

2023 ANNUAL ACCOUNT

GEARBULK'S WORK TO PROMOTE FUNDAMENTAL HUMAN RIGHTS

2023

TRANSPARENCY ACT

 GEARBULK

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1 BACKGROUND AND INTRODUCTION

The Gearbulk Group (“Gearbulk” or the “Group”) is an international shipping company, which provides an indispensable link in the worldwide industrial product chain. An overview of the Gearbulk Group structure is provided in the 2023 Integrated Report p. 20. Only one company in the Group, namely Gearbulk Norway AS (“Gearbulk Norway” or the “Company”, is subject to the Norwegian Transparency Act. However, as Gearbulk has a holistic approach to its work related to human rights and decent working conditions, this account describes the work of the Group even though this is not mandatory. In cases where there are specific matters related only to Gearbulk Norway, this is stated specifically.

Gearbulk’s business areas consist of Shipowning and Commercial, Fleet Management and Terminals. Gearbulk, together with its affiliate, G2 Ocean, operates the world’s largest fleet of open hatch gantry and jib craned vessels; purpose-built to carry forest products and other unitized breakbulk cargoes.

The total Gearbulk fleet is comprised of 65 vessels, which carried more than 15 million tons of cargo and conducted a total of 500 voyages in 2023. Most of the vessels are open hatch vessels or bulk vessels, of which 54 are under Gearbulk management. Gearbulk also has three liquid pitch vessels which are specifically designed to transport high temperature liquid products, such as liquid pitch and one conventional vessel which has been converted to carry liquid caustic soda as well as dry bulk cargo, rather than containerized or unitized cargo. Furthermore, one of the vessels which Gearbulk operates has been converted to operate as a floating storage facility in Papua New Guinea.

Gearbulk also time charters semi-open hatch vessels. The majority of the Gearbulk vessels are employed into G2 Ocean, in either the open hatch or bulk pool. They are primarily designed and equipped to transport unitized cargoes, which consist of forest products (principally wood pulp, lumber, plywood, and different types of paper and paperboard) and other unitized products (principally aluminum, steel and granite).

In addition to providing its customers with a more complete package of transportation services, Gearbulk owns, or has interests in, certain terminal operations in Brazil, which are used to handle, store and distribute cargoes. This account focuses on the shipping activities of Gearbulk, and the terminal activities are therefore considered as part of the supply chain to the extent used by the vessels. As of today, the Gearbulk fleet do call the terminal in Brazil on an ad hoc basis. In this annual account, the terminal is addressed as any other supplier providing services to Gearbulk.

Gearbulk conducts its operations through a global network of offices in Brazil, Japan, Norway, Singapore, Switzerland, and United Arab Emirates. The Group has a total of 131 onshore workforce of which 42% are female.

1.1 GEARBULK NORWAY

The business of Gearbulk Norway is fleet management of the 54 vessels described above. The fleet management services include Technical Management, Crewing, Quality Assurance, Safety, Environmental, Purchasing, Vessel Insurance, Fleet Accounting and a Project Department which provides project design and new build site supervision as well as management of special projects such as vessel conversions. Gearbulk Norway provides fleet management services to G2 Ocean and High Heat Tankers as set out below as well as for other customers.

Gearbulk Norway's office is located in Bergen Norway. The Company has a total of 38 onshore employees of which 17 are female. 1,818 seafarers are contracted by Gearbulk Norway through use of manning agencies.

1.2 JOINT VENTURES

G2 Ocean is a joint venture of Gearbulk and Grieg Shipholding and is set up as a pool company. As a pool participant, Gearbulk has nominated the vessels into the pool, whereby Gearbulk Norway as part of its Fleet Management services provides technical management as a Document of Compliance holder for vessels owned by or on bareboat to Gearbulk. This includes all aspects of technical management such as manning, fleet performance and optimization, maintenance, and docking, as well as projects like vessel conversion, fuel optimization and decarbonization. The joint venture G2 Ocean provides the commercial management for the fleet.

