



Sustainability Report 2023

This Sustainability Report refers to the period 01.01.2023 - 31.12.2023. 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.



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A WORLD LEADER IN DRY BULK SHIPPING

C TRANSPORT MARITIME S.A.M. was founded in 2004 and is headquartered in Monaco. Today, it is one of the largest global ship management companies in the dry cargo sector.

We are specialists in the Chartering, Sale & Purchase, Operations, and Technical management of dry bulk vessels as well as operating the largest and most successful pools in the dry bulk sector, with around **120** vessels under management (including CCL vessels), ranging from Handysize to Newcastlemax bulk carriers.

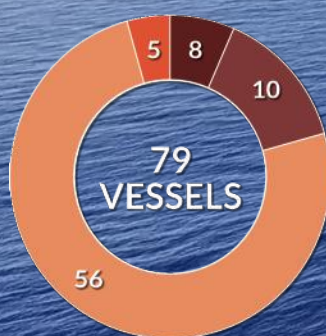
The company's foundations are built on the expertise and professionalism of its managers and employees all of whom have years of experience in the commercial, operational, technical and logistical management of dry cargo vessels. CTM employs over **85** people from **13** different nationalities.

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 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.

VESSELS UNDER MANAGEMENT

Commercial Fleet



● Capesize ● Panamax ● Supramax ● Handysize

Technical Fleet



○ Capesize ● Supramax

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.

Pooling: 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: CTM's technical department keeps our clients' vessels operating efficiently whilst adhering to the latest regulations. Our skilled teams manage dry cargo vessels of all sizes, our services include: safety, crewing, purchasing, newbuilding support, oversight of conversions and modifications.

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



| Cargoes carried: 2023 | | |
|-----------------------|-------|-------|
| | MTONS | %AGE |
| Iron ore | 12.9 | 31.6% |
| Coal | 11.4 | 27.9% |
| Nickel Ore | 2.1 | 5.0% |
| Petcoke | 1.5 | 3.7% |
| Bauxite | 1.4 | 3.3% |
| Clinker | 1.1 | 2.7% |
| Wheat | 1.1 | 2.7% |
| Soya Beans | 0.9 | 2.3% |
| Corn | 0.8 | 2.0% |
| Slag | 0.6 | 1.4% |
| Others | 7.0 | 17% |
| Total | 54.2 | 100% |

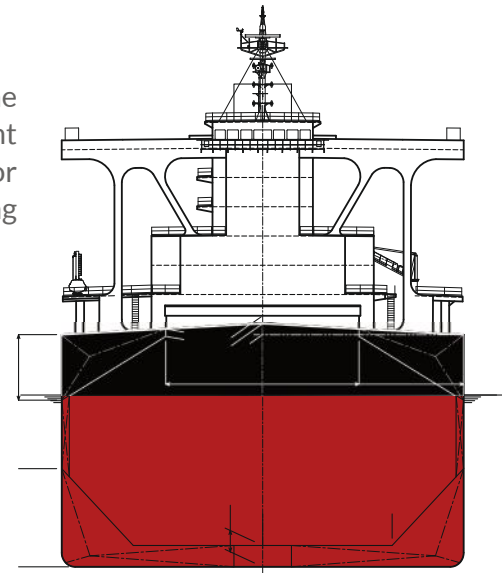
| Available days: 2023 | |
|----------------------|--------|
| Supramax | 18,283 |
| Capesize | 5,691 |
| Panamax | 3,054 |
| Total | 27,028 |

TECHNICAL MANAGEMENT

Established in 2010, CTM's Technical department specialises in the management of dry cargo vessels of all sizes. The Technical department was created for CTM to be able to offer a complete in-house service for all our clients' needs including technical, safety, crewing and purchasing activities.

Full Technical Management

- New Building Support
- Surveys & Inspections
- Safety & Maintenance
- Compliance and Performance
- Conversions & Modifications
- Logistical Management
- Design & Engineering
- Feasibility Studies
- Transshipment
- Crewing
- BWTS & Scrubber Installations
- Drydock Scheduling & Supervision



Technical

- PSC observations per inspection: 1.90%
- PSC inspections with zero deficiencies improved by: 65%
- Lost Time Injury Frequency (LTIF): 1.10
- Dry Docks: 2
(1 of which includes a scrubber installation)

Crewing

- Over 250 Seafarers on board and ashore
- 81% Avg Crew Retention Rate

Sale & Purchase Inspections

Our superintendents carry out all vessel inspections first-hand on behalf of our clients. We ensure that our clients are completely aware of the quality and condition of the multi-million dollar assets they purchase. Our comprehensive inspection reports are provided to our clients to deliver a complete picture of the condition of the vessel(s). We conduct and review all class records at our client's request.



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.

Manning Agents



In 2018, CTM appointed Augustea Ship Manning Philippines as our manning agent to enhance and strengthen the quality of our crews.



In 2022, CTM appointed Columbia Shipmanagement Ltd. as our second manning agent to expand recruitment resources employing crews from different nationalities.

International Recognitions & Certifications



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.

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



GOODBULK LTD

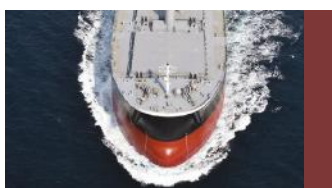
GoodBulk Ltd ("GB") was incorporated in Bermuda in October 2016. It was created by Brentwood together with alongside a small group of investors. GB's common shares started trading on the Norwegian Over-The-Counter List (the "N-OTC") in March 2017 under the symbol "BULK".

As of December 31, 2022, GB owned 14 Capesizes dry bulk vessel which were sold during 2023.

SHAREHOLDERS: No one party exercises control over GB.

Our technical management department is vital for the safety and efficiency of our fleet. They oversee vessel maintenance, enforce safety protocols, and ensure compliance with maritime regulations. The team optimises performance and minimises downtime using advanced technologies and best practices. Their expertise enhances our fleet's capabilities and supports C Transport Maritime's commitment to sustainability in the shipping industry.

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, 2023, CBC owns 1 Ultramax, 1 Capesize, and 3 Supramax dry bulk vessels and controls, under a timecharter agreement, 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: Danish Ship Finance, Chail ease, 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, 2023, Stone Shipping Ltd. has 27 investors and controls 23 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, 2023, CTM BERMUDA controls 6 Panamax, 3 Capesize and 5 Supramax vessels under time charter agreements.

SHAREHOLDERS: John Michael Radziwill.

BANK: ABN AMRO.



SupramaxRSA

The **Supramax Revenue Sharing Agreement (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 began in 2013 with **5 members** and **6 vessels**. We have incorporated the same structure we developed for the Supramax RSA into our Panamax and Capesize RSA's.

The RSA Model:

- Income generated from the pool vessels is distributed to the members according to the revenue earning capabilities of their vessels
- A Revenue Sharing Key (RSK) is created: vessels are assessed on their tradability & performance (dwt, capacity, draft, eco speed, etc)
- RSK is calculated by running the vessels on the BSI routes

Flexibility without unnecessary costs

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

2023 Supramax RSA Stats

- 49 Vessels
- 13 Owners
- 60,500 Average deadweight
- 7 Years average age

RSA Benefits

- Word Class Operator
- Collective Intelligence
- Charterer Diversification
- Spot Market Chartering
- 24/7 Management - Monaco & Singapore Offices
- Long Standing Experience



STONE SHIPPING LTD



Stone Shipping, created and managed by C Transport Maritime (CTM), is the ideal vehicle for investors who would like to have access to the dry bulk charter-in market. The charter-in market is one that is normally reserved to shipping companies and ship managers with extensive knowledge of the sector, a long-standing reputation for good performance as well as a strong financial footing. Through this vehicle CTM is opening a typically closed sector of the dry bulk industry to investors.

Good Track Record

Stone Shipping has successfully raised close to **\$80 million** over five years for six privately invested funds. Returns have exceeded expected targets, with the four closed funds averaging more than **30% annually**. We currently have two ongoing funds (Fund 5 & 6), and our latest fund (Fund 6) is the largest one to date.

