Utkilen

Sustainability Report 2020

A leading, preferred, and reliable transporter of bulk liquids.

Utkilen AS is a fully integrated shipping company with headquarters in Bergen, Norway. The company, with a history back to 1916, was founded in 1967 and owns and operates about 22 chemical tankers ranging from around 6,000 to 20,000 dwt. in size.

About 500 seagoing personnel work onboard our vessels and the shore organization totals about 50 employees.

Utkilen is one of the major seaways transporting companies of chemicals and other bulk liquid cargoes in Northern Europe.

SAFE

Safety begins with me

CARING

For people, environment, and customers

SUSTAINABLE

Responsible operations for future generations

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CEO message

To me sustainability means maintaining our business over the short, medium, and long term, to meet the needs and deliver continued value to all our stakeholders. The Covid-19 pandemic with all its implications has put us all to the test. We have been challenged with changing restrictions nationally and internationally, lockdowns, home office, travel restrictions, closed borders, extensive testing, and quarantine regime. Especially our seafarers have suffered under extra strain. But we have sustained. We have kept our customers supply lines open throughout all this challenging period. I truly believe we have managed this because we have a sustainable business structure. Through many years we have built up a solid company with good values, well implemented procedures, high operational standard, and well-trained people. I am proud to be working for this company.

As often when we meet challenging times, we have taken the time to think about where we are and where do we want to be. In this process we have revised out values and endorsed our environmental strategy. It is important that our values are simple and clear and represent the soul of our company and how we operate. With input and ideas from our employees our revised values are as follows:

SAFE

Safety begins with me

CARING

For people, environment, and customers

SUSTAINABLE

Responsible operations for future generations

Safety has been on our agenda for many years and gradually we have improved our safety awareness, procedures, and systems. It has become a natural part of how we operate, our DNA. Nevertheless, it remains the main pillar in everything we do and complacency in this area is not acceptable.

We care for our people. People is our most important asset. Our 550 employees proudly represent the Utkilen name onboard our ships and in our offices in Bergen, Riga and Manila. We believe that people make a difference and we invest in our employees. Continuous training, physical and mental wellbeing and good working environment are key factor to perform well in an efficient and safe way.

We care for the environment! For many years now we have been focusing on energy saving in the way we run and operate our ships. The shore power connection on our four newbuildings make it possible to load and unload without any emissions By early 2022 we will have our first chemical tanker with LNG propulsion with significant reduction in emissions.. LNG propulsion will also give us the opportunity to biogas blending and therefore a possibility to cut even further in emissions. Flexibility is the way forward and we will build ships ready for zero emission fuels. We take our responsibility towards the environment seriously and we aim to be ahead of IMO 2050 decarbonisation goal.

We care for our customers! We want to be more than just a service provider. We want to be a long-term partner to our customers. Good service, flexibility and quality transportation are key elements in how we operate.

Utkilen has over 100 years of shipping traditions. Sustainability is the key element to take us the next 100 years. Stable and long-term financial perspective, sound investments, responsible operations and innovation are key elements. Combining our many years of experience with new competences will help us to make the necessary changes going forward so that the Utkilen name will sustain for future generations.

I strongly believe that together we can achieve this!

Best regards
Siri-Anne Mjåtvedt
CEO

Corporate Social Responsibility (CSR)

SILVER 2021 ecovadis Sustainability Rating

Sustainability is the continuing commitment to act responsibly by integrating social and environmental concerns into business operations.

Sustainability goes beyond regulatory compliance to focus on how companies manage their economic, social, and environmental impacts, as well as their relationships with stakeholders (e.g. employees, trading partners, government).

Utkilen uses the EcoVadis sustainability rating for an independent and leading solution for monitoring sustainability in global supply chains. The EcoVadis assessments focus on 21 issues which are grouped into 4 themes (Environment, Labour & Human Rights, Ethics, Sustainable Procurement). The 21 issues or criteria are based upon international sustainability standards such as the Global Compact Principles, the International Labour Organization (ILO) conventions, the Global Reporting Initiative (GRI) standard, the ISO26000 standard, and the CERES principles.

ENVIRONMENT

OPERATIONS
Energy consumption & GHGs
Water
Biodiversity
Local & Accidental Pollution
Materials, Chemicals & Waste

PRODUCTS
Product Use
Product End-of-Life
Customer Health & Safety
Environmental Services & Advocacy

LABOR & HUMAN RIGHTS

HUMAN RESOURCES
Employee Health & Safety
Working Conditions
Social Dialogue
Career Management & Training

HUMAN RIGHTS
Child Labor,Forced Labor & Human Trafficking
Diversity, Discrimination & Harassment
External Stakeholders Human Rights

ETHICS

Corruption
Anticompetitive Practices
Responsible Information Management

SUSTAINABLE PROCUREMENT

Supplier Environmental Practices
Supplier Social Practices

United Nations Global Compact

Utkilen is a member of- and supports- United Nations Global Compact. The UN Global Compact is the world's largest corporate sustainability initiative. The aim is to mobilise a global movement of sustainable companies and stakeholders to create a better world.

To make this happen, the UN Global Compact supports companies to:

1.

Do business responsibly by aligning their strategies and operations with 10 Principles on human rights, labour, environment, and anti-corruption.

2.

Take strategic actions to advance broader social goals, such as the UN Sustainable Development Goals, with an emphasis on collaboration and innovation.

The Sustainable Development Goals (SDGs) are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030.

To succeed, we must turn these global goals into local business. In Utkilen we have identified several SGD's where we can contribute to achieving these goals.

For more information, visit unglobalcompact.org.

Responsible supply chain management

Utkilen is a member of IMPA ACT, an initiative of the International Marine Purchasing Association that encourages ship owners, ship operators, and ship suppliers to demonstrate a tangible commitment to responsible supply chain management and corporate social responsibility.

At the core of the IMPA ACT initiative is the Supplier Code of Conduct, a set of social, environmental, and economic principles that are based on internationally endorsed UN minimum expectations for businesses and represent current best practice.

Those participating in the IMPA ACT initiative commit to working towards alignment with the Supplier Code of Conduct over time, both internally and within their supply chain.

impa|act

Anti- corruption: Promoting responsible business practices

Utkilen is a member of the Maritime Anti-Corruption Network (MACN).

MACN and its members work towards the elimination of all forms of maritime corruption by: raising awareness of the challenges faced; implementing the MACN Anti-Corruption Principles and co-developing and sharing best practices; collaborating with governments, non-governmental organizations, and civil society to identify and mitigate the root causes of corruption; and creating a culture of integrity within the maritime community.

MACN

CSR project

Over the years Utkilen has contributed to several humanitarian projects and organisations in the Philippines. This year we are supporting the handicapped centre Lourdes in Manilla. The centre is a charitable institution which are taking care of handicapped children who were abandoned by poor families. They provide the children with basic needs and serves as a caring family. They also provide medical care and an appropriate education.

Health, safety and working environment policy

Health, safety and working environment policy

Utkilen shall be a safe and healthy working place for all our employees. Any personnel injury is unacceptable, and our goal is zero harm to personnel.

