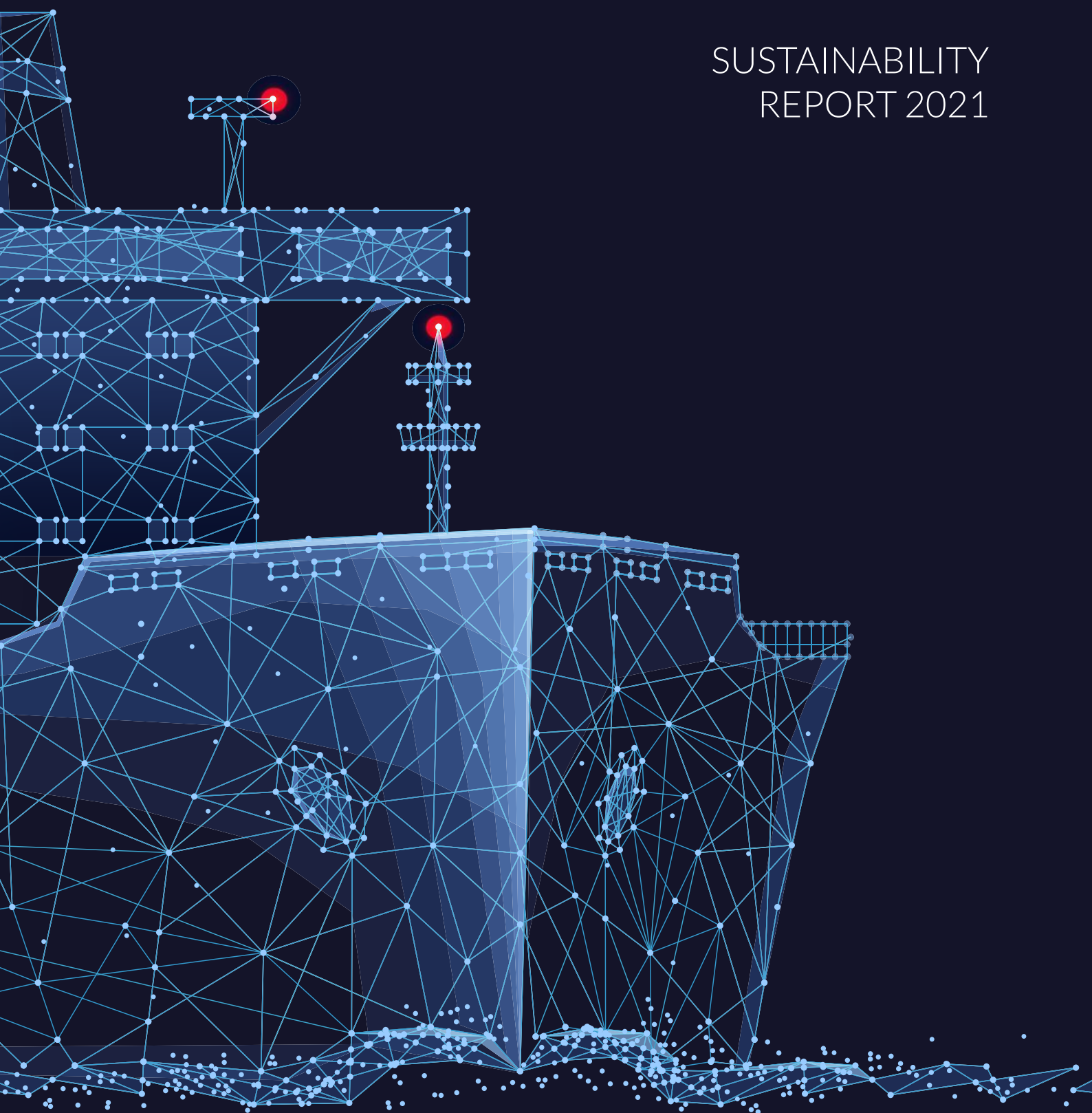



SUSTAINABILITY REPORT 2021





This Sustainability Report refers to the period 01.01.2021 31.12.2021. 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 also considered the Sustainability Accounting Standards Board (SASB) recommendation for Maritime Transport.

