GOLDEN OCEAN™

ESG

REPORT

2021

CONTENTS

SASB ACTIVITY METRICS 2021

ACTIVITY METRIC	UNIT OF MEASURE	DATA 2020	DATA 2021	CODE
Number of shipboard personnel[n]	Number	1 428	1 700	TR-MT-000.A
Total distance travelled by vessels[o]	Nautical miles (nm)	4 038 058	4 794 183	TR-MT-000.B
Operating days[p]	Days	24 641	27 896	TR-MT-000.C
Deadweight tonnage	Thousand deadweight tons	9 252.871	11 917.248	TR-MT-000.D
Number of assets in fleet[q]	Number	68	85	TR-MT-000.E
Number of vessel port calls[r]	Number	1 434	1 859	TR-MT-000.F
Twenty-foot-equivalent unit (TEU) capacity	TEU	Not applicable	Not applicable	TR-MT-000.G

ABOUT GOLDEN OCEAN

Golden Ocean Group Limited ("Golden Ocean") is a leading international shipping company owning and operating Capesize, Panamax and Supramax dry bulk carriers. Golden Ocean is listed on NASDAQ (GOGL) with a secondary listing on the Oslo Stock Exchange (GOGL) and is one of the largest listed dry bulk companies in terms of both market capitalization and deadweight tonnage (dwt).

ABOUT THIS REPORT

This report is our fourth comprehensive and stand-alone sustainability report.

The report meets the disclosure requirements of the Sustainability Accounting Standards Board (SASB) Marine Transportation Standard (2018). The report presents our material environmental, social, and governance (ESG) performance, along with how we manage material sustainability topics, for the financial year ended December 31, 2021. We have incorporated the disclosure requirements of the UN Global compact. A review of climate-related risks and opportunities was also carried out using the Task Force on Climate-Related Financial Disclosures (TCFD) framework. Scope 1 GHG emission data of owned vessels has been verified by an independent third party, DNV GL.

For report questions or feedback contact michelle.canales.sviggum@goldenocean.no.
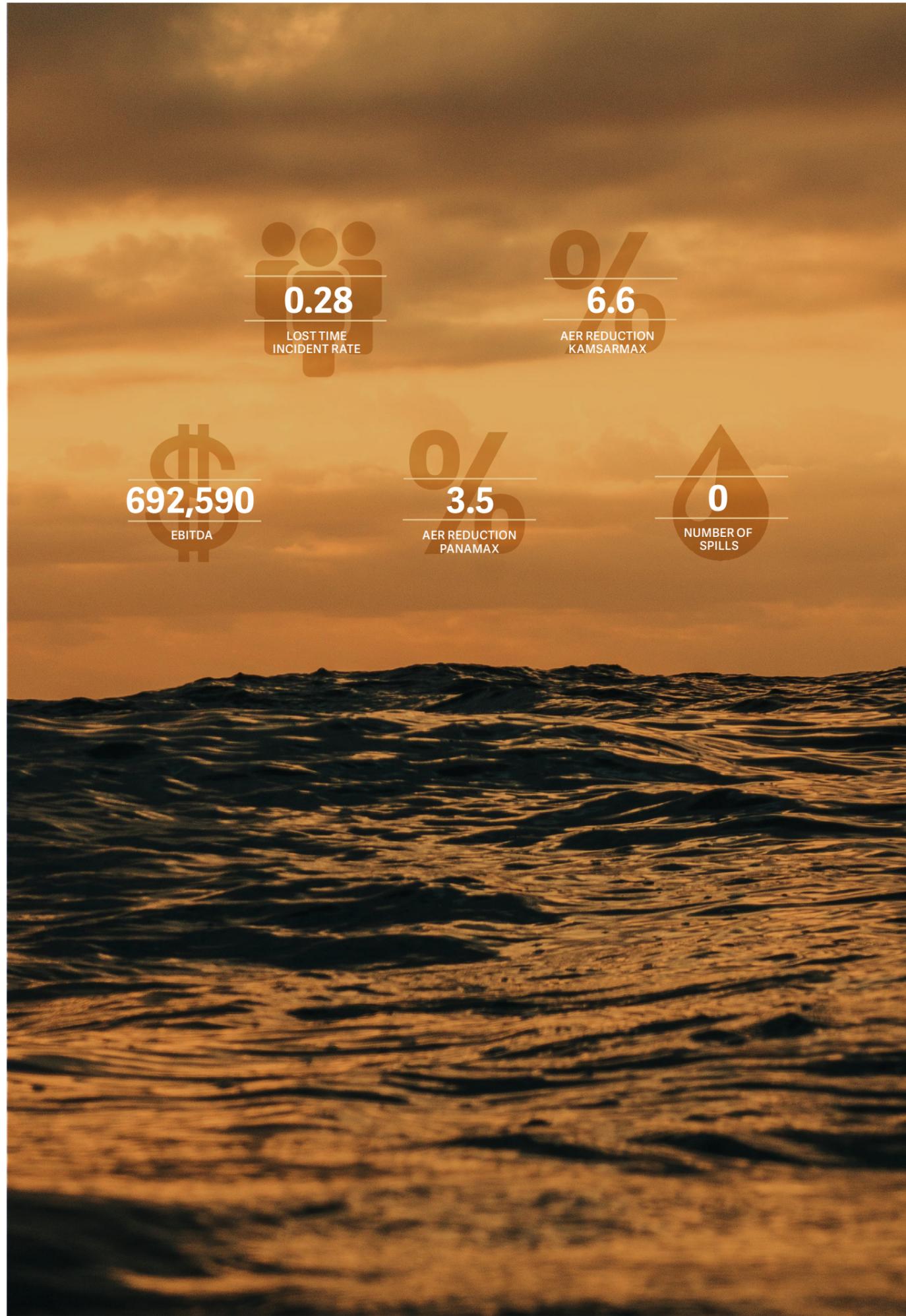
0.28 LOST TIME INCIDENT RATE	**6.6** AER REDUCTION KAMSARMAX
692,590 EBITDA	**3.5** AER REDUCTION PANAMAX
	0 NUMBER OF SPILLS

INTRODUCTION

Golden Ocean has made significant strides in managing environmental, social and governance factors (ESG) during 2021. We regard these as key factors for our continued success. Our focus for 2021 has been on ensuring compliance with the new IMO regulations and the extraction of accurate and easily accessible ESG data. Through our efforts, we are now able to pull relevant vessel performance data whenever we need it from our digital ESG management platform, enabling data-driven decision-making. Based on this, we are able to optimize our operations to increase fuel efficiency and reduce emissions. Moreover, it provides the Board with the necessary information to discuss ESG topics at Board meetings, ensuring that we stay on top of the issue.

When it comes to emissions reductions, Golden Ocean is ambitious. We support the IMO's 2030 and 2050 targets for reducing emissions in the shipping industry. We have set targets for scope 1 emission reduction and aim to reduce our Annual Efficiency Ratio (AER) by 15% by 2026 and 30% by 2030, compared to 2019. We will also target net-zero emissions by 2050.

Our energy efficiency project – "Decarbonization journey toward IMO 2030-2050" – has provided us with a solid basis for assessing our operations, with a particular focus on how to further optimize our fleet to meet our targets. The project has resulted in upgrades to our fleet, both in terms of newbuildings and retrofits, meaning that we will own and operate a lower emission fleet resulting in higher profitability prospects. This shows that decarbonization is not only the right thing to do but is the smart business choice. With the cost of emitting CO_2 only continuing to rise in the future, our decarbonization strategy means that Golden Ocean will have a competitive advantage over less fuel-efficient fleets. Furthermore, maritime transport has been included as part of the EU classification system for sustainable economic activities. We will continue to assess our operations and investment strategies in light of the taxonomy regulation and the technical screening criteria to ensure that we stay an attractive business partner and investment opportunity.