The Model

Audited Results Quarterly Reporting Experienced Management



Focus on arbitrating positions as opposed to directional positions

Risk profile is low to moderate

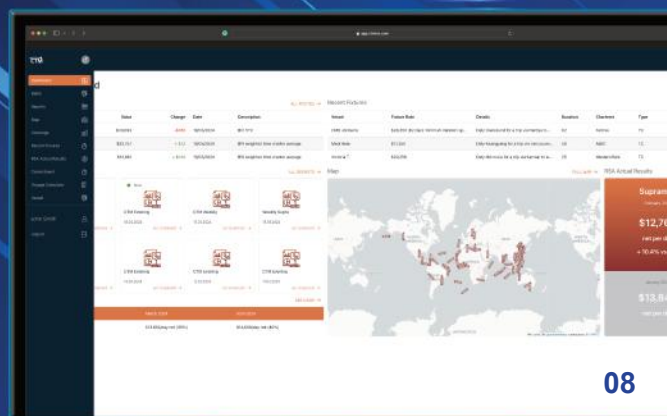
RSA APP

Supramax RSA members have access to our RSA App granting them access to real-time information on their vessels performance. In 2020, we teamed up with Boel IT Aps to develop our RSA App that allows RSA members to view the performance of their vessels. This tool gives our members a whole new level of interaction and access to their vessels.

"Our clients have always been our core focus; our RSA App is just the step in delivering the best services possible to them." - CEO John Michael Radziwill

Features

- > Live Dashboard
- > Recent Fixtures
- > RSA Coverage
- > Vessel Commitments





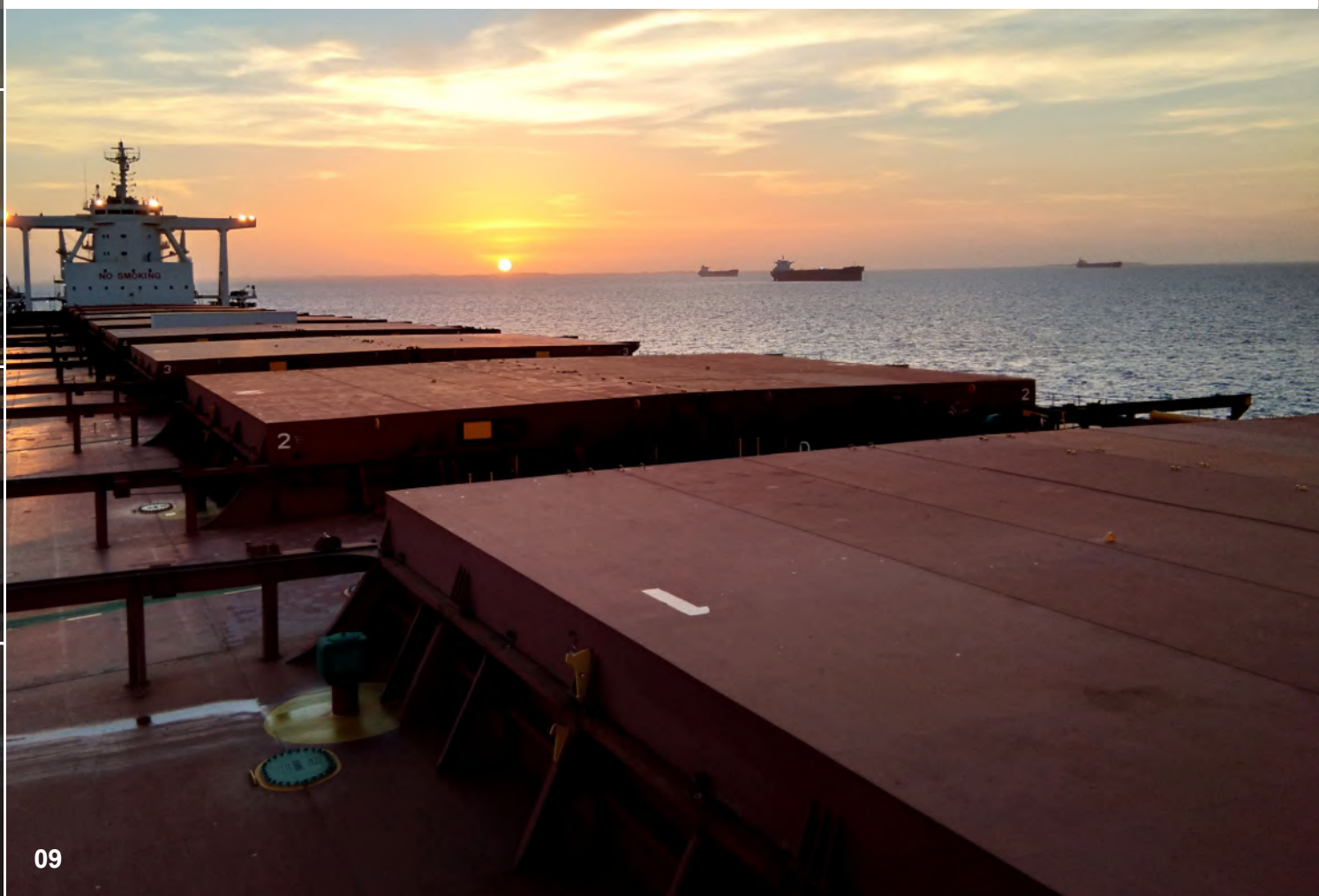
Operating in a highly competitive industry, CCL provides competitively priced bids and more efficient trading operations to serve its customers. None of the standalone companies in the venture is as efficient operating on its own. Together, vessels can be made available worldwide at shorter notice, time 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'

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.

The Revenue Sharing Agreement

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.





