




Sustainability Report 2022



This Sustainability Report refers to the period 01.01.2022 - 31.12.2022. It conveys our approach to sustainability as captured by Environmental, Social and Governance ("ESG") issues, our performance compared to previous years and the targets we have set for our future sustainability performance. The Report has been prepared in accordance with the GRI Standards Core option. In addition to the GRI Standards, we considered the Sustainability Accounting Standards Board (SASB) recommendation for Maritime Transport.

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COMPANY OVERLOOK: A WORLD LEADER IN DRY BULK SHIPPING

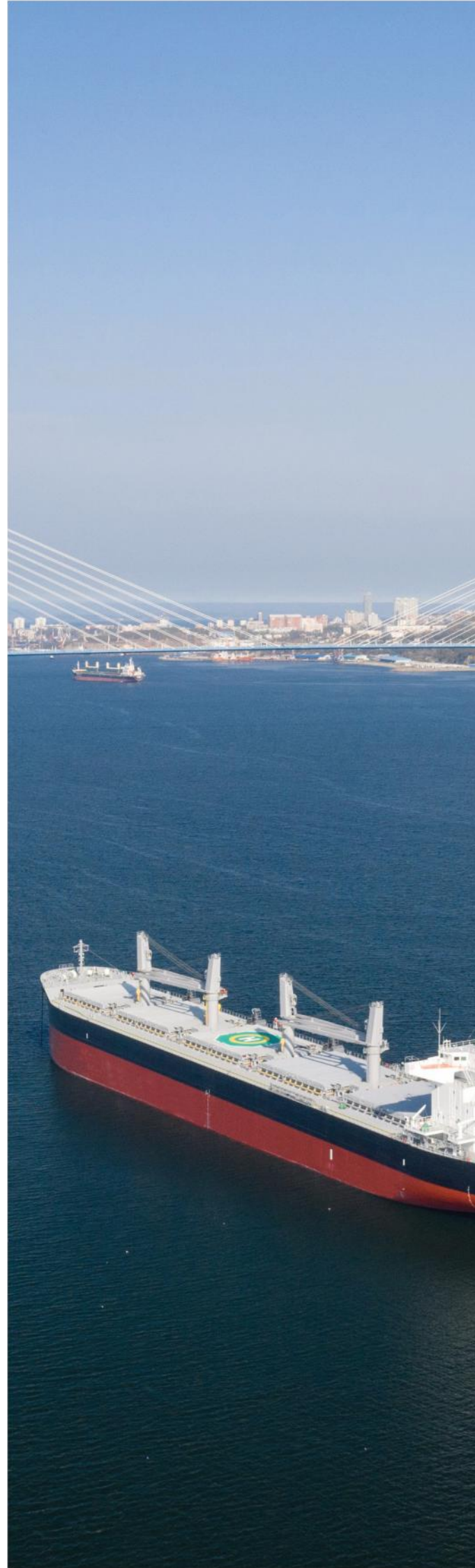
C TRANSPORT MARITIME S.A.M. ("CTM", the "Company" or "We") was founded in 2004 and is headquartered in Monaco. Today, it is one of the largest dry cargo vessel management companies, focusing on Commercial, Operational and Technical management, and we are pool management specialists. CTM employs over 82 people from 12 different nationalities and directly operates about 92 vessels, ranging from Handysize to Newcastlemax bulk carriers, and over 150 vessels, including those co-managed with Bocimar and Star Bulk inside Capesize Chartering Ltd. (CCL). The company's foundations are built on the expertise and professionalism of our managers and employees, who have years of experience in commercial, operational and technical management of dry cargo vessels. CTM belongs to Brentwood Shipping Group ("Brentwood"), which is owned by the Radziwill family. John Michael Radziwill is the Chairman and CEO of CTM.

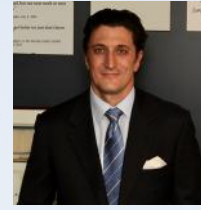
OUR PHILOSOPHY

"Going Forward Together" has been CTM's vision since our formation. It is this ideal of forward-thinking that has been essential in guiding our goals, principles and beliefs. Since we first opened our Monaco offices in 2004, we have used these three words as the foundation of the work we do every day for our partners and clients.

OUR MISSION

At CTM, we have chosen to specialise in the shipping industry by offering our leading management services to our partners and clients. Our objective has always been to be recognised as the company that lives up to our promises and delivers on them—always looking forward and examining where we can add new services and products to our current outstanding services. Doing so allows CTM to constantly focus on where the market is going and how we can continue to provide exceptional value to our clients and shareholders. This approach enables us to pursue our goal of being recognised as the foremost shipping company in our sector.





Letter from our President and CEO

2022 was a turning point as we returned to work with the end of the lockdowns caused by the Covid-19 Pandemic. 2022 was another great year to be in the spot market with rates hitting their second highest annual level in eleven years! It was an exciting market with a very strong first half followed by a weaker second half with the Baltic Supramax Index averaging over \$22,000 per day for a standard Supramax index-type vessel, more than double the 2011 to 2020 average of below \$10,000 per day.

At CTM our pool performance was even better than the levels achieved in the spot market with our Supramax Revenue Sharing Agreement (RSA) beating the BSI by 7.6%. An index-type ship in the RSA earned around \$600,000 more from the market than it would have done on a normal index-linked charter. Our Supramax RSA's performance was outstanding, the average monthly outperformance reached +14% as our fleet managed to take advantage of its global positioning to extract the most value out of the market.

We had our first bi-annual Supramax RSA meeting in 2022. This was the first meeting that we have been able to have in-person with our members since 2019 when the COVID-19 pandemic first erupted onto the scene, and we were forced to have our meetings digitally via video conferencing. It was a joy to be able to see our members in person once again.

We could not have achieved these results without the trust of our members and the knowledge sharing that takes place inside the RSA. We all benefit from this, and our bi-annual Supramax RSA meetings help reinforce the value we place in open and honest communication with our members.

We were the proud recipients of the Safety4Sea Dry Bulk Operator of the year award. We were nominated alongside five other dry bulk operators who would have been worthy winners of this award. So, to win it when we were pitted against such esteemed competition as these five companies is humbling for all of us at CTM.

One of our main goals at CTM has been to reduce fragmentation in the dry bulk sector and we have gone about achieving this goal through the establishment of our pools in the Supramax, Panamax and Capesize sectors. In doing so we aim to provide a more efficient service and minimise costs for our clients.

This year we redoubled our focus on ESG is driven by the awareness that clean oceans and air are essential for our very existence not only as a company but as individuals. It's about making a difference where we can create outcomes that drive growth and value for clients whilst simultaneously protecting the environment and benefiting our societies. This is why we continue to engage with financial institutions to promote the Poseidon Principles.

Behind the numbers, naturally and more importantly, are people and 2022 was a better year for all our people. Crews around the world continue in their efforts to be globally recognised as being an essential part of the workforce as more governments change their policies. We place a lot of focus on our seafarers, giving them all they need to be able to do their jobs to the best of their ability. We saw a great response from our crews their moral and mental health was much improved thanks to the efforts that we have taken over the years. Taking care of our crews in this way is just part of the reason why we have a 95% crew retention rate.

At CTM we are focused on the continued digitisation of our business practices both onshore and at sea. We ceaselessly search for new ways to improve our services and offerings so that we can continue to deliver our clients the market-leading dry bulk management solutions they expect from us.

Going forward, we are excited to create value for our clients, adhering to global goals for environmental protection and nurturing our crew's wellbeing, and furthering our commitment to our ESG goals. Regardless of the new challenges that might come our way, we will do our best to navigate and come out on the other side successfully.

John Michael Radziwill
Chairman and CEO

OUR SERVICES

Commercial & Operational Management: Our teams have access to a global network of brokers, end-users, operators, shipowners, port agents, etc., allowing CTM to offer our clients the best services possible. Our Commercial management team has years of experience working with time charter agreements, voyage-based charters, long-term charters, Contracts of Affreightment (COA's), Forward Freight Agreements (FFAs), etc. Once executed, our dedicated Operational management team takes over and ensures the vessels are where they need to be and are fully taken care of. Our operations department includes our teams of bunker management and insurance and claims specialists.

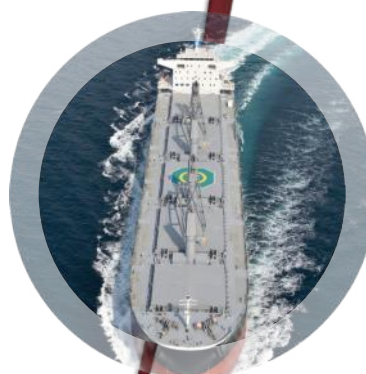
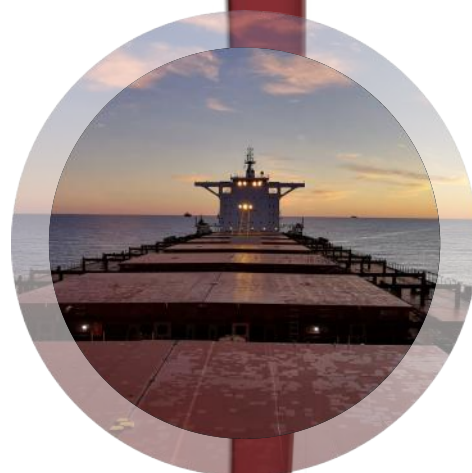
Forward Freight Agreements: CTM has traded Forward Freight Agreements (FFAs) for institutional clients since 2004. Often speculative and sometimes used as a hedging tool, FFAs are one-way investors can access the volatile shipping Industry. We cover all sectors of the dry cargo market: Capesize, Panamax, and Supramax, as well as the crude tanker space.

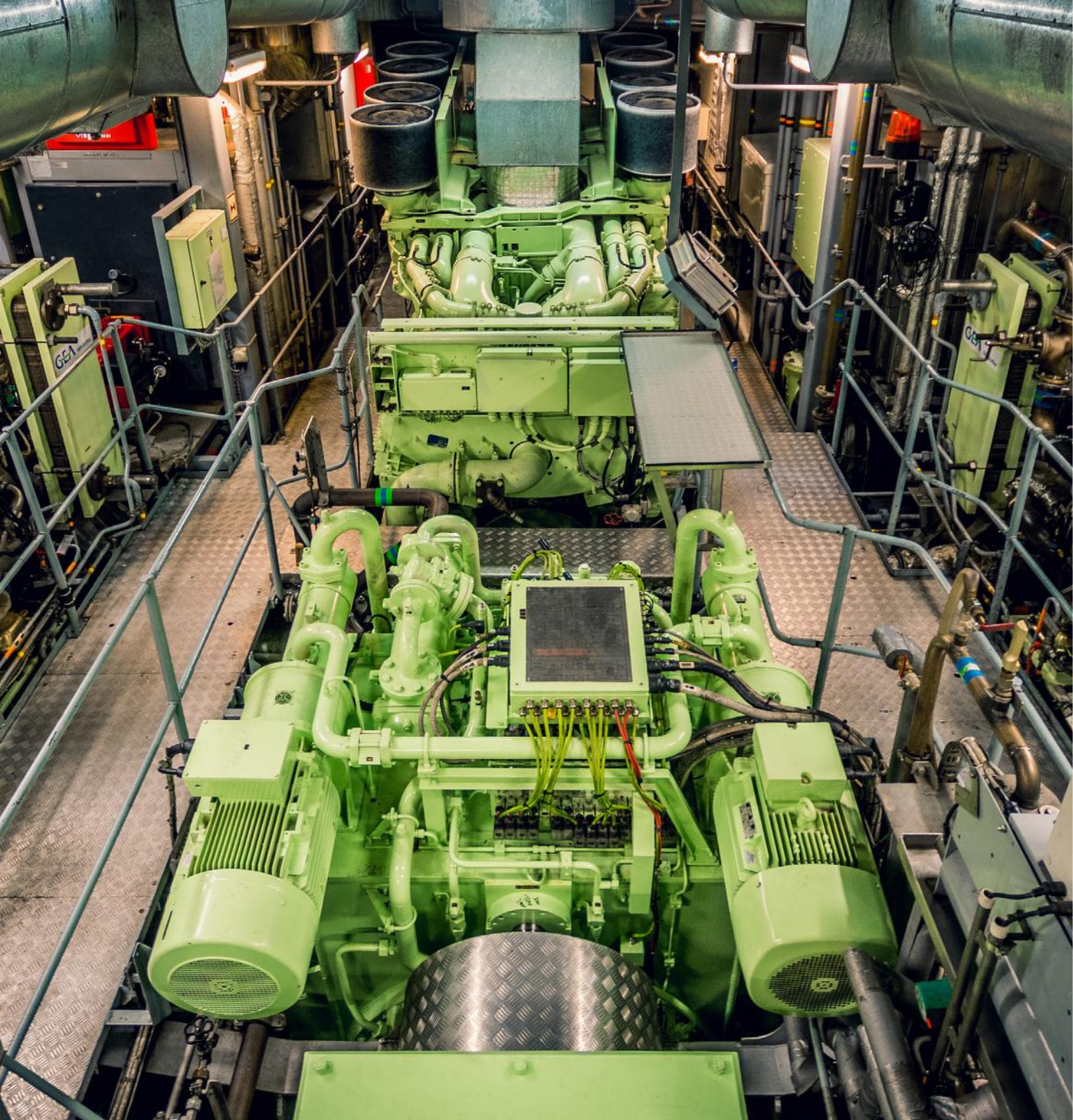
Sale and Purchase: Our Sale and Purchase desk covers newbuilding contracting, vessel acquisitions, disposals and sale and leaseback transactions. CTM has longstanding relationships in the Japanese market across shipyards, trading houses and local shipowners.

