At SDK FREJA, we encourage an open mindset that is free from prejudice towards individuals regardless of their race, sexual orientation, and gender identity. At the same time, we are aware that we are operating in a historically male-dominated industry, notably in relation to operations involving warehouses and harbor activities. That is why we are committing resources to establish internships and create programs aimed at giving everyone an equal opportunity to join our industry.

Over the last ten years, we have been successful in achieving a shift in the gender ratio within our Logistics division, where 37 percent of all employees are now women. That shift has not gained a foothold in our Shipping division, where only 14 percent of employees are women. We are conscious of the fact that the historical gender disparity must be addressed, as well as the fact that it is up to us to drive change toward a better gender balance. We will use financial year 2022/2023 to develop a plan outlining how we can achieve a better gender balance across all levels, and we will focus on driving fair and diverse hiring practices.

We believe that diversity among our employees will contribute to better decision-making across our business. That is why we work with an inclusive mindset, and we see the possibilities in people. We repudiate prejudice, and we strive to ensure that our people feel valued and respected and have access to equal opportunities. We have worked together with local municipalities and organizations to help better accommodate people with reduced work capacity and special needs in the labor market.

COMPLIANCE

SDK FREJA employs strict compliance measures to ensure that we abide by all applicable rules and regulations wherever we are present. Due to the diversity of our activities, our compliance operations are currently governed and maintained by individual departments and overseen by controllers and audits, with the overall responsibility resting with SDK FREJA's CFO. SDK FREJA's Quality Management Systems play an integral part in managing our compliance operations.

SDK FREJA's compliance operations cover a variety of domains including health and safety, customs regulations, European road transport regulations, specific requirements for transporting pharma goods, data privacy, general business conduct, and other related domains. In addition, maintaining compliance with certifications such as Authorized Economic Operation (AEO), International Food Standards (IFS), and ISO9001 is crucial for our operations.

Although our current compliance setup is solid and supported by the right systems, we will be conducting a reevaluation of our compliance risk assessments, systems, and prioritizations as part of the broader implementation of USTC's compliance framework. This work began in Q4 2022 and is expected to be finished within financial year 2022/2023.



NEW ROOFING

In 2021, our Technical Manager Finn Nielsen spearheaded a project that entailed employing a product known as an air purifying roofing membrane. This solution not only prevents moisture buildup in our buildings, but it also filters the air from toxin particles produced by motor vehicles. The installation of the new roofing material in Taastrup will reduce the amount of NOx in the air equivalent to fifty automobiles each traveling 30,000 km per year.

In addition, the new roof will be white in color rather than dark, which will prevent the building from becoming overheated, particularly during the warmer months of the year. Research has also revealed that white roofs help keep the outside air and temperature from rising.

Although the roof project is not yet complete, we can already measure a considerable reduction in electricity consumption. In a single month, we saved 15,000 kWh, and that's only for the 6,000 m² warehouse portion of the facility.

In addition to this project, Finn Nielsen has also contributed to other environmental-focused projects, including enhancing the ventilation system throughout the entire structure, adjusting heating sources in the administrative building, and integrating light sensors in the warehouse. All these initiatives add up to a 50 percent reduction in heating and a 20 percent reduction in electricity.

SUSTAINABILITY AT UNIT IT



At Unit IT, we never do things half-heartedly; and our commitment to the sustainability agenda is no exception

Mark Frihagen
Unit IT CEO

WHOLE-HEARTED COMMITMENT

At Unit IT, we never do things half-heartedly; and our commitment to the sustainability agenda is no exception. For some time now, we have been hard at work refining the processes and ESG framework in close dialogue with our parent company, USTC.

In the current financial year 2022/2023, we have taken the next important step in our sustainability journey – well aware that we have our job cut out for us.

Staffing, sustainability, and leadership are pivotal key indicators to success. Attracting the right people begins with creating the right workplace. At Unit IT, we strongly believe in the power of diversity, as such, our youngest employee is 23 years while our oldest is 61 years old. Along with taking on more trainees now than ever before, we believe in providing a business environment that accommodates all as part of our Wingman culture, something we're very proud of.

At its core, our Wingman culture means we take care of each other. Whether it is lending a helping hand in the day to day or celebrating co-workers finishing projects or courses, celebration and appreciation is the essence of our culture. And when merging and acquiring new companies like solvo it, it gives us the opportunity to reflect on this culture and improve it to accommodate new colleagues.

This mindset is something we practice at every level, spurring a great deal of transparency to the leadership of the company. Multiple touchpoints at every level between leadership and the rest of the organisation means everyone is accountable and feels responsible for the greater good of the team and our clients. And having a visible and empathetic leadership is a cornerstone of leading by example.

To compliment this culture, at Unit IT we have worked towards establishing a professionalized work environment ensuring stable workflows and a rigidity to processes, creating a safety net to catch both social and professional warning signs. Taking care of people and productivity goes hand in hand and is also why certifications and strict adherence to compliance is important to our business. Creating strong frameworks allows us to focus on people.