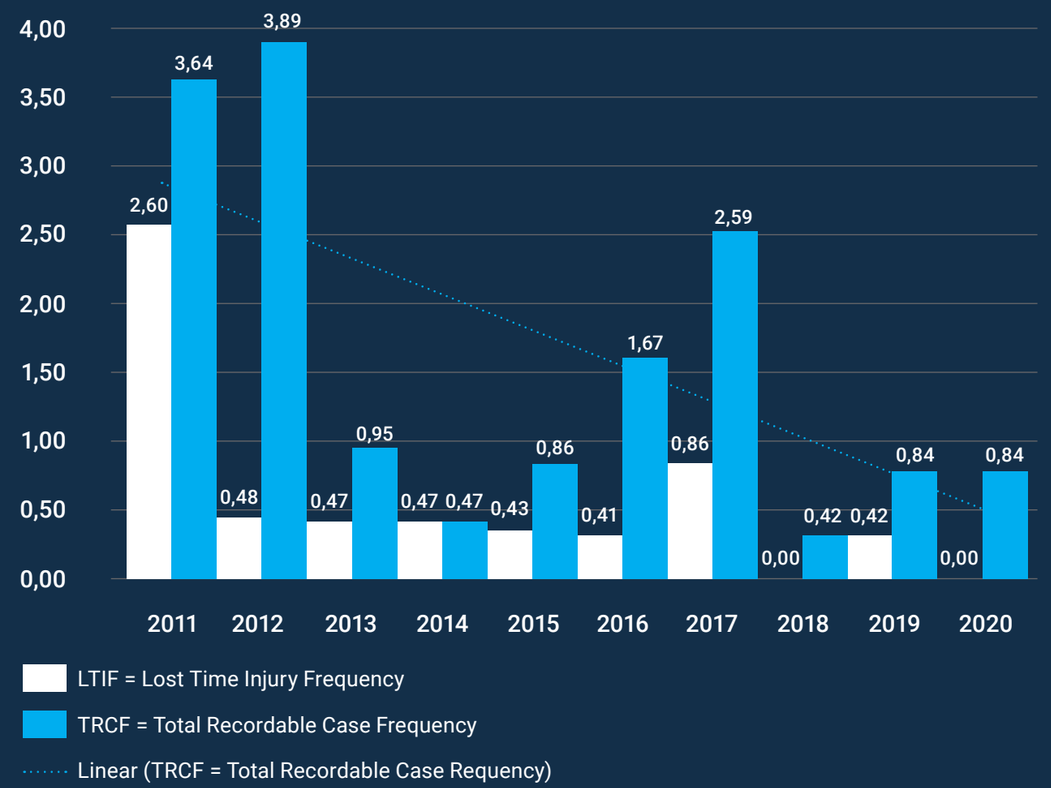
- *Promote and maintain a strong safety culture onboard and ashore.*
- *Comply with all applicable laws, regulations, and requirements.*
- *Enhance a proactive approach to the management of Health, Safety and Working Environment onboard our vessels and ashore.*
- *Develop, monitor, and maintain a Health, Safety and Working Environment program with defined goals, responsibilities and KPI's.*
- *Run a Risk Management program were identification of risks in the Fleet is constantly reviewed and assessed.*
- *Openly communicate Health, Safety and Working Environment performance with customers and industry bodies.*

Human and labour rights policy

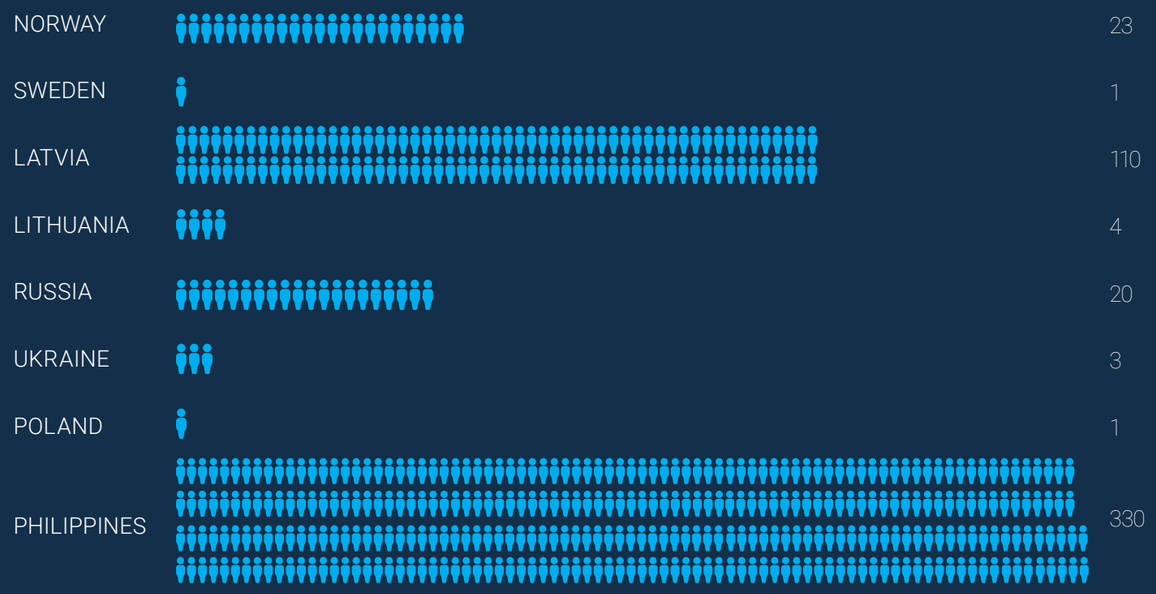
Utkilen shall conduct its business in a manner that respects the right and dignity of all people. Utkilen shall comply with all applicable laws and regulations and is committed to respecting the protection of internationally recognised Human Rights.

- *All people shall be treated with respect regardless of their background, gender, race, class, sexual orientation, political beliefs, age, or any other human right.*
- *All employment with Utkilen is voluntary, and all employees have work contracts complying with applicable laws and regulations. The minimum age of employment is eighteen.*
- *All employees have the right to join trade unions or have recognized employee representation in accordance with local law.*
- *Diversity is encouraged. Different backgrounds, skills and experience is recognized as a competitive advantage for the Company.*

Fleet LTIF/TRCF



Employees and nationalities



Retention rate for Utkilen employees

* 24 months rolling

TOP 4 OFFICERS

99,4 %

ALL CREW

99,1 %

OFFICE PERSONNEL

92,6 %

Average years in Utkilen

MASTERS

19,1

CHIEF ENGINEERS

14,8

Average years in position

MASTERS

11,6

CHIEF ENGINEERS

9,6

The human capital is essential to sustainable operations in Utkilen. 550 employees from different countries and cultures at shore and at sea make sure that we run all our vessels in a safe and efficient way. Communication and cooperation, especially between shore and sea-based personnel, are key words for smooth and seamless operation. Development of digital communication tools has tied the vessels closer to the shore organization.

Our industry is in constant change and is regularly faced with new technologies, rules, and regulations. Continuous training and ensuring that the necessary skills are in place is high on our agenda. It is equally important to be able to offer good support to our seafarers enabling them to handle the challenges that may occur in their daily operation.

A good working environment is Utkilen's responsibility and priority. We believe that our high employee retention rate and the number of years in the company is proof that we have succeeded. We are conscious of the importance of good physical and mental wellbeing of everyone working for us.

Overall environmental objectives

- Utkilen shall continuously strive to reduce our impact on the environment
- The environmental performance index shall be improved every year.
- All Newbuildings ordered after year 2030 shall have zero- emission technology.
- Utkilen shall reduce the CO2 emissions per transport work by 50 percent by year 2030 (compared to baseline year 2008).
- Utkilen shall be climate neutral by year 2050.

