



SUSTAINABILITY REPORT

Communication on Progress

United Nations Global Compact

Reporting year 2021
Member since 13/02/2017

osm.no

CONTENTS

<hr/> Letter from CEO	02	<hr/> Social	10
<hr/> OSM Maritime – Overview	03	<hr/> Governance	28
<hr/> Our Approach to Sustainability	06	<hr/> Summary of Action Plans - For Year 2022	30
<hr/> Environment	07	<hr/> Appendix	31

LETTER FROM CEO

OSM Maritime reaffirms our commitment to the United Nations Global Compact (UNGC) and its ten principles in the areas of Human Rights, Labour Standards, Environmental Protection and Anti-Corruption.

Seaborne transportation accounts for the majority of international commodity trade transportation. The world has observed the significance of shipping in globalization, particularly during these unusual times. Through stakeholder engagement, OSM Maritime understands its position in society and values its economic, ecological, and social responsibility influence, both locally and worldwide.

This fifth annual Communication on Progress (CoP) documents the measures and results of OSM Maritime in the abovementioned four focus areas of the ten principles of the UNGC. The report will be made accessible to all stakeholders of the company. As we conclude the fifth year in this ESG journey, we look to carry out a review of our learnings and achievements in 2021 and adjust our sustainability strategy accordingly for the future.



FINN AMUND NORBYE
CEO-OMH



WE SUPPORT



OSM MARITIME – OVERVIEW

In OSM, “It’s all about people”.

Our main target is to take care of our main asset, our people, and then our people will take care of our customers’ assets. This is what makes OSM unique. We have the right ingredients to provide a quality service to the maritime and offshore industry.



ABOUT US

OSM Maritime is an independent service provider, not a maritime asset owner or manufacturer. We partner together with our customers and partners to bring them real value through a unique combination of clear strengths.

CORE SERVICES



TANKER



DRY / BULK



OFFSHORE



OFFSHORE DRILLING



RENEWABLES



CRUISE & FERRY



**SHIP
MANAGEMENT**



**CREW
MANAGEMENT**



**ANCILLARY
SERVICES**

- ENERGY EFFICIENCY
- GREEN RECYCLING
- MARITIME LEADERS ACADEMY
- RECRUITMENT SERVICES
- NORDIC MEDICAL CLINIC
- INSURANCE SERVICES
- LAY-UP MANAGEMENT
- NEWBUILDING & SUPERVISION
- OSERV CATERING



VISION

OUR VISION IS TO BE A LONG-TERM PARTNER FOR OUR CUSTOMERS, A HOME FOR OUR PEOPLE AND AN ASSET IN SOCIETY.

OSM Maritime has a long tradition of being a provider of quality service, operational safety and environmental protection in the maritime – and shipping industry. Our goal is to constantly improve our reputation as a premier ship manager and to provide our services with integrity and reliability aiming for zero incidents and zero spills.



MISSION

TO CONTRIBUTE TO OUR CUSTOMERS' SUCCESS.

At OSM, our mission is to go the extra mile to be our customer's first preference to provide safe, high quality and reliable services. We are also committed to conduct our operations in a manner which promotes safety, protects human life, the environment and property.

Safety, Health, Quality and Environmental responsibilities extend throughout the organization. Everyone is expected to take a personal, proactive and constructive role in our drive for flawless, efficient, competitive and customer focused operations and to participate in our efforts to achieve our targets of zero incidents and zero spills.

CORE VALUES

Our core values are the cornerstones in our daily work. Every decision and face-to-face meeting with people around the world should reflect OSM Maritime values.

RESPONSIBLE

This is the cornerstone of our values. Most importantly, we are responsible for the safety and health of our people on board and ashore. Safety always comes first. We place great value on environmental responsibility and keeping our planet safe for future generations.

Responsibility also means honesty and trustworthiness. We expect proper conduct from all our people and do not accept unethical or questionable business practices. We manage significant assets on behalf of our clients and we take responsibility for the job being done in a professional, cost-effective manner, safe-guarding our client's assets and reputations. We also guarantee first-class training for our employees.

TEAM BUILDERS

A key factor for success is motivating people to work together. Each one of our employees is a vital asset. But the team is always stronger than the individual. We do business by building teams. We team up with our customers, suppliers and partners. We prefer an open atmosphere of cooperation regardless of position or title. It is important for us that all employees feel they belong to a team and do their best to help each other create success. We want our teams to WIN.

FRIENDLY

A friendly atmosphere makes a huge difference! It makes your co-workers happier. It makes work go easier! It makes the customers more satisfied! It is what keeps us in business! And best of all: It is simple to live by and it is free!

ALWAYS ON!

In a nutshell, this is our way of doing things. Things happen fast in our business and we aim to stay ahead of the game. ALWAYS ON! simply means that we are focused, in control of every situation, innovative and totally committed.

OUR APPROACH TO SUSTAINABILITY

Stakeholder Management, Engagement and Relationship

OSM recognized the importance of our stakeholders and a detailed stakeholder mapping was conducted to reveal opportunities and potential problems that may exist. The stakeholder engagement matrix was periodically assessed, and necessary amendments were made as required.

More details on the stakeholder mapping can be found in Attachment I of the report.

A materiality assessment survey was carried out which allows OSM to identify several topics which our stakeholders are most concerned.

The materiality assessment survey points out the crucial areas which allow us to better facilitate the implementation of policies and processes regarding corporate sustainability.

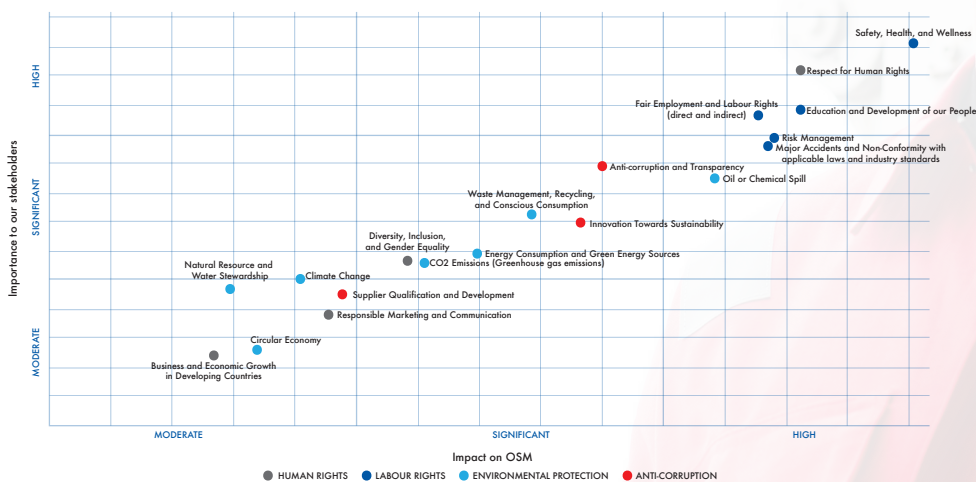
The creation and strategy process involved in its development was long and extensive. Several departments and employees from different levels and functions of OSM were consulted. To define the issues and topics to be included on it, we have consulted our risk committee aiming to include all relevant points. All issues and topics included in the materiality assessment survey can be considered as risks and opportunities to OSM.

