





Think tomorrow, today

Our Vision, Mission and Values guide every aspect of the day-to-day work, both ashore and at sea, at Gearbulk. Our Sustainability Vision applies these same principles as we fulfil our commitment to plan for tomorrow – today.

Our vision

Leading global supplier of innovative, sustainable and industrial shipping solutions.

Our mission

To create value for our customers and other stakeholders by being a sustainable shipping company.

Our values

- **Responsibility** - In Gearbulk stakeholders are committed to improving themselves personally and pursuing the best balance between competitiveness, economic, social and environmental requirements.
- **Innovation** - In Gearbulk we inspire each other to drive creativity in the pursuit of new business and in search of the optimal solutions - going beyond the obvious.
- **Integrity** - In Gearbulk we act ethically, keeping our word and treating others both inside and outside the Company with fairness and respect.
- **Respect** - In Gearbulk we recognise our limitations and listen to the views of others. We seek to learn from others' culture, opinions and skills in order to create value for all stakeholders.



Our sustainability vision

Becoming an industry leader in creating enduring value by taking responsibility for the future through the choices we make today. This means,

- Clear and consistent leadership whilst engaging our employees
- Transparency and improving our economic, environmental and social contribution
- Developing human potential and collaborating with those who share our vision locally and globally

Sustainability at Gearbulk is all about “creating enduring value”, taking care of the planet, contributing to society, and conducting business in a responsible manner.

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Welcome to the Gearbulk Sustainability Report for 2018

Over the last two years, the freight markets have continued to be challenging as there still has been too large an imbalance between supply and demand for ships. In addition, there have been a number of one-off events which have had a negative effect on the market.

Business

2018 was the first full year of G2Ocean, the joint venture between Gearbulk (65 %) and Grieg Star (35 %).

We are pleased that the integration of the business and the organizations were relatively smooth and we have already started to see substantial benefits of this new venture. Challenges remain, though, which we continue to work on.

Gearbulk's investment in new software for the Planned Maintenance, Safety Management, Procurement and Budgeting systems on board our vessels had its first full year of operation in 2018. The software already provides better data than previously and has become a valuable tool to help us in our decision-making and cost control processes.

We are constantly looking for improvements in our operation to make us more environmentally friendly and have a better operation.

Environmental Impact

Gearbulk continues to focus on the efficient running of the fleet whilst ensuring that the environmental impact is minimized. Gearbulk achieved ISO14001:2015 accreditation for the vessels and offices.

We have identified plastic as a new area of focus in terms of use and disposal. A plastics policy was implemented in 2018.

Wide-ranging data collection has enabled us to specifically target improvement areas. Gearbulk is committed to enhancing the environmental awareness of our staff, customers, suppliers and stakeholders in the coming years.

Gearbulk's environmental footprint has continued to drop, and we have seen improvements in a number of KPI's.

People

The safety of our employees, ashore and on board as well as that of people involved in the operations of the ships in port is a top priority for us.

We continue to have regular training and awareness campaigns and strive to improve near-miss reporting.

Through the Kristian Gerhard Jebsen Foundation, we continue to support a number of social projects, mostly in the locations where we have presence.

I believe the report conveys the commitment we have to environmental and social engagement as well as to becoming a more sustainable company on all levels - and hence a better partner for our customers and stakeholders.

Kristian Jebsen
Chairman

Our Governance

Strong and consistent corporate governance makes it possible for Gearbulk to realise its Vision, Mission and Values. The top level structure is below,

Board of Directors

Gearbulk Holding AG is managed by its Board of Directors, which sets overall strategy and meets regularly.

The Board of 2018 includes:

Kristian Jebsen	President
Hans Olav Lindal	Director
Hans Petter Aas	Director
Toshiaki Tanaka	Director
Jun Hoshino	Director

Audit Committee

The Board's Audit Committee is comprised of non-executive directors who meet regularly. It oversees financial reporting, internal controls, risk management, audit processes, compliance monitoring and business conduct.

Gearbulk Leadership Team

Under Board mandate, the Gearbulk Leadership Team guides implementation of strategies developed and approved by the Board and coordinates group activities.



Highlights

G2Ocean – The first full year

G2Ocean was established as a joint venture company between Gearbulk and Grieg Star On 1st of May 2017, and a new head office was established for G2Ocean in Bergen, Norway. G2Ocean assumed operational and commercial control of the Gearbulk core fleet, its time charter fleet and the Grieg Star core fleet.

Including chartered vessels, the fleet now totals more than 130 vessels that makes it the world's largest fleet of open hatch gantry crane and jib crane vessels with box-shaped holds to maximise stowage and minimise cargo handling. The vessels are of similar design that provides flexibility to interchange them for quick scheduling response. Onboard cranes that can handle up to 70 tonnes provide freedom to load and discharge efficiently anywhere, whether quayside facilities are equipped, or not.

G2Ocean has had a full calendar year in operation and is well underway towards pioneering sustainable shipping solutions.

Ecovadis is a sustainability ratings company founded in 2007 that assesses approximately 30,000 suppliers a year in over 150 industry sectors, and evaluates companies based on a thorough assessment form. It divides its report into four areas: Environment, Labour & Human rights, Ethics and Sustainable procurement. Their focus is on the policies, procedures, actions and measuring systems of the companies.

In 2018 Ecovadis awarded G2Ocean with their silver badge and rated it among the top 8 percent of transportation companies when it comes to sustainability. 2018 is the first full year for G2Ocean as a company and the findings show how far it has progressed as a sustainable shipping company. The strongest area was ethics with a score of 70 out of 100 points, taking G2Ocean to the top 3 percent in the industry.

High Heat Tankers

On 15th July 2018, Gearbulk went live with its new joint venture, High Heat Tankers Pte Ltd.

High Heat Tankers Pte Ltd is a joint venture between Gearbulk Holding AG (50%) and Puma Energy Supply and Trading Pte Ltd (50%). The joint venture specialises in transporting high heat coal tar pitch and high heat asphalt and bitumen, commercially operating initially all four Gearbulk owned liquid pitch vessels and Puma bitumen tankers (as required) on a full-time basis.

The joint venture will have access to up to 14 high quality tankers currently ranging from 15,000 – 37,000 dwt, four from Gearbulk and the balance from Puma. The joint venture is designed to deliver a stronger business model that will provide the best service possible to existing and new customers in the high heat shipping markets. Taking advantage of the areas of expertise of Gearbulk and Puma Energy will lead to economies of scale and access to a wider fleet of vessels for the defined markets that will improve the capability and quality of shipping services that can be provided. www.highheattankers.com

Unity

G2Ocean and its pool partners Gearbulk and Grieg Star decided to merge their Information Technology (IT) departments into one unit. It is believed that combining the three IT departments will increase capacity and competence to meet the digital ambitions of the companies. G2Ocean will organise and operate the new joint unit, with the following key areas of responsibility,

- IT Infrastructure for onshore locations and vessels
- IT Support for onshore locations and vessels
- Business IT & Portfolio management including a dedicated Product Development Team.
- Cyber Security

Performance Highlights



0,57

Port State Control deficiencies per inspection



4,65

Rightship Rating



12,472

Training days for seafarers



ISO 14001:2015

Accreditation in 2018

Responsible Business Practices

Gearbulk has implemented several policies and codes to support our sustainable approach to business. These policies give guidance for all stakeholders, including employees and suppliers, on how we promote responsible business practices. These include:

Anti-Bribery and Corruption (ABC)

As a member of the Maritime Anti-Corruption Network (MACN), Gearbulk collaborates with those who share its vision to promote ethics and compliance with anti-corruption laws to eliminate corrupt practices within the industry.

ABC in Gearbulk is managed through the Gearbulk, G2Ocean and Grieg Star Joint Compliance Committee that meets regularly to review ABC topics and actions including review of suppliers, audits of expenses and payments, incident reports, training and MACN meeting reports. Outputs of these meetings are presented to the Boards of the three companies. Recent initiatives include detailed questionnaires being sent to key suppliers and subsequently reviewed.

Global Anti-Trust Policy

The purpose of our Anti-Trust Policy is to promote compliance with all Anti-Trust laws that: Guarantee free and open competition in a free market economy; and Prohibit anti-competitive behaviour from either individuals acting alone or multiple players acting together

Code of Business Ethics

The reputation of Gearbulk for delivering long term value to our customers is anchored in our ability to consistently deliver reliable services through our expertise, teamwork and professionalism, both in the work we do and the way we do it. To achieve this, we must all understand how the Company expects us to conduct our work and business relationships. This Code provides guidance on the fundamental values and standards of behaviour which all employees must always adhere to.

Supplier Code of Conduct

The Gearbulk group of companies has strong values and is committed to working ethically, with integrity and always lawfully wherever we operate and with everyone we do business with.

This Code provides guidance on the fundamental values and standards of ethics, labour, health, safety, and environmental management at Gearbulk that we expect our suppliers to respect and support as applicable.



“We at Gearbulk are dedicated to conducting all of our business activities with the highest level of ethical standards, therefore compliance with all laws is a fundamental part of our corporate values”

Kristian Jebsen, Chairman

Cargo

Gearbulk is an industrial carrier with focus on providing ocean transportation services to primary industries on our own and through joint ventures, connecting industries with their end markets.

The core and long-term charter fleets of Gearbulk were chartered by G2Ocean on the 1st of May 2017, after which G2Ocean assumed operational control of the vessels and commercial ownership of contracts and offices globally. Nearly 50 % of the Cargo carried by G2Ocean combined, is forest products, of which the majority is Pulp from our customers in the Americas. High Heat Tankers assumed operational control of the four liquid pitch carriers on 15th of July 2018. Gearbulk continues to operate a terminal vessel, a CABU vessel and two combination juice carriers.



