

SUSTAIN ABILITY REPORT 2022

HARREN GROUP

FROM THE MANAGEMENT



„It is great to see that the international shipping industry has committed to decarbonise faster than originally planned. We as Harren Group fully subscribe to this crucial goal and will contribute and collaborate to ensure we deliver well for the next generations.“

DEAR READER,

I am proud to present the inaugural sustainability report from the Harren Group.

Shipping is a necessity to keep the world operational. This became even more apparent in 2020 and into 2021, when COVID-19 and the resulting lockdowns caused pileups of goods at major logistics hubs around the world. But global shipping holds other significant responsibilities next to ensuring a steady flow of trade between nations. Shipping accounts for ca. 2,9% of world CO₂ emissions* and despite sea transport remaining the far most environmentally efficient mode of transportation, we must recognise the critical role we hold and work towards a much more sustainable operation. In the Harren Group we have taken serious steps already – first and foremost with signing to the globally recognised Call to Action programme where we have proclaimed our ambition to be carbon neutral by 2050. To achieve this, we must start now, and we have resolutely embarked on this journey knowing that there are no short cuts or easy ways when it comes to attaining long term sustainability.

When we reviewed our activities, we realised how active we have already been in all areas of ESG without making a centralised effort. As we collect information to establish a central platform and provide a clear overview, we can see a picture emerging – one that shows where we are going as a corporation. This is a picture of vibrant colours and bold strokes, inspired and guided by the United Nations Sustainable Development Goals: For example, wind energy cargo accounts for more than 40% of our business in heavy lift. We are slashing carbon emissions with smart technologies and careful engineering, and by designing state-of-the-art vessels for our fleet. And we are actively limiting single-use plastics and advocating the same among our clients.

These achievements and more fill our canvas and form our ESG strategy.

The Harren Group is a shipping and logistics conglomerate – but we are a family business too. We have a strong set of values built on solid ethics, mutual trust and embracing cultural diversity within our corporate family. We have more than 3,600 dedicated people working on ground-breaking projects and carrying cargoes across oceans. Our people are the measure of our success. And our governance is guided by our commitment to the well-being and care of our people – doing the right thing. A strong and positive team culture inspires creativity, which in turn builds our business. Channelling some of the creative energy to our sustainability programme will bring us far.

Our sustainability aspiration is profound, but we need to remain ambitious in the years to come. This Sustainability Report is a testament to our long-term dedication and a first visible step on this journey.

I hope you find our first report both interesting and inspiring.

Enjoy your reading.

A handwritten signature in blue ink, appearing to read 'M. Harren', written over a light blue horizontal line.

On behalf of the Management Team
Dr. Martin Harren, Group CEO

*The IMO 4th Green House Gas Study 2020 states shipping accounts for 2,89% of world CO₂ emissions

ABOUT THIS REPORT

This is the first annual sustainability report of the Harren Group. The report covers the 2021 calendar year and recent developments as a consolidated overview across the business units within the Group. Our approach to sustainability reporting focusses on key achievements in the areas of environment, social and corporate governance. We have prepared this report to document our past and ongoing, wide-ranging initiatives. It creates a robust foundation and framework for our future developments, commitments and reporting.

In this report we refer to the **United Nations Sustainable Development Goals** as our guiding principles. As signatory to the Call to Action for Shipping Decarbonization, an initiative by the **Global Maritime Forum** together with the World Economic Forum, we commit to actively contribute through collaboration and our own concrete targets to meet 2030 and 2050 ambitions.

The report reviews and documents our performance in each of the ESG areas while defining forward-moving targets and objectives.



The 17 **Sustainable Development Goals** (SDGs) present the core of the 2030 Agenda for Sustainable Development, which was adopted by the UN in 2015.



The **Global Maritime Forum** was founded with the mission „to shape the future of global seaborne trade to increase sustainable long-term economic development and human wellbeing.“*

*quote: www.globalmaritimeforum.org/about

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ENVIRONMENT
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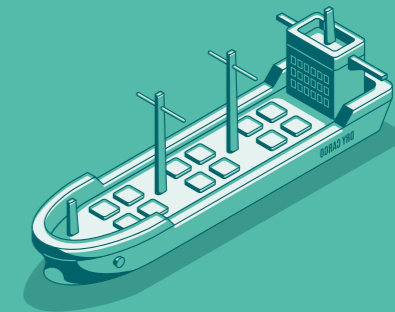
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HARREN GROUP AT A GLANCE

Activities

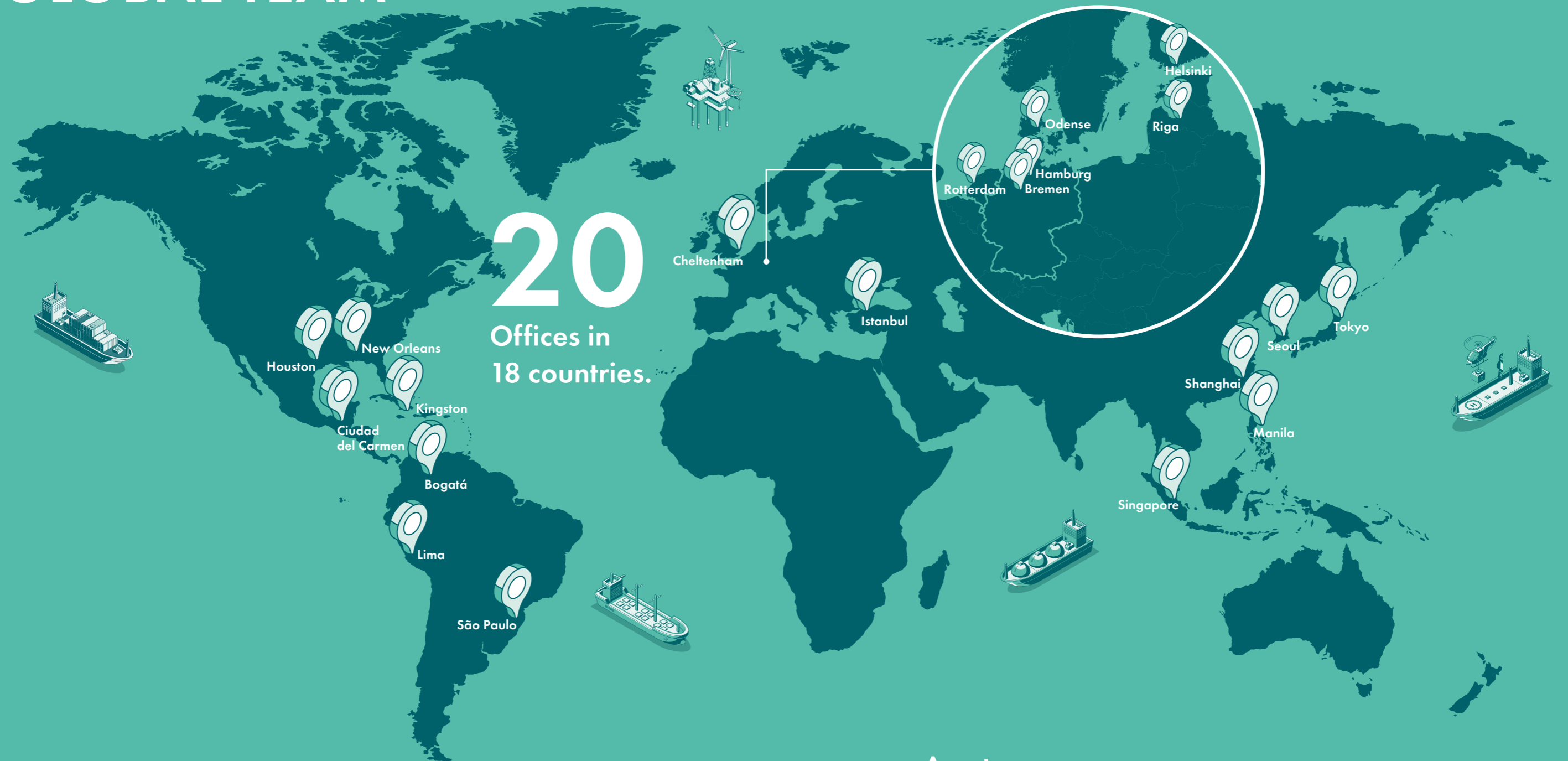
Our core competence is to manage complex maritime projects and deliver a wide range of high-end services to a global client base. The portfolio of services covers five key business areas:

