

Transparency Act report 2026

Introduction to Western Bulk

Western Bulk is a global dry bulk operator matching cargo with vessels, chartering vessels from various vessel owners and transporting cargo for customers worldwide. Western Bulk has an asset-light business model, combining advanced risk management, including the use of financial derivatives, market data and analytics to optimize fleet deployment and vessel-cargo matching.

The group is among the world's leading operators of Handy and Supramax dry bulk carriers in a worldwide trading pattern. We operate between 100-150 Supra, Handysize and Panamax dry bulk carriers on a continuous basis through a combination of long period time-charter tonnage (1-5 years), short period time-charter tonnage (3-12 months), and trip-charter tonnage (0-3 months).

Our business model is based on generating a margin between freight rates and time charter rates. The tonnage chartered in is operated on a mixture of Contracts of Affreightment (CoA) which are large cargo contracts for various shipments of a particular cargo over a period of time, spot cargoes offered on the market or time charter out to third parties.

The smaller Supramax and Handysize vessels can transport a large variety of bulk commodities. The vessels are well suited for servicing less developed geographical areas where the harbour facilities are less advanced. Key commodities transported include lumber/logs, cement, sugar, steel products, salt, grain, coal, alumina, iron ore, etc.

The Western Bulk group operates through two main commercial operating offices, Oslo and Singapore. These main centers are supported by agency offices in Dubai (United Arab Emirates), Santiago (Chile), Seattle (USA), Antwerp (Belgium), Casablanca (Morocco) and a few local port captains. The commercial activities are divided into commercial teams focusing on regional markets. Each commercial team manages their particular region and identifies suitable cargoes and ships and proposes hedging for possible market exposure. The group also has a period tonnage desk which collaborates with the other portfolios to ensure sufficient volume of tonnage available.

The legal structure of the Western Bulk group is continuously subject to review in order to optimise to reflect the organisational- and governance structure. Western Bulk Carriers AS and Western Bulk Pte Ltd are the main trading companies for the charter-in/out business of the Group, and the majority of freight-related costs and income is sourced through these companies.

The group has a risk department with a market risk team monitoring risk limits, reporting and controlling risk factors and a counterpart risk team performing detailed review of counterparts to assess risks, evaluating new and existing third parties against several commercial and Responsible Business Conduct-related risk criteria. This process is risk based and the extent of the vetting process therefore varies with the particular risk(s) of each trade, including e.g. the industry or region. The group uses external databases and sources to improve the quality of the findings related to each third party.

Responsible Business Conduct at Western Bulk

Western Bulk's Code of Conduct and related internal policies establish clear expectations for all parts of the group's business with regard to good corporate conduct and compliance with applicable laws and regulations. The Code of Conduct includes requirements and clearly communicates the group's expectations related to dealing with third parties and matters of integrity.

Western Bulk has also prepared and published a Supplier Code of Conduct which communicates our expectations to our external suppliers beyond the contractual obligations in individual contracts. The Supplier Code of Conduct establishes clear expectations for all suppliers regarding good corporate conduct and compliance with applicable laws and regulations. The Supplier Code of Conduct includes requirements and clearly communicates the group's expectations related to dealing with third parties and matters of integrity. Western Bulk expects all suppliers to meet the expectations set out in the Supplier Code of Conduct. Failure to do so may impact suppliers' ability to do business with Western Bulk going forward.

The terms of the Supplier Code of Conduct apply to all the group's suppliers including parent, subsidiary, or affiliate entities, as well as all others with whom they do business, including subcontractors and other third parties. It is the suppliers' responsibility to ensure processes are in place to manage any potential adverse impacts on human and labour rights, environment and anti-corruption through their business relationships and operations.

Western Bulk has a compliance program addressing the risks relevant to the group's business. This program has explicit and visible support from senior management to emphasise the important role of compliance for the group.

The group also has a whistle-blower policy and reporting channel. Employees are expected and encouraged to report matters that may not comply with the principles set forth in the Code of Conduct or other policies.

Western Bulk employees have a strong awareness of RBC (responsible business conduct) related issues, in particular related to the handling of corruption and sanctions risks. The importance of this area has been highlighted by a top-down promotion of RBC and compliance matters from the CEO and the senior management team.

