

AMSC ASA Transparency Act Report 2023

The Norwegian Transparency Act (the “Act”) entered into force 1 July 2022 to promote respect for basic human rights and decent working conditions and ensure access to information on how companies handles negative consequences of such. All Large companies (incl. listed companies) that offer goods and/or services in Norway are required to comply with the Act. Large Companies for this purpose are companies that qualify for two of the below three criteria:

- More than 50 employees;
- Over 70 million NOK in turnover; and
- Over 35 million NOK in assets.

A company’s obligations under the Act comprises all parts of the company’s business, including subsidiaries (regardless of whether the subsidiary fall within the “large company” definition itself) and investments (also outside Norway).

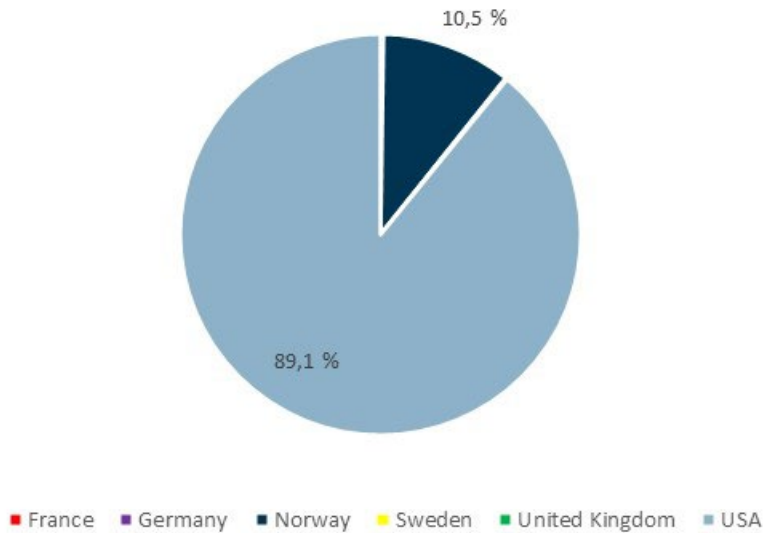
AMSC ASA (“AMSC”) is a maritime investment company which presently holds a substantial shareholding in Solstad Maritime Holding AS. During 2023, AMSC also owned nine handy size product tankers, one handy size shuttle tanker and one subsea construction vessel on bareboat charters to three ship operators.

For AMSC the Act means it will have to do a risk-based assessment of its own business activities and that of its subsidiaries, to assess its compliance with protecting basic human rights and working conditions. Violations of the Act may result in fines for both AMSC and individuals acting on its behalf. The assessment by AMSC shall be annual and is to be anchored at the Board of Directors level. AMSC evaluates its supplier and business partners, together referred to as vendors, on the basis of jurisdictional exposure and the risk associated with certain supplier sectors.

The main vendors to AMSC are ship operators, lenders, financial and legal advisors, insurers and consultants. The vendors can be further split in Business Partners and Suppliers, of which the Act requires a deeper scrutiny of the latter and its subcontractors. By virtue of being an investment company, AMSC mainly has Business Partners (ship operators, lawyers, financial advisors, banks and so forth) as opposed to Suppliers (shipyards, spare parts manufacturers and so forth). The Business Partners are typically longer term partners which have systems in place governing human rights and labour conditions and are located in jurisdictions which typically respect human rights and good working conditions.

For 2023 most vendors were based in the USA (89.1%) and Norway (10,5%), both nations are reputable for respecting human rights and good working conditions.

Vendors by USD spend and country



Most of the spend in the USA for 2023 relates to purchasing and installation of Ballast Water Treatment Systems and special survey costs. In Norway, the largest expenditure was made on lawyer, insurers, banks and auditors. AMSC also has vendors based in the UK, France, Sweden, and Germany, but these do not appear on the illustration above as they only constitute 0.4% of total spend. However, none of the countries can be classified as high risk countries.

Measured by total spend in USD, the top 10 vendors to AMSC correspond to approximately 92% of all group consolidated expenses and capex and are all classified as Business Partners as opposed to Suppliers.

In order to mitigate the risk of AMSC having direct or indirect exposure to vendors not subscribing to basic human rights and good working conditions, a whistleblower channel was opened on www.amscasa.com during Q1 2023. This channel is operated by KPMG allowing whistleblowers to remain anonymous. The whistleblowing channel is available for direct and indirect vendors as well as AMSC employees in accordance with the requirements in the Norwegian Working Environments Act (No: Arbeidsmiljøloven). Any submissions through this channel will initially be handled by KPMG and then presented to AMSC management, on an anonymous or non-anonymous basis, depending on the requirements of the vendor and/or the employee. If the report is in the nature of an allegation that requires investigation, an investigation team will be assembled under the supervision of the Chairman of the Audit Committee.

Unless the person reporting the concern has chosen to remain anonymous to all parties, it shall receive a case response within a reasonable time. All incidents logged are formally closed by the Audit Committee.

The CFO is responsible for implementing the relevant structures to comply with the Act and is the point of contact for enquiries for vendors of the company.

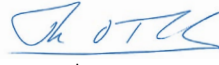
Board of Directors, 26 February 2024



Annette Malm Justad
Chairperson



Peter D. Knudsen
Director



Frank O. Reite
Director



Pål Magnussen
President / CEO