

WAVES OF ACTION

2022

ESG REPORT

 GEARBULK

2022 ESG REPORT

The ESG Report has been drafted to provide our stakeholders with insights into how we respond to ESG topics within our business.

OUR SUITE OF REPORTS



INTEGRATED REPORT

Our strategic progress and how we create value in the societies in which we operate



ESG REPORT

Our efforts to improve on environmental, social and governance performance



FINANCIAL STATEMENTS

Our financial and governmental statements

REPORTING FRAMEWORKS

IR - International Integrated Reporting Council's "IR" Standards
 ESG - With reference to the Global Reporting Initiative (GRI)
 FS - Generally Accepted Accounting Principles (US GAAP)

FEEDBACK

Feedback is integral to improvement. If you have comments which could help us improve our report, please send us an email to stakeholderrelations@gearbulk.com.

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ABOUT OUR REPORT

This report demonstrates Gearbulk's commitment to reducing our negative impacts on the Environment and Society and describes how we work to strengthen our governance practices to support the business. This report discloses key actions taken during 2022 and the results of our key Environmental, Social and Governance metrics. This report is drafted with reference to the Global Reporting Initiative (GRI) framework.

Boundary and Scope

This report provides information to our stakeholders about Gearbulk's ESG efforts against key metrics with reference to the GRI. The period covered by this report is 1st January 2022 – 31st December 2022 (the Group financial year-end). The information contained within is purely non-financial and pertains to Gearbulk's wholly owned subsidiaries and business areas where we have significant operational control. This report excludes information already reported by our joint ventures. This follows the same approach as our Integrated Report.

Materiality

This report has been compiled internally, and information contained within the report has not been verified by external assurance providers. Gearbulk intends to increase completeness of the report with reference to the GRI and once completed, external assurance will then be provided. Gearbulk will seek further external assurance on certain metrics reported in the future.

Definitions

Throughout this report "Gearbulk", "Company", "Group", "we", "us" and "our" refer to Gearbulk Holding AG and its subsidiaries. Subsidiaries comprise entities consolidated under either the voting interest method or the variable interest method.





PART 1

OVERVIEW

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OVERVIEW OF OUR BUSINESS

ESG HIGHLIGHTS

 ENVIRONMENT

18%

HFC EMISSIONS
decrease from 2021

9%

SO_x EMISSIONS
decrease from 2021

16.5%

NO_x EMISSIONS
decrease from 2021

11%

FLUORESCENT LAMPS DISPOSAL
decrease from 2021

12

BALLAST WATER TREATMENT SYSTEMS
installed all vessels planned

750KG

WASTE COLLECTED
in shore clean-up efforts in Norway

SINGLE-USE WATER BOTTLES

Banned purchase of single use water bottles in all locations

GARBAGE COMPACTOR

Completed garbage compactor installation on all vessels

REFRIGERATION GAS

Completed R22 gas replacement across the managed fleet

7

SPILLS CONTAINED
mainly from hydraulic hose failure onboard

 SOCIAL

HUMAN RIGHTS POLICY

Launched to promote decent working conditions through the entire supply chain, in compliance with the Norwegian Transparency Act.

SAFETY CULTURE PROJECT

Initiated in Gearbulk, Grieg Star & G2 Ocean (G3)

3.36

AVERAGE NEAR MISS REPORTS
from managed vessels each month

 GOVERNANCE

WHISTLE-BLOWING POLICY & PROCEDURE

Launched to encourage and enable employees to raise serious concerns within the Company through approved channels

0

BRIBERY INCIDENTS
No bribery and corruption actual incidents in 2022

0

ANTI-TRUST CLAIMS
No anti-trust claims in 2022

0

FINES
Related to non compliance in 2022

INTEGRATING ESG INTO GEARBULK

BUILDING TRUST TO CREATE LONG-TERM VALUE

With ESG embedded in our strategy and at the very core of how we do business, Gearbulk is continuously developing our organisation and reviewing current practices to better support the global effort of creating a prosperous world for all.

Approaching ESG at Gearbulk

We follow a step-by-step approach to ensure that we not only report our actions and the results of our actions, but also identify opportunities that result from the continuous change in the business environment.





PART 2

ENVIRONMENT

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EMISSIONS

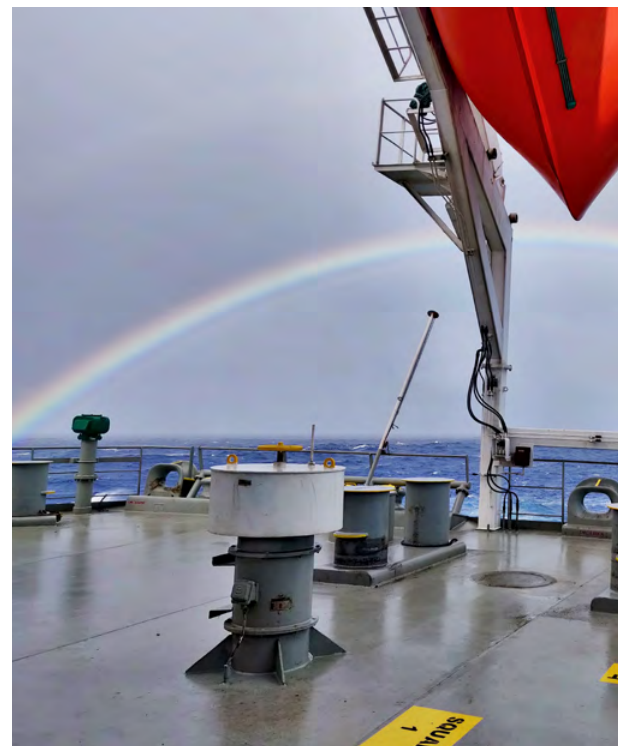
PROGRESS ON REPORTING

Reducing greenhouse gas emissions in the maritime industry is essential for achieving global climate goals and mitigating the impact of climate change.

Emissions reporting

Gearbulk has adopted the Greenhouse Gas Protocol (GHG), a widely recognised and accepted standard for GHG accounting and reporting.

Emissions we are reporting on include Scope 1, our direct emissions from Carbon Dioxide (CO2), Sulphur Oxides (SOx), Nitrogen Emissions (NOx) and Hydrofluorcarbons (HFC) from our vessel operations. Gearbulk will further report on our indirect emissions under Scope 2, which relate to emissions from purchased energy. Gearbulk is preparing to report on all emissions governed within the GHG protocol framework to support compliance and reporting on issues under climate change.



SCOPE 1

DIRECT EMISSIONS:

CARBON DIOXIDE

Since 2018, Gearbulk has closely monitored the carbon dioxide emissions from the managed fleet. The index utilised is the Energy Efficiency Operational Indicator (EEOI), defined as the mass of CO2 emitted (in grams) when moving one metric ton of cargo one nautical mile. It is calculated using IMO guidelines for all trades, including ballast voyage.

		2018	2019	2020	2021	2022
Nautical mile	[nm]	2,835,894	2,462,302	2,586,597	2,545,568	2,557,424
Transport work	[mill t*nm]	79,455	61,172	73,008	81,110	71,128
Fuel cons	[mt]	257,499	255,506	249,920	252,739	254,535
CO2	[mt]	802,888	798,658	780,763	794,623	799,000
EEOI	[ton CO2/mill t*nm]	10.3	10.0	9.2	9.0	10.3

$$EEOI = \frac{\text{Fuel Consumed} \times C_f}{\text{Cargo Carried} \times \text{Distance Travelled}}$$

C_f=Fuel mass to CO₂ conversion factor Reference: IMO MEPC.1 / Circ. 684

As evident from the table, there has been an increase in total fuel consumed in 2022, but this is mainly due to an increased number of sailing days.

There is also an increase in the EEOI value for 2022 of 14.4% compared 2021, while the transport work has decreased. This could be explained by ships carrying more project cargo, requiring more space, but with a lower weight.

Comparing the 2021 sustainability report with the 2022 ESG report, some differences can be seen in the EEOI figure from 2018 until 2021. Gearbulk has invested resources in optimising our data accuracy and slight differences were noted and corrected. From 2022, Gearbulk figures will report on the optimised data dashboards created and verified.

SCOPE 1

DIRECT EMISSIONS:

SULPHUR & NITROUS OXIDES

Combustion of fossil fuels onboard vessels produces Sulphur Oxides (SOx) and Nitrogen Oxides (NOx), in addition to Carbon dioxides, soot and water. NOx and SOx are considered greenhouse gases (GHG) and can have an adverse effect on the environment. Both NOx and SOx form during combustion and are emitted into the environment in the form of smoke.

The level of NOx emissions from a vessel depends on the engine design, operating profile, and quality of fuels. However, whereas modern engines generally generate less NOx, older engines generate more. SOx emissions are mainly due to the presence of sulphur compound in fuel. However, stricter regulations are coming into force, ensuring a global sulphur cap. Among them, the IMO 2020 regulation (MARPOL Annex VI), which entered into force January 1st 2020, states a maximum of 0.5% sulphur limit, as well as emission-controlled areas (ECA) ensuring a maximum of 0.1% sulphur limit. Consequently, SOx emission has decreased dramatically.

Since 2018, Gearbulk has reduced the SOx emission by 93% (from 12,248 to 910 tonnes) and our NOx by 63% (from 22,993 to 8,508 tonnes) in 2022.

		2018	2019	2020	2021	2022
SOx	ton	12,248	8,080	1,783	1,006	910
Average sulphur VLSFO	%	2.4	2.03	0.45	0.45	0.45
Average sulphur MGO	%	0.06	0.07	0.07	0.07	0.07
NOx	ton	22,993	20,884	10,435	10,192	8,508

SCOPE 2

INDIRECT EMISSIONS:

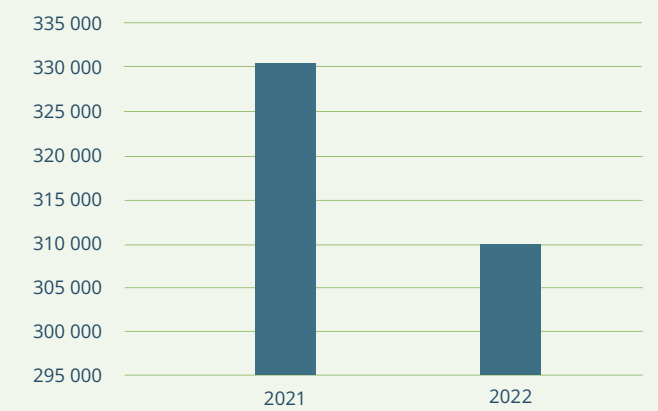
CARBON DIOXIDE

Scope 2 emissions covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by Gearbulk across all offices where we operate.

Electricity consumption

Electricity is the main energy source used by our offices. All energy sources are included in the emission data. The CO₂ emission factor (Kg CO₂ per kWh) from our offices' local energy supplier is used where available. We have applied the market base approach to calculate the electricity consumption in the report.

Emissions in kg CO2 per kWh



This represents the following locations

EMISSIONS	2021	EMISSIONS	2022
<i>kg CO₂e per kWh</i>		<i>kg CO₂e per kWh</i>	
USA	179,240.18	USA	175,683.11
Norway	3,728.85	Norway	3 602.11
Singapore	2,059.66	Singapore	1,275.15
Brasil	142,335.26	Brasil	124,883.75
Japan	1,864.72	Japan	3,345.68
Switzerland	1,204.34	Switzerland	1,306.70
Grand Total	330,433.01	Grand Total	310,096.49

Electricity consumption has decreased by 6.2% from 2021 mainly due to office relocations and our hybrid working solution for our employees.