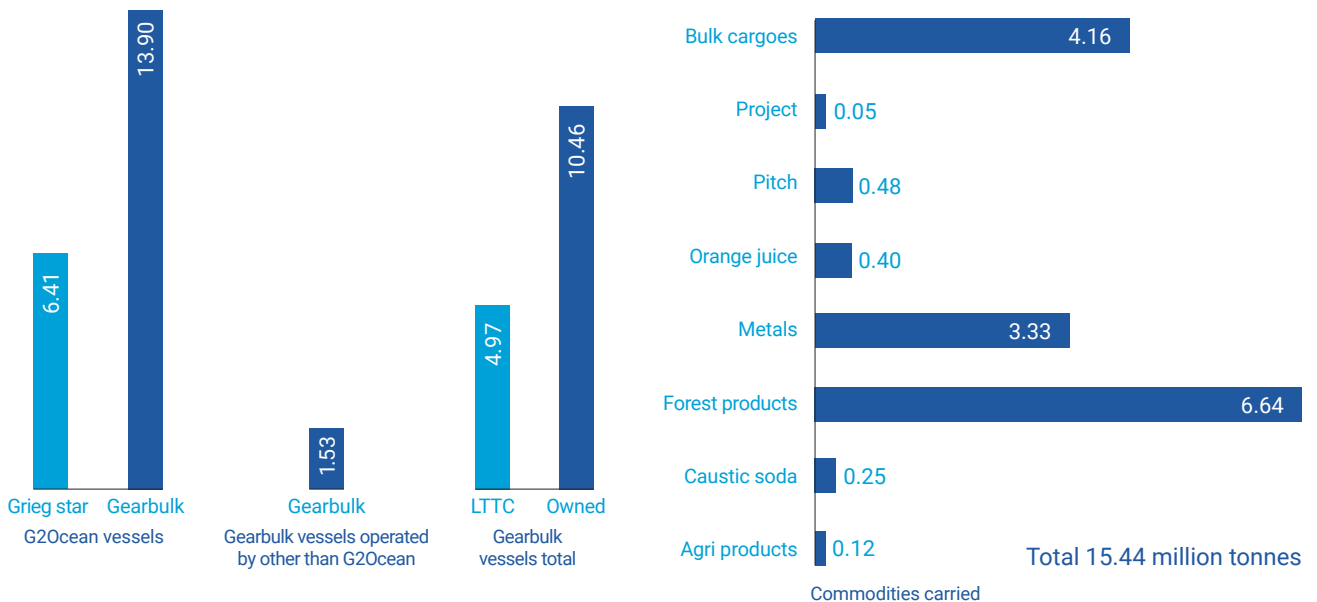
Pulp loading

Gearbulk also provides service to customers seeking to ship on a spot basis.

Crew cargo operation training

In recognition of the importance of crew in handling cargo safely and efficiently, G2Ocean and Gearbulk have established an Operations course for vessel officers. The course focuses on extensive training in cargo planning, vessel preparation, cargo care and productivity, all with the objectives of improving safety in port, vessel productivity alongside and reducing cargo claims. The three first courses were successfully conducted by senior G2Ocean operational staff in Manila, Beijing and Mumbai during 2018.

CARGO CARRIED IN GEARBULK SHIPS IN 2018 (MILLION TONNES)

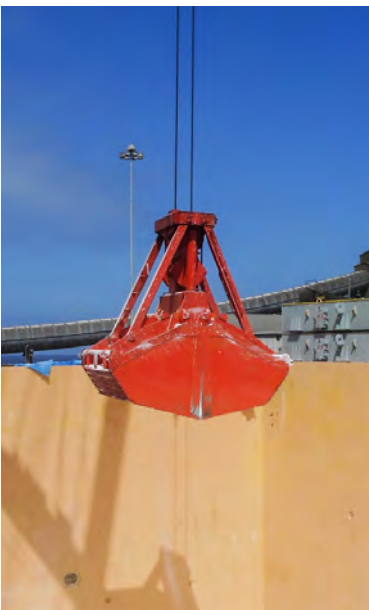




Duty officer taking notes



Sunbird Arrow



Soda Ash Discharge



Deck Cargo

Service network, terminals and offices

With the establishment of G2Ocean, Gearbulk has restructured its shore organisation and office network. Most of our offices were taken over by G2Ocean, with Gearbulk retaining offices in Switzerland, Norway, Brazil and Singapore.

Gearbulk owns, or has interests in, certain terminal operations which handle, store and distribute cargoes to final destinations.

Fleet development program

Gearbulk completed its fleet renewal programme with Holly Arrow and in addition contracted Bulk Hero on Time Charter.

Vessel	Type	Dwt	Yard/Year
Holly Arrow	Semi-open	60 000	Cosco Nantong, China – 2018
Bulk Hero	Conventional	61 000	Shin Kurushima, Japan – 2016

Table 2 Vessels delivered in 2018

Digitalisation

– A continuous improvement process.

Digitalisation is a key part of sustainability and to enable better data collection and analysis, Gearbulk has upgraded its software for ship management handling, maintenance and purchasing, selecting Sertica from Logimatic.

In 2018 the Gearbulk fleet consisted of 44 vessels and each vessel recorded one day's experience regarding maintenance each day in the Planned Maintenance System (PMS) throughout the year. This means that the PMS system gained 16,060 days of maintenance information and statistics during 2018. The availability of information, the possibility of lessons learned and continuous improvement is therefore sizeable.

During the year, three areas were high on the agenda:

1. Continuous training of crew and shore personnel
2. Continuous "cleaning/washing" of data inherited from the previous maintenance system
3. Development of the Unplanned Maintenance concept and Dry-docking modules in Sertica

Generally, knowledge-based maintenance of vessels requires that crews are trained and understand the PMS system as well as the job descriptions involved. Continuous improvement in this context means that those being trained engage throughout the sessions, share experience and give feedback for improvement purposes. The training of all involved, vessel and shore based, was a good arena for sharing of experience and to learn from those that are sailing on board the vessels.

Accuracy and quality of information in the system are central and important. The result of a job carried out rests on the quality of information that is the basis for the actual activity. Continuous efforts related to cleaning the information in the system has been ongoing and will continue. Stock count and control, spares connected with jobs and min/max level of spares are only some examples of activities worked on during 2018. The overall target with these activities continues to be related to safety and resource management. All jobs on board can be improved and so can usage management. The main success criteria within this focus area has been the efforts of the crew in improving the stock control as well as support from the PMS department ashore.

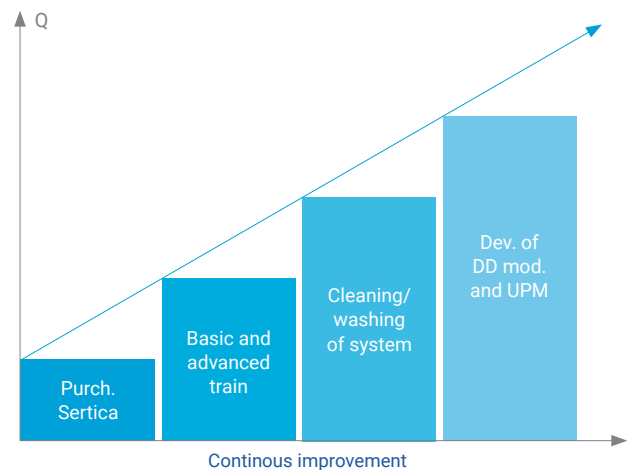
For further improvement of quality, two other projects are ongoing, Unplanned Maintenance (UPM) process and development of a dry-docking module.

- UPM requires registering all events that are not planned within the yearly budget. It is important to have control over events such as these; why a breakdown occurs, why unwanted activity happens. The work carried out during 2018 was aimed at developing a regime that made it easy while safeguarding high quality for the crew to register the actual event in Sertica. Through the UPM feature, the level of control will improve as will the quality. The information then being available will be utilized in anything from negotiating frame contracts to adjustment of actual jobs on board the respective vessel.

- The last area of attention during 2018 was to develop a dry-docking module for the technical department and the vessels. There was a need for improvement and standardization of dry-docking within the fleet. A new module was worked on, and so far, this module can handle the dry docking of the 'Flex I' vessels. The project continued throughout the year to have this module available for the other vessels in the fleet as well.

Expectations

All the activities carried out during 2018 were started to support improved utilization of resources, improved control of activity and quality. In short; continuous improvement.