Environmental Policy

- Establish and maintain an Environmental Management System in accordance with the ISO 14001 standard.
- Establish and maintain the Overall Environmental Objectives.
- Develop, monitor, and maintain an environmental program with defined goals, responsibilities and KPI's.
- Optimize the vessels energy consumption through operations, design and industry best practices.
- Maintain effective pollution prevention measures, including reduction and recycling of waste.
- Compliance with applicable laws, regulations, and requirements.
- Zero environmental incident or spill.
- Openly communicate environmental performance with customers and industry bodies.
- Utkilen assume full responsibility for the proper recycling of our vessels. This also applies to vessels sold to third parties prior to recycling. All such recycling shall be in accordance with the Hong Kong Convention and EU regulations.

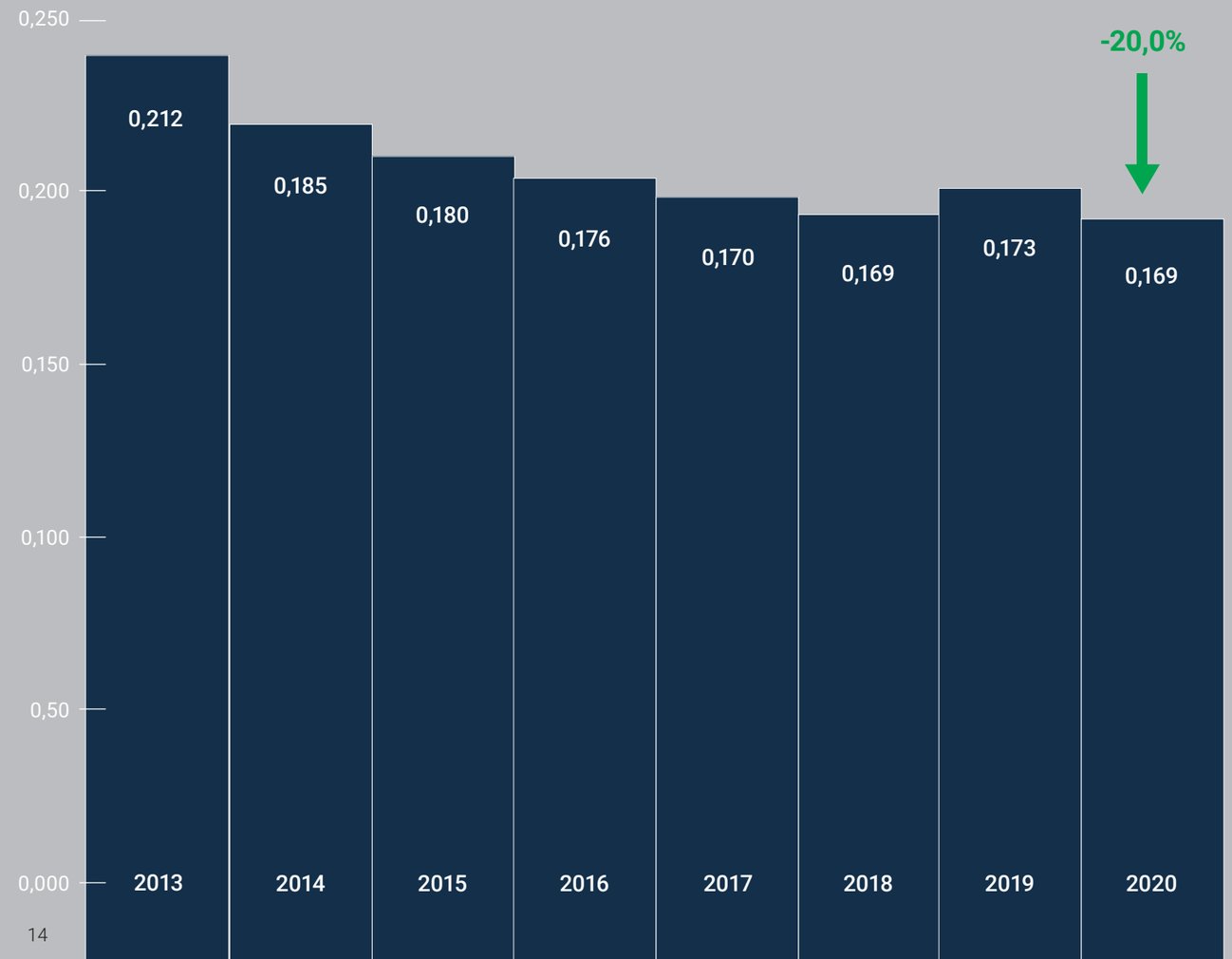
Environmental Management System (EMS)

Utkilen is certified in accordance with the ISO 14001 EMS standard. The EMS shall ensure that Utkilen's Environmental Policy, including the objectives, activities and targets described in the HSE program are met. Utkilen's Significant Environmental Aspects have been identified, including the control elements, and are continuously improved and monitored through Utkilen's HSE Program.

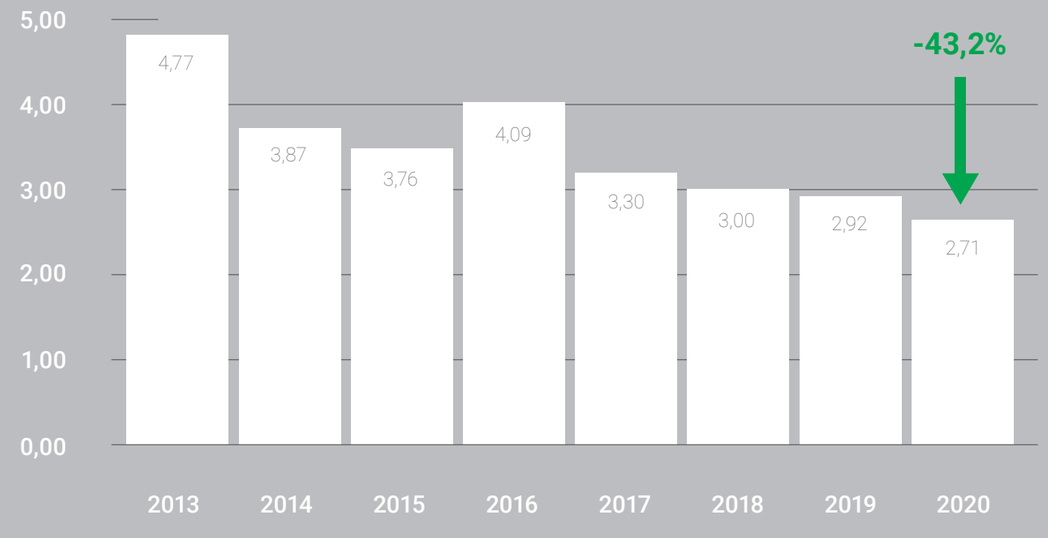
The program consists of selected HSE aspects with objectives, activities, targets, and responsibilities. The program is consistent with Utkilen's HSE policy. It shall also consider local legal requirements, customer requirements and guidelines, industry standards and own experience.

