

RESPONSIBLE SHIP RECYCLING POLICY 2023  
**DAMPSKIBSELSKABET NORDEN A/S**

## **Purpose**

NORDEN is committed to conducting business in a legal, ethical, and socially responsible manner. NORDEN's business model involves operating a modern fleet and selling and redelivering vessels long before end-of-life. Should the Company face situations where recycling of a vessel is relevant, the following standards are applicable.

## **Overall approach**

NORDEN endorses Danish Shipping's Policy on Ship Recycling and supports the ratification of the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships ("the Hong Kong Convention"), the EU Ship Recycling Regulation ("SRR") and the European Union's Basel Convention, which bans export of hazardous waste from OECD countries to non-OECD countries. NORDEN is also a founding member of the Ship Recycling Transparency Initiative (SRTI).

Safe working conditions and environmental protection are key priorities in NORDEN's operations. NORDEN will act in accordance with the SRR in relation to all European flagged vessels, and the Basel and Hong Kong Conventions for all other vessels to prevent and minimise risk and potential harm to people and the environment caused by ship recycling operations.

NORDEN is committed to respecting the OECD Guidelines for Multinational Enterprises, UN Global Compact and UN Guiding Principles for Business and Human Rights.

## **Criteria for recycling of own vessels**

In case a NORDEN-owned vessel is to be recycled, NORDEN will select a vetted recycling facility among EU SRR approved facilities based on thorough reviews and inspections. The facility must hold a statement of compliance in accordance with the Hong Kong Convention and be able to present a statement of compliance with all applicable environmental and social regulations awarded by a competent and independent party.

## **Safeguards in relation to sale of old vessels**

In cases the vessel is above 20 years and the proposed sales price of a vessel is less than 25% above highest scrap value, a clause must be applied to the contract specifying responsible recycling practices.

The clause must specify that if the buyer wishes to recycle the vessel, this must be done responsibly at a facility in accordance with the Hong Kong Convention.

Furthermore, the clause must specify that the buyer is required to include the same contract clause with its buyer if the vessel is resold within 6 months from the date of purchase.

NORDEN provides an Inventory of Hazardous Materials as well as other relevant documentation to the buyer of such vessels to ensure responsible recycling and compliance with the regulations of the Hong Kong Convention.

NORDEN will monitor the vessel location for 6 months and reserve the right to take legal actions.

## **Safeguards in relation to long term chartered vessels**

When NORDEN enters into long term charters in excess of 5 years and where vessel will be more than 20 years old at redelivery to the owners, the C/P must include a clause which states that, at the time of redelivery, if the value of the redelivered chartered vessel is estimated to be less than 25% above highest scrap value, and the owner wishes to recycle the vessel within 6 months from redelivery, this must be

done at a facility in accordance with the Hong Kong Convention, verified by presenting a statement of compliance with all applicable environmental and social regulations awarded by a competent and independent party. NORDEN will monitor the vessel location for 6 months and reserve the right to take legal actions.

**Policy review**

*This policy is subject to review every two years to ensure effectiveness and compliance with NORDEN's strategy and in the case of significant changes, the policy will be presented to the ESG Executive Body for approval. Latest review: November 2023.*