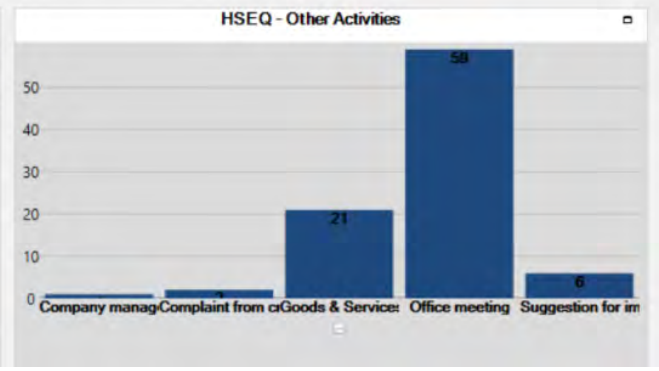
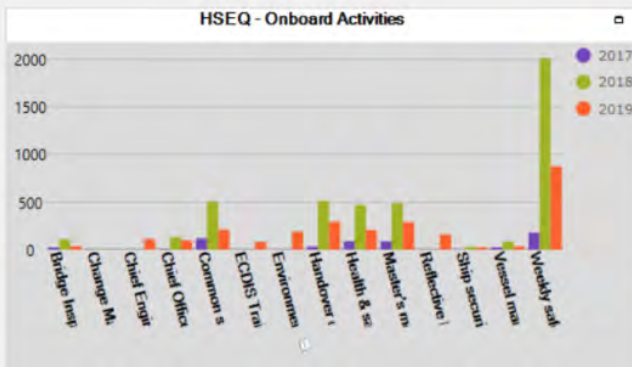
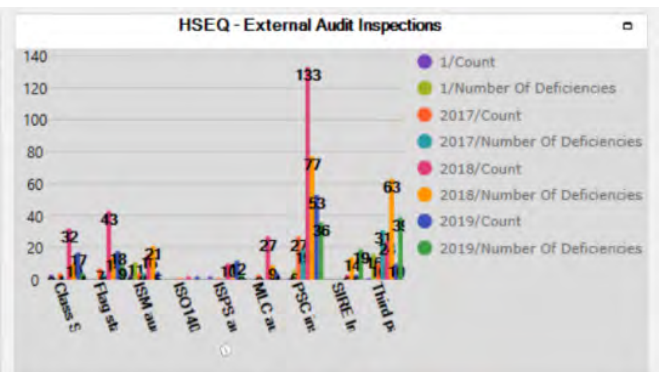
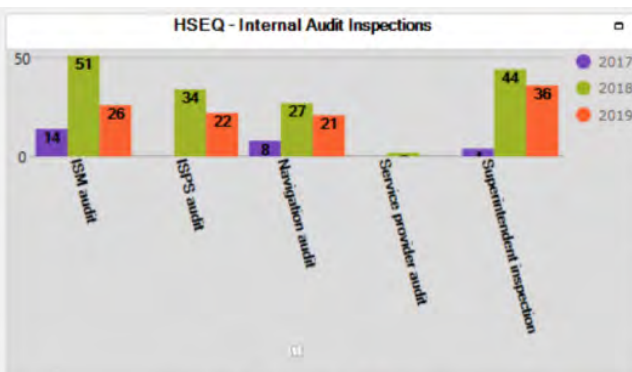
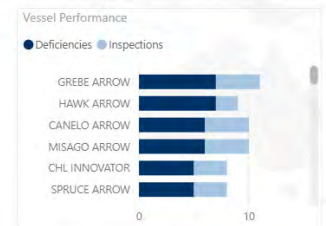
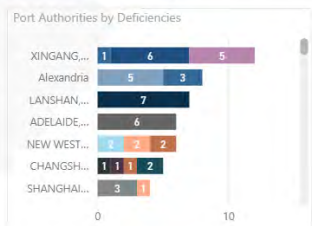
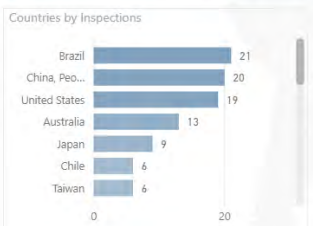
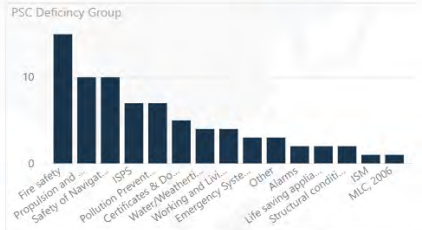
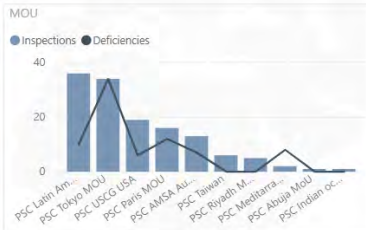
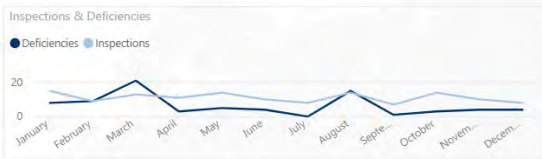


In short; "Sustainability through continuous improvement"



Superintendent: All | Vessel: All | Fleet: All | Date: Last 1 Years (Calendar) | 1/1/2018 - 12/31/2018

133 Inspections | **77** Defs | **0.58** Average | **0** Detentions



Our people

Shipping is a modern, highly technical, professional discipline that requires a great deal of skill, knowledge and expertise from the workforce both on board vessels and ashore. The human element and its interaction with machine and technology has become increasingly important as the industry moves towards ever higher standards of safety, environmental impact and technological development.

Our shore personnel

2018 was in many ways a stabilizing year after the establishment of G2Ocean in May 2017.

The work to adjust systems and work routines to the new organisational set-up was continued and included the following;

- Implementation of a new Human Resource Information System (HRIS)
- Implementation of Tanker Management Self-Assessment (TMSA)
- Transfer of several IT systems to more cost-efficient platforms
- GDPR mapping and roadmap
- Digitalization workshops to evaluate further optimization of work processes
- Installation of ballast water treatment systems on the vessels
- Establishing I-reports and digital PMS for Technical department and the vessels
- DNV course in Risk Management and Incident Investigation for all

Our seafarers

The 1576 active seafarers in Gearbulk are the main contributors to ensure quality transportation for our customers around the world and around the clock. Working at sea requires dedication, risk management and high competence, something of which Gearbulk has acknowledged and therefore continues to allocate resources to improve.

To meet our business objectives and provide opportunities for career development of our dedicated seafarers, Gearbulk provides additional training beyond the Standards of Training, Certification and Watchkeeping (STCW) and Flag state requirements.



Seminar group

Some of the areas in which the Company invest additional resources include:

- Bridge and Engine team training on Ship Simulator combined with Maritime Resource Management
- Crisis Management course
- Britannia insurance seminar
- Ship handling with high lift rudder training
- ECDIS type specific training
- MARPOL training
- Advanced Cargo course
- Deck and Engine skill enhancement course for ratings
- MAN e-engine course
- Electrical (ETO) training
- International cuisine course
- Refrigeration and cargo pumping systems
- In-house pre-joining briefing
- Ship management course

The Company also provides a comprehensive computer-based training (CBT) system from Seagull that covers a wide range of maritime topics. All seafarers must complete and retake the relevant modules within a certain time frame and achieve a required assessment score.



Group work

In November 2018, Gearbulk held a three-day seminar for senior officers at Xiamen, China. This provided an opportunity for participants to exchange their operational and technical experiences as well as receive feedback on work related topics such as safety, leadership, regulatory requirements and cargo care. Learning from recent incidents was the main seminar topic and the third seminar day was dedicated to a 'Safety board meeting' with Masters and Chief Engineers to discuss how safety could be continuously improved.

In addition to this seminar, three mini-seminars of one day were held in the different geographical regions between officers and Office management representatives (one in India, one in China and one in Philippines). The purpose was to discuss important topics like Company requirements, commercial business as well as safety, environmental and operational issues. These open forums brought up good discussions with constructive feedback between vessel and shore representatives.

Gearbulk aims to recruit and train their own cadets to develop qualified officers for the future. The five-day cadet seminar held in Wuhan, China was therefore highly valued by seventeen cadets. Here their first on-board assignment was reviewed and an action plan for their second assignment was prepared. The cadets were taught about leadership, communication, teamwork and cultural differences through various workshops and gaming scenarios. They also spent one full day in the ship simulator with both deck and engine cadets demonstrating their knowledge and skills gained through their education and the on-board experience.

Further development of the safety management and planned maintenance system (Sertica) course was completed in 2018 and an extra day was added to make room for more safety and ship management training. Eight courses were conducted during 2018, and by the end of the year, it was decided to also include two additional days of safety leadership training effective from 2019. The course will then be a five day 'Ship Management course'.

Special focus areas on training

ECDIS: ECDIS on board training has been conducted on a weekly basis involving deck officers and cadets with reference to the ECDIS Quick Reference guide of the Company and the outcome has been reported to the Training Manager.

International cuisine: Gearbulk vessels are manned with crew of mixed nationalities and good food for everyone on board is important. In view of this, a 6-day upgrading course for the Chief Cooks has been completed by several Chief Cooks throughout 2018, both in the Philippines and in India.

Advanced cargo course: During the last 17 years Gearbulk has held these courses for their Officers. When G2Ocean was established in May 2017 with responsibility for the commercial and operational business, it was decided that G2Ocean would also take over the responsibility for this training and arrange courses for deck officers in both Gearbulk and Grieg Star. The first course was held in Manila November 2018 and is renamed as 'G2Ocean Operations course'.

Time charter introductory training (TCIT): From January to November 2018, five TCIT courses were held for the officers on long term chartered vessels to ensure compliance with the high expectations of Gearbulk and G2Ocean. From December 2018, G2Ocean took over this course and has renamed it as 'G2Ocean Operation course' for the LTTC fleet. However, the main topics relate to cargo stowage and care, documentation, safety, communication and bunkers.

Key figures seafarers

Total number of training days	12,472.5 days
Total number of seafarers	1576
Officers developed through the Gearbulk Cadet program	30%
Retention rate Officers & Ratings	99%
Number of internal promotions to Sr. Officer positions	20
Number of external recruitment to Sr. Officer positions	1

Year	Retention
2014	96%
2015	97%
2016	96%
2017	99%
2018	99%

Table 3 Crew retention.

Careers ashore

Gearbulk has for many years provided our seafarers with the opportunity to continue their career ashore within the Company. This has been, and is, a valuable contribution to our Technical, HSEQ and Project departments, giving in-depth knowledge of



Cook upgrading course

the vessels operation and equipment to colleagues without a seafarer's background. It builds a broader understanding of our business and connects the people on board and ashore to work commonly to ensure a sustainable future for the Company.

Global Challenge – the health initiative

As a health initiative, all shore employees were invited to participate in the Gearbulk Global Challenge in April 2018, and teams of seven employees from different offices across the Gearbulk organisation competed against each other to prove themselves as the most active employees in the Company. More than 60% of the employees joined the challenge and could follow each other's development through a mobile app. An amazing effort by one of the Santos teams helped them to win superiorly! Second and third awards were given to mixed teams from different offices who received T-shirts for their great efforts. Finally, no participants were left empty handed; all participants could keep the Global Challenge sports watch for further activities and they probably achieved health benefits due to the activities as well!

Gearbulk celebrating 50 years

Gearbulk turned 50 years on 31st August 2018 and this was celebrated around the world, around the clock both at sea and ashore. All employees prepared a surprise birthday video to the Jebsen family and a 50th special edition of New Waves was published with greetings from the business partners and happy memories from 50 years of business. A photo contest was arranged for the employees on all vessels who were given the opportunity to apply to the Kristian Gerhard Jebsen Foundation

for charity funding. 19 vessels applied, and all were supported with USD 1000 for different charity projects that were suggested by the seafarers. It was a memorable day with time to look back with pride.