| | |
|---|-----------|
| 1. About CTM | 4 |
| Company overview: A World Leader in Dry Bulk Shipping | 4 |
| The History of a Great Greek Owner | 6 |
| Our Services | 8 |
| Clients Under Full Management | 10 |
| Fleet Under Technical Management | 12 |
| Supramax Revenue Sharing Agreement | 14 |
| Capesize Chartering Ltd. | 16 |
| Fleet Under Commercial Management | 16 |
| Worldwide Operations | 18 |
| Environmental Social Governance (ESG) Highlights | 20 |
| 2. Materiality Analysis | 24 |
| 3. Corporate Governance | 26 |
| Our Code of Conduct | 26 |
| Our Anti-Corruption and Trade Restrictions Policies | 26 |
| Robust Risk Management | 28 |
| Strong Internal Controls | 28 |
| Key Performance Indicators | 29 |
| 4. Operational Excellence | 30 |
| Commercial Excellence | 30 |
| Sale and Purchase / The Investment Strategy: Newbuilding vs Second Hand | 31 |
| Efficiency in Technical Management | 31 |
| Financial Strategy for a Solid Economic Growth | 32 |
| Transparency in Accounting and Financial | 34 |
| Information Technology (IT) and Cyber Security | 36 |
| Health and Safety is our priority | 38 |
| Key Performance Indicators | 48 |
| 5. Environmental | 50 |
| Environmental Management System | 50 |
| Energy Management System | 50 |
| Maritime Environmental Regulation | 52 |
| We support the Poseidon Principles | 54 |
| Key Performance Indicators | 55 |
| 6. Our People | 56 |
| Our Crew | 56 |
| Training excellence | 58 |
| Shore-based Employees | 60 |
| Key Performance Indicators | 62 |
| 7. Society | 64 |

COMPANY OVERLOOK: A WORLD LEADER IN DRY BULK SHIPPING

CTransport 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 ship management companies globally focusing on Chartering, Sale and Purchase, Operations and Technical management as well as being a specialist in pool management. CTM employs over 82 people from 11 different nationalities and directly operates about 120 vessels, ranging from Supramax to Newcastlemax bulk carriers, and over 200 vessels including Capesize Chartering Ltd. (CCL) co-founded with Bocimar, Golden Ocean and Star Bulk in 2016. The Company's foundations are based on the expertise and the professionalism of its managers and employees all of whom have years of experience in the commercial, operational and technical management of dry cargo vessels. CTM belongs to Brentwood Shipping Group ("Brentwood") owned by the Radziwill family. John Michael Radziwill is the Chairman and CEO of CTM.

Our philosophy and operating style

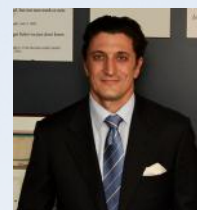
"We keep moving forward, opening new doors, and doing new things, because we're curious and curiosity keeps leading us down new paths." – Walt Disney.

"Going Forward Together", is the vision that CTM has had since our formation and 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 very foundation of the work we do everyday for our partners and clients. The end result of all this, was the creation of our corporate mission statement that encompasses all that we are and what we seek to achieve every day.

Our mission

At CTM we have chosen to specialize in the shipping industry by offering our leading management services to our partners and clients. Our objective is and always has been to be recognized as the company that lives up to our promises and delivers on them. Always looking forward, examining where we can add new services and products to the outstanding services that we currently offer. 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. All this allows us to step ever closer to our goal of being recognized as the foremost shipping company in our sector.





Letter from our President and CEO

The foundations of CTM were laid by my grandfather, John M. Carras, from whom I also inherited my love for shipping. He was dedicated to his trade, worked tirelessly, lived and operated his ships through WWII and despite setbacks managed to make his name and leave his mark in our industry. Today, we continue to honour his legacy by building on what he achieved and safeguarding it for the next generation.

Over the past 20 years, we have created a lean and streamlined operation tailored to our clients who were also the biggest winners from the market and our performance last year. Over the years we have forged strong partnerships and those have been what we have built our success on, working together in the pursuit of excellence, constantly searching to provide ever-improving outcomes for our clients.

2021 was a challenging year for many as the pandemic continued to rage on. For the dry bulk market however, the pandemic brought many opportunities with rates reaching over decade highs as the rapid spread of the virus prompted governments to stimulate their economies to counter the economic slowdown, created inefficiencies and food stockpiling all of which benefitted the market.