In 2021, we entered into agreements to construct ten ECO-type Kamsarmax vessels. The vessels will be equipped with the latest and most efficient propulsion system, which will contribute to significant improvements in fuel consumption and emissions performance. The vessels, which will be delivered throughout 2023 and 2024, are dual-fuel ready, giving us time to evaluate alternatives while technologies improve and mature. We will continue to explore how we can reduce our emissions, including by adopting new technologies.

This year, we strengthened our management and understanding of climate risk by conducting a high-level review using the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This included assessing governance, strategy, risk management and targets linked to climate related issues relevant to Golden Ocean and our sector. This helped us to identify risks and opportunities associated with climate change and has left us confident in our ability to tackle these challenges going forward. We will use this analysis to inform stakeholders of the strategic development of the company.

2021 was also significantly affected by Covid-19. As the pandemic continued, it became clear that it was placing both a physical and mental strain on everyone, particularly our seafarers. We have, therefore, increased the focus on well-being this year, introducing several measures that address the mental stress of quarantine and isolation that could be caused by the strict Covid-19 restrictions.

Our fourth comprehensive and stand-alone ESG report provides an opportunity to reflect on our ESG journey so far and demonstrate our progress. The disclosures in this report aim to provide analysts and other stakeholders with material ESG information.

Please let us know if you have comments or questions to the information presented in this report.

Ulrik Uhrenfeldt Andersen
CEO, Golden Ocean

SUSTAINABILITY GOVERNANCE
AT GOLDEN OCEAN

ESG is a core aspect of how we work and is fully integrated into our business. This is something we are proud of, and we continuously strive to improve our ESG performance each year. To Golden Ocean, being a sustainable business means being a purposeful, resilient, and agile business that thrives throughout economic and social cycles.

Our governance procedures and related control mechanisms are essential to manage ESG factors and enable us to minimize emissions, avoid spills, safeguard health & safety and guide the implementation of anti-corruption measures.

We have established policies and control processes for our employees and partners to ensure compliance with all applicable international and local laws and regulations.

Our work is multi-disciplinary and dynamic in order to align ourselves with the environments, in which we operate. Our priorities are set based on discussions with management, the Board and key stakeholders. We have deemed our most material topics – the areas we can influence the most – to be:

- Ensuring a safe working environment for our seafarers
- Lowering the carbon footprint of our fleet and mitigating climate risk
- Raising awareness of ESG issues among our staff and key business partners

As a result, Golden Ocean has developed specific targets for sustainability performance:

ESG TARGETS		
E	AER REDUCTION BY 2026, COMPARED TO 2019	15%
	AER REDUCTION BY 2030, COMPARED TO 2019	30%
	NET-ZERO EMISSIONS BY 2050	✔
S	LOST TIME INCIDENT RATE	0
G	SHARE OF BUSINESS PARTNERS SCREENED FOR ESG-COMPLIANCE ANNUALLY	100%
	COMPLETION OF E-LEARNING ON ANNUAL BASIS	100%

RESPONSIBILITIES

The Board at Golden Ocean is responsible for the governance of ESG-related issues and approved the company's ESG Policies as well as additional topics included in this report. The Board takes an active role in ESG matters and oversees Golden Ocean's strategy, and the Board has considered what constitutes strategic ESG matters to the company. The Board annually reviews our ESG report and is responsible for ensuring that appropriate and effective ESG related risk management and internal control systems are in place.

Our Code of Conduct and corporate governance framework are also reviewed annually. Although all ESG related incidents are reported to the Board on an annual basis, our Code of Conduct dictates that any significant incidents are to be reported directly to the Board. The Board has established an Audit Committee which processes complaints received relating to internal controls and compliance.

The Board also considers climate-related financial risks and opportunities based on the recommendations of the Task Force on Climate-related Financial Disclosures. Please see the Environmental section for a summary.

The Chief Executive Officer (CEO) is responsible for all activities of Golden Ocean. Golden Ocean outsources crewing and ship management to leading third-party ship management companies, who are supervised, closely monitored and assessed by our technical management.

All our employees are to abide by the established policies and governance procedures to guide them in their day-to-day work for Golden Ocean. To ensure that all relevant parties are aware of Golden Ocean's policies pertaining to environmental, social and governance, we plan to review and update our onboarding processes, and offer e-learning to new employees and business partners.

The Audit Committee monitors reports and complaints received by the company relating to internal controls and compliance. All incidents are reported to the Board on an annual basis, while substantial impact cases are reported directly as instructed in our Code of Conduct.

In October 2021, we made the decision to outsource our compliance function to Front Ocean Management AS. This was to ensure the independence of the Compliance Officer, who reports directly to the BOD's Audit Committee on a quarterly basis.

INDUSTRY COOPERATION

Some of the challenges our industry is facing require joint actions. Through cooperation with other stakeholders – including industry and regulatory authorities – we aim to stay ahead of the curve on material risks and opportunities and stay up to date on the newest technology development. Together with industry peers such as Frontline Management AS, Flex LNG Management AS, SFL Management AS, and Avance Gas AS, Golden Ocean Management AS has established an ESG forum whose purpose is to design industry-leading approaches to ESG risk management and reporting parameters.

We actively participate in and support the following initiatives:

GOVERNANCE AND COMPLIANCE

Golden Ocean has a risk-based approach to compliance and has established policies and procedures which clearly set out how we manage ESG issues. Implementing these policies and procedures mitigates our risks and any negative ESG impacts. All policies and procedures were updated in 2021. Alongside compliance monitoring and reporting, our ESG management system is complemented by annual risk assessments, integrity due diligence, training of employees, third-party audits, internal systems and controls – such as internal compliance testing, remediation and investigations.

Golden Ocean believes that streamlining and digitalizing our operations is key to improving ESG performance, as this enhances transparency and ultimately the efficiency of our fleet. In 2021, we captured all our ship performance data in our digital ESG management system, allowing for accurate and efficient monitoring, management and reporting on ESG issues. We are now in a position to set targets with associated KPIs on energy efficiency and emissions reduction for the short, medium, and long term.

In 2021, we conducted a full Compliance Risk Assessment for the first time to be able to adequately mitigate the compliance risks Golden Ocean is exposed to. We also undertook extensive Internal Compliance and Third-Party Compliance Testing, including ensuring all business partners have been onboarded to our KYC program and that anti-bribery, corruption and sanctions clauses are included in all contracts where applicable.

Last year, we implemented an e-learning platform available to all employees and management undergoing mandatory training in our internal policies and procedures on an annual basis. The Board also has access to the platform. All of Golden Ocean's employees have completed the main mandatory training session. Further, we conducted face-to-face training focusing on potential compliance issues; how to identify them and what to do if facing a potential issue. The training included cyber risks.

In March 2022, the Securities and Exchange Commission (SEC) unveiled a proposal to expand the climate-related disclosures that companies are to make. Although not yet approved, we believe this will help investors make more informed decisions, and Golden Ocean will continue to ensure that our reporting on ESG and climate-related risks are aligned with the SEC requirements.

THE UN SUSTAINABLE DEVELOPMENT GOALS

We have identified four UN Sustainable Development Goals (SDGs) where we believe Golden Ocean can contribute: We have selected SDG 9, 13, 14 and 16 since these goals are closely tied to the industry we are a part of and are material to what we monitor. Contributing to the broader global agenda of reaching the SDGs is in our interest as the goals affect our business, customers, suppliers, investors and regulators which we depend on.