Environmental sustainability is probably the most critical piece of the ESG work and an important aspect of any modern business. Especially for the tech industry, which

is facing an increasing amount of data, costing tonnes of emissions in server parks and processing. This is only going to increase, as our world becomes more data driven.

At Unit IT, we do our best, to implement and commit towards alleviating the cost of data and decreasing our footprint. Whether it's buying green energy from windmills or upgrading equipment to more energy efficient models, we want to be better today than we were yesterday.

Like the rest of the industry, we have much to do, but our promise to you is, that we are seriously and hard at work. Sustainability actions are here to stay, and so are we.

Sincerely
Mark Frihagen, CEO of Unit IT



A STAFF OF
120+

SUSTAINABILITY AT UNIT IT

As a full-line IT infrastructure partner servicing medium-sized companies in Denmark, Unit IT has neither the global operational footprint nor the market position of some of the other companies in the USTC Group. We do however share the strong commitment to the sustainability agenda, and Unit IT also has another special feature: We are just big enough to make a difference – yet small enough to be in close touch with our partners' businesses.

This year, we have established a clear ESG framework to steer the direction of our company as part of Unit IT's natural development and the focused work around our values and corporate culture. At Unit IT, we take ESG topics seriously and have anchored our framework firmly with our ESG Council as well as designated leaders responsible for each material topic.

As the other companies in the USTC Group, we have defined and established clear ambitions and actions for the ESG topics Corporate Governance, Climate Impacts, Diversity, Equality, and Compliance, and we are in the process of establishing concrete targets. In addition, we have identified seven other topics that are material to our business, people, and culture, and which are in scope for our ESG framework.

HOW UNIT IT WORKS WITH THE FOUR OVERALL MATERIAL TOPICS

In parallel with our efforts at exploring and defining Unit IT's unique ESG topics, we have been working closely with USTC to break down USTC's four strategic ESG pillars into the themes most relevant to our business. The following sections outline how Unit IT works with and contributes to the Group's overall sustainability ambitions.

CORPORATE GOVERNANCE

Unit IT is neither the largest nor most complex organization within USTC. Good corporate governance is nonetheless important to ensure that we cultivate the presence, trust, professionalism, and agility that allows us to provide our customers with the best experience.

At Unit IT, we have regular and ongoing dialogues with our Board of Directors and owners around the performance of our business. Going forward, we also wish to be more transparent and to have a closer dialogue internally and with our external stakeholders around how we approach, govern, and perform on ESG.

We are in the process of reviewing data requirements, availability, and quality for all 11 material ESG topics defined in our materiality assessment and will be using the coming year to plan and implement initiatives to secure and report our ESG performance with high confidence.

In addition, we wish to use Unit IT's expertise to support the broader USTC Group with improving and streamlining ESG data and reporting capabilities.

CLIMATE IMPACTS

Being an IT infrastructure partner in Denmark, our customers expect Unit IT to serve them in an environmentally sustainable way. We source the entire consumption of electricity at our data centers locally from windmills on the island of Funen, allowing us to provide our customers with carbon neutral computing power. We are however aware that this only addresses part of our full carbon footprint and should only be seen as a first step.

TOPICS IDENTIFIED BY UNIT IT

-  **CO₂ EMISSIONS AND CLIMATE IMPACTS**
-  **CLIMATE IMPACTS FROM OUR VALUE CHAIN**
-  **E-WASTE MANAGEMENT**
-  **DIVERSITY, EQUALITY, AND INCLUSION**
-  **HEALTH AND SAFETY**
-  **EMPLOYEE ATTRACTION, RETENTION, AND DEVELOPMENT**
-  **HYBRID WORKPLACE**
-  **CORPORATE GOVERNANCE**
-  **COMPLIANCE**
-  **DATA PRIVACY AND SECURITY**
-  **HANDLING AND REPORTING OF MISCONDUCT**

We are also working to continuously upgrade our technical setup to reduce our general energy consumption. For example, we have invested in new cooling equipment and more efficient networking equipment for our data centers this year.

The predominant share of our carbon footprint derives from purchased licenses and hardware equipment for resell to our customers. We are engaging with our strategic suppliers to better understand the source of these emissions and discuss solutions for reducing the impact from our value chain.

We are in the process of establishing absolute reduction targets for our Scope 1 and 2 emissions to be communicated in our annual report covering the financial year 2022/23.

DIVERSITY, EQUALITY, AND INCLUSION

The IT industry has been booming for nearly half a century, which necessitates a constant influx of specialized skills and talent. Historically, that pipeline has been heavily dominated by men, and while that picture is changing, the pace is slow, and we still see a talent pipeline far from being diverse.

We recognize the value in reflecting the broader society and the customers we work with. For us, that is achieved both by attracting talented people from different backgrounds - whether that being in relation to gender, ethnicity, nationality, or something else - and about retaining them and offering fair conditions to all.