- › Heavy lift shipping and engineering solutions
- › Industrial logistics projects
- › Ship owning and ship management services
- › Offshore and salvage handling
- › Renewable energy logistics



Brands

A TRULY GLOBAL TEAM



20
Offices in
18 countries.

Statistics and figures

3610

employees
470 ashore, 3140 at sea

57

nationalities
working as one team

105

cadets, apprentices
and trainees

84

units under
management

Assets

Units under management	Number total	Added since 1/2021
HEAVY LIFT	28	5
BULK CARRIERS	15	4
TANKERS	10	1
CONTAINER VESSELS	2	–
OFFSHORE WIND CONSTRUCTION	4	1
DOCK VESSEL	1	–
SPECIALISED TUGS & BARGES	24	3



E

ENVIRONMENT

“We are committed to reduce our emissions and ensure responsible consumption in our operations.”

Shipping significantly impacts the global scale of carbon emissions. At Harren Group, we take the decarbonisation of seaborne shipping very seriously. Together with our stakeholders and partners, we are working towards shared improvement goals for a greener tomorrow in our business. We have a holistic approach to sustainability, recognising that we need to make efforts in multiple areas collectively as an industry and individually as a company to achieve long-lasting improvements – both above and below the surface.

With our environmental focus, we are contributing to:

<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 
<p>13 CLIMATE ACTION</p> 	<p>14 LIFE BELOW WATER</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 

Challenge accepted – the path towards minimising our CO₂ footprint.



Getting to Zero Coalition

In order to meet the IMO's ambition to reduce GHG emissions from shipping by at least 50% by 2050, the Getting to Zero Coalition is targeting to bring zero emission vessels into operation by 2030. The alliance with over 150 stakeholders from the maritime, energy, infrastructure and finance sectors is further supported by governments, IGOs and knowledge partners, e.g. the UCL Energy Institute, the Environmental Defense Fund and the Energy Transitions Commission. Together, the partners collaborate in the development of the required technologies and infrastructure.



<https://www.globalmaritimeforum.org/content/2021/09/Report-on-Climate-Commitments-by-Signatories-to-the-Call-to-Action-for-Shipping-Decarbonization.pdf>



In September 2021, the World Economic Forum, the Global Maritime Forum and the Friends of Ocean Action publicly launched the Call to Action for Shipping Decarbonization initiative which was started six months before. The aim: to form a strong alliance of maritime companies dedicated to reducing emissions, and especially carbon dioxide. The publicly displayed commitments* made by the companies that signed the Call to Action reach far beyond regulatory requirements. They document a strong will to do more and launch an effective fight against climate change. As of March 2022, over 230 companies had signed up for the initiative. One important milestone was the handing-over of commitments to the UK COP Presidency ahead of COP 26 in Glasgow in November 2021.

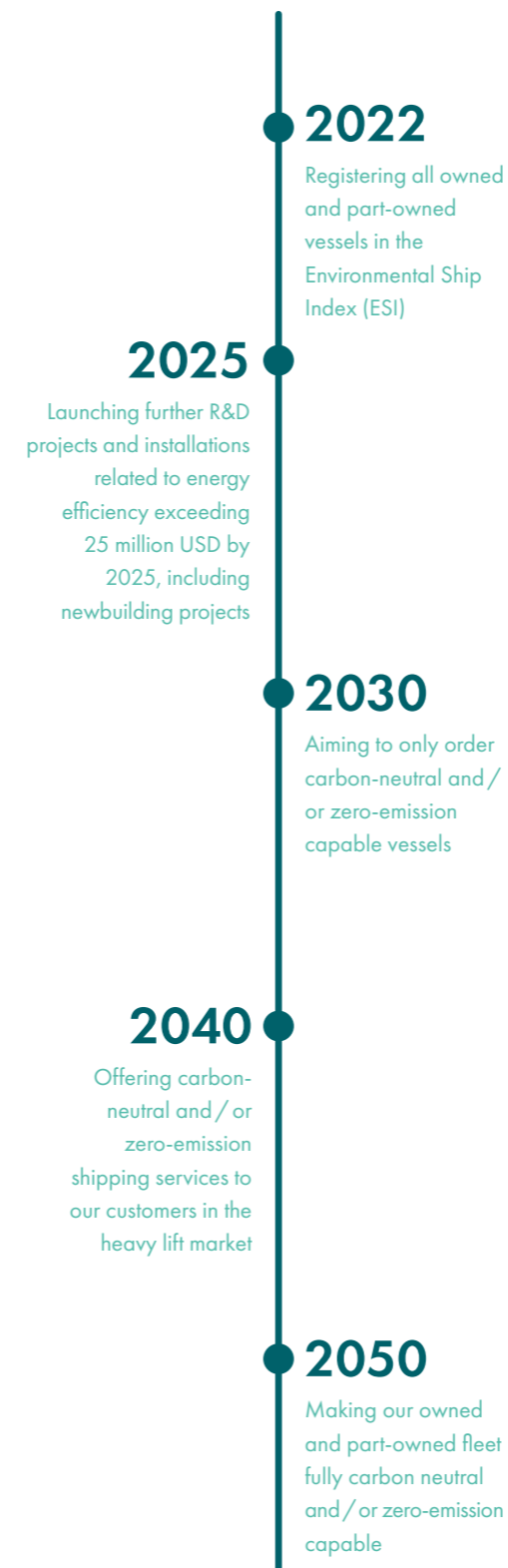
In late summer 2021, the management at Harren Group decided to join the initiative, becoming a signatory to the Call to Action with their own strong commitments throughout the Group. These supplement ongoing activities in a wide range of areas.