SDG 9 – targeted towards building resilient infrastructure, sustainable industrialization and foster innovation. Our contribution is linked to target 9.4: promoting the upgrade of infrastructure and the retro- fitting of industries to make them sustainable, i.e. through increased resource use efficiency, by 2030.

SDG 13 – Through our efforts to lower our fleet's CO_2 emissions by increasing efficiency and implementing technology, Golden Ocean supports SDG 13 – targeting the global fight against climate change. Our efforts to increase the energy efficiency of our operations contributes directly to the broader agenda of the shipping industry to lower CO_2 emissions. At the same time, we are able to offer our customers energy efficient transportation services, contributing to emission reductions in several different supply chains, ultimately affecting CO_2 emission per unit of value added

SDG 14 – Particularly relevant to our operations is target 14.A, aimed at enhancing the conservation and sustainable use of oceans and their resources by implementing international law. At Golden Ocean, we track and monitor our fleet continuously, including when our ships are sailing in marine protected areas. Our crew members are trained in and must follow our stringent rules for avoiding spills at any time.

SDG 16 – Our focus is on target 16.5, aimed at substantially reducing corruption and bribery in all their forms. As a member of the Maritime Anti-Corruption Network (MACN), and through our own diligent anti-corruption procedures, we support collective action to reduce corruption and bribery in all their forms and report facilitation payment demands on a quarterly basis in cooperation with all Ship Managers.

MATERIAL ISSUE	INTERNAL GOVERNANCE DOCUMENTS	INTERNATIONAL STANDARDS AND REFERENCES	SDG ALIGNMENT
Climate change	Environmental Policy Ship Energy Efficiency Management Plan	The Paris Agreement The Intergovernmental Panel on Climate Change (IPCC) Initial IMO Strategy on Reduction of GHG Emissions from Ships	
Air emissions	Environmental Policy Ship Energy Efficiency Management Plan	IMO MARPOL Convention Annex VI EU Sulphur Directive 2016/802 UNCLOS	
Ecological impact	Environmental Policy Ship Recycling Policy Biodiversity Policy Biofouling Management Plan	UN Global Compact IMO MARPOL Convention Annex VI IMO Ballast Water Management Convention IMO MARPOL Convention Annex VI IMO Hong Kong Convention International Oil Pollution Prevention Certificate UN Convention on Biological Diversity UN Convention on the Law of the Sea	
Business Ethics	Corporate Code of Business Ethics and Conduct Financial Crime Policy Know Your Business Partner Policy	UN Global Compact The US Foreign Corrupt Practices Act and the UK Bribery Act	
Employee Health & Saftey	Corporate Code of Business Ethics and Conduct Ship Recycling Policy	UN Global Compact ILO Conventions Maritime Labour Convention, 2006 (MLC, 2006) International Management Code for the Safe Operation of Ships and for Pollution Prevention (The ISM Code) Hong Kong Convention Marine Crew Resource Management	
Accident & Safety Management	Corporate Code of Business Ethics and Conduct Know Your Business Partner Policy	International Management Code for the Safe Operation of Ships and for Pollution Prevention (The ISM Code) Marine Crew Resource Management	

ANTI-CORRUPTION
AND BUSINESS ETHICS

Our anti-corruption and money laundering policies are modeled on the UK Bribery Act and US Foreign Corrupt Practices Act (FCPA). The policies apply to all entities controlled by Golden Ocean's officers, directors, employees as well as workers and third-party consultants wherever they are located. Assessing and monitoring business processes, training and controls are fundamental tools in implementing our anti-corruption policy.

Golden Ocean has a zero-tolerance policy towards bribery and corruption, and our Corporate Code of Business Ethics and Conduct ("the Code") outlines our commitment to conduct business with integrity. Where employees observe or become aware of a situation they believe to violate the Code, it states that they should promptly report this. As part of our Financial Crime Policy and associated compliance procedures, appropriate risk-based communication and training is provided to employees as part of their on-boarding and ongoing development.

Our Complaints Procedure was updated this year, and suspected deviations from our policies are to be reported to the line manager or through our whistleblowing platform provided by WhistleB that is open to everyone, including staff, seafarers, and those outside of our organization. The whistleblowing facility is tested quarterly by Golden Ocean's Compliance Officer and is included in both eLearning and face-to-face training. Golden Ocean recorded no whistleblowing cases in 2021.

In 2021, Golden Ocean was not involved in any legal proceedings associated with bribery, corruption or anti-competition Tackling systemic integrity challenges requires collective action. Through the Marine Anti-Corruption Network (MACN), Golden Ocean has joined forces with other members of the shipping industry to share information and approaches, but also to engage with authorities and civil society.

As a member of the Maritime Anti-Corruption Network (MACN), and through our own diligent anti-corruption procedures, we support collective action to reduce corruption and bribery in all their forms and report facilitation payment demands on a quarterly basis in cooperation with all Ship Managers.

ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2020	DATA 2021
CORRUPTION INDEX			
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	111	194
CORRUPTION			
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	0	0
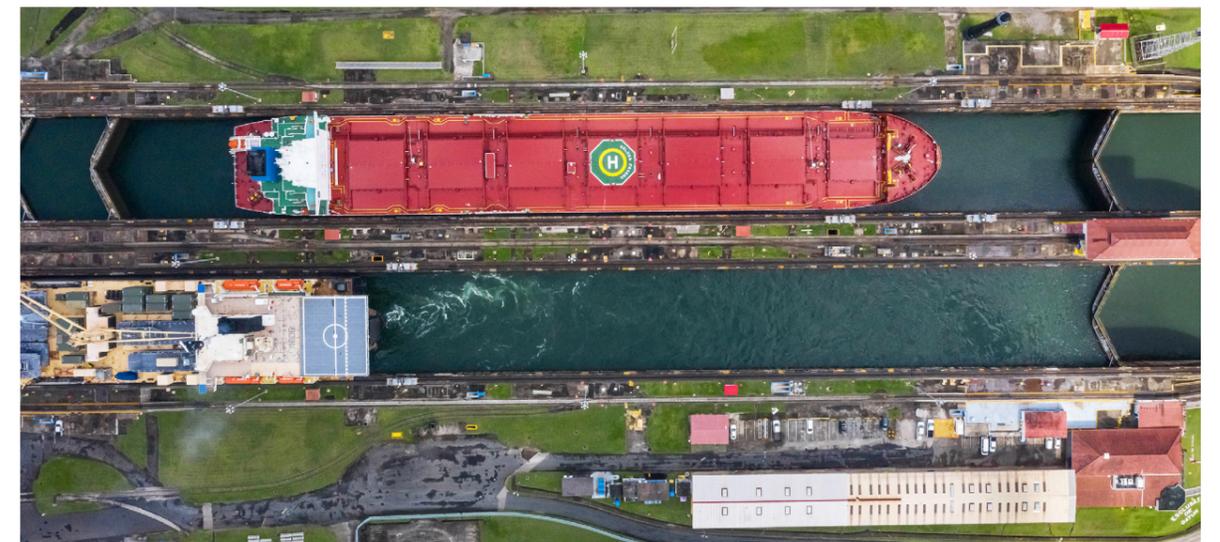
⬡ ENVIRONMENT

As a ship owner and operator, Golden Ocean recognizes its responsibility to manage and limit our environmental impact. Golden Ocean aims to be stewards of the environment and minimize the impact of our operation on our surroundings.

Golden Ocean reviews all identified environmental risks, which allows us to establish appropriate safeguards. We have monitoring and management tools in place to minimize the environmental impact of our activities in accordance with international and local regulations. Our Management System is ISO-compliant and in accordance with The International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code). Our fleet managers formally supervise the third-party ship managers through quarterly performance review meetings to ensure compliance and to follow up on any corrective measures that are imposed on them.

