

Environmental Protection Policy and Compliance Program
for
the TORM Group

TORM's Compliance Officer for Environmental Protection Rules and Regulations is:

Head of HSSE and Designated Person, Jasdeep Loney phone no.: +45 3917 8183 |
mobile: +45 2383 6271

or in his absence

Senior HSSE Manager (Security) & CSO, Mikkel Mølgaard Badstue
phone no.: +45 3917 8107

Policy Statement on Environmental Compliance

The following policy on environmental compliance by TORM supports and underlines “TORM’s Business Principles” which can be found on www.torm.com and on the TORM intranet, and which all employees are required to accept and comply with as part of their employment terms:

It is a priority for TORM to combat accelerating global climate change and to minimize pollution of the seas and the atmosphere.

TORM is committed to our target to have net-zero GHG emissions from operating our fleet in 2050.

We aim to achieve this by continuous improvement by innovating on energy efficiency improvements initiatives by IT infrastructure investments, vessel optimization and behavioural optimization. TORM continuously evaluates new technologies and fuel to achieve our target.

We show our dedication of minimizing pollution to atmosphere and water through our targets. We are committed to having Zero Oil Spills to Sea target. We utilizes our Safety Management System, our ISO-14001 certification and internal innovations as guiding principles.

We protect the environment by exercising constant care in our operations, and we operate our vessels in accordance with all applicable laws and regulations. We are committed to continually improving our environmental performance beyond compliance with legislation.

At TORM, we recognize the importance of biodiversity and strive to integrate practices that support ecosystem resilience and balance. We are committed to installing ballast water treatment system on all of vessels minimizes disturbances to biodiversity balance. We are committed to avoiding the Protected Areas when determining our sailing routes and when determining our new office locations to minimize disturbances on marine biodiversity.

It is a fundamental part of TORM’s Business Principles that all directors, other officers and employees must comply with all applicable rules and regulations in relation to environmental protection.

Any director, other officer or employee who fails to take proper care to comply with applicable rules and regulations will be subject to disciplinary action.

TORM’s policy is to keep all directors, other officers and employees fully informed of the contents of applicable environmental law, and to assist them in complying. The compliance system is intended to enable TORM to act in all relevant markets, without being

exposed to business interruption or losses as a result of legal investigations or litigation which could affect TORM negatively.

Violation of environmental law is punishable for individuals by imprisonment and fines. If TORM is found to have taken part in any such violations, we could face severe fines, be excluded from pursuing business opportunities and face damage to our reputation.

TORM's Environmental Commitment and Compliance Processes

TORM's Environmental and other HSSE policies are implemented through the processes described in TORM's Safety & Safety Management System (SMS), i.e. in procedures containing job descriptions, standing orders, instructions, forms, checklists, posters and in distribution of relevant information.

These deal with procedures to minimize pollution to air water, impact of waste and hazardous materials, supporting the ecosystem resilience and balance.

The Designated Person has the full authority to perform his duties as described in the ISM Code and provides the link between the Company and the crew on board our vessels and is guaranteed direct access to the Chief Executive Officer (CEO).

The ultimate responsibility for ensuring the implementation and maintenance of the Company's policies at all levels within the whole organization remains solely with Management.

TORM requires all employees whether on shore or at sea to maintain a "Zero Oil Spill to Sea" policy.

TORM enforces strict compliance with international conventions, flag state regulations and local port state requirements.

TORM supports the use of environmentally safe materials, products, equipment and practices to reduce or eliminate the generation of waste garbage or hazardous by-products.

TORM is committed to influencing suppliers and contractors to supply environmentally friendly products and services.

Due to our commitment to the UN Global Compact, TORM will contribute to promoting environmental responsibility and the development and diffusion of environmentally friendly technologies.

TORM is ISO-14001 certified. The scope of TORM's ISO-14001 standard covers all vessels owned or technically managed by TORM. All employees at sea and on shore are required to follow the defined procedures and guidelines. Any questions or issues in relation to environmental law should be raised with the Head of HSSE, alternatively with the Head of Security and Environmental Compliance, or with Legal Department.

1. General Environmental Protection Guidelines

TORM's environmental procedures focus on continuous improvements of TORM's environmental performance.

All employees are required to:

- exercise caution and concern for the environment in all your daily activities,
- observe all procedures and instructions in our safety management system, ,
- report all deviations from procedures and instructions,
- promote environmental awareness among your colleagues,
- identify opportunities to improve environmental performance, e.g. minimizing waste, optimizing resource consumption and operating the vessels most efficiently to reduce emissions.

As an employee you should never guess about environmental procedures. If you are uncertain of the procedure, please check with your manager to be sure you have understood the request. If you still believe the request may violate environmental regulations, please report the concern to Head of HSSE/the Designated Person and/or CSO.

Officers and managers are required to,

- evaluate any suggestions which may serve to improve TORM's environmental performance, and take action as required in each case to introduce and implement improved procedures and solutions.

2. Training Program

Specific environmental training requirements apply for all employees at sea and for designated marine employees in Technical Division depending on position and job responsibility.

The requirements are defined in the SMS , including in job descriptions for each position.

Marine HR has the responsibility for maintaining training matrixes for all seafarers, and for ensuring that training is arranged and coordinated, so that any deadlines for completion of required training are met at all times.

For onshore employees training requirements must be specified on the TORM “PeopleWeb”, in the development plan of each employee.

As a part of the performance evaluation process, it is the responsibility of the managers to specify in the development plan the training which the individual employee must complete, and the exact dates by which each part of the training program must be completed.

It is the responsibility of the employee to schedule and plan for the training in time to meet the deadlines, however the relevant managers are ultimately responsible for ensuring that the training requirements applying to their direct reports are met at all times.

HR Department will supervise the performance appraisal process and will approach any managers who have not ensured that environmental training has been properly addressed in the development plans of their direct reports.

3. Additional Briefings on changes and new development

If any changes are made to the Environmental Protection Policy and Compliance Program, TORM will inform all employees by email, and additional briefings and training will be offered as needed. Any new information material will be made available immediately on the TORM Intranet and external Website.

4. “TORM PeopleWeb” Self-Assessment

All relevant employees must confirm in their “Competency Assessment” file on TORM “PeopleWeb” that they have read and that they will comply with the current version of TORM’s Environmental Protection Policy.

The confirmation must be repeated at least annually as a part of the performance appraisal process.

A performance appraisal has not been properly completed if the employee’s confirmation is not included.

It is the responsibility of every manager to ensure that their direct reports have given their confirmation. The relevant managers must take adequate action if the confirmation is missing for whatever reason.

HR Department will supervise the performance appraisal process and will approach any managers who have not ensured that their direct reports have given their confirmation of compliance.

5. Investigation Guidelines

In the event of an investigation by any authorities in relation to environmental rules and regulations, assuming their credentials and authority have been duly established, the general instruction to all employees is to offer TORM's full support and cooperation.