WORLDWIDE OPERATIONS

PORT CALLS

ESG Highlights
& Materiality Analysis

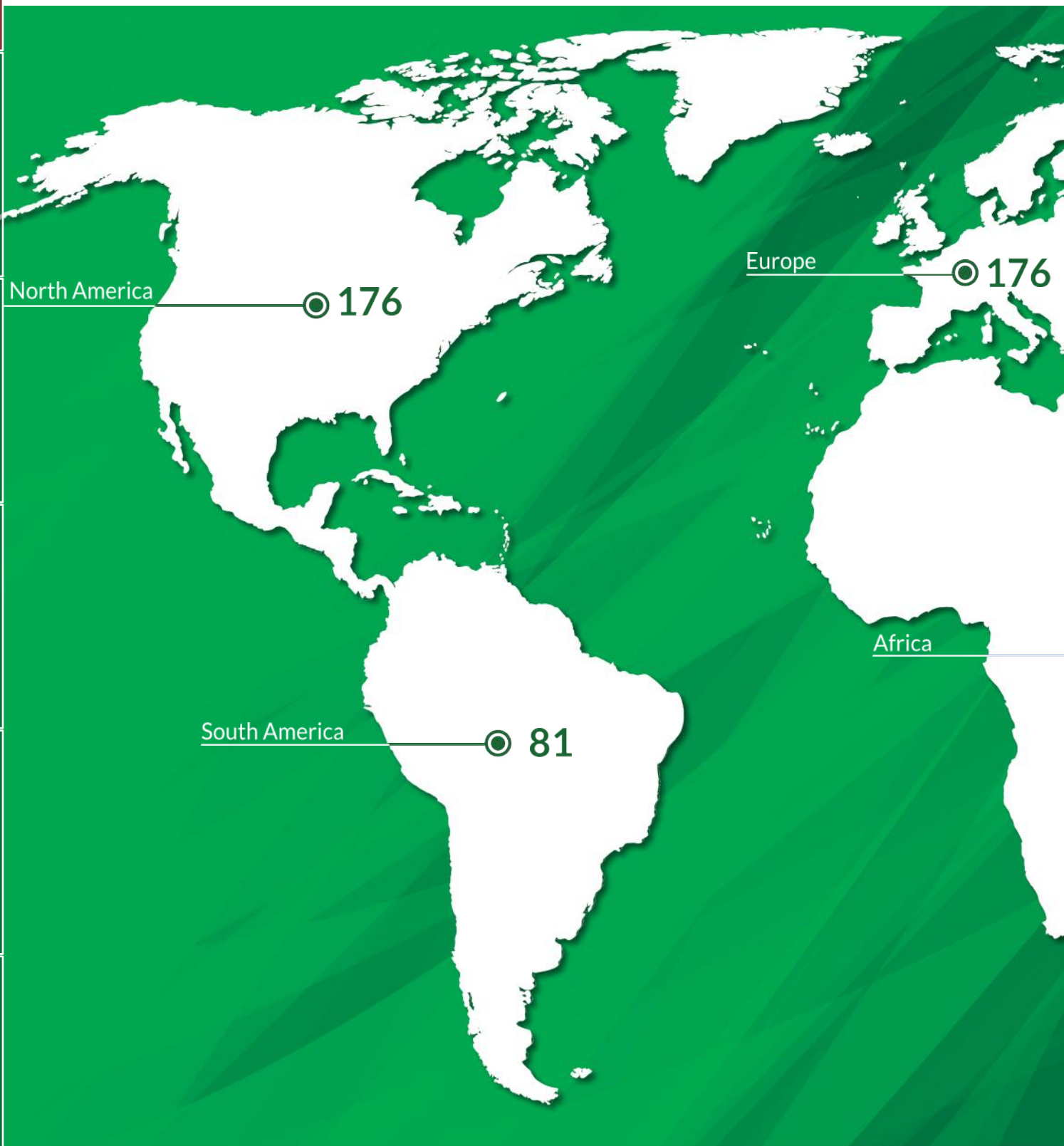
Corporate
Governance

Operational
Results

Environmental

Our People

Society



2022

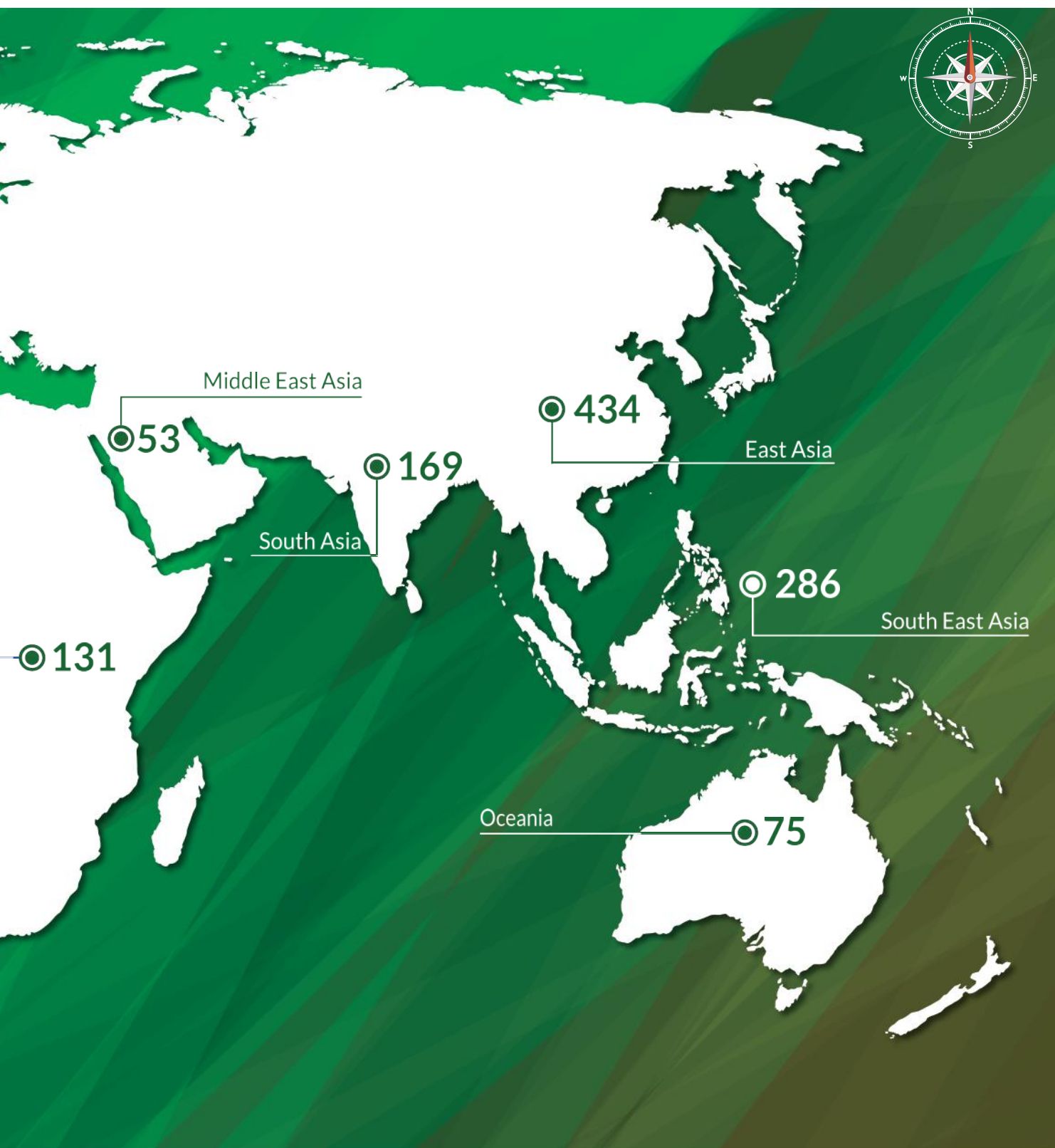
1,918

100

Year

Port calls

Countries visited



2023
Year

1,584
Port calls

94
Countries visited

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

ENVIRONMENTAL SOCIAL GOVERNANCE (ESG) HIGHLIGHTS

Our strategy aligns with the Sustainable Development Goals (SDGs) adopted by all UN Member States in 2015. As a 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 emissions and ballast water treatment. We continue looking for innovative solutions that will help gradually decarbonize maritime transportation in line with goals: (i) a 40% reduction in CO2 emissions for ton-mile by 2030 and (ii) a 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 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 implemented a mechanism for monitoring emissions that guarantees the accuracy and reliability of our data, allowing us to transparently report our carbon footprint.

Improving the efficiency of our managed fleet

Implementing maritime solutions for monitoring, validating, and verifying fuel consumption data and GHG intensity metrics and optimizing energy efficiency during voyage performance ensures our fleet's efficiency.

Promotion of green initiatives

We have great appreciation for Monaco's efforts in reducing greenhouse gas emissions and promoting sustainability in mobility, waste management, 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

This year, we completed the EGCS installation on managed capesize vessels.



Improved environmental performance compared to previous years

To comply with the recent IMO GHG rules entered into force in 2023, 2 EPL/Shapoli systems were fitted for EEXI while completing the data collection for CII for their verification in 2024 per the specific SEEMP III.

3 vessels underwent dry docking in 2023 with a total capital expenditure of **\$3.4 million**.

2 vessels are scheduled for drydock in 2024 with an estimated capital expenditure of **\$2.1 million**.

7.52 average EEOI (grCO₂/tonne-mile) of our managed fleet in 2023, slight increased from 2022 due to the fleet reducing in size and numbers.

0.14 average NO_x (gr NO_x/tonne-mile) in 2023 in line with 2022.

0.93 average SO_x (gr SO_x/tonne-mile) Levels are slightly increased due to the 8.51% decrease from 2022, mainly due to the fleet change in terms of number and size.

4.79 & 2.36 AER ratio respectively for capesize and supramax vessels, values are in line with targeted carbon intensity values established by the UN.

Health & Safety performance

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

Health and Safety crew welfare

- 4 cases of minor injuries during 2023

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.

| | |
|-----------------|----------------------------------------------------------------------------------|
| 1.10 | Lost Time Injury Frequency(LTIF) ratio for the crew of our managed fleet in 2023 |
| 13,200 | in crew training hours |
| \$ 200,000 | in crew training expenses in 2023 |
| 14 | crew promotions in 2023 |
| \$ 12.2 million | in crew salaries, bonuses and social security in 2023 |
| 254 | in the number of seafarers pool |
| 81% | retention rate |
| 65% increase | PSC inspections ratio with zero deficiencies in 2023 |
| 28% | women employed inside our organisation structure |
| 19% | of our shore operational employees have seagoing experience |
| 127 | Technical / Safety and Quality inspections |
| 7 | community investment initiatives supported in 2023 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)**
- **Our 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 2023 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

1 Whistleblowing incident in 2023, properly investigated and solved

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

More than 80 reports produced in 2023 by our Accounting and Budgeting Team for all our clients and RSAs, including annual financial statements, budget/forecast, monthly and quarterly financial reports.