Office employee figures

Number of employees	105 persons
Female	30 persons (29%)
Male	75 persons (71%)
Average age	46 years
Less than 10 years in the company	60 persons (57%)
More than 10 years in the company	45 persons (43%)



Cadet seminar group

Our people across the World

- Gearbulk Offices
- Crew Manning Offices (main)

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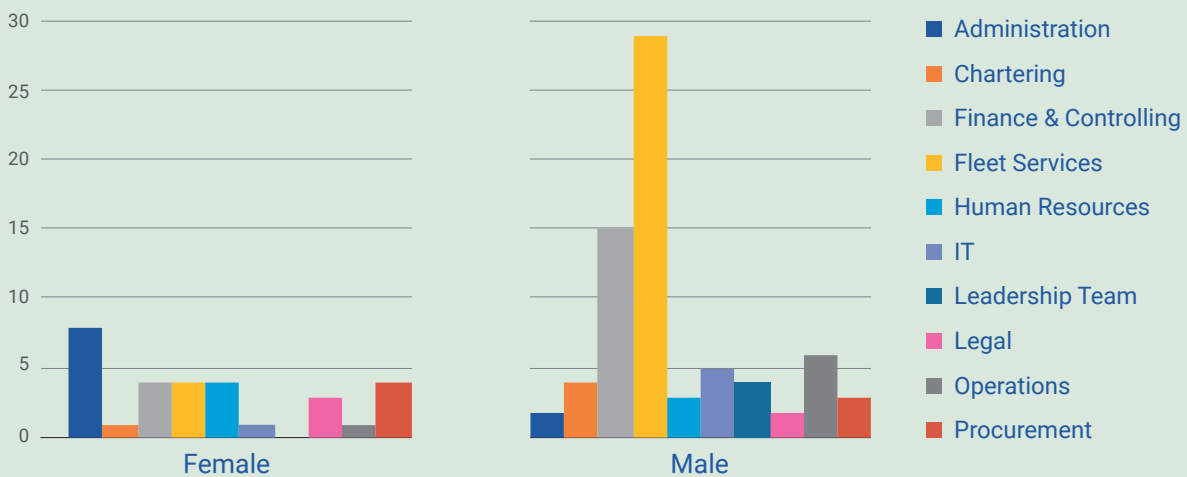
Pfäffikon / 12 

 Tampa / 3

 Rio de Janeiro / 17
 Santos Terminal / 99

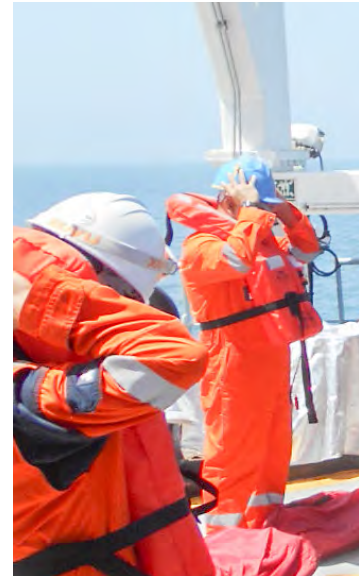


Ytd 2018 – Gender per Job family



Safety

Gearbulk has a dedicated focus on improving the safety of our seafarers, our vessels and shore contractors. The most objective measure of the safety on board our vessels is Lost Time Injury Frequency (LTIF). This is a measure of the number of hours a seafarer is unable to work following an accident and is calculated per million working hours.



Drill

Total Recordable Frequency (TRCF) remains steady, again attributed to the improved reporting of injuries of all types.

HSEQ reporting

2018 was the first full year of reporting activities and events in Sertica. After many courses for reporting officers, they are now familiar with the workflow of reporting. The focus is now on the quality of reporting and to improve this, Incident Reporting and Risk Management are subjects of Ship Management courses held by the Company.

Gearbulk measures injuries as per OCIMF injury guidelines and have a Zero Accident vision. Gearbulk believes that all injuries are preventable.

Gearbulk continues to stress on reporting all near misses as the improved accuracy of the data gives the Company

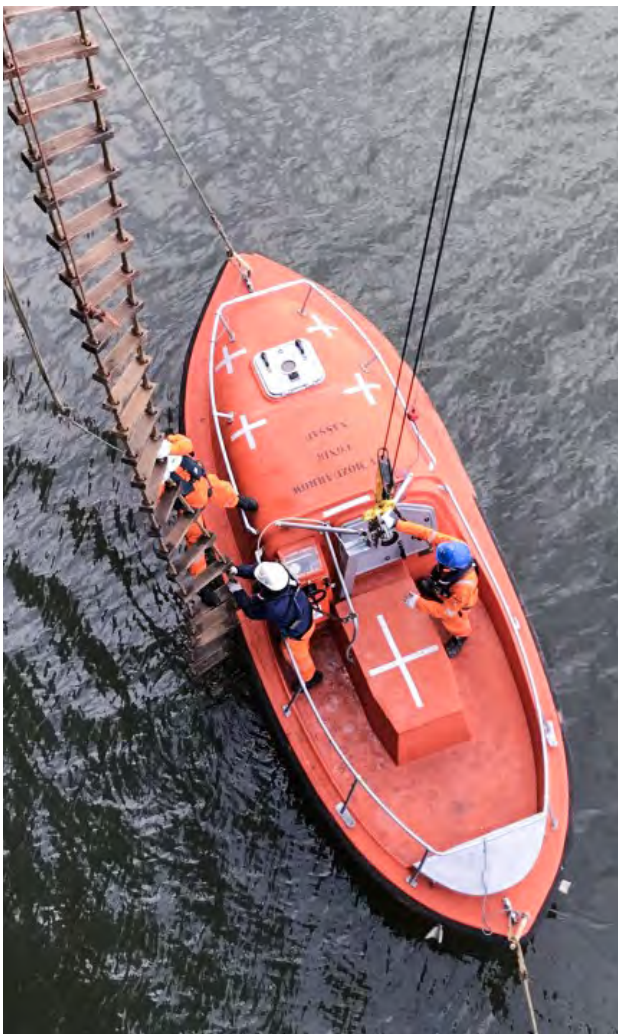
better analytics for continuous improvement of all safety aspects in the fleet. Management actively promotes these reports as they are considered a leading indicator on detecting areas for improvement and actions, thus enabling the Company to identify possible safety focus areas on board, avoid injuries, property and environmental damage and increase performance during internal and external audits, including PSC performance.

Port State Control (PSC)

Year	LTIF	TRCF	Fatalities
2014	0.9	2,7	0
2015	3,7	5,7	18
2016	2,4	5,7	0
2017	1,1	3,2	0
2018	1,1	3,7	0

Table 4 Lost time injury frequency (LTIF) and Total Recordable frequency (TRCF). The 18 fatalities in 2015 are the total loss of the Bulk Jupiter.

Aspect 2018	Target	Result	Status
Lost time injury frequency	Zero	1.1	✗
Number of "near miss" reports average per vessel	> 36	41.1	✓
Port state control deficiency ratio	< 0.90	0.57	✓
Average right ship rating	> 3.5	4.65	✓



Man overboard exercise

PSC is the inspection of vessels while in port to verify that the condition of the vessel and its equipment complies with international regulations and that it is manned and operated in compliance with these regulations. The results of these inspections provide a reasonable external verification of the standards of operation onboard the vessels.

In 2018 the Gearbulk managed Fleet had a total of 133 inspections with an average of 0.57 deficiencies per vessel per inspection. This is a very impressive result and a new record low for Gearbulk.

The weekly safety area inspection carried out by crew onboard continues to contribute to maintaining a safe working environment and sea and shore staff sharing experience is a key contributing factor for Gearbulk to further improve our safety and PSC performance.

Rightship

Rightship is an independent vetting company which was formed to monitor safety, quality and environmental awareness in the dry bulk fleet sector. It assesses the risk of all vessels over 500 tons using multiple information sources and historical data resulting in a score that assigns a 'star' rating from 1 to 5.

During 2018, 14 vessels were inspected by Rightship and the average rating for the Gearbulk managed fleet was 4.65. Our target is a rating of 3 or above for each vessel.

Tanker Managers Self-Assessment (TMSA)

Following the joint venture with Puma Energy and the forming of High Heat Tankers there was a new requirement for stricter quality assurance from customers. For tanker vessels, this comes in the form of regular SIRE inspections and vetting by oil companies. Gearbulk needs to implement TMSA3, based on which, office audits by oil majors will be conducted.

TMSA was created by the Oil Companies International Marine Forum (OCIMF) to enable a systematic approach for vessel managers to evaluate their Safety Management System and other operating procedures towards a set number of KPIs. TMSA3 consists of 13 different chapters where various subjects are covered such as crew & staff management, navigational safety, incident reporting, environmental and energy management and maritime security. Each chapter consists of many different KPIs subdivided on four levels with increasing requirements where minimum compliance expected would be level 1 and level 4 is the highest level. Gearbulk has decided to be on minimum level 2 or better on all chapters and is on an average of 2.3.

During the spring of 2018 a gap assessment was completed. Some procedures were revised and some new routines were implemented to reach KPI level 2 in all chapters. The systematic approach of TMSA gives the shore organisation good guidelines on best working practices and a lot of good ideas was implemented during the process that benefits both the tank and non-tank vessels. As part of becoming TMSA approved, 3 SIRE inspections were conducted on board our tankers in 2018.

Managing threats from piracy

The threat of Piracy in the Gulf of Aden & Indian Ocean has remained at a low level in 2018 and only the occasional suspicious craft was reported. Gearbulk had reduced activity in the area in 2018 and all transits were incident free, maintaining the same alertness and vigilance for each voyage. The civil war in Yemen is ongoing and developments are continuously monitored. In South East Asia, Malacca straits and Indonesian waters, the risk of Piracy has maintained a status quo, where risks are mostly present at anchorages.

For each voyage scheduled in the various areas with potential threats, Gearbulk carries out a Risk Assessment based on the current situation in those areas, recommendations from DNK (war insurance), MARISK and other security providers. An anti-piracy kit is issued to the respective vessels undertaking voyages in High Risk areas.



Safety Locker





Calibration of multigas detector



Passage plan briefing



Kristian Gerhard Jebsen FOUNDATION

Kristian Gerhard Jebsen's family wanted to honour his memory and contribution to the Norwegian and international shipping sector and established the Kristian Gerhard Jebsen Foundation.

The foundation aims to enhance the well-being of people and promote human and social development, through support of grantees in the areas of health, education, science, culture and environment, in Switzerland and abroad.

Recently the foundation supported the **National Maritime Museum**, Greenwich, UK, for the creation of the new Polar Worlds Gallery. **Kristian Gerhard Jebsen Gallery Polar Worlds** focuses on Polar expeditions, indigenous communities, scientific discoveries, Arctic and Antarctic wildlife and the impact of climate change on human lives. The Opening Ceremony took place on 19th September 2018 at the presence, amongst others, of Sir David Attenborough who said: "You're in for a treat. The new galleries are absolutely fabulous".