AER (ANNUAL EFFICIENCY RATION)

With the Greenhouse Gas Strategy towards 2050, the IMO has set the goal to reduce carbon intensity by 40% within the next decade up to 2030 and by 50% in total (70% intensity) up to 2050. The GHG Strategy was approved by the IMO in 2018. The reduction rates are related to the baseline of 2008. One of the measures implemented by the IMO to achieve the goal is the Carbon Intensity Indicator (CII), which is a measure of how efficiently a ship transport goods. This is referred to as the Annual Efficiency Ration (AER) and is calculated on a ship-by-ship basis.

Gearbulk has adopted reporting of the AER in accordance with the IMO goals, and to represent this in the ESG report, the fleet average has been calculated. As indicated in the graph, a downward trend from 2019 can be seen. In 2022, Gearbulk operated vessels had 2% higher number of sailing days, and even though the total fuel consumed is higher, there is a 0.2% improvement in the carbon intensity.

Several actions have been taken throughout 2022 to improve the AER rating, including testing of carbon neutral fuel and improved Hull Performance. Part of this improved hull performance has been to follow the 2021 strategy of applying high performing antifouling to vessels which have been in dry dock.

	2018	2019	2020	2021	2022
AER	5.59	6.48	5.71	5.82	5.8

$$AER = \frac{\text{Fuel Consumed} \times C_f}{\text{Deadweight} \times \text{Distance Travelled}}$$

C_f = Fuel mass to CO₂ conversion factor

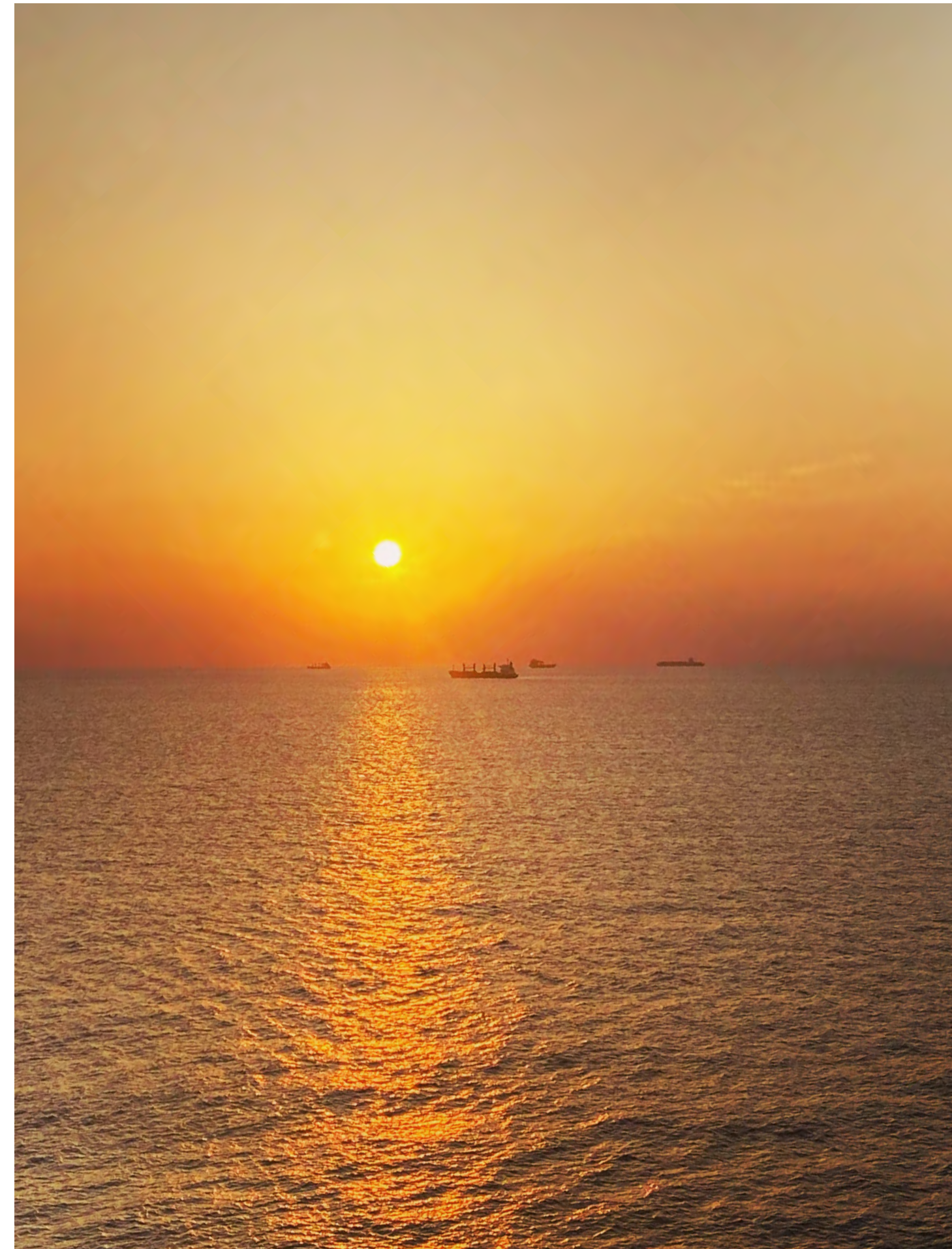
Comparing the 2021 sustainability report with the 2022 ESG report, minor differences can be seen in the AER figure from 2019 until 2021. Gearbulk has invested resources in optimizing

our data accuracy and slight differences were noted and corrected. From 2022, Gearbulk figures will report on the optimised data dashboards created and verified.

EEXI (EFFICIENCY EXISTING SHIP INDEX)

On 17th June 2021, the IMO adopted amendments to MARPOL Annex VI at MEPC 76, introducing regulations 23 and 25, the Efficiency Existing Ship Index (EEXI) and regulation 28, the requirement to reduce Operational Carbon Intensity through the Carbon Intensity Indicator (CII). Vessels impacted by EEXI must demonstrate compliance by their next survey (annual, intermediate or renewal) for the International Air Pollution Prevention Certificate (IAPPC), or the initial survey before the ship enters service for the International Energy Efficiency Certificate (IEEC) to be issued, whichever is the first on or after 1st January 2023.

In 2022, all Gearbulk operated vessels have calculated the attained EEXI value and created a EEXI technical file, which has been submitted to class for approval. All vessels with the exception of the three Tankers are within the required EEXI. To achieve approval of the technical file for the tankers as well, a Shaft Power Limitation system (Shapoli) is planned for installation prior to the first survey in 2023.



RESPONDING TO CLIMATE CHANGE

PROGRESS ON DECARBONISATION

Climate change remains a crucial agenda point across all industries, and as the shipping industry contributes 3% to total global emissions, Gearbulk is committed to doing our part in reducing shipping's impact on climate change.

Decarbonisation Task Force

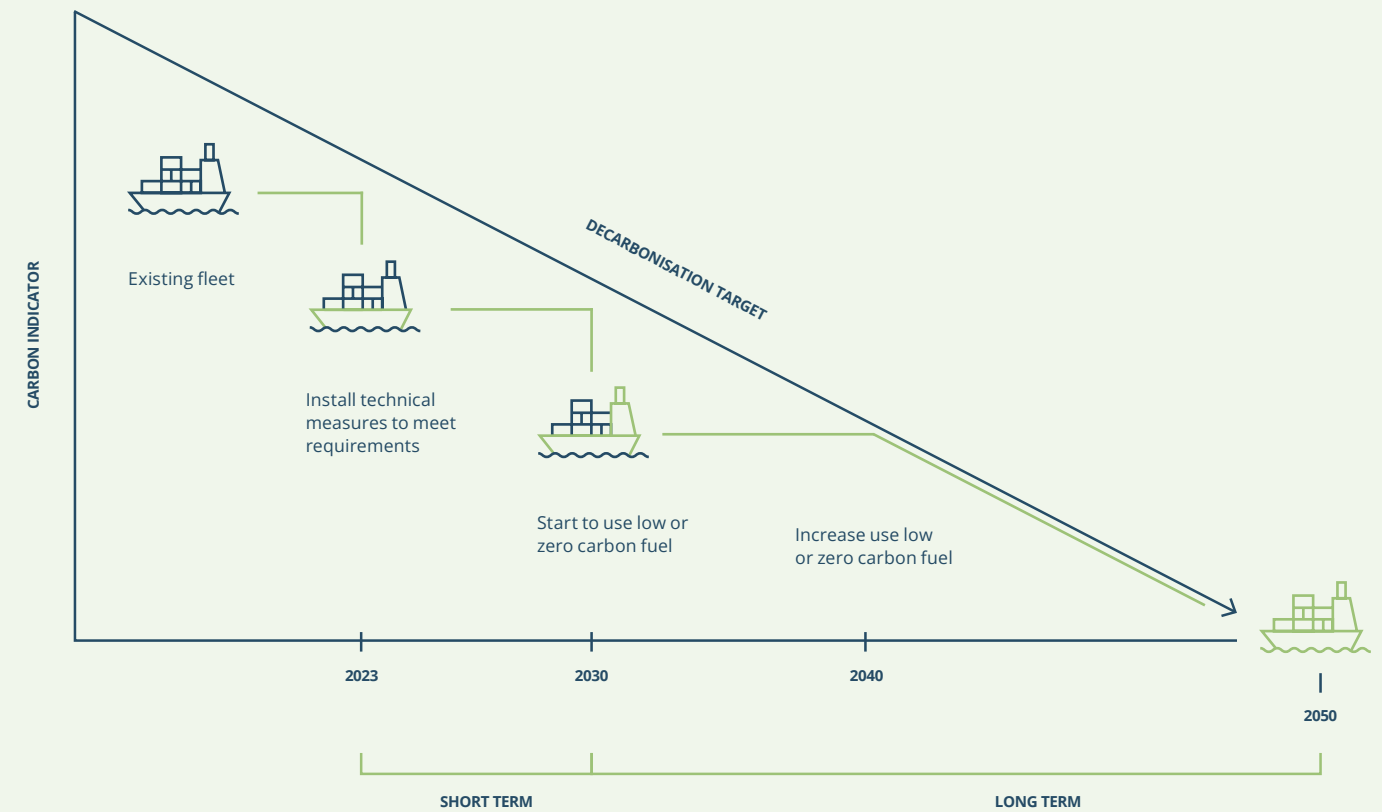
In cooperation with our Joint Venture Partner Grieg Star and our Joint Venture G2 Ocean, a joint Decarbonisation Task Force has been established to strengthen our environmental efforts. The purpose of the taskforce is to identify and implement technologies and solutions which can reduce greenhouse gases.

In 2022 several initiatives were launched to implement measures to reduce our environmental footprint. The collaboration of the task force allows the three partners to utilise each others' strengths and resources, multiplying the effect of the environmental commitment.

Simultaneously, Gearbulk is forming its newbuild strategy. As part of this, the long-term solution of alternative fuels is being assessed and substantial efforts have been made in evaluation of alternative fuels and consideration of which fuel strategy will be best suited for Gearbulk.

The following illustration shows how Gearbulk is currently working to decarbonise the existing fleet and how the Company plans to remain compliant. As indicated in the illustration, Gearbulk is working to map out several short-term measures to reduce the emissions. However, at some point, the long term solution of zero emission fuel will be crucial in order to meet the 1.5° C clause under the Paris Agreement.