The materiality assessment was designed to cover all principles from the UN Global Compact and detailed information can be found in Attachment II - 10 principles of UN Global Compact and related topics selected to the OSM Materiality assessment survey. A group of 81 topics have been identified and grouped into 19 issues. We have adopted an inclusive strategy for our stakeholder engagement approach, including a broader range of stakeholders. Our materiality assessment was sent by e-mail to our internal stakeholders and to all our stakeholders on social media.

According to the Material Assessment Survey, the issues selected as Material by our stakeholders are:

- Safety, Health, and Wellness – Associated with Labour rights;
- Respect for Human Rights – Associated with Human rights;
- Education and Development of our People – Associated with Labour rights; and
- Fair Employment and Labor Rights (direct and indirect) – Associated with Labour rights.

MATERIALITY ASSESSMENT



Feedback for our materiality assessment were provided by OSM employees, Suppliers, Customers, Competitors, Community members, Certification bodies and others.

ENVIRONMENT



COMMITMENT

OSM is committed to conducting business in an environmentally sustainable and responsible manner. The company also participates in activities to improve the energy efficiency of its operations at all levels and, at the same time, is involved in renewable energy segments. To us, working responsibly means to always make a positive environmental impact in the areas where we operate.

In our commitment to the environment, OSM seeks to achieve the following:

- Continuous endeavour to achieve the goal of zero spills overboard and zero environment-related legal violations.
- Apply management systems and operations to use energy and natural resources wisely and efficiently, eliminate and minimize waste, and re-use and recycle where practical.
- Ensure that environmental issues are properly assessed and considered when key decisions are taken about supply chains, processes, and new product development.
- Undertake significant environmental aspects and impacts into account throughout our operations, maintaining a functioning environmental management system at each managed asset.

ENVIRONMENTALLY FRIENDLY PROJECTS

OSM provides new building management and supervision services to our clients. The service covers the following scope:

- Design, Engineering, Testing & Analysis
- Contract & New Building Supervision
- Manage Systems & Mobilization

In 2021, OSM has made several advancements towards environmentally sustainable shipping with the following projects:

Fjord NB1907 (Rodvenfjord)

Fjord1 NB1097 (Rodvenfjord) is a fully electric, DNV-classed, Ro-Ro ferry. This vessel is 104.7m long and 17.7m beam. This project was launched on 8th January 2021 in Turkey's Tersan Shipyard and the vessel was delivered in August 2021. The vessel is intended for use at Søsnes to Åfarnes in Western Norway. This ferry was designed to fully operate on electrically using batteries, with hybrid generators being installed on board as a backup.

In September 2021, OSM further received the supervision contract for the building of two more ferry ships for Fjord1. Both ferries will possess a battery-powered propulsion system that can be charged via shore power while passengers are disembarking in port. These vessels will also have a diesel-electric backup system which allow them to operate either modes – electrically, hybrid or in diesel-electric mode. Following their scheduled delivery, expected in the second quarter of 2023, the ferries will then be operating on the routes between the communities of Stranda and Liabygda, and Eidsdal and Linge in Norway.



ENVIRONMENT



Ocean Infinity Project

OSM was awarded the New Build Site Supervision Project for Ocean Infinity's eight new build vessels. With a length of 78.0 m, these vessels will be the first of their kind and represent a giant leap forward for the maritime sector in providing sustainable services to all corners of the industry, from offshore energy to logistics and transport. In close cooperation with regulatory bodies, these vessels are designed to have an ultra-low carbon footprint and are among the first vessels to be prepared to receive green ammonia as a fuel with a fuel cell and battery technology.

Aura Seaways

The Aura Seaways sailed out of Guangzhou Shipyard International (GSI) in Southern China on 20th December 2021. This vessel fulfils the new design standards of the Energy Efficiency Design Index (EEDI) and the CO2 emissions, which is more than 20% lower than on vessels currently trading on the intended routes Karlshamn (Sweden) – Klaipeda (Lithuania) and Kiel (Germany) – Klaipeda.

Havila Capella

Havila Capella departed from the TERSAN Shipyard of Yalova in Turkey, towards Bergen on the 9th November 2021. The Kyrstruten vessel is designed and constructed to provide safe, effective, comfortable, energy-efficient, and environmentally friendly transport, loading, and unloading of passengers and cargo. The Havila Capella is a hybrid gas-electric/battery driven vessel which ensures the optimal operation and flexibility to reduce fuel consumption, emission, noise, and vibration during transit and maneuvering. The battery packs can be charged via a shore power supply connection and can also be used as an independent power source for possible zero emission voyage.



ENVIRONMENT

ENVIRONMENT & ENERGY MANAGEMENT SERVICES

IHM Maintenance Service

With the European Union (EU) Regulative SRR 1257/2013, which was implemented on 1st January 2021, all vessels calling an EU port must have an IHM certificate onboard. Additionally, International Maritime Organization (IMO) Guidelines MEPC. 269 (68) states that the shipowner is responsible to maintain the IHM inventory list during the vessels' lifetime.

Shipowners must implement specific measures to ensure conformity to part I of the inventory (MEPC 5.2). For this reason, most shipowners and management companies have decided to outsource this job to companies that has experience with working with hazardous materials. OSM has an inhouse competence in IHM maintenance, hence, we offer this service as a third-party company to all existing customers.

Vessel Reporting System "VRS"

Our in-house data collection system (VRS) is tailor-made to collect all necessary data to track the environmental footprint of our managed ships. With this data, it will allow us to find opportunities to improve effectiveness and provides us with necessary voyage and vessel information. Our software covers the aspects as listed below and we are committed to continuously develop the VRS to ensure it meets our environment and energy management needs.