The environment and health issue of plastic waste is close to the heart of the board members. In 2017, the KGJF became a founding partner of the **Plastic Solution Fund (PSF)**, an international funders' collaborative, working together to turn the tide on plastic pollution in oceans, rivers, land and air. The Fund promotes innovative collaboration among individuals and institutions, supports results-oriented grant making, and provides a trusted platform for new philanthropic investment to prevent plastic pollution. More specifically the Fund has four strategic priorities:

- Build a global inclusive civil society movement
- Change the narrative to a plastic pollution free world
- Promote Zero Waste Cities
- Transform the companies to break away from plastic

Governments are definitely starting to prioritize plastic reduction solutions, with the single biggest success of 2018 being the passage of a comprehensive policy package in Europe. While not perfect, it has led to a positive outcome, due in no small part to the PSF-supported Rethink Plastics Alliance in Brussels and the complimentary work done by the #BreakFreeFromPlastic (#BFFP) movement across national capitals. Over 50 countries have implemented or are considering to regulate plastic production or reduction.

The foundation also promotes social well-being and education in the Philippines. **MovEd** is a program that supports childhood care for children 3-5 years old in underserved communities through a Montessori-like holistic approach which includes a health and feeding programme and family support. The foundation also supports **Teach for Philippines**, which is a 24-month fellowship programme. Teacher fellows undergo 2-months training in progressive pedagogy and curricular requirements. Upon graduation they are deployed as fully-paid teachers in an elementary public school for 2 school years. Finally, it partners with the **Zuellig Family Foundation** to develop a module dedicated to good nutrition practices to improve nutritional outcomes for infants, under-5 children and their mothers in two project sites in the Philippines.



Kristian Gerhard Jebsen Foundation

The environment

– Our responsibility

Reduce, Reuse, Recycle

Since 2015, a focus area has been to improve the energy efficiency of the fleet. All the vessels in the fleet are now equipped with sensor technology to measure and monitor fuel performance. Propeller boss cap fins enhancing the effect of the propeller are standard on vessels suitable for this technology.

Oil Pollution

In 2018 there were two incidents involving Gearbulk owned vessels. One minor incident resulted in a spill of 100ml of hydraulic oil due to a burst lifeboat davit hose. The second involved approximately 60 litres of hydraulic oil which sprayed on to a pier and was then cleaned up by the crew.

Target

The target of the Company is to have no oil spills outside the vessel.

Fuel oil sludge

This is the oily waste created from burning fuel on board vessels. There are strict rules on how this is discharged from vessels and Gearbulk needs to ensure that it does not pollute the oceans with this.

4,887 metric tonnes of sludge was discharged ashore compared to 2,912 metric tonnes evaporated on board. This has highlighted an area that can be improved upon, utilising the evaporation systems fitted on board will improve the impact on the environment and have a positive economic impact.

Target

Vessels must work towards increasing the quantity of sludge evaporated on board to meet the environmental objective of 50% by the end of 2020.

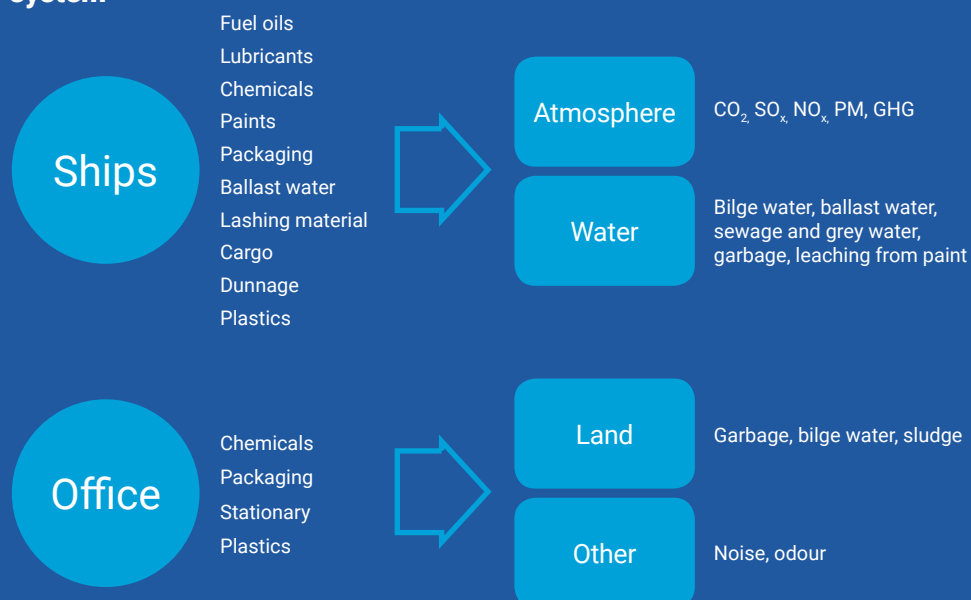
Aspect	Target	Result	Status
Pollution Prevention	No Oil or cargo spills to water	Two incidents: a minor leak from bow thruster and cargo spillage ashore	X

Table 6 Recycling of cargo handling and securing equipment and office waste management target and results for 2016



Beach cleanup outside Bergen

Management system



Emissions

Total		2015	2016	2017	2018
Ship steaming time	days	10 152	9 833	9 379	9 579
Cargo tonne-miles	t-m/106	70 368	70 667	71 689	75 027
Fuel consumption rate*	t/106 t-m	3.65	3.47	3.45	3.31

CO ₂ emissions	2015	2016	2017	2018
EEOI	11.39	10.81	10.75	10.32
Decrease since 2015		5.1%	5.6%	9.4%

IFO Sulphur >3%	2015	2016	2017	2018
Total IFO consumed (t)	256 871	244 882	247 052	248 307
Sulphur content >3%	23%	24%	28%	28%

Category	Unit	Total		Ship per month	
		2017	2018	2017	2018
Fuel consumed	tonnes	247 052	248 307	458	467
Sulphur	tonnes	5 847	5 785	10.8	10.9
SO _x	tonnes	11 683	11 558	21.6	21.7
NO _x	tonnes	29 206	28 894	54.1	54.3



CO₂ Emissions

Since 2010 Gearbulk has closely monitored the carbon dioxide emissions from the fleet. The index utilized is the Energy Efficiency Operational Indicator (EEOI) defined as the mass of CO₂ emitted (in grams) when moving one metric tonne of cargo one nautical mile. It is calculated using IMO guidelines, for all trades including ballast voyages but excluding fuel used under pilotage and in port.

Carbon dioxide emission control is directly related to energy efficiency and the EEOI has seen a significant drop since 2015. Any further reduction in emissions will be a combination of a fuel efficient operational profile and technical improvements in our existing fleet.

Regulation 22.2 of MARPOL Annex VI came into force on 31st December 2018 that includes a new Part II of the SEEMP, the Ship Fuel Oil Consumption Data Collection Plan. All managed vessels are now SEEMP II compliant.

Gearbulk welcomes tighter regulations that are essential to reduce our ecological footprint so that we can develop into a sustainable industry while continuing to serve the world economy.

Target

The target of the Company is to achieve a 4% reduction in EEOI from 2015 levels by end of 2020.

Sulphur emissions

In 2017, China increased its number of emission controlled zones in coastal waters that allow a maximum level of 0.1% sulphur in the fuel utilized. Low sulphur compliant fuel is used by Gearbulk to fulfil the requirements in emission control areas.

IMO MARPOL Annex VI regulation on limiting sulphur content of bunker fuel to a maximum of 0.5% will come into force on 1st January 2020. At present, the global sulphur content cap on bunker fuel is at 3.5%.

Nitrogen Oxide Emissions

Nitrogen oxides (NO_x) are formed by high temperature during the combustion process. NO_x causes acid rain, affects human health and contributes to global warming.

All vessels delivered since January 2011 are compliant with MARPOL Annex VI regulations.

Emissions of SO_x and NO_x have shown an increase compared with those of the previous year. With no appreciable change in the fuel consumption, the most likely cause is the content of sulphur and nitrogen compounds in the bunker fuel.

Pollution from Ozone Depleting Substances

Detailed measurements have been kept for the whole fleet that has highlighted vessels with older equipment onboard that will need replacing to ensure that Gearbulk is not emitting ozone depleting substances.

Target

The target was to eliminate the use of R-12 and R-22 gas on board the vessels by the end of 2018. Use of R-12 has been eliminated but in the case of R-22, elimination was not achieved due to vessel scheduling and some vessels nearing the end of their life.

Cat.	Type	ODP	GWP		Total		Ship per month	
					2017	2018	2017	2018
CFC 12	CFC	1	10 900	kgs	0	0	0.00	0.00
HFC 134	HFC	0	1 430	kgs	0	3	0.00	0.01
HCFC 22	HCFC	0.05	1 810	kgs	1 316	1 021	2.44	1.92
HFC 404	HFC	0	3 922	kgs	583	542	1.08	1.02
HFC 407	HFC	0	1 774	kgs	671	1 085	1.24	2.04
HFC 410	HFC	0	2 088	kgs	14	6	0.03	0.01
HFC 417	HFC	0	1 950	kgs	1 047	1 950	1.94	1.74
			Total	kgs	3 631	3 583		
			GWP**	/1000	7 930	7 720		

ODP - Ozone Depleting Potential - basis CFC-11 = 1
 * GWP - Global Warming Potential - basis CO₂ = 1
 ** GWP - Total GWP in 1000 units of CO₂



Ballast Water

The ballast water convention has been ratified by the required number of countries and came into force on 8th September 2017 but implementation has been postponed until 2019.

Vessel	Date of Compliance
New ships (keel laid after 08/09/2017)	BWTS required on delivery
Existing ships which completed its IOPP renewal survey between 08/09/2014 and 07/09/2017)	BWTS at the first IOPP renewal survey on or after 08/09/2017
Existing ships other than the above	BWTS not later than 08/09/2024

The treaty requires for ballast water to be treated before it is released. All vessels in international trade must manage their ballast water according to an approved ballast water management plan, carry a ballast water record book and an international ballast

water management certificate. The standards will be phased in over a period. Until then, vessels should exchange ballast water mid-ocean. Eventually most vessels need to install a ballast water treatment system which is approved by national authorities, according to a process developed by the International Maritime Organization (IMO).