High Heat Tankers is a joint venture between Gearbulk and Trafigura to service the coal tar pitch, bitumen and other specialized high heat cargo markets. High Heat Tankers operates 4-6 vessels and is based in Dubai. Gearbulk Norway provides fleet management services including crew. High Heat Tankers provide commercial management for the fleet of pitch carriers.

GBSMT Limited is a joint venture between Gearbulk and SMT Shipping. It is in the business of self-loading / unloading dry bulk carriers primarily in the Americas and the fleet consists of 14 vessels which one vessel is ex-Gearbulk. Commercial and technical management including crew are performed by SMT Shipping. GBSMT is based in the Marshall Islands, however, the company does not have any employees. SMT Shipping is headquartered in Cyprus and crew is recruited from a wide range of countries, primarily Philippines, Poland, and Ukraine.

2 POLICIES AND PROCEDURES

Gearbulk supports internationally recognised human rights, including the International Bill of Human Rights and other relevant human rights conventions, and the International Labour Organisation's core conventions on fundamental principles and rights at work.

Gearbulk launched a Human Rights Policy describing Gearbulk's commitment to respect and protect human rights in 2022. The Human Rights Policy is part of Gearbulk's Compliance Program which applies to employees and business partners to the Gearbulk Group, including suppliers, manning agents, and crew onboard Gearbulk vessels.

Gearbulk further implemented an enterprise risk management system which has been used to assess actual and potential adverse impact. By using the enterprise risk management system, Gearbulk effectively ensures that the risks are monitored and followed up as part of the regular business process.

Gearbulk updated its Supplier Code of Conduct and standard terms and conditions in 2022 to enhance requirements related to human rights and decent working conditions.

In 2023, the focus has been on the establishment of a Third-Party Management System to assess the risks related to third parties in more depth. Gearbulk has launched a Third-Party Management Policy and Procedure and acquired an IT-system to support the process. The Third-Party Management System includes due diligence related to human rights and decent working conditions. As part of this work the Gearbulk Vendor Self-Assessment Questionnaire form has been updated.

The ESG and Risk Manager is responsible for the Transparency Act and keeps the Board of Directors, the Compliance and ESG Committees and the Gearbulk Leadership Team informed, as and when relevant.

3 EMBEDMENT OF RESPONSIBLE BUSINESS CONDUCT

3.1 THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The Gearbulk Board of Directors is actively involved in the process of promoting basic human rights and decent working conditions hereunder through the Compliance Program as described above. The work related to human rights and working conditions has been presented and discussed at several board meetings in 2023.

3.2 GENERAL PRINCIPLES AND PROCEDURES

Gearbulk's commitment to respect human rights and standards advised by the International Labour Organisation is anchored in its corporate aspiration and values:



This commitment is also reflected in its Code of Ethics and Business Conduct. In addition to the Human Rights and Decent Working Conditions Policy, which is described above, Gearbulk has implemented Human Rights Due Diligence Guidelines which defines the process for due diligence. Gearbulk's Code of Ethics and Business Conduct and the Human Rights and Decent Working Conditions Policy may be requested: stakeholderrelations@gearbulk.com.

These policies and procedures are hereinafter collectively referred to as the "Gearbulk Human Rights Procedures."

As outlined in the Gearbulk Human Rights Procedures, Gearbulk is fully committed to respecting internationally recognized standards for human rights and decent working conditions and will comply with all applicable laws and regulations in countries where it operates.

3.3 INTERNAL ACCOUNTABILITY AND OPERATIONALIZATION

The Board of Directors has the overall responsibility for the human rights' due diligence assessments in Gearbulk. The operational responsibility for execution and continuous follow-up rests with the CEO. The ESG and Risk Manager, with a mandate from and regular review by the CEO and Board of Directors, leads and coordinates the internal work.

The ESG and Risk Manager reports the status of the due diligence process, including the status of implemented risk measures, to the Global Leadership Team and to the Board of Directors of Gearbulk twice per year.