- Ship Fuel Consumption Reporting: Helps save fuel; save money
- Improved Ship Performance: Optimizes the speed and effectiveness of the vessel, saves time at the sea and money
- EU MRV and IMO DCS: Fully compliant with MRV and DCS reporting
- Environment KPI Management: Full overview of environmental and energy management adequacy

NORWEGIAN GREEN SHIPPING PROGRAM (GSP) MEMBERSHIP

OSM has become a member and partner of the Norwegian GSP. The GSP, a public-private partnership, aims to advance the Norwegian government's maritime strategies and plans. The programme's vision is to develop and strengthen Norway's goal to establish the world's most efficient and environmentally friendly shipping.

GSP was first established in January 2015 under the name Green Coastal Shipping Program, consisting of sixteen private companies and organisations, as well as two government ministries. In the spring of 2019, the program changed its name to the Green Shipping Program to state its international ambitions.

OSM is joining in the fifth phase of the program. We will work together with more than fifty private companies and organisations. This is a program where commercial companies, together with research institutions, Classification Societies and Norwegian Authorities, join forces to find shipping solutions that are efficient and environmentally friendly.



SOCIAL

COMMITMENT

OSM recognizes that its employees are its greatest asset, for their skills and knowledge are what defines and distinguishes the company from the rest. That's why we believe "It's all about people" and we want to be "a home for our people and an asset in society". Securing the wellbeing and development of our employees and our communities is a high priority to us.

Our responsibility as an employer of seafarers include giving people opportunities in life through an education, a career and a good future. It's also about being a good employer for seafarers which often is a neglected group, handled poorly. We want to be different.

Our ambition is to secure the wellbeing and development of our people and local communities.



DIVERSITY AND INCLUSION

OSM recognizes the importance of having a diverse workforce as it brings about a wide range of perspectives and ideas to cater to our customers' needs. Therefore, equal opportunities are given to all regardless of their nationalities, age, and gender.

Equal Opportunities Regardless of Nationality

Employment opportunities are equal for all nationalities in OSM. We have forty different nationalities across all OSM offices around the world.



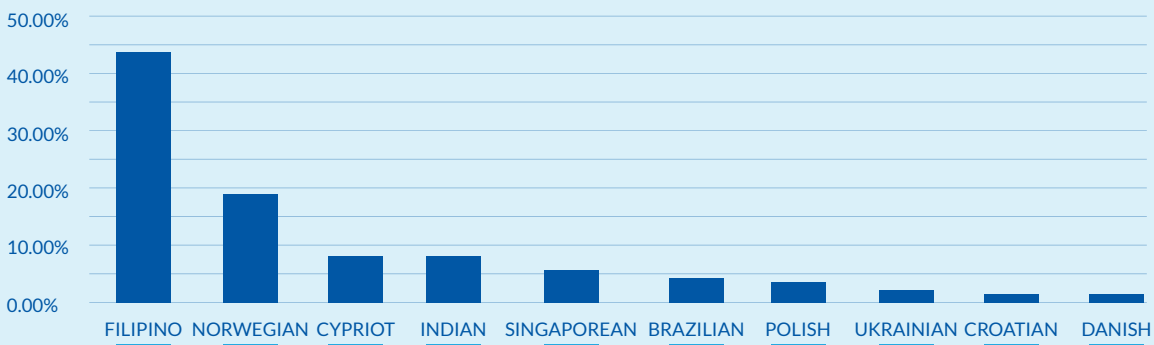
40
DISTINCT NATIONALITIES
↓ 4% FROM 2020



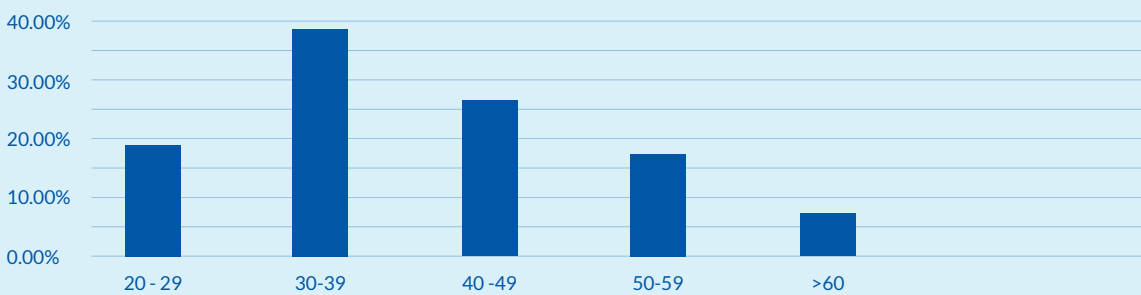
915
EMPLOYEES
↑ 3% FROM 2020

* decrease due to the closure of OSM Angola

TOP 10 (%) OF OFFICE EMPLOYEES



AGE GROUP (%) OF OFFICE EMPLOYEES



SOCIAL

Equal Opportunities Regardless of Gender

In OSM we support gender equality where fair opportunity is given regardless of gender and to ensure that all genders are allowed to feel safe while at work.

Gender distribution for Office staff in 2021



Women of OSM

Shipping is a male-dominated industry. To ensure that women in OSM are included, and in line with International Women's Day, the company has conducted in-depth interviews with women in OSM, where they shared their experiences in OSM, aspirations and offered words of encouragement for women in the shipping industry. All interviews are shared on the company's portal.

In November 2021, OSM welcomed Simona Toma into the management team as she took up the position of Managing Director of OSM Asia. Simona has experience in marine and crew management and held senior positions in leading shipping companies such as SeaTeam Management Pte. Ltd. and Maersk (Romania, Philippines, and Singapore).



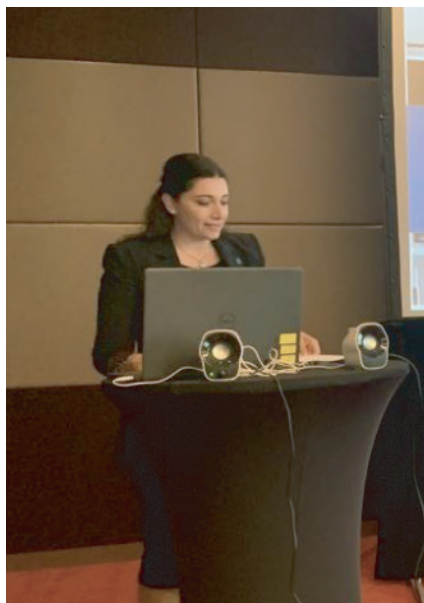
Equal Educational Opportunities

OSM believes that education opportunities should be provided to all genders without prejudice.

- 73% of our present scholars in the OSM Adonis Donato (OSM-AD) Foundation are females.
- In 2021, the catering programme (usually female-dominated) see a 34% drop in female trainees.
- Our cadetship programme sees an increase in the number of female trainees by 1% as compared to the previous year.