Environmental impact

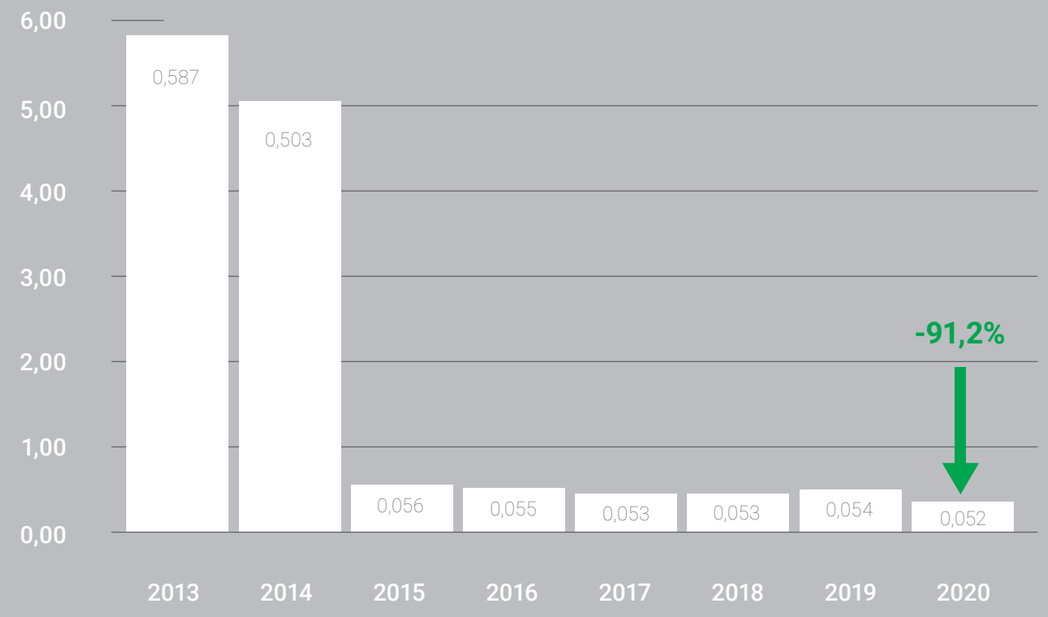
CO2 Emissions 2013–2020
Tons/nautical mile



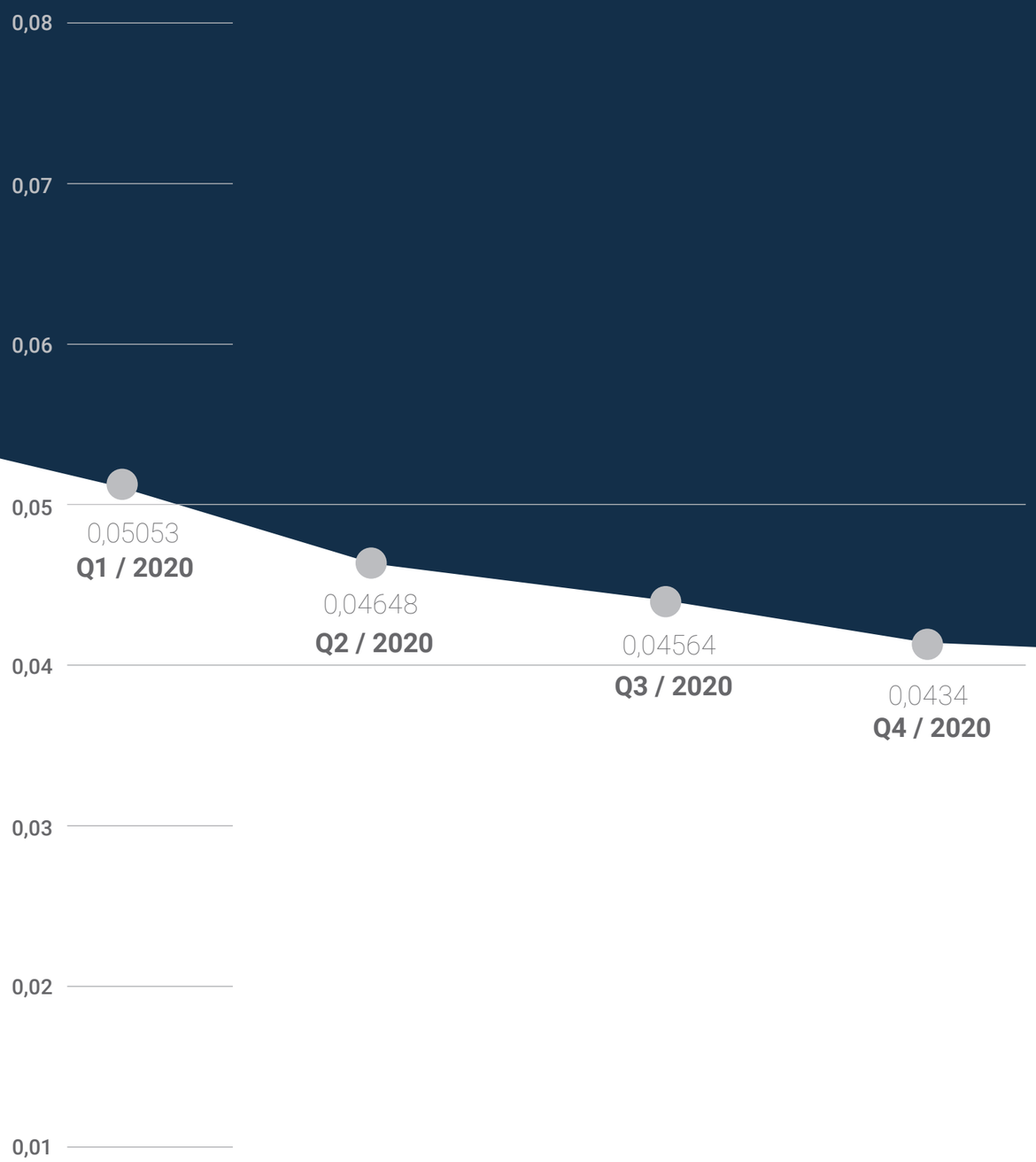
NOx Emissions 2013–2020
Tons/nautical mile (10-3)