Revenue Sharing Agreements (RSA's): CTM is one of the leading pool managers in the dry cargo industry, our Supramax, Panamax and Capesize Revenue Sharing Agreements (RSAs) have a long history of outperforming the Baltic Index. Vessels are traded worldwide on the spot market, and income is distributed to each member vessel according to its earning capacity.

Technical Management: Since 2010, our technical department has kept our clients' vessels operating efficiently and adhering to the latest regulations. Our technical department can oversee various sizes of dry cargo vessels, including safety, crewing, purchasing, providing newbuilding support, and overseeing conversions and all modifications. As of Dec. 31, 2022, our technical department has managed a fleet of 20 vessels.

Supporting Functions: CTM also provides financial and administrative management, including accounting, legal, quality and risk management, insurance services, market analysis, and comprehensive client reporting.





Newbuilding Support

Our team covers all aspects of newbuilding support, including contract drafting, specification review, plan approvals and shipbuilding supervision. We have established site offices during the construction process, including in Japan; our teams oversee the process and ensure that vessels are built to the highest quality specifications.

Conversions & Modifications

We work with our clients to ensure that all conversion and modification projects fit within the framework of ongoing regulations. We ensure that our teams are informed of the latest regulations, ensuring that all vessels under our management will be fully compliant when they come into force. We are always cost-aware and mindful of our client's needs to provide the best results for them.

CLIENTS UNDER FULL MANAGEMENT

CTM provides commercial, operational, technical and all the supporting services to the following owners:



CARRAS LTD

Carras Ltd. (a company fully owned by Brentwood) was incorporated in Bermuda in 2009. Carras Ltd owns a Supramax vessel and controls a Kamsarmax vessel under a long-term time charter contract. In addition, Carras Ltd and JPM GMIF (J.P. Morgan Asset Management) participate with a 50% interest each in a joint venture entity incorporated in Liberia owning a Capesize.

BANKS: DNB, Danish Ship Finance, Credit Suisse, Nordea.



GOODBULK LTD

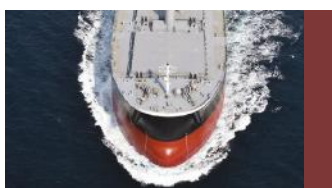
GoodBulk Ltd ("GB") was incorporated in Bermuda in October 2016. It was created by Brentwood together with alongside a small group of investors. GB's common shares started trading on the Norwegian Over-The-Counter List (the "N-OTC") in March 2017 under the symbol "BULK".

As of December 31, 2022, GB owns 14 Capesizes dry bulk vessel.

SHAREHOLDERS: No one party exercises control over GB.

As of December 31, 2022, CarVal, Lantern Capital Partners, and Brentwood each beneficially own 49.4%, 12.4% and 11.6% of GB's outstanding shares, respectively. These shareholders can exercise significant influence over GB due to their holdings and certain rights that they have under the company's bye-laws and pursuant to the founder's agreement.

BANKS: ING Bank, Danish Ship Finance, Credit Suisse, ABN AMRO.



CBC HOLDING LTD

CBC HOLDING LTD ("CBC") of Malta was incorporated in 2011, but its historical roots go back to 1998.

As of December 31, 2022, CBC owns 1 Capesize, 1 Panamax and 2 Supramax dry bulk vessels and controls, under timecharter agreements, 1 Supramaxes and 1 Kamsarmax dry bulk vessel.

SHAREHOLDERS: Tre Shipping S.r.l., (Italy), and Otto Shipping S.r.l. (Italy) own 49.50% each of CBC shares.

BANKS: JSF Green Inc. (Chugoku Bank), ABN AMRO.



STONE SHIPPING LTD

Stone Shipping Ltd. (Bermuda) was incorporated in December 2019 with the aim of managing an investment fund created to charter Supramax vessels on index-linked hire for a period not exceeding 15 months. These vessels are employed in the Supramax Revenue Sharing Agreement (page 12).

As of December 31, 2022, Stone Shipping Ltd. has 15 investors and controls 14 Supramax vessels under timecharter agreements.

BANKS: ABN AMRO.



C TRANSPORT MARITIME LTD

C Transport Maritime Ltd. ("CTM Bermuda") was incorporated in 2011.

As of Dec. 31, 2022, CTM BERMUDA controls 5 Panamax, 4 Capesize, 4 Supramax and 1 Nuke vessels under time charter agreements.

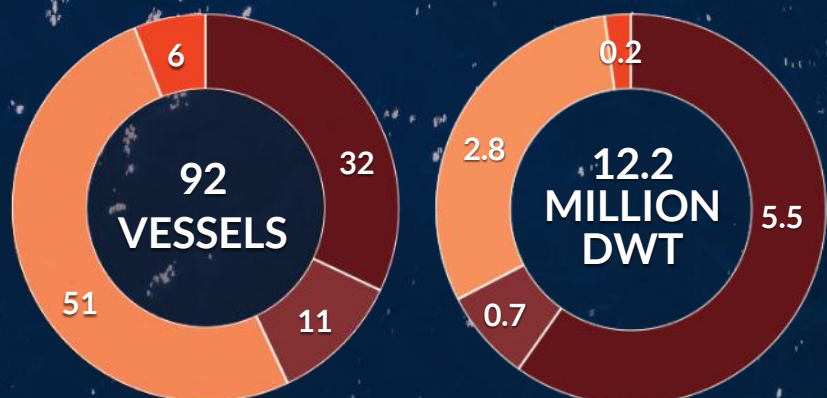
SHAREHOLDERS: John Michael Radziwill.

BANK: ABN AMRO.



VESSELS UNDER MANAGEMENT

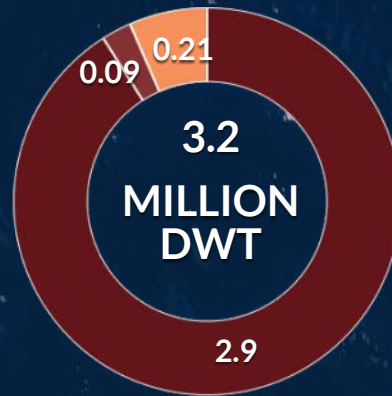
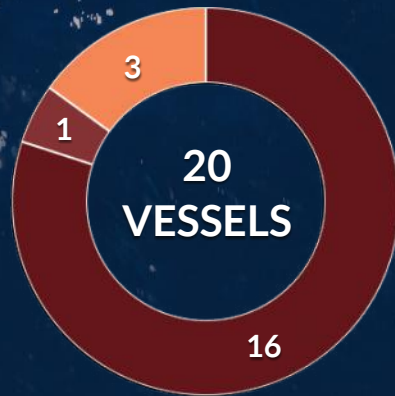
Commercial



● Capesize ● Panamax ● Supramax ● Handysize



Technical



● Capesize ● Panamax ● Supramax

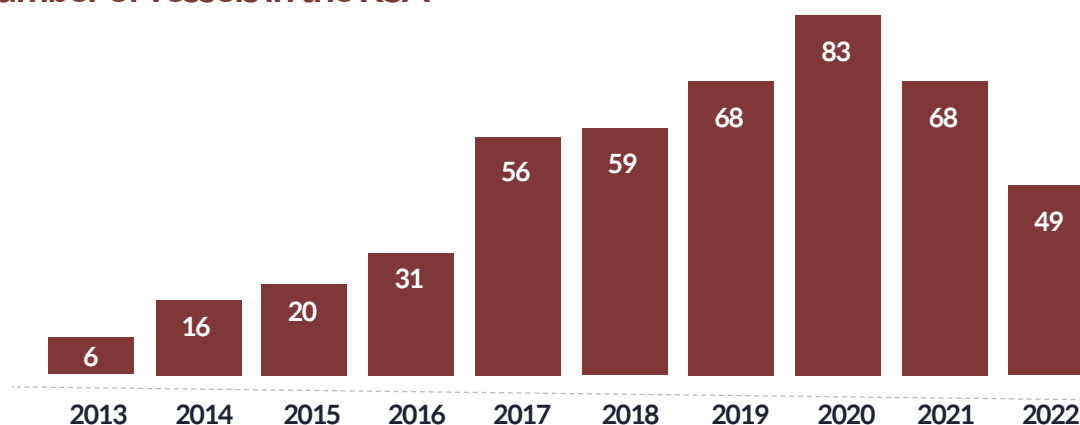
SUPRAMAX REVENUE SHARING AGREEMENT

The Supramax RSA, founded and managed by CTM, is a twist on the usual shipping pools being more simple and flexible, purely focused on trading ships in the spot market. Operations commenced in 2013, with 5 members and 6 vessels and in 2022 had reached 46 vessels from 12 owners.

THE PROCESS:

- A revenue sharing key establishes the relative theoretical earning capacity of each member vessel on a time charter basis (based on the description of that member vessel).
- The vessel is assessed by CTM's chartering managers on the basis of tradability and performances (dwt, cubic capacity, draft, service, eco speed, consumption, grabs, etc) and a revenue sharing key is established.
- The key is calculated by running the vessels on the Baltic Exchange Supramax Index routes.

Number of vessels in the RSA



(*)The decrease in the number of vessels in 2021 and 2022 is mainly due to sales finalised by Owners to take advantage of the high market.

Flexibility without unnecessary costs

- No daily administration fees are charged to the members of the RSA, only a 1,25% commission on fixture
- No withdrawal fees
- Flexible 3 months exit notice



General Information as of Dec. 31, 2022

49

Vessels 2 of which are fitted with scrubbers

12

Owners

60,500

Average deadweight

7

Years average age



About CTM

ESG Highlights
& Materiality Analysis

Corporate
Governance

Operational
Results

Environmental

Our People

Society

Operating in a highly competitive industry, CCL provides competitively priced bids and more efficient trading operations to serve its customers. None of the standalone companies in the venture is as efficient operating on its own. Together, vessels can be made available worldwide at shorter notice, time and cost savings are achieved for all involved thanks to less repositioning (less demurrage and ballast bonuses) and the achievement of economies of scale.

A light pool: CCL, as the Pool Manager, only carries out commercial activities – hence the term ‘light pool’. Every contract of employment is entered into under the name of the relevant Owner/Member. All activities beyond commercial management (such as operations, accounting, legal, insurance and technical) are handled by the Owners of the vessels. Bunkering is performed by the relevant Owner in close cooperation with the Pool Manager. Entry into CCL can be done through CTM as one of the Founding Members.

In CCL all vessels are traded the spot market. Each Owner collects freight/hire for their own vessels. The pool is administrated by CTM, and the vessels’ earnings are distributed to each member according to the pool points of the vessel and through a quarterly netting system amongst the pool members.

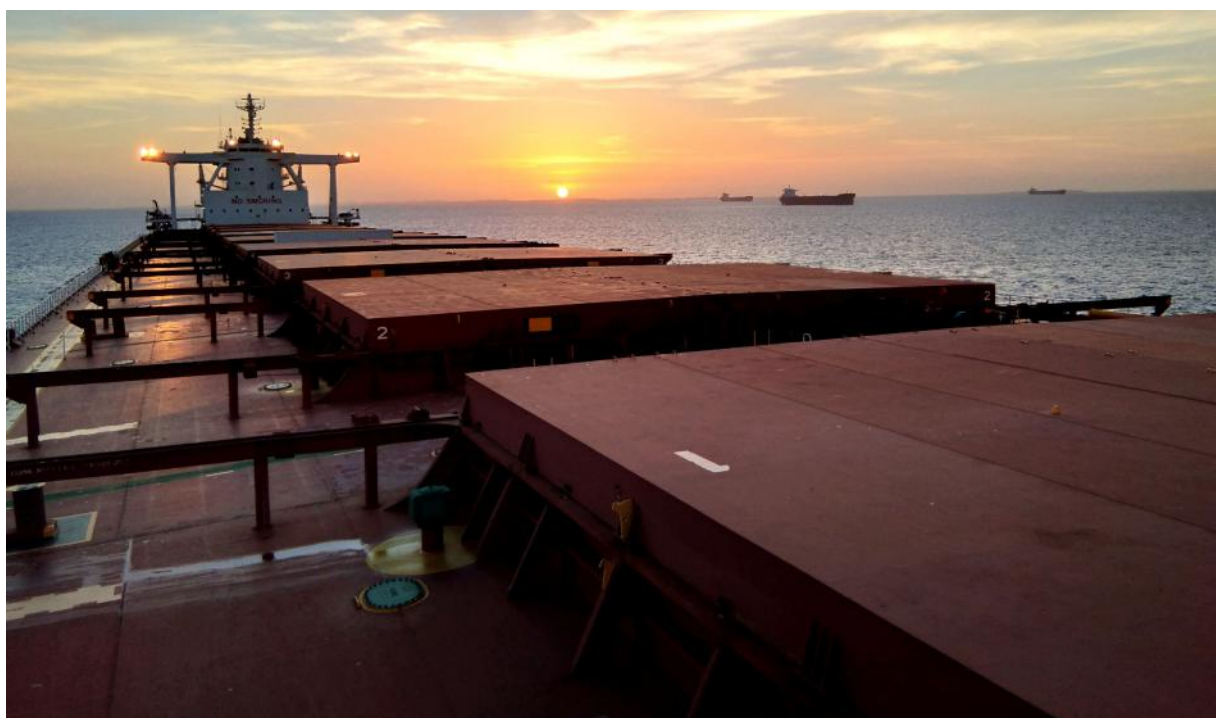
General information as of Dec. 31, 2022

85 vessels of which 22 are under CTM management (14 owned by Goodbulk, 1 by Navios, 1 by Anchorman, 2 by Phoenix Group – Astron -, and 4 by CTM Ltd.) and including 37 scrubber fitted vessels.