During 2021, our teams managed around 160 vessels, and close to 270 vessels if we include vessels co-managed with Capesize Chartering Limited (CCL), in a fleet made up of ships from Handymax up to Newcastlemax size. These vessels were fixed for over 40,000 days worldwide and carried approximately 70 million tonnes (not including CCL). In 2021, we concluded over 620 fixtures demonstrating our expertise and strong presence in the spot market and fixed with around 230 separate counterparties, all within the framework of our stringent Risk Management Department's vetting procedures.

A fleet this large also comes with a lot of responsibility. As such 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 engage with financial institutions for the promotion of the Poseidon Principles and we started the process of inking our first sustainability-linked loan.

Behind the numbers, naturally and more importantly, are people and 2021 was challenging for many of them. Crews around the world faced a lot of difficulties as they were not globally recognised as being an essential part of the workforce. We placed a lot of focus on our seafarers particularly over this period, gaining access to vaccines for them and performing changeovers safely and timely. We also provided PPE equipment and medical assistance where this was necessary. Over the year we managed to get over 950 crew members to embark/disembark from our vessels all over the world in locations including the Philippines, Ukraine, South Korea, Turkey, Egypt, and Brazil. We provided our crews with 3 gigabytes of free internet data each month allowing them to communicate with their friends and family no matter where they were in the world. Taking care of our crews in this way is just part of the reason why we have a 95% crew retention rate.

We completed four Drydocks in China which included Ballast Water Treatment Systems (BWTS) installations well in advance of the IMO 2024 deadlines. In our continued drive to go green and digital, we completed our Watchkeeping Pilot project, implemented our SMS modules for the entire Fleet through our Cloud Fleet Manager and moved to Electronic Log Books thereby removing the need for paper. We also completed our Aquarex project whereby we produce all drinking water on board and remove the need for plastic water bottles.

At CTM we are focused on the continued digitisation of our business practices both onshore and at sea. This year was no different as we added more digital solutions to our line-up for our teams and clients including the launch of our RSA app, giving the members of our pools access to real-time information on their vessels along with fixtures, current commitment information, monthly results, forward coverage and CTM's market reports. We adopted tools for the optimization of voyage performance and voyage planning in order to maximize profit and minimize CO2 emissions in preparation for the upcoming IMO regulations.

As far as working with our local community, we have signed up to Monaco's National Pact for Energy Transition that addresses transport emissions and waste recycling.

Going forward we are excited to continue creating value for our clients, adhering to global goals for environmental protection and nurturing our crew's wellbeing as well as overall furthering our commitment to our ESG goals. 2022 began with the Russian invasion of Ukraine and inevitably it was just the beginning of new challenges coming our way that we will do our best to navigate and come out on the other side successfully.

John Michael Radziwill
Chairman and CEO

More information about CTM history, business activity and people is provided at the Company's website: www.ctmmc.com



JOHN M. CARRAS (1916– 2008)

His overall performance since the end of WW II, significantly contributed towards the evolution of Greek shipping as a leading power in the world seaborne trade.