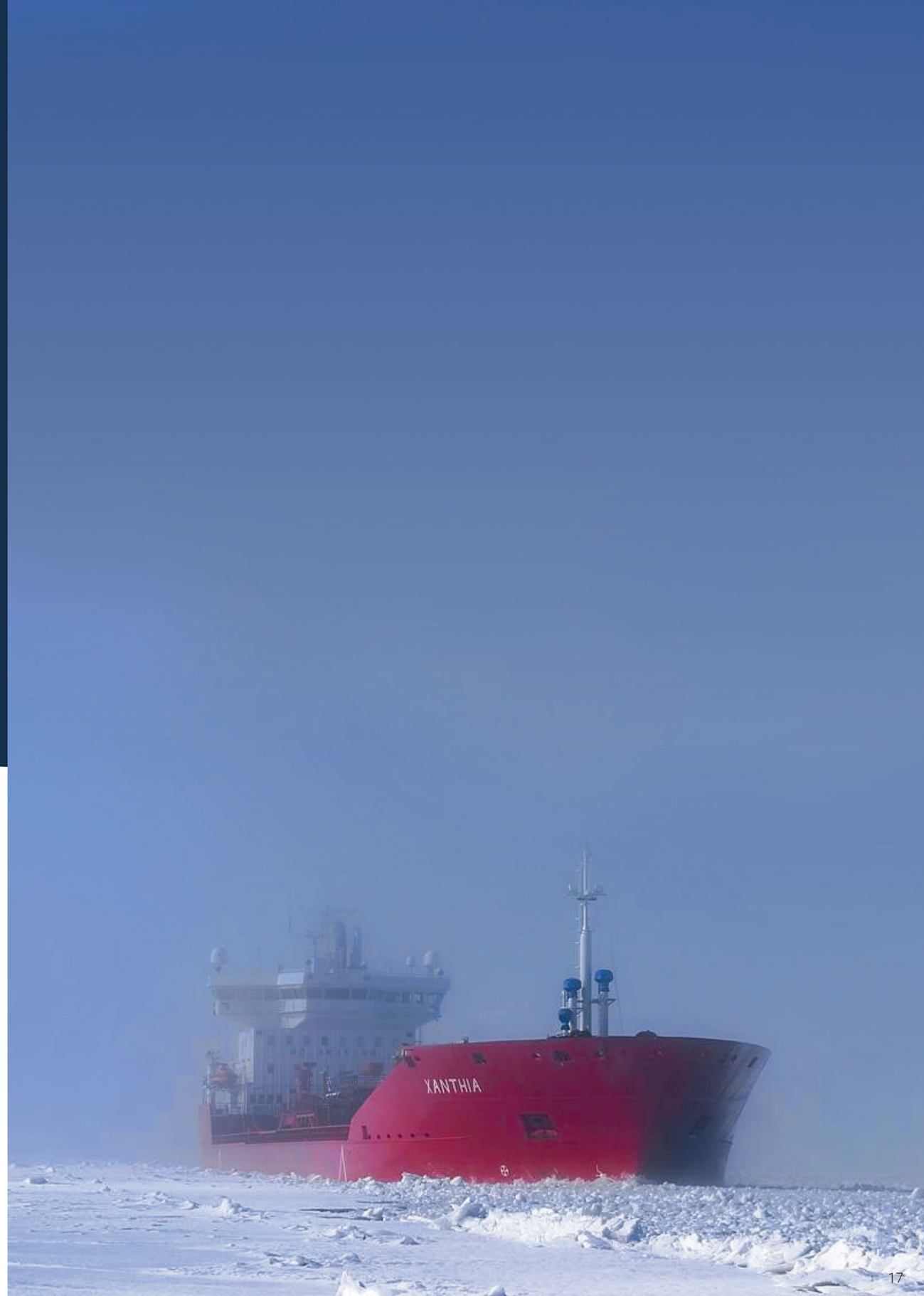
SOx Emissions 2013–2020
Tons/naultical mile (10-3)



Environmental Performance Index 2020



Note: Environmental Performance Index = Total emitted mass / Transport work (total tonnes/ total nm)



Environmental activities 2020 - 2021:

OBJECTIVE	ACTIVITY	RESPONSIBLE
Reduce energy consumption through voyage speed performance	Ship Energy Efficiency Management Plan (SEEMP) Speed/ consumption monitoring	Operation Department
Energy efficiency initiatives	Newbuilding's with ECO- design, dual fuel ready engines and TIER 3 compliant Installing shore power technology on newbuilding's and retrofit on existing vessels.	Newbuilding Department
Improve Energy management	Replace standard lightning onboard with LED lighting Energy Efficiency Management Course established in Manila	Technical department
Reduce energy consumption through RPM/Pitch controller system and monitoring system	Lean Marine system installed on vessels Performance monitoring system installed on all vessels	Technical Department
Ensure that key personnel have required environmental knowledge	Quarterly meetings with 3rd parties (e.g. Class) on upcoming environmental requirements and industry standards.	HSSEQ Department
Reduce energy consumption through frequency converters	Retrofit frequency converters	Technical Department

OBJECTIVE	ACTIVITY	RESPONSIBLE
Manage the social and environmental impact of the Company	Annually develop and distribute a Company Sustainability Report	HSSEQ Department
Define ship specific energy efficiency standards	Establish ship energy efficiency operational index (EEOI) certificates for each vessel	Operations Department
Reduce the environmental impact of anti-fouling	Monitor hull condition Systematic use of underwater cameras onboard	Technical Department
Improve and monitor Utkilen' s Significant Environmental Aspects	Ship Energy Efficiency Management Plan (SEEMP)	Technical Department
Reduce the environmental impact by effective logistic	Use transit Kiel Channel, Reduce Barge, Consolidate deliveries	Purchasing Department
Reduce the environmental impact by reducing waste	The number of plastic bottles consumed onboard shall be reduced by 100 000 bottles by end 2020	Purchasing Department
Participate in project group coordinated by Maritime Bergen	Collaboration between shipping companies, mutually beneficial environmental results	Technical Department
LNG installation on vessels	LNG conversion of the 4 New-buildings.	Newbuilding Department

Results 2020

Key Performance Indicator targets vs. actual result

Personnel injuries:	2020 target	2020 actual result
Fatalities	0	0
Lost Time Injuries	0	0
Restricted Work Case	0	1
Medical Treatment Case	0	1
First Aid Case	< 10	13
Lost Time Injury Frequency	0	0
Total Recordable Case Frequency	0	0,84

Hydraulic Oil Spill:

Overboard	0	0
On deck	< 5	1

Cargo/ Bunker Spill:

Overboard	0	0
On deck	0	1

Inspections: (*)

OCIMF	< 3	2,32
CDI	< 4	1,83
Port State Control	< 0,50	0,90

(*) Findings per inspection

Key figures

People	2017	2018	2019	2020
Number of seafarers	494	493	491	492
Number of office staff	48	46	47	46
Lost Time Injury Frequency (LTIF)	0,83	0,00	0,42	0,00
Total Recordable Case Frequency (TRCF)	2,59	0,42	0,84	0,84
Fatalities	0	0	0	0
Lost Time Injury	2	0	1	0
Training Days (shore based) **Restriction caused by Covid-19*	2 038	2 175	2 953	1 729*

Environment

Emission CO2 (metric tonnes)	190 675	191 062	187 302	175 718
Emission NOx (metric tonnes)	3 692	3 398	3 159	2 812
Emission SOx (metric tonnes)	59,5	59,6	58,5	53,4
Emission CO2 (pr nautical miles)	0,17039	0,16863	0,17315	0,16948
Emission NOx (pr nautical miles)	0,00330	0,00300	0,00292	0,0271
Emission SOx (pr nautical miles)	0,00005	0,00005	0,00005	0,00005
Environmental Performance Index	NA	NA	NA	0,0465

Environmental Performance Index = Total emitted mass / Transport work (total tons/ total nautical miles)

LNG conversion project

A large step in a greener direction

Utkilen has started the process to convert the four AVIC ships to Liquid Natural Gas (LNG) propulsion and by early 2021 we will be one of the few chemical tanker owners in the world with LNG powered ships.

The four AVIC newbuilding's were delivered in 2019 and 2020 from China and the youngest – Sydstraum has merely been trading in the Utkilen fleet for a few months. With dual fuel ready engines, fuel-efficient hulls, EU standard shore connections for loading and discharge capacities without use of Auxiliary engines and other operational energy efficient features, these ships represent the newest generation of chemical tankers.

However, we are already ready to take these ships to the next level by installing LNG/LBG plants. The conversion consists of two 170 m3 stainless steel, vacuum insulated gas tanks built on TCS (tank connection space) and bunker stations place in front of deck houses both sides of catwalk. There will be two sets of pipes between engine room and tanks, one set for Glycol and one gas pipe. The gas pipe will be connected to a GVU (Gas valve unit) for processing gas to main engine placed a short distance from main engine. All inside mounted gas pipes will be double wall pipes. Control and alarm systems will be connected to existing systems onboard. When the system is up and running, we will also be able to follow all monitors and sensors onboard from the main office.