3.4 INTERNAL INFORMATION AND TRAINING

Gearbulk has provided information about the Transparency Act to all employees on its intranet page. In connection with the International Human Rights Day, Gearbulk has published an article on Human Rights on the Gearbulk Intranet platform to raise awareness among employees. A multi-disciplinary project group has provided input to the due diligence assessment.

Gearbulk provides digital e-learning for employees where information regarding the Gearbulk Human Rights Procedures is described, as well as further information regarding the whistleblowing process in Gearbulk. The e-learning covers the main principles of fundamental human rights and decent working conditions and is mandatory for all employees.

As of end February 2024, the completion rate for the e-learning was 81%.

3.5 GEARBULK WHISTLEBLOWING AND GRIEVANCE MECHANISM

Gearbulk has established several channels for raising questions or concern about ethical matters. Gearbulk has implemented a whistleblowing channel for external reporting by anyone having a question or concern which allows for anonymous reporting.

Gearbulk did not receive any reports regarding concerns about human rights or decent working conditions in 2023.

3.6 SUPPLIERS AND BUSINESS PARTNERS OF GEARBULK

Gearbulk expects its suppliers and business partners to apply equivalent high standards of ethics and business conduct when conducting business for or with Gearbulk. Suppliers are vetted through a Supplier Qualification Program. The due diligence of suppliers and business partners is risk-based and may include questionnaires, site visits, audits etc. Gearbulk will not engage with a supplier or business partner who is non-compliant with the principles

described in Gearbulk Human Rights Procedures.

In 2023, Gearbulk has developed a Third-Party Management Policy and Procedure which addresses how to perform due diligence of Third Parties. The development of these policies and procedures has been led by the ESG and Risk Manager and various functions of Gearbulk have been consulted and provided input to ensure all third parties are assessed in a prudent way. The Third-Party Management policy and procedures assess the risk related to Third Parties along various parameters, human rights and decent working conditions, being one important area.

The Third Parties are categorized as low, medium or high risk based on amongst other elements their industry, geographical presence and type of service / product. The Third Parties are also screened by a tool Refinitiv to ensure there are no public accusations or convictions against the Third Party related to human rights. Suppliers are also requested to complete a questionnaire with numerous questions specifically addressing human rights and decent working conditions. Non-satisfactory answers are followed up by Gearbulk.

4 HUMAN RIGHTS DUE DILIGENCE PROCESS

4.1 THE HUMAN RIGHTS' DUE DILIGENCE PROCESS

As part of the due diligence process in Gearbulk, the following overall goals have been set in alignment with the Transparency Act:

- Ensure that the business or operation does not have a potential or actual negative impact on basic human rights or decent working conditions in connection with Gearbulk's business and operation.
- Inform the public through an annual report.
- Provide information upon request.

The main principles behind the due diligence assessments are:

- Preventive
- Risk-based
- Based on priorities with a focus on severity and probability
- Dynamic processes and ongoing follow-up
- Involvement of stakeholders
- Continuous communication and dialogue

4.2 INFORMATION ON ADVERSE IMPACTS, RISKS, AND MEASURES TO MITIGATE THEM

Gearbulk has not identified any information regarding actual adverse impacts in 2023. The significant risks of adverse impacts that the enterprise has identified through its due diligence process are described below.

Gearbulk performed an overall risk mapping of human rights and decent working conditions in 2022. The assessment of negative impact was initiated by a broad risk scoping exercise. The purpose of the scoping exercise was to enable Gearbulk to carry out an initial prioritization of the most significant risks based on industry, geography, company and type of services/products to identify areas where the risk of negative impact on human rights and

decent employment is most likely and most significant.

The following departments in Gearbulk were involved in the mapping process:

- Procurement
- Technical
- Legal / compliance
- HR
- HSEQ
- ESG and Risk

The risks identified as significant during this initial prioritization were subject to more detailed analysis. The handling and follow-up of such risks is part of Gearbulk's enterprise risk management system and includes reporting of controls, planned actions, dedicated responsible persons and deadlines. The result of the risk mapping was reassessed and found to be valid for 2023.