Striving for Gender Equality

According to a survey conducted by the Association of Women for Action and Research (AWARE), it was reported that there is a high prevalence of workplace sexual harassment and low reporting rates. To better understand the situation in OSM, the company's HSEQ Department ran a survey on sexual harassment. Both ship and shore staff participated in the survey. To ensure that the work environment in OSM is inclusive and comfortable for all genders to work in, training was also conducted with shore staff on workplace sexual harassment to raise awareness of the same.



AT OSM WE SUPPORT GENDER EQUALITY

Diversity, Inclusion, and Belonging

OSM is proud to have a strong team of women who lead by example on a daily basis in an industry that has predominantly been male dominated.

SOCIAL

TRAINING AND DEVELOPMENT

Education of our employees has always been a core in our business strategy. OSM invests heavily in ensuring education and training are available to all staff around the globe. All new shore staff will have to undergo a two-week induction training that covers OSM values and standards.

In 2021, we see an increase in the number of trainings completed across most platforms made available to employees. This suggests a high motivation amongst employees to stay relevant and to pursue personal development.

Seafaring Employees

Maritime Leaders' Academy (MLA)

The OSM MLA provides a practical and pragmatic approach to learning for our seafarers. Courses are created using a competence management approach that covers a wide range of topics like:

- Maritime
- Oil & Gas
- People Skills
- Safety, Security & Survival
- Competence Management
- Offshore
- Navigation
- Cargo Handling & Engineering

In 2021, despite the challenges faced for training arrangements due to the pandemic, MLA had trained more than 4,000 seafarers globally. This is a 55% increase in the number of seafarers trained as compared to the year 2020.

OSM has received course approval from the Bahamas Maritime Authority (BMA) as an approved training provider for Standards of Training, Certification, and Watchkeeping for Seafarers (STCW) basic training and passenger courses. This training service increased the capability of MLA to run STCW courses globally.

Training Statistics for 2021



572
COURSES DELIVERED
↑ 28% FROM 2020



4,410
TRAINEES TRAINED
↑ 55% FROM 2020



27,955
COURSES BOOKED
↑ 134% FROM 2020

OSM recognizes that E-learning platforms are the way in the future. With that in mind, MLA continues to identify and convert more classroom courses to virtual classes thus increasing the accessibility of education.

The system improvements in training systems support for both Innovation in Learning (iLearn) and Seagull Computer Based Training (CBT) led to an increase in the courses completed by seafarers. The next phase of system integration is expected to be completed by end of Q4 2022.

Future Leaders Programme

The Future Leaders Programme is a dedicated training regime to equip OSM Cadets with the skills, qualifications and experience required for a future career as a Class 3 Deck Officer or Class 5 Marine Engineer. In 2021, we see an increase of 11% in participation in the Future Leader Program. This supports the manpower strategy to have a sustainable source of officers in the fleet who are already well familiar with the company's management systems.



SOCIAL

Seagull Computer Based Training (CBT)

This is an interactive training that seafarers can go through on board, and when completed, a training certificate will be issued. Monthly updates are being performed by the training department to ensure that all crew is actively completing their required Seagull CBT.



51%
CBT COMPLETION RATE
↑ 11% FROM 2020

Innovation in Learning (ILearn)

ILearn provides the capability to manage and administer eLearning modules that supplements the training activities of the seafarers. ILearn's real-time reporting is a flexible and scalable system that is cost-effective in delivering competence training and assessment tracking.



12,815
ILEARN COURSES COMPLETED
↑ 82% FROM 2020

The major increase in the number of courses completed via ILearn is primarily due to the OSM Project where crew members are allowed access to the full set of ILearn training for a fixed fee instead of the pay-per-view training package.

Virtual Web-based Training

Due to the COVID-19 outbreak, hotel quarantine before signing on is made mandatory for all seafarers. OSM saw this as an opportunity to arrange web-based trainings during the quarantine period which allows seafarers to have a form of virtual social interaction while at the same time have some knowledge sharing during isolation.

In 2021, OSM have enhanced the training sessions by having external trainers collaborate and co-host several training programmes in the form of webinars. This allows the seafarers to have a better understanding of the topics and to facilitate more in-depth discussions.



223
WEB-BASED SESSIONS DELIVERED
↑ 20% FROM 2020



685
CREW PARTICIPATED
↑ 82% FROM 2020

Shore Employees

LinkedIn Learning

OSM continues to provide our shore employees with LinkedIn Learning in 2021. The LinkedIn Learning tool can be assessed both online and offline and some of the courses also award the employees with certificates upon completion.

Engagement highlights for LinkedIn Learning – 2021

PEOPLE LOGGED IN	PEOPLE VIEWD CONTENT	AVG. TIME PER VIEWER
747	686	4H 28M
LINKEDIN LEARNING COURSE VIEWS	LINKEDIN LEARNING VIDEO COMPLETIONS	LINKEDIN LEARNING COURSE COMPLETIONS
6,538	52,366	2,561
HOURS VIEWED	CUSTOM CONTENT VIEWS	CUSTOM CONTENT COMPLETIONS
2,774	2,280	1,802



SOCIAL

Top Development Areas

768 learners at OSM Maritime Group are developing these skills on LinkedIn Learning.

Skill (100)	Unique learners Number ↓	Percent change ↓	Hours viewed	Percent change ↓	% of all active learners
Ethics	498	-	234.4	-	65%
Code of Conduct	495	-	234.4	-	64%
Training	394	-	0.9	-	51%
OSM	385	-	3.2	-	50%
Quiz	368	-	0	-	48%
Performance Reviews	283	▲ 180.2%	1.8	-	37%
Wellnes	211	▲ 7.7%	554.2	▲ 56.9%	27%
Performance Management	199	▲ 31.8%	43.9	▲ 30.8%	26%
Microsoft OneDrive	167	-	66.2	-	22%
Enviromental	140	▲ 109%	16.4	▲ 94.5%	18%

Learning Needs Analysis (LNA)

OSM rolled out the LNA exercise this year (for technical and marine employees) to determine the competencies gap based on the job role to identify the kind of training they must undergo to enhance their knowledge.

The company training plan will be developed for the year 2022 accordingly based on the development needs identified during the performance management and the LNA results.





HUMAN RIGHTS AND LABOUR STANDARDS

Human Rights

OSM supports the Universal Declaration of Human Rights to respect human rights and protect our employees against human rights abuse. Our Corporate Social Responsibility and Sustainability Commitment Policy (FCV-H.06) reiterates our stance against the violation of human rights.

OSM uses a due-diligence approach to identify and prevent human rights violation internally through our established framework of management systems, and externally through established service level agreements.