13 Financial Statements / Reports relating to fiscal year 2023 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 45)

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



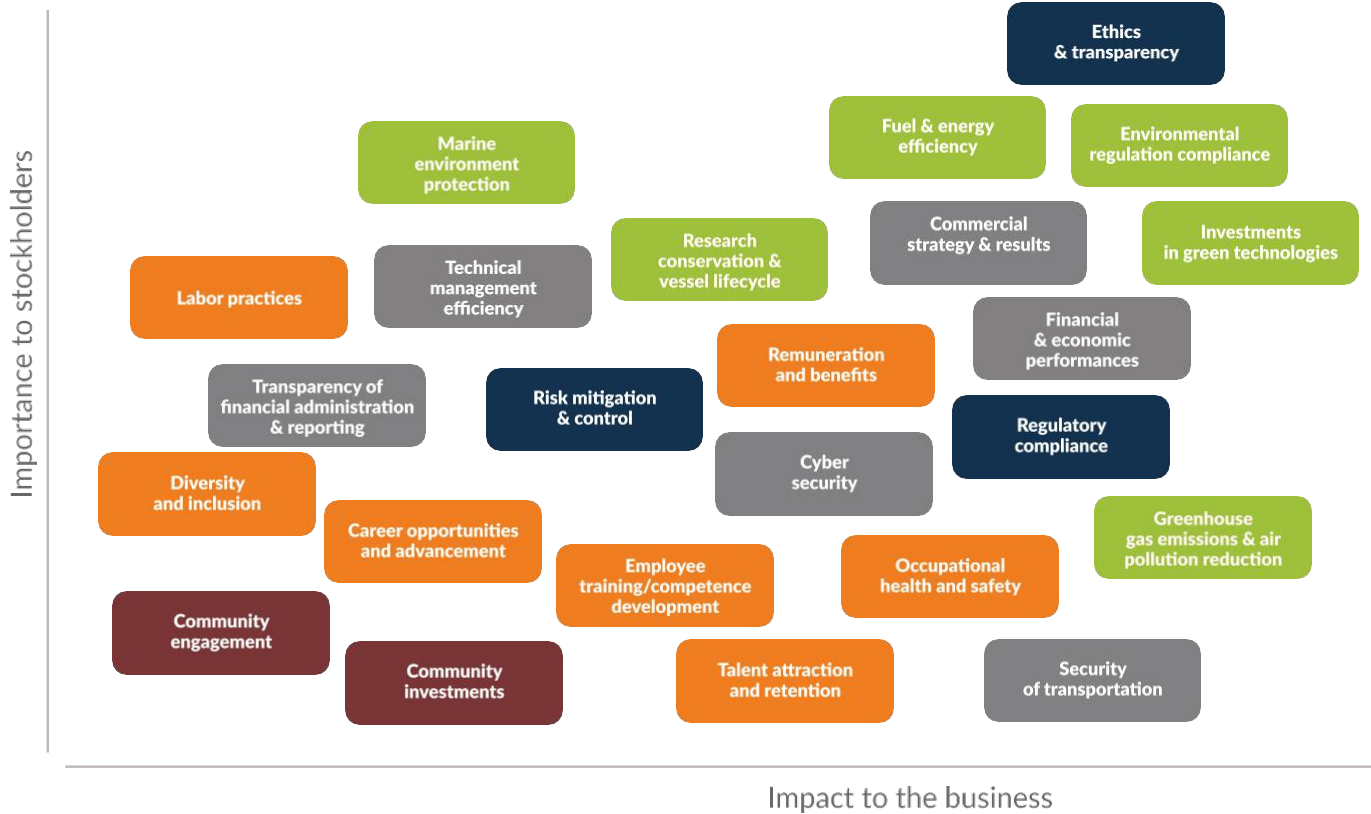
Our people:
7 issues - par. 6



Society:
2 issues - par. 7



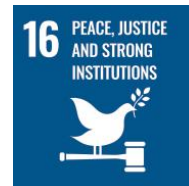
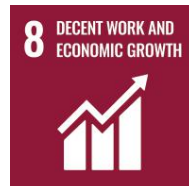
Materiality Matrix



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 2023, 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 2023 increased by 2% compared to 2022. 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 33.

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 | Violations of our Code, Ethical Principles & Anti-Corruption Policy |
| 0 | Bribery and fraud incidents |
| 1 | Whistleblowing incidents in 2023 |
| +2% | of internal audits in 2023 |
| 0 | Material weaknesses or significant deficiencies identified in 2023 internal audits |
| 0 | Material weaknesses or significant deficiencies identified in 2023 external audit report (ISAE Report issued by Deloitte on Feb. 29 th , 2024.) |
| 13 | Financial Statements/Reports 2023 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

1,546 counter parts screened in NAVEX: Agents273 / Employees and consultants 126 /Customers 959 / Suppliers188 .

LIMITED RISK EXPOSURE MONITORED BY ACTR TEAM

NAVEX RISK RATING

GREEN RISK: N° 1,155 counterparties (75%)

YELLOW RISK: N° 337 counterparties (22%)

RED RISK: N° 54 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

86%of the total payments done to Agents in 2023 were in favour of counterparties in the context of Voyage Charter Parties including Sanctions/Anti-corruptions BIMCO Clause.





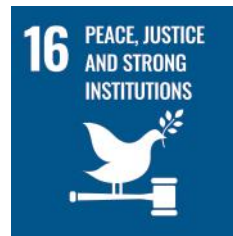
DEALING WITH CORRUPTION

In a move to strengthen its commitment to eradicating corruption, the CTM joined The Maritime Anti-Corruption Network (MACN) in 2023. The objectives of this partnership include raising awareness and collaboratively developing and sharing best practices.

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 delivered in the 2023 to shore personnel and crew tailored to our specific company requirements.



WHISTLE BLOWER HOTLINE

We have installed a whistleblowing hotline that is an essential part of our commitment to maintaining integrity and transparency within our operations. This hotline provides a secure and anonymous channel for employees to report unethical behaviour, illegal activities, or violations of company policies without fear of retaliation.

- Encourages reporting
- Legal compliance
- Risk management
- Promote a culture of transparency
- Protects company reputation
- Improves workspace safety
- Support ethical behaviour



OUR SUPPLY CHAIN

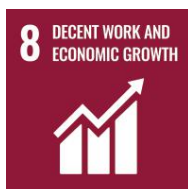
We are continuously optimising our supply chain practices by fostering strong and reciprocal relationships with our suppliers. We strive to promote a transparent and responsible supply chain that enables us to enhance our competitive advantage. To achieve this, we have introduced an additional step by 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 **4.6% in 2023**, and the Capesize RSA underperformed the Baltic Capesize Index (BCI) by **14.0%** 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 2023, we fixed and operated **533 voyages/fixtures**, using over **38 brokers**. Our Operations Team managed more than **1,500 port calls** in 2023.

Revenues and Daily Time Charter Equivalent for the year ended December 31, 2023 compared to the previous year:

| | 2022 / 2023 Revenues | 2022 DailyTCE | 2022 Market Index(*) | Delta | 2023 DailyTCE | 2023 Market Index(*) | Delta (**) | DailyTCE Variation 22/23 |
|--------------|-------------------------|------------------|----------------------------|--------|------------------|----------------------------|---------------|-----------------------------|
| Supramax RSA | \$ 471M/\$ 243M | 24,927 | 22,939 | +8.7% | 11,165 | 10,678 | +4.6% | -55.2% |
| Capesize RSA | \$ 276M/\$ 103M | 17,612 | 15,369 | +14.6% | 13,217 | 15,365 | -14.0% | -25.0% |
| Total | \$ 747 M/\$ 346M | | | | | | | |

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

(**) The 2023 Capesize underperformance was mainly due to the strong market uptrend. During the last months of 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 - 2023 period, our Sale and Purchase Team finalised the sale of **33 vessels** (26 Capesize, 5 Supramax and 2 Panamax) for a total net consideration of **\$724.0 million** with a total net gain for the owners of **\$122.7 million**.