The installation itself will be done in several steps. In order to minimize off-hire, most of the preparations such as piping, etc will be done while the ships are in operation. We aim for final installation of tanks onboard by end 2021 and early 2022.

By using LNG and Liguid Bio Gas (LBA) as fuel we will achieve significant environmental advantages in comparison with low-sulphur marine gasoil. Compared to similar older ships in our fleet these LNG/LBG powered ships will have around

30%
reduction in CO2

100%
reduction in SOx

&

90%
reduction in NOx

We are conscious about the methane slip in connection with LNG and we will therefore equip all 4 vessels with sensors for measuring methane slip in the exhaust outlet. In addition, we are in close dialogue with makers and external parties in order to reduce this slip.

The conversion also offers opportunities in connection with biogas. Biogas blending will represent further emission cuts and some LNG filling stations in North Europe are already offering LNG with LBG blends. Even though there are still development work to be done , these four ships will in many ways also be ready for new alternative fuels such as ammonia.

Emission reduction initiatives

During the last couple of years, many new regulations concerning emissions from ships have come into force. Most important is the IMO 2050 regulation which states that emissions from the shipping industry must be reduced with 50% by 2050 compared to 2008 levels. Furthermore, IMO's ambition is to reduce CO2 emissions per transport work from international shipping by at least 40% by 2030, and by 70% by 2050.

In Utkilen we will go beyond IMO's ambitions by achieving 50% reduction in CO2 per transport work by 2030 and becoming climate neutral by 2050.

In Utkilen we are focused on continuously reducing emissions from the individual ships, and we are developing long term plans for achieving our goals. To understand where we are heading, we need to understand where we come from, and in 2020 an effort has been made to collect, structure and visualize data from our vessels from IMO's reference year of 2008 up until today.

New measures from the IMO

In November 2020, the IMO introduced two new measures, which will come into force in 2023, as part of their strategy to reduce Green House Gas (GHG) emissions.

- **The Energy Efficiency Existing Ships Index (EEXI)**
  - Since the Energy Efficiency Design Index (EEDI) came into force eight years ago, it has provided a required energy efficiency standard for newbuilds, making sure that ships are built with the environment in mind. In November 2020, the IMO introduced the Energy Efficiency Existing Ships Index (EEXI), which will set the standard of energy efficiency for existing ships. The EEXI is measure of a ship's energy efficiency based on its design and is measured as grams CO2 per ton-mile.

- **Carbon Intensity Indicator (CII)**
  - Ships will be required to measure and document a Carbon Intensity Indicator (CII), which is a measure of the carbon intensity of a ship's activities, meaning the amount of CO2 it emits over some measure. Examples of CIIs are the Annual Efficiency Ratio (AER) measured as grams CO2 per deadweight-mile, or the Energy Efficiency Operational Indicator (EEOI) measured as grams CO2 per ton-mile (same unit as EEDI and EEXI). The measured CII of a ship must be below a certain threshold every year set by the IMO, which will become increasingly strict with each year. In contrast to the EEXI which estimates the energy efficiency of a ship based on its design, a CII measures the energy efficiency of a ship based on how it is operated.

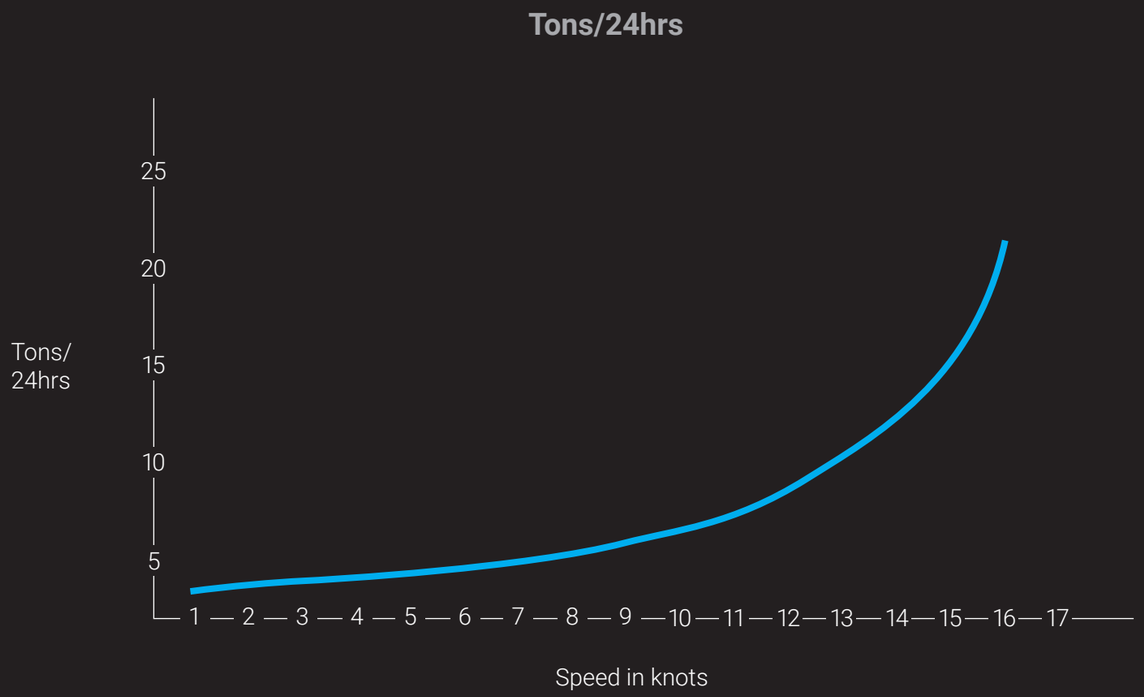
How do we follow up the changes to come?

