

SHIP RECYCLING POLICY

Policy Purpose:

This policy underlines our objective of disposing of ships in a safe and environmentally friendly manner. Recycling of our vessels shall be performed at a reputable and certified recycling facility and demolition facility and must hold a valid Class issued Statement of Compliance with the Hong Kong Convention 2009 or the EU Regulation 1257/2013.

Policy Scope:

This policy applies to all employees, contractors, vendors, and stakeholders who work with Hafnia across the multi layered supply chain which facilitates Ship Recycling.

Policy Statement:

Hafnia Pools Pte Ltd and its subsidiary owning companies are committed to conducting all its business in an ethical, legal, and socially responsible manner to prevent, reduce and minimize accidents, injuries and other adverse effects on human health and the environment. This commitment extends to ship recycling with an ultimate objective to dispose ships responsibly, safe, and environmentally friendly.

Our Main Objectives are to:

- Perform the recycling of any Hafnia vessel at a reputable and certified recycling facility that has the ability to meet the applicable regulations.
 - The selected recycling and demolition facility must hold a valid Class issued Statement of Compliance with the Hong Kong Convention 2009, or EU Regulation 1257/2013.
- Ensure recycling does not cause pollution of the surrounding waters, land, and atmosphere. It must be done in a manner which hazardous materials onboard are identified, demarcated, and carefully removed prior to, or during the recycling process and disposed of in a way which would render them harmless, and the recycling shall be performed in a manner wherein the safety, health and dignity of the human workforce involved in the process remain paramount, and work practices and conditions of their employment ensure this.

In Achieving this, the Following Must be Complied with:

- Hafnia as owners of the vessel shall select a suitable recycling facility, sight the Ship Recycling Facility's (SRF) official license to conduct ship recycling, and check amongst other qualifications, the facility's Class issued Statement of Compliance with the Hong Kong Convention 2009, or EU Regulation 1257/2013; and other recycling related certificates such as ISO 30000:2009, if held.
- Hafnia shall sight the facility's approved Ship Recycling Facility Plan (SRFP) and have the facility audited to check that actual conditions match the SRFP requirements and the conditions of the facility's certification. The audit shall be carried out by an experienced team member or an experienced and reliable third party.
 - The audit shall not only encompass the SRF's internal abilities but also its external support organizations and emergency response capabilities including hospitals, medical facilities nearby, pollution response capabilities and other support functions.
- If using a buyer to facilitate the recycling, Hafnia shall sign an agreement such as *BIMCO Recyclecon* with the buyer, to protect its interests insofar as proper procedures for recycling are followed.

- The agreement must contain clauses binding the buyer/SRF to permit Hafnia's representatives supervise the recycling process throughout the recycling process, for the representatives to closely liaise with the facility's management to ensure that the recycling process meets all requirements with respect to ethical, legal, and socially responsible practices and include measures to prevent, reduce and minimize accidents, injuries and other adverse effects on human health and the environment.
- The vessel being Inventory of Hazardous Material-IHM compliant shall ensure that the inventory has been maintained up to date. The vessel to be recycled or sold for recycling must undergo an IHM Part II (listing operationally generated wastes), and Part III (consumables and liquids/gases sealed in ship's machinery) survey prior to recycling.
 - Changes to the inventory during the remaining steaming days until the vessel reaches the recycling yard must be taken into consideration.
- Hafnia must ensure that the vessel's Class and the Recycling Facility receive a copy of the IHM Part I, II and III
- Hafnia shall sight and study the Ship Recycling Plan (SRP) prepared by the Yard for accuracy and practical capability and ensure it meets Company requirements.
- Hafnia shall ensure that Class issues a 'Ready for Recycling' Certificate.
- Before the vessel arrives at the recycling yard, the Company's representative/s or chosen experienced and reliable third party's supervisor/s, must be present at the facility and oversee that proper arrival procedures are followed.
- Supervisors must attend emergency response drills and check for satisfactory performance of staff and equipment.
- Supervisors must discuss/finalise the dismantling, decontamination and disposal sequence and plan and ensure that this is followed during the entire recycling process.
- Supervisors must attend the facility daily once recycling work commences to ensure that the recycling work is progressing as per the SRF plan and is carried out in a safe and environmentally approved manner. They shall check that risk reduction measures are identified and implemented in each activity.
- Supervisors must attend daily briefings of personnel working in the recycling process, toolbox talks where possible, check that personnel use proper personal protective equipment (PPE), follow safe work practices and situational health-related precautions during all stages of recycling.
- The Supervisors must monitor treatment of personnel involved in the recycling process and ensure that the complaints of personnel are adequately responded.
- Supervisors must monitor that the SRF's critical and vital equipment such as cranes, winches, wires, gas hoses, gas tanks, explosimeters, oxygen analysers and other equipment are maintained in good condition, operated within their indicated safe limits, and tested/calibrated at stated intervals.
- Supervisors must maintain detailed daily reports of the work with photographs, permits and other documents. Regular reports shall be sent to Hafnia as required on the progress of the recycling process.
- SRF and Supervisors shall notify Hafnia immediately of any incident involving the company's vessel being recycled and any incident within the SRF/adjacent areas.
- The Supervisors must closely monitor the removal of hazardous material and obtain from the yard evidence of their eventual downstream disposal by government approved disposal agencies. s

On completion of the recycling, Hafnia must receive a detailed completion report from the facility, with a copy of the governmental acknowledgement of completion of recycling. If a third-party supervisory agency has been used, then a completion report, along with a summary of the entire rec