During the 2021 - 2023 period, our Sale and Purchase Team finalised the purchase of **8 second-hand vessels** (6 Supramax and 2 Capesize) for a total consideration of **\$185.8 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 **56%** of our operating expenses.
- We had a **95%** utilisation rate in 2023, which is higher than previous year (90%) when a greater number of drydocks was performed. We calculate fleet utilisation by dividing available days by ownership days.
- During 2023 the Technical Department managed **3 drydocks** (2022: **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 the 2021-2023 period. 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 decreased by **21%**:
- The ShipServ platform allows us to:
 - (i) **increase the outreach** and expand our vendor database,
 - (ii) **benchmark** prices with the whole ShipServ base of suppliers.
 - (iii) 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 - 2023 period our Financial Team finalised the following 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 |
| 8 . CBC | Danish Ship Finance (DSF) | Jan. 2023 | \$ 30.5M financing of MV Bulk Tirreno and MV Bulk Monaco purchase |
| 9.CBC | ABN AMRO | May 2023 | \$ 13.0M financing of MV Red Azalea purchase |
| 10.BRENTWOOD | ABN AMRO | Sep 2023 | \$ 35.0M revolving credit facility for financing the purchase of vessels in the secondary market (hunting line) |

The financing of M/V Red Sakura and M/V Red Azalea 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-\$1M Credit line for Initial Margi Forex/Bunker-ISDA+CSA(Threshold\$1M)
 - **StoneX:** FFA-\$2M Credit line for Initial Margin Forex/Bunker-ISDA+CSA(Threshold\$2M)
 - **ABN AMRO:** ISDA in place for trading Bunker/Forex(noThreshold)
 - **DNB:** ISDA+CSA(Threshold \$1M)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 **150 legal entities**.
- **More than 60,000 accounting entries** recorded by our Accounting Team in general ledger during 2023

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.

2023 actions addressed to reinforce CTM cyber security implementing:

- CTM Monaco office migrated its Servers in Monaco Telecom Data Center, thus enhancing the security and protection level of CTM business data.



DIGITISATION

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.

2023 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.
- ISF Watchkeeper software is designed for maintaining seafarers' records of hours of work and rest, allowing ships and their crews to demonstrate compliance with international work and rest hour regulations (ILO Maritime Labour Convention (MLC) and IMO STCW Convention).
- Cloud Storage - Technical drawings are stored as various digital formats on Microsofts Azure Cloud Servers creating an online library accessible to our teams via Sharepoint from any where on the globe.
- Kaiko Systems streamlines inspections for our crews, helping them adhere to standards, avoid negligence, and gather comprehensive information during tasks. Our trend analysis enables better-informed, proactive decisions.
- Hanseaticsoft's Cloud Fleet Manager is an all-in-one solution we use to manage and monitor each vessel's purchasing cycle, maintenance planning, certificate status, and Safety Management System (SMS). This platform has improved efficiency, communication, and transparency, which enhances cooperation across departments and strengthens the connection between ship and shore.



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



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.

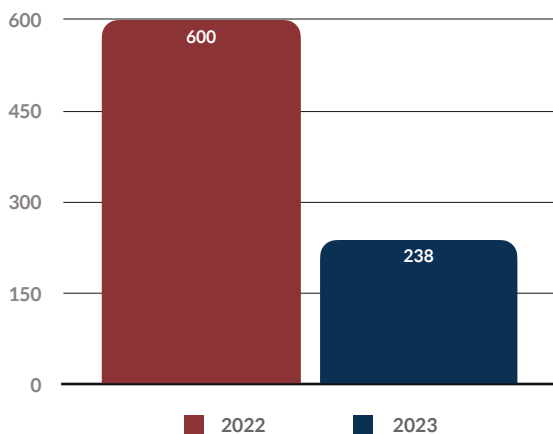


2023 Highlights:

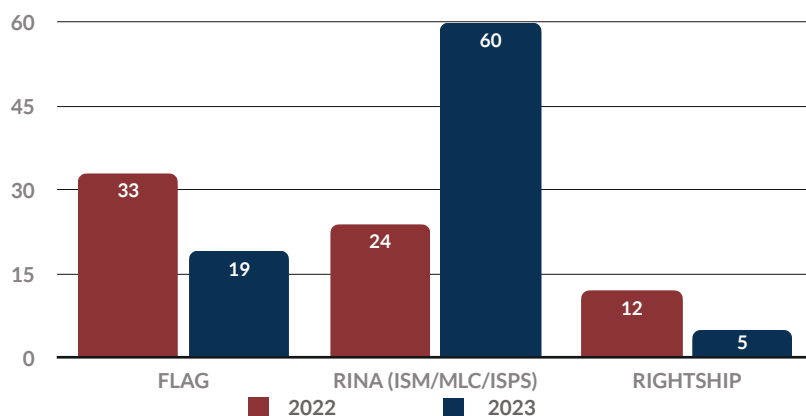
- Internal review of Shipboard Oil Pollution Emergency Plan (SOPEP) and Garbage Management Plan
- Fleet vessels carried out a Ship-Shore drill for SOPEP involving the emergency response technical support company
- Carried out annual SOPEP Ship-Shore exercise with Gallagher and Hudson Marine
- Carried 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.
- US Coast Guard AMVER Awards - In 2023 several of the vessels under our management were awarded AMVER certificates by the US Coast Guard joining a global network of over 6,300 other vessels. In 2023 AMVER certified vessels contributed towards saving the lives of over 770 people at sea. We are proud to have played a role in contributing towards protecting life at sea.



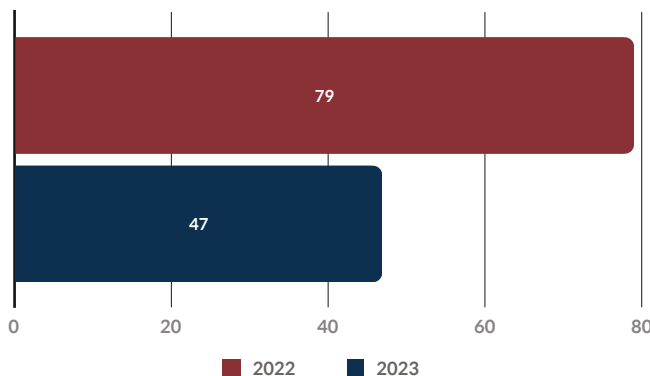
NEAR MISS



EXTERNAL INSPECTIONS



INTERNAL INSPECTIONS & AUDITS





UNITED STATES COAST GUARD



HEREBY RECOGNIZES

C TRANSPORT MARITIME SAM (CTM SAM)

FOR MEETING THE ELIGIBILITY
REQUIREMENTS OF THE
QUALITY SHIPPING IN THE
TWENTY FIRST CENTURY

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

+4.6% 2023 Supramax RSA over performance (daily TCE against the market)

-14.0% 2023 Capesize RSA under performance (daily TCE against the Market)

114 charterer screenings made in 2023 by our Risk Management Team

\$ 724.0 million total net consideration for the sale of 33 vessels with a total net gain for the owners of \$122.7 million during the 6 year period 2018-2023

Efficiency in Technical Management

Daily OPEX 3.2% higher than the 2023 Baltic Exchange Operating Expenses Index Dry (BOI)

95% fleet utilisation in 2023 (the rate is influenced by the days consumed for dry docks works and BWTs installations)

2,186 Purchase Orders within 2023



Health and Safety is our priority

1.3 PSC deficiency ratio in 2023 (60% below the industry average: 3.24 index)

65% increase PSC inspections ratio with zero deficiencies in 2023

63% decrease in reported near misses in 2023

1% increase in on board attendances in 2023

Financial Strategy for Solid Economic Growth

10 financing deals with leading international banks during 2019 and 2023

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 80 reports were produced in 2023 by our Accounting and Budgeting Team for all our clients and RSAs, including annual financial statements, budget/forecasts, monthly and quarterly financial reports.

13 Financial Statements / Reports

were subject to external audit / review in 2023.

Information Technology (IT) and Cyber Security

0 incidents to our IT system and cyber security breaches in 2023

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.

2023 ACTIVITY

Following the entrance in force at the beginning of 2023 of the new EEXI and CII rules, we started the installation of EPL systems where required, chosen the ShaPoli system that enables a vessel to limit its shaft power output when the pre-set limit is reached, thereby helping operators to keep control of their vessel's level of emissions in operation. Installation is expected to be completed in 2024. CII wise, provided on board enhanced SEEMP part III together with the CoC and completed the CII data collection and analysis at the end of 2023. Full CII control was granted by the Coach Solution application and certified by the first-tier RO.

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.