Our key Group commitments include:

- › Offering carbon-neutral and / or zero-emission shipping services to our customers in the heavy lift market by year 2040
- › Making our owned and part-owned fleet fully carbon neutral and / or zero-emission capable by 2050
- › Registering all owned and part-owned vessels in the Environmental Ship Index (ESI) by 2022
- › Aiming to only order carbon-neutral and / or zero-emission capable vessels by 2030
- › Launching further R&D projects and installations related to energy efficiency exceeding 25 million USD by 2025, including newbuilding projects
- › Continuously evaluating options to increase vessel efficiency, including hull and propulsion modifications, frequency converter installations and voyage planning in close collaboration with industry partners, universities and other leading organisations

Becoming a signatory to the Call to Action marks an important step in our overall approach to contribute with our activities. It reflects our commitment as a group – and a promise from several important industry players to fight climate change together.

Our Key commitments include:



Certifications

As a globally acting organisation, we are committed to assess and minimise any negative effects our operations and processes might have on the environment, and we constantly monitor and control our impacts on sea, air and land. Further, we have a strong commitment towards the reduction of occupational injuries and diseases and we effectively promote and protect physical and mental health of our employees on-board and ashore. Lastly, it is the overall quality of our operations that is recognised by our customers and stakeholders every day. We strive to continuously increase their satisfaction going forward.

Within the Harren Group, we are certified according to the highest standards of ISO 9001, 14001 and 45001.

CERTIFICATIONS IN PLACE:

ISO 9001 Quality Management

- › Harren Ship Management GmbH & Co. KG
- › Harren Tanker Management GmbH & Co. KG
- › HPS Shipping Management GmbH & Co. KG
- › SAL Ship Management UG (haftungsbeschränkt) & Co. KG
- › Harren Bulkers Management UG (haftungsbeschränkt)
- › Combi Lift Projekt GmbH & Co. KG and Combi Lift GmbH
- › trans-Mar-supply GmbH & Co. KG
- › SAL Heavy Lift GmbH & Co. KG
- › SAL Engineering GmbH
- › SAL Renewables GmbH & Co. KG
- › Harren & Partner Services Mexico S.A.P.I. de C.V.

ISO 14001 Environmental Management

- › Harren Ship Management GmbH & Co. KG
- › HPS Shipping Management GmbH & Co. KG
- › SAL Ship Management UG (haftungsbeschränkt) & Co. KG
- › Combi Lift Projekt GmbH & Co. KG and Combi Lift GmbH
- › SAL Heavy Lift GmbH & Co. KG
- › SAL Engineering GmbH
- › SAL Renewables GmbH & Co. KG
- › Harren & Partner Services Mexico S.A.P.I. de C.V.

ISO 45001 Occupational Health and Safety

- › Harren Ship Management GmbH & Co. KG
- › HPS Shipping Management GmbH & Co. KG
- › SAL Ship Management UG (haftungsbeschränkt) & Co. KG
- › Combi Lift Projekt GmbH & Co. KG and Combi Lift GmbH
- › SAL Heavy Lift GmbH & Co. KG
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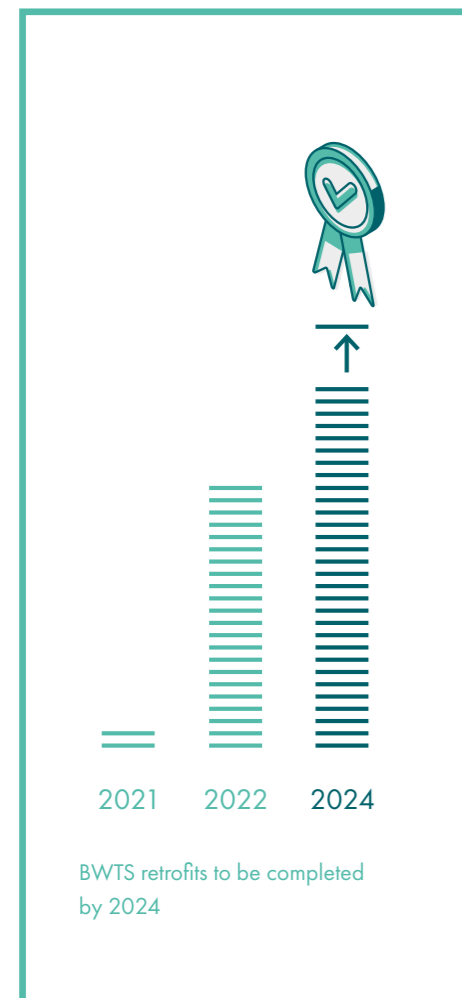
*Commitments made by the companies that signed up to the Call to Action

The oceans bind us all together and their health is key to sustaining life on earth. Protecting our oceans is therefore a profound duty for us.

Ballast water

In 2017, the IMO set the International Convention for the Control and Management of Ship's Ballast Water and Sediments (BWM Convention) into force to help prevent the global spread of potentially harmful and invasive organisms and species. In our group, we went through a comprehensive assessment and selection process to find the treatment systems that work best for both our vessels and the environment. The systems we chose use filtration and electro chlorination to ensure a minimal impact on the environment.

We completed two retrofits in the tanker segment in 2021 and plan 22 retrofits across all vessel segments in 2022. In 2024, we will be completing the BWTS installations in our fleet.



“So far, the trial has been a true success and the response from the vessels is very positive. Not only do we reduce the plastic waste on board – we further save on logistics and the water actually tastes better than before as reported by the crew.”



WOLFGANG VOLKENS,
DIRECTOR FLEET MANAGEMENT
AND PROCUREMENT

Trial with drinking water units

In early 2022, we initiated a trial with drinking water supply units on board two of our vessels in an attempt to eliminate single-use-plastics on board. These units use filtration and mineralisation to process the freshwater self-sufficiently produced on board, ensuring it is safe to drink and tastes good. The crews use stainless steel bottles to refill at any of the two drinking water units installed on board. Based on the number of 1.5 liter water bottles supplied to our fleet in 2021 and the first result of the current trial, we expect a saving of 5,400 bottles per vessel per year. Once the trial is successfully completed, we plan for a fleet-wide rollout. Until 2023, our ambition is to reduce plastic bottles by 50%.