ENERGY AND GHG EMISSIONS

Climate change is the defining challenge of our time. Increasing focus across societies combined with increased levels of international trade has led the industry to take action through more stringent regulations and standards. Our commitment to being part of the solution to decarbonization is embedded across the business. We align our investments with the needs of a low-carbon future and continue to increase our level of ambition with respect to decarbonizing our own operations and value chain.

The IMO has launched a strategy towards 2030 and 2050. Compared to 2008 levels, the strategy aims to reduce CO_2 emissions per transport work by at least 40 per cent by 2030 and 70 per cent by 2050[1]. Golden Ocean supports this strategy, and we are committed to increasing our ships' efficiency and reducing the greenhouse gasses emitted from our vessels to a greater extent than what has been set forth in the IMO strategy.

To meet our goals, we need to understand and measure our impact. Our digital ESG-management system has allowed us to track vessel efficiency throughout 2021. Live tracking of each of our vessels' emissions and energy consumption is an important tool to monitor efficiency and emissions in accordance with regulations and our own targets. We have monthly meetings with ship managers to review performance. By monitoring and following up on our KPIs, we are able to adjust our operations to reduce emissions and improve our AER and EEOI.

The digital management system has enabled us to analyze our activities and identify appropriate operational measures for reducing energy consumption and GHG emissions on a vessel-by-vessel basis. The programme has also enabled us to establish a roadmap for 2023 EEXI compliance and roadmaps for CII in the coming decade.

To deliver on our ambitions, Golden Ocean aims to combine operational measures and technological measures that are uniquely catered to each vessel's design and operational profile. Our actions include:

- Energy efficiency through operational measures such as weather routing, speed optimization, optimization of ballast trim and voyage planning.
- Collaboration and transparency across industries and our charters to accelerate the transition.
- Technical retrofits, including energy-saving devices
- New sensor technology, enable data transparency and better decision making
- Divesting older vessels and replacing with modern eco-vessels
- Positioning ourselves to be ready to adopt zero-emission fuels once the technology is ready and feasible

In 2021, we initiated a project to digitalize our entire fleet to make use of high-frequency autolog data. We expect the digitalization to not only improve data quality and transparency overall, but also aid in the reduction of CO_2 as it will allow us to identify fouling or any other performance outliers quicker, enabling swift action.

Four vessels went fully digital in 2021 and the remainder of our fleet is to be fitted by year end 2022.

We measure our operations transport energy efficiency and carbon intensity using the Annual Efficiency Ratio (AER). In 2021, we managed to improve the AER for several segments of our fleet. The most notable was for the Panamax and Kamsarmax vessels, where AER dropped by 6.6% and 3.4% respectively. Our efforts were purposefully focused on renewing our fleet within these segments, as we identified that our fleet was performing outside the industry AER average within these two segments, according to the IMO Fourth GHG Study[2].

## CASE STUDY: RETROFITTING OF THE GOLDEN MYRTALIA

The Golden Myrtalia, was digitalized and retrofitted in 2021 with Mewis duct and Ultra-premium low friction paint. The project was carried out in collaboration with one of our charterers, Anglo American, in a joint effort to reach common goals and test new technology to reduce emissions .

A calibrated performance model based on original sea trials and records from sister post dry dock show significant improvements in AER of 22%.

Performance Profile Laden 10.56 kn Ballast 11.19 kn	AER
Current Performance prior DD	3.113
Anticipated Performance after DD	2.406

AER (GCO_2/DWT*NM) FOR PANAMAX AND KAMSARMAX VESSELS

- 6.6% ↓
- 3.5% ↓

■ 2021 ■ 2020

In 2021, we saw an increase in total emissions and energy use, of 21% and 19% respectively, which is primarily explained by an increase in fleet size from 68 to 85 vessels, and thus we have also carried out far more transport work. Increased congestion at port has also negatively effected emissions throughout 2021.

---

1 IMO initial GHG strategy
2 Fourth Greenhouse Gas Study 2020
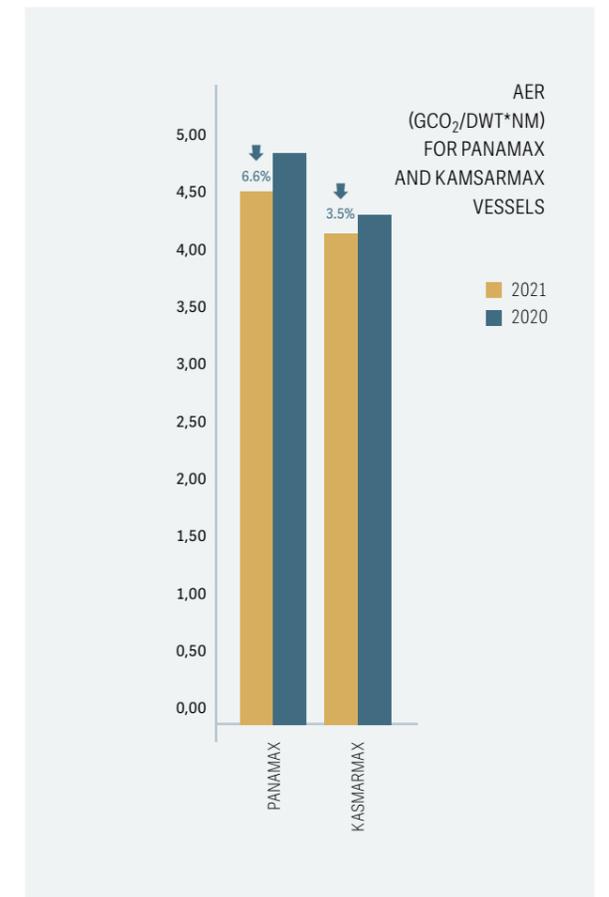
CLIMATE RELATED-RISKS

The Golden Ocean Board and management are conscious that climate change poses physical, technological and regulatory risks to the company. Climate change also presents opportunities which support the long-term viability of our company. The Task Force on Climate-related Financial Disclosures (TCFD) provides a useful framework for assessing these risks and opportunities, and this is the summary of Golden Ocean's current approach:

GOVERNANCE: The Board and management take an active role in assessing climate-related risks and opportunities, with our decarbonization strategy having been launched in 2020. The company's overall strategy to reduce fuel consumption and associated emissions to meet its long-term emission reduction target is actively reviewed, assessed and approved by the Board, alongside overall plans for fleet divestments and investments.

STRATEGY: Decarbonization has been a part of Golden Oceans strategy since 2020. Our overall goal is to own and operate a modern and fuel-efficient fleet with a low carbon footprint. We view the IMO 2030 targets as a minimum threshold. Besides being the right thing to do, decarbonization is the right business decision. As regulation, potential carbon taxes and customer expectations

surrounding decarbonization increase, we aim to reduce our emissions, our AER by 15% by 2026 and 30% by 2030, compared to 2019, and net-zero by 2050.

There are several financial incentives to decarbonize for Golden Ocean. The more efficient the vessel is, the more attractive it is in the market, which means a higher profit from each vessel. More energy-efficient ships will also mean less impact from carbon taxes. Decarbonization also means that Golden Ocean will have a more competitive fleet, as customers are becoming increasingly aware of this impact on costs. Having a low emissions fleet also means more flexibility to manoeuvre in terms of speed, given that a speed limit[3], in our view, is more likely to be introduced as a carbon limit per tonne-mile.

RISK: Fuel prices may increase going forward. At the same time, an efficient fleet will be more attractive. Optimizing fleet operations and our investment/divestment plans taking this into consideration are important measures in managing these aspects of risk. Golden Ocean has a comparative advantage vis a vis peers as fuel prices increase.