Under the D2 Standard of the Ballast Water Management convention, vessels are required to treat ballast water instead of exchanging it.

Further to detailed evaluation, the Company has decided on a system provider for approximately six installations of ballast water treatment systems and the first unit manufactured by Erma First was installed on the Teal Arrow.

The following vessels are now fitted with ballast water treatment systems, **Japin Arrow, Maitaca Arrow, Tanchou Arrow, Petrel Arrow, Macaw Arrow, Lawin Arrow, Misago Arrow, Osprey Arrow, Avocet Arrow, Kingbird Arrow, Bluebird Arrow & Teal Arrow.**

Garbage

Stringent MARPOL regulations are in place to control garbage collection, storing and disposal. Detailed garbage records have been maintained and monitored, which have highlighted potential areas of improvement. These include:

- Reduction of the volume of waste in general by using compactors is in progress and at the end of 2018, 39 out of 44 managed vessels were fitted with compactors. The remaining 5 are ordered and awaiting delivery onboard. When the new policy on plastics was drafted, it was also considered that compactors would considerably decrease the free volume of plastic waste so the implementation date of the target in this regard was brought forward.
- Fluorescent Lamps – The fleet disposed of 16,781 lamps in 2018 equating to more than one lamp per vessel per day. This has highlighted the cost to Gearbulk both economically and environmentally with regards to efficient disposal of these lamps. Gearbulk has started replacing existing light sources with LED technology.

Plastics

The Company has framed a new policy for the purchase, use and waste management of plastics. This policy is subordinate to the Environment Management Policy.

Plastics disposed	2015	2016	2017	2018
Total (m ³)	1 368	1 321	1 235	1 207
Per ship/month (m ³)	2.26	2.37	2.29	2.27

It is expected that with the new focus on the use and disposal of plastics and the installation of garbage compactors, reporting accuracy will improve. Based on the principle of the 3R's (Reduce, Reuse, Recycle), the Company has taken the following steps against the use of plastic on our vessels and ashore,

- Purchasers continue to engage and work with suppliers to adopt an environmentally friendly packaging for delivery.
- Suppliers who comply with the Company plastics policy will be moved under vendor classification to 'preferred supplier' in the purchasing system.
- Purchasing is looking at implementing a signed collection/disposal form as evidence that waste plastic is collected by suppliers after delivery and landed shore for proper disposal.
- New supplier agreements will include environment specific KPIs
- Offices are engaged in recycling plastic waste
- Vessels and offices are participating in environmental clean-up jointly with local organisations.



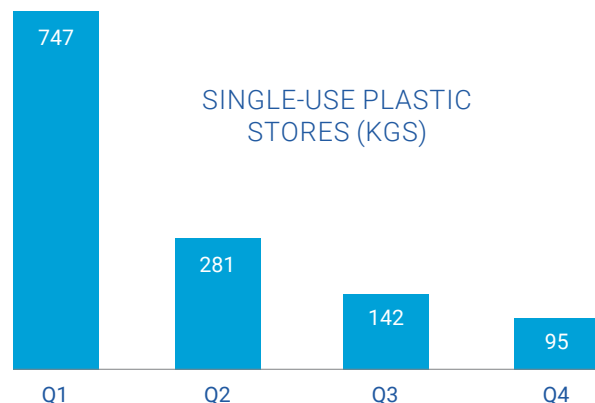
Kumul Arrow crew beach cleaning in Port Moesby

Single-use plastic

As far as possible, the Company freight forwarders use biodegradable wrap on consignments. In 2018, 39 rolls were used, of which 20 were of standard plastic and 19 were of bio-degradable plastic. In 2019, it is planned to use only bio-degradable plastic wrapping that will eliminate the use of single-use plastic for this purpose and at the same time offer a reduction in the weight of plastic used.

The Company banned the supply of all single use plastic items to our vessels and offices from July 2018. Below is the consumption of single-use plastic stores consumable items ordered through the Company by the vessels during the year.

2018 has seen a drastic reduction in the use of single-use plastic stores supplied by the Company. However, drinking water bottles





A lot of waste

purchased directly by the vessel form a major part of the plastic waste and are not included in the above graphic. The Company is formulating an educational campaign on the use of plastic bottles on board and at home, during 2019.

Crew giving back

As part of Gearbulk Giving Back Initiative, commemorating its 50th Year Anniversary, the Master and crew of the MV Kumul Arrow chose a coastal clean-up as the charity project. The vessel has been based near Port Moresby in Papua New Guinea for nearly six years.

The Master worked closely with the local government to ensure minimum disruption to both port operations and the functioning of the vessel itself. The area chosen for clean-up was Port Moresby Harbour area and the Ela Beach fronting the newly built APEC Convention Centre. Various local government agencies joined the crew in their good work and the National Maritime Safety Administration (NMSA) of Papua New Guinea supplied manpower, boats and trucks with bags and cleaning gear. They also printed 200 T-shirts for all the participants and provided refreshments during the operation. The activity received wide publicity in the media.

Office Initiatives

Gearbulk concentrates on two main areas for its shore based personnel, general office waste and use of electricity. Offices are fitted with motion sensitive lighting and automatic power down equipment. All personnel are encouraged to segregate office waste, to monitor paper usage and look for ways of

reducing their impact on the environment in all areas of business and personal life.

There has been a rise in the consumption of paper because of an increase in staff and printing of several manuals mandatory for the vessels that required official stamps and Class approval as well as printing of contracts. The focus is on minimising usage and recycling paper and plastic.

Other areas that each office looks at are how employees can reduce, reuse and recycle office equipment, old computers, batteries and printer cartridges. All offices are encouraged to recycle as much as they can; this is not always easy in every country that Gearbulk operates due to lack of recycling facilities but everyone tries to recycle as much as they can.

	2017	2018
Paper	140112 A4 sheets	173186 A4 sheets 1627 A3 sheets
Plastics	4.6 m ³	4.1 m ³
Batteries	6.64 kg	1.43 kg
Electronic	12 laptop computers 9 workstations 14 monitors 34 mobile phones	5 laptop computers 5 mobile phones



Corella Arrow

G2Ocean

G2Ocean has established its own environmental policy which set out the commitment to support and enhance its environmental performance by,

- Protecting the environment and hindering adverse environmental impacts through prevention of pollution.
- Preserving the natural environment from harm and degradation arising from the organisation's activities and services.
- Sustainable resource utilisation.

Through recycling of cargo handling and securing material, Gearbulk and G2Ocean continue to reduce, reuse and recycle as much as possible in order to minimise delivery to landfills which are damaging to the environment. This also makes sense economically, especially in today's very tough market. Focusing on what happens to all such materials helps to minimise waste and whenever possible Gearbulk and G2Ocean will reuse such materials.

Web Slings

G2Ocean has signed an agreement for recycling these.

Dunnage

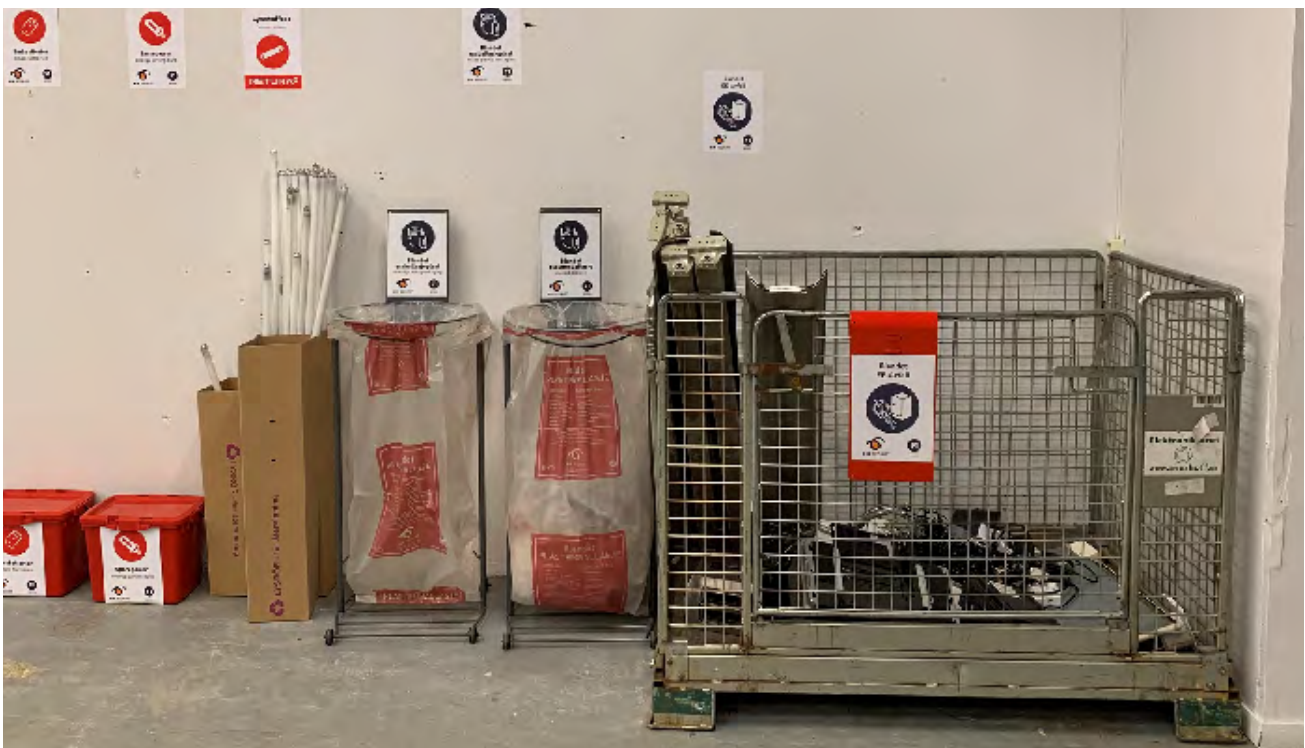
Whenever possible, dunnage is sorted and reused for future cargoes. When this is not possible, it is often recycled. If this is not possible then Gearbulk and G2Ocean ensure that it is disposed correctly, following all environmental legislation.