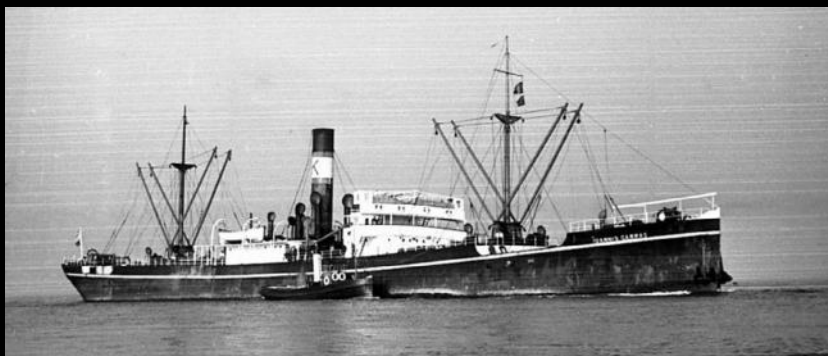
Having no more vessels to operate after his last ship, MV ADELPHOS, did not survive the WWII, as it was torpedoed and sunk on May 1, 1943, J.M. Carras decided to immigrate to the U.S., where many members of the Greek shipping community had already settled since the beginning of the war. In 1946 from his new office in New York he started his new adventure in world shipping. It started with the acquisition of two cargo ships built in 1917 and 1919 (MV MAKIKI and MV WAIMEA), which were placed under the Panamanian flag. At the same time, his London office began undertaking the management of ships belonging to other Greek owners, like Stephanos Perivolaris and Panagiotis Angelos, Captain Nicolas D. Papalios and George P. Livanos. From 1947 to 1951 the J.M. Carras fleet increased fast with the acquisition of: (i) a three-year old T2-type tanker MT ALEXANDRA and, two more similar ships, MT MICHAEL and MT TRINITY, all three trading under US flag. (ii) five additional Liberty-type American-flagged cargo ships traded under his management (iii) the acquisition of further dry cargo tonnage together with the Greek-flag MV FOTINI, one of the 100 legendary Liberty ships that were sold to Greeks by the US Government in early 1947. In 1951 he placed a significant order for the construction of four big tankers of 20,000 dwt each, at the Japanese Hitachi Zosen K.K. shipbuilding facilities at Osaka and Innoshima. The delivery of MT TINII in 1952, the first steam turbine tanker built in Japan for export in post-war years was a significant milestone for the global shipbuilding industry, paving the way to many Greeks to follow in his footsteps.

The contribution of Greeks to the growth of the post-war Japanese shipbuilding industry, that had been devastated during the war, was catalytic, with John M. Carras fully deserving to be considered as the pioneer in this effort. In addition to the four aforementioned tankers, he placed orders with Nippon Kokan K.K. shipyards at Shimizu and Yokohama for the construction of four more tankers, two of 20,000 dwt and two of 40,000 dwt capacity, which were delivered in 1957 and 1958. In the meantime he renewed his dry cargo fleet by replacing the Liberty ships with three ships also built at Nippon Kokan K.K. facilities and delivered in 1956 and 1957. His newbuilding orders were also diversified towards the country that had significantly contributed to his post-war progress, the U.S., where two high-specification tankers named MT ADORATION and MT MAYFLOWER, were built and delivered under Liberian and US flags in 1957 and 1961 respectively. However, the most celebrated period of J.M. Carras' newbuilding activity, which highly contributed to the establishment of his group among the leaders within Greek shipping, is that between 1965 and 1969. In the course of these five years, he took delivery of 14 newly-built ships from three major Japanese shipyards, Uruga Heavy Industries, Mitsubishi Heavy Industries and Ishikawajima-Harima Heavy Industries. The above newbuildings included 8 bulk carriers, a fast-rising type of ship at the time, resulting to the establishment of his group among the top players in this important sector of the world seaborne trade. It is worth mentioning that from that point onwards and until the end of his fruitful career, all newbuilding additions to his fleet were bulk carriers. What characterizes J.M. Carras' options concerning the renewal of his fleet, is the period of time that he opted to invest in newbuildings. It has been rumored that most of his ship acquisitions were paid in cash. If this is the case and given that the majority of his own tonnage went direct from his management to the shipbreakers, he succeeded in utilizing all positive shipping cycles, a fact that explains the continuous enhancement of his business status. He always avoided hasty movements. Even after the catastrophic crisis of the 1980s and while he was in position to radically renew his fleet following a 20-year long absence from newbuilding activity, he opted to buy a few second-hand quality bulk carriers and also acquire two newbuildings that were already built to the order of other interests, one of them from a South Korean shipyard. Perceiving that the aftermath of the crisis would bring in new trends within the global shipbuilding industry, such as the gradual evolution of South Korea as the leading shipbuilding power, as well as the need for drastic improvement in ship design, he did not hesitate to await for almost a further decade before placing a newbuilding order. This time his order was placed with Halla Engineering & Heavy Industries Ltd., in South Korea for the construction of four capesize bulk carriers of 167,000 dwt each, which were delivered in 1997, marking his return to the shipyards after almost 30 years. A true believer of the endless power of the sea, John M. Carras made a step further just after the millenium, by placing orders, once more in Japan, for the construction of another five capesize bulk carriers at another renowned shipbuilding facility, Sasebo Heavy Industries Co. Ltd. His sense of timing was once more absolutely perfect, since the ships all delivered by the end of 2003 coincided with the biggest blast of the freight market that was ever recorded since the end of the WWII. He was one of the very few persons in the industry that had both the knowledge as well as a clear picture concerning the evolution of world shipping. He spent no less than 70 years of his life as an active