Recognizing that we need to start in one dimension, we have the objective to achieve a more balanced gender composition across our Board of Directors, Senior

Management, and the full organization. We will use financial year 2022/2023 to build a strategy that will address how we will achieve this objective. We have worked focused promoting inclusion through our Wingman culture over the past years, consisting of four elements: Our Team Spirit keeps us united. Tolerance means acknowledging flexibility and different ways of working. It is also recognizing that our people have a life and commitments beyond their job. Competency is about providing our employees with professional development. And finally, Certainty means providing an open, safe, and secure setting for our people.

Unit IT has been growing rapidly over the past years, and we want to ensure that all of our people - new and old alike - continue to be met with an open, unprejudiced, and inclusive culture. Therefore, we are going to involve at least half of all our employees in a review of the Wingman culture throughout financial year 2022/2023.

If we are to reach our targets and ambitions, Unit IT needs to improve our insight into Diversity, Equality, and Inclusion across our company. Over the coming years, we are going to implement a new HR-system to improve the quality of data currently collected as well as add new data points relating to diversity across Unit IT. In addition, in financial year 2022/2023 we are going to add the USTC-wide LEAP survey to our current employee engagement survey, which will give us a deeper insight into our people's wellbeing.

We have identified a number of additional initiatives as part of our annual action for People and Culture. Beyond the above initiatives, these include implementing a structured approach to developing our people, which includes continuous 1:1 dialogues and individualized competency development and trainings. In addition, we are going to perform leadership training to ensure that our leadership is well-equipped to create a welcoming culture for all.

COMPLIANCE

Unit IT operates as a domestic actor in a well-organized business environment. Nonetheless, it is essential for our company to maintain high compliance and thereby maintain the trust of our partners and customers.

Unit IT's material compliance domains are outlined in USTC's Code of Conduct, which includes our core policies on anti-bribery and anti-corruption, competition laws, anti-money laundering, sanctions, slavery, personal data protection and whistle-blowing concerns, in addition to Unit IT's tax policy. In addition, good compliance around information security and data privacy (GDPR) is critical for our business.

The overall responsibility for compliance is split between Unit IT's CFO, who is responsible for ensuring that our people comply and live up to our policies and values, and Unit IT's CISO, who is responsible for the strategic and operational aspects relating to the information security and data privacy domains.

As part of Unit IT's ongoing work with compliance, we wish to develop a new Code of Conduct for Unit IT in 2022 and implement it in early 2023. We also want to ensure that we always apply a relevant measure of internal and external controls for our business and information security activities, including seeking external audits and certifications. Unit IT is in the process of being ISO 27001 certified, which we expect to obtain by the end of financial year 2022/2023, and we want to maintain and deliver annual improvements of our information security level year-on-year. We are also in the process of being GDPR-audited by an external assurer, which we expect to complete by the end of financial year 2022/2023.



CHANGE STARTS WITH OUR PEOPLE

Although Unit IT is only getting started with its sustainability efforts, the company has already made progress in a few essential areas and has ambitious objectives for the future. For the last four years, Unit IT has maintained a consistent thread in the work around the level of job satisfaction experienced by its employees through making use of the employee Net Promoter Score, also known as eNPS. The eNPS is a systematic technique that uses data and governance to periodically review and follow up on employee job satisfaction, both on a team level and on an overall scale.

The evaluation that takes place five to six times per year not only helps Unit IT define the specific actions that the company has to take, and the actions that it needs to avoid, but the evaluation also provides information on how Unit IT employees describe Unit IT.

"The high eNPS that we continuously receive from our staff is an indication that the Wingman culture that we have established in the organization is an essential component in the development of our identity and our company culture," says Mark Frihagen, CEO of Unit IT.

In 2020, Unit IT was awarded Most Recommended Company by 'Kundeambassaden' (the Customer Embassy) in Denmark. Unit IT received the award due to the company's ability to achieve high customer loyalty, employee job satisfaction, and positive results.

ACCOUNTING PRINCIPLES FOR USTC'S CARBON ACCOUNTS

The following accounting principles lay the foundation for the carbon accounts presented in this report. The carbon accounts cover the financial year from 1 May 2021 to 30 April 2022 for USTC Group and the four companies in scope: Bunker Holding Group, Uni-Tankers, SDK FREJA, and Unit IT.

The carbon accounts for the individual USTC entities have been set up based on the standards as set out by the Greenhouse Gas Protocol (GHG Protocol). The GHG Protocol covers the accounting and reporting of seven greenhouse gases that are covered by the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). All GHG emissions are reported in metric tons of CO₂ equivalents (CO₂e).

The carbon accounts for each of the four companies in scope for this report have been prepared separately, which have then been consolidated into USTC Group's figures. As there are some overlaps between the individual companies' emissions, the consolidated figures presented for USTC have been corrected to avoid double counting of emissions occurring within the boundaries of the USTC Group. As such, corrections have been made to the following GHG categories in USTC's consolidated accounts: 4. Upstream Transportation, 8. Upstream Leased Assets, and 11. Use of sold products.

Any figures presented individually for any of the four individual companies – Bunker Holding Group, Uni-Tankers, SDK FREJA, and Unit IT – have not been adjusted to ensure the completeness and accuracy of each individual carbon account.