187,000 average deadweight



9 years average age





Harvesting of wheat fields



Iron Ore reclaimer wheel bucket



Stowage of steel products

Cargoes carried by CTM's managed fleet:

2022	MTONS	PERCENTAGE
Iron ore	19.9	36.7%
Coal	17.4	32.1%
Limestone	1.4	2.6%
Petcoke	1.3	2.4%
Soya Beans	1.2	2.2%
Clinker	1.0	1.8%
Corn	1.0	1.8%
Bauxite	1.0	1.8%
Wheat	1.0	1.8%
Salt	1.0	1.8%
Others	8.0	15%
Total	54.2	100%

Available days:

2022	
Supramax	19,171
Capesize	11,817
Panamax	2,843
Total	33,831



Crane and coal pile



A sugarcane plantation in Mato Grosso (Brazil)



Raw sugar pile in warehouse

WORLDWIDE OPERATIONS



2021
Reference
year

+2,372
Port
calls

104
Countries
visited



2022
Reference
year

+1,918
Port
calls

100
Countries
visited

Note 1: Data include loading-discharging and bunkering calls
Note 2: Technical and Commercial fleet

ENVIRONMENTAL SOCIAL GOVERNANCE (ESG) HIGHLIGHTS

Our strategy is aligned to the Sustainable Development Goals (SDGs) adopted by all UN Member States in 2015.

As responsible member of the Shipping Industry we fully support the International Maritime Organization's (IMO) environmental protection regulations including those on reducing CO₂ and GHG emission, as well as those on ballast water treatment. We continue looking for innovative solutions that will help gradually decarbonize maritime transportation in line with IMO goals: (i) 40% reduction in CO₂ emissions for ton-mile by 2030 (ii) 70% reduction by 2050. We are also committed to meeting the IMO's 2024 timeline to have enhanced Ballast Water Treatment Systems (BWTs) in place for all our managed vessels in order to considerably reduce the pollution of the marine ecosystems caused by the release of insufficiently treated ballast water into the ocean.

Our strategy to reduce GHG emissions of our managed fleet

Monitoring and transparent reporting

We established an emissions monitoring mechanism that ensures accuracy and reliability of relevant data and enables us to report our carbon footprint in a transparent way.

Improving the efficiency of our managed fleet

We test and apply technologies and tools that help us improve the operational and technical efficiency of our vessels, including route and speed optimization/reduction, hull cleaning and anti-fouling paints.

Promotion of green initiatives

We have adhered to the "National Pact", created with the aim of reducing Monaco's greenhouse gas emissions (GHG) in the three main areas for action as part of the energy transition: mobility, waste and energy.



Our measures to mitigate the environmental impact of our managed fleet

We apply measures that ensure compliance with all applicable environmental regulations, reduce our carbon footprint, improve our environmental performance and protect the marine environment.

Compliance

100% of our managed fleet equipped with BWTSs as of Dec. 31, 2022
\$6.1 million capital expenditure in 2022 for BWTS's installation



Improved environmental performance compared to previous years

We apply operational performance measures that increase the energy efficiency of our managed fleet. To comply with the new IMO GHG regulations, EEXI and CII that enter into force in 2023.

14 vessels underwent dry docking in 2022 with a total capital expenditure of **\$16.9 million**.

3 vessels are scheduled for drydock in 2023 with an estimated capital expenditure of **\$5.3 million**.

6.68 average EEOI (grCO₂/tonne-mile) of our managed fleet in 2022, in line with 2021.

0.14 average NO_x (gr NO_x/tonne-mile) in 2022 in line with 2021.

0.86 average SO_x (gr SO_x/tonne-mile) decreased by 8.51% from 2021, mainly due to the renewal of the fleet.

Health & Safety performance

We are dedicated to improving our social performance, health and safety and community support.

Health and Safety crew welfare

- 2 cases of minor injuries during 2022

People

- Raising of the amount of training and promotions for our seafarers in order to offer them new and improved skills and career development opportunities.
- Promotion of diversity and equal opportunities in the workplace and fostering of an inclusive work environment.
- High retention rate maintained, both on board our vessels and on shore.
- Pool of seafarers were decreased due to changes in the fleet.

Community investments

We contribute to social prosperity through socially responsible actions, including donations and sponsorships.

0.51	Lost Time Injury Frequency(LTIF) ratio for the crew of our managed fleet in 2022
67% decrease	in crew training hours
\$ 0.4 million	in crew training expenses in 2022
14	crew promotions in 2022
\$ 27.4 million	in crew salaries, bonuses and social security in 2022
28% decrease	in the number of seafarers pool
95%	crew retention rate
57% increase	in PSC deficiency ratio for our managed fleet in 2022
29%	women employed inside our organisation structure
17%	of our shore operational employees have seagoing experience
127	Technical / Safety and Quality inspections
7	community investment initiatives supported in 2022 by CTM



Ethics & Transparency

We operate ethically and transparently to promote an open reporting culture. We have established strong governance frameworks and policies, applying corporate governance best practices, adhering to high ethical principles and ensuring the high performance of our managed fleet through:

- **Adoption of a Code of conduct and Anti-Corruption and Trade Compliance Policies (ACTR)**
- **Implementation of:**
 - robust risk management system
 - an integrated Quality - Safety - Environmental (QSE) Management System identifying the specific risks, policies and controls related to commercial, operation and technical services we provide to our clients. It is built up in accordance with International Organisation for Standardisation (ISO) and certified by Rina and LRQA (Lloyd's Register Quality Assurance).
 - an Internal Control System (ICS) over the Financial Reporting Process to provide reasonable assurance that the financial reports produced are reliable. Our ICS is based on CO.S.O. Framework (prepared by Committee of Sponsoring Organisations of the Treadway Commission) and subject to the annual audit of Deloitte.
- Our Internal Audit Dep. supports Top Management in evaluating and improving the effectiveness of the organisation's governance, risk management, internal controls.

Our Potential exposure to corruption is constantly monitored

1% of port calls in 2022 occurred in countries ranked at the bottom 20 of Transparency International's Corruption Perception Index (CPI).

Open reporting culture and compliance to our Code of Conduct internal procedures

0 Whistleblowing incidents in 2022

Transparency in the communication of information on all aspects of our operations

More than 80 reports produced in 2022 by our Accounting and Budgeting Team for all our clients and RSAs, including annual financial statements, budget/forecast, monthly and quarterly financial reports.

15 Financial Statements / Reports relating to fiscal year 2022 which are subject to external audit were prepared by CTM for its clients.

Engagement with financial institutions for the promotion of the Poseidon Principles (page 47)

CTM provided **4 financial institutions** with environmental data as part of their adherence to the Poseidon Principles.



MATERIALITY ANALYSIS

The first step to achieve our ultimate goal of including sustainability into our business strategy and processes is to understand the most relevant and important sustainability issues for our business and our stakeholders including our clients. The materiality analysis process has this aim. It (and the resulting materiality matrix) was created by Undertaking three processes:

1. Issue identification

- Review issues raised by the leading sustainability standards and initiatives as well as industry - SDGs, GRI, etc.
- Explore business and industry landscape on sustainability – Benchmarking of peers.
- Introduce our company-specific issues.
- This process led to the initial pool of potential material sustainability issues which were grouped into focus areas.






2. Assessment and prioritization

The issues were assessed and ranked internally by the top management from a business perspective considering their impact to the business, their associated risks and opportunities and the degree of influence over them. Top management received input from clients, financial institutions and all other stakeholders on what they perceive to be the most important issues in relation to our performances. Their input was taken into consideration in risk evaluation and prioritization.

3. Validation and alignment

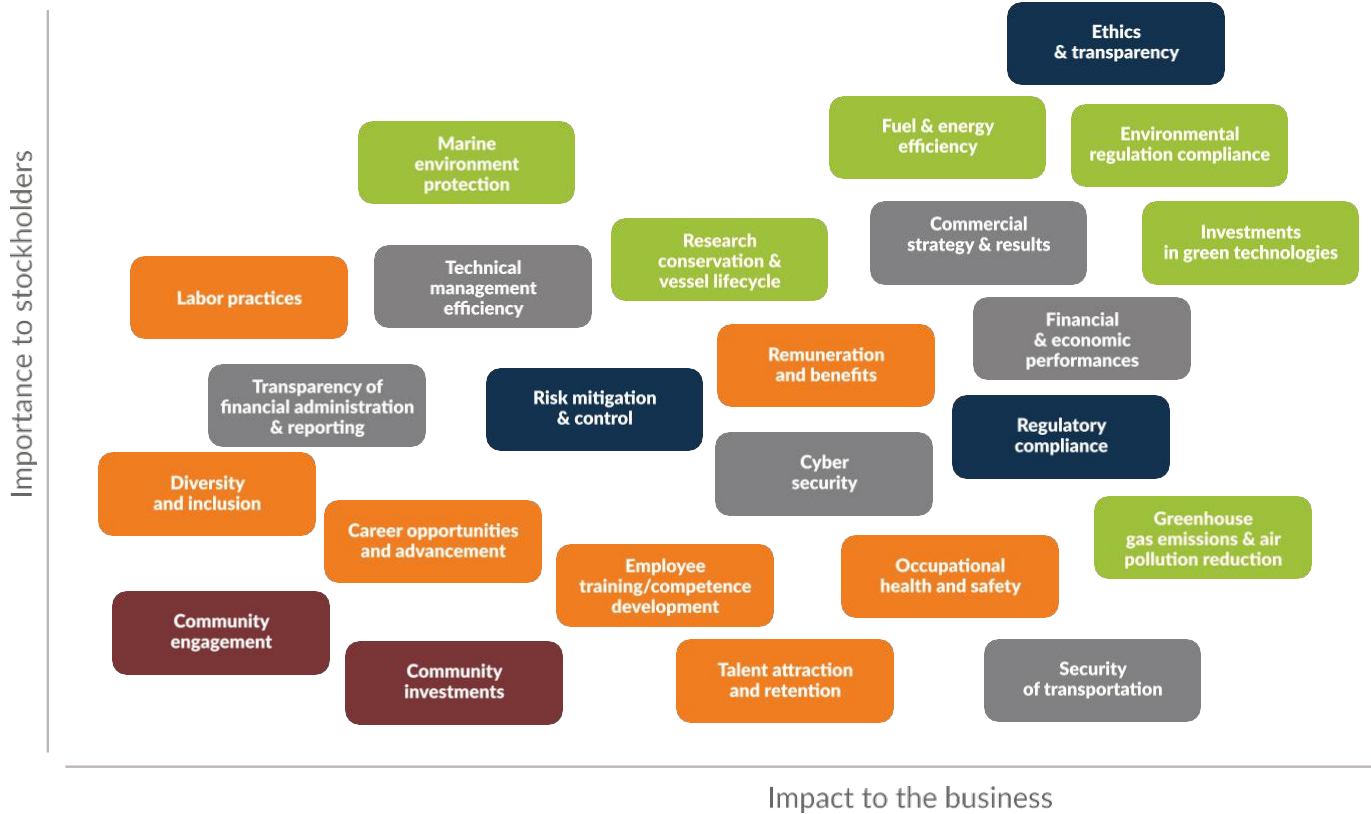
Final review of the assessment and validation of the result with production of the “Materiality matrix”, for focusing our efforts and allocating resources accordingly.

Legend

				
Corporate Governance: 3 issues - par. 3	Operational Excellence: 6 issues - par. 4	Environmental: 6 issues - par. 5	Our people: 7 issues - par. 6	Society: 2 issues - par. 7



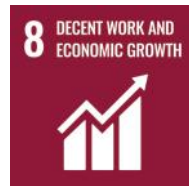
Materiality Matrix



Material issues

- Ethics and transparency
- Risk mitigation and control
- Regulatory Compliance

Related SDGs



OUR CODE OF CONDUCT

We have adopted and communicated our Code of Conduct (the “Code”) to all our employees; the Code applies to all our employees and directors, and to anyone conducting business on behalf of CTM. The Code seeks to promote:

- Honest and transparent conduct including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Compliance with applicable laws, rules and regulations of the jurisdictions of where CTM does business; and
- The accuracy and integrity of our records and financial information.