2021 KEY METRICS

3.144.007

nautical miles sailed in total*

954.544

metric tons of CO₂*

18.470

metric tons of NOx*

1.725

metric tons of SOx*



* 2021 figures reflecting key segments Tankers, Heavylift, Bulk and Container

Fleet Development, Energy Efficiency and Reduction of Greenhouse Gasses.

RESEARCH & DEVELOPMENT

First to run Hydrogen generator technology

In early 2021, Harren Group's heavy lift entity, SAL Heavy Lift, signed an agreement with FUELSAVE GmbH to install an advanced hydrogen / methanol injection system on part of their fleet. SAL is the world's first to apply this technology. This shows the Group's commitment to collaboration and investments in new green technology.

By dynamically injecting a mix of hydrogen, oxygen, water and methanol into selected parts of the air intake of both the main engine and the auxiliary engines, the FS MARINE+ system ensures a much cleaner and thorough combustion process. This cuts primary fuel consumption while reducing emissions and air pollution. The system is already installed on the MV Trina with the trial expected to be completed by end 2022.

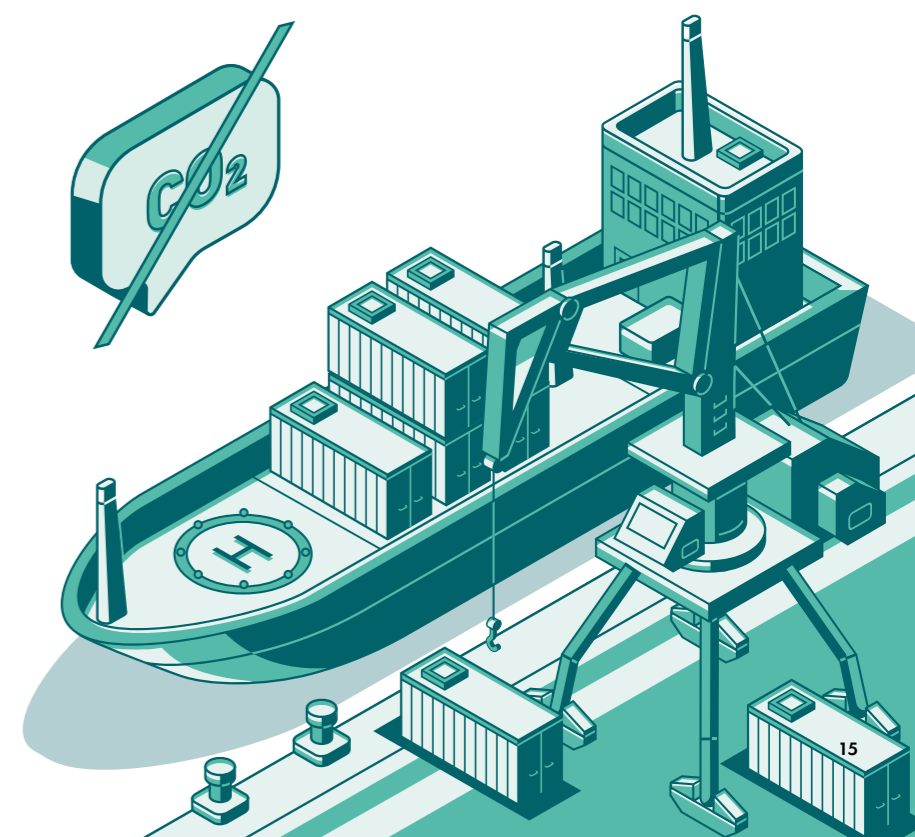
Projected results: 10% CO₂ reduction, 15% SOx reduction, 30–80% NOx and 40% particle emission reductions.

Advanced new building design programme

The Group's newbuilding programmes include newly developed propulsion systems and hull designs encompassing the latest technologies optimised for low emissions.

The Research and Development team created a new vessel class that holds the lowest carbon emission footprint of any vessel in its size and type for the Group's heavy lift newbuilding programme. Latest technologies have been applied including the Group's own 3D printer for hull optimisation. Utilising hybrid technologies for onboard power management and enabling shore connectivity opportunities, the vessels will operate with significantly reduced emissions. The fleet's engines are designed for dual fuel, with an optimised EEXI / CII footprint.

The Group aims to have these new vessels in operation by 2025.



CO₂ REDUCTION IN OPERATION

New vessel performance monitoring system

In 2020, we formed a task force to review the changing regulations and emission targets set out by the IMO (EEXI, CII, net-zero CO₂ emissions by 2050) and the EU's Emission Trading System.

It became clear that an upgraded performance monitoring was required to not only ensure a robust compliance with upcoming regulations and new ambitious CO₂ emission reduction targets, but to significantly upgrade the common information base between ship and shore to reduce consumption and therewith the ecologic footprint collaboratively as a team.

And there is more, as such common data base does not only allow for well-informed decision making, but also serves as the basis for solid data analytics and enhanced operational performance and planning with the aim to achieve a responsible consumption approach at any given time.

Further, the planned widely applied switch to automated high-frequency data collection significantly reduces manual data input and eliminates potential human error.

Actions planned

Currently, extensive trials are run with shortlisted providers on different sister vessels within the heavy lift and bulk carrier fleet. Such trials consist of fully sensor-equipped vessels as well as of conventional reporting procedures. Feedback both from crews and shore-based specialists will be evaluated to ensure maximum impact for roll-out onto the remaining fleet.

Project goals and targets

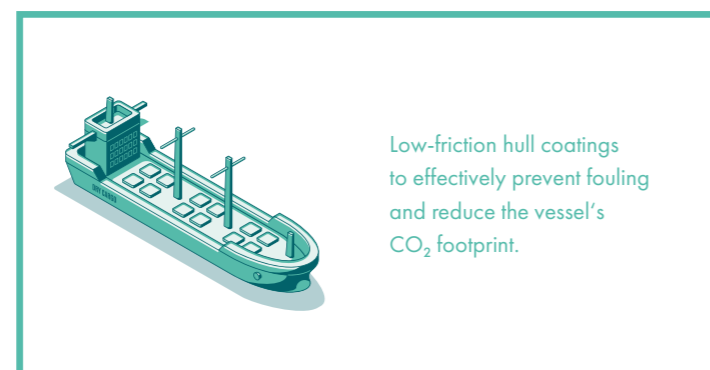
- › Save fuel, increase energy efficiency and reduce carbon footprint
- › Enable vessel performance analysis against ship models
- › Detect further fuel-saving potentials
- › Determine actual hull conditions and performance
- › Improve transparency in ship-shore communication
- › Improve data quality
- › Reduce administrative burden for crew

Numerical targets Overall reduction in fuel consumption min. 4%

Application of low-friction hull coatings

Slow steaming and long periods in tropical waters often result in extensive fouling on the underwater hull. This means added resistance in transit – and higher fuel consumption and CO₂ emissions. Therefore, we carefully select the antifouling coating to be applied in drydock. We are also running tests with latest lowfriction hull coatings designed to prevent fouling over the long term and help reduce the vessels' CO₂ footprint.