LEGAL ENTITIES

The consolidated USTC GHG inventory covers the following legal sub-entities of Bunker Holding A/S, Uni-Tankers A/S, SDK FREJA A/S, and Unit IT A/S:

BUNKER HOLDING A/S

- A/S Dan-Bunkering Ltd.
- A/S Global Risk Management Ltd. FS
- A/S Global Risk Management Ltd. Holding
- Amoil International Ltd.
- Amoil Pty. Ltd.
- BH Shared Service Center Pte. Ltd.
- BMS United Bunkers (Asia) Limited
- BMS United Bunkers Ltd.
- Bunker Holding A/S
- Bunker One (Germany) GmbH
- Bunker One (Gulf of Mexico) S.A.
- Bunker One (London) Limited
- Bunker One (Singapore) Pte. Ltd.
- Bunker One (Sweden) AB
- Bunker One (UK) Ltd
- Bunker One (USA) Inc.
- Bunker One Combustiveis E Lubrificantes Ltda.
- Bunker Point Supply Limited
- Bunkernet Ltd.
- Dan-Bunkering (America) Inc.

- Dan-Bunkering (Australia) Pty Ltd.
- Dan-Bunkering (Connecticut) LLC
- Dan-Bunkering (Monaco) S.A.M.
- Dan-Bunkering (Singapore) Pte. Ltd.
- Dan-Bunkering Middle East DMCC
- Glander International Bunkeing (Spain) S.L.
- Glander International Bunkeirng (Geneva) Sàrl
- Glander International Bunkering (India) Pvt. Ltd.
- Glander International Bunkering (Montreal) Ltd
- Glander International Bunkering DMCC.
- Glander International Bunkering DMCC. (Fujairah)
- Glander International Bunkering Inc.
- Glander International Bunkering Pte. Ltd.
- Glander Internnational Bunkering (Norway) AS
- Global Risk Management Pte. Ltd.
- KPI Bridge Oil Greece IKE
- PI Bridge Oil Singapore Pte. Ltd. (Korea)
- KPI Bridge Oil Singapore Pte. Ltd.
- KPI OceanConnect B.V.
- KPI OceanConnect DMCC
- KPI OceanConnect GmbH
- KPI OceanConnect HK Ltd
- KPI OceanConnect Inc
- KPI OceanConnect Istanbul Denizcilik Ltd
- KPI OceanConnect Limited – London

- KPI OceanConnect LLC
- KPI OceanConnect Oil A/S
- Nova Offshore
- PSTV Energy DMCC
- PT. KPI OceanConnect Jakarta
- Reniden S.A
- SABT Angola Lda
- South African Bunkering & Trading (Pty) Ltd.
- South African Bunkering & Trading Ltd.
- Suppleo Bunkering S DE RL DE CV
- Suppleo Taiwan
- Synergy Supply & Trading LLC
- Unicore Fuel Pte. Ltd.
- Unioil Supply A/S

UNI-TANKERS A/S

Legal entities

- Uni-Tankers A/S
- Uni-Tankers France SarL
- Uni Tankers Denizcilik ve Tic. Ltd. Şti
- Uni-Tankers USA LLC

Owned Vessels

- M/T Alsia Swan
- M/T Amak Swan (M/T Fandia Swan)
- M/T Anhout Swan
- M/T Boringia Swan
- M/T Endelo Swan
- M/T Erria Swan
- M/T Falstria Swan
- M/T Fenno Swan
- M/T Feo Swan
- M/T Fiona Swan
- M/T Jutlandia Swan
- M/T Lessow Swan

- M/T Lillo Swan
- M/T Mona Swan
- M/T Samus Swan
- M/T Selandia Swan
- M/T Tasing Swan

Time-Chartered Vessels

- M/T HS Ayse Ana
- M/T Bothnia
- M/T Ceto
- M/T Emin Reis
- M/T Gazela
- M/T Gunga
- M/T Heather
- M/T Ipek S
- M/T Katelina
- M/T Lea ATK
- M/T Med Adriatic
- M/T Med Antarctic
- M/T Med Emre
- M/T Med Pakize
- M/T Selena ATK
- M/T Tanab
- M/T Tarsus
- M/T Teo ATK
- M/T Zeynep Ka
- M/T Ali Ka
- M/T Aster Alvar
- M/T Selasse
- M/T Cavane
- M/T Marex Noa
- M/T Preveze 1
- M/T Samc Swan
- M/T Swan Dignity
- M/T Swan Pride

SDK FREJA A/S

- SDK Shipping A/S
- SDK Shipping AB
- SDK Shipping AS
- SDK Chartering A/S
- SDK Stevedore A/S
- SDK Cruise A/S
- Shipping Consultancy A/S
- Shipping Consultancy Sweden AB
- Esbjerg Marine Service K/S
- Esbjerg Marine Service ApS
- FREJA Group ApS
- FREJA Transport & Logistics Holding A/S
- SDK Logistics B.V.
- FREJA Transport & Logistics A/S
- FREJA Transport AB
- FREJA Transport Holding AS
- FREJA Transport & Logistics OY
- FREJA Transport & Logistics SP. Z.O.O.
- FREJA Transport & Logistics A/S (Hong Kong) Ltd.
- SDK Logistics Service Taulov A/S
- FREJA Transport & Logistics AS
- Thoresen Transport AS
- Transcargo Trucking SP. Z.O.O.
- FREJA Transport & Logistics (Shanghai) Co. Ltd.