The Human Resource Policy also states that OSM adopts a fair and just system of selecting candidates for the positions available. All OSM employees are always reminded to refrain from any mental or physical coercion, sexual harassment/abuse or any other form of harassment on board or ashore.

OSM evaluates our suppliers to ensure that they, too, abide by human rights laws and regulations. Certifications, suppliers' information, industry experience, anti-corruption practices and HSE systems are reviewed before any suppliers are approved for use by OSM. Periodical audits are carried out for our supplies to ensure that they adhere to OSM's approved standards.

SOCIAL

Labour

The Maritime Labour Convention (MLC) governs the minimum requirements for seafarers to work on board of a vessel. This includes the condition of employment, accommodation, food and catering on board, recreational facilities, health protection, medical care, welfare, social security protection and financial security.

The following policies in OSM show the company's commitment to ensuring that labour rights are upheld:

Human Resource Policy (FCV-H.04)

OSM upholds the freedom of association and the effective recognition of the right to collective bargaining. The company do not condone any forms of forced and compulsory labour, child labour, and discrimination in respect of employment and occupation.

Corporate Social Responsibility and Sustainability Commitment Policy (FCV-H.06)

OSM is committed to preserve the rights of our employees and treat them with dignity and esteem. There are detailed processes in all offices across the globe to ensure compliance to all federal, provincial and local regulations and laws.

The company has zero tolerance for harsh or inhumane treatment, unlawful harassment in any form regardless of intent including sexual abuse, corporal punishment, mental or physical coercion and verbal abuse of any employee. OSM does not engage in discrimination based on subspecies, colour, age, gender, sexual orientation, ethnicity, handicap, pregnancy, religious belief, political affiliation, union membership, or any other class protected by law. Disciplinary policies and processes in support of these requirements are clearly stated in the established management systems.

The company prohibits the utilization of all forms of forced labour, advanced forms of slavery and any kind of human trafficking.

Manning Policy

OSM will verify that labour conditions on ships are in conformance with applicable collective bargaining agreements with a representative seafarers' organization and supply seafarers only to ship owners that offer terms and conditions of employment to seafarers which complies with applicable laws or regulations or collective agreements.

Grievances Feedback Management

With the support of our Management System and of our Business Processes, our Grievance Procedure clearly defines the right of any seafarer to file a complaint rising from an alleged violation of his contractual or any other rights. These complaints, when received, will be registered in our Improvement Reporting and Information System (IRIS).

In addition to the above, the Bigyellowfish (BYF) application provides crew with a "share with management" feature that allows them to share their thoughts or feedback regarding crew welfare and wellbeing with the company's management. These messages are directly sent to the management representative and actions are immediately picked up with necessary actions taken.

An anonymous reporting portal has also been established on our official website. Employees and external parties such as suppliers, customers, contractors and other stakeholders may use this portal to report wrongdoing, serious breaches of policy, unsafe work practices, sexual harassment, or any other matters involving fraud, corruption, or employee misconduct.

OSM Cultural Journey

Having a strong and coherent company culture will allow a company to attract better talent and, more importantly, the ability to retain that talent. It forges a strong sense of belonging to the company which means that people likely stay within the organisation for the long term. The lower turnover rates will reduce the need to hire new employees. This in turns, allow for better chemistry amongst teams.

Plans are in place to launch the OSM Cultural Journey. These initiatives include conducting employee engagement surveys for shore staff and seafarers, leadership training as well as mini seminars. Through this cultural journey, OSM hopes to reinforce its culture of having transparency, openness, trust, hard work and safe operations at work.



SOCIAL

WELFARE, GOOD HEALTH AND WELL BEING

The welfare, health and wellbeing of OSM employees are essential in ensuring the sustainable growth of the organisation.

For our shore staff, health insurance and medical care are provided in most of our offices around the globe. Some offices offer additional benefits like reimbursing gym membership fees and have fruits day.

For our seafaring staff, periodical medical evaluations are conducted for them. Medical coverage, aligned with our customers, for our crew during their time on board is also provided. The medical coverage can also be extended to family members and under certain circumstances, be extended to cover our crew even when they are on leave.

In addition to the above, the occupational and operational risks related to OSM are managed in accordance with our Health, Safety and Environment Policy (HSEP) for crewing services, and by our HSEQ POLICY (TQM-05) for technical management services. The effectiveness of our management system is monitored through annual internal and external audits.

OSERV Catering - Health and Hygiene of Food On Board

Our OSERV catering team offers top quality catering and housekeeping to ensure that the living environment on board is of utmost quality in terms of safety, comfort and wellbeing. Campaigns and courses on food safety and hygiene are conducted to ensure a high level of food safety and hygiene on board OSM managed vessels.

Extended Crew Protection and Indemnity (P&I) Cover

The crew P&I cover insurance responds to a crew management company's legal or contractual liability for crew members under contract. The extended crew and family insurance is an extra benefit provided to the crew while they are at home (waiting for their next assignment/contract) and to their immediate family members.

Crew P&I and Extended Covers

Admin value

- Claims handling by OSM
- Incident Management
- Lumpsum fee covering all

Economy value

- Claims handling by OSM
- Incident Management
- Lumpsum fee covering all

Crew welfare value

- Access to private medical for seafarer and immediate family
- Peace of mind for seafarer
- Cover up to USD 1M per incident (per family member)

Risk management

- All crew claims on OSM record
- Crew Retention

Employee Engagement Survey

An employee engagement survey was conducted again in 2021 to identify areas that requires improvement in OSM. Considering the organisational changes that occurred in 2020 along with the challenges that were brought about by the COVID-19 pandemic, results returned were considered positive. Additionally, it was noted that employees felt that there was an overall improvement in the welfare and wellbeing within the organisation since the last survey back in 2020.

Feedback received during the survey was consolidated and discussed between the relevant departments across all OSM offices. Action plans were drawn up to tackle the challenges and concerns raised. Results of the action plan shall be updated in the next survey to be conducted in 2022.

SOCIAL

OSM Pension Funds

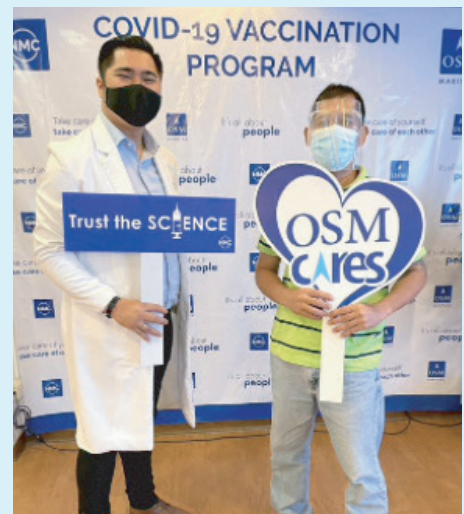
The OSM Pension Fund (The Fund or PF) has been established as a separate entity from OSM and is run by independent Trustees in Guernsey (Interben Trustees Limited) who are responsible for safeguarding the financial interests of OSM seafarers. It provides employees with retirement, disability, and death benefits. Storebrand, being the administrator, keeps a record of each member's retirement account and credit each account with contributions and annual interest.