For the avoidance of doubt, all the below risks are applicable for Gearbulk Norway.

4.2.1 Industrial risks

The following risks are considered key for the shipping industry:

- HSE culture
- Fatalities
- Personal injuries
- Forced labour / illegal recruitment fee / debt bondage.
- Child labour
- Working and living conditions for crew
- Decent pay
- Excessive working hours
- Temporary and migrant workers
- Discrimination
- Harassment / brutal treatment

The following activities typically involves salient¹ human rights issues for shipping :

- Shipbuilding, ship repair and ship recycling
- Cargo management and relations
- Supply chain management
- Seafarers and workers
- Terminals and ports
- Search and rescue
- New and emerging risks and opportunities

Gearbulk considers fatalities, personal injuries, working / living environment onboard vessels and harassment / brutal treatment to be the most significant industry risks for shipping.

The operations of Gearbulk entail an inherent risk for fatalities and personal injuries for individuals involved in the operations (crew, stevedores, workers at shipyards etc.). Gearbulk applies controls to prevent such risks from materializing, including but not limited to strict HSE policies and procedures, incident reporting and follow up and safety evaluation of suppliers.

In 2022, Gearbulk launched a safety culture program in cooperation with key business partners. The program continued in 2023 with the implementation of the 10 Lifesaving rules, two safety days in the fleet and the introduction of the Safety & Risk Management principles booklet. The aim of the safety culture program is to raise awareness and authorize all personnel to intervene in case of HSE risks. The safety culture program is expected to reduce the risk of fatalities and personal injuries. Gearbulk monitors its HSE statistic continuously and implements mitigating controls as and when appropriate. The safety culture program will be evaluated to assess its effect.

The risk related to working and living conditions onboard the vessels is also an inherent risk for shipping as seafarers spend lengthy periods onboard. Gearbulk is mindful of the physical and mental implications this may have on the crew. Gearbulk complies with the Maritime Labor

Convention (“MLC”) for all vessels and has also implemented campaigns for its crew focused on mental wellbeing and physical exercise. The working and living conditions are monitored in several ways including but not limited to internal audits, internal inspections, inspections by flag state, port authorities, various vetting agencies, and classification societies as well as by employee surveys. The crew survey has been performed annually over the last years and serves as an important tool to monitor crew well-being and satisfaction.

Gearbulk considers the risk of harassment and brutal treatment to be a significant industry risk, but Gearbulk firmly believes that it offers a secure and healthy working environment for all its employees, ashore and at sea. Gearbulk management is strongly dedicated to preventing harassment and brutal treatment and has implemented zero-tolerance policies and procedures to further minimise the risk. Campaigns have been launched to raise awareness on the topic, and Gearbulk aims to recruit a diverse workforce to reduce the risk of vulnerable individuals/ groups being marginalized.

Gearbulk has further implemented a whistleblowing system to encourage reporting of concerns and incidents. During 2023 the company received several whistleblowing reports. All reports were subject to investigation and were followed up accordingly. No violations of human rights or decent work conditions were identified, and reports have been followed up as per the Gearbulk whistleblowing policy.

The salient human rights issues shipbuilding, ship repair and ship recycling, cargo management and relations, supply chain management and terminals and ports are addressed below under Product and Service Risks. The salient human rights risks of seafarers and workers are relevant as an Industry Risk, Product and Service Risk and Company Specific Risk.

¹ [Human rights - Danske Rederier \(danishshipping.dk\)](#)
[Shipping | Institute for Human Rights and Business \(ihrb.org\)](#)

4.2.2 Geographical risks

To assess general country risk, Gearbulk has used the Rule of Law Index and the Global Rights Index.

The Rule of Law index measures countries' rule of law performance across eight factors: (1) Constraints on Government Powers, (2) Absence of Corruption, (3) Open Government, (4) Fundamental Rights, (5) Order and Security, (6) Regulatory Enforcement, (7) Civil Justice, and (8) Criminal Justice. The index is a good indication of the level of protection of human rights in a country.