DECARBONISATION PATH



SHORT TERM

LONG TERM



MACHINERY



HYDRODYNAMICS



OPERATIONAL



ENERGY HARVESTING



ALTERNATIVE FUELS

RESPONDING TO CLIMATE CHANGE

EFFICIENCY

Since 2015, a primary focus area has been to improve the energy efficiency of the fleet. Actions taken to address this focus include:



SENSOR TECHNOLOGY

All vessels in fleet are now equipped with sensor technology, ensuring high frequency data to measure and monitor fuel performance.



PROPELLER CLEANING

All vessels undergo regular propeller polishing and hull cleaning, and advanced biofouling is applied to the hulls of most of the vessels to maintain their efficiency.



ADVANCED BIOFOULING

All vessels undergo regular hull blasting and renewal of Anti Fouling. Gearbulk has now changed to an advanced approach which is applied to all vessel in our sailing fleet, to maintain higher fuel efficiency.

CARBON NEUTRAL FUEL

In 2022 Gearbulk began testing the use of carbon neutral fuel, together with our Joint Venture G2 Ocean. Continued use of carbon neutral fuel is expected throughout 2023, pending the update of the IMO guidelines on the use of such fuels.



WASTE

FACILITATION OF WASTE REDUCTION

Gearbulk is committed to protecting the planet’s marine life and the environment in which we operate. To achieve this, we follow strict protocols and have implemented specific environmental policies. Gearbulk also arranges various global and local initiatives to further support our efforts.

WASTE

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 for improvement.

A 48% reduction in garbage landed ashore from our vessels was seen in 2022 compared to 2018, a slight increase from 2021. Many ports have been very restrictive in receiving waste from vessels during Covid-19, especially in 2021 & 2022. The figures are accurate, however not equal to waste produced on board. All waste is contained on board until it is possible to legally dispose of at land facilities responsibly. The increase is mainly seen on cargo residues and operational waste.

The offices are subject to local regulations on waste management and the regulations vary across our global offices.

Current efforts

Our efforts to facilitate waste reduction include:

- Reducing the volume of waste in general through use of compactors - all managed vessels are now fitted with compactors
- Replacing light sources with LED technology - the fleet disposed of 11,992 Fluorescent lamps in 2022, a 28% drop from 2019

GARBAGE LANDED	2018	2019	2020	2021	2022
Total (m ²)	3632	2622	2394	1556	1921
Per ship/month (m ²)	6.83	5.12	4.93	3.24	4.0
Decrease since 2018		25%	28%	50%	45%

COMPANY PLASTIC POLICY

Gearbulk has an established policy for the purchase, use and waste management of plastics. This policy is subordinate to the Environment Management Policy. 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 3Rs (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 environmentally friendly packaging for delivery.
- Suppliers who comply with the Company’s plastics policy will be moved under vendor classification to ‘preferred supplier’ in the purchasing system.
- New supplier agreements will include environment specific KPIs
- Offices are engaged in recycling plastic and other waste, at home and at work, as per local guidelines
- Vessels and offices are participating in environmental clean-ups with local organisations
- Single use plastic items are banned in all locations, sea and shore

OUR COASTAL CLEAN UP EFFORTS

Each year, the Bergen office arranges an annual “coastal clean-up day” in collaboration with Bergen og Omland Friluftsråd and with Miljøvernforbundet (NMF). NMF is Norway’s most active voluntary organization for environmental protection. Since 1993 the organization has been working with a wide range of environmental issues locally, nationally, and internationally.

In 2022, Bergen employees collected 750 kg of garbage in the Brattholmen and Bjørøy area, just west of Bergen. This amounted to 230 kg more than the previous year. Items included Q-tips, Styrofoam, plastics in all forms and sizes, ammunition, toys, ropes, bottles, fishing traps, metal containers, and (as always) needles. The exorbitant amount of garbage collected quickly exposes the significant environmental problem we are facing all over the planet.



WASTE

RESPONSIBLE SHIP RECYCLING

Gearbulk aims to be recognised as a responsible actor in the industry with an ethical and environmentally sound ship recycling practice. The Hong Kong Ship Recycling Convention was adopted in May 2009 but has yet to be ratified by a sufficient number of member states. Several Ship Recycling Facilities have adopted the requirements of the Hong Kong convention and have been certified compliant by IACS Classification societies.

SHIP RECYCLING POLICY

The policy is aimed to ensure that the chosen Ship Recycling Facility operates at an acceptable standard with respect to health and safety of the workers and the protection of the environment.

Gearbulk will only use Ship Recycling Facilities which have been certified by the Hong Kong convention and are compliant by an IACS classification society. In preparation of a ship's recycling, an Inventory of Hazardous Materials must be approved by a Class society or another competent organisation.

This Inventory must, as a minimum, include the materials that are specified in the Ship Recycling Convention appendix 1 and 2. The Inventory must be forwarded to the selected SRF together with all relevant available information for the SRF to develop the Ship Recycling Plan (SRP). A confirmation of receipt must be obtained.

No vessels were recycled in 2022.

OIL POLLUTION

Our target is zero incidents related to oil pollution.

In 2022 there were no reported incidents involving Gearbulk managed vessels. This target was also achieved in 2021.



**ZERO
OIL POLLUTION**



WATER AND BIODIVERSITY

PROTECTING OUR OCEAN

The ocean is one of Earth's most valuable natural resources, and it is important to manage it in a sustainable way. Gearbulk understands the impact of our operations on the ocean, and we are committed to doing all we can to protect this resource and ensure its benefits are preserved for future generations.

BALLAST WATER TREATMENT SYSTEM

The purpose of the Ballast Water Convention (BWMC) is to prevent the spread of invasive species during vessel operation. The BWMC requires all vessels to treat ballast water ensuring the requirements in the D2 discharge standard of the BWMC are met during discharge.

Gearbulk is committed to honouring this convention and has invested in and implemented technology to be D2 compliant over the last four years. At the end of 2022, only two of the Gearbulk owned and managed vessels have yet to install a ballast water treatment system. One vessel is scheduled for installation in 2023 and due to a change in trade the last vessel is exempted for installing such a system as she will remain stationary.

ANTI FOULING

Anti fouling (AF) applied to vessel hulls will protect the environment by preventing the growth of marine organisms on the hull, thereby limiting the spread of invasive species. Minimal growth will also reduce the added resistance while sailing, thus ensuring a higher fuel efficiency. The result is lower GHG emissions.

Gearbulk has high focus on good hull performance across our managed vessels. At the end of 2021, along with our Joint Venture Partner Grieg Star and Join Venture G2 Ocean, an extensive analysis of our vessels' performance was carried out. The outcome of this analysis resulted in a new AF strategy, where investment in higher performance AF was agreed for 22 vessels due for drydock in 2022 and 2023 was decided. In 2022, 11 received investment in high performance AF. The 11 remaining vessels are planned for 2023. A new analysis is scheduled end of 2023 and it is expected that the strategy will continue from 2024 and onwards.

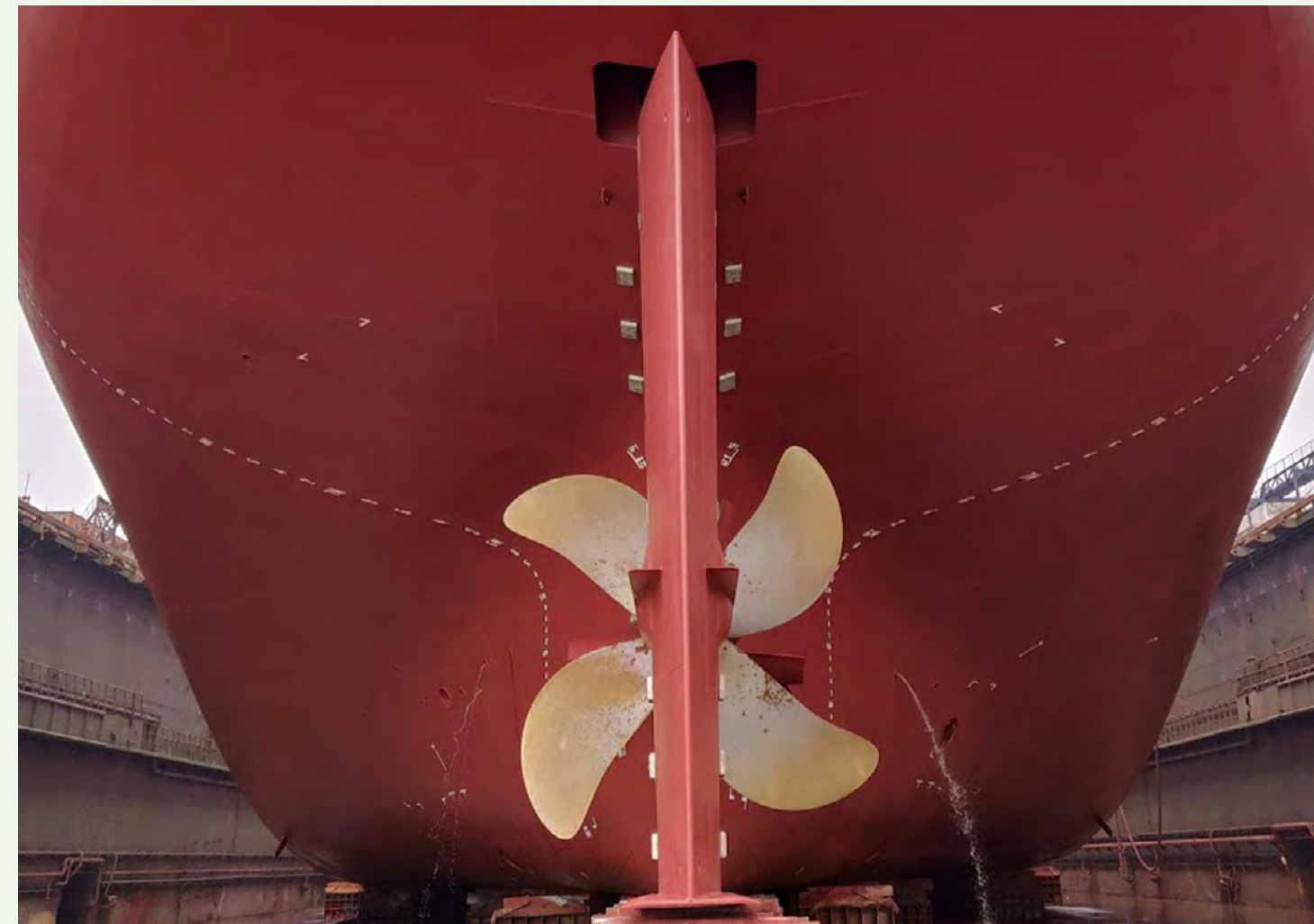
PROPELLER CLEANING

Propeller cleaning is another important action Gearbulk takes to protect the ocean. Over time, marine growth occurs on the propeller which can negatively impact the efficiency and performance of the propulsion system on a vessel. Reduced efficiency results with increased fuel consumption, thus a lower fuel efficiency for the ship.

Gearbulk, along with our Joint Venture G2 Ocean, has strong focus on maintaining an efficient propulsion system on our vessels. Continuous monitoring of the performance will indicate when the performance is dropping. As a further step to ensure continuous performance, Gearbulk, along with our partners, are testing new technology to prevent fouling on the propeller in the first place. Ultra sonic technology was implemented on two ships in 2022. The outcome of this trial is expected in 2023.

DAYS IN MARINE PROTECTED AREAS

Gearbulk follows strict rules in compliance with the IMO regulations. Trades in marine protected areas do occur from time to time, and information on days spent in these areas is currently being developed for future reporting.