2023 Actions:

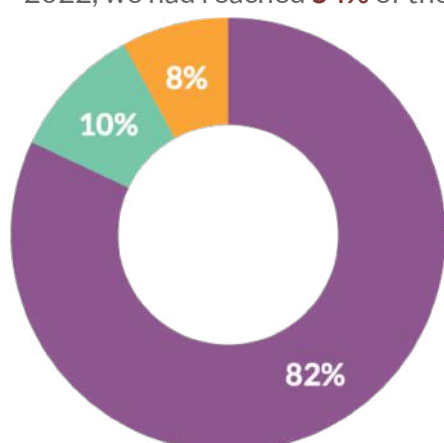
- Mobility:
 1. To increase video-conference
- Waste:
 1. Start using reusable glasses and dishwashers
- Energy:
 1. Equipment' lifespan extension
 2. Replacement of old UPS
 3. Energy-saving temperature guidelines
 4. Started replacing old monitors with ultra-wide screens



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 its 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.



| | Emissions (tCO ² eq)* | % |
|--------------|-------------------------------------|-------------|
| Mobility | 186.98 | 96% |
| Waste | 1.75 | 1% |
| Energy | 6.80 | 3% |
| TOTAL | 195.53 | 100% |

(*) 1 tonne of CO2 eq.

SAFEGUARD OF MARITIME ENVIRONMENT

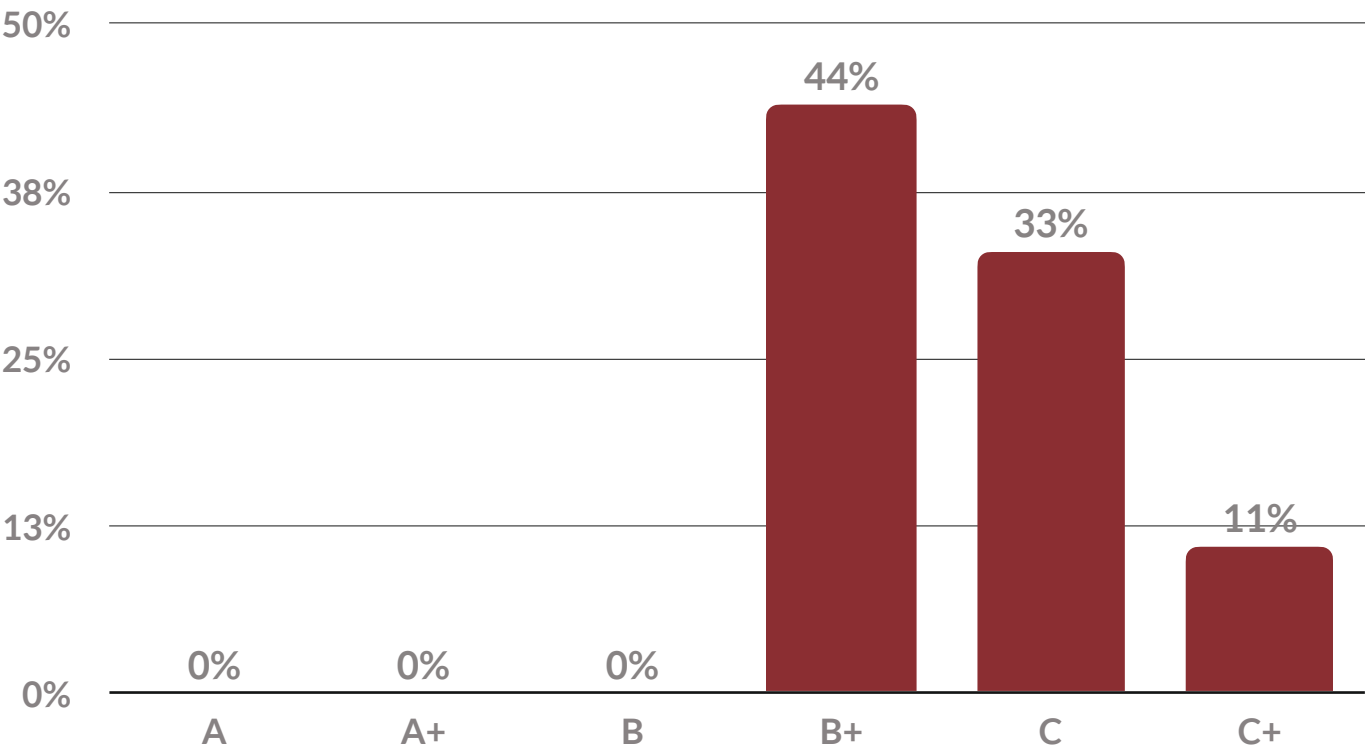
Bunker Management:

- CTM is actively exploring potential alternative fuel sources such as biofuels, methanol, nuclear power, and ammonia, following its strong commitment to achieving a 70% reduction by 2050. The quality of bunker products is strictly monitored by analysis carried out by a qualified laboratory. In addition to managing the ECGS fleet, CTM installed an ECGS system on board one of its managed vessels.

GHG Emissions:

- The International Maritime Organization (IMO) has taken a strong stance in addressing climate change by setting ambitious targets and implementing strict regulations aimed at reducing greenhouse gas (GHG) emissions in the shipping industry. According to the revised IMO GHG reduction timeline, using 2008 emissions as a baseline, the shipping industry is required to reduce total emissions by 20% by 2030, 70% by 2040, and achieve net zero emissions by 2050.
- On January 1, 2023, the IMO 2023 Regulation came into effect, mandating that all ships calculate their Energy Efficiency Existing Ship Index (EEXI) to assess energy efficiency. Additionally, ships must begin collecting data to report their annual operational carbon intensity indicator (CII) and CII rating. The new MARPOL 2023 regulations state that the Ship Energy Efficiency Management Plan (SEEMP) requires ships to calculate their annual operational CII and to include the methodology used for this calculation. This value will be compared against the required annual operational CII to determine the operational carbon intensity rating and corresponding performance level.
- We are committed to staying up-to-date with the evolving regulations and are fully compliant with the expectations outlined in the IMO and MARPOL 2023 regulations.

GHG RATING



Antifouling paints

- When applied to our fleet, this solution effectively prevents the accumulation of marine growth on the hull. This not only reduces resistance and leads to improved fuel efficiency, but it also lowers the risk of transferring invasive aquatic species. All vessels managed by CTM have obtained an international antifouling certificate, and we maintain these conditions through regular underwater inspections (UWCs). Additionally, CTM uses a software program called Coach for fleet data monitoring and voyage optimisation.
- 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.



GHG Emissions:

- The International Maritime Organization (IMO) is actively addressing climate change by setting ambitious goals to reduce greenhouse gas (GHG) emissions in shipping. According to the revised GHG reduction timeline, the industry must cut total emissions by 20% by 2030, 70% by 2040, and reach net zero by 2050. As of January 1, 2023, the IMO 2023 Regulation requires all ships to calculate their Energy Efficiency Existing Ship Index (EEXI) and begin data collection for their annual operational carbon intensity indicator (CII). Furthermore, the MARPOL 2023 regulations mandate that the Ship Energy Efficiency Management Plan (SEEMP) includes CII calculations and methodology. We stay informed about regulatory developments and ensure compliance with IMO and MARPOL 2023 expectations.



Waste Management:

- We have established waste reduction targets for our fleet, set each January in consultation with the technical department. We track performance against these targets and report on our progress quarterly. CTM is committed to reducing its waste footprint by staying current with regulations and fostering a waste-conscious culture on board our vessels. We are phasing out plastic water bottles by implementing water purifiers. As a result, the number of water bottles supplied across the fleet decreased by 19% in 2023.
- CTM has been participating in a recycling initiative in Singapore organised by our catering supplier, Oceanic, since 2021. In 2023, our vessels utilised this initiative nine times, contributing to the recycling of 31 m³ of waste.
- We recognise that a well-trained galley crew is essential for effective food waste management and reduction. In collaboration with Oceanic, we launched a comprehensive online training program accessible via a Learning Management System (LMS), specifically designed for Chief Cooks and Messmen. Topics covered include strategic meal planning, appropriate portion control, efficient inventory management, creative techniques for repurposing leftovers, and more.

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.



Leading signatory banks



(*) 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.

KEY PERFORMANCE INDICATORS

2 scrubbers were fitted to bulk carriers under commercial management

100% of our managed fleet are 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

7.42 average EEOI (gr CO2/tonne - mile)

0.02 average SOx (gr SOx/tonne mile)

0.12 average NOx (gr NOx/tonne - mile)

154.14 TJ energy consumption in 2023 by our managed fleet. A decrease of 41.53% compared with 2022 mainly due to the renewal process of the fleet

4.58% AER



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 **75** employees, of which **35%** are women, work devotedly every day. Our teams come from **10** 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 2023.

2023 Activity

In 2023, our employees underwent over **650 hrs** of training.



