Using transparency to drive progress on responsible ship recycling
• Being transparent about shipowners’ ship recycling policies and practices will create fair competition, improve performance and hold the shipping industry to account for their vessels – from cradle to grave

• Ship recycling transparency will help financial stakeholders, cargo owners and other stakeholders be accountable for their supply chain
VISION

Our vision is of a world where ships are recycled responsibly – socially, environmentally and economically – meeting and going beyond international conventions and norms.

MISSION

The SRTI aims to accelerate a voluntary market-driven approach to responsible ship recycling practices through transparency; and subsequently to influence and improve decision-making about ship recycling, creating an industry-wide level playing field.

OBJECTIVES

- improve transparency across the shipping value chain
- increase disclosure of ship recycling policies and practices
- enable and encourage cargo owners, financial stakeholders and others to make informed decisions that will in turn drive improved performance
- create a level playing field for shipowners, covering the lifespan of a ship
**STRATEGY**

**Transparency and accountability**
- The SRTI provides a platform through which shipowners can **publicly disclose** their ship recycling policies, practices and performance, enabling the wider maritime industry to **hold them to account** and leading to a **level playing field**.

**Circularity**
- The SRTI incentivises actors across the shipping value chain to adopt a **circular economy approach**, challenging maritime stakeholders to consider **their role throughout a vessel’s entire lifecycle**, from shipbuilding to operating to dismantling and recycling.

**Data**
- Data shared on the SRTI platform enables cargo owners; financial stakeholders including banks, investors and insurance companies; as well as other stakeholders to **make informed decisions** and **reward good practice through the market**.
**WHO IS INVOLVED?**

<table>
<thead>
<tr>
<th>SRTI STEERING GROUP</th>
<th>RECENT SIGNATORIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipowners</td>
<td>Shipowners</td>
</tr>
<tr>
<td>CMA CGM</td>
<td>SWIRE PACIFIC OFFSHORE</td>
</tr>
<tr>
<td>MAERSK</td>
<td>Cargo owners</td>
</tr>
<tr>
<td>Hapag-Lloyd</td>
<td>BMW GROUP</td>
</tr>
<tr>
<td>Maersk</td>
<td>BÜNGE</td>
</tr>
<tr>
<td>Stolt-Nielsen</td>
<td>LDC.</td>
</tr>
<tr>
<td>Wallenius Wilhelmsen</td>
<td>Financial stakeholders</td>
</tr>
<tr>
<td>TEEKAY</td>
<td>gard</td>
</tr>
<tr>
<td>Wallenius Wilhelmsen</td>
<td>SUSTAINANLYSICS</td>
</tr>
<tr>
<td>Lloyd's Register</td>
<td>Magiste &amp; Psykologer</td>
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</tbody>
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**Classification societies & other stakeholders**

- Nykredit
- Standard Chartered
- Lloyd's Register

**Recent Signatories**

- Shipowners
- Cargo owners
- Financial stakeholders
- Classification societies & other stakeholders

• **An independent initiative** hosted by the Sustainable Shipping Initiative, the SRTI reflects a collective effort that brings together the shipping industry, investors, cargo owners and broader stakeholders to improve ship recycling policy, practice and performance.

• **The SRTI is an open initiative** and we invite you to join the growing SRTI community.
HOW IS SRTI DATA BEING USED?

Financial stakeholders
- **ESG rating agencies**: Metrics and criteria for assessment of transparency and commitment towards responsible ship recycling
- **Investors**: Risk management strategies
- **Banks**: Ship financing
- **Insurance companies**: Risk coverage

Cargo owners
- Assessment and reporting of transparency and **sustainable value chains**
- **Sourcing** and **procurement** processes
- Supplier **codes of conduct**
AWARDS

Winner
• 2019 Safety4Sea Sustainability Award

Highly Commended
• 2019 Responsible Business Award

Finalist
• 2019 Green4Sea Initiative Award
• 2019 BusinessGreen Leaders Award

“An ambitious multi-stakeholder initiative wielding transparency as a market-driven tool to drive change in a hugely important industry. Bravo!”

2019 Responsible Business Awards – Judges’ feedback
The SRTI report is published annually, with the launch coinciding with Tradewinds Ship Recycling Forum.
23 companies are signatories of the Ship Recycling Transparency Initiative

2,433 vessels operated by shipowners are currently disclosing their approach to ship recycling via the SRTI online platform (covering ~4-5% of global merchant fleet over 1,000 gross tonnes)

36% of the global container fleet’s tonnage is covered in this report, representing a total market share of 38%
A shipowner’s perspective

• By signing up to the SRTI, shipowners make a commitment to disclose their approach to ship recycling with their brand recognised for its leadership in sustainability as an SRTI signatory, associated with transparent and responsible ship recycling. Shipowners derive value from the SRTI by being part of a diverse community of like-minded transparent peers driving change across the industry, demonstrating how responsible ship recycling is possible, and providing evidence of a more transparent and accountable supply chain. They also benefit from a more level playing field.

• Shipowners can draw on the SRTI data disclosed by peers as they learn about other shipowners’ approaches to ship recycling. SRTI data also provides a useful benchmark against which shipowners can monitor and report on their respective ship recycling and sustainability journeys.
A financier’s perspective

• Financial stakeholders including investors, lenders, ESG rating agencies and insurance companies have a powerful role in leveraging their influence to drive transparency and responsible ship recycling. Financial stakeholders use SRTI data to hold the shipping industry to account, raising the bar for current ship recycling practice as well as creating fair competition among shipowners.

• The SRTI provides value to financial stakeholders who seek information on which to base their risk management strategies for investments, lending and risk coverage of shipowners, allowing them to meet the growing expectations of their stakeholders. Financial stakeholders can use SRTI data to develop incentives to drive responsible ship recycling practice through the market. A shared imperative and cooperation between shipowners and financial stakeholders, the SRTI is an opportunity to articulate and demand data of the quality and level of detail needed to make better financing decisions.
A shipper’s perspective

- Customers are increasingly demanding transparency across the entire supply chain. By signing up to the SRTI, cargo owners demonstrate their commitment by associating their brand with transparent and responsible ship recycling. The SRTI provides value to cargo owners who seek information on which to base their sourcing-related decisions, allowing them to meet the growing expectations of customers for a more transparent and accountable supply chain.

- Cargo owners can use SRTI data to develop incentives and build these into existing supplier codes of conduct and sustainability strategies, for example setting specific ship recycling criteria to be met and demanding transparency as a minimum requirement in procurement processes. SRTI data helps them hold the shipping industry to account, raising the bar for current ship recycling practice as well as creating fair competition among shipowners.
SIGN UP TO THE SRTI

www.shiprecyclingtransparency.org
srti@ssi2040.org

@SustShipping
#shiprecyclingtransparency