INNOVATING THE FLEET

CONSTANTLY IMPROVING

At Gearbulk we strive to innovate our fleet to enhance the performance of our vessels. Over the years, Gearbulk has invested in various methodologies, including both sustainable and digital approaches, to increase overall fleet performance.

HYBRID BATTERY AND SOLAR PANEL

Gearbulk recognises the environmental impact of its activities and is currently exploring new technologies to further reduce our GHG emission. On Raggiana Arrow, an Open Hatch vessel which will be converted to a transshipment vessel, Gearbulk will install a hybrid battery system to reduce the number of auxiliary engines running during cargo operations.

In addition, as the vessel will be permanently based in a tropical area, 500m² of solar panels will be installed on top of her gantry crane roof to take advantage of the extensive sunlight. These two projects combined are estimated to save over 300 mt of fuel per year, equivalent to around 1,000mt of CO₂. The main purpose is for our organisation to gain experience and know-how, which in turn will set the stage for larger projects in the future.

FUEL PERFORMANCE

The focus on fuel performance has shifted from a more “rear view mirror” approach based on noon reports, to an analytical approach using high frequency data. Investment in Kyma torque meters for the propeller shafts and fuel oil flow meters has been made to source accurate and high frequency data from every vessel. Actual emission data is being analysed daily to monitor and follow up the performance of the fleet.

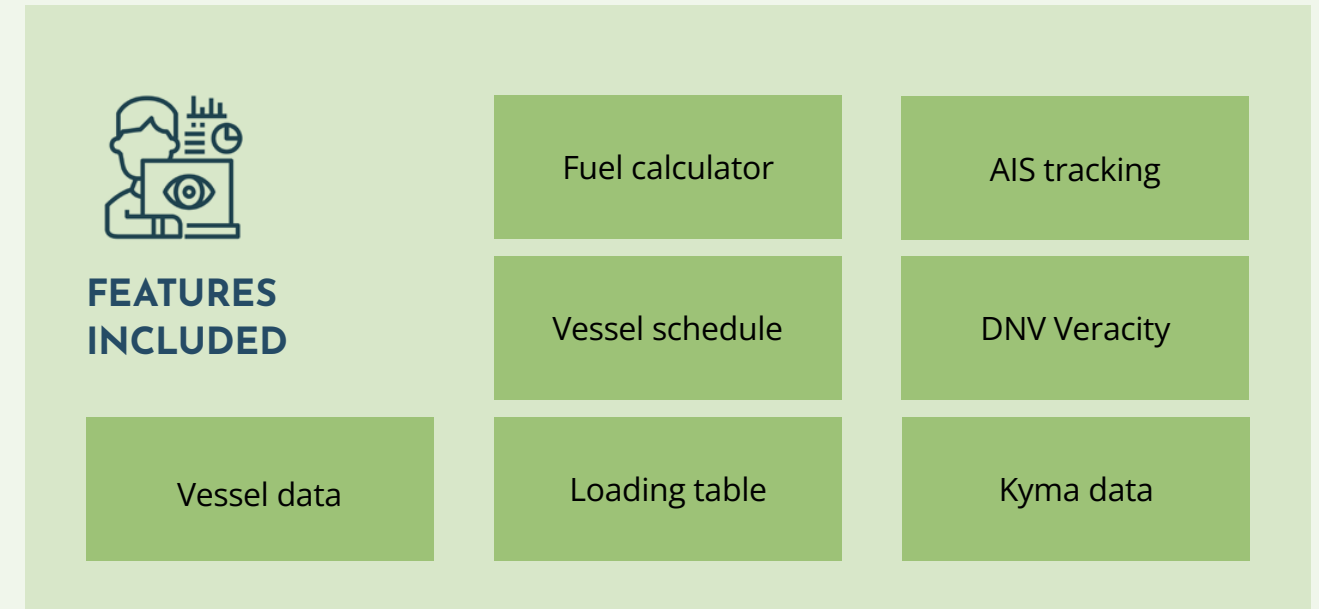
In cooperation with G2 Ocean, Gearbulk has a high focus on speed and consumption analysis. The fleet performance is an analytic tool based on comprehensive data that integrates voyage, hull, propeller and weather data, as well as engine performance, to identify the commercial effectiveness of our fleet. By sharing commercial and technical performance data on one platform, the fleet manager and the operator can make joint decisions to optimize energy efficiency and reduce costs.

A good example of how data is utilised to make informed decisions, would be the new anti-fouling policy. Gearbulk’s analysis confirms the benefit of using “high range” product, versus the mid-range anti-fouling to improve hull performance. This is now the new standard AF in Gearbulk. In addition, Gearbulk spot blasts the hull every five years and full blasts the hull every 10 years to achieve optimum hull condition.

DIGITALISATION AND DATA MONITORING

In cooperation with Gearbulk’s Joint Venture Partner Grieg Star and Joint Venture G2 Ocean, environmental dashboards are being developed to provide real time updates of fleet emissions. This will allow Gearbulk to continuously monitor and report CII performance and simulate the effect of abatement initiatives. The dashboards will ensure understanding and learning from the historical trades, which can be utilized for future planning. By combining the different data sources available, only the imagination will set a limit for how the fleet is monitored and operated.

CARBON INTENSITY INDICATOR - CALCULATOR



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PART 3

SOCIAL

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RESPONDING TO COVID

PROTECTING OUR PEOPLE

A new mutation of Covid-19 at the end of 2021 led to continued challenges for the majority of 2022. While offices did remain open throughout the year, maintaining flexibility between home office and time in the office was necessary and has become the new normal.



COVID-19 SUPPORT EFFORTS

Gearbulk Solidarity Fund

The Gearbulk Solidarity Fund (GBSF) was initially established to provide additional financial support to Gearbulk seafarers affected by the Covid-19 pandemic. Thankfully, as the Covid situation has come under control, the GBSF has been able to expand its scope to now support other causes and initiatives.

COVID-19 Allowance

A Covid-19 allowance was implemented to support seafarers who had extended contracts on board and to seafarers with extended leave. This was continued in 2022 as the pandemic still affected seafarers to a large extent.

COVID-19 Crew Newsletter

The Covid-19 focused crew newsletters continued in 2022 to ensure continuous, open communication through the changing environment due to the pandemic. At the end of 2022 it was decided to widen the scope of these newsletters beyond the Covid-19 updates to continue providing Crew with relevant company updates.

COVID-19 Action Committee

A Covid-19 Action committee was established in April 2020, consisting of different divisions within the organisation. The committee is tasked to support the organisation on shore and at sea by establishing safety protocols and guidelines. The committee was active throughout 2022.

Health & Well-being campaigns

To support Gearbulk employees, both at sea and at shore, throughout the challenging situation, Gearbulk arranged several health and well-being campaigns throughout 2022. These campaigns were related to both physical and mental health, together with healthy eating habits onboard Gearbulk vessels. The feedback received in the engagement survey, both for sea and shore, shows that this is appreciated and well attended by all employees and crew.

SAFETY

NUMBER ONE PRIORITY

Gearbulk is strongly committed to improving the safety of our seafarers, our vessels and shore contractors. We do this by creating awareness, training our employees and regularly updating policies and procedures in line with industry standards.



GEARBULK SAFETY COMMITTEE

The Gearbulk Safety Committee was established in December 2019. The committee met monthly in 2022 to discuss updated statistics, recent incidents, safety measures, safety monitoring, experience transfers and proposed and implemented safety initiatives and campaigns. In 2022, 23 experience transfers and six ship circulars were published to the fleet. They cover all personal injuries, specific damage cases, best practices and more.

Safety and Quality Bulletin

A Safety and Quality Bulletin, published quarterly for all sea and shore staff, has become a great success. It covers safety, KPIs, best practices, navigation and equipment, cargo safety, ABC and near misses amongst others.

Near Miss Bulletin

A Near Miss Bulletin was further introduced in 2022, where all near misses are presented to the fleet. Selected near misses are highlighted for discussions and lessons learned

Vessel "Safety Days"

Gearbulk initiated and completed four Safety Days across the fleet in 2022. Four working days were allocated to a variety of safety-focused activities, including mental health discussions, drills, safety games and friendly competitions. The positive outcomes from this initiative include actual tasks, safety culture initiatives and continued enthusiastic participation and experience sharing amongst the crew.



EQUIPPED WITH AEDs DESIGNED FOR MARINE ENVIRONMENT

All Gearbulk vessels are now equipped with an Automated External Defibrillator (AED) by LIFE-FORCE®, specifically designed for use in the marine environment.

AED by LIFEFORCE® is the world's first defibrillator to be Type Approved. It is designed to be the simplest to use AED on the market and independent tests have proven that members of the public without any training can deliver a life-saving shock quicker than any other unit in the market.

By having the defibrillators on board Gearbulk vessels, we hope to increase the chances of survival amongst our crew in case of a sudden cardiac arrest situation. Onboard training of first aid will now include the use of an AED.

SAFETY

JOINING HANDS TO ENHANCE SAFETY

Gearbulk and our Joint Venture Partner Grieg Star and Joint Venture G2 Ocean share a commitment to improving the safety of our seafarers, our vessels and shore contractors. We do this by creating awareness, training our employees and regularly updating policies and procedures to be in line with industry standards.

SAFETY CULTURE PROJECT - GEARBULK, GRIEG STAR & G2 OCEAN (G3)

The G3 Safety Culture Project was established in December 2021 and commenced its activities in 2022 across the three organisations and its vessels. An initial safety maturity assessment led by Green-Jacobsen had been completed in 2021 which formed the baseline for the project's activities.

A set of Safety behaviours were identified and adopted as key success factors for the project. The first task was to establish the Safety Intervention Authority, giving all employees the right to stop unsafe acts and unsafe behaviours. Additional efforts included identifying and implementing "10 lifesaving rules" across sea and shore and establishing management level vessel visits as a KPI.

The project will run for several years and includes training, seminars, webinars, process mapping, internal/external newsletters and many more initiatives.



G3 SAFETY BEHAVIOURS



SAFETY

PERFORMANCE ON SAFETY

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

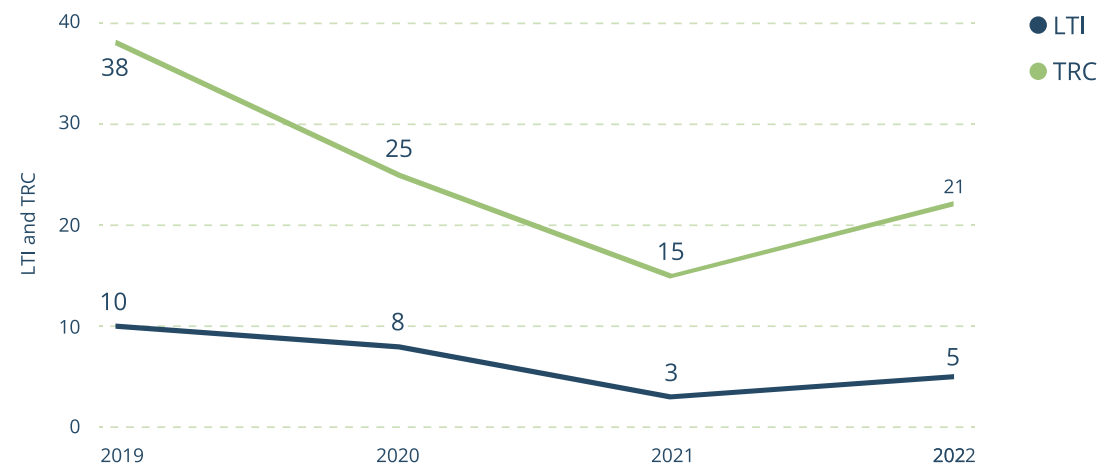
LOST TIME INJURY FREQUENCY

Gearbulk continues to stress the importance on reporting all near misses as the improved accuracy of data provides Gearbulk with 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 Gearbulk 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.