Executive Team:
CCO Carlos Pena
CEO John Michael Radziwill
CFO Luigi Pulcini



Commercial Team



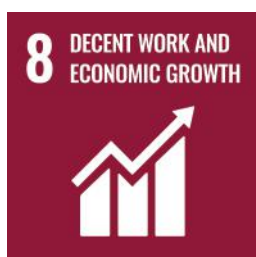
Operations Team



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 over **250 seafarers onboard & ashore** our managed vessels at any given time.
- We maintain a strong cooperation and partnership with crewing agencies Augustea Ship Manning Philippines and Columbia Ship Management, that provide us with crew management services and supplies our vessels with high-skilled crew. These agencies are dedicated to recruiting, selecting, training, and developing seafarers and fostering positive crew relations.
- The average age of our seafarers is (i) **43** 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 2023 we had a **Lost Time Injury Frequency (LTIF) of 1.10**.

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
- Financial support during calamities

Crew Campaign 2023

- 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 2023, we paid **\$25.7 million** in wages, remittances, bonuses, social security payments and cash advances to our seafarers.

- 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.



KEY PERFORMANCE INDICATORS

Crew

More than **250** pool of seafarers

More than **200** seafarers on board

38 average age of our crew in 2023

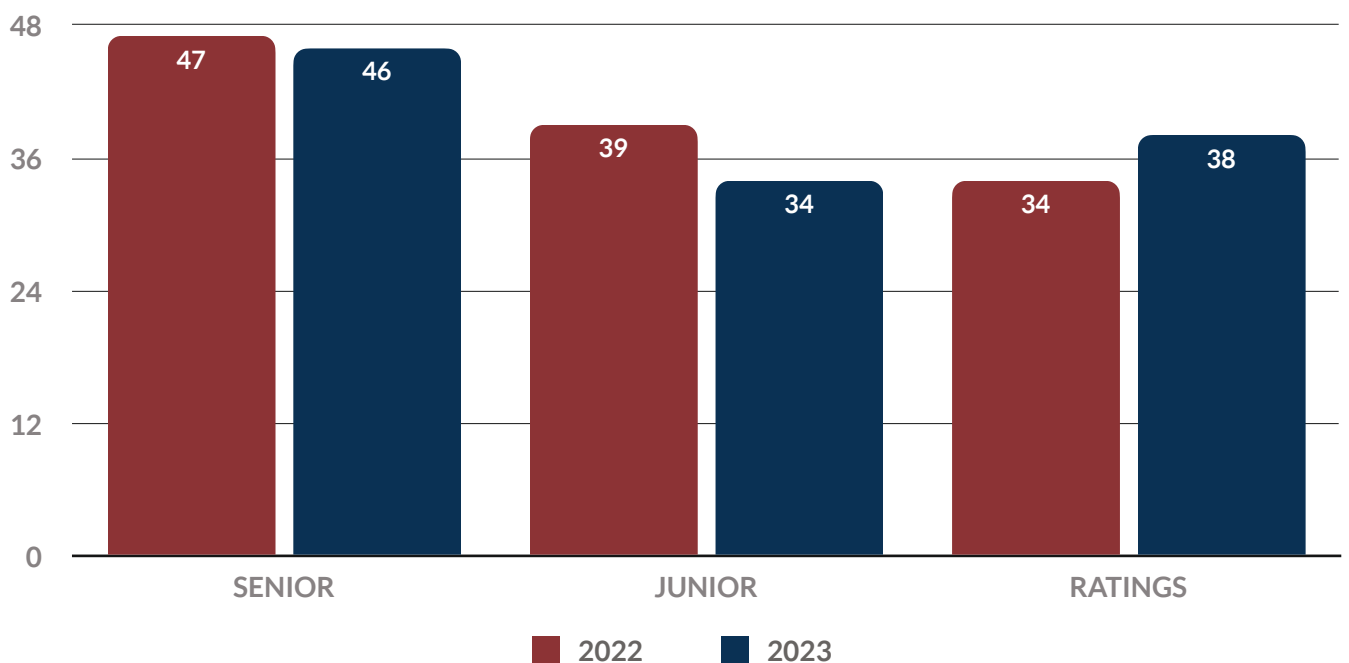
1.10 LTIF in 2023

\$12.1 million in wages, remittances, bonuses, social security

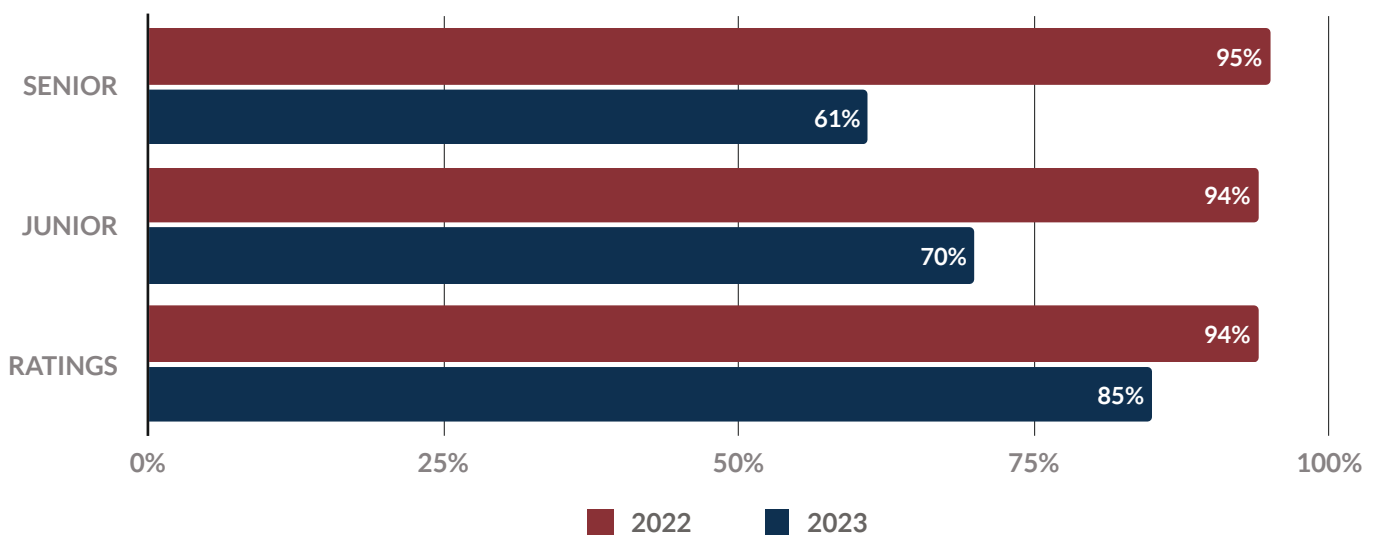
81% average crew retention rate

13,194 hours in training in 2023

AGE



RETENTION RATE



Shore-based employees

46 average age of our employees in 2023

19% employees have seagoing experience

35% women in our organization

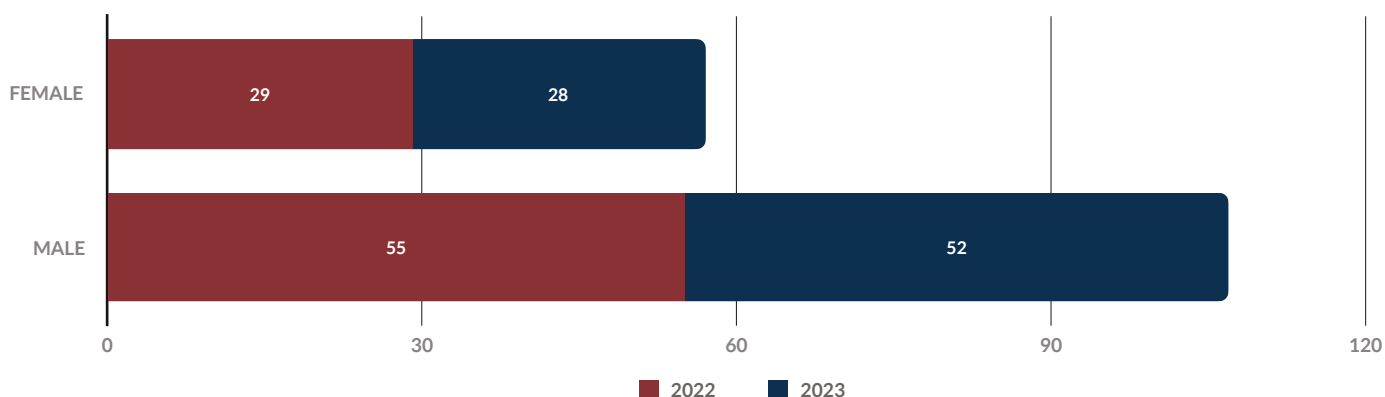
54% employees with university degree

100% of our employees receive annual performance feedback

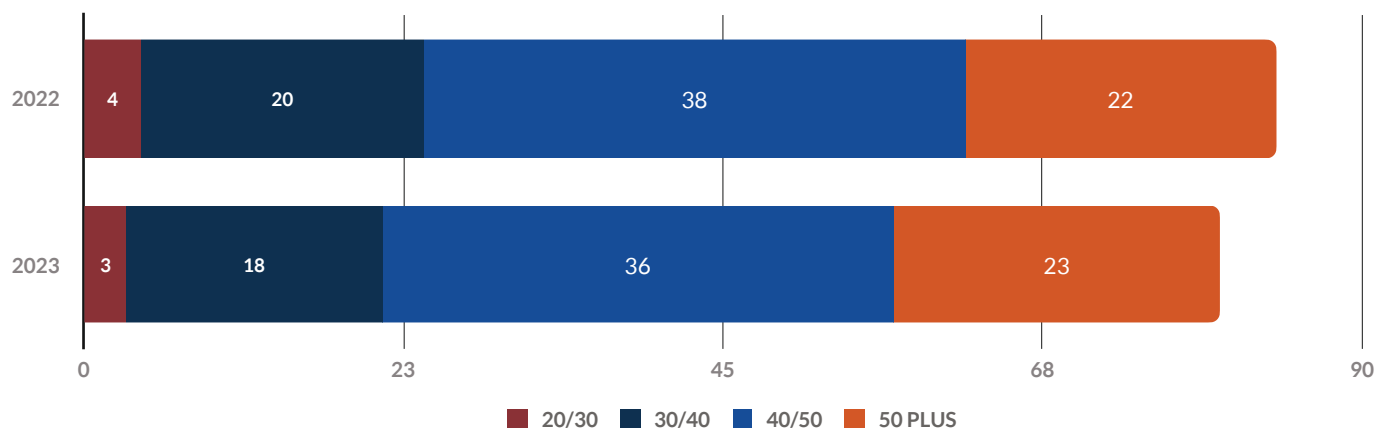
89% average employee retention rate

10% turn-over

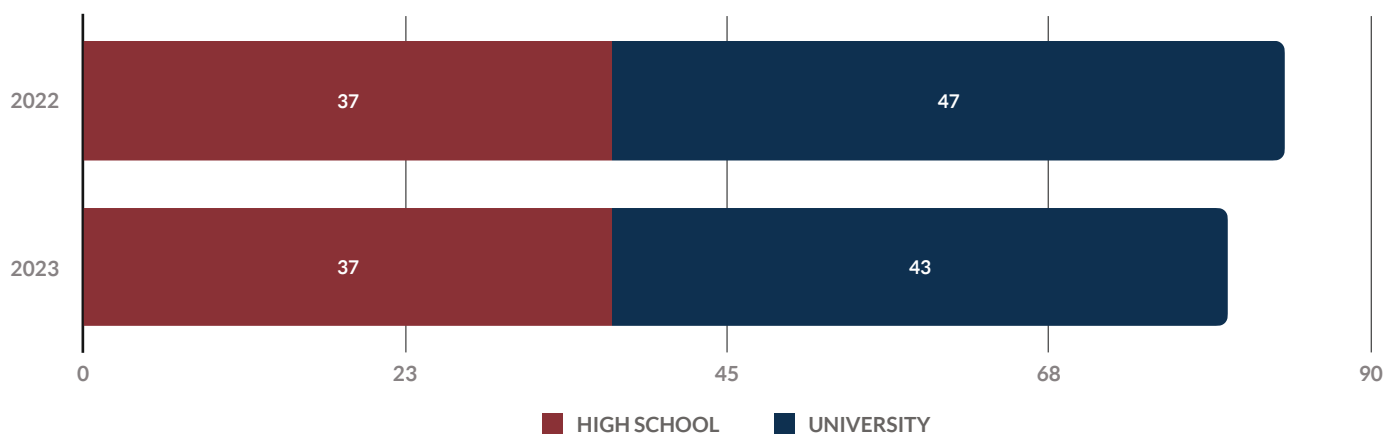
GENDER



AGE

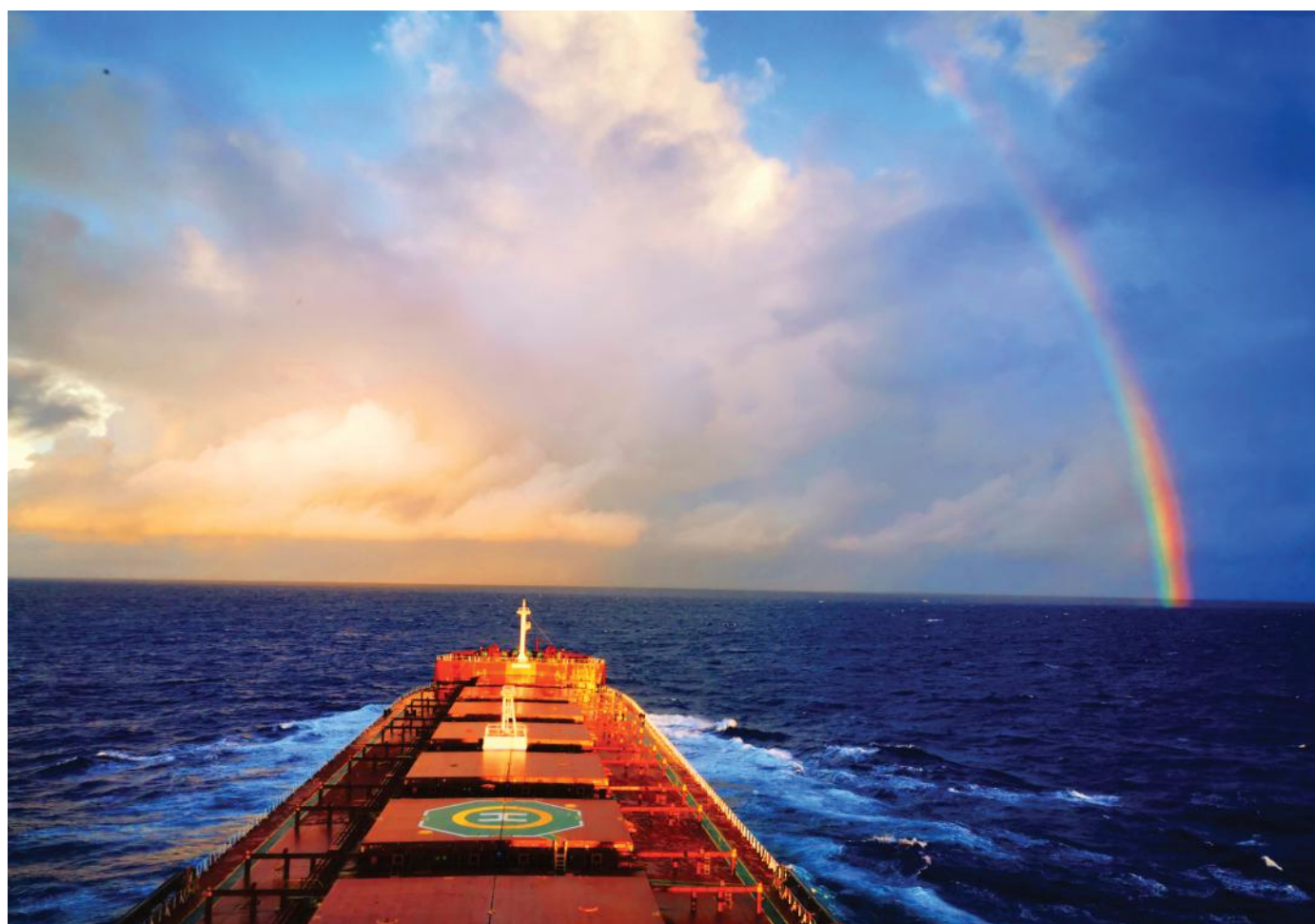


EDUCATION



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 2023 was no exception. Our team of 20 runners/walkers covered a total distance of **258 kilometres (160 miles)**, finishing 187th out of 329 teams that took part.





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