shipowner, maybe a unique record in world shipping history. He worked on an almost daily basis until the end of his life, being constantly informed on all international developments that could affect the shipping environment. At the same time he never presented an obstacle to his associates in taking initiatives and assuming responsibilities. He used his wide knowledge and wisdom offering his advise to the younger generations maintaining that they had achieved much more compared to his generation. His deep interest for the youth and for their overall education was repeatedly demonstrated throughout his life, mainly by generously supporting the Hellenic-American Educational Foundation, where he obtained his own education. He was actively involved as a member of the board of the Union of Greek Shipowners for many years offering his invaluable knowledge and experience and adding authority to its overall work. Even at the end of his long career, he found the means to express his faith in the future of the industry. He was over 90 years of age when he co-operated for the first time with a European shipbuilder by placing an order for the construction of six capesize bulk carriers in Denmark's Burmeister & Wain historic shipyards, ignoring the dominance of the Far East in the shipbuilding sector. Apart from a truly outstanding career in shipping, John M. Carras was distinguished for his extremely low profile and modest way of living. He was always close and fully devoted to his family, keeping at a great distance any kind of publicity. He was married for over 70 years to his beloved wife Athina, mother of their four daughters, Fotini Livanos, Eugenie Radziwill, Alexandra Vourecas-Petalas and Christina Lemos.



CARGO SHIPS DURING WWII:
SS STAR of ORIGON the first of the 472 ships built by the Oregon Shipbuilding Company of Portland. This American Cargo Steamer (Liberty type) was sunk on 30 August 1942 by the German U-boat 162 in the southern Caribbean off Tobago.



MV IOANNIS CARRAS (1917) which shortly before WWII came under the control of Panagiotis Carras. In 1939 the vessel was scuttled by the Polish authorities at the port of Gdynia to prevent German ships from entering the port. Subsequently raised and repaired by the Germans, Returned after the end of the war to her owners and renamed SPIRIDON II.



MT ALEXANDRA (1956) built by Nippon Kokan K.K. in Shimizu (Japan). She was one of the three vessels constructed for companies under management of J.M. Carras Group



MT ADORATION (1957) built in Bethlehem Sparrow Point Shipyard (U.S.)

OUR SERVICES

Commercial Management and Operations: Long standing experience, a vast commercial network that includes brokers, end-users, operators, ship owning entities and port agents, amongst others, allows CTM to offer its clients a wide range of options to trade their assets. Time charter agreements, voyage based charters, contracts of affreightment, long term charters etc. are all covered by CTM's chartering department and executed by our experienced operations department.

Revenues Sharing Agreements: CTM is one of the leading pool managers in the dry cargo industry with **over 200 vessels** operating in Capesize Chartering Ltd. and the Panamax and Supramax Revenue Sharing Agreements (RSAs). Ships trade worldwide on the spot market and income is distributed to each member vessel according to its earning capacity.

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.