The LTI frequency has been halved year on year since 2019 and Gearbulk saw a record low in 2021. It was therefore unfortunate to see a hike in injuries during 2022. Each case was investigated and shared with the fleet through experience transfers. This negative development has only enhanced Gearbulk's focus on achieving an improved safety performance amongst its employees. Increased Management level visits onboard, enhanced focus on toolbox meetings, The Safety Leadership training programme, and Risk Management are all focus areas for 2023.

LTI & TRC



Year	LTIF	TRCF	Fatalities	Aspect 2022	Target	Result
2019	1.48	4.32	0	Lost Time Injury Frequency	0	0.70
2020	0.81	3.25	0	Average Near Miss reports pr. vessel pr. month	2	3.39
2021	0.41	2.04	0	Port State Control Deficiency ratio	0.65	0.78
2022	0.70	2.93	0	Rightship Rating (minimum score per vessel)	>3.0	98 %



MARINE CASUALTIES

During 2022, Gearbulk experienced three Marine Casualties where vessels were rendered unfit for continuation of voyages and one casualty at drydock that was repaired within scheduled stay. No employees were hurt during these incidents.

The severity, high potential and high cost of these incidents have led to the Company to focus on increased training of staff, enhanced Fire Safety focus and increased number of navigation audits.

There were four incidents requiring investigation as seen below.

Vessel	Incident	Action
Jacamar Arrow	Steering gear room fire in Drydock	Repaired immediately in Drydock
Kite Arrow	Accommodation fire	Yard repair
Tanchou Arrow	Hit by vessel at yard anchorage (China)	Yard repair
Tanchou Arrow	Collision (China, deductible for GB and to 3rd party)	Yard repair

OUR SEAFARERS

VALUE DRIVEN EFFORTS AND COMMITMENT

Seafarers are essential to the maritime industry, and their value-driven efforts are critical to Gearbulk's success. Their safety-focused efforts, efficiency in vessel operations, adaptability to different situations, sense of responsibility and professionalism enable Gearbulk to deliver on our strategy and achieve our Corporate Aspiration.

8

DIFFERENT NATIONALITIES

1,533

SEAFARERS

97%

AGREED

the Company has responded well to the pandemic

2022 was off to a challenging start with the spread of Omicron mutation of the Covid-19 virus, leading to continued difficulties for the maritime industry in general, and for seafarers especially. New regulations with extensive quarantine periods continued the limitation on shore leave. However, despite ongoing and new challenges, our seafarers continued to display a great level of dedication, commitment and loyalty.

Throughout the pandemic, including 2022, it has been our priority to keep our seafarers healthy and safe. By maintaining strong communication and living the Gearbulk values we have persevered through this period without severe illness or deaths caused by the pandemic.

A survey was conducted in 2022 amongst the seafarers to gauge their opinion on how Gearbulk has handled the pandemic. 97% of Gearbulk crew agreed that the Company has responded well to the pandemic and handled it appropriately.

The Gearbulk seafarer workforce consists of about 1,533 seafarers from eight different nationalities.



OUR SEAFARERS

DEVELOPING OUR PEOPLE

Continuous focus on training and development is key to Gearbulk. Throughout the pandemic training centres have been closed, hence limiting the possibilities to conduct training on site. Therefore, the focus though 2022 has also been on delivering high quality training using other tools available, including online training.

In order to meet our business objectives and provide opportunities for career development for our dedicated seafarers, Gearbulk provides additional training beyond the Standards of Training, Certification and Watch-keeping (STCW) and Flag state requirements.

Gearbulk also provides a comprehensive computer-based training tool through the Ocean Learning platform, which covers a wide range of topics. All seafarers must complete and re-take the relevant modules within a certain time frame and required assessment score. Online training has also been the predominant way of training in 2022 as a result of the pandemic.

Areas in which Gearbulk invests additional resources:

- Ship Simulator Bridge and Engine team training combined with Maritime Resource Management
- Ship handling with high lift rudder training
- ECDIS type specific training
- MARPOL training
- Cargo courses
- Deck and Engine skill enhancement course for ratings
- MAN e-engine course
- Electrical training
- International cuisine course
- Refrigeration and cargo pumping systems
- In-house pre-joining briefing
- Ship management course
- Gearbulk Safety Leadership course
- G3 Safety Culture project



SPECIAL TRAINING FOCUS AREAS IN 2022

Gearbulk Safety Leadership Online Training

Given the success of the online Gearbulk Safety Leadership training during the pandemic, this was continued throughout 2022 with crew attending remotely from their homes around the world.

The course teaches the participants hands-on leadership and how they should act and behave in different scenarios onboard. The leadership style learned is closely connected with the Gearbulk values.

At the close of 2022, almost all senior officers in Gearbulk had received this training. In a recent survey we asked the seafarers to rate the course's effectiveness. The score was 4.2 (0 lowest, 5 highest), with many reporting how they applied the techniques learned during the course to their tasks onboard.

The course is conducted by Gearbulk employees who have expert knowledge in human factors, with most facilitators also having sea-side experience. In-house facilitators greatly enhance the course's relatability, as the connection brings the material closer to the participants through real and relevant examples from Gearbulk vessels. Gearbulk will continue to run the course for junior officers in 2023.

Reflective Learning

Reflective learning involves looking back at something; an experience or an idea and then critically analysing the event. Gearbulk has adapted this process to create a tailor made, interactive Reflective Learning program for the fleet.

The activity is a face-to-face facilitated group discussion, supported by simple and engaging materials to make the emotional connecting. In the group discussion, attendees reflect on "how can similar things happen on my vessel" and their own behaviours such as "what can I do differently to prevent a similar incident."

In 2019 the Company prepared the first wave of Reflective Learning sessions for the fleet. Since then, a monthly onboard training regime was implemented, containing relevant and varied topics. The vessels have been provided with supporting training material for each topic, such as videos, PowerPoint presentations and a facilitator guide. The aim of the videos provided is to create an interactive learning experience for the seafarers by examining root cause(s) of provoking incidents, as well as suggesting actions which may have prevented incidents from happening or to mitigate their consequences.

In 2022, five additional sessions were finalised, with special focus on seafarers' mental health and learning from incidents happening onboard Gearbulk vessels, with the intent of making sure the incident will not happen again,

ECDIS Training

ECDIS on board training is carried out on a weekly basis, including discussions between Deck Officers and Cadets related to The Company's ECDIS Quick Reference guide.

OUR SEAFARERS

A PLACE TO DEVELOP AND GROW

Committed to developing our seafarers and offering opportunities to grow.

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, providing in-depth knowledge of the ship's operation and equipment to colleagues without a seafarer's background. It builds a broader understanding of our business and connects the people onboard and ashore to work commonly in ensuring a sustainable future for the Company.

KEY STATISTICS

1,533 SEAFARERS	99.26% RETENTION RATE of Officers	98.26% RETENTION RATE of Ratings
384 OFFICERS DEVELOPED through the Gearbulk Cadet program	28 INTERNAL PROMOTIONS to Senior Officer positions	11 EXTERNAL RECRUITMENTS Senior Officer positions
	1,744 TRAINING DAYS	



AVERAGE SENIORITY WITH GEARBULK

 MASTERS 20 years	 CHIEF OFFICERS 14 years	 CHIEF ENGINEERS 19 years
ETOS 10 years	2ND OFFICERS 12 years	2ND ENGINEERS 11 years
	3RD OFFICERS 8 years	3RD ENGINEERS 9 years
	JUNIOR 3RD OFFICERS 4 years	4TH ENGINEERS 4 years
		JUNIOR 4TH ENGINEERS 5 years

OUR SEAFARERS

GEARBULK OFFICERS SEMINAR

Since the outbreak of the Covid-19 pandemic, physical meetings with crew and other partners abroad have been nearly impossible, and seminars which the company has traditionally hosted in person have been replaced by online mini seminars in 2020 and 2021.

Officers Seminar

It was therefore with great enthusiasm that Gearbulk officers and senior management could finally meet again face-to-face at our Officers seminar in November 2022.

During the seminar, Gearbulk recognised our seafarers' dedication and awarded loyalty plaques to over 50 officers. The loyalty plaques are traditionally presented to crew who have served the company for 10 and 20 years. Plaques were also given to Captains and Chief Engineers who started their career with Gearbulk as Cadets and have been promoted through the ranks.

Mini Online Seminars

Given the success of the mini online seminars during the pandemic, it was decided to continue with these throughout 2022. Conducting regular virtual mini seminars combined with a face-to-face event enables better collaboration between shore personnel and crew. The benefit is two-fold as the crew can better understand the priorities from the shore organisation, and the shore employees can better understand the needs and challenges faced by the seafarers. Kristian Jebsen attended most of the online seminars which has been highly appreciated by the participants.

"I am both proud and humbled to present these well-deserved long service awards to so many of Gearbulk's long serving officers. Continuity and experience are success factors in Gearbulk's operation. Gearbulk is both respectful and highly appreciative for the level of dedication and loyalty these awards reflect. Congratulations and a warm thank you to all the award-winning officers,"

Sjur Gjerde

Director of Fleet Management





FIRST FEMALE CADETS WELCOMED ONBOARD IN 2022

Gearbulk's Cadet program has been key to securing internal growth and a major success factor in maintaining a high retention rate onboard our vessels. This focus continues as we welcomed our first female Cadets onboard in 2022! Three female cadets joined the ranks and have begun their seagoing career with Gearbulk.

A cadetship is a short and fixed training program at the end of which the cadet should have gained sufficient knowledge and experience of a range of tasks both to enable them to qualify as a junior officer and to be sufficiently able to assume the rank of an officer once qualified.

It is therefore extremely important that cadets get the required support and their work onboard effectively planned and followed up to maximize their learning experience, including watch-keeping time where appropriate. They shall be treated as future officers and not as extra hands performing the tasks of ratings.

"It is especially inspiring to finally have female cadets joining the Gearbulk fleet. It is with pride and great expectations that Gearbulk is doubling its talent pool for future officers."

Kristian Jebsen
Chairman

OUR SHORE PERSONNEL

A PLACE TO DEVELOP AND GROW

Our ESG Commitment drives our efforts to maintain an attractive, modern, and flexible work environment for our people, conducive of developing our human potential.

22
NEW EMPLOYEES

8
PROMOTIONS

17
FAREWELLS

8.6%
TURNOVER RATE

In 2022 we have embraced the new working styles which emerged during the pandemic, introducing hybrid working models. Our employees now can combine home and office work on permanent or voluntary basis, depending on their job location. This model has been well received by most of our workforce and had also been an important factor in attracting new talent to our business. In 2022 we added 22 new employees to our shore team worldwide. All new employees undergo an extensive, world-class onboarding program, where they are introduced to the Gearbulk organisation step-by-step. The training includes meeting up with the Head of every department, structured and comprehensive training on the work tools and being assigned a 'buddy' as well as having a regular follow up sessions with local HR representative to ensure smooth onboarding.

Growing and developing our people from within the organisation has remained our top priority, with eight of our colleagues receiving a promotion, bringing their personal and professional development to a new level.

Promotion in Gearbulk is awarded based on one or more of the following: a recognition for achieving higher performance level, taking on extra responsibilities, proactively developing in current role or bringing new and fresh ideas that are deemed to be taking Gearbulk in the right direction. Our people receive support, training, feedback, and recognition for their efforts regularly and through our systematic appraisals.