UNIT IT A/S

Unit IT A/S is the sole legal entity in scope.

ACCOUNTING PRINCIPLES – CONSOLIDATION

This section describes the applied accounting principles for each of the categories for which a correction has been made to correct for double counting within the USTC Group.

CORRECTION FOR VESSELS IN UNI TAKERS' FLEET USED BY BUNKER HOLDING

On a USTC Group-level, a correction has been made for the emissions related to the use of vessels that are part of Uni-Tankers' fleet (irrespective of its ownership) and are also used by Bunker Holding in either upstream or downstream transportation and distribution activities.

The emissions reported in Bunker Holding's GHG inventory for the use of the following vessels has not been counted towards USTC's Group consolidated GHG inventory, as the emissions have already been accounted for by Uni-Tankers:

Amak Swan

Used by Bunker One Sweden and reported in Bunker Holding's GHG inventory's Scope 3, category 9 (downstream transportation and distribution).

Fiona Swan

Used by PSTV and reported in Bunker Holding's GHG inventory's Scope 3, category 9 (downstream transportation and distribution).

Aster Alvar 21002

Used by Unioil Supply and reported in Bunker Holding's GHG inventory's Scope 3, category 4 (upstream transportation and distribution).

Bothnia 21015

Used by Unioil Supply and reported in Bunker Holding's GHG inventory's Scope 3, category 4 (upstream transportation and distribution).

Falstria Swan 21005

Used by Unioil Supply and reported in Bunker Holding's GHG inventory's Scope 3, category 4 (upstream transportation and distribution).

Katelina 21011

Used by Unioil Supply and reported in Bunker Holding's GHG inventory's Scope 3, category 4 (upstream transportation and distribution).

Lessow Swan 22001

Used by Unioil Supply and reported in Bunker Holding's GHG inventory's Scope 3, category 4 (upstream transportation and distribution).

CORRECTION FOR FUEL SOLD BY BUNKER HOLDING TO UNI-TANKERS AND SDK FREJA

On a USTC Group-level, a correction has been made for the emissions related to the sale of fuel products that are sold by Bunker Holding to either Uni-Tankers or SDK FREJA. Both the upstream and downstream emissions related to the fuel products sold by Bunker Holding to either Uni-Tankers or SDK FREJA have not been counted towards USTC's Group consolidated GHG inventory, as the emissions have already been accounted for by either Uni-Tankers or SDK FREJA.

ACCOUNTING PRINCIPLES – SUMMARIZED FOR USTC GROUP

As for the applicability, the accounting principles have been defined per individual USTC entity. While each entity continues to meet the guidelines as presented by the GHG Protocol, there are several differences between the individual USTC entities' accounting principles, which are highlighted in this section.

SCOPE 1

STATIONARY COMBUSTION

For Bunker Holding, the category covers GHG emissions related to the combustion of marine gas oil (MGO), natural gas, and petrol used for heating at terminals.

For Uni-Tankers, the category covers GHG emissions related to the combustion of natural gas used for the heating of offices.

For SDK FREJA, the category covers GHG emissions related to the combustion of natural gas, diesel, and burning used for the heating at warehouses and offices.

For Unit IT, the category covers GHG emissions related to the combustion of diesel used for generators at data centres.

The GHG emissions are calculated based on the annual consumption of these fuels and the most recent emission factor published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA) for natural gas, diesel, and petrol, and the most recent emission factor published by the International Maritime Organisation (IMO) for MGO.

FUEL COMBUSTION BY COMPANY CARS

For Bunker Holding Group, Uni-Tankers, SDK FREJA, and Unit IT, the category covers GHG emissions related to the combustion of petrol and diesel used in company cars owned or controlled by the applicable entities.

For Bunker Holding Group, Uni-Tankers, and SDK FREJA, the GHG emissions are calculated based on the annual consumption of these fuels and the most recent emission factor published by UK Government Department for Environment, Food & Rural Affairs (DEFRA).

For Unit IT, the GHG emissions are calculated based on the estimated annual consumption of these fuels and the most recent emission factor published by UK Government Department for Environment, Food & Rural Affairs (DEFRA). The fuel consumption is estimated based on fuel spend data and the average fuel prices during the reporting period as provided by the supplier Q8.

BUNKER FUEL COMBUSTED BY OWNED VESSELS

The category covers GHG emissions related to the combustion of MGO and VLSFO used for the main and auxiliary engines in Uni-Tankers' owned fleet.

The GHG emissions are calculated based on the annual consumption of these bunker fuels and the most recent emission factors. The emissions factor for MGO has been published by the International Maritime Organisation (IMO) while the emission factor for VLSFO has been published by the International Council on Clean Transportation (ICCT).