Nordic Medical Clinic (NMC)

Established in 2018, the NMC is a Pre-Employment Medical Examination (PEME) Clinic for our Filipino seafarers. NMC applies a holistic approach to healthcare, mindful of the needs of seafarers and companies.

Milestone Achieved in 2021

- Around 52,000+ COVID-19 tests were carried out in 2021 by the NMC. Tests were done in both the clinic and at the hotel quarantine facilities. This is an increase in samples tested as compared to 26,000+ in 2020.
- Telemedicine services allow our seafarers to consult doctors online or via tel-con for physical and psychological healthcare. This service was extended to COVID-19 positive crew who had been isolated under quarantine orders. Weekly health talks via zoom (cloud-based video conferencing service) to discuss the relevant medical research in the areas of concern and 'COVID 19 outbreak management / safe management' recommendations were arranged as well.
- Service to administer COVID-19 vaccination for OSM seafarers and employees commenced in the NMC on 23rd October 2021
- Service to administer booster vaccines for seafarers commenced on 26th Nov 2021
- Expansion to Cebu, Philippines in Nov 2021



Plans for the Year 2022

- To extend COVID-19 vaccination services to external clients and to the NMC branch in Cebu
- Setting up a mobile COVID-19 vaccination team to administer vaccines/booster shots.

SOCIAL

Bigyellowfish (BYF)

OSM is also dedicated to ensuring the mental health well-being of our employees.

The BYF suite provides a range of activities for onboard seafarers which would allow the shore management to get an in-depth understanding of the state of mental health on board the vessels. The BYF suite includes features such as games, mood checks, questionnaires, and even interaction with psychological experts.

A live database is also available to shore management and red alerts are also picked up and notified to the company immediately. This allows the company to step in and mitigate any situation promptly.

In 2021, in line with the International Day of Seafarer, OSM in partnership with BYF have released a week-long program for seafarers to submit their entries on their Superhero Moments on board. This can range from braving bad weather to a group photo that captures the vessel's team spirit.



"I feel like a superhero when I'm changing the navigation lights, You're feeling like you're on top of the world but still so close to sea level, this is the beauty of the sea"



"I feel like a superhero when I still manage to smile after a hard day tank cleaning"

SOCIAL

CORPORATE SOCIAL RESPONSIBILITY (CSR)

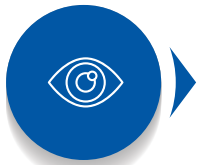
CSR Activities are consistently carried out by our OSM-AD Foundation and Hands of Seateam (HOST) programme.

OSM-AD Foundation



Mission

We are committed to develop the youth to be role models of the society through education as well as other transformative learning avenues.



Vision

We envision socially responsible, educated and productive youth that contribute to the development and empowerment of their families, community, and the society, in general.



Our Programs

- Scholarship Program
- Initiative for Social Development
- Disaster Response Program
- Community Livelihood Program (New!)



SOCIAL

Disaster Response Programme (DRP)

Typhoon Odette, Southern Leyte

Volunteers and partners of the OSM-AD Foundation joined hands to aid the families affected by Typhoon Odette, the Philippines's 2nd most destructive storm in recorded history. The DRP Policy led the relief efforts in San Ricardo, the most isolated and least assisted town that also suffered the most damage to their source of livelihood, properties and infrastructures in Southern Leyte Province.



The OSM volunteers were tested on their way to the target community due to landslides and extreme road condition caused by the typhoon.



Protection of Remaining Isolated Villages Against COVID-19 (PRIVAC) Project

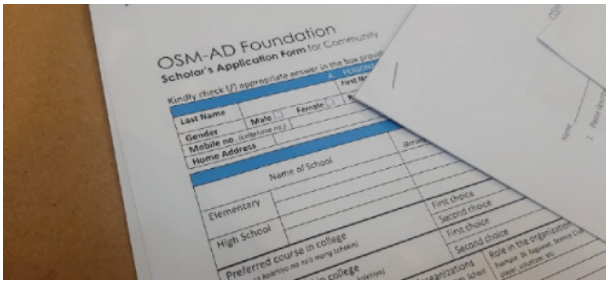
The OSM-AD Foundation assisted the health workers of isolated communities by helping with efforts to educate residents on how to practically prevent the spread of COVID-19. Additionally, the foundation donated personal protective equipment (PPE), large infographic tarpaulins and gallons of alcohol to better equip the residences in their fight against COVID-19.



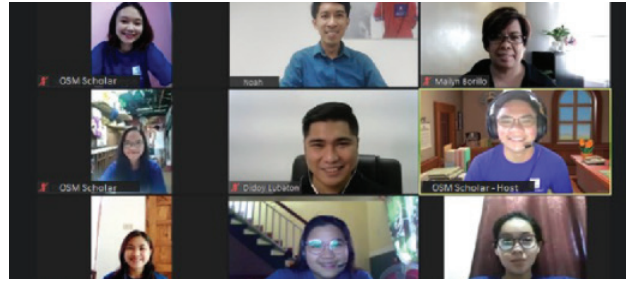
SOCIAL

Education & Scholarship Programme

OSM-AD Foundation welcomes ten new OSM scholars. Among them, six are community scholars who were selected from Garchitorena, one of the most indigent towns in Camarines Sur Province with 59.74% poverty incidence. Meanwhile, two crew dependent scholars are from the provinces of Cebu and South Cotabato while the rest are shore employee-dependents who are both from Metro Manila.



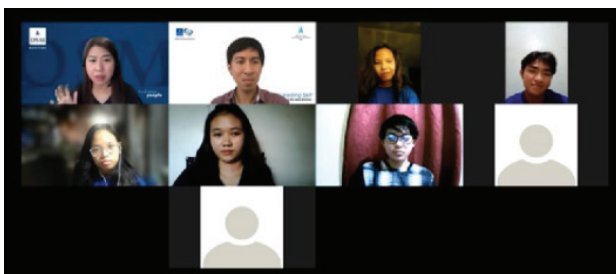
The Scholarship Program had to make major adjustments on its scholar selection method to adhere to the health protocols due to the pandemic while ensuring to arrive at the same desired result considering the communication network challenges due to the geographic isolation of the target community. The six community scholars were selected from 120 applicants across four schools. The selection process included a written interview and their high school teachers' character assessment of them.