Rubber Air Bags

It has proved a challenge to recycle the materials used in the manufacture of rubber air bags and therefore whenever possible it is used to repair our current stock. The material can be used for matting but whenever these options are not available it is disposed of as per local environmental legislation.

Plastic waste

Reducing the plastics waste is a part of pioneering sustainable shipping solutions. Three focus areas have been identified: Equipment, procurement and offices.



Waste station in Bergen office building



Our history

In 1968, Norway's Kristian Gerhard Jebsen established Gearbulk with three partners: S.A. Louis Dreyfus & Cie of France, its British subsidiary, Buries Markes Ltd and A/S J. Mowinckels Rederi, also of Norway. It has now evolved into the world's largest fleet of open hatch gantry crane and semi-open jib crane vessels and still works to the same high standards, setting the benchmark for worldwide ocean transportation services, especially for unitised cargoes, that are competitive, innovative and add value for the customer.

1968

- Gearbulk established.

1969

- Delivery of first two of Gearbulk's 1st Generation newbuildings, Alain LD and Robert LD from Chantiers de l'Atlantique shipyard.

1974

- Delivery of first of 12 2nd Generation OHGC, Kiwi Arrow from Mitsui Shipbuilding & Engineering Co. Ltd, Osaka.

1977

- The first of nine floating cement processing terminals comes into operation. By 1982 they were handling 8.5 million tonnes per year, mainly in the Middle East.

1977

- Delivery of first of 16 3rd Generation OHGC, Falcon Arrow from Mitsui Shipbuilding & Engineering Co. Ltd, Chiba.

1984

- Delivery of first 4th Generation OHGC, Heina, from Sanoyasu, Mizushima.

1987

- After 10 years in operation and having processed 45 million tonnes, declining demand for cement prompts Gearbulk to diversify its floating terminal operations to fertiliser, grain, rice and metal concentrates.

1991

- The company is incorporated in Bermuda as Gearbulk Holding Ltd.
- The Kristian Gerhard Jebsen family acquires its partners' vessels and shares. Mitsui O.S.K. Lines takes a 25% share of the restructured Gearbulk, and then increases its share to 40%.

1991

- Delivery of first of three TEFC, Grouse Arrow, from Mitsui Shipbuilding & Engineering Co. Ltd, Tamano.

1992

- Gearbulk diversifies into shore terminals. The first of several terminals is established in a joint venture in Sinor Terminal, Port of Tianjin.

1994

- Gearbulk enters the liquid pitch business with Alouette Arrow on the North West Europe to St. Lawrence trade.

1995

- Gearbulk receives its first certification to the ISO 9002 quality standard.

1998

- Delivery of first of five Fleximax, Pine Arrow, from Stocznia Gdansk Shipyard.

1997

- Delivery of first of nine 5th Generation OHGC, Toucan Arrow from Dalian New Shipyard.

1998

- Rhone is the first Gearbulk vessel to have retrofit hold tanks fitted to carry frozen concentrated orange juice.

2009

- Mitsui O.S.K. Lines increases its shareholding from 40% to 49%.

2009

- Delivery of first of four 6th Generation OHGC, Corella Arrow from Oshima Shipbuilding Co. Ltd.

2010

- Delivery of first of eight Fleximax II, Kiwi Arrow from Oshima Shipbuilding Co. Ltd.

2010

- The Jebsen family restructures ownership of its business interests and Kristian Jebsen takes control of the family shares in Gearbulk.

2011

- Gearbulk Norway AS established to assume technical management of the Gearbulk owned fleet. Gearbulk receives its first certification to the ISO 14001 environmental standard.

2012

- Gearbulk office established in Manila. Delivery of the first of four Fleximax III, Raven Arrow from Mitsui Shipbuilding & Engineering Co. Ltd, Chiba.

2013

- Delivery of the first of four Fleximax III, Japin Arrow from Oshima Shipbuilding.

2014

- Fleet gain ISO14001 environmental certification. Delivery of ten ships in total; three Fleximax III (Macaw Arrow, Tanchou Arrow and Siskin Arrow), one Flex II ECO (Lawin Arrow), three OSY56 (Matsu Arrow, Buna Arrow and Biwa Arrow), two NACKS60 (Acer Arrow and Betula Arrow) and one conventional bulk carrier (Bulk Aquila).

2015

- Delivery of eight ships in total; three Fleximax III (Macaw Arrow, Tanchou Arrow and Siskin Arrow), one Flex II ECO (Lawin Arrow), three OSY56 (Matsu Arrow, Buna Arrow and Biwa Arrow), two NACKS60 (Acer Arrow and Betula Arrow) and one conventional bulk carrier (Bulk Aquila). Tragic loss of Bulk Jupiter

2016

- Delivery of 2 ships in total for the conventional fleet; Bulk Aries and Bulk Carina. Gearbulk signs Joint Venture Agreement with Grieg Shipping into forming a new company running both fleets commercially and operationally.

2017

- Establishes G2Ocean with Grieg Star on 01st May 2017 with the commitment of 33 owned vessels and all Long Term time charter(LTTC) vessels into its pool of vessels.

- Delivery of 2 ships in total for the conventional fleet; Bulk Venus and Bulk Polaris

2018

- Gearbulk Norway achieves ISO 14001:2015 in January.

- Implements new Plastics Policy across the organisation 12th of June 2018 aiming to reduce the need and use of plastics, improve recycling and create awareness amongst its employees, suppliers and customers.

- Establishes High Heat Tankers PTE Ltd. with Puma Energy on 15th of July 2018 with the commitment of 4 owned vessels into its pool of high heat, liquid pitch, bitumen and asphalt carriers.

- Gearbulk celebrates its 50th anniversary on 31st August.

Our Fleet

Vessel	Type	Year Built	Dwt
Avocet Arrow	Fleximax	2015	62,841
Osprey Arrow	Fleximax	2015	62,841
Misago Arrow	Fleximax	2015	62,841
Macaw Arrow	Fleximax	2014	73,296
Tanchou Arrow	Fleximax	2014	73,296
Lawin Arrow	Fleximax	2014	62,841
Kingbird Arrow	Liquid pitch	2013	19,308
Maitaca Arrow	Fleximax	2013	73,296
Petrel Arrow	Fleximax	2013	72,924
Japin Arrow	Fleximax	2013	73,296
Bluebird Arrow	Liquid pitch	2013	19,379
Tuju Arrow	OHGC	2010	72,863
Macuru Arrow	OHGC	2010	71,460
Tenca Arrow	OHGC	2009	72,863
Corella Arrow	OHGC	2009	72,863
Tawa Arrow	Semi-open hatch	2008	54,276
Sunbird Arrow	Liquid Pitch	2006	15,002
Poplar Arrow	Fleximax	2005	47,852
Kuljak Arrow	Conventional	2003	52,408
Spruce Arrow	Fleximax	2002	47,792
Cedar Arrow	Fleximax	2001	47,818
Jaeger Arrow	TEFC	2001	23,529
Merlin Arrow	OHGC	1999	55,497
Teal Arrow	OHGC	1999	36,466
Weaver Arrow	OHGC	1998	55,402
Rakiura Maru	Liquid Pitch	1996	22,350
Canelo Arrow	Fleximax	1997	48,077
Emu Arrow	OHGC	1997	55,457
Grebe Arrow	OHGC	1997	55,671
Kite Arrow	OHGC	1997	55,531
Penguin Arrow	OHGC	1997	55,506
Plover Arrow	OHGC	1997	55,459
Mandarin Arrow	OHGC	1996	55,770
Pine Arrow	Fleximax	1996	48,041
Mozu Arrow	TEFC	1992	42,276
Swift Arrow	TEFC	1992	42,276
Aracari Arrow	OHGC	1992	46,956
Quetzal Arrow	OHGC	1992	46,908
Jacamar Arrow	OHGC	1992	46,998
Grouse Arrow	TEFC	1991	42,267
Ibis Arrow	OHGC	1986	42,977
Hawk Arrow	OHGC	1985	40,269
Kumul Arrow	OHGC	1985	42,851

Vessels held under long-term time charter

Vessel	Type	Year Built	Dwt
Holly Arrow	Semi-open	2018	60,000
Bulk Venus	Conventional	2017	63,000
Bulk Polaris	Conventional	2017	63,000
Bulk Hero	Conventional	2016	61,000
Bulk Carina	Conventional	2016	58,000
Bulk Aries	Conventional	2016	60,000
Cypress Arrow	Semi-open hatch	2015	61,066
Ginkgo Arrow	Semi-open hatch	2015	61,066
Bulk Castor	Conventional	2015	66,000
Bulk Draco	Conventional	2015	66,000
Bulk Electra	Conventional	2015	66,000
Acer Arrow	Semi-open hatch	2014	61,066
Betula Arrow	Semi-open hatch	2014	61,007
Siskin Arrow	Fleximax	2014	72,871
Bulk Aquila	Conventional	2014	66,613
Matsu Arrow	Semi-open hatch	2014	55,975
Buna Arrow	Semi-open hatch	2014	55,976
Biwa Arrow	Semi-open hatch	2014	55,978
Finch Arrow	Fleximax	2013	72,871
Raven Arrow	Fleximax	2012	72,871
Pipit Arrow	Fleximax	2012	62,980
Condor Arrow	Fleximax	2012	62,980
Bulk Orion	Conventional	2011	56,155
Puffin Arrow	Fleximax	2011	62,967
Eagle Arrow	Fleximax	2011	61,860
Nandu Arrow	Fleximax	2011	61,860
Pelican Arrow	Fleximax	2011	62,942
Toki Arrow	Fleximax	2010	62,942
Kiwi Arrow	Fleximax	2010	62,924
Momi Arrow	Semi-open hatch	2009	54,204
Bulk Titan	Conventional	2009	58,090
Bulk Pegasus	Conventional	2009	58,736
Kashi Arrow	Semi-open hatch	2009	54,204

Plastics Policy

Scope

This policy describes the commitment of the Company towards reduction in the use of plastics and applies to all staff ashore and on board the vessels in accordance with the fundamental values of the Gearbulk Group. The Policy will be communicated to all staff, contractors and suppliers, and will be available to the public.

Policy

Commitment

The commitments of the Company towards the protection of the environment and preventing pollution in general have been stated in its policy, SMS 0101.02 Environment policy. The Company also recognises that the pervasive nature of plastic pollution is one of the greatest threats facing our oceans and is committed to minimising the amount of plastic, both macro-plastic and micro-plastic, entering the marine environment.