The ITUC has developed the Global Rights Index. The ITUC's primary mission is the promotion and defense of workers' rights and interests, through international cooperation between trade unions, global campaigning, and advocacy within the major global institutions. Its main areas of activity include the following: trade union and human rights; economy, society, and the workplace; equality and non-discrimination; and international solidarity. The ITUC Global Rights Index provides relevant information regarding the general protection of labour rights in a country.

From a geographical point of view, the following countries of relevance to Gearbulk are considered high risk: Brazil, China, India, Papua New Guinea, and the Philippines. Gearbulk has implemented the Third-Party Risk Management System to ensure proper due diligence of third parties including collection of improved data related to the geographical risk. An enhanced compliance control is initiated for high risk third parties.

Gearbulk has offices in various locations, however its human resource policies and procedures are applied globally. The working conditions for Gearbulk shore employees are hence not considered a high risk regardless of where the employee is located.

Gearbulk recruits crew from China, India and the Philippines and has a special focus on the crewing agencies in these countries. The HR department of Gearbulk controls the recruitment and uses certified agencies only. Long-term agreements are entered into with a limited number of agencies, and an integrity due diligence check is performed for these agencies. The agencies are also periodically audited.

For the supply chain, geographical risks have been considered for the top ten suppliers based on spending in 2023. The assessment of geographical risk related to the supply chain will be changed with the implementation of the Third-Party Risk Management System which Gearbulk established in 2023. China is identified as the key geographical risks for the supply chain and Gearbulk have implemented measures to alleviate this risk:

- Adoption of a global sourcing strategy helps to minimize our exposure to supply risk.
- When it comes to selecting a supplier, Gearbulk has a rigorous process which includes an assessment of the suppliers' compliance with Gearbulk ESG-standards.
- Gearbulk conducts supplier audits in China to ensure that suppliers adhere to Gearbulk's ethical and sustainable business practices. These audits review human rights practices and labour standards, and Gearbulk works collaboratively with our suppliers to ensure compliance.

Finally, Gearbulk has enhanced its Third-Party Risk Management System in 2023 to further assess geographical risk for the supply chain. The IT-system supporting Third-Party Risk Management is currently being implemented and will provide a solid basis for considering risks related to Third Parties.

In the specific countries listed above, the risk of material adverse impact on human rights and decent work conditions are considered high and will be prioritized in Gearbulk's further risk analysis and implementation of relevant measures.

4.2.3 Product and service risks

Product and Service specific risks focuses on the risk of the supply chain violating human rights or decent work conditions. This could be a supplier or sub-supplier. Gearbulk continues to map and assess the risks related to its supply chain.

Gearbulk uses a screening provider Refinitiv to screen key suppliers. Gearbulk has already retained a tool (Refinitiv) for dedicated screening of any Third-Party corporations, suppliers, governments, and individuals. Gearbulk only needs to input the name once, and the tool will check it 24/7/365 automatically and continuously. The tool also allows for ad hoc screening as well.

For human rights and decent work conditions specifically, Gearbulk has a special focus on the risk related to shipbuilding, ship repair and ship recycling as these are known to be salient risks in shipping. In 2023, Gearbulk has recycled one ship. A strict due diligence process was followed to ensure compliance with the Hong Kong Shipping Convention. Gearbulk performs verifications of shipyards for maintenance and classification and has on-site supervision / surveillance. For 2023, Gearbulk will further develop its integrity due diligence program and collect more information about shipyards used.

Gearbulk focuses specifically on recruitment of crew. There is an inherent risk related to recruitment of seafarers, including but not limited to the risk of forced labour / modern slavery. Reference is made to the measures implemented and planned for manning agencies as described above.

Further, cargo management and relations are considered as a service risk. Cargo management risks related to health and safety are deemed to be a result of dangerous cargo or cargo handling. Cargo relations risks relate to the owners of the cargo and their impact on human rights and decent work conditions. Gearbulk complies with all relevant rules and regulations related to maritime transportation of dangerous goods.