All our employees are obliged to follow our Code. Any non-compliance with the Code’s principles is treated as a violation. Employees shall take all appropriate action to stop any known misconduct by fellow employees or other Company personnel that violate this Code. Employees shall report any known or suspected misconduct to the CEO, Directors and Legal adviser. The Company encourages and enables employees and crew members, to raise, in their reasonable belief, issues regarding inter alia questionable accounting matters, audit practices, internal controls, conflicts of interest, fraud and insider trading within the Company. A whistleblower hotline has been set up for this purpose that guarantees sender anonymity. The messages received are promptly reviewed, investigated and, if necessary, action is taken to resolve the issue.

OUR ANTI-CORRUPTION AND TRADE RESTRICTIONS (ACTR) POLICIES

We implemented a Global Anti-Corruption and Trade Restriction Compliance Program (ACTR Program), in line with its Zero Tolerance approach to bribery and corruption in any form, whether direct or indirect and in compliance with the U.S. relevant regulation.

CTM Global Anti-Corruption Policy covers:

- Bribery of Public Officials
- Money Laundering
- Recordkeeping and Accounting
- Giving or acceptance of gifts, hospitality or donations

CTM International Trade Compliance Policy covers:

- Restricted party and sanctioned country screening and other Third - Party vetting procedures

ACTR team

We created a dedicated **ACTR Team** with members drawn from **Legal, Quality and Risk Management** departments:

- overseeing the design and implementation of the ACTR Program;
- providing advice and guidance to personnel;
- reporting on the performance of the ACTR Program to the Top Management.

NAVEX platform

We implemented NAVEX platform which supports the execution and the analysis of the:

- **“Reputation Screening”**: check against sanctions lists (including USA/OFAC, EU, UN and HM Treasury), Politically Exposed Persons list (PEP) and the exposure to adverse media from global publications;
- **“Preliminary Risk Assessment”**: include the International Trade Compliance Diligence Questionnaire for Third-Party Representatives, the Anti-Corruption compliance declaration and the Model Compliance clauses for Third Party agreements;
- **“Monitoring”**: monitoring of screened counterparties and immediate alert should the counterparty enter in the Lists.

ACTR Training

CTM provides annual training to Company employees, and certain Third Parties.

Compliance Declaration

At least annually, all employee and certain Third Parties are required to complete and return a signed Global Anti-Corruption Compliance Declaration, which includes confirmation that the relevant internal policies are followed and any non-compliance can be identified.



ROBUST RISK MANAGEMENT

Within the scope of our Risk Management procedures, we continuously monitor, assess and evaluate the risks that can affect our business operations and adopt all the necessary measures for the continuity of our business activities.

Our Top Risk:

1. Health and safety of our people on board and ashore in particular due to the COVID-19 pandemic
2. General dry bulk shipping market conditions (Supply & Demand).
3. Bunker prices and availability.
4. Changes in governmental rules and regulations or actions taken by regulatory authorities.
5. General domestic and international political conditions.
6. The availability of financing and refinancing.
7. Counterparty risk.
8. Weather related events.
9. Cyber crime.
10. Disruption in exports of materials due to physical accidents.

STRONG INTERNAL CONTROLS

We have an Internal Auditor (IA) who reviews the Company's processes and controls. Our IA also assists management in evaluating and assessing business risks and achieving compliance with the ICS and the relevant international framework and standards. During 2022, our IA performed several internal audits to evaluate and monitor the performance of the company's departments and their compliance with internal policies and procedures.

The IA reports directly to the CEO regarding their findings, provides recommendations, and monitors their implementation. The number of internal audits performed by IA in 2022 increased by 3% compared to 2021. No material weaknesses or significant deficiencies were identified in our control system during the internal audits.

External auditors are not part of the Company's ICS. The external auditor's role is to provide independent accountability and assurance to the public, external stakeholders and our clients. However, this independent assurance is valuable feedback for the CTM Management teams.

NOTE: The monitoring control activities performed by our Quality & Environmental Department concerning the QEMS (Quality and Environmental Management System), are reported on page 36.

Together with the information related to the International Safety Management Code (ISM), Maritime Labour Convention (MLC), International Ship and Port Facilities Security (ISPS) internal audits and compliance with the international regulation for the fleet under our technical management.

KEY PERFORMANCE INDICATORS

0	Violation of our Code, ethical principles, Anti-Corruption Policy
0	Bribery and fraud incidents
0	Whistleblowing incidents in 2022
+3%	of internal audits in 2022
0	Material weaknesses or significant deficiencies identified in 2022 internal audits
0	Material weaknesses or significant deficiencies identified in 2022 external audit report (ISAE Report issued by Deloitte on Mar.15 th , 2023.)
15	Financial Statements/Reports 2022 prepared by CTM for its clients which are subject to external audit all clean audit reports received.

CTM International Trade Compliance Policy - STRONG SCREENING WITH NAVEX

1,311 counterparts screened in NAVEX: Agents 265 /Employees and consultants 115 /Customers 856 /Suppliers 75 (with volume over \$500 K), mainly bunker suppliers.

LIMITED RISK EXPOSURE MONITORED BY ACTR TEAM

NAVEX RISK RATING

GREEN RISK: N° 994 counterparties (76%)

YELLOW RISK: N° 272 counterparties (21%)

RED RISK: N° 45 counterparties (3%)

Counterparties with RED Risk have been denied (and blocked) or approved by Legal Department after deep investigation of the ACTR Team in accordance with the internal policy.

IMPLEMENTATION OF SAFEGUARDS IN RESPECT OF THE AGENTS' DESIGNATION

79% of the total payments done to Agents in 2022 were in favour of counterparties in the context of Voyage Charter Parties including Sanctions/Anti-corruptions BIMCO Clause.



MEDIA HANDLING

In order to protect our and Stakeholders reputation by prompt and correct actions in case of an unpleasant crisis event, we made an agreement with a specialised company in the managing of the media and in the preparation of CTM employees in the correctness of the response allowing us to:

- Protect reputations
- Save money
- Keep crew safe
- Expedite release of vessel
- Maintain stakeholder relationships
- Do the “right” thing
- Mitigate litigation



A robust media training program has been prepared and will be delivered in the 2023 to shore personnel and crew tailored to our specific company requirements.



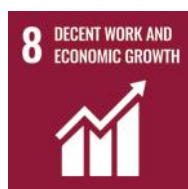
OUR SUPPLY CHAIN

We are continuously optimising our supply chain practices by fostering strong and reciprocal relationships with our suppliers. We strive to promote a transparent and responsible supply chain that enables us to enhance our competitive advantage. To achieve this, we have introduced an additional step by the implementation of “vendor authorisation form” which allows us to assess their adherence to our quality and environmental standards and awareness about their sustainable goals .

OPERATIONAL RESULTS

Material issues

- Commercial strategy and results
- Technical management efficiency
- Financial & economic performances
- Transparency of financial administration and reporting
- Cyber security
- Transportation security



COMMERCIAL EXCELLENCE

We shape our commercial strategies around our client's needs and expectations by taking into account several key factors: market outlook, risk appetite, and budget in determining the best employment for their vessels. We offer all types of commercial solutions, including spot trading via CTM's pools or by fixing for more extended periods with a Risk Management-approved counterparty. CTM's pools have an excellent track record; our Supramax RSA outperformed the Baltic Supramax Index (BSI) by **8.7% in 2022**, and the Capesize RSA outperformed the Baltic Capesize Index (BCI) by **14.6%** in the same year. At CTM, we place a high value on flexibility. Entrance into the RSA/CCL is free of charge. We only charge a **1.25% commission** on revenues. The exit notice is only three months with no additional costs, withdrawal fees or penalties, allowing us to provide owners with unparalleled flexibility.

Vessel earnings are distributed to each member according to the pool points of their vessel(s) and through a quarterly netting system amongst the pool members. The pooling mechanism grants transparency to CTM's commercial activity. Under our RSA's, the credit risk is shared among participants, reducing the exposure to credit losses. Counterparty exposure is monitored by our Risk Management Department, which oversees the evaluation and rating of counterparties.

We deal with professional and reputable brokers; our Commercial Department is constantly up-to-date with the shipping markets supported by in-house market research and analysis. Daily, weekly and monthly market reports are prepared and distributed to owners and RSA Members.

In 2022, we fixed and operated **541 voyages/fixtures**, using over **47 brokers**. Our Operations Team managed more than **1,900 port calls** in 2022.

Revenues and Daily Time Charter Equivalent for the year ended December 31, 2022 compared to the previous year:

	2021 / 2022 Revenues	2021 DailyTCE	2021 Market Index(*)	Delta (**)	2022 DailyTCE	2022 Market Index(*)	Delta (**)	DailyTCE Variation 21/22
Supramax RSA	\$ 613M/\$ 471M	24,726	25,567	-3.4%	24,927	22,939	+8.7%	+0.8%
Capesize RSA	\$ 373M/\$ 276M	29,104	30,239	-3.9%	17,612	15,369	+14.6%	-39.4%
Total	\$986M/\$747M							

(*) Supramax/Capesize Baltic Index is net and adjusted to the average coefficient of the fleet.

(**) The 2021 Supramax and Capesize underperformance was mainly due to the strong market uptrend during the year: it was inevitable that fixtures lagged the market as when fix at a certain moment, in a rising market, tomorrow index is already higher.

SALE AND PURCHASE - INVESTMENT STRATEGY: NEWBUILDING VS SECOND HAND

During the 2018 - 2022 period, our Sale and Purchase Team finalised the sale of **17 vessels** (13 Capesize, 3 Supramax and 1 Panamax) for a total net consideration of **\$331.7 million** with a total net gain for the owners of **\$85.9million**.

In 2021 and 2022, our Sale and Purchase Team finalised the purchase of **3** second-hand supramax vessels for a total consideration of **\$51.9 million**. Our primary focus is on finding value in the second-hand market over new building projects. We believe that the second-hand market offers far more compelling and attractive opportunities than ordering a newbuilding. Especially under the prevailing market conditions, the differential between newbuilding and second-hand pricing in the dry bulk sector currently favours second-hand tonnage. The choice between newbuilding and second-hand should not only be driven by the initial investment and expected returns, but also due consideration should be given to the sustainability of the investment. Newbuilding projects require significant capital outlay with returns anticipated over a long-term period of at least 20 years in a highly volatile market (the industry standard estimate of the life of a dry bulk vessel). A further factor to consider in new buildings is the rapid technological changes furthered by the intense social and legislative pressure to achieve carbon neutrality by 2050. This means that today's modern eco-vessels could become obsolete and almost untradeable in the next three to five years.

The GHG emission gap between the present newbuildings and the second-hand vessels that are eight years and older could be reduced by a robust maintenance program and targeted efficiency upgrades such as main engine power limitation, reducing the speed that will lower bunker consumption thereby lowering overall emissions.

"The only way to achieve an immediate GHG reduction is for the shipping industry to introduce mandatory speed limits..."

TECHNICAL MANAGEMENT EFFICIENCY

- **We managed to reduce operating expenses, without compromising service quality.** Our daily OPEX are very competitive with the industry average. Crew costs represent **60%** of our operating expenses.
- We had a **90%** utilisation rate in 2022, which is lower compared to the previous year (95%) due to high number of drydocks performed. We calculate fleet utilisation by dividing available days by ownership days.
- During 2022 the Technical Department managed **14 drydocks and 13 BWTS installations**



3D SCANNING
FOR A BWTS INSTALLATION

CFM SOFTWARE

We constantly work to optimise our technical processes; the CFM software, which was installed in 2020, has been continuously improved during 2021 and 2022. The software encompasses all key areas of the technical management including PMS, Quality, Safety and Procurement activities.

- We implemented the telemetry on most managed vessels that automatically collects vessel data in real-time. Through the CFM and other tools, we are able to collect and analyse data that supports our technical, operational and commercial activities, thus optimising the performance of our managed fleet. The data, which is captured daily, such as speed, consumption, position, engine temperature, etc., is used to generate automated reports for our Technical and Operations departments and is able to flag performance-related issues and support decision-making when it comes to maintaining the condition of the vessel whilst optimising vessel planning and execution.



- Since the implementation of ShipServ in 2021, the orders through the platform have increased by **54%**:
- The ShipServ platform allows us to:
 - increase the outreach** and expand our vendor database,
 - benchmark** prices with the whole ShipServ base of suppliers.
 - Have automatic and accurate **vendor performance analysis and KPIs**.



FINANCIAL STRATEGY

In maintaining a solid financial structure in the medium and long term, we ensure that funds are available to finance new investments and that there is available capital for drydocks, BWTS installations, and other future technological innovations that could arise.

To finance shipping investments, CTM promotes partnerships and joint ventures between owners to aggregate resources and share the risk. We deal with all major international banks and financial institutions to find the best solutions for our clients. During the 2019 - 2022 period our Financial Team finalised the following seven deals:

# / OWNER	BANK/ FINANCIAL INSTITUTION	DATE	DESCRIPTION
1.JPMORGAN/ CARRAS	Danish Ship Finance (DSF)	Mar. 2019	\$ 13.9M refinancing of the loans in respect of MV Aquabella and Aquagenie
2. CBC	SFGreen Inc. (Japan)	Mar. 2020	\$ 13.0M total refinancing of loan facilities in place with BNP and Century Tokyo Leasing Corp. in respect of MV Bulk China and MV Bulk Japan
3. CARRAS	DNBBANK	Apr. 2020	\$ 11.5M refinancing of the loan in respect of MVAquaproper
4. GOODBULK	INGBANK DSF Credit Suisse	Jun. 2020	\$ 200.0M loan for refinancing most of the existing loans, extending tenor and improving terms.
5. AQUAYORK	ABNAMRO	Jun. 2021	\$ 9.5M financing of MV Aquayork purchase
6. CBC	Chailase International Financial Services (Singapore)	Sep. 2021	\$ 8.5M financing of MV Bulk Manara purchase
7. CBC	ABN AMRO	Oct. 2022	\$ 16.5M financing of MV Red Sakura purchase

The financing of M/V Red Sakura is a Sustainability Linked Amortising Term Loan Facility where the interest rate is linked to the measurement of the Annual Efficiency Ratio (AER) of CBC fleet calculated as per the Poseidon Principles.