In 2022 we bid farewell to 17 of our colleagues worldwide. A combination of organisational restructure, retirement and personal circumstances played a role in those departures. Three of our colleagues accepted a continued offer of employment following the divestment of a business segment. They stayed on to continue to provide an excellent service and support to our established business partners. We experienced that the established flexible working patterns continue to contribute positively to low turnover (8.6%) and sick rates (0.76%). We have expanded the focus of our regular Health and Well-being campaigns to now also include Mental Health Support with activities tailored to each of our locations. The feedback and positive response from our employees encourage us to continue promoting activities and talking openly about mental health in the workplace.



FIRST FLEET MANAGEMENT MEETING HELD SINCE 2019

After two years of virtual meetings, 40 fleet management staff gathered in the Bergen office for the first face-to-face Fleet Management meeting since 2019.

Although virtual meetings have been necessary and productive, the gathering proved that meeting in person to discuss various topics, share ideas, experiences and successes is still important. After such a productive week, management is considering expanding the scope of the annual event and opening participation to the wider organisation.

Feedback from the event participation survey illustrated the potential benefit of this action, as 100% of participants reported that they felt more informed about what is currently happening in Gearbulk and the future outlook for Gearbulk after attending the event. 91% also reported feeling more engaged and connected to Gearbulk after the week.

EQUALITY AND DIVERSITY

In 2022 Gearbulk had a focus to strengthen the organisation in different ways. New positions were established to ensure enough dedicated resources to focus on key areas for the business. With the focus on enhancing corporate governance standards, compliance with increasing ESG requirements, and worldwide best practices, Gearbulk is establishing a process-based global legal department as a collaborative resource across teams and operational departments.

There was a continuous focus on retention of key talent and developing the organisation to be robust for challenges in the future.

Our commitment to diversity remains strong in our culture and people policies such as recruitment, retention, and promotions. There is a strong focus of growing talent from within whenever possible, and fair access to job opportunities irrespective of gender, ethnic background, religion, age or sexual orientation. As an organisation we are always looking ahead to identify and address skill gaps in best possible way both for the short- and long-term sustainable operations.



OUR SHORE PERSONNEL

A MULTINATIONAL ORGANISATION

With offices located across the globe, our workforce consists of a broad spectrum of personnel with different nationalities, age and demographics.

DEMOGRAPHIC



54

FEMALE



73

MALE

EMPLOYEE PROFILE

127

HEADCOUNT

22

HIRED

17

TERMINATED

HEADCOUNT BY CITIZENSHIP

American	3	Japanese	4
Australian	1	Latvian	1
Brazilian	16	Norwegian	36
British	7	Polish	2
Chinese	1	Singaporean	8
Croatian	8	South African	1
Filipino	28	Swiss	1
German	1		
Greek	2		
Indian	7		

OUR SHORE PERSONNEL

FUTURE-PROOFING OUR WORKFORCE

Investing in our employees is essential for success in today's environment. Gearbulk puts significant effort into providing various learning and development opportunities for employees to enhance not only their professional competencies but also their soft skills.

OUR SHORE TRAINING PROGRAM

In 2022, Gearbulk remained committed to investing in shore training. Building on the training needs identified in 2021, the Gearbulk Training Department developed and updated new e-learning modules covering critical topics such as Anti-trust, Anti-Bribery and Corruption, Business Ethics, and GDPR.

In the early part of the year, we initiated a global training campaign to ensure that all staff completed the new mandatory training on these subjects. In addition, we required employees to undertake other relevant training, including Cyber Security, Ship Safety, MARPOL, and MLC 2006, among others. As a result of our efforts, we achieved a 90% completion rate for all mandatory shore training.



OCEAN LEARNING PLATFORM IMPLEMENTATION

The Gearbulk Training Department officially launched an updated version of our e-learning portal in 2022, called OCEAN Learning Platform. This was done to improve the user experience for our staff and to make it easier for them to understand their mandatory and recommended training.

INTRODUCTION TO DEPARTMENTS SESSIONS

The Gearbulk Training Department coordinated onboarding sessions held three times a year for all new staff. The sessions last one hour where newcomers will meet the Head of Department or Director where he or she presents their department and main roles and responsibilities. This will help newcomers to meet senior managers from the very start and allow them to better understand what the key priorities are in the various departments across Gearbulk. The sessions are also open for existing staff.

HUMAN RIGHTS

ENHANCING OUR BUSINESS PRACTISES

Maintaining high standards of business ethics is essential for building a successful and sustainable business.

Gearbulk is committed to applying high standards of business and personal ethics to detect, manage risks and address adverse human rights impacts. It is the policy of Gearbulk to always comply with any applicable laws and regulations including internationally recognised conventions regarding the protection of human rights.

In 2022 Gearbulk introduced a policy for Human Rights and decent working conditions. The policy sets out the principles and standards for Gearbulk to ensure that we respect and protect human rights. It sets out the principles for how we relate to our employees, contractors, suppliers, and partners, as well as communities affected by our business activities

Gearbulk has published our first annual account in accordance with the requirements as per the transparency act. The annual account demonstrates how we assessed the risks and our actions taken to reduce possible risks. During 2022 nothing has come to Gearbulk's attention where Human rights were violated.

Gearbulk is constantly enhancing governance practises and as part of the efforts third party risk management policies and procedures are being developed to support our efforts.

Please refer to our website for more information.

GEARBULK GIVING BACK

CONTRIBUTING TO A BRIGHTER TOMORROW

Gearbulk has a long history of Giving Back. To formalise these efforts, the Gearbulk Solidarity Fund was established in 2020 in response to the outbreak of the Covid-19 pandemic to provide additional financial support to Gearbulk’s front-line workers, our seafarers.

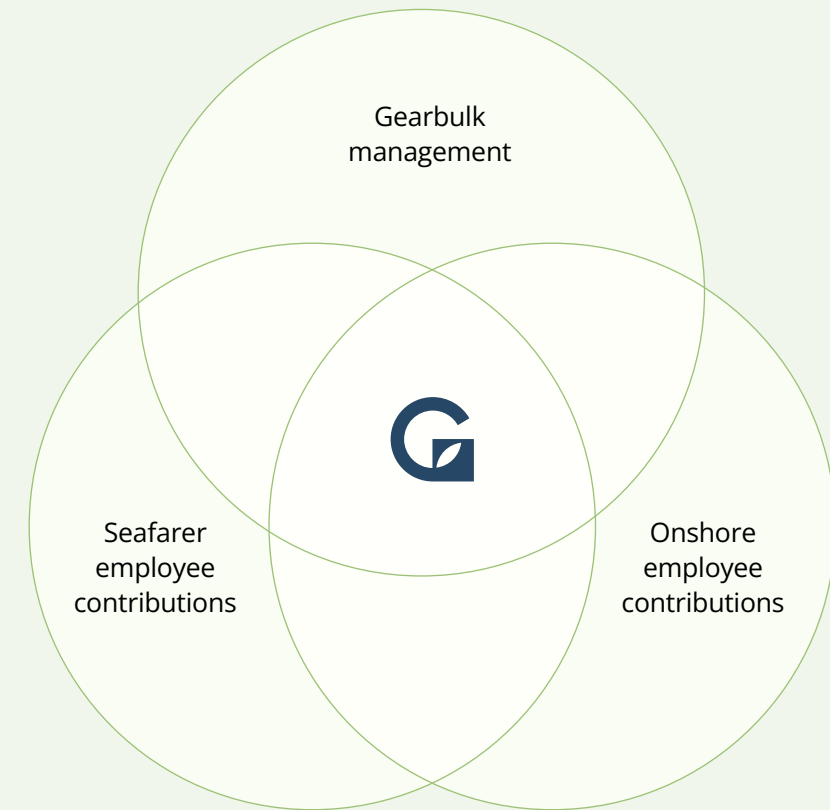
GEARBULK SOLIDARITY FUND

The success of the original set up of the Gearbulk Solidarity Fund (GBSF) paved the way for the fund to continue with an expanded scope of supporting other causes and initiatives beyond Covid-19, such as natural disasters, adverse weather conditions and the consequences of war-like actions.

In 2022, the GBSF provided financial aid to our seafarers who were gravely affected by Typhoon Odette in the Philippines in late 2021. The GBSF also launched a successful fundraising campaign and raised nearly \$ 5,000 in donations from Gearbulk employees (which was matched 100% by the Company) and donated a grand total of \$ 10,000 to the United Nations Ukraine Humanitarian Fund to assist the most vulnerable communities and people affected by the war.

Engaging, inclusive and Fair Process

Employees are encouraged to actively help the GBSF Committee find worthy causes to support by proposing a specific cause, charity or organisation which they feel could benefit from financial and/or non-financial support of the GBSF. The fund is governed by a committee assessing the initiatives to ensure it is fairly and correctly distributed and without being in risk of bribery or other breaches of good governance.



FUNDS RAISED SINCE 2021

\$74,000

Gearbulk employees and the management team of the Company have been the supporters of the Gearbulk Solidarity Fund

DONATIONS MADE IN 2022

\$14,640

Typhoon Odette

\$10,000

War in Ukraine

A large, stylized number '4' in a light green color, positioned on the left side of the page. The background behind it is a dark green with a subtle, wavy, concentric pattern.

PART 4

GOVERNANCE

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RESPONDING TO GOVERNANCE

EFFECTIVE CORPORATE GOVERNANCE

Strong and consistent corporate governance makes it possible for Gearbulk maintain the trust of our stakeholders and conduct business responsibly.

Gearbulk is committed to building a sustainable business based on sound and effective corporate governance structures. We strive to be a responsible corporation, creating effective policies and procedures and implementing sound controls to help us achieve this. By creating awareness among our employees and empowering them, we can build an environment where our individual actions will have a positive effect on our sustainable business practices.

Overall governance matters applicable to Gearbulk and its stakeholders are governed by the following compliance policies:

- (a) Gearbulk's Code of Business Ethics;
- (b) Gearbulk's Anti-Bribery and Corruption Policy;
- (c) Gearbulk's Global Anti-Trust Policy;
- (d) Gearbulk's Supplier's Code of Conduct;
- (e) Gearbulk's Whistleblowing Policy and Procedure;
- (f) Gearbulk's Privacy Policy; and
- (g) Human Rights Policy, all available to the general public in Gearbulk Group's website.

Material compliance topics identified in 2022 as part of Gearbulk's operations includes anti-corruption and antitrust initiatives.

"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

ANTI-CORRUPTION AND ANTI-COMPETITIVE PRACTICES IN GEARBULK

We are committed to the fight to reduce corruption in the industry we operate in and secure a sustainable and fair business environment. We have designed clear objectives and KPIs to support our commitment.

OUR OBJECTIVE

- Ensure compliance with all applicable laws and regulations including, but not limited to, anti-bribery/corruption and antitrust legal framework.
- Promote awareness on the strict prohibition of bribery, corruption and antitrust behaviours.

ACHIEVING THE OBJECTIVE

- Assess corruption and anti-competitive risks, considering Gearbulk's business specifics.
- Design, implement and regularly review tailor-made anti-bribery/corruption and antitrust policies.
- Conduct frequent and mandatory training to prevent bribery/corruption and anticompetitive behaviours.
- Participate and contribute actively to the Maritime Anti-Corruption Network (MACN).