Cargo management risks are addressed as part of Gearbulk's HSE Management System. Cargo relations risks are currently assessed manually; this will be addressed by the Third-Party Management System going forward.

4.2.4 Company specific risks

The key company specific risk identified for Gearbulk is limited resources to handle incidents and projects such as human rights impact assessments etc. outside daily business. To mitigate this risk, Gearbulk has appointed an ESG and Risk manager as the responsible person and engaged external support. E-learning on human rights and decent working conditions has been launched to all employees to raise awareness about the topic and ensure that issues related to human rights / decent working conditions are raised.

Mapping of company specific risk for suppliers and business partners will be done in the new Third-Party Management System going forward with the support of the screening tool Refinitiv. In 2023 there were no hits related to human rights or decent working conditions in the screening by Refinitiv.

4.3 INFORMATION REGARDING TRACKING OF IMPLEMENTATION AND RESULTS, COMMUNICATION AND REMEDIATION

The tracking of implementation and results related to the specific risks of adverse impact is done through Gearbulk's enterprise risk management system as described above and as set out in detail in the Gearbulk Human Rights Procedures.

For the avoidance of doubt, all the below are applicable for Gearbulk Norway.

RISK CATEGORY: INDUSTRY RISK

Individual Risk	Lack of adequate standard of living and work environment onboard vessels	
Risk Description	Seafarers spend lengthy periods onboard vessels where the standard of living and working may be difficult and often involves strenuous activity in a challenging environment. Employers shall provide workers with safe and hygienic working and living environment in accordance with prevailing industry standards.	
Existing Controls:	Planned control measures:	Expected results:
(i) Compliance with MLC for all vessels (ii) Mental wellbeing campaign (iii) Exercising campaign	(i) Upgrade of recently purchased vessels. (ii) Campaigns	Improved standard of living and work environment for seafarers.

Individual Risk	Harassment / brutal treatment	
Risk Description	Physical, sexual, psychological or verbal harassment, abuse, violence or intimidation may take place at the workplace both at shore and at sea. The risk is more salient at sea and more for vulnerable groups (immigrant workers, women etc.)	
Existing Controls:	Planned control measures:	Expected results:
(i) Policies and procedures (ii) Campaigns (iii) Diverse work force (iv) Management commitment	(i) Review and updated Policies and procedures (ii) Regular Campaigns creating awareness in the business (iii) Creation of equal opportunities in the workplace (iv) Continuous Management commitment	Reduced risk of harassment / brutal treatment of workers.

RISK CATEGORY: GEOGRAPHICAL RISK

Individual Risk	Brazil is ranked as a high-risk country with regards to human rights and decent work conditions	
Risk Description	Several reports and indexes scores Brazil as a high-risk country with regards to human rights and decent work conditions. As Gearbulk has extensive activity in Brazil, there is an inherent risk of negative impact.	
Existing Controls:	Planned control measures:	Expected results:
<ul style="list-style-type: none"> (i) Local working conditions for Gearbulk employees assessed and deemed good (ii) Union collaboration and agreements in place (iii) Global company procedures and policies in place 	<ul style="list-style-type: none"> (i) Collect information about human rights and decent work condition issues in Brazil to consider mitigating controls 	Increased knowledge about the situation for human rights and working conditions in Brazil will allow Gearbulk to focus its efforts where the effect is most significant.

Individual Risk	China is ranked as a high-risk country with regards to human rights and decent work conditions	
Risk Description	Several reports and indexes scores China as a high-risk country with regards to human rights and decent work conditions. As Gearbulk recruits seafarers from China and have several key suppliers in China, there is an inherent risk of negative impact.	
Existing Controls:	Planned control measures:	Expected results:
<ul style="list-style-type: none"> (i) HR Gearbulk controls recruitment (ii) Use of certified agencies only (iii) Long-term agreements with agencies (iv) Periodical audits of agencies, shipyards and suppliers 	<ul style="list-style-type: none"> (i) Collect information about human rights and decent work condition issues in China to consider mitigating controls (ii) Check recruitment/ manning agent/ shipyard through our screening tool (iii) Check terms and conditions with recruitment/ manning agent 	Increased knowledge and awareness about the situation for human rights and working conditions in China will allow Gearbulk to focus its efforts where the effect is most significant and increase expectations to agents / shipyards.