FUEL COMBUSTION BY OWNED TRUCKS

The category covers GHG emissions related to the combustion of diesel and HVO used in trucks owned by SDK FREJA.

The GHG emissions are calculated based on the annual consumption of these fuels and the most recent emission factor published by UK Government Department for Environment, Food & Rural Affairs (DEFRA).

SCOPE 2

PURCHASED ELECTRICITY (LOCATION-BASED APPROACH)

The category covers GHG emissions related to purchased electricity at all offices, calculated using the location-based approach.

For Bunker Holding Group, a few office locations are shared with various entities and at these locations, the electricity consumption at that office location is distributed among the various entities based on the number of FTEs per entity.

For Uni-Tankers, the electricity consumption at shared office locations is distributed among the various entities based on the number of FTEs per entity (in USA, France and Turkey) and square-meter allocation (Denmark).

For SDK FREJA, the category also covers GHG emissions related to purchased electricity at SDK FREJA's warehouses where the electricity is sub-metered.

The GHG emissions are calculated based on the annual electricity consumption and the respective country's average grid GHG emission factor published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA), United States Environmental Protection Agency (EPA), or the International Energy Agency (IEA).

PURCHASED ELECTRICITY (MARKET-BASED APPROACH)

The category covers GHG emissions related to purchased electricity at all offices, calculated using the market-based approach.

For Bunker Holding Group, a few office locations are shared with various entities and at these locations, the electricity consumption at that office location is distributed among the various entities based on the number of FTEs per entity.

For Uni-Tankers, the electricity consumption at shared office locations is distributed among the various entities based on the number of FTEs per entity (in USA, France, and Turkey) and square-meter allocation (Denmark).

For SDK FREJA, the category also covers GHG emissions related to purchased electricity at SDK FREJA's warehouses where the electricity is sub-metered.

The GHG emissions are calculated based on the annual electricity consumption and the respective country's average grid GHG emission factor published by the Association of Issuing Bodies (AIB, European Residual Mix), United States Environmental Protection Agency (EPA), UK Government Department for Environment, Food & Rural Affairs (DEFRA), the International Energy Agency (IEA), or the local electricity supplier.

PURCHASED HEATING

The category covers GHG emissions related to purchased district heating at all offices.

The GHG emissions are calculated based on the annual heating consumption and the respective country's average grid GHG emission factor published by the International Energy Agency (IEA) or the supplier-specific emission factors.

COOLING

The category covers GHG emissions related to purchased district cooling at Bunker Holding Group's offices.

The GHG emissions are calculated based on the annual heating consumption and the respective country's average grid GHG emission factor published by the International Energy Agency (IEA).

SCOPE 3

PURCHASED GOODS AND SERVICES (CATEGORY 1)

For Bunker Holding Group, the category covers the upstream GHG emissions related to purchased goods and services by all Bunker Holding Group entities, including the purchased fuel products resold to customers, as well as purchased electricity and heating at locations where its consumption is not directly paid for.

Bunker Holding Group's GHG emissions are calculated based on the spend data on different goods and services categories and product category emission factors published by the World Input-Output Database (WIOD).

For Bunker Holding Group's fuel products specifically, the GHG emissions are calculated based on the quantities of externally traded and external cargo fuels and the fuel-specific upstream emission factors published by the International Council on Clean Transportation (ICCT).

For Bunker Holding Group's purchased electricity and heating, the GHG emissions are calculated based on the surface area (for offices) or the quantity of fuel handled (for terminals) and the lifecycle emission factors published by the International Energy Agency (IEA) for electricity and the

lifecycle emission factors published by the International Maritime Organization (IMO) and the International Council on Clean Transportation (ICCT).

For Uni-Tankers, the category covers the upstream GHG emissions related to purchased goods and services by all Uni-Tankers owned vessels and limited services paid for and controlled by Uni-Tankers for time-chartered vessels.

Uni-Tankers' GHG emissions are calculated based on the spend data on different goods and services categories and product category emission factors published by the World Input-Output Database (WIOD).

For SDK FREJA, the category covers the upstream GHG emissions related to purchased packaging materials by all SDK FREJA entities, as well as purchased electricity and heating at offices where its consumption is not sub-metered to SDK FREJA.

SDK FREJA's GHG emissions related to packaging materials are calculated based on the spend data on packaging materials and product category emission factors published by the World Input-Output Database (WIOD).

For SDK FREJA's electricity and heating consumption specifically, the electricity and heating consumption are estimated based on the surface area of the offices and each country's average electricity and heating consumption per m² as published by Entranze. The GHG emissions are then calculated based on the estimated electricity and heating consumption, and the respective country's average grid GHG emission factor published by the International Energy Agency (IEA).

SDK FREJA's packaging materials is considered the most material source of expenditures in this category for SDK FREJA. However, it is recognized that other product categories may be applicable to SDK FREJA as well.

For Unit IT, the category covers the upstream GHG emissions related to purchased goods and services by all Unit IT entities, including both purchased software and hardware equipment resold to its customers, as well as purchased electricity and heating at offices where its consumption is not sub-metered to Unit IT.