CTM also arranged short term credit line facilities to finance working capital and trading in Forward Freight Agreements (FFAs) as well as bunker derivatives to be used for hedging or trading purposes:

- \$ **10.0 M** Short term Revolving Credit Facility with ABN AMRO for working capital purposes
- Hedging and Trading in Derivatives
 - **Macquarie**: FFA - \$1 M Credit line for Initial Margin Forex/Bunker - ISDA+CSA (Threshold \$1M)
 - **ABN AMRO**: - ISDA in place for trading Bunker/Forex (no Threshold)
 - **DNB**: ISDA+CSA (Threshold \$1 M) in place for trading FFA/Bunker/Forex

Note: Derivative transactions are always done via Clearing Houses to avoid counterparty risk. Transactions are monitored by our Risk Management Team in charge of controlling volumes, exposure and hedging relations.

Banks CTM works with



ACCOUNTING & FINANCIAL TRANSPARENCY

- Our Accounting Team works day by day to capture external and internal information for tracking the business operations and reporting reliable financial information on a timely basis. The Accounting department utilises an integrated accounting software system called **ARGO SHIPPING** which is specifically tailored to support shipping business operations in today's market.
- We apply International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB); our Accounting Team is also skilled for preparing financial reports under US GAAP.
- We adopted an **Accounting and Financial Reporting Manual** where all accounting principles and criteria used for preparation of financial statements are reported. Our financial reporting process includes various steps of internal and external controls and reviews to provide reliable data.
- Since 2004, CTM has provided accounting services to more than **140 legal entities**.
- **More than 60,000 accounting entries** recorded by our Accounting Team in general ledger during 2022



BUDGETING: THE BEST PREVENTIVE CONTROL

A budget process is defined as a system of rules governing the decision making that leads to a budget, from its formulation, through its approval, to its execution.

Having a formal and structured budgeting process is the foundation for good business management growth and development.

Factors of CTM’s budgeting process



Business & Market
Risks Knowledge



Timely Information



Accurate Estimates



INFORMATION TECHNOLOGY (IT) & CYBER SECURITY

Our IT service provider VARGROUP, provides CTM with the following solutions:

IT risk assessment: CTM performs periodical risk assessments on our IT infrastructure specifically in terms of (i) Information Security (Security of processed data), (ii) Cyber Security (security of information and data coming from the Internet), and (iii) Facility security (security of company assets).

Firewall protection: We protect our servers and networks with a next-generation firewall system consisting of two devices configured in a safe and reliable way. Besides all the usual security functionalities, the firewall system also provides URL filtering to control and deny access to potentially dangerous websites and resources.

User authentication and passwords: Access to our applications and database is authenticated through unique user IDs and passwords per our internal policy.

Penetration testing: We periodically perform penetration tests to check the real protection level of our network and servers.

Phishing simulations: are periodically carried out in order to show employees how to protect themselves and the company from cybercriminals.

2022 actions addressed to reinforce CTM cyber security implementing:

1. Security Operation Center (SOC) provided by lead market cyber security company,
2. Latest generation of anti-virus and anti-spam
3. Multi-factor authentication – MFAs for accounts and VPN
4. Mobile Device Management - MDM on all CTM professional devices that allows to secure CTM mobile devices.

Digitalisation: The advancements in the digital space have become increasingly relevant to our activities. At CTM, we have increased investments in digitising our services. These investments have benefited our clients and employees, which has resulted in the streamlining of existing processes, the creation of new business opportunities, productivity, and the transformation of supply chains, which supports our decarbonisation path towards 2050.

In 2022, CTM implemented an HR portal application that increased functionality throughout the company, making life easier for all our employees and has resulted in our office using less paper.



2022 activity:

- Coach Solutions was selected due to its leading software that monitors and improves vessel performance, voyage optimisation, and emissions reporting in compliance with IMO DCS/UE & UK MRV regulations.
- Electronic Log Book (ELB) is a cloud application tailored for shipping to reduce paper storage onboard and enhance regulatory compliance. ELB is the software solution capable of entirely replacing the paper copy of register books, reducing paperwork on board, improving the reliability of the records, and their compliance with international regulations. The system has been developed following the guidelines on electronic record books, and each logbook is developed concerning the relevant MARPOL regulations and circulars. The entries added onboard are available onshore to allow for constant monitoring and support of the crew by the Safety Department.
- ISF Watchkeeper - Rest hours compliance software for the management and reporting of crew's rest hours in accordance with STCW and MLC international regulations.



- Technical drawings – commuting in digitalization forms storing them in an online library



- Kaiko system - Kaiko Systems is an operational intelligence company that leverages manual



HEALTH & SAFETY - OUR PRIORITY

Our shore-based personnel and seafarers' health and safety has always been a primary concern. We have built efficient QEMS and SMS that cover a wide range of risks that get reassessed constantly so that we can continuously improve them.

QEMS Certifications - Our system has been accredited with the ISO 9001/14001 standards certified by International Registers, Rina, and LRQA since 2006. Double certification ensures accurate control of our management system through annual audits.



2022 SAFETY4SEA DRY BULK OPERATOR OF THE YEAR AWARD.
We were nominated alongside five other dry bulk operators. It was a humbling experience for all us at CTM considering we did it over our esteemed competitors.





Safety Management System

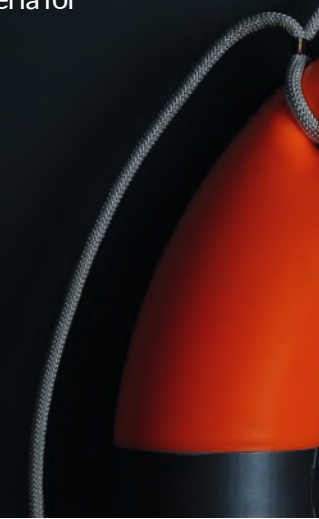
We manage a well-structured system in full compliance with international maritime rules and in-house Company requirements and are recognised internationally by National Institutions. Efficiency targets are monitored by annual QEMS, ISM, MLC and ISPS internal audits in conjunction with condition inspections of our fleet using internal and external inspectors.

Vetting

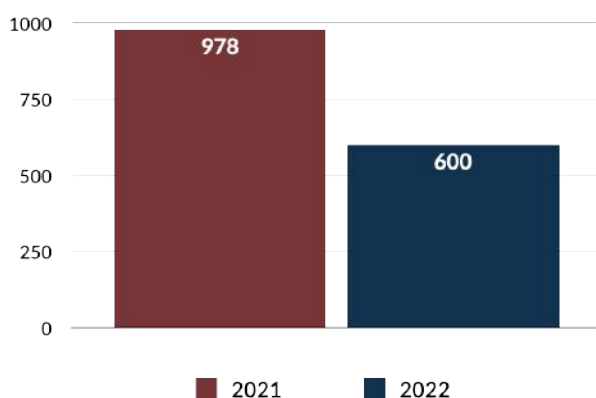
We subscribe to Right Ship, the world's leading maritime risk management and environmental assessment organisation with a mission to improve the safety and environmental sustainability of the maritime industry, by helping their customers manage their maritime risk-developing a safer and cleaner maritime industry.

2022 Highlights:

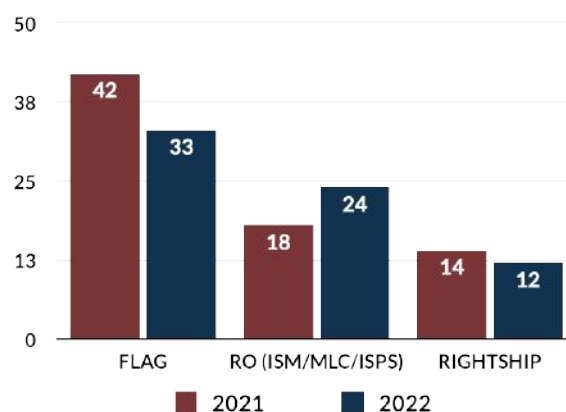
- Internal review of Shipboard Oil Pollution Emergency Plan (SOPEP) and Garbage Management Plan
- Fleet vessels carried out a Ship-Shore drill for SOPEP involving the emergency response technical support company
- Carried out annual SOPEP Ship-Shore exercise with Gallagher and Hudson Marine
- Carried out annual Salvage Marine Fire-Fighting (SMFF) drill with Resolve Marine
- For the seventh year since May 18 2015, CTM has maintained its recognition by the United States Coast Guard (USCG) with their highest award, QUALSHIP21, as regards the safety and quality issues "for meeting the eligibility requirements of the Quality Shipping in the Twenty-first Century". With this award, CTM remains one of the few companies worldwide (less than 20%) recognised with this "highest standards" certification.
- CTM was recognised by the Deputy Commissioner of Maritime Affairs of the Republic of Liberia for achieving **0 port state control detentions** over the past two years.



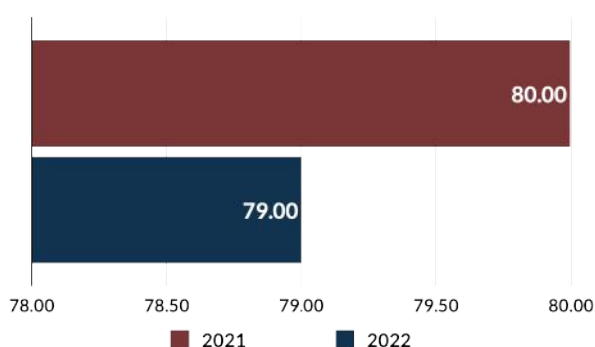
NEAR MISS



EXTERNAL INSPECTIONS



INTERNAL INSPECTIONS & AUDITS





TYPES OF PORT STATE CONTROL INSPECTION

Initial Inspection	General inspection of the ship
Expanded Inspection	Initial inspection of certain type of ships of certain age
More Detailed Inspection	Detailed inspection based upon the findings (clear grounds) of non compliance
Concentrated Inspection Campaign	Any of the three inspections that focus on specific areas where high levels of deficiencies have been encountered by PSCOs, or where new conventions requirements have recently entered into force.

KEY PERFORMANCE INDICATORS

Commercial Excellence

+8.7% 2022 Supramax RSA over performance (daily TCE against the market)

+14.6% 2022 Capesize RSA under performance (daily TCE against the Market)

146 charterer screenings made in 2022 by our Risk Management Team

\$ 331.7 million total net consideration for the sale of 17 vessels with a total net gain for the owners of \$85.9 million during the 4 year period 2018-2022

Efficiency in Technical Management

**Daily OPEX
17.5% below** the 2021 Baltic Exchange Operating Expenses Index Dry (BOI)

90% fleet utilisation in 2022 (the rate is influenced by the days consumed for dry docks works and BWTs installations)

8,804 Purchase Orders within 2022

Purchase Orders per region:

Asia: 5,148 (58%) Europe: 2,749 (31%)

North America: 245 (3%) Other: 662 (8%)

Health and Safety is our priority

1.3 PSC deficiency ratio in 2022 (**60% below the industry average: 3.24 index**)

36% increase in PSC deficiency ratio in 2022

63% decrease in reported near misses in 2022

1% increase in on board attendances in 2022

Financial Strategy for Solid Economic Growth

7 financing deals with leading international banks during 2019 and 2021

4 financial institutions were provided with environmental data as part of their commitment to the Poseidon Principles.

Transparency in Accounting and Financial Reporting

More than 90 reports were produced in 2022 by our Accounting and Budgeting Team for all our clients and RSAs, including annual financial statements, budget/forecasts, monthly and quarterly financial reports.

15 Financial Statements

Reports in 2021 were subject to external audit /review.

Information Technology (IT) and Cyber Security

0 incidents to our IT system and cyber security breaches in 2022

OPERATIONAL EXCELLENCE

MATERIAL ISSUES

- Fuel and energy efficiency
- Marine environment protection
- Greenhouse gas emissions and air pollution reduction
- Investment in green technologies
- Resource conservation and vessel lifecycle
- Environmental regulation compliance



Our ISO-certified management systems guide our efforts to reduce our environmental impact and improve energy efficiency

ENVIRONMENTAL MANAGEMENT SYSTEM

We have implemented an Environmental Management System in accordance with ISO 14001 certified by Rina and LRQA, guided by the following principles:

- Compliance with all applicable environmental laws.
- Quick and effective response to environmental incidents.
- Emphasis on employee responsibility in environmental performance.
- Working with local businesses, partners and suppliers to reduce our carbon footprint.
- Manage business to prevent environmental incidents, controlling emissions and waste below harmful levels.
- Use energy, water, materials and other natural resources as efficiently as possible.
- Minimisation of waste to landfill by reducing our waste generation.