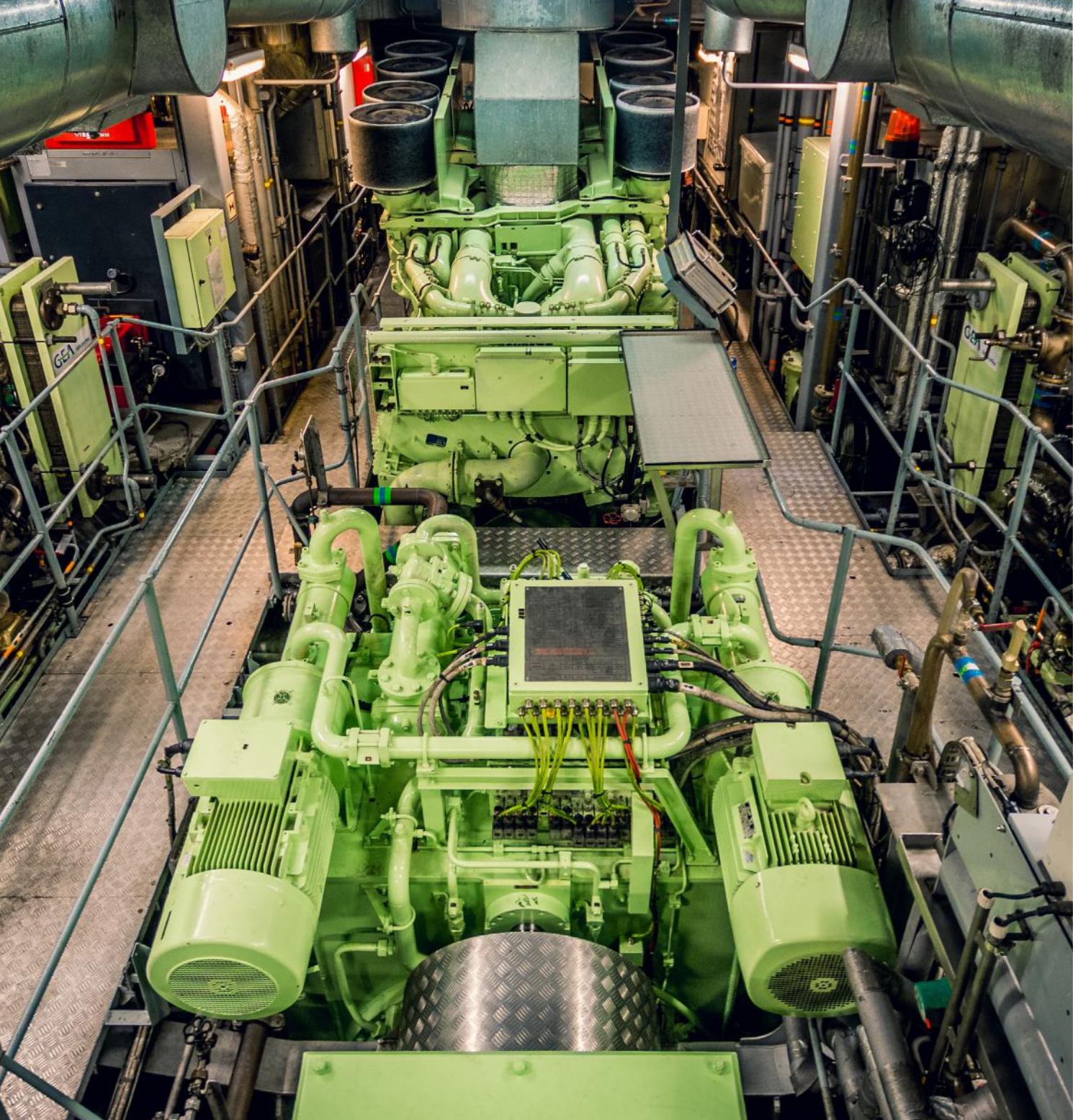
Forward Freight Agreements: CTM has been trading Forward Freight Agreements (FFAs) for institutional clients since 2004. Often speculative and sometimes used as a hedging tool, FFAs are one way investors can access the volatile shipping Industry. We cover all sectors of the dry cargo market: Capesize,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

Technical: Keeping our vessels operating at maximum efficiency and adhering to the latest regulations is the responsibility of our technical department. Established in 2010, it is set up to oversee dry cargo vessels of various sizes. Presently **36 vessels** are under our full technical management including safety, crew and purchasing.

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

Our services 3 zero target





Newbuilding support

Our team provides 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, to oversee the process and ensure the vessel is built to the highest quality specifications.

Conversions & modifications

Includes major conversion and modification projects, fuel conservation equipment and ballast water treatment system installations as necessary, all within the framework of ongoing regulations. Our team is always keeping abreast with evolving regulations ensuring that when they come into force all vessels are fully compliant. We are always cost aware and mindful of our clients' needs in order 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 2 joint venture entities incorporated in Liberia owning 2 Capesizes (one of them was sold in December 2021). 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, 2021, GB owns 22 Capesizes and 1 Panamax dry bulk vessel. SHAREHOLDERS: No one party exercises control over GB.

As of December 31, 2021, CarVal, Lantern Capital Partners, and Brentwood each beneficially own 48.8%, 12.2% and 11.5% 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, 2021, CBC owns 1 Capesize, 1 Panamax and 1 Supramax dry bulk vessels and controls, under timecharter agreements, 2 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, 2021, Stone Shipping Ltd. has 10 investors and controls 11 Supramax vessels under timecharter agreements.