Unit IT's GHG emissions are calculated based on the spend data on different goods and services categories and product category emission factors published by EXIOBASE 3 and presented by "Virksomhedsguiden".

For Unit IT's electricity and heating consumption specifically, the electricity consumption is estimated based on the number of FTEs per office and the average electricity consumption based on the other Unit IT offices that reported actual electricity consumption data. The heating consumption is estimated based on the estimated electricity consumption per FTE and then corrected for the ratio of heating to electricity consumption in Danish offices as published by Entranze. The GHG emissions are then calculated based on the estimated electricity and heating consumption, and the respective country's average grid GHG emission factor published by the International Energy Agency (IEA).

CAPITAL GOODS (CATEGORY 2)

For Bunker Holding Group, Uni-Tankers, and Unit IT, the category covers upstream GHG emissions related to purchased capital goods by all applicable entities

For SDK FREJA, the category covers upstream GHG emissions related to purchased transport equipment and IT equipment by all SDK FREJA entities. Transport equipment and IT equipment are considered the most material sources of expenditures in this category for SDK FREJA. However, it is recognized that other product categories may be applicable to SDK FREJA as well.

For Bunker Holding Group, Uni-Tankers, and SDK FREJA, GHG emissions are calculated based on the spend data on different capital goods categories and product category emission factors published by the World Input-Output Database (WIOD).

For Unit IT, the GHG emissions are calculated based on the spend data on different capital goods categories and the product category emission factors published by EXIOBASE 3 and presented by "Virksomhedsguiden".

FUEL AND ENERGY-RELATED ACTIVITIES (CATEGORY 3)

For Bunker Holding Group, SDK FREJA, and Unit IT, the category covers the upstream GHG emissions related to purchased fuels and energy by all applicable entities.

For Uni-Tankers, the category covers the upstream GHG emissions related to purchased fuels and energy by all Uni-Tankers onshore offices, vehicles and owned vessels.

This includes all fuels covered in Scope 1 and all energy (electricity, heating, and cooling) reported in Scope 2. The GHG emissions are calculated based on the consumption data on the different types of fuel and energy and the respective upstream emission factors published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA), the International Energy Agency (IEA), and International Council on Clean Transport (ICCT).

UPSTREAM TRANSPORTATION AND DISTRIBUTION (CATEGORY 4)

For Bunker Holding Group and Uni-Tankers, the category covers the lifecycle GHG emissions related to the transportation and distribution of purchased products from tier-one suppliers in vehicles not owned or operated by Bunker Holding Group or Uni-Tankers, as well as third-party transportation and distribution services purchased by Bunker Holding Group or Uni-Tankers.

For Bunker Holding Group, this includes all third-party sourcing and supply logistics in vessels, barges, trains, and trucks.

For Uni-Tankers, this includes all third-party logistics and transportation services via road, sea or air for the purpose of transporting purchased products to Uni-Tankers' owned vessels.

For SDK FREJA, the category covers GHG emissions related to subcontracted transport by road, air, and sea.

For Bunker Holding Group, Uni-Tankers, and SDK FREJA, the GHG emissions are calculated based on the most recent emission factor published by UK Government Department for Environment, Food & Rural Affairs (DEFRA).

This category is not applicable to Unit IT, as it does not engage in any such activities and is therefore not calculated.

WASTE GENERATED IN OPERATIONS (CATEGORY 5)

For SDK FREJA and Unit IT, the category covers GHG emissions related to disposal and treatment of waste generated in SDK FREJA and Unit IT's owned and controlled operations, both for recycled and non-recycled waste.

The GHG emissions are calculated based on the annual quantity of waste generated and the most recent emission factor published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA).

This category has not been calculated for Bunker Holding and Uni-Tankers due to unavailability of activity data and immateriality of the emissions, respectively.

BUSINESS TRAVEL (CATEGORY 6)

This category covers GHG emissions related to business travel by all applicable entities.

For Bunker Holding Group and SDK FREJA, the GHG emissions are calculated based on the spend data on four different types of business travel (air transport, land transport, hotel stays, and food and beverages) and product category emission factors published by the World Input-Output Database (WIOD).

For Uni-Tankers, the GHG emissions are calculated based on the purchase of flights and the emission factors published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA).

For Unit IT, the GHG emissions for employee car travel is calculated based on the estimated annual consumption of fuels and the most recent emission factor published by UK Government Department for Environment, Food & Rural Affairs (DEFRA). The fuel consumption is estimated based on fuel spend data and the average fuel prices during the reporting period as provided by Q8. The GHG emissions for trains and taxis are calculated based on the spend data and the product category emission factor for "transportmidler" as published by EXIOBASE 3 and presented by "Virksomhedsguiden".

EMPLOYEE COMMUTING (CATEGORY 7)

The category covers GHG emissions related to the The category covers GHG emissions related to the combustion of petrol and diesel in SDK FREJA's company lease cars when used for personal use.