MEASURING OUR ACHIEVEMENT

- Number of bribery and corruption actual incidents.
- Number of antitrust actual incidents.
- Number of employees trained on anti-bribery/corruption. Number of employees trained on anticompetitive behaviours.
- Number of incidents reported to MACN together with severity and resolution of cases.

RESPONDING TO GOVERNANCE

ANTI-CORRUPTION PRACTICES

Operations assessed for risks related to corruption

Gearbulk thoroughly and periodically evaluates the business risks embedded in all its operations, including but not limited to corruption risks. Gearbulk identifies the probability and severity of the risk, existing control measures, effectiveness of the existing control measures and planned strategies to enhance awareness and mitigation actions. Frequent collaboration with our operational joint ventures through joint committees and a proactive approach of the fleet management, ship owning, and terminals business segments guarantees that all operations are fully and continuously assessed in terms of material compliance risks.

Significant risks related to corruption identified by the risk assessment

Gearbulk operates in various countries where some of the geographical areas have an increased risk to bribery and corruption such as China, Argentina, Brazil, India, Pakistan, Indonesia, Papua New Guinea and Turkey. This leads to the risk of potential corruption incidents that may lead to financial losses, reputational damages, possible fines and penalties and even halting or obstructing local operations.



No cases meeting the actual definition of an ABC incident took place in 2022.

Our detailed ABC policy provides guidance in relation to bribery and corruption topics. Crew and shore employees are frequently trained on anti-corruption principles and actual risks considering their specific activities. At the end of 2022, 93% of shore employees and 38% of crew officers had successfully completed the training. The Company monitors the completion rate on a regular basis. To ensure the content of the training is duly updated, the computer-based training modules are frequently revised and shall be retaken by the employees every two years.

Crew also receive anti-corruption guidance regularly through emails and quarterly SEQ Bulletins.

Gearbulk further provides a safe and independent global whistleblowing channel for all stakeholders to submit concerns.

Gearbulk is a member of the Maritime Anti-corruption Network (MACN) and cooperate with like-minded industry companies to promote compliance with anti-corruption laws and eliminate corrupt practices.

Currently, the MACN organisation has over 180 companies globally and is still growing. MACN has at least two meetings each year, and Gearbulk's representatives have participated in meetings held since 2018. MACN encourages members to report any actual or suspected corruption incidents so that MACN can focus combating initiatives in areas with increased risks.

All potential occurrences to date have been reported to MACN supporting the reinforcement of preventative practices in affected areas.

RESPONDING TO GOVERNANCE

ANTI-COMPETITIVE PRACTICES

Legal Actions for anti-competitive behaviour, anti-trust and monopoly practices

There are no past or ongoing legal actions initiated under any national or international laws related to any anti-competitive behaviour, anti-trust, or monopoly practices committed by Gearbulk or its affiliated companies. Accordingly, there are not any decisions or judgments pending or completed related to the subject matter.



No anti-competitive behaviours committed by Gearbulk in 2022.

No claims related to monopoly practices committed by Gearbulk in 2022.

One detailed policy provide guidance in relation to antitrust topics. Crew and shore employees are frequently trained on antitrust practices and monopoly. At the end of 2022, 93% of shore employees and 38% of crew officers had successfully completed the training.

PROTECTING OUR ORGANISATION

COMBATTING CYBER CRIME

Together with our Joint Venture Partner Grieg Star and Joint Venture G2 Ocean, Gearbulk strives to protect our organisation's data from various threats arising from Cyber Crime

As a multinational organisation with a large IT infrastructure, the likelihood of cyber-attacks increases daily, and the loss and manipulation of data can have a significant impact on our organisation. Gearbulk commits to prevention and management of Cyber Crime through active participation as a member of Norma Cyber.

At Gearbulk we are aware that the risk cannot be eliminated. However, we believe that by implementing appropriate controls, the risk can be reduced.

We have achieved this through:

- Implementation of IT systems that are robust
- Enhancement of security measures for remote working
- Conducting simulated phishing attacks and reporting thereof
- Vigorous testing of the potential vulnerability of the IT environment

OUR OBJECTIVE

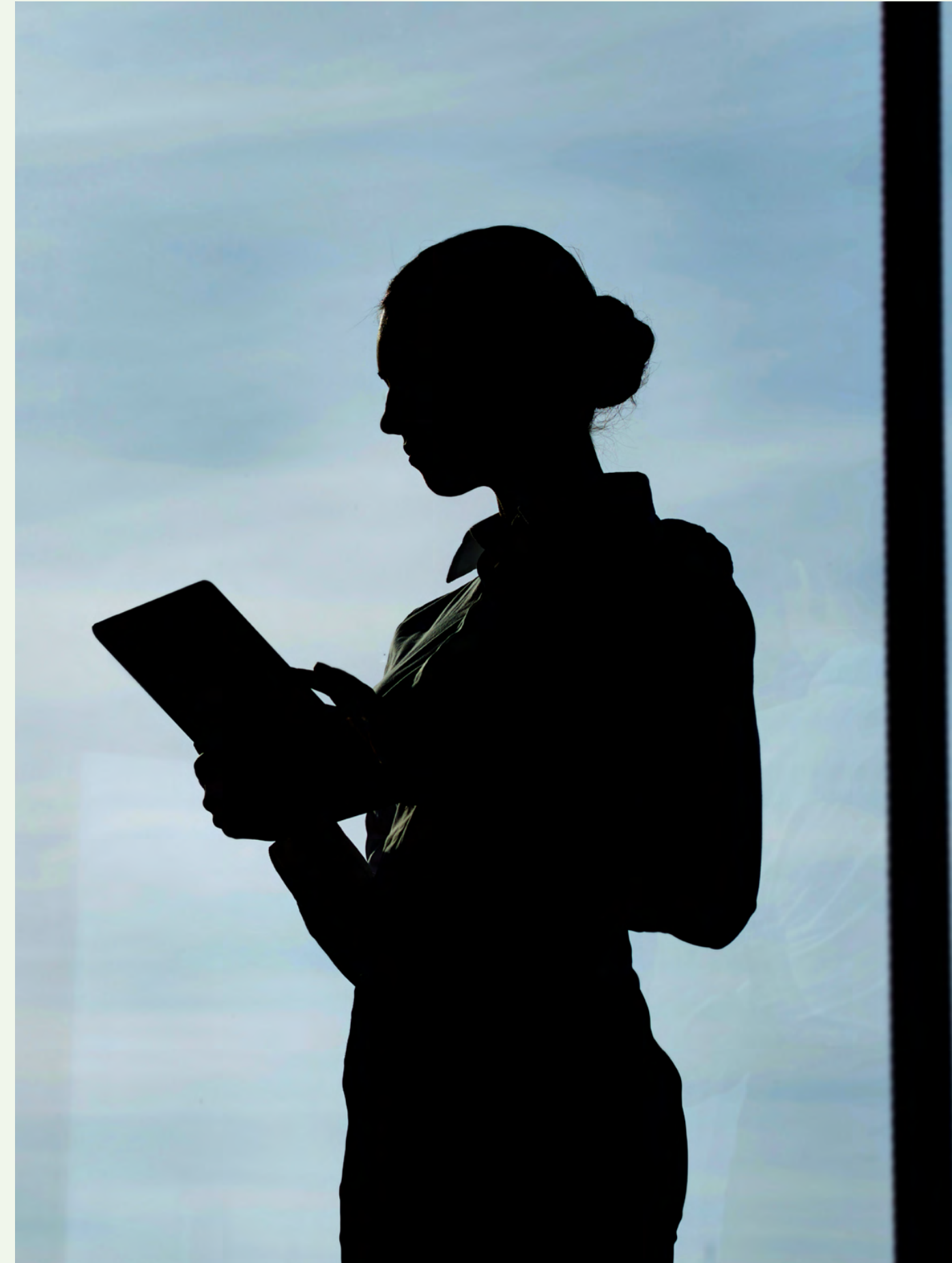
- Robust policies and procedures and provision of training
- Secure IT environment across all platforms

ACHIEVING THE OBJECTIVE

- Train employees on Gearbulk Policies and Cyber Security Behaviour
- Use live training examples in training environment to support learning experiences
- Review and update IT policies taking into account new potential risks
- Increase IT security controls to reduce possible threats

MEASURING OUR ACHIEVEMENT

- Number of employees who received training
- Percentage of simulated phishing attacks spotted
- Number of attacks registered in the organisation



PROTECTING OUR ORGANISATION

OUR PROGRESS IN NUMBERS

92%

OF EMPLOYEES
REGISTERED

Gearbulk uses sophisticated e-learning software to offer and implement computer based cyber security training in an interactive manner. Employees are required to register for regular training.

100%

OF EMPLOYEES
RECEIVED TRAINING

Gearbulk takes Cyber Security very seriously. It is mandatory that all employees complete cyber security training, as failure to do so can have grave consequences. Training is provided on an ongoing basis where employees are kept up to date of the new developments that could affect the daily operations.

67%

OF SIMULATED ATTACKS SPOTTED
BY EMPLOYEES

Through use of advanced cyber security protection tools, simulated hacking attacks are created on a regular basis and delivered via email. Disguised as phishing emails, the employee has the option to delete or report the email. Through this interactive simulation and ongoing training, 67% of simulated attacks were properly identified.

0

ACTUAL MAJOR INCIDENTS
OCCURRED

Cyber attacks increased dramatically in 2022. The increase in actual incidents can be attributed to modern methods hackers utilise to trick the individual in actual day-to-day business scenarios. However, through a combination of increased awareness, strengthened IT Security infrastructure and regular e-learning, the Company is confident to further contain the impact of major incidents in 2023.

GLOSSARY OF TERMS AND ACRONYMS

- **Biofouling:** The accumulation of plant and animal organisms on wetted surfaces.
- **CBT:** Computer based training.
- **COA:** Contract of Affreightment, a contract requiring the carriage of a determined quantity of a specified cargo over a given period of time.
- **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.
- **Dunnage:** Material used to support and secure cargo during transportation.
- **DWT:** Deadweight tonnage is a measure of the sum of the weights a vessel can carry including cargo, fuel, ballast, fresh water, and stores.
- **ECA:** Emission Control Area, areas with more stringent regulation of emissions such as SOX and NOX for environmental and/or human health issues.
- **ECDIS:** Electronic Chart Display and Information System
- **EEDI:** Energy Efficiency Design Index.
- **EEOI:** Energy Efficiency Operational index
- **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.
- **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.
- **GLT:** Gearbulk Leadership Team.
- **IHM:** Inventory of Hazardous Materials.
- **IMO:** International Maritime Organisation, United Nations agency responsible for the safety and security of shipping and the prevention of pollution from ships.
- **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.
- **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.
- **Mt:** Metric tonnes.
- **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.
- **NGOs:** Non-Government Organisation, an organisation which operates independently from any form of government and is not a conventional for-profit business.
- **OCIMF:** Oil Companies International Marine Forum
- **OHGC:** Open Hatch Gantry Crane.
- **OHJC:** Open Hatch Jib Crane.
- **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.
- **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.
- **Semi-open:** Vessels with hatch openings slightly smaller than the cargo hold, causing minor overhangs.
- **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.
- **STCW:** Standards of Training, Certification and Watch-keeping. The IMO Convention for STCW prescribes minimum standards relating to training, certification and watchkeeping for seafarers.
- **Supramax:** Bulk carrier in 50,000 to 60,000 dwt range.
- **TEFC:** Totally Enclosed Forestry Carrier.
- **TRC:** Total Recordable Cases
- **TRCF:** Total Recordable Cases Frequency
- **Tweendecker:** Vessel which has its holds divided by a 'tween' deck which creates upper and lower holds.