Between 8-10% of our cargo is coal, and although the world is shifting to cleaner energy sources, coal does not represent a top source of income for Golden Ocean. However, we expect the seaborne volume of coal to grow in the coming years due to consumption in countries like India and China,

meaning that the shift away from coal may not negatively impact us.

Golden Ocean participates in discussion on climate-related risk in various forums, including management meetings, meetings with the technical department and the ESG forum.

TARGETS AND METRICS: Golden Ocean acknowledges the initial GHG strategy of the IMO, aiming to lower CO_2 emissions per transport work by at least 40 per cent by 2030, compared to 2008 levels. However, we recognize that the IMO strategy is not ambitious enough to reach the Paris Agreement. We aim to reduce AER by 15 per cent by 2026 and 30 per cent by 2030, compared to a 2019. We will also aim for net-zero emissions by 2050. We will establish targets in line with the Science Based Target Initiative to ensure Paris-alignment as soon as the methodology for shipping is ready[4].

Golden Ocean has since 2018 disclosed annually its Scope 1 (financial control approach) and Scope 2 GHG Emissions, and recently started monitoring Scope 3. Scope 1 emissions represent our material carbon footprint. We also use emission intensity metrics, such as AER and EEOI.

---

3 SP Global
4 https://sciencebasedtargets.org/sectors/transport

ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2020	DATA 2021
CO₂ EMISSIONS			
Gross global Scope 1 emissions	Metric tonnes (t) CO₂-e	1 596 329	1 936 521
ENERGY CONSUMED			
(1) total energy consumed	Gigajoules (GJ), Percentage (%)	24 200 992 100%	25 238 761 100%
(2) percentage heavy fuel oil	Gigajoules (GJ), Percentage (%)	9 922 407 41%	9 085 953 36%
EEDI			
Average Energy Efficiency Design Index (EEDI) for new ships	Grammes of CO₂ per ton-nautical mile	Not applicable	Average for new vessels: Kamsarmax (8 ships): 3.64 Newcastlemax (10 ships): 2.21
OTHER EMISSIONS TO AIR			
1) NOₓ (excluding N2o)	Metric tonnes (t)	39 025	47 766
(2) SOₓ	Metric tonnes (t)	4 683	6 182
(3) particulate matter	Metric tonnes (t)	2 595	2 792

risks, as ships become a vector for the transfer of organisms between ecosystems. Golden Ocean has invested in Ballast Water Treatment Systems (BWTS) on all new ships delivered from 2014 onwards, accounting for more than 81 percent of the Golden Ocean fleet.

Ships are high-tech constructions that contain hazardous materials, and ship recycling must therefore be performed according to strict standards to protect human health, safety and the environment. The Hong Kong Convention aims to ensure that ships, when recycled after reaching the end of their operational lives, do not pose a risk to the safety of workers or to the environment. Our oldest vessel was built in 2008, and recycling is therefore currently not considered. Golden Ocean has a Ship Recycling Policy to make sure that any future recycling of Golden Ocean's ships may only take place at an approved yard at minimum compliant with the Hong Kong Convention, and any recycling must be conducted in an ethical, safe and environmentally friendly manner, in line with the ten principles of the UN Global Compact.

AIR QUALITY

We are committed to the elimination of emissions at-source and the use of new technologies to reduce our impact. In January 2020, the IMO 2020 came into effect, placing a 0.5% global cap on sulphur dioxide (SOx) content in shipping fuels. Golden Ocean decided to comply with the new sulphur requirements by a mix of burning low sulphur fuel and retrofitting ECGS or scrubber devices onboard the fleet. At the end of 2021, 34 of our vessels were fitted with scrubbers.

ECOLOGICAL IMPACTS AND BIODIVERSITY

We recognize our responsibility to safeguard the environment and give great prominence to improving our environmental performance and protecting biodiversity. Marine transportation is associated with risks to the surrounding environment with negative impacts on biodiversity. These impacts are related to ship pollution and emissions, collisions and noise, grounding and anchor damage, and transportation of invasive species. Our ability to manage these risks is critical to our surroundings, including the sector, our customers as well as our own business.

Our ambition is to always take a precautionary approach to the risk of negative impact on the environment and loss of biodiversity. Our focus areas are to:

- Ensure all vessels operate in accordance with all relevant local, national, and international laws relevant to environmental protection and biodiversity.
- Prevent all forms of pollution (chemicals, oil, plastics, and waste)
- Raise the environmental consciousness of our employees and business partners
- Ensure we use best available technology to reduce loss of biodiversity, including Ballast Water Treatment Systems and Anti-fouling systems, to minimize the introduction or growth of invasive species.

Golden Ocean has implemented processes for conducting environmental assessments of how spills and emissions of sulphur oxides, nitrogen oxides, waste and other discharges are to be managed. Our technical managers formally supervise our third-party ship managers through quarterly performance review meetings to ensure compliance, and any corrective measures that are imposed on them are followed up. All our third-party ship managers are ISO 9001 and ISO 14001 certified.

A Biofouling Management Plan on each vessel ensure frequent and efficient anti-fouling and cleaning routines, which is not only beneficial to prevent the spread of invasive species but also for fuel savings. Early in 2022, we established a biodiversity policy, which has been approved by the Board, and applies to all employees, suppliers and contractors.

Golden Ocean is highly conscious that oil spills have severe and long-lasting negative impacts on ecosystems – incidents which may cause degradation to ecosystems, grave injuries or fatalities. Zero spills were reported in 2021.

Whilst ballast water is essential for safe and efficient shipping operations, the process of loading and unloading untreated ballast water poses serious ecological, economic and health

5 Ballast water management - DNV GL

SAFETY, LABOUR CONDITIONS AND HUMAN RIGHTS

HEALTH AND SAFETY

Safe working conditions are critical to our daily operations as well as to the long-term success of our company. Our policy is to promote safety at sea, health and prevention of injury, illness, and loss of life. There are inherent safety and security risks related to operations at sea that must be managed carefully to safeguard crew, vessel, cargo and the environment. We recognize the seriousness of health and safety incidents and have a zero-accident ambition and operate according to the ISM Code.

Our managers employ and train qualified seafarers in accordance with the requirements of the flag state and the Standards of Training, Certification & Watchkeeping Convention. Our fleet managers formally supervise ship managers through quarterly performance review meetings where all performance criteria, including safety matters, are discussed to ensure compliance. Our fleet managers meet all ship managers on a monthly basis going through any incidents related to safety and follow up on the implementation of any corrective measures. We also bring all ship managers together monthly for thematic seminars to share industry best practices. Our frameworks, procedures and practices all support our aim for zero accidents or incidents. An annual audit is performed by Class according to the ISM Code and where appropriate for ISO 9001 and ISO 14001.

Working on-board vessels involves intense physical labor, sometimes under extreme weather conditions, limited recreational activities and living in confined space. The latter became more intense during the pandemic. We are devoted to ensuring the physical and mental health of our seafarers. To this end, we have equipped our vessels with Wi-Fi connection, gym equipment and other recreational facilities.

All accidents, incidents and near misses are to be reported, and proactive measures are taken to ensure that we encourage our crew to report these without hesitation. We prepare a detailed analysis of accidents and incidents for the entire fleet, including Lost Time Incidents (see LTIR in the table) and Total Recordable Cases and Frequency (TRC and TRCF). The reports allow us to identify the root causes of these reported incidents and function as a tool for future improvement of our operations. Our LTIR was 0.19 in 2021,

compared to 1.30 in the previous year. We are proud that we have managed to lower our incident rates toward the overall ambition of zero incidents.