Virtual Scholas' Leaders' Summit 2021

The virtual Scholars' Leaders' Summit was designed as an innovative three-day workshop to hone the skill set of scholars through the mentorship of seven Philippine managers, eight employee-leaders having their own special expertise, and the chief commercial officer & president of the OSM Maritime Group.

Adhering to the theme "Leading self", the summit was designed to instil competence and build the character of the scholars. Due to the isolation requirements during the pandemic, scholars are mostly navigating through their education and career independently where college educators are not easily reachable for guidance and mentorship. During the workshop, scholars were assigned to various breakout virtual rooms, depending on their college program, to meet their assigned mentors who are professionals in their fields. The leaders of the OSM Toastmasters Club also facilitated a student-friendly public speaking workshop for the scholars. The value and importance of finding a credible mentor was further emphasized by the Chief Commercial Officer and President of OSM Maritime Group, Tommy Olofsen, when he met the scholars during the workshop.



SOCIAL

Scholars' "Bite-sized Learning"

The OSM Scholarship Program is not solely about sending youths to colleges. It is also a program that ensures its scholars will become leaders in their community and be catalysts to bring about positive changes. The OSM-AD Foundation provides a platform for its scholars to learn from the best leaders OSM could find.



Initiatives for Social Development (ISD)

Employee-initiated ISD

The Walang I-Juan-an Northern Samar Project is a OSM volunteers-led initiative, guided by the policies and criteria of the Foundation. The team's research led them to the discovery of the municipality of Silvino Lobos with 56.94% poverty incidence (2018 census. The town had the highest poverty incidence among all municipalities in the Philippines in 2015 census at 78.47%).

The municipality of Silvino Lobos is extremely isolated due to lack of roads and infrastructure from its provincial capital city of Catarman. Traveling around the municipality may require the use of boat transportation along its river to reach the farthest communities, hindering the people of Silvino Lobos access to sustainable opportunities. This led the Foundation, the OSM volunteers, and the employee-donors to support the families by providing materials for education that are relevant to the present module-based method of class.



SOCIAL

ISD for Burabod and Cagamutan Communities in Camarines Sur Province

It is OSM-AD Foundation's first time operating in the municipality of Garchitorena upon identification of the community as one of the poorest towns in the province of Camarines Sur with 59.74% poverty incidence. This is also the same town where we selected our 3rd batch of OSM scholars under the community category.



The two beneficiary schools are in Quinalasag Island where its main source of livelihood is fishing and farming. During the "Amihan season" (Northeast weather) from November to February, the island is mostly isolated due to rough seas caused by the weather. This hinders the people from looking for other sources of livelihood, resulting in the inability of parents and guardians to provide quality education to their children. In fact, the families of our two scholars are earning a monthly income of USD100 and USD80, way below the Philippines's poverty threshold of USD230 per month – exactly the reason why the Foundation hopes to reach out to provide education aid to the children there. In partnership with the local teachers and community leaders, relevant educational aids were identified and were provide to the children under the present module-based methodology of teaching to adhere to the pandemic's health protocol.

HOST Initiatives

HOST was established in 2021 with the goal of giving back to the community. HOST focuses on supporting education for children from underprivileged backgrounds with the aim of improving their future and living prospects.

Philippines – Manila

HOST has been actively assisting in providing support and donations to Precious Heritage. With the immense help from HOST, Precious Heritage was able to complete the reconstruction of children's toilets and shower rooms as well as building steel cabinets for the children's workbooks so that it will be easier for the children to go back and forth between classrooms without carrying the books around. The installation of CCTV's around the premises to provide extra surveillance and security for the children is still ongoing.

Basic supplies such as automatic alcohol dispensers and thermal scanners were provided to better equip the school in fighting COVID19. Much needed printers were also provided to aid the school staff in providing education to the children. Precious Heritage is extremely grateful for the generosity and help from HOST.

With the regular allocations of expenses, Precious Heritage has also managed to purchase more relief goods to help children and families in need at times of pandemic.



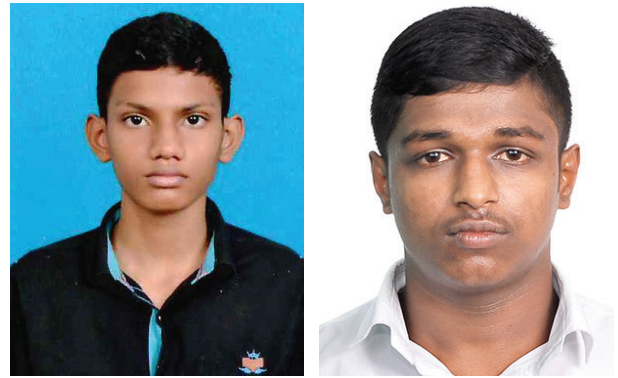
SOCIAL

India – Chennai

The HOST initiative is a noble undertaking by the employees of OSM aiming to provide charitable academic scholarships to underprivileged candidates who wish to make a career in the Merchant Shipping industry. HOST also offers further assistance to those in need as HOST not only strongly believes in the purpose of assisting, supporting and, making an impact on the lives of the underprivileged but also to provide fair opportunities to the candidates. In the subsequent months, HOST identified one candidate for Officer training and two candidates for GP rating training from the slums in Chennai city. These boys were groomed and placed in the right institute for training for later employment onboard.

In recent months, HOST has been focusing on renovating the Girls Hostel, an elementary school for children of leprosy patients in Chennai city. For the past 10 years, HOST has been constantly supporting the Girls Hostel by paying the salary of the staff. HOST also supports the St George Primary School in renovation works to upgrade the school's infrastructure. In addition, HOST has carried out many activities such as providing relief aid to victims of the Chennai and Kerala floods.

Overall, the HOST initiative is a unique and ingenious system that provides a rare opportunity to deserving and willing candidates while having the potential to bring about powerful change in their lives.



Mr. M. Jeyakumar & Mr. Kaja Mohideen are selected and presently accomplishing GP rating course 2021 and on successful completion of their studies, both will be offered employment onboard OSM Maritime ships.



HOST has also distributed up to 1000 masks to many areas in Chennai. These masks will better equip the people to protect themselves against COVID-19.