GRI INDEX

GRI CONTENT INDEX

Statement of use: Gearbulk Holding AG has reported the information cited in this GRI content index for the period from 1st January 2022 to 31st December 2022 with reference to the GRI Standards. The GRI 1 - Foundation 2021 is used. GRI is notified that we use the standard. The GRI index below includes references to topics addressed in the report, however please be informed that the reporting

is not complete as per the GRI requirements. Gearbulk is consistently improving our reporting methodology and with current efforts we aim to report in accordance with the GRI Framework. When reading the below, please note we refer to the Integrated Report as "IR," the ESG Report as "ESG" and the Financial Statements as "FS."

Disclosure number	Disclosure	Location	Comment
GRI 2 - GENERAL DISCLOSURES 2022			
2-1	Organisational details	Gearbulk Holding AG Headquarters: Switzerland IR p. 14 - 15	
2-2	Entities included in the organisation's sustainability reporting	ESG p. 86	
2-3	Reporting period, frequency and contact point	Reporting period: 1 January 2022 - 31 December 2022 Reporting frequency: Annual Publication date: 17 April 2023 Contact point: Shahn Bothma, ESG and Risk Manager stakeholderrelations@gearbulk.com	
2-4	Restatement of information	ESG p. 15, 18	
2-5	External assurance	No	
2-6	Activities, value chain and other business relationships	IR p. 10-15, 17, 40-41, 61, 63-73 No major changes in sector or value chain occurred in the reporting period	
2-7	Employees	IR p. 14-15, 92, 94 ESG p. 46 - 47, 52 - 53, 58-59	
2-8	Workers who are not employees	IR p. 94	
2-9	Governance structure and composition	IR p. 24 - 26	
2-10	Nomination and selection of the highest governance body	IR p. 24 - 26 The highest governance body is the Board of Directors. The Board of Directors is elected by the Company's shareholders according to the process described by applicable law, by-laws and the shareholder agreement.	
2-11	Chair of the highest governance body	IR p. 24, 28	

Disclosure number	Disclosure	Location	Comment
2-12	Role of the highest governance body in overseeing the management of impacts	IR p. 42 - 45	
2-13	Delegation of responsibility for managing impacts	IR p. 42 - 43	
2-14	Role of the highest governance body in sustainability reporting	The report is reviewed and approved by the Board of Directors.	
2-15	Conflicts of interests	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
2-16	Communication of critical concerns	Gearbulk has implemented a whistle-blowing policy and system where any incidents are reported to those charged with Governance. No incidents have been noted in 2022.	
2-17	Collective knowledge of the highest governance body	IR p. 26	
2-18	Evaluation of the performance of the highest governance body	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
2-19	Remuneration policies	IR p. 27	
2-20	Process to determine remuneration	IR p. 77	
2-21	Annual total compensation ratio	Confidentiality constraints	Compensation is subject to confidentiality clauses in employment agreements.
2-22	Statement on sustainable development strategy	IR p. 18, 22, 32, 60-61 ESG p. 10	
2-23	Policy commitments	IR p. 36, 51 ESG p. 9, 24, 26, 62, 68	
2-24	Embedding policy commitment	IR p. 51 ESG p. 24, 26, 62-63, 71, 73	
2-25	Processes to remediate negative impacts	IR p. 37, 43, 48, 87, 104, 107	
2-26	Mechanisms for seeking advice and raising concerns	ESG p. 9	
2-27	Compliance with laws and regulations	None	
2-28	Membership associations	None	
2-29	Approach to stakeholder engagement	IR p. 40 - 43	
2-30	Collective bargaining agreements	Information unavailable / incomplete	Process optimisation in progress for reporting of data.

Disclosure number	Disclosure	Location	Comment
GRI 3 - MATERIAL TOPICS 2021			
3-1	Process to determine material topics	IR p. 6 -7 ESG p. 10	
3-2	List of material topics	The below GRI topics are considered material for Gearbulk: 201: Economic Performance 205: Anti-corruption 206: Anti-competitive Behaviour 302: Energy 303: Water and Effluents 305: Emissions 306: Effluents and Waste 306: Waste 308: Supplier Environmental Assessment 401: Employment 403: Occupational Health and Safety 404: Training and Education 405: Diversity and Equal Opportunities 406: Non-discrimination 413: Local Communities 414: Supplier Social Assessment	
3-3	Management of material topics	The management approach to each material topic is described on the following pages: 201: Economic Performance: IR p. 83 - 85 205: Anti-corruption: ESG p. 68 - 71 206: Anti-competitive Behaviour: ESG p. 68, 72-73 302: Energy IR p. 104 -107; ESG p. 28 - 31 303: Water and Effluents: ESG p. 28 - 29 305: Emissions: ESG p. 13 - 23 306: Effluents and Waste: ESG p. 24 306: Waste: ESG p. 24-26 308: Supplier Environmental Assessment: ESG p. 24 401: Employment: ESG p. 52 403: Occupational Health and Safety: ESG p. 36 - 41 404: Training and Education: ESG p. 36, 44-46 405: Diversity and Equal Opportunities: ESG p. 56-59 406: Non-discrimination: IR p. 92 413: Local Communities: ESG p. 64-65 414: Supplier Social Assessment: ESG p. 62-63	

Disclosure number	Disclosure	Location	Comment
GRI 201 - ECONOMIC PERFORMANCE 2016			
201-1	Direct economic value generated and distributed	IR p. 83 - 85 Financial Statements*	The FS are not public but are available upon request.
201-2	Financial implications and other risks and opportunities due to climate change	IR p. 32, 36-37, 44-45, 47, 75, 86-87, 91, 105-106	
201-3	Defined benefit plan obligations and other retirements plans	Confidentiality constraints	Benefit / retirement plans are subject to confidentiality clauses in employment agreements.
201-4	Financial assistance received from government	None	
GRI 205 - ANTI-CORRUPTION 2016			
205-1	Operations assessed for risks related to corruption	ESG p. 69 - 70	
205-2	Communication and training about anti-corruption policies and procedures	ESG p. 69, 71	
205-3	Confirmed incidents of corruption and actions taken	ESG p. 71	
GRI 206 - ANTI-COMPETITIVE BEHAVIOUR 2016			
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	ESG p. 72 - 73	
GRI 302 - ENERGY 2016			
302-1	Energy consumption within the organization	IR p. 16 ESG p. 15-17	
302-2	Energy consumption outside of the organization	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
302-3	Energy intensity	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
302-4	Reduction of energy consumption	IR p. 91, 104 -107 ESG p. 28 - 31	
302-5	Reductions in energy requirements of products and services	IR p. 91, 104 -107 ESG p. 28 - 31	
GRI 303 - WATER AND EFFLUENTS 2018			
303-1	Interactions with water as a shared resource	IR p. 106, 137 ESG p. 28-29	
303-2	Management of water discharge-related impacts	ESG p. 28-29	
303-3	Water withdrawal	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
303-4	Water discharge	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
303-5	Water consumption	Information unavailable / incomplete	Process optimisation in progress for reporting of data.

Disclosure number	Disclosure	Location	Comment
GRI 305 - EMISSIONS 2016			
305-1	Direct (Scope 1) GHG emissions	ESG p. 8, 15-16, 18	
305-2	Energy indirect (Scope 2) GHG emissions	ESG p. 17	
305-3	Other indirect (Scope 3) GHG emissions	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
305-4	GHG emissions intensity	ESG p. 18	
305-5	Reduction of GHG emissions	IR p. 37, 106 ESG p. 8, 15 -22, 30-31	
305-6	Emissions of ozone-depleting substances (ODS)	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
305-7	Nitrogen oxides (Nox), sulphur oxides (SOx), and other significant air emissions	ESG p. 8, 16	
GRI 306 - EFFLUENTS AND WASTE 2016			
306-3	Significant spills	ESG p. 8, 26	
GRI 306 - WASTE 2020			
306-1	Waste generation and significant waste-related impacts	IR p. 37, 106 ESG p. 24-26	
306-2	Management of significant waste-related impacts	ESG p. 24-26	
306-3	Waste generated	ESG p. 24-26	
306-4	Waste diverted from disposal	ESG p. 24-26	
306-5	Waste directed to disposal	ESG p. 24-26	
GRI 308 - SUPPLIER ENVIRONMENTAL ASSESSMENT 2016			
308-1	New suppliers that were screened using environmental criteria	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
308-2	Negative environmental impacts in the supply chain and actions	IR p. 50, 106 ESG p. 24	

Disclosure number	Disclosure	Location	Comment
GRI 401 - EMPLOYMENT 2016			
401-1	New employees hires and employee turnover	IR p. 92 ESG p. 52 - 53	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Confidentiality constraints	Benefits to employees are subject to confidentiality clauses in employment agreements.
401-3	Parental leave	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
GRI 403 - OCCUPATIONAL HEALTH AND SAFETY 2018			
403-1	Occupational health and safety management system	IR p. 74, 93, 95 ESG p. 36 - 41	
403-2	Hazard identification, risk assessment, and incident investigation	ESG p. 36 - 41	
403-3	Occupational health services	ESG p. 36 - 41	
403-4	Worker participation, consultation and communication on occupational health and safety	ESG p. 36 - 41	
403-5	Worker training on occupational health and safety	ESG p. 35 - 41	
403-6	Promotion of worker health	ESG p. 34 - 37	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG p. 34 - 41	
403-8	Workers covered by an occupational health and safety management system	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
403-9	Work-related injuries	ESG p. 40	
403-10	Work-related ill health	ESG p. 40	
GRI 404 - TRAINING AND EDUCATION 2016			
404-1	Average hours of training per year per employee	Information unavailable / incomplete	Process optimisation in progress for reporting of data.
404-2	Programs for upgrading employee skills and transition assistance programs	ESG p. 36, 38, 44 - 46, 52, 60-61, 71, 73-76	
404-3	Percentage of employees receiving regular performance and career development reviews	100%	

Disclosure number	Disclosure	Location	Comment
GRI 405 - DIVERSITY AND EQUAL OPPORTUNITY 2016			
405-1	Diversity of governance bodies and employees	IR p. 26, 92 - 95 ESG p. 51, 56 - 59	
405-2	Ratio of basic salary and remuneration of women to men	Confidentiality constraints	The FS are not public but are available upon request.
GRI 406 - NON-DISCRIMINATION 2016			
406-1	Incidents of discrimination and corrective action taken	None	
GRI 413 - LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessment and development programs	ESG p. 64-65	
GRI 414 - SUPPLIER SOCIAL ASSESSMENT 2016			
414-1	New suppliers that were screened using social criteria	Information unavailable / incomplete	
414-2	Negative social impacts in the supply chain and actions taken	IR p. 36, 50 ESG p. 62 - 63	

COMPANIES IN GEARBULK

Gearbulk Holding AG
 Gearbulk Shipowning Limited
 Gearbulk Shipping Singapore Pte. Ltd.
 Gearbulk Shipmanagement Limited
 Gearbulk Shipping AS
 Gearbulk Pool Limited
 Gearbulk Norway AS
 Gearbulk AG
 Gearbulk Limited
 Arrow Terminals Inc.
 Gearbulk Terminais (Brasil) Ltda.
 Gearbulk Management Switzerland AG
 Gearbulk (UK) Limited
 Gearbulk Maritima Ltda.
 Gearbulk Services Japan Ltd.
 Gearbulk Inc.
 Gearbulk Pool Limited - Dubai Branch
 Gearbulk Shipping Singapore Pte. Ltd. - PNG Branch
 Gearbulk Shipowning Limited. - PNG Branch