COVID-19 UPDATE

Since the Covid-19 pandemic began in early 2020, we have worked on multiple fronts to protect our staff and seafarers. Our primary goal has been to minimize the risk of transmissions onboard our vessels. To do this, in addition to signing up to the Neptune Declaration, we developed and implemented a crewing strategy that was driven both by safety and corporate responsibility perspectives, as well as a desire to preserve the welfare of our crew and ensure they return home safely.

One of our primary concerns has been the well-being of our seafarers while they were in enforced quarantine. The lockdowns around the globe have shown everyone how difficult it is to be isolated from family and relatives, and this difficulty is heightened for crew that may be far from home. To counter the isolation and boredom, we required ship managers to provide laptops or iPads to all seafarers, as well as provide training where appropriate.

Ensuring our seafarers have access to Covid-19 vaccines has been a top priority as soon as safe and reliable vaccines were available. We instructed our ship managers to carry out a vaccination drive for its seafarers, with the aim to achieve a vaccination rate of 100% in 2022. The current vaccination rate is 95%. In addition, we have introduced a policy that means we will not accept unvaccinated seafarers.

LABOUR RIGHTS AND WORKING CONDITIONS

In addition to securing our workers' health and safety, we seek to ensure that our employees, on-shore and off-shore, are working under conditions that meet the requirements set out in the International Labour Conventions and the Maritime Labour Convention. As part of safeguarding seafarers' labor rights, these conventions include the right to collective bargaining agreements and that no employee is discriminated based on nationality, race or any other basis. The PSC and the OCIMF Ship Inspection Report Programme (SIRE) are implemented, ensuring that applicable labor rights are being complied with.
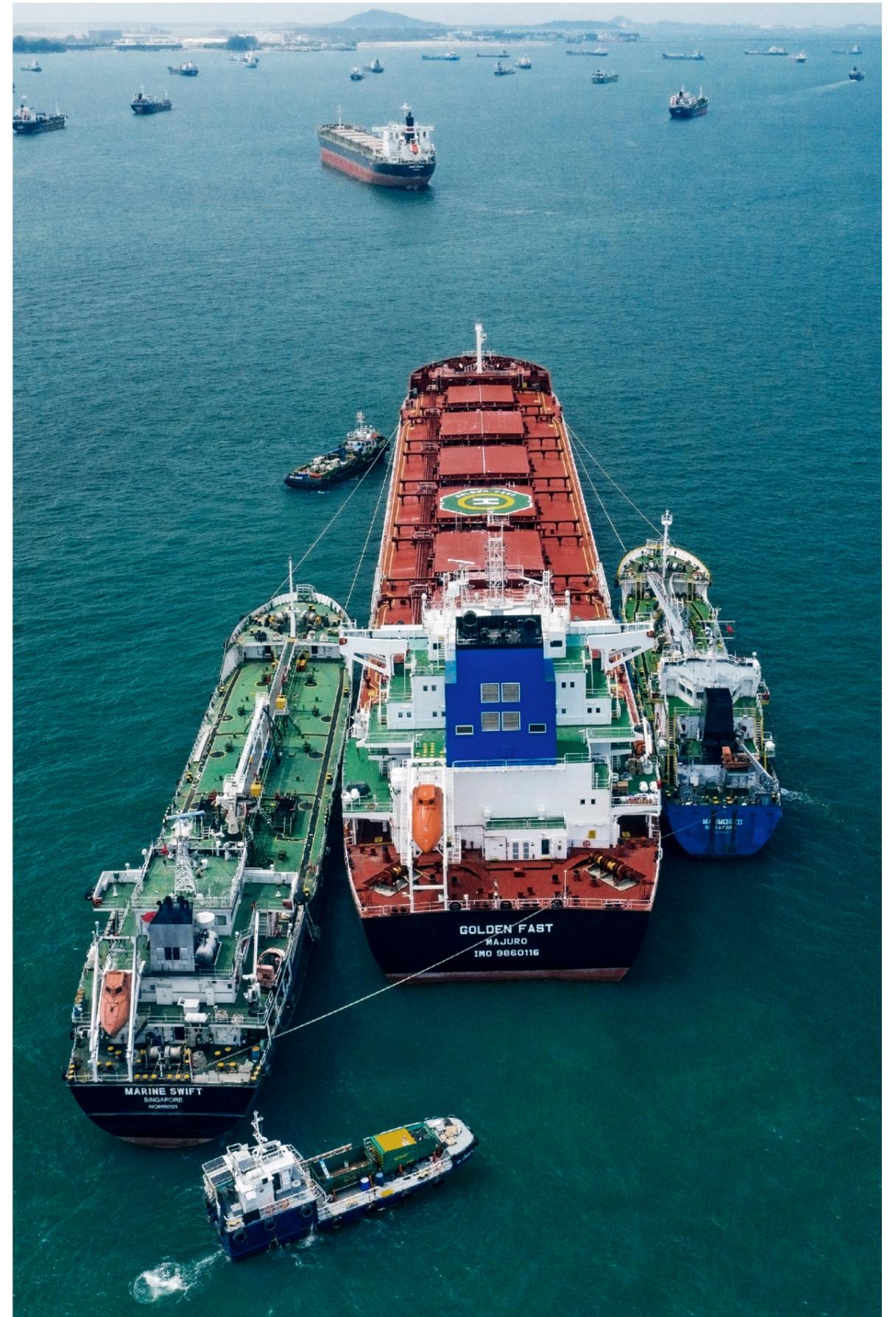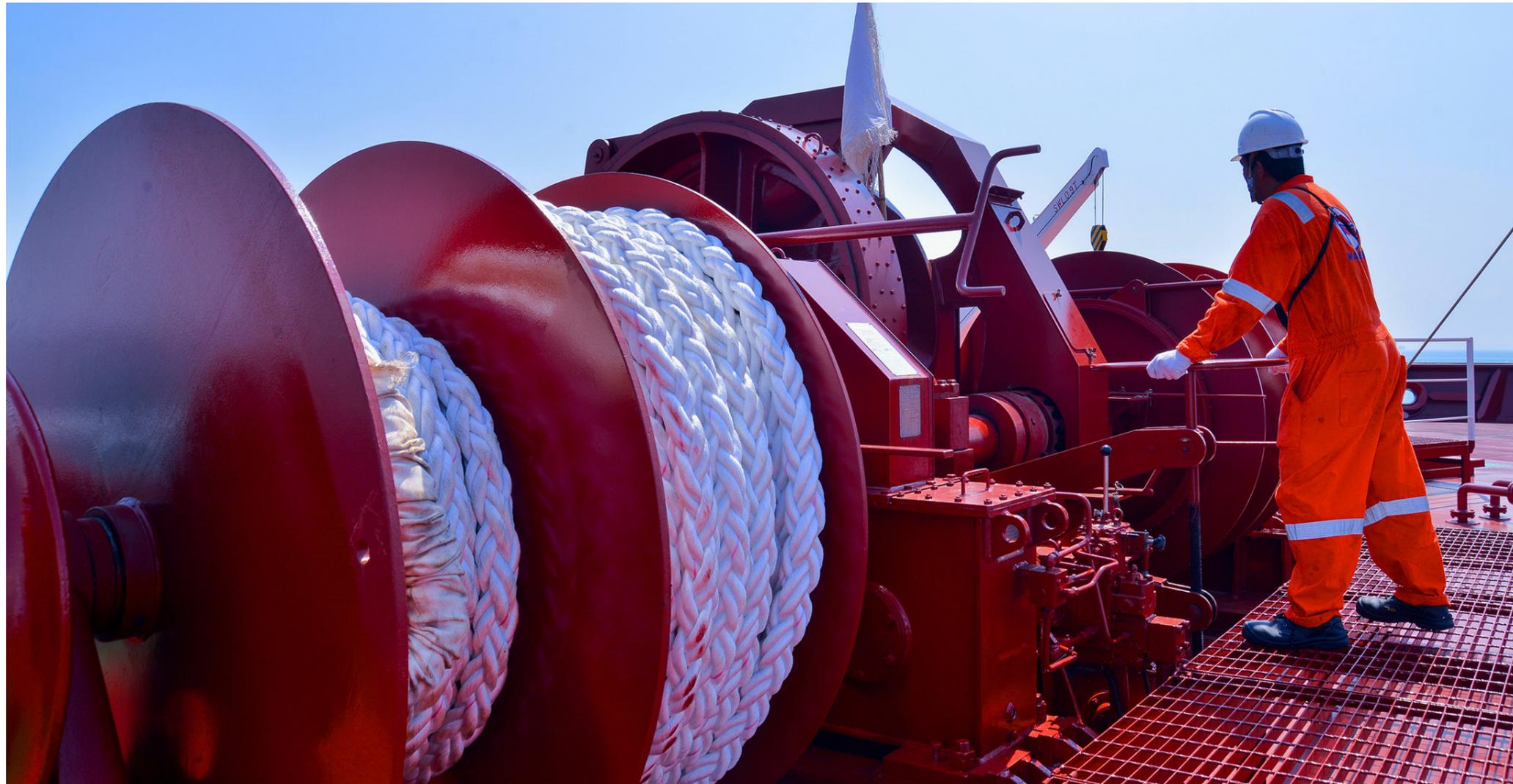
Golden Ocean supports Hands-Of-SeaTeam (HOST), which allows us to reach out to our community of seafarer more directly. The HOST initiative was established in 2012 with the aim of giving back to the communities of our seafarers by supporting children in need. The HOST programs primary focus is on supporting the education of children from underprivileged backgrounds with the hope of improving their future prospects and living standards. HOST has active programs in the countries of which many of our seafarers are from, such as the Philippines, India, Singapore, Russia and Myanmar. Some examples of the initiatives that were carried out in 2021 include:

