

Responsible Ship Recycling Policy

Wallenius Wilhelmsen ASA (Company) is committed to responsible business conduct across our activities in all countries and jurisdictions in which we operate.

In line with our Code of Conduct, safety policy, human rights policy and other relevant policies, we are committed to the safety and health of our people, to respect human rights and to reduce environmental impact as part of our Company's strategy. Our Supplier Code of Conduct extends these commitments and expectations to suppliers across our value chain.

Our Commitment

As a shipping and logistics company with a large (owned) fleet of ships, managing end-of-life ship recycling is part of our scope of operations. We recognize that ship recycling can have negative impacts on people and planet, particularly in jurisdictions with weak regulation and/or enforcement. Potential negative impacts of ship recycling include health and safety risks, risk of child labor, and other human and labor rights risks, environmental damage and other unethical practices such as bribery and corruption.

We are committed to responsible and transparent end-of-life recycling of ships in line with applicable regulations including the EU Ship Recycling Regulation¹ and the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships².

Our Approach

This policy is implemented through the following actions:

1. ESG (environmental, social and governance) due diligence audits are conducted on the candidate recycling facilities by specialist auditors nominated by the Company or any third party nominated and approved by the Company, to assess that the following are in place:
 - a. Governance and management systems to prevent forced and child labour as well as ensuring reasonable working hours and fair compensation governance.
 - b. Certified health, safety and environmental management systems and approved equipment to protect workers, whether employed by the facility and sub-contractors and manage materials and waste.
 - c. Governance and management systems to reduce the environmental impact including reduced use and safe handling of chemicals, adequate waste handling and increasing recycling.
 - d. Governance structures including a code of conduct reflecting compliance with applicable laws and regulations and specifically relating to anti-bribery and corruption, specifically the UK Bribery Act and the US Foreign Corrupt Practices Act.
 - e. The facility features on the current EU-White list or must demonstrate their ability to deliver performance of a similar level.

¹ Regulation (EU) No 1257/2013 of the European Parliament and of the Council of 20 November 2013 on Ship recycling and amending Regulation (EC) No 1013/2002 and Directive 2009/16/EC.

² Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (ratified in 2023)

2. For Ships that are to be recycled, e.g. sold through a buyer for recycling, strict contractual requirements shall ensure that the ship will be recycled at specified yards to our standards and under our supervision.
3. The recycling work is supervised by contracted Company representatives (or third parties as nominated and instructed by the Company) with the right to halt work on social or environmental grounds. A yard incentive structure is established as a basis of continuous follow-up to ensure specified safety and environmental KPIs are being met. Weekly progress reports and a completion report are required.
4. Appropriate downstream handling and disposal of all waste streams and materials for recycling is monitored by the contracted representatives during recycling. Where feasible, items in good working order shall be donated to the local community.
5. Future long-term charters (≥ 10 years) of ships that would be within 5 years of their end-of-life upon redelivery, will include requirements for recycling consistent with this policy if same is in line with the chartering agreement. All efforts shall be made with tonnage providers to ensure existing long-term charter ships are responsibly recycled if redelivered within 2 years of their end-of-life.

The Company is a founding member of the Ship Recycling Transparency Initiative (SRTI), and an updated overview of the details of our recycled vessels is maintained on our website.

We encourage our customers, investors, and lenders to leverage their influence and the SRTI data to improve recycling performance, and fair competition in respect of it, across the industry.