We started the initiative in 2021 and will commence with further applications in 2022.



RENEWABLES

Strategically focusing on green energy projects

The Harren Group strategically moved into the wind installation segment as a logical consequence of the Group's large involvement in the transportation of renewable energy equipment, especially (offshore) wind energy components. In 2021 SAL Renewables was established and in the same year Wind Lift I joined the fleet as the first offshore wind installation jack-up vessel. The portfolio was further strengthened in 2022 by the addition of the second jack-up Thor. The focus is to support wind farm installation and maintenance works, so far focusing on farms in the North Sea.

SAL Renewables benefits from the vast experience of the Harren Group, contributing a global logistics network and heavy lift knowledge.

Optimised wind farm operations play an increasingly critical role for owners and operators.

Wind energy has been a cornerstone of Harren Group's business in recent years – and we are determined to further expand and strengthen our contribution to the ongoing energy transition. By performing maintenance and installation work, we bring a comprehensive range of services to the renewable energy market while meeting the highest standards and expectations of these clients.



SUSTAINABLE SHORE OPERATIONS

Company cars

Harren Group put two charging stations into service as part of its efforts to modernise our company fleet and change over to electric vehicles. Since starting operation in June 2021 and after the first fully-electric car had joined the Group's car fleet, the two charging stations had an output of about 6,500 kWh in the first six months. The expected annual kWh output is proportionally increasing as the fleet of electric cars continues to expand.

As a next step, it is planned to install solar panels on the headquarter's roof to supply fully green electricity.



Change of company cars to electrics and hybrids. Installation of charging stations in the office.



Exchange all conventional lighting with LED.

Exchange of all conventional lighting with LED

The Harren Group uses energy-saving lamps in its offices wherever possible. The Group is currently in the process to convert all offices to LED light sources.



Subsidies public transport for shore personnel.

Subsidising public transport for shore personnel

The Harren Group promotes the use of public transportation by offering employees regional tickets or public transport allowances for commuting to work. The Group spends EUR 45,000 per year on this programme.



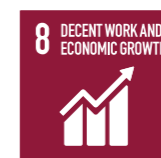
S

SOCIAL

“Caring for our people is a fundamental value for us and incremental for our success.”

Shipping is a people’s business. At Harren Group, our people are the focal point of our entire operation. It’s essential that we provide an engaging, safe and inclusive place to work. We operate globally in challenging business sectors that put our people to the test. As an organisation, we can only be successful by providing the right training, support, ethics and values. Our commitment towards our social resources is unwavering. We also know that acting socially responsibly outside of our own corporation is crucial for our reputation and integrity as a Group.

With our social work we are contributing to:



DIVERSITY IN OUR GLOBAL TEAM



Americas	Person icon	Ship icon
United States	43	–
Antigua and Barbuda	–	2
Argentina	–	1
Colombia	1	1
Costa Rica	–	1
Jamaica	–	37
Mexico	33	266
Panama	–	24
Peru	2	70
Venezuela	–	1

Africa	Person icon	Ship icon
Cameroon	–	1
Egypt	–	1
Ethiopia	–	8
Ghana	–	1
Morocco	–	1
Nigeria	–	1
South Africa	–	5

Europe	Person icon	Ship icon
Austria	–	3
Belgium	1	1
Bulgaria	4	21
Britain	2	5
Croatia	6	30
Czech Republic	–	3
Denmark	4	–
Estonia	–	1
Finland	3	–
France	1	–
Georgia	–	76
Germany	278	142
Hungary	–	1
Ireland	–	1
Italy	1	3
Latvia	1	14
Lithuania	–	18
Moldova	–	2
Netherlands	7	3
Poland	3	20
Portugal	–	5
Romania	–	25
Slovakia	–	2
Spain	3	1
Sweden	1	1
Ukraine	2	875

Asia	Person icon	Ship icon
Azerbaijan	–	3
China	7	–
India	–	19
Iran	1	1
Japan	3	–
Philippines	9	953
Russia	6	131
Singapore	5	–
South Korea	–	1
Syria	2	–
Turkey	11	326

Australia and Oceania	Person icon	Ship icon
Australia	–	1
New Zealand	–	1
Kiribati	–	5
Tonga	–	30

28 nationalities ashore
 49 nationalities at sea

Leveraging on the diversity of our Group enables us to approach challenges from all different angles.

We are bound to the principals of equality without any discrimination due to gender, nationality, religion, ethical origin, sexual identity, age and any other criterias both in the process of selecting employees and in the continuous development of our colleagues. Compliance with human rights and applicable laws is continuously and strictly monitored, including the prohibition of child or forced labour and sub- standard working conditions. We judge our employees based on their performance and give them feedback via an open and honest dialogue. We do not tolerate false or harmful assumptions or similar behaviour which can harm our employees, clients, stakeholders or the company itself. The same set of principles are also expected from our stakeholders (clients, suppliers and subcontractors for example).

Apprenticeships and trainee programmes

The company aims to attract and promote its own young talents and build its own qualified junior staff with high-quality educational opportunities, including apprenticeships for high school graduates and trainee programmes for university graduates, including the possibility to gain experience on board of a vessel or by working abroad in one of our global offices.

In this way, the company can ensure the quality of education on the job, retain highly qualified and motivated young professionals and attract new top talents.

Our goal is to hire five apprentices in Germany alone per year to work as shipping clerk (three for Bremen and two in Hamburg office) and one apprentice for the IT department. The apprenticeship takes two and a half to three years.

We currently have 13 shipping clerk apprentices plus two shipping clerk dual-education students and one IT apprentice.

Performance appraisals of shore staff

At least once a year, line managers are required to have in-depth feedback conversations with their teams to learn about their concerns. This includes providing guidance and feedback, discussing possible developments. Performance appraisals promote a mutual understanding for professional challenges as well as for personal circumstances and goals. An effective annual review can provide a motivational boost, clarity on career development and improve long-term performance.

All employees in Germany are eligible for an annual performance appraisal. In 2021, 50% of the staff received a performance appraisal. The goal is to reach 100% completion rate of annual performance appraisals by Q4 2022.



“We strongly believe in the value of young talents. We support our trainees and graduates to reach their career goals. Ultimately, it creates mutual value and ensures long term retention of talents. That is organic growth.”