- In the Philippines, the HOST initiative provided support to the victims of the Typhoon Odette, in addition to the existing support to a local orphanage.
- A charity initiative was started in the Ukraine giving support to refurbish an orphanage taking of care of special needs children.

ON-SHORE WORKING CONDITIONS AND DIVERSITY

The operation of our vessels is constantly monitored and supported by an on-shore team of skilled employees. We remain devoted to creating and maintaining a positive working environment of equal opportunities where our employees can perform to the best of their ability.

It is of utmost importance to Golden Ocean that all our employees receive fair and equal treatment irrespective of race, gender, color, religion, age, sexual orientation, marital status, national origin, disability, ancestry, political opinion or any other personal bias. Golden Ocean strictly prohibits discrimination or harassment in any form.

Our success is built on the ability, determination, and dedication of our staff, both onshore and shipboard. We aim to have an inclusive workplace that strives to develop our employees and attract the best talent. To assist with this, we provide a number of opportunities for employees to develop their skills and careers, including training.

HUMAN RIGHTS

Golden Ocean is committed to respecting and protecting internationally recognized human rights as defined in the International Bill of Rights and elaborated on in regard to business in the UN Guiding Principles on Business and Human Rights (UNGP). We are an international company with suppliers from all parts of the world and recognize our responsibility to take steps to reduce potential negative human rights impact throughout the value chain.

As a ship owner, we do not have a direct contractual relationship with our seafarers. This means that we do not enter into collective bargaining agreements with seafarers, although we require our ship managers to comply with the requirements of the International Transport Workers' Federation. We also ensure training in human rights through our e-learning of all employees and third parties.

Through our policies and our Code of Business Ethics and Conduct, risk assessments, trainings and contractual clauses, Golden Ocean has made our high standards clear to our partners. For example, Golden Ocean has established a Know Your Business Partner Policy to ensure compliance with the company's ethical standards in all business relations. We also conduct social risk assessments of yards and carry out due diligence of business partners. In 2021, we conducted compliance reviews of key business partners, including ship managers and joint ventures.

We consider that we are well placed to comply with the Norwegian Transparency Law that comes into force in July this year. This law requires businesses to carry out human right's due diligence through their supply chain, which means assessing and mitigating risks to human and labor rights.

No human rights or labor incidents were reported in 2021.

ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2020	DATA 2021
LOST TIME INCIDENT RATE			
Lost time incident rate (LTIR)	Rate	1.30	0.28
MARINE CASUALTIES			
Incidents	Number	1	0
Very serious marine casualties	Percentage (%)	0	0
CONDITIONS OF CLASS			
Number of Conditions of Class or Recommendations	Number	0	0
PORT STATE CONTROL			
(1) Deficiencies	Rate	1.16	0.85
(2) Detentions	Number	4	0

SUSTAINABILITY ACCOUNTING STANDARD DISCLOSURES

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2020	DATA 2021	CODE
	CO₂ EMISSIONS				
GREENHOUSE GAS EMISSIONS	Gross global Scope 1 emissions: Financial control[a]	Metric tons (t) CO_2-e	1 596 329	**1 936 521**	TR-MT-110a.1
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emis- sions, emissions reduction targets, and an analysis of perfor- mance against those targets	See page 14			TR-MT-110a.2
	Scope 2: Purchased electricity[b]	Metric tons (t) CO_2-e	41	**50**	Additional
	ENERGY CONSUMED				
	(1) Total energy consumed	Gigajoules (GJ), Percentage (%)	21 159 615 100%	**25 238 761 100%**	TR-MT-110a.3
	(2) Percentage heavy fuel oil	Gigajoules (GJ), Percentage (%)	6 559 481 24%	**9 085 953 36%**	
	EEDI				
	Average Energy Efficiency Design Index (EEDI) for new ships[c]	Grammes of CO_2 per ton-nautical mile	Not applicable	**Average for new vessels: Kamsarmax: 3.64 Newcastlemax: 2.21**	TR-MT-110a.4
	AER				
	Annual Efficiency Ratio (AER)	Grammes of CO2/DWTnm	Newcastlemax: 2.24 Capesize: 2.36 Kamsarmax: 4.32 Panamax: 4.84 Ultramax: 4.28	**Newcastlemax: 2.25 Capesize: 2.44 Kamsarmax: 4.17 Panamax: 4.54 Ultramax: 4.47**	Non-SASB: Optional
	OTHER EMISSIONS TO AIR				
AIR QUALITY	(1) NOx (excluding N2o)[d]	Metric tons (t)	39 025	**47 766**	TR-MT-160a.1
	(2) SOx[d]	Metric tons (t)	4 683	**6 182**	
	(3) Particulate matter[d]	Metric tons (t)	2 595	**2 792**	
	CORRUPTION INDEX				
BUSINESS ETHICS	Number of calls at ports in countries that have the 20 lowest rankings in Transpar- ency International's Corrup tion Perception Index[h]	Number	111	**194**	TR-MT-160a.1
	CORRUPTION				
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	0	**0**	TR-MT-160a.2