Objectives

To achieve these aims the Company will:

- Take all steps necessary to comply with Section V of the International Convention for the Prevention of Pollution from Ships 1973/78 (MARPOL V) assigning adequate resources for the purpose.

- Carefully segregate, compact and deliver plastic garbage generated on board its vessels to a shore-based processing facility.
- Apply environmentally-friendly technologies to minimise the volume of plastic waste.
- Engage external service providers in reducing the use of 'single-use' plastics in packaging during delivery and accept all such packaging returned by the vessel for environmentally friendly disposal.
- As far as practicable, reduce the use of plastics such as food and water containers, cutlery, straws and other single use products made of plastic on board its vessels and at its offices.
- Where the use of plastics is unavoidable, encourage the use of biodegradable or compostable plastics.
- Monitor the consumption and waste of plastics on board its vessels and shore offices.
- Promote awareness of the damage to the environment and the human food cycle by macro and micro-plastic debris through our procedures, courses and seminars.

GRI Indicator

This report has been compiled in line with the Global Reporting Initiative (GRI) Level C Guidelines. Below is the index.

Reporting scope

The reporting period is from 1st January 2018 to 31st December 2018 and includes information on activities for which Gearbulk has financial control. Emission data in this report does not include the time chartered vessels employed by Gearbulk. Sustainability reports are published annually (aside from 2017 due to organisation changes), the previous one being 2016.

Strategy and analysis

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2.1	Name of organisation	8
2.2	Primary brands, products and/or services	10–13
2.3	Operational structure of the organisation	13
2.4	Locations of organisation's headquarters	1
2.5	Countries where the organisation operates	13, 20, 21
2.6	Nature of ownership and legal form	NA
2.7	Markets served	10
2.8	Scale of the reporting organisation	NA
2.9	Significant changes in structure, size or ownership	4,6
2.10	Awards received in the reporting period	NA

Report parameters

3.1	Reporting period	40
3.2	Date of most previous report (if any)	40
3.3	Reporting cycle (annual, bi-annual etc)	40
3.4	Contact point for questions regarding the report or its content	42
3.5	Process for defining report content	40
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries etc)	40
3.7	Limitations on the scope of boundary of the report	NA
3.8	Basis for reporting on joint ventures, subsidiaries etc	40
3.10	Effect of any re-instatements of information	NA
3.11	Changes in the scope, boundary, or measurement methods	NA
3.12	GRI Index table	40-43
3.13	External assurance for the report	NA

Governance, commitments and engagement

4.1	Governance structure of the organisation	5
4.2	Whether the Chair or the highest governing body is also an executive officer	5
4.3	For unitary board structure, state the number of members of the highest governance body that are independent and/or non executive members	5
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	NA
4.14	List of stakeholder groups engaged by the organisation	NA
4.15	Basis for identification and selection of stakeholders with whom to engage	NA

Economic Performance indicators

Management approach

EC1	Direct economics value generated and distributed	NA
EC2	Financial implications and other risks and opportunities due to climate change	NA
EC3	Coverage of the organisation's defined benefit plan obligations	NA
EC4	Significant financial assistance received from government	NA
EC6	Spending on locally based suppliers at significant locations of operation	NA
EC7	Procedures for local hiring proportion of senior management	NA
EC8	Infrastructure investments and services provided primarily for public benefit	NA

Environmental Performance indicators

Management approach

EN1	Materials used by weight or volume	Both
EN2	Percentage of materials used that are recycled input materials	NA
EN3	Direct energy consumption by primary energy source	NA
EN4	Indirect energy consumption by primary source	NA
EN5	Energy saved due to conservation and energy improvements	NA
EN8	Total water withdrawal by source	NA

GRI Indicators, continued

N11	Location and size of land in area of high biodiversity value outside protected areas	NA
EN12	Impacts on biodiversity in protected areas and areas of high biodiversity	NA
EN16	Total direct and indirect gas emissions by weight	29
EN17	Other relevant indirect greenhouse gas emissions by weight	30
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	28-34
EN19	Emissions of ozone-depleting substances by weight	30
EN20	NOx, SOx and other significant air emissions by type and weight	29
EN21	Total water discharged by quality and destination	NA
EN22	Total weight of waste by type and disposal method	NA
EN23	Total number and volume of significant spills	NA
EN26	Environmental impacts of products and services and extent of impact mitigation	NA
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	NA
EN28	Significant fines and sanctions for non-compliance with environmental laws and regulations	None

Social Performance indicators Labour practices and decent work

Management approach

LA1	Total workforce by employment type, employment contract and region	
LA2	Employee turnover by age group, gender and region	16-21
LA4	Percentage of employees covered by collective bargaining agreements	NA
LA5	Minimum notice period(s) regarding operational changes	NA
LA6	Formal joint management-worker health and safety committees	NA
LA7	Injuries, occupational diseases, lost days, absenteeism and work related fatalities	24
LA8	Education, training, prevention and risk controlled programmes in place regarding serious diseases	NA
LA9	Health and safety topics covered in formal agreements with trade unions	NA
LA10	Average hours of training each year per employee by employee category	NA
LA13	Diversity within governance bodies and employee categories	NA
LA14	Ratio of basic salary of men to women by employee category	NA

Mobile worker working pattern

LT9	Description of policies and programmes to determine working hours and rest hours, rest facilities and leave for seafarers	NA
LT10	Approaches to provision of facilities to enable mobile workers to maintain personal communications while working	NA

Ship safety inspections

LT13	List the accidents when ships have been detained by port inspectors	None
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Use of labour providers

Describe how these criteria relate to existing international standards such as conventions to the ILO *

* See Gearbulk Supplier Code of Conduct at www.gearbulk.com

Continuity of employment

LT17	Describe measures in place to provide income security and employment continuity from workers employed/contracted repeatedly but not continuously	NA
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Human rights

Management approach

HR1	Human rights clauses or screening related to investment agreements	NA
HR2	Screening of suppliers	**
HR4	Total number of discrimination and actions taken	None
HR5	Freedom of association and collective bargaining	**
HR6	Child labour and measures taken to contribute to the elimination of child labour	**
HR7	Forced or compulsory labour	**

** See Gearbulk Supplier Code of Conduct at www.gearbulk.com

Society

Management approach

S01	Impacts of operation on communities, including entering, operating and exiting	NA
S02	Percentage and total number of business unit analysed for risks related to corruption	NA
S03	Percentage of employees trained in organisation's anti-corruption policies and procedures	NA
S04	Actions taken in response to incidents of corruption	None
S05	Public policy positions and participation in public policy development and lobbying	NA
S07	Legal action for anti-competitive behaviour, anti-trust and monopoly practices	NA
S08	Fines and non monetary sanctions for non-compliance with laws and regulations	None

GRI Indicator

Biofouling	The accumulation of plant and animal organisms on wetted surfaces.	MARPOL	Abbreviation for marine pollution and refers to IMO's International Convention for the Prevention of Pollution from Ships which covers pollution caused by oil, noxious liquids in bulk, pollutants carried in packaged form, sewage, garbage and air pollution.
CBT	Computer based training.	Mt	Metric tonnes.
COA	Contract of Affreightment, a contract requiring the carriage of a determined quantity of a specified cargo over a given period of time.	NOx	Generic term for nitric oxides and nitrogen dioxide formed during the combustion process. Forms acid rain and destroys the earth's protective ozone layer. Inhalation can cause or worsen respiratory diseases such as bronchitis, emphysema and aggravate heart disease.
CO₂	Carbon Dioxide – major Greenhouse gas. An atmospheric increase of 35% since pre-industrial levels has been attributed to burning of fossil fuels and deforestation, causing global warming. This increased level is also responsible for increased acidification of the oceans.	NGOs	Non-Government Organisation, an organisation which operates independently from any form of government and is not a conventional for-profit business.
Dunnage	Material used to support and secure cargo during transportation.	OHGC	Open Hatch Gantry Crane.
DWT	Deadweight tonnage is a measure of the sum of the weights a vessel can carry including cargo, fuel, ballast, fresh water and stores.	OHJC	Open Hatch Jib Crane.
ECA	Emission Control Area, areas with more stringent regulation of emissions such as SOx and NOx for environmental and/or human health issues.	PSC	Port State Control, the inspection of foreign ships in national ports to verify the condition of the ship and its equipment comply with the requirements of international regulations and that the ship is manned and operated in compliance with these rules.
EEDI	Energy Efficiency Design Index.	SEEMP	Ship Energy Efficiency Management Plan, a tool which incorporates best practices and continual improvement for the energy efficient operation of a vessel. Introduced by IMO.
EEOI	Energy Efficiency Operational index	Semi-open	Vessels with hatch openings slightly smaller than the cargo hold, causing minor overhangs.
Fleximax	Vessels with open hatch, box shaped holds but having fixed jib cranes rather than travelling gantry cranes. This gives rise to small overhangs on four hold bulkheads incorporating the crane support structure.	SOx	Sulphur oxides, broad term referring to a range of sulphur and oxygen containing compounds which can be generated naturally (volcanoes) and from man made sources such as burning of fossil fuels.
GHG	Greenhouse Gases, generic name for a range of gases which absorb and reflect thermal radiation back to the earth's surface which would otherwise have escaped into space, thus leading to global warming.	STCW	Standards of Training, Certification and Watchkeeping. The IMO Convention for STCW prescribes minimum standards relating to training, certification and watchkeeping for seafarers.
GLT	Gearbulk Leadership Team.	Supramax	Bulk carrier in 50,000 to 60,000 dwt range.
IHM	Inventory of Hazardous Materials.	TEFC	Totally Enclosed Forestry Carrier.
IMO	International Maritime Organisation, United Nations agency responsible for the safety and security of shipping and the prevention of pollution from ships.	Tweendecker	Vessel which has its holds divided by a 'tween' deck which creates upper and lower holds.
ISO	International Organisation for Standardisation.		
LTIF	Lost Time Injury Frequency, the number of Lost Time Injuries per million man-hours worked during the reporting period.		
MACN	Maritime Anti-Corruption Network, a global network promoting good practice in the maritime industry by tackling bribes, facilitation payments and other forms of corruption.		



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