SDK FREJA's GHG emissions are calculated based on the annual consumption of these fuels and the most recent emission factor published by UK Government Department for Environment, Food & Rural Affairs (DEFRA).

Although it is recognized that personal use may include more than just employee commuting, it has been decided to account for all fuel consumption, due to lack of available data on the share of personal use versus employee commuting.

This category has not been calculated for Bunker Holding, Uni-Tankers, and Unit IT, due to lack of accurate activity data for all entities.

UPSTREAM LEASED ASSETS (CATEGORY 8)

For Bunker Holding Group, the category covers GHG emissions related to the combustion of heavy fuel oil (HFO), very low sulphur fuel oil (VLSFO), marine gas oil (MGO) and diesel used in time-chartered vessels as part of the Bunker One fleet.

For Uni-Tankers, the category covers GHG emissions related to the combustion of low sulphur fuel oil (VLSFO) and marine gas oil (MGO) used in time-chartered vessels.

For SDK FREJA, the category covers GHG emissions related to the combustion of marine gas oil (MGO) used in time-chartered vessels as part of the SDK fleet.

The GHG emissions are calculated based on the annual consumption of these fuels and the most recent emission factor published by the International Maritime Organisation (IMO) and International Council on Clean Transport (ICCT).

This category is not applicable to Unit IT, as it does not engage in any such activities and is therefore not calculated.

DOWNSTREAM TRANSPORTATION AND DISTRIBUTION (CATEGORY 9)

The category covers Bunker Holding Group's lifecycle GHG emissions related to the transportation and distribution of sold products to customers in vehicles not owned or operated by Bunker Holding Group, and where Bunker Holding Group does not pay the cost.

This includes all third-party delivery logistics in the trading operations as well as in the physical operations.

The GHG emissions are calculated based on the most recent emission factor published by UK Government Department for Environment, Food & Rural Affairs (DEFRA), the International Maritime Organisation (IMO) and International Council on Clean Transport (ICCT).

This category is not applicable to Uni-Tankers, as it does not engage in any such activities and is therefore not calculated.

USE OF SOLD PRODUCTS (CATEGORY 11)

The category covers GHG emissions related to the combustion of fuel products sold by Bunker Holding Group, including heavy fuel oil (HFO), low sulphur fuel oil (LSFO) and marine gas oil (MGO).

The GHG emissions are calculated based on the annual quantities of sold fuels and the most recent emission factor published by the International Maritime Organisation (IMO) for HFO and MGO. For LSFO, the most recent emission factor for VLSFO as published by the International Council on Clean Transportation (ICCT) is applied.

This category is not applicable to Uni-Tankers, as it does not engage in any such activities and is therefore not calculated.

OTHER SCOPE 3 CATEGORIES

The other five categories (category 10 Processing of Sold Products, category 12 End-of-Life Treatment of Sold Products, category 13 Downstream Leased Assets, category 14 Franchises, and category 15 Investments) are not calculated for any of the USTC entities, as the entities either do not engage in such activities or the activity is not relevant to its operations, and it is hence not applicable.

STATEMENT BY THE MANAGEMENT REGARDING THE GREENHOUSE GAS INVENTORY FY 2021/2022

Management has today considered and approved the Greenhouse Gas Inventory FY 2021/2022.

The Greenhouse Gas Inventory FY 2021/2022 has been prepared in accordance with The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (revised edition). The Greenhouse Gas Statement comprises the Scope 1-3 emissions inventory of USTC A/S and its subsidiaries, as defined in the Management's Accounting Principles for its Greenhouse Gas Inventory.

In my opinion, the Greenhouse Gas Inventory FY 2021/2022 is in accordance with The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (revised edition) and Management's Accounting Principles for its Greenhouse Gas Inventory, and is free from material misstatement and omissions, whether due to fraud or error, including the accuracy and completeness of the data, sources and assumptions used.

Middelfart, 19 September 2022

On behalf of Management



Jakob Schultz Nielsen
Group CFO

TO THE MANAGEMENT OF USTC

INDEPENDENT AUDITOR'S COMPILATION STATEMENT

We have compiled the Greenhouse Gas Inventory of USTC A/S for FY 2021/2022, based on the information we have received from Management.

The Greenhouse Gas Inventory comprises the Scope 1-3 emissions inventory of USTC A/S, and its subsidiaries as defined in the Management's Accounting Principles for its Greenhouse Gas Inventory. The Accounting Principles and summary of results are found in the Appendix of this Compilation Statement.

We performed this work in accordance with ISRS 4410 Compilation Engagements.

We have applied our professional expertise to assist Management in the preparation and presentation of the Greenhouse Gas Inventory in accordance with The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (revised edition).

We have complied with the requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

The Greenhouse Gas Inventory and the accuracy and completeness of the assumptions used to prepare the statement are the sole responsibility of Management.

Since a Compilation Engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile this Greenhouse Gas Inventory. Accordingly, we do not express an audit opinion or a review conclusion about the Greenhouse Gas Statement.

Copenhagen, 19 September 2022

Deloitte Statsautoriseret Revisionspartnerselskab
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