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2020	DATA 2021	CODE
	FACILITATION PAYMENTS				
BUSINESS ETHICS	Number of incidents where bribes have been requested	Number	33	**29**	Additional
	FINES AND SANCTIONS				
	Number of fines and total monetary value of fines	Number and reporting currency	0	**0**	Additional
	Non-monetary sanctions for non-compliance with laws and/or regulations	Number	0	**0**	Additional
EMPLOYEE HEALTH & SAFETY	**LOST TIME INCIDENT RATE**				
	Lost time incident rate (LTIR)[i]	Rate	1.30	**0.28**	TR-MT-320a.1
	MARINE CASUALTIES				
ACCIDENT & SAFETY MANAGEMENT	Incidents[j]	Number	1	**0**	TR-MT-540a.1
	Very serious marine casualties[k]	Percentage (%)	0	**0**	
	CONDITIONS OF CLAS				
	Number of Conditions of Class or Recommendations[l]	Number	0	**0**	TR-MT-320a.1
	PORT STATE CONTROL				
	(1) Deficiencies[m]	Rate	1.16	**0.85**	TR-MT-540a.3
	(2) Detentions[m]	Number	4	**0**	
	GENDER DIVERSITY				
DIVERSITY	Shipboard employees by gender	Percentage	Female: 0.6% Male: 99.4%	**Female: 0.9% Male: 99.1%**	Additional
	Number of employees by gender [not shipboard personnel]	Number	Female: 12 Male: 25 Total: 37	**Female: 15 Male: 27 Totale: 42**	
	Number of employees by age group [not shipboard personnel]	Number	Under 30 years old: 3 30-50 years old: 26 Over 50 years old: 8	**Under 30 years old: 4 30-50 years old: 26 Over 50 years old: 12**	
	Individuals in the organiza- tion's governance bodies by gender	Number	Not reported	**Male: 7 Female: 0**	
	MARINE PROTECTED AREAS				
ECOLOGICAL IMPACTS	Shipping duration in marine protected areas or areas of protected conservation status[e]	Number of travel days	323	**347.4**	TR-MT-160a.1
	IMPLEMENTED BALLAST WATER				
	(1) exchange[f]	Percentage (%)	32%	**19%**	TR-MT-160a.2
	(2) treatment[f]	Percentage (%)	68%	**81%**	
	SPILLS AND RELEASES TO THE ENVIRONMENT				
	(1) number[g]	Number	1	**0**	TR-MT-160a.3
	(2) aggregate volume[g]	Cubic meters (m³)	0.015	**0**	

DISCLAIMER AND ASSUMPTIONS FOR THE SASB REPORTING

The information provided is based on the best data available at the time of reporting. The ESG disclosures should be used to understand the overall risk management of sustainability related issues, however, in some areas data are based on estimates, please see comments below.

[a]CO₂ emissions – scope 1: Based on IMO emission factors. The "financial control" approach defined by the GHG Protocol has been applied. Scope 1: Owned vessels, based on fuel consumption for the year.

[b]CO₂ emissions – scope 2: Based on electricity consumption in reporting year, and calculated using conversion factors from NVE's electricity disclosure statement for power suppliers 2021 and AIB Residual Mixes 2021.

[c]Average Energy Efficiency Design Index (EEDI) for new ships: New ships average EEDI is based on new ships entering the fleet in 2021 (keel laid after July 2013).

[d]Particulate matter (PM), NOX, SOX emissions (Metric tonnes): The methodology has been developed with support from DNV GL.

[e]Shipping duration in marine protected areas or areas of protected conservation status: A marine protected area as defined by the International Union for Conservation of Nature (IUCN). However, the reported number does not necessarily include all Marine protected areas internationally established and regulated in International the Marine Organization (IMO) Conventions and areas established nationally by member states. Shipping duration is the sum of the travel days (24-hour periods).

[f]Percentage of fleet implementing ballast water exchange and treatment: Only ships performing ballast water exchange with an efficiency of at least 95 percent volumetric exchange of ballast water have been included. When it comes to treatment, approved systems must discharge (a) less than 10 viable organisms per cubic meter that are greater than or equal to 50 micrometres in minimum dimension and (b) less than 10 viable organisms per milliliter that are less than 50 micrometres in minimum dimension and greater than or equal to 10 micrometres in minimum dimension.

[g]Spills and releases to the environment (Number, Cubic meters (m3)): The total number of oil spills to the environment (overboard), excluding contained spills.

[h]Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index (CPI): In the event that two or more countries share the 20th lowest ranking, all have been included in the scope of disclosure. The list is based on the CPI for 2020.

[i]Lost time incident rate (LTIR): A lost time incident is an incident that results in absence from work beyond the date or shift when it occurred. Lost time incidents are Fatalities, Permanent Total Disabilities, Permanent Partial Disabilities and Lost Workday Cases. The rate is based on lost time incidents / 1,000,000 hours worked.

[j]Marine Casualties: Regarding SASB TR-MT-540a.1, the reporting is in accordance with the standard, however injuries to personnel as described in section 1.1.1 is reported as part of Health & Safety statistics (LTIR). The threshold for reporting on material damages as outlined in 1.1.4 and 1.1.6 is defined as USD 1,000,000. Section 1.1.7 "Severe damage to the environment" is reported under 'Ecological Impacts' and/or "Very serious marine casualties". Incidents concerned with oil spills, re SASB 1.1.7 "Severe damage to the environment" is covered under "ecological impact". For an event to be reported as a marine casualty, one or several out of the below criteria must be true: (1) the loss of a person from a ship, (2) the loss, presumed loss, or abandonment of a ship, (3) the stranding or disabling of a ship that triggered a Lloyds Open Form Salvage or the involvement of a ship in a collision that would seriously endanger the safety of life or property. (4) material damage to marine infrastructure external to a ship, that could seriously endanger the safety of the ship, another ship or an individual.

[k]Very Serious Marine Casualties: A marine casualty involving the total loss of the ship, a death, or severe damage to the environment that is not related to oil spill. Any deaths shall be reported. If the death is decisively concluded not to have anything to do with a marine (very serious) casualty such as latent and unknown illness shall be addressed separately for a case-by-case discussion. Severe damage to the environment that is not related to oil spill is covered by "Very serious marine casualties".

[l]Number of Conditions of Class or Recommendations: Those conditions/recommendations of class that has led to withdrawal of vessel certificates of otherwise has invalidates the ship's compliance are included in this figure.

[m]Number of port state control (1) deficiencies and (2) detentions: Number of port state control deficiencies and detentions. Practices of port state controls reporting on deficiencies do not follow an entirely harmonized methodology making it less useful for reporting purposes without further explanations, hence we have chosen to report this number as a rate: number of deficiencies per Port State Control Inspection. Detentions are reported in number of actual cases. The figure represents number of detentions received from regional PSC organizations.

[n]Number of shipboard employees: Only the number of employees on board ships at any time are recorded, this does not reflect the aggregate number of shipboard employees during the year.

[o]Total distance traveled by vessels: The distance (in nautical miles) traveled by all vessels during the reporting period.

[p]Operating days: Total operating days, i.e., total number of vessel- days for active vessels during the reporting year. Active vessels are referring to vessel(s) which were in possession of the shipowner during the reporting year.

[q]Number of assets in fleet: Reported number of owned assets at the end of the reporting year.

[r]Number of vessels port calls: Total number of port calls during the reporting period.

BERMUDA
GOLDEN OCEAN GROUP LIMITED
PO Box HM 1593,
Par-la-Ville Place,
14 Par-la-Ville Road,
Hamilton HM 08 Bermuda

Phone. + 1 441 295 69 35
Fax. + 1 441 295 34 94

NORWAY
**GOLDEN OCEAN MANAGEMENT
AS**
Bryggegata 3
P.O.Box 2005-Vika
0125 Oslo

Phone. + 47 22 01 73 40
Fax. + 47 22 01 73 59

SINGAPORE
**GOLDEN OCEAN SHIPPING
CO PTE. LTD.**
1 Wallich Street
#14-02 Guoco Tower
Singapore 078881

Phone. +65 6226 1926
Fax. +65 6293 3515