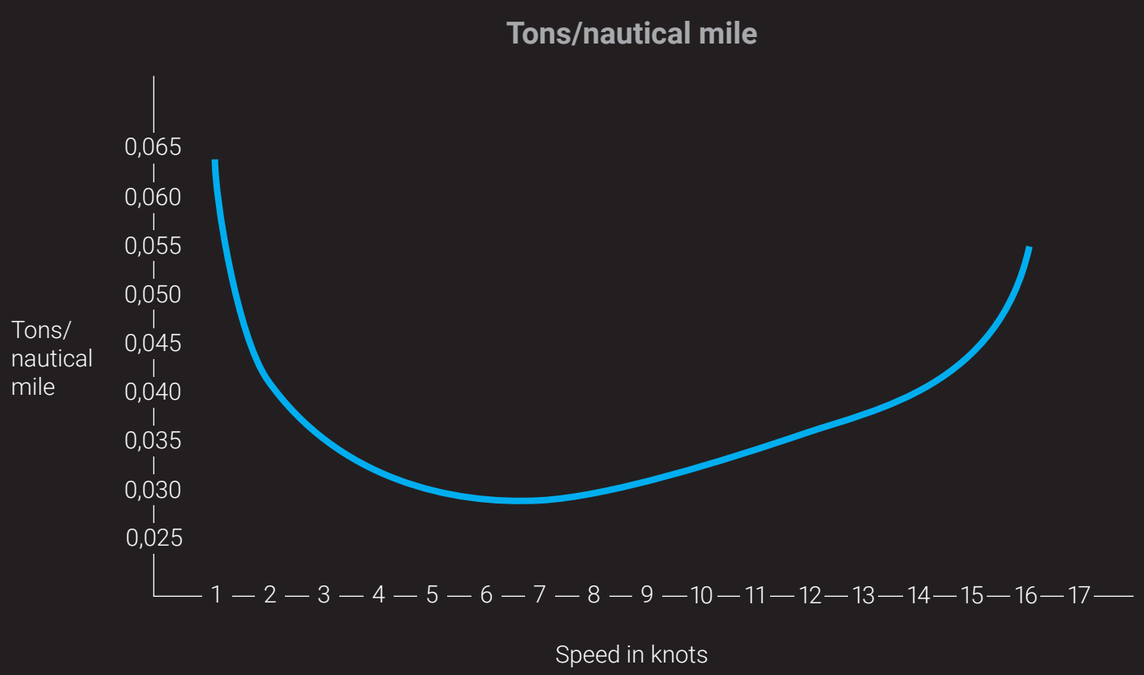
The EEXI of a ship can be improved in several ways, such as limiting engine power, installing a shaft generator, or changing to a more environmentally friendly fuel type. In Utkilen we have committed ourselves to switch to from MGO to LNG as fuel on our four newest vessels (the AVIC-series), which will reduce the EEXI of each vessel by 25%. It also reduces CO2 emissions by 20-25% compared to MGO, which in turn reduces the CII. In addition, LNG burns significantly cleaner than MGO with low levels of NOx emissions and negligible levels SOx and particle emissions.

We are also in the process of installing frequency converters onboard some of our ships. The ships equipped with shaft generators allow them to generate power from their main engines. Instead of running an extra auxiliary generator to produce necessary electricity for lighting and equipment onboard, a shaft generator allows us to generate this from the main engine's shaft itself, saving both fuel and running hours on the auxiliary generator. However, the shaft generator can only operate when the main engine is running at a fixed speed. By installing frequency converters, we can use the shaft generators for different main engine speeds, meaning that we can reduce the engine speed and save fuel, while still running the shaft generator and thus avoiding running an auxiliary generator. Consequently, this reduces our emissions and the CII. The AVIC-series already has this technology installed and we see promising results.

How we operate our ships also has a large influence on our emissions. We need to take into consideration all our activities when investigating our emissions, such as tank cleaning, cargo operations and maneuvering. Most importantly, we need to focus on the ship speed. Reducing ship speed significantly reduces fuel consumption, and subsequently emissions. However, the benefit of reducing ship speed also has its limits – let's consider a small example with the AER. If we look at the below graphs, the left-hand side shows the consumption in tonnes per day (t/24hrs) for different speeds of a hypothetical 10,000 dwt. chemical tanker. The right-hand side shows the consumption converted to tonnes per nautical mile (t/nm). The lowest AER (gram CO2 per deadweight-mile) would be achieved by running the ship with the speed where it has the lowest consumption per nautical mile. We find this point at 5-7 knots when looking at the right-hand side graph below. However, if we consider that the amount of cargo Utkilen needs to transport is constant, then 2 ships operating at 6 knots would be needed to do the same job as 1 ship operating at 12 knots, and this would therefore not be sustainable. This is a very simplified example since it does not take into account the time in port, only at sea, but let's keep it like that for now. The two ships operating at 6 knots consumes 0,03 t/nm each with a total of 0,06 t/nm. The same ship running at 12 kts consumes 0,035 t/nm.

This hightlights that the most sustainable operation is not the lowest possible speed, but the right speed that fits the specific trade you are operating. This is a difficult equation that requires the consideration of many variables, such as fleet flexibility, port restrictions, port performance, cargo quantities and weather, and is dealt with daily by our chartering and operations department.





Over the last years we have therefore focused on lowering the fuel consumption when sailing with the speed we have found to be most efficient for our ships, typically 12-14 knots. We have done this through our Lean Marine installations. Lean Marine optimizes fuel consumption by adjusting propeller pitch and main engine speed to optimize consumption based on various factors such as weather conditions and target speed. In addition, Lean Marine's software Fleet Analytics provides us with a full overview of sensor data from our vessels, such as live speed and consumption data.

Even though we have come far, we still have a long way to go to become climate neutral in 2050. However, we believe that our commitment to LNG as a fuel on our newest vessels and future newbuildings is a great step forward. Utkilen will continue to look for improvements in the way we operate our ships and closely follow developments in new technology and alternative fuels.

The Poseidon principles

The Poseidon Principles are a global framework for assessing and disclosing the climate alignment of financial institutions' shipping portfolios. They establish a common, global baseline to quantitatively assess and disclose whether financial institutions' lending portfolios are in line with adopted climate goals. Thus, they also serve as an important tool to support responsible decision-making. These Principles apply to lenders, relevant lessors and financial guarantors including export credit agencies. They must be applied by all Signatories in all business activities that are credit secured by vessel mortgages or finance leases secured by title over vessel, and where a vessel or vessels fall under the purview of the International Maritime Organization (IMO). The Poseidon Principles are consistent with the policies and ambitions of the IMO, including its ambition for GHG emissions to peak as soon as possible and to reduce the total annual GHG emissions by at least 50% by 2050 compared to 2008.

Currently 21 financial institutions are Signatories to The Poseidon Principles, representing a bank loan portfolio to global shipping of approximately $150 billion – more than a third of the global ship finance portfolio. Signatories commit to implementing The Poseidon Principles in their internal policies, procedures, and standards and to work in partnership with their clients and partners on an ongoing basis to implement The Poseidon Principles. The Poseidon Principles are intended to evolve over time to include other issues where the collective influence of financial institutions can help improve the contribution the industry and its lenders can make to society.

We believe that focus by lenders on these issues increase awareness to engage in and develop sustainable practices. If companies cannot show that they are making progress in line with the estimated trajectories for their ship types, they risk stricter loan terms or may not be eligible for loans at all. This is is only positive for us as a responsible shipping company. When stakeholders as banks encourage us to combat climate change, it means that we have an advantage to continue our work towards a greener future. It could also mean that more bank funding could be available at attractive terms.

The Poseidon Principles contributes to more openness and transparency on environmental issues in the finance sector and will have a positive impact.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

POSEIDON PRINCIPLES

For more information, visit: www.poseidonprinciples.org/

Four Generations of Shipping History

"I guess I was about 11 or 12 when I took apart the entire engine. When dad came home to see this he was very upset. He said I would never be able to put it back together the right way and make it run again. I put the engine back together and it ran like before." - Excerpt from the memoirs of Anders Utkilen (1906 – 1987)

The Utkilen family has its roots in Utkilen, a small community by the tidal current Kilstraumen, situated in the municipality of Austrheim, about one-hour drive north of Bergen.

The sea was important to the people in this community, for transportation of goods, communication, and for fisheries.

In a way the history of the company goes back to 1916, when Ananias Utkilen bought a small freight vessel called "Alstein". His sons, among them Anders, worked onboard this vessel and learned their skills the hard way. Anders Utkilen, in fact, became skipper onboard "Alstein" at the age of 17. At the age of 23 he bought a share of 1/3 of "Alstein".

In 1930 Anders and his brothers bought an old sailing ship which was completely rebuilt to a motor ship and used for transportation of living fish as well as other goods.