Western Bulk's supply chain

Our group of suppliers consists mainly of vessel owners or vessel operators, bunker suppliers, and port agents. Other suppliers, such as brokers, IT supply, administrative service providers etc constitute a minimal share of our cost base.

The vessel owners and operators from whom we source our tonnage on time charter contracts, are diverse in size and based around the world. They range from large ship owning companies to small ship operators and the vessels are often contracted through a long chain of companies. Long time charter chains are typical in the shipping industry.

Our main bunker suppliers operate globally, both as physical suppliers and traders for local suppliers that don't offer direct credit lines. They offer several fuel and gas oil grades both spot and on contract.

Being a global dry bulk operator, our port agents are naturally based around the world in all ports our vessels call. Some port agents are worldwide service providers while others operate in single ports only. Most of our port calls are handled through our service provider, DA Desk.

Risk-based analysis of suppliers

Western Bulk has identified the following high-risk areas for violation of human rights within the main parts of our supply chain:

Vessel owners:

- Working conditions and contractual terms for crew on board our vessels. We lease all our vessels on time charter contracts which implies that we pay for a fully crewed and serviced vessel. All our time charter contracts include clauses requiring the vessel owners to maintain standards for seafarers meeting at least those set by international standards and conventions.
- Working conditions and contractual terms for yard workers where vessels are built.
- Working conditions and contractual terms for vessel scrapping sites.

As some of the vessel owners from whom we source our tonnage are based in jurisdictions with a perceived higher risk of violations of human rights, we focus on this group of suppliers in our due diligence process.

Bunker suppliers:

- Working conditions and contractual terms for bunker suppliers' port crew.
- Working conditions and contractual terms for refineries employees.
- Working conditions and contractual terms for oil companies' employees.

As several of our bunker suppliers are based in jurisdictions with a perceived higher risk of violations of human rights, we have chosen to focus on this group of suppliers in our due diligence process.

Port agents:

- Working conditions and contractual terms for port agents' crew.

As most of our port calls are handled through our port management service provider, DA Desk, who perform high scale regulatory compliance checks for all port agents as a part of their service, we have opted to exclude port agents from this year's due diligence process. We will, however, consider on an annual basis extending our due diligence process to include port agents as our vessels continuously call ports in jurisdictions with a perceived higher risk of violations of human rights.

As a leading worldwide dry bulk operator, Western Bulk sourced vessels from 354 vessel owners and purchased bunkers from 61 different bunker suppliers over the last 12 months alone. With our lean organization of about 100 employees, we have chosen to focus this year's Transparency Act due diligence process on the 20 largest vessel owners and 10 largest bunker suppliers respectively, measured in the amount paid to the supplier over the last 12 months.

Further, we have chosen to address vessel owners where we are sourcing the vessels directly from their actual owners and not through a TC chain, as these are the suppliers where we believe we can make most of a difference on potential violations of human rights. Likewise for bunker suppliers, we have chosen to address physical bunker providers and not bunker traders.

Due diligence process

Our usual counterpart KYC forms include human rights issues and request information and a confirmation of compliance with our Supplier Code of Conduct from the identified 30 largest suppliers as described above.

As to date we have received satisfactory information and confirmation from 14 out of the 20 identified vessel owners. The suppliers who have yet to respond are based in Norway, Denmark, Luxembourg and Greece.

To date we have received satisfactory information and confirmation from 9 out of 10 identified bunker suppliers. The supplier who has yet to respond is based in Brazil.

Going forward, we will follow up on the suppliers where we have yet to receive a response. If we do not receive a satisfactory response from suppliers who are based in countries considered to have a higher risk of violations to human rights within a reasonable period, depending on the nature of the response, we will take further action which may include requesting additional information, meeting with those suppliers and/or reducing or eliminating our exposure to that supplier.

As at the date of this report our due diligence has not identified any actual adverse impacts or any significant risk of adverse impacts to fundamental human rights or working conditions. Accordingly, at this time no measures are necessary to be implemented to cease or mitigate the risk of adverse impacts.

This report is applicable for the following Norwegian companies in the Western Bulk Group:

Western Bulk Chartering AS
Western Bulk Carriers AS
Western Bulk Commerce AS
Western Bulk Management AS

Oslo, 30 June 2026

Gunnar Jacobsen
Chairman of the Board

Betina Nygaard
Board Member

Espen Åbø
Board Member

Otto Moltke-Hansen
Board Member

Ulrika Laurin
Board Member