SOCIAL

Russia – Vladivostok City

HOST Russia organized a program for the special school-orphanage which is on the outskirts of Vladivostok city. This orphanage is specialized for kids with musculoskeletal disorders. The full name of the orphanage is "Regional State General Educational Budgetary Institution "Special (correctional) general education school-orphanage type VI"

The main purpose of the school is to teach and educate the children on the basis of knowledge and speciality about their disorders. Although most of the orphanages and special schools in Russia are governed by the government and the children are well taken of, there are still a lot of improvements required for the quality of life for these children in terms of standard medical treatment, long term recovery as well as social adaption.

One of the aspects that can be improved is the shortage of gym equipment for the proper execution of rehabilitation programs developed by the school's doctors and trainers. In last October when the staff director and senior personnel came for a visit, there was a request for assistance with the lack of sports equipment designated for the children's recovery as well as special treatment compartments.

Last month, the orphanage was gifted with Christmas gifts and gym equipment that were well used, and the children were full of laughter and joy.



Other CSR activities

Charity Beach-Volley Tournament

OSM's Beach-Volley team participated in the Charity Beach-Volley Tournament that took place in August and September, which is the Shipping Chamber's main Annual Sporting/Charity Event. The event gives an opportunity for some money to be gathered and donated to the "One Dream One Wish" Children's Charity Association, which fulfils the wishes of children suffering from cancer and related diseases, for is a sensitive issue for all the people living in Cyprus.



Easter in Cyprus

During the Easter holidays in Cyprus, the Cyprus Red Cross Society has collected food and supplies to help hundreds of families from all around the island to celebrate Easter. Despite the challenges, OSM Maritime Group participated for three days, with three different teams of volunteers, in the packaging process of the boxes that will be sent to the families.

Assistance to Women Who Lost Their Jobs in Mumbai

Many women in Mumbai lost their jobs due to the recession caused by the pandemic as small factories - where most of them were working at - started to close. Most of them were breadwinners and found it very difficult to survive. In view of same, OSM took the initiative to provide ration kits to them. These women were called to the OSM office building in Mumbai where the ration packets were handed over to them. OSM employees also took the initiative to sponsor the education for some girls who had to quit their studies.



GOVERNANCE



COMMITMENT

OSM conducts all operations in a legal, transparent, and ethical way, in accordance with global competition laws, anti-bribery, privacy protection, and economic sanctions regimes. To accomplish the same, OSM has established the Code of Ethics & Compliance.

Our code promotes:

- The highest level of honest and ethical conduct
- Protection of confidential and proprietary information
- Compliance with applicable laws, rules, and regulations
- Open communication and prompt reporting of violations
- A culture of mutual respect

ANTI-CORRUPTION

OSM adheres to principles of integrity, good faith, and excellence. We adhere to fair dealing and shun dishonest activities in all we do. Our policy is to conduct business with the greatest ethical standards and to prioritize quality, service, delivery, and pricing.

Bribes and unlawful payments or inducements of any type are prohibited by the Company to attract or maintain business or gain an unfair competitive advantage over our competitors. All our agents, contractors, consultants, and business partners must share this dedication.

Our Code of Conduct & Ethics details the expected conduct for all our employees ashore and on board our vessels. Our zero-tolerance approach.

Training and Awareness

All OSM employees, ashore and onboard, are required to undergo an annual training on 'The Code of Ethics and Compliance'. For shore employees, the annual training program is linked to our LinkedIn Learning program. For our seafarers, we use the Ocean Training Group's Computer Based Training (CBT) system as well as our onboard training program.

Maritime Anti-Corruption Network (MACN) Membership

MACN is a global initiative to eliminate all forms of maritime corruption. MACN platform allows OSM to reinforce our efforts and join forces with other maritime companies in the ethical conduct of business operations by tackling corruption.

OSM Supplier's Selection and Performance

Our suppliers share our dedication to the highest ethical standards and compliance. OSM is dedicated to collaborating in an open and transparent manner while minimizing any potential risks. In this regard, we require our suppliers and other business partners to adhere to high ethical, labor, health, and safety standards in their operations.

All suppliers undergo a stringent selection process which includes the declaration of Quality Management System (ISO 9001), Environmental Management System (ISO 14001), and Occupational Health and Safety Management System (ISO 45001). After our case and risk analysis, suppliers and collaborators may be banned temporarily or permanently if they are found to be in violation of any criteria. We are members of the International Marine Purchasing Association (IMPA), which supports supply chain governance, and all buyers and suppliers must abide by our Supplier Code of Conduct, which specifies ethical business practices.

GOVERNANCE

WHISTLEBLOWING

OSM does not tolerate any malpractice, impropriety, statutory non-compliance, or wrongdoing by staff in the course of their work. Open communication is fundamental to its integration into our culture and daily activities. We encourage employees to discuss ethics openly with their peers and to seek advice from line managers about the right course of action when a questionable situation arises.

Employees and outside parties, such as suppliers, customers, contractors, and other stakeholders, are encouraged to use our web-based portal to report wrongdoing, serious breaches of policy, unsafe work practices, sexual harassment, or any other matters involving fraud, corruption, or employee misconduct.

This Whistleblowing Policy is intended to provide a framework to promote responsible and secure whistleblowing without fear of adverse consequences.

In 2021, we have not received any cases of whistleblowing pertaining to corruption and bribery.

CYBERSECURITY

OSM endeavours to ensure safe and reliable Information and Communication Technology (ICT) systems. We continuously protect our infrastructure, equipment, data, and intellectual property from internal and external cyber security threats whether deliberate or accidental, by:

- Safeguard confidential information appropriately
- Maintain information integrity and system availability
- Respect legal rights of individual's data

In 2021, OSM continues to release quarterly newsletters based on current trends to enhance cybersecurity awareness among employees. Crew onboard has access to cybersecurity modules through the CBT application, phishing simulations, and cyber security alerts are released periodically. Refresher training is also conducted for shore-based employees on an annual basis.

SUMMARY OF ACTION PLANS FOR YEAR 2022

- Undertake a 5-year review of OSM's sustainability journey, the achievements, the challenges, and the way forward
- Leadership training for business leaders across the OSM Maritime Group
- Defining 'OneOSM' goals and objectives
- Embark on OSM Cultural Journey
- Employee Engagement across the group to revisit our Core Values; especially the way they assist us to achieve our goals
- Review Operational Environmental & Energy Management initiatives across the conventional fleet
- Continual advancement in the following areas:
 - ISO 14001 / OHSAS 45001 certification for Business units
 - Good Health & Wellbeing Quality Education for Employees, and supporting the local communities
 - Partnerships with our customers to create synergies and build the next generation of environmentally sustainable vessels





HELENA KOSAN
HELLERUP

IMO 93 2366