RISK CATEGORY: GEOGRAPHICAL RISK (Cont.)

Individual Risk	Philippines is ranked as a high-risk country with regards to human rights and decent work conditions	
Risk Description	Several reports and indexes score the Philippines as a high-risk country with regards to human rights and decent work conditions. As Gearbulk recruit seafarers from the Philippines, there is an inherent risk of negative impact.	
Existing Controls:	Planned control measures:	Expected results:
<ul style="list-style-type: none"> (i) HR Gearbulk controls recruitment (ii) Use of certified agencies only (iii) Long-term agreements with agencies (iv) Periodical audits of agencies 	<ul style="list-style-type: none"> (i) Collect information about human rights and decent work condition issues in the Philippines to consider mitigating controls (ii) Check recruitment / manning agent in Refinitiv (iii) Check terms and conditions with recruitment/ manning agent 	Increased knowledge and awareness about the situation for human rights and working conditions in the Philippines will allow Gearbulk to focus its efforts where the effect is most significant and increase expectations to agents.

Individual Risk	India is ranked as a high-risk country with regards to human rights and decent work conditions	
Risk Description	Several reports and indexes scores India as a high-risk country with regards to human rights and decent work conditions. As Gearbulk has extensive activity in India, there is an inherent risk of negative impact.	
Existing Controls:	Planned control measures:	Expected results:
<ul style="list-style-type: none"> (i) HR Gearbulk controls recruitment (ii) Use of certified agencies only (iii) Long-term agreements with agencies (iv) Periodical audits of agencies, shipyards and suppliers 	<ul style="list-style-type: none"> (i) Collect information about human rights and decent work condition issues in India to consider mitigating controls (ii) Check recruitment / manning agent in Refinitiv (iii) Check terms and conditions with recruitment / manning agent 	Increased knowledge and awareness about the situation for human rights and working conditions in India will allow Gearbulk to focus its efforts where the effect is most significant and increase expectations to agents.

RISK CATEGORY: GEOGRAPHICAL RISK (Cont.)

Individual Risk	Papua New Guinea is ranked as a high-risk country with regards to human rights and decent work conditions	
Risk Description	Several reports and indexes scores Papua New Guinea as a high-risk country with regards to human rights and decent work conditions. As Gearbulk operates a floating terminal in Papua New Guinea, there is an inherent risk of negative impact.	
Existing Controls:	Planned control measures:	Expected results:
<ul style="list-style-type: none"> (i) Use of certified agencies only (ii) Long-term agreements with agencies 	<ul style="list-style-type: none"> (i) Collect information about human rights and decent work condition issues in Papua New Guinea to consider mitigating controls (ii) Periodical audits of agencies 	Increased knowledge and awareness about the situation for human rights and working conditions in Papua New Guinea will allow Gearbulk to focus its efforts where the effect is most significant and increase expectations to agencies.

RISK CATEGORY: PRODUCT AND SERVICE RISK

Individual Risk	Recruitment and employment of seafarers	
Risk Description	The use of recruitment agencies and manning agents involves a risk of seafarers' right to freedom of movement being violated, low or unpaid wages, unpaid benefits, recruitment fees and modern slavery in the form of debt bondage.	
Existing Controls:	Planned control measures:	Expected results:
<ul style="list-style-type: none"> (i) HR Gearbulk controls recruitment (ii) Use of certified agencies only (iii) Long-term agreements with agencies (iv) Periodical audits of agencies (v) Procedures and policies in place (vi) International authorities' requirements 	<ul style="list-style-type: none"> (i) Review and update policies and procedures to support our commitment to fair recruitment practices for our seafarers (ii) Consult with our manning agents and consider updating terms and conditions in agreements (iii) Conduct regular surveys onboard our vessels to collect information for consideration 	Fair recruitment and remuneration for our seafarers complying with all local laws and regulations.