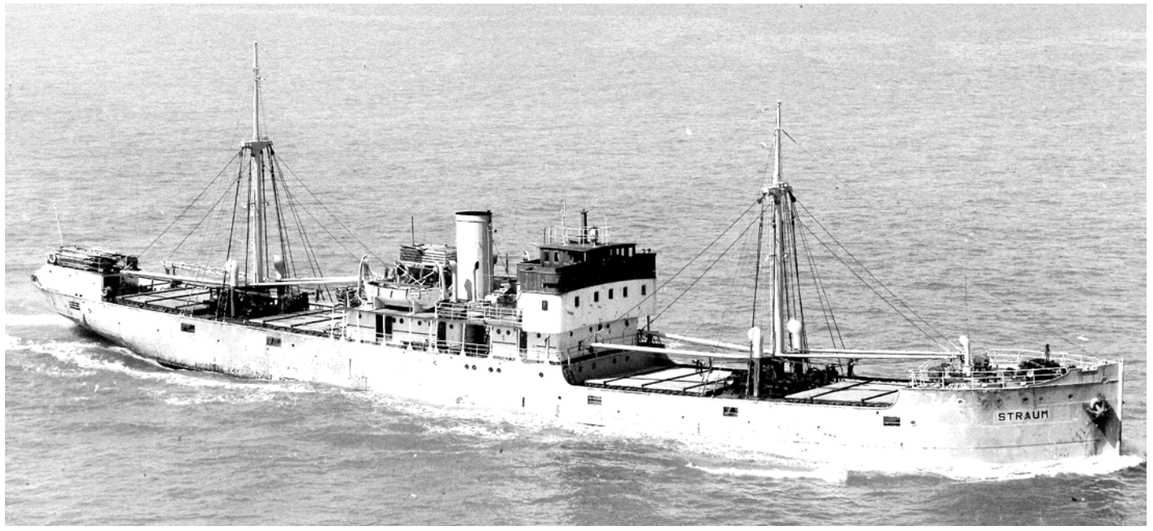
Anders had undoubtedly a technical talent and was very inventive in many ways as far as technical solutions onboard the ships were concerned.

Anders and his brothers engaged in the transportation of goods, mainly on the Norwegian coast and the North Sea, as well as fisheries for herring until the early 1960s. In 1945 the administration of the company had been moved to Bergen. Anders and his brothers bought and sold smaller ships over the years and managed to build up equity in their jointly owned company "Brødrene Utkilen". In 1958 and 1962 Anders' two brothers left the company, and in 1962 the company changed name to "Anders Utkilens Rederi". In 1967 the company was established as a stockholding company, at this time the present owner, Ove Utkilen, became partner. He had joined the company in 1961.

In 1979, a milestone was reached, when the company took delivery of a newbuilding of 2,500 dwt built at Bolsønes yard in Molde. This was one of the most modern and well-equipped small tank vessel at that time. She had double bottom and deep-well pumps in all of her coated cargo tanks. In 1980 and 1981 the company took delivery of two more vessels from the same yard. These vessels had one feature which appeared to have a crucial effect on the later development of the company; namely the fact that these ships had stainless steel center tanks and thus were able to carry high grade chemical (IMO 2) cargoes as well as acid products.

In 2007, the company changed its name from "Anders Utkilens Rederi AS" to Utkilen AS.

Today Utkilen owns and operates, in part or wholly, 22 modern chemical tankers altogether, ranging from around 6 000 dwt to 20 000 dwt., which makes the company one of the major operators in this market segment in Northern Europe.



As the next generation of owners in Utkilen,

after our father Ove Utkilen, we are proud to be part of a company that has been built by generations of skilled and hardworking people, with an organizational culture rooted in integrity and strong values. The long history of Utkilen bears witness to a company that is built to last.

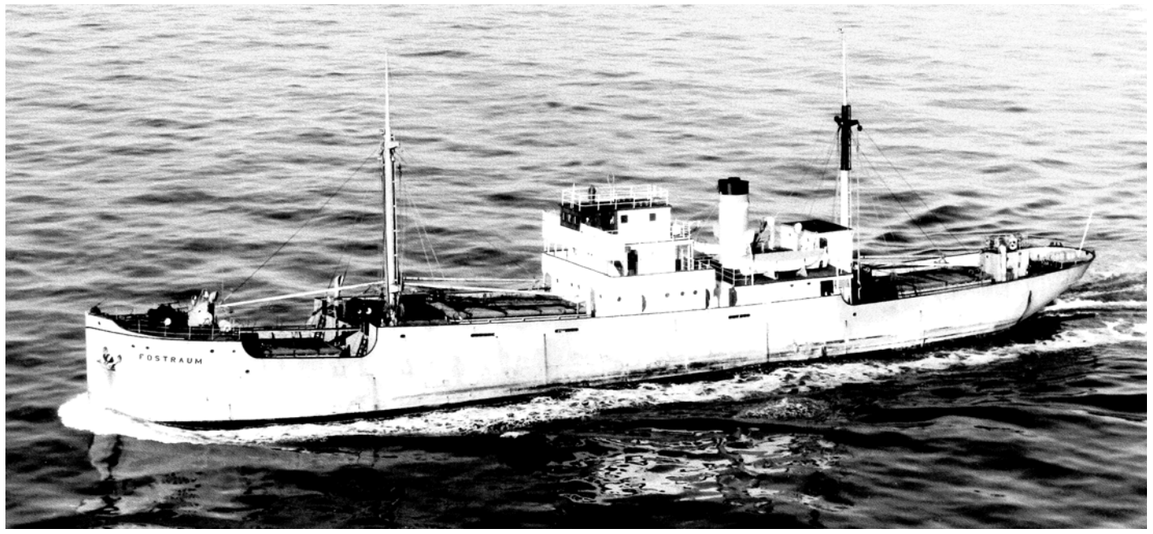
Although it is a privilege and exciting to take part in the next chapter of the company's history, we acknowledge the great responsibility that comes with it. A common saying is that each generation should leave what they are given in a better state when they hand it over to the generation after. For our generation, this is not only true when talking about the company, but in a broader sense due to the enormous challenge the world faces in climate change.

As part of a generation that will likely live to see the damage that this could cause to our planet unless the world is able to reverse or halt current emission levels, it is a very personal challenge. As shipowners, it is good to know that transportation of goods by sea is in general the most environmentally friendly alternative when comparing to transportation by land or air. However, ships need to burn significant amounts of fuel to move through water, and with 22 chemical tankers, we acknowledge that our fleet emits a substantial amount of greenhouse gases. It is therefore crucial that we in Utkilen do what we can to reduce our emissions for a better environment and a sustainable future. Whether it be by implementing new emission reducing technologies on our vessels or using alternative fuels, having high awareness of how we operate our vessels, or carefully selecting our suppliers based on how environmentally responsible they are.

This report presents the steps Utkilen is taking to do our part to combat climate change, and part of that is our recent delivery of four modern and eco-friendly 10,500 dwt vessels from Dingheng shipyard in China. The solutions and technology implemented on board these ships significantly reduce their emission levels compared to prior generations of tonnage.

Current efforts are a good start, but we know that the challenges ahead will require further initiatives to reduce our impact on the planet. As our company history shows, adaptation to new challenges and opportunities has always been part of our culture. We believe that the highly competent people of Utkilen AS, the company's ability to adapt, and the perspective of a new generation makes us well equipped to meet the challenges on our road to becoming greener and more sustainable!

Anders Utkilen & Carl Ove Utkilen



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