ENERGY MANAGEMENT SYSTEM

Our energy efficiency and conservation management entail the following principles:

- To continuously increase our energy efficiency and minimise waste.
- Establish and maintain a Ship Energy Efficiency Management Plan (SEEMP).
- Ensure information and resources are available to achieve objectives and target energy efficiency performance.
- Promote energy efficiency awareness by training our shore-based and sea-going personnel
- Implement campaigns targeting energy reduction
- The purchase of energy-efficient products and services.
- Investing in green technology to increase efficiency and reduce our environmental footprint.

2022 ACTIVITY

Throughout 2022, we assessed the fleet to ensure all vessels complied with the IMO's new EEXI and CII regulations that entered into effect in 2023. The IMO has introduced these new regulations in an effort to reduce the shipping industry's greenhouse gas emissions. EEXI is a measure related to the technical design of a ship, while CII (Carbon Intensity Indicator) is a measure of a ship's energy efficiency and is given in grams of CO₂ emitted per cargo-carrying capacity and a nautical mile, and it is an operational index.

CTM's efforts to go above and beyond

Monaco Highlights:

In line with the provisions of the Kyoto Protocol, Monaco has set itself the target of improving energy efficiency by 20% and achieving 20% of its energy consumption from renewable sources by 2020. Carbon neutral by 2050: During his participation at the 15th United Nations Climate Change Conference in 2009 in Copenhagen, H.S.H. The Sovereign Prince unveiled new directions for the Principality. Monaco will take part in efforts to stabilise global warming of the planet by reducing its greenhouse gas emissions by 30% in 2020 and 80% in 2050 (by which time the Principality will be carbon neutral) concerning the reference date of 1990. In 2015, as part of the 21st United Nations Climate Change Conference, the Principality announced an interim target of reducing greenhouse gases by 50% by 2030 compared to 1990.

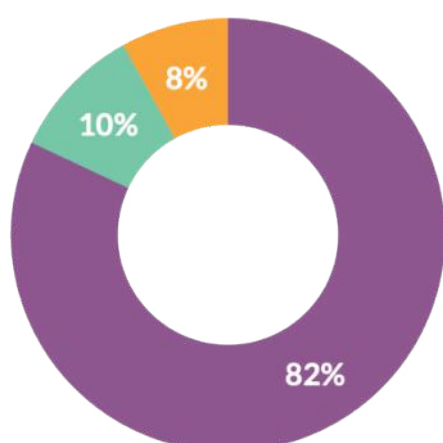
Towards the end of 2020, we joined Monaco's "National Pact for Energy Transition" on a voluntary basis. Through this pact, which counts around 290 signatory companies, we will contribute to reducing Monaco's greenhouse gas emissions (GHG), alongside the Government. It comprises a simple and comprehensible Commitment Charter, which covers all stakeholders and sets out the three main areas for action as part of the energy transition: mobility, waste and energy.



CTM takes the environment seriously and is proactive in its pursuit of projects that can reduce our environmental impact:

- **Eco-friendly cleaning:** CTM works with an ISO 14001-certified cleaning company that uses non-toxic products.
- **Corporate travel policy:** Traveling only when it's deemed essential
- **Environmental impact information:** Our teams receive constant information on how they can reduce their environmental impact in their daily lives.
- **Carbon footprint reduction:** CTM actively promotes initiatives that reduce our carbon footprint and our usage of single-use plastics.

In 2022, CTM undertook an ambitious approach by adopting a low-carbon strategy that's compatible with the objectives of the Paris Climate Accords, providing specific actions that will allow us to achieve our greenhouse gas emission reduction targets by 2024. We are happy to report that by the end of 2022, we had reached **54%** of these objectives. An assessment was carried out by Ersnt and Young to evaluate our progress, showing satisfactory results.

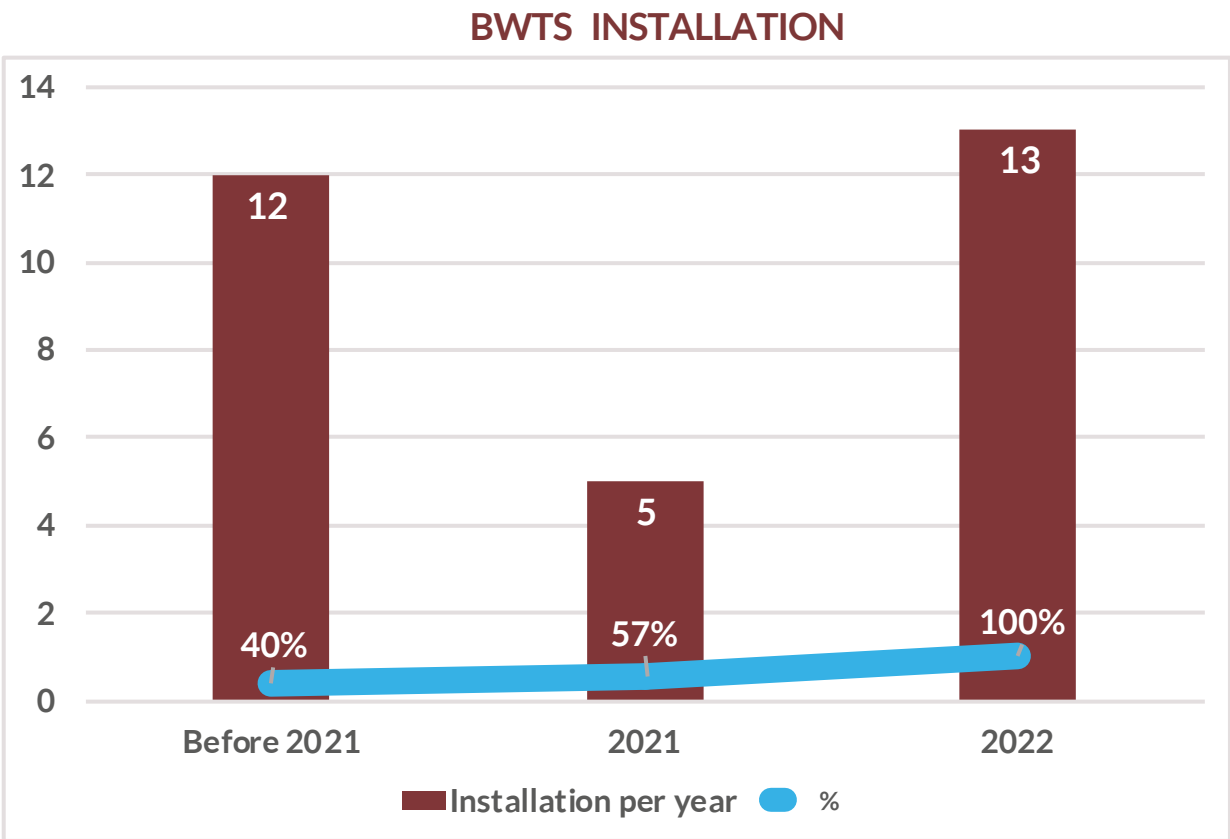
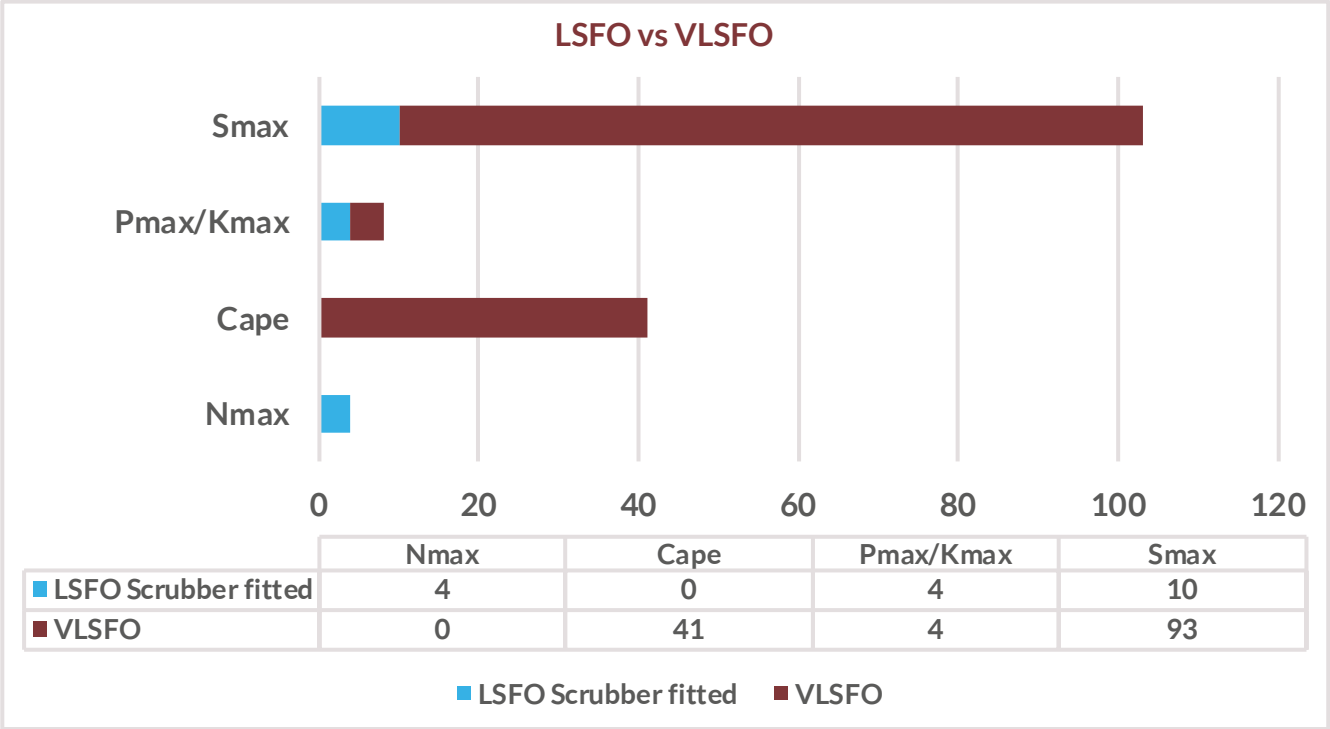


	Emissions (tCO ² eq)*	%
Mobility	99.02	82
Waste	12.43	10
Energy	10.27	8
TOTAL	121.73	100

(*) 1 tonne of CO2 eq.

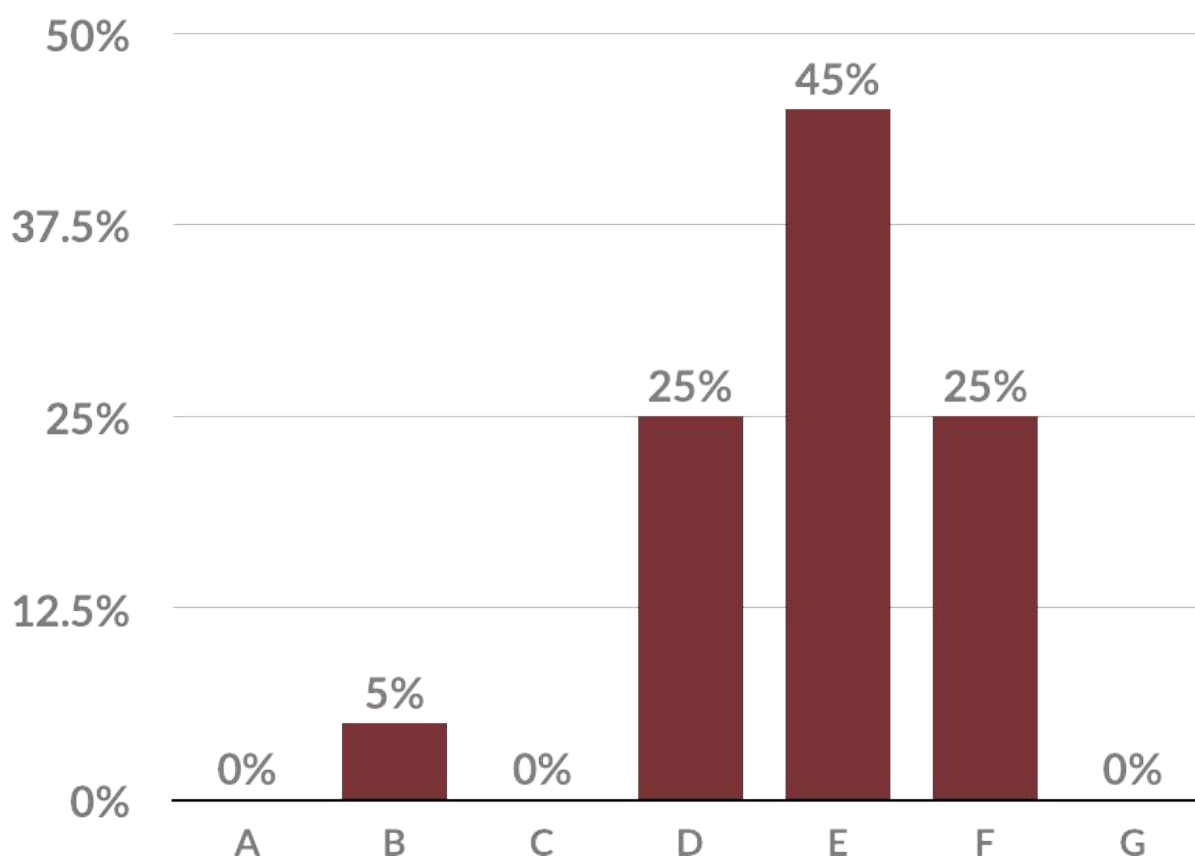
MARITIME ENVIRONMENTAL REGULATION

- Sulphur Cap: The challenging IMO’s Sulphur cap regulation, which came into force in 2020, was achieved through a well-structured plan that prepared the fleet for the changeover to VLSFO in compliance with IMO guidelines. Qualified laboratories carried out necessary fuel analysis to monitor the new fuels.
- The quality of bunker products is strictly monitored by analysis carried out by a qualified laboratory. On 31.12.2022, the CTM commercial fleet counted 155 bulkers, of which 18 scrubbers were fitted (12%).



