

ESG REPORT 2022



Himalaya Shipping is proud to present the most modern, flexible, and environmental friendly large-size dry bulk vessels on the market. The concept behind our 12-vessel fleet currently under construction was motivated by the new IMO emission regulations, and the wish to build a realistic bridging towards zero-emission shipping.

The vessels are built with a dual fuel LNG Tier 3 engine system, including an ammonia ready level 1 class notification. In addition, the vessels are delivered with a modified hull and high spec antifouling

to reduce sea friction, propeller boss cap fin, pre swirl vane duct, shaft generator to reduce fuel consumption and exhaust gas SOx scrubber to increase flexibility during the expected transition period.

As a result, our vessels can transport goods with 60% reduced carbon emissions per ton-miles compared to a standard Capesize*.

Our suppliers and sub-contractors are selected with high standard criteria on environment, social responsibility, and governance measures. These include New

Times Shipyard in China, Wilhelmsen Shipmanagement and OSM Ship Management.

We look forward to report high rated scores on all ESG factors in the years to come, as we navigate the challenging waters of global shipping with a steady hand on the wheel. We believe in the possibility to overcome risks related to safety, human rights, emissions, corruption, and social responsibilities, without any compromise, as an integrated part of our business model.

Herman Billung,
CEO Himalaya Shipping Ltd.

Environmental

Emissions and energy efficiency

The Himalaya Shipping fleet on order consist of twelve (12) modern 210,000 DWT Newcastlemax bulk carriers, fitted with high pressure dual fuel LNG main engine to reduce methane slip, Tier III HPSCR for reduction of NOx emission and Ammonia Ready class notation for future conversion. In addition, the vessels are delivered with a modified hull to reduce friction, propeller boss cap fin (HVAF), pre swirl vane duct (PSV), shaft generator and exhaust gas cleaning system (EGCS), and ballast water treatments systems (BWTS).

Our fleet is estimated to be 60% more carbon emission efficient per ton mile compared to a standard Capesize vessel*. The exhaust gas cleaning systems remove 80% of

all particulate matters. According to the World Health Organization (WHO), particulate matter emissions are the cause of 5% of all lung cancer incidents globally.

The EEDI score for the Himalaya fleet is 1.815**, which is 19% lower than the IMO requirement for phase 2 vessels.

Fleet energy performance is continuously monitored and evaluated, and improvement measures are an integral part of our operation.

*EEDI calculated basis static cargo capacity, comparing actual consumption on a representative Himalaya Shipping vessel running on LNG to a Baltic standard Cape size vessel, defined as a 180.000 DWT bulk carrier consuming 43 MT of fuel oil, trading at 12 kts. laden / 13 kts. ballasting.

**Reduced to 1,47 with LNG primary fuel

Biohazard

The Himalaya Shipping fleet is equipped with ballast water treatment systems and will be subject to regular hull inspections to establish if underwater hull cleaning is required. All vessels will be subject to systematic cleaning of propeller blades and niche areas.

First class anti-fouling hull treatment systems are applied to ensure low risk of developing hull growth during a standard 60-month dry-dock interval.

Social

Health, safety and security

Himalaya Shipping has outsourced technical vessel management to third party contractors. A structured due diligence and audit process is in place to ensure quality requirements are met.

As of December 31, 2022, technical management and crewing is handled by OSM Maritime in Bergen and WSM in Oslo respectively.

We have a conscious dedication not only to compliance in general, but to a wider set of specific codes

related to crew welfare and labor conditions, whistle blowing, anti-corruption and HSQE. We have a zero-tolerance policy for deficiencies from standards set by the certified Ship Management Systems and ship managers Document of Compliance.

Labor and human rights

All employees are treated equally with respect and according to international and local labor and human rights standards, laws, and regulations. Discrimination or harassment is not tolerated at any

level in the organization. All vendors and contractors are required to follow international and local labor and human rights standards, laws, and regulations.

All vessels will be operating under CBAs approved by local and national labor organizations.

Governance

Anti-corruption

Himalaya Shipping has a zero-tolerance policy on corruption, and follows industry standards for handling these challenges, especially being vigilant in high-risk areas.

Our contractors are required to report on the same matters.

Our technical managers OSM and WSM are members of MACN (Maritime Anti Corruptions Network), and all vessels and crew will follow MACN rules.

Reference: <https://himalaya-shipping.com/content/uploads/2022/12/Corporate-Code-of-Business-Ethics-and-Conduct-1.pdf>

Accountability and transparency

Himalaya Shipping is set up with an open and transparent communications structure. We are committed to our ethics and values, and encourage each other to be structured, responsible and

accountable. Through selection of market leading suppliers and customers, and by open dialogue with same, we ensure our impact on people and the environment is handled with responsibility.

We believe that strong corporate governance is part of every successful organization and are fully committed at keeping the highest standards in place.

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