JENNIFER MASURTSCHAK,
HR MANAGER

Global Master's Graduate Programme

In 2021, Harren Group launched its Master's Graduate Programme for post graduates in both Engineering and in Finance and Business Administration. With the programme, young graduates can kick-start their careers and gain practical experience in a guided and structured manner which includes additional work trainings, enrollment into a number of different business projects and stays abroad at various offices in the Group.

For our Master's Graduate Programme, we aim to employ two trainees per year for each trainee programme: two for Maritime Finance and two for Maritime Engineering. For the near future also a trainee programme for Chartering is being planned (two trainees per year).

We also support students working on their Bachelor's and Master's thesis projects whenever possible. We currently have four students in the Group working on their thesis projects in close collaboration with dedicated persons in the respective departments.



We continuously strive to improve our colleagues safe and pleasant work environment.

Subsidised fitness and sports club subscriptions

The Harren Group offers an extensive sports programme to promote and support the health and fitness of its employees. In addition to participation in the company soccer team and running events, the company offers holistic health management benefits. Employees in Hamburg have the opportunity to use the in-house gym. In Bremen, employees can take advantage of a variety of sports activities through the Hansefit and Qualitrain networks.



Our soccer team Harren & Partner United has taken part in the Bremen Business Football League since 2011. From the company's point of view, good corporate sport is a win-win situation: on the one hand, it provides employees with a healthy change from their everyday work in the office, and on the other hand, it reinforces interpersonal relationships while creating a good working atmosphere.



Healthy and nutritious food and fruits provided in offices

Our employees enjoy a variety of fresh dishes everyday at our canteens in Bremen and Hamburg. People can choose from five dishes each day in Bremen and four in Hamburg – with at least one vegetarian and one vegan dish available. Harren Group subsidises these meals. In addition, there is always a large supply of fresh fruit at both locations (on average around 35 kilos per week and office) to ensure a healthy nutrition for all.



Work-from-home procedure

We enable our employees to work from home one or two days a week to help them find a healthy work-life balance and reduce their CO₂ footprint for commuting. In individual cases, it is also possible to arrange teleworking jobs, where employees can set up a fixed workplace at home and come to the office only occasionally.

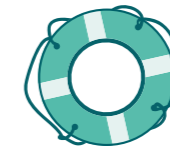
We give our employees as much flexibility as possible for example with regard to working hours. If anyone is having any personal issues (e.g. parents need care, children need increased support, etc.), it is possible to temporarily reduce one's working hours – even with short notice – or to take a complete sabbatical. We work with each individual employee to find the right solution for their situation.



Work safety

Safety plays a central role in every aspect of our business. Both on board our vessels and ashore, we have a series of systems in place to ensure a safe working environment. Harren Group and its affiliated companies involved in vessel operations and shipping activities, are certified with regards to occupational health and safety according to ISO 45001 standards (certified by DNV). For our seafarers, a series of safety-related trainings are provided throughout the year as an integrated part of their career development. Safety trainings are a mix of both computer-based trainings and practical sessions. Examples are general life saving-, work at height-, firefighting- and other compulsory trainings, but also a number of specific trainings targeting at particular work environment the individuals operate in.

Shore staff are offered first aid trainings each year, and the offices in Hamburg and Bremen hold a number of dedicated first-aiders. Further to this, the Group plans to conduct a series of online training courses related to work safety.



Safety first!
The onboard safety trainings are conducted according to the highest standards.

Harren Group Safety Programme

The Management Team of the Harren Group has, together with the Groups QHSE Team, initiated the programme of developing our own scheme aimed to enhance our safety culture and overall safety perception onboard Harren operated ships. Through the multiple efforts and commitment onboard and ashore we aim to bring to our people a structured philosophy of the Harren Group beliefs related to safety and wellbeing of all people engaged in work with or for us.

The programme is currently being set-up to kick off with introducing the Harren Group Safety Values that will be applicable to all. Through dedicated trainings and promotion materials, we aim to ensure the Safety Values are widely visible and fully adopted within 2022.



Shore based safety trainings and work safety counsels ensures an office work environment that is safe and sound.

Shell Partners in Safety programme

Shell has been conducting the Partners in Safety (PiS) programme which aims to bring market players in the tanker segments together in an approach to improve the safety culture within the industry. The programme focuses on various influencing factors ranging from safety behavior and awareness to leadership, both ashore and on board of the vessels.

Harren Tankers is part of the programme since 2014 and has since its accession implemented several elements from the programme into our own policies and work procedures. PiS enhanced our behavioral safety approach on our Tanker Fleet when we introduced the training programme. Key elements will be rolled out to the whole fleet including the dry segments.

COVID Support – Seafarers and shorebased staff

The COVID-19 pandemic had severe impacts on global shipping. As a truly global business, the lockdowns caused significant challenges to vessel operations on the short term. Our seafarers are dependent on the ability to travel, both as part of executing business, but also to embark or disembark vessels and travel home to their families. In the Harren Group we took immediate action to establish financial support programmes to the many seafarers that could not embark a vessel as well as support the seafarers that had to prolong their periods onboard significantly, as they were hindered in travelling back to their respective home countries. In addition to this, vaccination programmes were organised early on for seafarers to ensure their safety and to ease their travelling possibilities.

For shore-based staff, the COVID-19 crisis impacted operations in a different way. Right from the beginning of the first lockdowns, all office personnel were fully equipped to work from home and could maintain operations efficiently and securely. The company arranged weekly free tests at the office locations and provided face masks and test kits for everybody.

2021 KEY METRICS

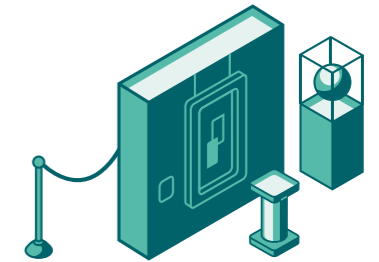


2021 figures reflecting key segments Tankers, Hevylift, Bulk and Container
 * negatively influenced by growing fleet and enlarged seafarer's pool
 **calculated according to BIMCO Shipping KPI Standard

Supporting local communities.

Supporting local Cultural Projects / Social HR

Since September 2020, Harren Group is member of the "Unternehmenssalon des Kunstvereins Bremens" supporting an important local cultural institution: "Kunsthalle Bremen" art museum. In addition to this meaningful cultural commitment, our employees enjoy the benefits of our membership cards. The cards provide free access to the museum and can be borrowed for private visits with families or friends.



Christmas Wish Tree

In November 2021, we launched a Christmas charity project supporting a local protectory "Petri & Eichen" for children and teenagers ages between six and 18 years of age. Petri & Eichen runs two foster homes in Bremen and mobile teams to support children and their families.

The kids that live in one of the foster homes wrote or painted Christmas wishes, all in the range of 20 to EUR 40. We placed those "wish notes" on our Christmas tree at the reception area for our employees to pick them up. Participating colleagues bought and wrapped the toys the children wished for – and the company purchased the rest. In the end, we distributed 34 gifts to the foster children along with holiday sweets.