- **GHG Emissions:** The IMO's Initial Strategy set ambitious goals for future pollution reduction targets compared to 2008 levels, bringing down GHG emissions by 50% by 2050. We monitor the emissions values of the Energy Efficiency Operating Index (EEOI) by EU MRV and IMO DCS methods of the fleet under our Technical management.
- In 2022, CTM calculated the attained EEOI and evaluated the gap between the attained and required EEOI values to determine the most cost-effective solutions to comply with the IMO requirements.

GHG Rating



- **Antifouling paints** are used in vessel maintenance do not contain any trace of TBT - (Tin-free self-polishing antifouling paint: Seagrand prix 660 -Seagrand prix 1000 -Seaflo neo). Therefore, all vessels managed by CTM have obtained an International Antifouling Certificate.
- We use **biodegradable lubricants** in the fleet and eco-friendly stern tube systems (air, seal) regardless of their destination. Biodegradable lubricants and eco-friendly stern tube systems are mandatory for vessels that transport cargo or have ports in the United States as a destination.



Sulphur Cap: As far as the refuelling of VLSFO to the CTM fleet, quality under continuous monitoring by product analysis to warranty the efficient running of the vessels in our fleet. In October 2022, we conducted a risk assessment and feasibility study for the installation of an open-loop scrubber system on a capesize vessel our under technical management. The completion and complete testing of this system is expected in the in the first half of 2023.

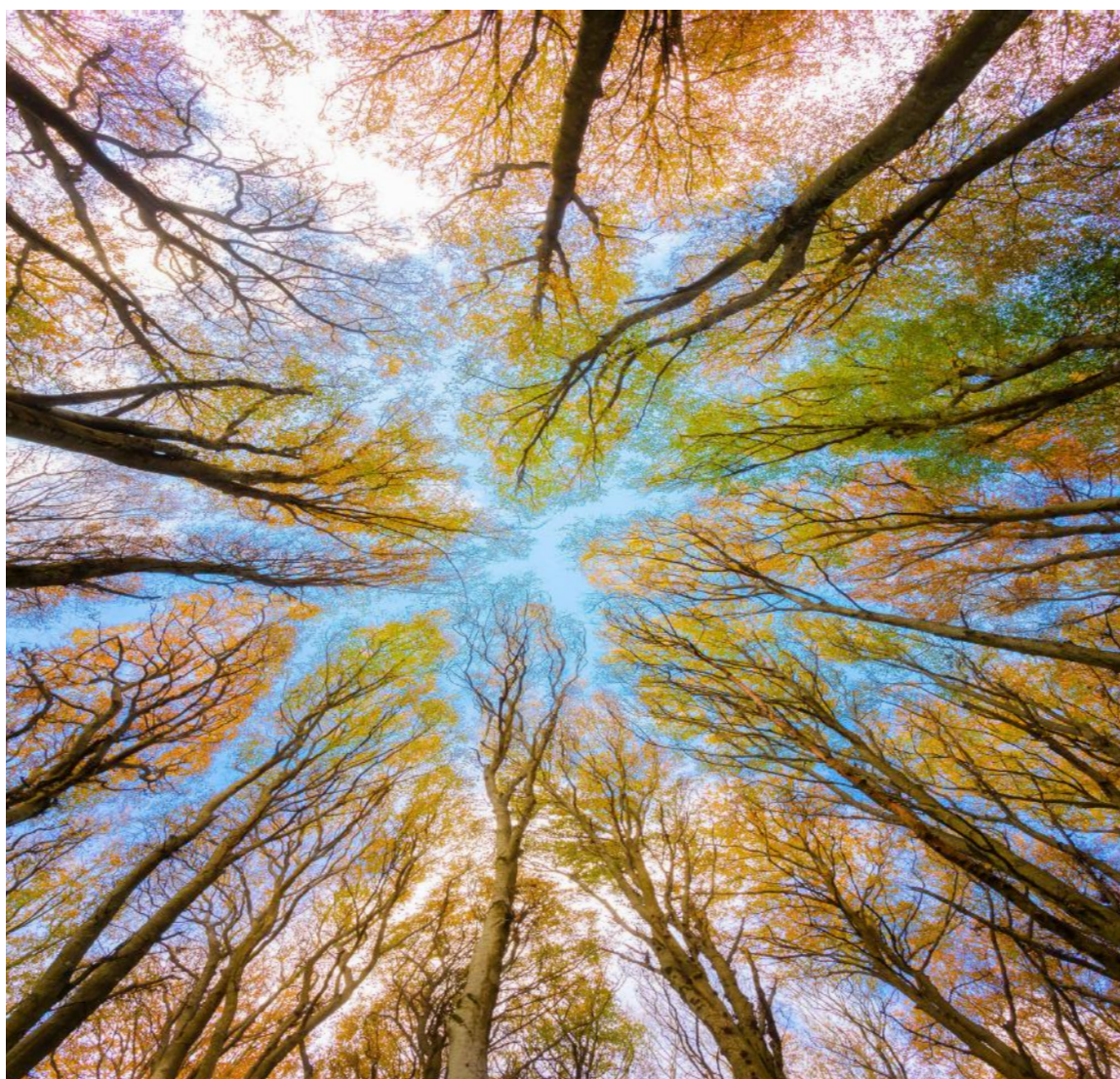
BWTS: We achieved the 2024 target set by IMO achieved 2 years in advance with the CTM full compliance with the international regulations. tailored training conducted to the crew and shore personnel for their awareness on the specific basis of the system installed.

GHG Emissions: 2022, was full of activity for compliance with forthcoming regulations of technical and operational index (EEXI and CII)

- EEXI – Conducted calculation and assessment, including the Class approval of indexes and the planning of the EPL/Shapoli installation, where required.
- CII – All vessels' fleet received the SEEMP part III plan approved by RO and confirmation compliance (CoC) certificate issued by flag.

After accurately assessing the market's tools, CTM adopted the Coach solution as software for the fleet's data monitoring and for the voyages optimisation to streamline the monitoring.

As part of the data collection and KPI calculation process, the Coach system provides accurate and real-time information regarding the performance of our vessels and emission reporting in compliance with IMO DCS, MRV, UK MRV, CII, EEOI and AER requirements.



Waste Management: In addition to the fleet's full compliance with Marpol V regulations, CTM has added some new tools to better the fleet's waste management efficiency such as; plastic compactors and food comminutors. The voluntary collaboration for recycling in Singapore of some garbage categories with Oceanic is ongoing. At the end of 2022, **53% of our fleet** participated in the recycling initiative, disposing of over **86 MT** of garbage in categories A and C (plastic and domestic waste).

Water Management: **95%** of the fleet is now equipped with the Aquarex water purifying system that EU and international regulations approve. The initiative is in line with the IMO ban on single-use plastics at sea. By the end of 2022, we removed over **318,000 plastic bottles** from our vessels when we stopped using them onboard in October 2021. This has resulted in a **137,000 KG/CO2** footprint reduction.

Biofouling Management: In 2022, we implemented a plan to ensure our fleet complies with the requirements and outlined measures for control and management to minimise the transfer of invasive aquatic species.

Air conditioning and refrigerating machinery: All such machinery now runs on harmless refrigerating gas, i.e., not an ozone-depleting substance.

Voluntary Recycling Initiative: In partnership with Oceanic, this scheme is currently only available in Singapore. In 2022, **53%** of CTM's fleet called Singapore and adhered to this initiative, discharging over **86 m3** Marpol garbage categories A & C.

2022 Activity: Conducted the verification of IMO DCS data 2021 and collection of 2022 data for EU, UK MRV and IMO DCS. Q4/2022 adopted a smart solution, Coach, to streamline the collection, reporting and analysis.

FINANCIAL ENVIRONMENTAL ACTION

As part of our support for the Poseidon Principles in line with IMO SDG, we stipulated two sustainable loan agreements with primary bank institutions (Danish Ship Finance and ABN AMRO). These were based on AER KPI with the scope to demonstrate our dedication to sustainable practises.





POSEIDON PRINCIPLES

WE SUPPORT THE POSEIDON PRINCIPLES

The Poseidon Principles was launched in June 2019 and signed by 18 leading international banks with >1/3 (\$150 billion) of the global ship finance portfolio, establishing a framework for assessing and disclosing the climate alignment of ship finance portfolios. They set a benchmark for being a responsible bank in the maritime sector and provide actionable guidance on achieving this.

Key elements

- **Climate alignment:** Collection of environmental data per vessel.
- **Accountability:** Rely on classification societies or other IMO-recognized organizations, to assess and report data.
- **Enforcement:** Introduce standard covenant clauses to ensure access to data.
- **Transparency:** Disclosure of portfolio scoring annually.



KEY PERFORMANCE INDICATORS

9 scrubber fitted bulkers under commercial management

100% of our managed fleet is fitted with BWTS,

100% Fleet compliance with **Inventory of Hazardous Materials (IHM)** regulation

70% of our managed fleet uses **biodegradable lubricants**

28% of our managed fleet uses **eco friendly stern tube system**

6.68 average EEOI (gr CO₂/tonne - mile) of our managed fleet in 2022; in line with 2021.

0.86 average SO_x (gr SO_x/tonne - mile) decreased of 8.51% from 2021 mainly due to the renewal process of the fleet

0.14 average NO_x (gr NO_x/tonne - mile) in 2022 in line with 2021

263.63 TJ energy consumption in 2022 of our managed fleet decreased of 23.56% compared with 2021 mainly due to the renewal process of the fleet

3% AER (*) decrease of our managed fleet due to the renewal process of the fleet

(*) Poseidon Principle adopted a metric called Annual Efficiency Ratio (AER) for the assessment of the energy performance of vessels. AER is the ratio of annual total CO₂ emissions divided by the deadweight capacity X distance sailed, expressed in grams of CO₂/DWT-mile.

Leading signatory banks





OUR PEOPLE

Our greatest asset is our people; these driven, determined, and creative individuals are at the heart of all we do. Without their drive and determination, CTM wouldn't be the trusted company it is today, nor would it have been as successful as it has been. We encourage our people to innovate when they can. This scope brings a sense of pride and belonging amongst our colleagues, driving us to exceed our people's expectations for themselves and our clients.

Our offices are situated in the principality of Monaco, where our 82 employees, of which 29% are women, work devotedly every day. Our teams come from 11 different nations and come from diverse backgrounds.

People development is one of our core priorities by investing in our people's training and personal development. We do all we can to make sure they can perform at the highest level and are prepared to meet the ever-changing industry demands. We actively employ talent from different industries and backgrounds to build our knowledge and expertise.

Continuous training and retraining of our shore-based personnel takes place regularly. By working with industry experts, we ensure that the areas covered meet and exceed the industry requirements and comply with company needs and policies. Our training continued throughout the COVID-19 pandemic when training sessions took place virtually, removing the constraints placed on us by the pandemic. All departments can count on their highly knowledgeable, skilled and experienced individuals, many of whom have worked at sea, including our CEO. Employees are appraised annually by their supervisor(s) to ensure they meet the company's objectives and expectations and receive feedback on their performances.

We protect the personal data of our employees and stockholders. CTM is committed to (i) protecting the privacy and security of personal information, (ii) being transparent about how it collects and uses that data, and (iii) meeting its data protection obligations. In accordance with Monaco law n° 1.163 issued on December 23, 1993, and the General Data Protection Regulation (GDPR). After undergoing a targeted risk assessment, CTM adopted a Data Privacy Policy and organisational methods for keeping data secure. Our designated Data Protection Officer ("DPO") advises management on data protection impact assessments and conducts internal audits; the DPO is responsible for compliance with relevant regulations. We had **0 incidents** regarding personal data or security breaches in 2022.

2022 Activity

In 2022, our employees underwent over 1,570 hrs of training.



