



14 February 2022

PROVISIONAL COMMUNICATION ON PROGRESS (COP)

Period covered by your Communication on Progress (COP)

From: 1/10/2020 To: 31/12/2021

1. STATEMENT OF CONTINUED SUPPORT BY THE CEO

To our stakeholders:

I am pleased to confirm that Stolt-Nielsen Limited reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Mr. Niels G. Stolt-Nielsen

Group CEO



1. DESCRIPTION OF ACTIONS

Human Rights

Seafarers are some of the unsung heroes of the Covid-19 pandemic and have made huge personal sacrifices. Stolt Tankers is committed to their fair treatment and welfare – a commitment that has been reinforced during the past two years. Due to lockdowns and international travel restrictions, our crews – like those across the shipping industry – were unable to join or leave ships at scheduled times. Our sea personnel team worked tirelessly to enable smooth crew changes, deviating ships to ensure people could return to their families on time. We continued to work with airlines and authorities worldwide to advocate for recognition of the essential role seafarers play in global supply chains.

We supported our seafarers in many ways during this challenging year, including providing access to the Covid-19 vaccine regardless of whether it was available in people's home countries. To date, 80% of our seafarers have received their vaccinations and we have begun a booster programme. To protect our seafarers, customers and supply chains, vaccination became mandatory for everyone onboard Stolt Tankers ships on November 15, 2021.

Labour

2021 marked the second year of our *Going Further* business transformation programme, which harnesses the talents of our people along with technology, innovation and process optimisation to ensure we achieve our strategic goals

In addition, we continued to offer seafarers a range of other benefits to promote wellbeing and support recruitment and retention including but limited to medical insurance for all first-degree family members, onboard exercise equipment, daily internet access for all seafarers and enhanced career counselling to name a few.

To improve employee communication, we introduced more virtual townhalls with leadership teams and live question-and-answer sessions. We also standardised HR policies globally, simplifying them and enhancing the employee value proposition to be clearer about both the benefits and expectations of a career at SNL. Enhanced systems have also enabled a convenient, self-service way for people to access the information that matters most to them – from policies and performance management through to training schedules and annual leave requests.

During the pandemic, having seen that many of our roles can deliver the same high-quality service wherever they are located, we introduced a new working-from-home policy. We also implemented a new onboarding process for new starters that includes a buddy system; feedback so far has been positive.

Ongoing employee engagement is central to our continuous improvement. In 2021, we conducted employee engagement surveys with Stolt Tankers, Stolthaven Terminals, Stolt Tank Containers and Stolt-Nielsen corporate functions, which had a very high response rate of 81%. Results will be published in our 2021 annual report.

Environment



The Stolt-Nielsen approach to protecting the environment is underpinned by strong governance frameworks and processes. These are regularly reviewed to ensure they adhere to changing regulations and incorporate the latest best practices.

Part of this involves regularly testing and updating business contingency and emergency response plans for all our ships and sites, ensuring teams are fully equipped to manage potential incidents such as collisions, contamination, spills, leaks, fires or explosions. For land-based facilities in areas at risk of extreme weather events, such as flooding or hurricanes, contingency plans ensure operations can return to normal quickly and safely. We test our plans in many ways, including conducting drills in partnership with customers, local incident response services and regulatory agencies. These emergency response activities give our teams the opportunity to share lessons learned across different locations, refine their plans, and develop strong working relationships with stakeholders. Our facilities report all incidents that have the potential to impact the environment using our robust management system.

Our approach to protecting the environment is driven by targets for reducing our environmental impact. We established targets for all SNL businesses in 2020, and this year focused on establishing baselines for our environmental data. These baselines provide a deeper understanding of our carbon footprint, which puts us in a strong position to plan initiatives that help achieve our targets.

In 2021, to better align with the International Maritime Organization (IMO) and the shipping industry to enable more accurate benchmarking, Stolt Tankers modified the way it measures carbon intensity across the fleet. Moving from using the Energy Efficiency Operational Indicator (EEOI) to the Annual Efficiency Ratio (AER). In addition, we developed the capability to report carbon emissions using the Sea Cargo Charter, which helps customers to better understand the sustainability of their supply chain; as part of this, we participated in the committee that developed the reporting criteria. To help enforce strong environmental practices across Stolt Tankers' supply chain, we have launched a new responsible supplier agreement, which assesses suppliers against a set of environmental criteria. 100% of new vendors signed up, and we will be auditing existing suppliers based on their risk profile.

Stolthaven Terminals also identified key environmental baselines for the first time. To support our journey towards meeting our targets, we established a dedicated sustainability team with members from all wholly owned sites. The team is helping to improve sustainability performance by sharing successes and best practices and identifying opportunities.

Stolt Tank Containers also established baselines and processes for gathering ongoing emissions data. STC is a member of the Clean Cargo Working Group, an organisation that is dedicated to reducing the environmental impacts of global goods transportation and promoting responsible shipping. During the year, STC also used several EcoTransIT emissions calculation tools to analyse and calculate its Scope 3 transport emissions. The EcoTransIT methodology is compliant with the Global Logistics Emissions Council (GLEC) framework and gives STC the ability to calculate its Scope 3 emissions across all modes of transport.

Stolt Sea Farm established baselines for its operations in France, Spain and Portugal and began analysing data for Norway and Iceland. An integrated Quality, Food Safety and Environmental Management System is now implemented across SSF operations in France, Spain and Portugal, and this year SSF's Norwegian operations achieved their ISO 9001, ISO 14001, Global GAP and ASC certifications.



Anti-corruption

Stolt-Nielsen requires that its business objectives are achieved in an ethical, honest and legal manner as outlined in its Code of Conduct (the Code).

The Code is reviewed and approved by the Board annually. The Company does not tolerate any breach of the Code and individuals found to be in breach are subject to disciplinary action, up to and including termination of employment. The Code sets out principles and rules that apply to all directors, officers, permanent employees, temporary employees, contractors and consultants.

In summary, the Code requires all personnel to comply with all relevant laws, regulations and Company policies at all times and to behave with integrity, maintaining internal and external relationships in a professional manner, avoiding conflicts of interest, bribery and corruption.

To promote a culture where employees feel comfortable about raising concerns about potential, suspected or actual breaches of the Code without fear of victimisation, discrimination or disadvantage, Stolt-Nielsen maintains a whistle-blower policy and an online 'Speak Up' system that enables anyone, internal or external, to report confidentially (anonymous or otherwise) directly to the Chairman of the Audit Committee and our Head of Operational Audit. All reports are taken seriously and investigated.

2. MEASUREMENT OF OUTCOMES - **PROVISIONAL REPORT SUBJECT TO UPDATES WHEN FINAL FIGURES ARE AUDITED AND VERIFIED BY END MARCH**

At this time we are only able to report fully for the period December 2019 – November 2020 per the attached report. Figures for the period December 2020 – November 2021 are covered in our next reporting cycle. Figures are finalised in February of each year, validated and approved by our CEO and Audit Committee and published in March. Accordingly this COP is to be considered a provisional report and one which will be updated with our latest report as soon as that is published, expected by end March 2022.

For the detail of our work for the period December 2019– November 2020 please see our last sustainability report at <https://www.stolt-nielsen.com/en/sustainability/sustainability-reports/>