G

GOVERNANCE

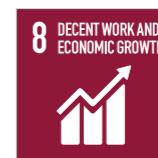


“Acting responsibly is a value closely linked to good governance and a core element of our company culture.”

Good Public Conduct is more than following rules and regulations. It involves showing good citizenship by ethics and values, and through proper and transparent communication with our stakeholders.

We are proactive in ensuring good governance throughout our value chain and expect the same from our suppliers at all times.

Our Governance is guided by:



Good Governance depends on the ability to take responsibility by both administration and people.

ESG Committee

Sustainability is a team effort and requires everyone to do their part – however small or large the organisation may be. At the Harren Group, we formed a steering committee to streamline our activities, goals and focus points. This provides all employees with a dedicated point of contact for any related queries and input. With this channel, we can leverage the vast experience, expertise and creativity available in our entire group across the globe. The ESG Committee will come together at regular intervals to review and provide feedback on any input received from inside and outside the organisation. They prepare regular updates for all employees on current and planned activities concerning our sustainability strategy.



Our Code of Conduct

The Harren Group and its affiliated companies are committed to protecting employees, partners, vendors and the company from illegal or damaging actions by individuals, either knowingly or unknowingly. When the company addresses issues proactively and uses correct judgment, this helps set the company apart from competitors and ensures we are doing the right thing.

The Code of Conduct's purpose is to establish a culture of openness, trust and integrity in business practices. Effective ethics is a team effort involving the participation and support of every employee of the company.

In addition, a current project is to review the Group values valid for all employees globally.

Our internal governance and conduct are enforced by our dedicated Compliance Officer.



Practicing fair business

We respect and adhere to all competition and antitrust laws of all countries in which we are active. Amongst others, such laws prohibit formal or informal agreements and arrangements between competitors on price, terms of sale or the sectioning of markets.

In addition, employees must not:

- › Discuss pricing with competitors (freight rates, fuel surcharges, terminal handling fees, etc.)
- › Share confidential information with competitors (costs, customers, market conditions, forecasts)
- › Make any agreements with competitors which inhibit competing for accounts
- › Discuss any collaborative service or operational arrangements and/or agreements with competitors without prior senior management approval

Anti bribery and anti corruption

At Harren Group we fully acknowledge the need to eliminate corruption in industries in which we are active. The Group's Compliance Desk monitors and manages the policies in place within the Group.

Corruption is about the misuse of a special position of trust in a function in the economy, administration, politics, justice or a non-economic organisation and association. Corruption is aimed at achieving a material or immaterial benefit to which no legal or factual objective-based claim exists.

On this basis, we advise and train employees, suppliers, partners and other third parties who act on behalf of the company on anti-bribery and anti-corruption topics that it is prohibited to accept gifts or hospitality to prevent these from influencing any judgment, or avoid any appearance of influence (the occasion or reason for the gift does not matter). In general, employees may not accept any monetary gifts.

Trade controls

We respect all export control and customs regulations as well as any regulations which apply in the countries in which we do business. The company's internal sanction control processes apply to all Group activities, i.e. chartering, operations, procurement etc. and covers listed individuals and entities, parts and equipment or shipments to or from a sanctioned country.



Insider knowledge

The Harren Group respects the provisions of the Securities Trade Act and EU Directive 2014/57/EU (criminal sanctions for market abuse) regarding insider information and trade of securities. Insider information is any non-public information an investor potentially considers important to make an investment decision.

It is illegal for Harren Group employees to purchase or sell shares / stocks or other securities based on insider information. It is also illegal to communicate insider information to other people so they can purchase or sell shares / stocks or other securities.





Group's Data Protection Officer (DPO) reachable under: privacy@hp-shipping.de

Data security, cyber security and anti-piracy

The Harren Group respects the privacy of all employees and contracting parties. Harren Group respects all applicable provisions with regard to collecting, treating and using personal data, including the General Data Protection Regulation (EU) 2016/679 ("GDPR"). All personal data have to be treated with the due diligence and need to be protected from attacks. Data security is handled by respective security systems overseen by the Group's Data Protection Officer (DPO; reachable under privacy@hp-shipping.de).

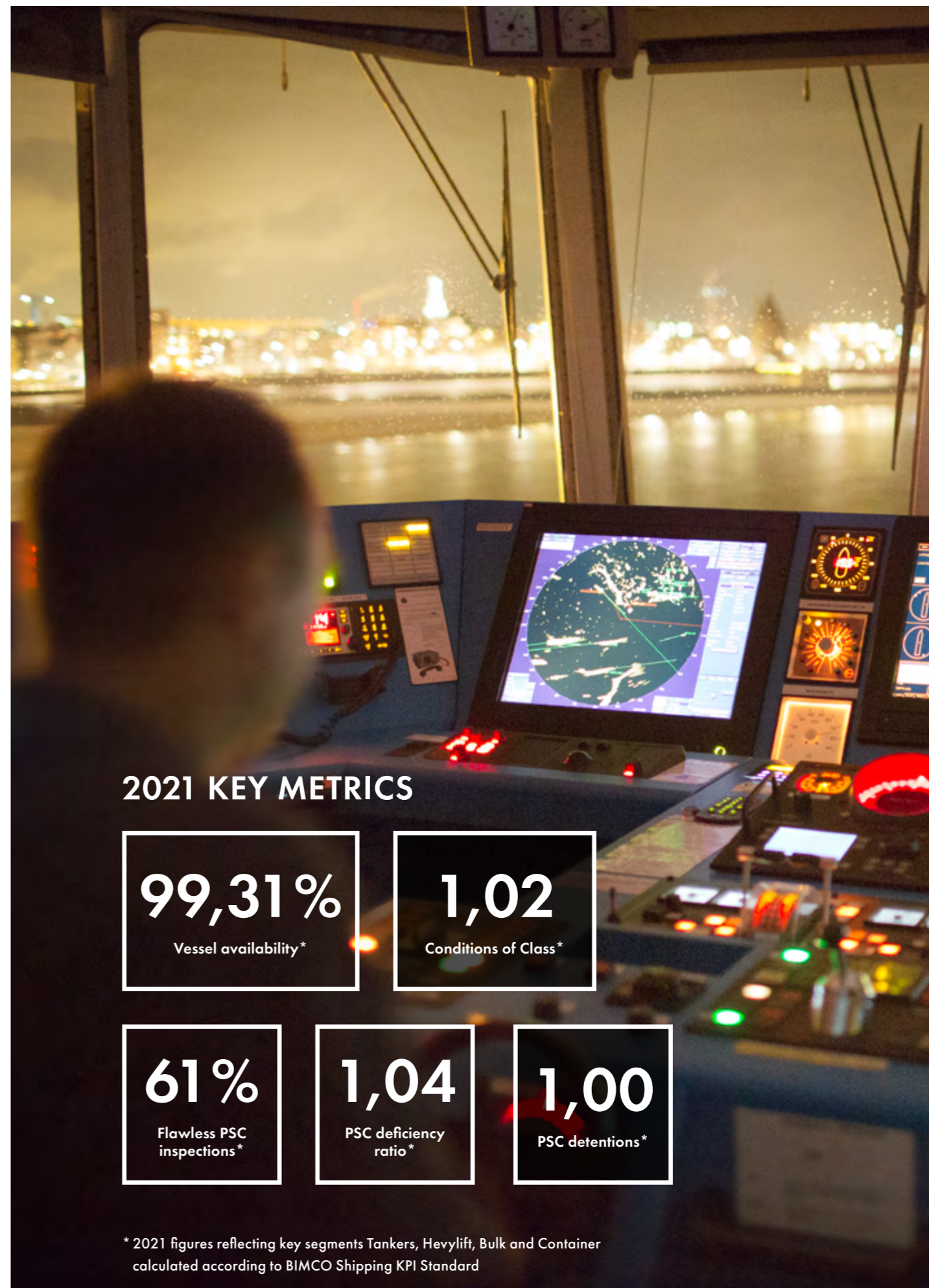
The Harren Group has been conducting mandatory IT security awareness training sessions throughout 2021 and into 2022. The monthly training sessions are held online, covering topics such as malware prevention, phishing, email security, personal data protection, etc.