RISK CATEGORY: COMPANY SPECIFIC RISK

Individual Risk	Limited resources to handle incidents and projects outside daily business	
Risk Description	Human rights and decent work conditions may not be followed up timely and sufficiently due to lack of resources.	
Existing Controls:	Planned control measures:	Expected results:
<ul style="list-style-type: none"> (i) ESG and Risk manager appointed as responsible person (ii) External advisor engaged to support (iii) E-learning prepared to engage the full organisation 	<ul style="list-style-type: none"> (i) Annual account to be prepared and reviewed by Management (ii) Automisation of procedures to support the activities 	Reduced risk on non-compliance of laws and regulations pertaining to Human Rights.

The ESG and Risk Manager assesses the need for annual verification of the Human Rights Due Diligence process, using internal and/or external resources. For 2023, this was not deemed appropriate as the Third-Party Management System which is incremental to the due diligence process is still under implementation. During the verification process, employee representatives and unions should be consulted if relevant, as well as other stakeholders as deemed necessary. Specifically, consideration shall be given to involving industry associations or other external resources in the verification process.

Gearbulk communicates externally relevant information on Human Rights Due Diligence policies, processes, and activities conducted to identify and address actual or potential adverse impacts, including the findings and outcomes of those activities. Information about Gearbulk's work on human rights and decent working conditions can also be found in its 2023 ESG Report.

Gearbulk has also established specific guidelines for handling any information requirements in accordance with Section 6 of the Transparency Act. Furthermore, communication with affected parties and stakeholders are to be given priority. The communication of human rights and decent work conditions issues will be incorporated into Gearbulk's communication plans.

Gearbulk is committed to providing or cooperating in remediation where appropriate. If an actual adverse impact has occurred, the ESG and Risk Manager will as soon as possible coordinate an action plan to consult involved parties and follow up the specific case. The plan shall include evaluating whether those who have complained are satisfied with the process that has been implemented and the result of the process. Gearbulk will consider whether to use existing complaints mechanisms in the specific case. Potential complaints mechanisms may include the OECD Contact Point in Norway and / or trade unions or workers' representatives.

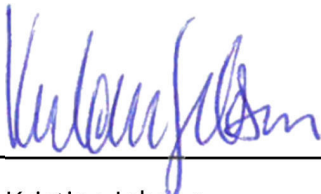
5 SUMMARY AND WAY FORWARD

Gearbulk continues the focus on strengthening its due diligence process for human rights and decent working conditions. An important focus area for 2024 will be to effectively implement the new Third-Party Management System. The system will be an important part of the due diligence process and allow Gearbulk to target its efforts more specifically to high-risk matters. The system will also improve the process for tracking implementation and results, involvement and cooperation with relevant stakeholders and further communication about the impacts. These initiatives are expected to reduce the risk of negative impact on human rights and decent working conditions.

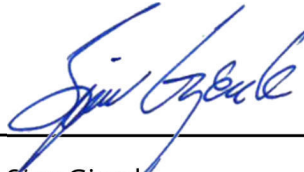
This annual report is made pursuant to the Norwegian Transparency Act section 5. The report covers the period from 1 January 2023 to 31 December 2023.

The account was approved by the Board of Directors of Gearbulk Norway AS on 19.06.2024.

**Gearbulk Norway AS
Bergen, 19 June 2024**



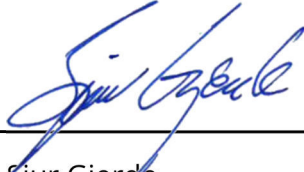
Kristian Jebsen
Chairman



Sjur Gjerde
Board Member



Hans Petter Aas
Board Member



Sjur Gjerde
General Manager