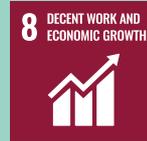




## SHIP RECYCLING

Berge Bulk has rigorous maintenance and repair processes to ensure that our vessels are used as efficiently as possible for as long as possible. As we add newer, more efficient vessels to our fleet, we consciously retire those that are older, less efficient, and have reached the end of their economic life. Ship recycling is the most environmentally efficient solution for disposing of old vessels.



### Our Ambition

- Maintain up-to-date Inventory of Hazardous Materials on 100% of vessels.
- Recycle all end-of-life ships at yards that adhere to the Hong Kong Convention by the end of 2021.
- Fund at least one local charitable organisation in South Asia that supports ship recycling workers and their families.

### The Challenges

Although ship recycling is a major source of employment, some South Asian shipyards have recently come under much criticism. Poor working conditions, immature health and safety practices, and irresponsible environmental management still prevail in some recycling yards. A key factor in this is the lack of international regulations on ship recycling.

## Our Approach

### Yard Selection

Our ship recycling policy ensures that shipyards engaged to recycle Berge Bulk's vessels are also certified to international standards of environmental management (e.g. ISO 14001) and health and safety (e.g. OHSAS 18001, ISO 30000, ILO standards). We require proof of documentation from yards before commencing recycling activities. At the end of the dismantling process, a statement of completion is obtained to confirm that the recycling was carried out in line with our policy and standards.

By the end of 2021, Berge Bulk will further enhance our ship recycling policy as we will recycle our vessels at yards that not only meet the international standards listed above, but also adhere to The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC) established by the International Maritime Organisation (IMO).

In line with this ambition, Berge Bulk sales contracts will continue to impose on the buyer or yard to undertake safe and environmentally sound recycling as per our policy and standards. The contracts will also require use of approved ship recycling facilities, as demonstrated by certifications under the standards of the International Organisation for Standardisation (ISO) and by recognised Classification Societies.

### Quality Monitoring

We will conduct periodic visits to the recycling yards with our internal auditors to monitor labour conditions, health and safety management, and environmental practices. Any breach of our compliance framework observed during our visits will be reported to the recycling yard management for immediate corrective action.

### Capacity Building

Through our audits, we will identify opportunities to improve practises of the recycling yards through health and safety training, and contributing personal protective equipment (PPE) where needed. Furthermore, in 2020, Berge Bulk will identify and fund at least one local charitable organisation in South Asia that supports the wellbeing of the ship recycling workers and their families.

### Hazardous Materials

Since 2012, Berge Bulk ships maintain an Inventory of Hazardous Materials and insist on Material Declarations from our suppliers. This inventory will be maintained and updated throughout the operational life of the ship, with certification issued by a classification society to confirm full compliance with the applicable requirements.

Prior to recycling, details of additional hazards in stores and wastes are added, and the document can then be used to help an authorised recycling facility formulate a safer and more environmentally sound plan for decommissioning the ship.