The Group will implement additional cyber and data security measures in 2022, including the Group-wide implementation of multi-factor authentication for all internet-based data equipment and migration of email systems into more secure cloud systems.

Ship recycling

All vessels need to be sent for recycling when they reach the end of their lifetime. This process is an important part of the industry's value chain and plays a significant role in the flow of materials, e.g. steel and other valuable metals and resources used in a vessel. Depending on a vessel's age and where it was built, there can be a variety of hazardous materials on board which can put the workers' health and the environment at risk during the recycling process.

As a globally active shipowner and manager, we recognise the risks ship recycling activities can pose to the environment, human health and safety. With the release of our ship recycling policy in 2018, we committed ourselves to support sustainable ship recycling and only use recycling facilities in compliance with international standards, e.g. the Hong Kong Convention (2009), EU Regulation 1257/2013 (EU Ship Recycling Regulation) and ISO 30000:2009 or comparable standards. To date, we have not been involved in ship recycling activities.

2021 KEY METRICS

99,31% Vessel availability*	1,02 Conditions of Class*	
61% Flawless PSC inspections*	1,04 PSC deficiency ratio*	1,00 PSC detentions*

* 2021 figures reflecting key segments Tankers, Hevylift, Bulk and Container calculated according to BIMCO Shipping KPI Standard

Our Governance is strengthened by active collaboration with key industry organs.



“Collaboration is key in our business in order to stay at the forefront of new developments and requirements. By taking an active role, we help shaping new standards for our industry.”



ALEXANDER BURCHARD,
SENIOR DIRECTOR
CHARTERING & OPERATIONS

Member of Maritime Employers Council



Harren Group is a member of the International Maritime Employers' Council (IMEC), the only international employer organisation dedicated to maritime industrial relations. IMEC provides a level playing field for shipowners and seafarers to negotiate and align on salaries and contract terms. Together with the International Transport Workers' Federation (ITF), IMEC collaborates on important aspects like health care, cancellation terms, leave, accident insurance and the definition of high-risk and war areas to guarantee decent working conditions and maximum transparency for seafarers.

As of today, 97% of our fleet is covered either through ITF or equivalent trade union federations. Harren Group regards the retention of crew as one of the main KPIs for measuring our success.

Member of INTERTANKO



INTERTANKO (the International Association of Independent Tanker Owners) is a trade association that has served as the voice for independent tanker owners since 1970, representing their interests at national, regional and international levels. The organisation champions an industry dedicated to support global energy networks by delivering safe, efficient and environmentally sound transport services. INTERTANKO works on a wide range of operational, technical and commercial issues affecting tanker owners and operators around the world. It draws on regular and direct contact with its Members and other industry stakeholders to develop and disseminate information and best practice, essential to the tanker industry. A strong focus has been developed to support owners and managers in their efforts to deliver sustainable objectives aligned to the principles of ESG through its strategic work plan.

INTERTANKO's environmental focus encompasses decarbonisation, leading the industry in reducing greenhouse gas emissions, and enabling collaboration and a close dialogue with relevant bodies and initiatives, e.g. at COP 26 in Glasgow in 2021 for instance. The Association also sets industry standards on protecting marine biodiversity with its ballast water and biofouling management guidance, and engages intergovernmental organisations on pollution prevention issues.

INTERTANKO's Members have set industry standards in cadet and seafarer training and competence as well as seafarer wellness. It is committed to put the human element at the centre of its work in all areas.

Focusing on commercial sustainability, the Members uphold the industry's high moral and business ethics, working to tackle maritime corruption while also advocating a fair and equitable code of conduct for the entire value chain.

Harren Tankers Management has been a Member of INTERTANKO since 2008 and is actively contributing to the work of the organisation's council and vetting committee.

Member of IMCA



Harren Group is a member of the International Marine Contractors Association, which focusses on oil, gas and renewable energy industries. The IMCA membership helps the Harren Group improve its offshore services through access to excessive industrial intelligence and guidance from best work practices shared by other association members. This membership adds another layer of quality assurance for stakeholders receiving offshore services from Harren Group.

Member of INTERCARGO



The International Association of Dry Cargo Shipowners (INTERCARGO) represents the interests of quality dry cargo shipowners. It provides a forum where dry bulk shipowners, managers and operators receive information, discuss and share concerns on key topics and regulatory challenges, especially in relation to safety, the environment and operational excellence.

The Association actively participates in the development of global legislation through the International Maritime Organisation (IMO) and other international bodies.

As of December 2021, the Association consisted of 140 Full Members from 30 countries and 2,312 bulker vessels with a total capacity of 221 mil dwt, i.e. about 24% of the global dry bulk carrier fleet in terms of deadweight tonnes. Furthermore, there are 85 Associate Members – class societies, flag states, P&I clubs, law offices, other shipping associations and major players in the shipping industry.

INTERCARGO and RightShip are founding partners of DryBMS, a quality standard for the dry bulk sector. Compay self-assessments promote safety, environmental and operational excellence.

The Harren Group has been a member since 2018 and holds active positions on the Executive Committee and the Cargo Panel.

IMPRINT

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p. 6, p. 17: Booblum / istockphoto.com
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