Executive Team
CCO Carlos Pena, CEO John Michael Radziwill, COO John Sykes & CFO Luigi Pulcini



Commercial Team



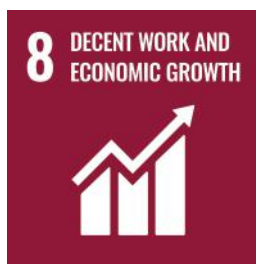
Operations Team



Technical Team

Material issues

- Occupational health and safety
- Labour practices
- Career opportunities and advancement
- Employee training / competency development
- Remuneration and benefits
- Talent attraction and retention
- Diversity and inclusion



OUR CREW

- We have a pool of more than **1,100 Filipino seafarers**; there are more than **680 onboard** our managed vessels at any given time.
- We maintain a strong cooperation and partnership with Augustea Ship Manning Philippines Inc., a manning agent in the Philippines that provides us with crew management services and supplies our vessels with high-skilled crew. The agency is dedicated to recruiting, selecting, training, and developing seafarers and fostering positive crew relations.
- The average age of our seafarers is (i) **47** years old for Senior Officers, (ii) **37** for Junior Officers and (iii) **38** for Ratings.

Crew safety and welfare is one of our top priorities

- The health and safety of our people are of prime importance and essential for the efficient operation of our business. In 2022 we had a **Lost Time Injury Frequency (LTIF) of 0.51** and maintained a constant Total Recordable Case Frequency (TRCF) compared to 2021.

Our crew welfare program includes:

- Health card for crew & family
- Domestic air transportation
- Travel allowance for joining crew
- Free hotel accommodation and food allowance during pre-joining formality
- Seniority bonus
- Scholarship program
- Sponsored training for license renewal and upgrading
- Line up priority
- Career development plan fully sponsored by the company
- Special program for cadets

Crew Campaign 2022

- Health & Medical care campaign
- Well-being campaign
- Safety campaign

Crew Benefits

- Health card for crew & family
- Free 24/7 Internet access
- Exercise program
- Gym equipment
- Entertainment
- Mental health specialist

- Seafarer remuneration is essential to the welfare of our crew; we remunerate and provide benefits to our crew fairly based on the competency requirements of each position. In 2022, we paid **\$25.7 million** in wages, remittances, bonuses, social security payments and cash advances to our seafarers.
- The average salary of our crew is **9.1** times higher than the Philippines' GDP per capita.
- Specifically for cash advances, we are open to relevant requests for coverage of medical emergencies, personal needs, relief from natural disasters, etc.
- Other crew benefits include private insurance for officers and their immediate family members and additional benefit schemes for crew members who demonstrate excellent performance and remain in the company for a long time.



TRAINING EXCELLENCE

Augustea Ship Manning Philippines Inc. (ASMP) was established in April 2014 and is registered with the Philippine Overseas and Employment Administration (POEA).

Today, ASMP manages the crews of 80 vessels, of which 67 are Bulk Carriers (including 33 under CTM management); the other 23 vessels are container ships, Ro-Pax, Ro-Ro, Supply Vessels and Tugs with a pool of 2,446 seafarers in total.

ASMP is headed by its General Manager, Captain Nicolo Terrei, who has 40 years of experience in the recruitment industry and a wide range of experience in the shipping sector. ASMP is ISO 9001:2015 Certified and recognised as ILO/MLC 2006 Compliant. ASMP has also been certified with a Competence Management System (CMS), one of the highest standards in the Shipping Industry. Through this system, the competency of our seafarers is being advanced through modern assessment tools and training systems carried out in coordination with the Italian Maritime Academy (IMA), an affiliated training centre.



For us to continuously deliver quality training to enhance our seafarers' skills and minimise, where possible, the training whilst on shore leave, IMA developed an Onboard Training Platform to provide Training Access for Seafarers Onboard even with limited internet access.

The OTS learning management system delivers content and handles course registration, administration, tracking and reporting. Our crews went through 99 classes on the OTS platform during 2022.

- The Training Centre was created under the auspices of the Association of the Italian Shipowners, CONFITARMA and the Italian Classification Society, RINA, in September 2007. To select qualified personnel with proven skills and competency for the ranks and the tasks required of vessels trading worldwide.
- The I.M.A. Assessment and Training Centre's mission is to enhance seafarers' competency by providing valid and reliable assessment methodologies and innovative training in line with the modern and dynamic shipping industry.
- The centre is performing the training in accordance with ISO standards 9001 2015 by RINA, TUV, Class NK, and DNV. Also, it is certified by the same class institution under COMPETENCY MANAGEMENT SYSTEMS.
- Modules include Assessment, Training, Cadetship Training Program, Career Development program, Competence Management System, and Online Assessment and Training are updated constantly in accordance with the requirements of the customers and the shipping industry.
- **Cadetship Program:** to develop young and qualified Filipino seafarers by providing them with further maritime education and a relevant training platform to prepare them to become ship officers qualified to operate and manage different types of vessels engaged in worldwide trade.
- **Career Development Plan:** developed for the Cadets at the starting point of their career at sea and for officers holding higher licenses who have accumulated sea service in line with the company's and the ship owner's requirements.
- **184** training hours were performed under the Career Development Plan in 2022.
- **3,100** training hours were performed under the Cadetship Program in 2022
- **202,300** total IMA centre training hours in 2022
- **14** crew promoted in 2022



KEY PERFORMANCE INDICATORS

Crew

More than **800** pool of seafarers

More than **400** seafarers on board

40 average age of our crew in 2022

0.51 LTIF in 2022

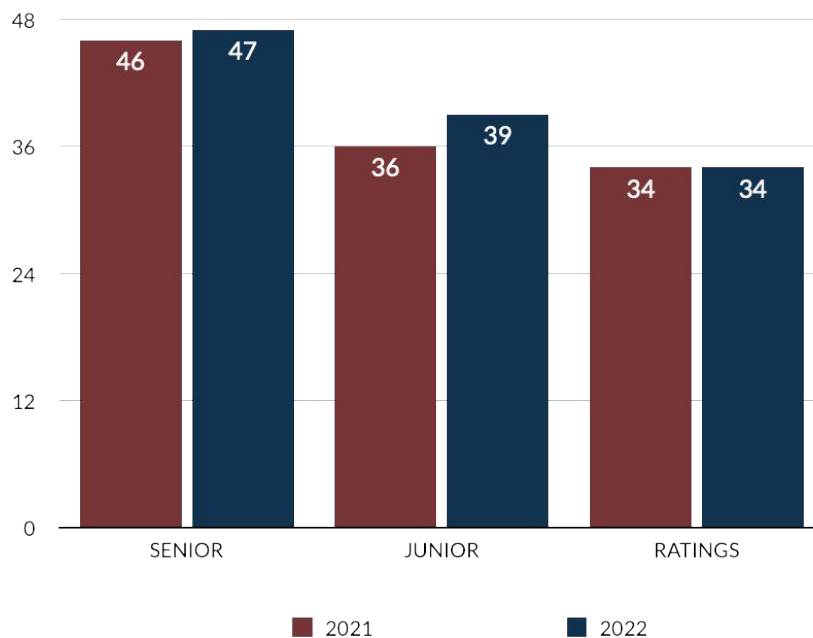
\$25.7 million in wages, remittances, bonuses, social security

14 crew promotions within 2022

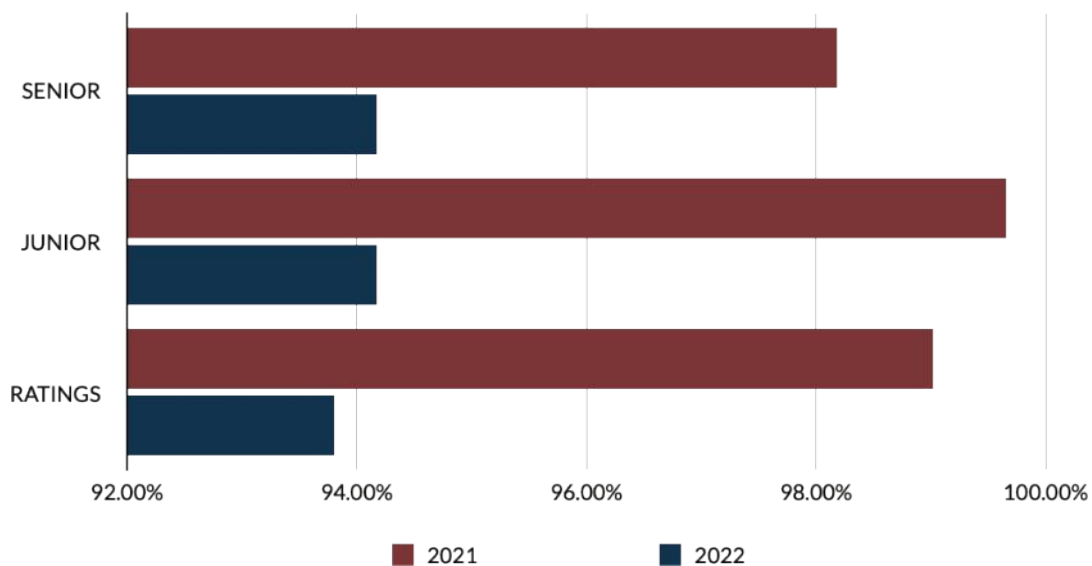
95% average crew retention rate

53,600 hours in training spending in 2022

AGE



RETENTION RATE



Shore-based employees

45 average age of our employees in 2022

17% employees have seagoing experience

34% women in our organization

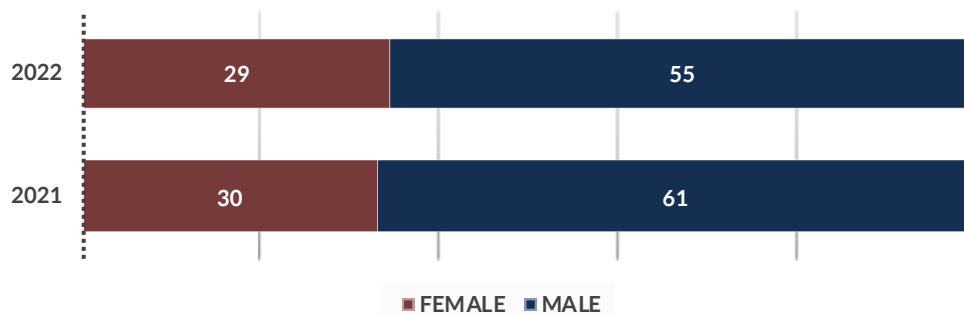
56% employees with university degree

100% of our employees receive annual performance feedback

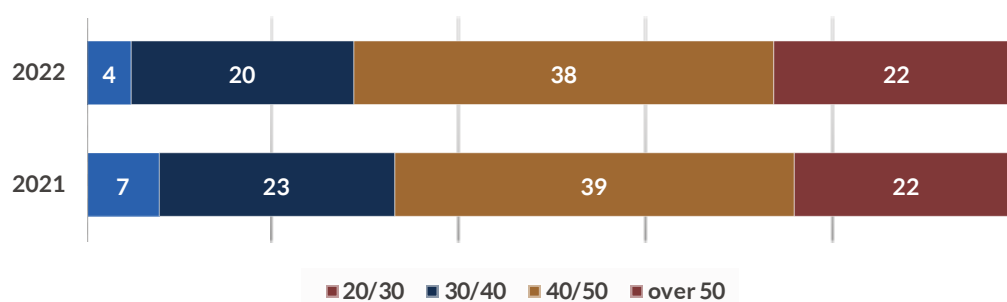
96% average employee retention rate

4% turn-over

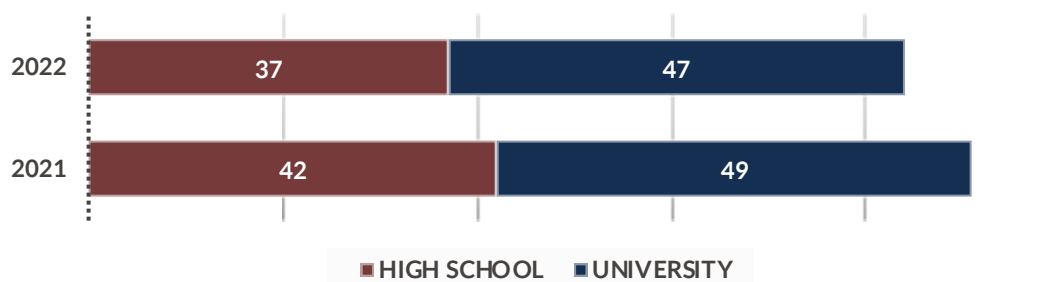
GENDER



AGE

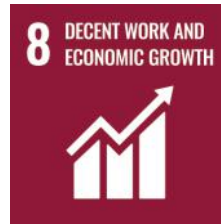


EDUCATION



Material issues

- Community engagement
- Community investments



The **No Finish Line®** charity run has taken place annually in Monaco since 1999. Under the patronage of His Serene Highness the Sovereign Prince Albert II, the race is open to all runners and walkers. The principle is simple: participants run or walk as many laps as they wish on a circuit that is 1,400 meters and is accessible 24 hours a day for eight days. Participants can run or walk for as long as they want, whether alone or in a group day or night. Thanks to the registration fees, donors, and sponsors, for every kilometre run or walk, Children & Future donates €1 to support efforts to help disadvantaged or sick children. Participants can pledge €1 for every kilometre to run or walk.

CTM has been a long-term sponsor of the No Finish Line, and 2022 was no exception. Our team of 22 runners/walkers covered a total distance of 350 kilometres (217 miles), finishing 130th out of 318 teams that took part.





C TRANSPORT MARITIME S.A.M

Gildo Pastor Centre

7 Rue du Gabian Monaco

98000

www.ctmmc.com