BANKS: ABN AMRO.



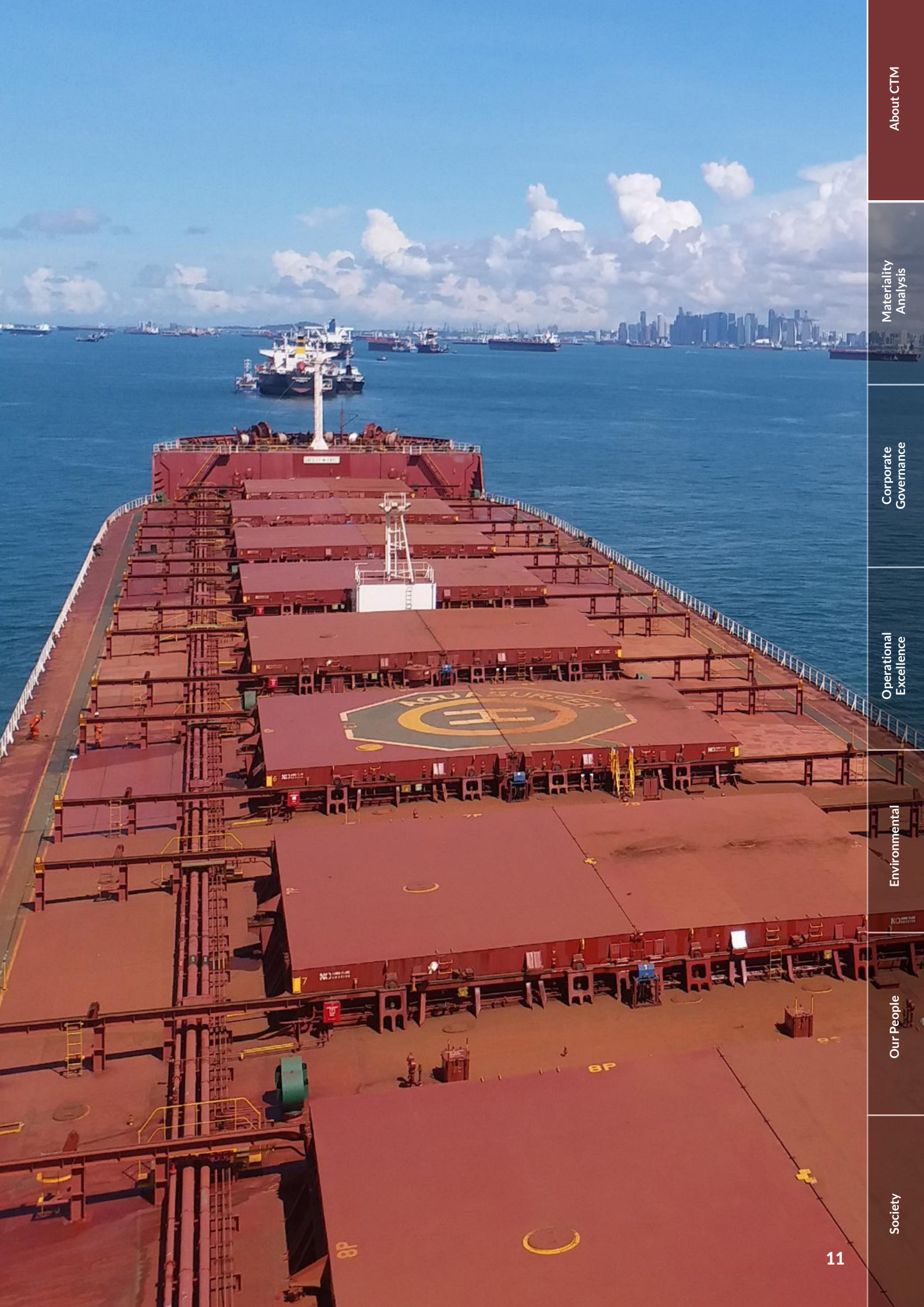
C TRANSPORT MARITIME LTD

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

As of Dec. 31, 2021, CTM BERMUDA controls 4 Supramax, 3 Capsize and 1 Panamax vessels under time charter agreements.

SHAREHOLDERS: John Michael Radziwill.

BANK: ABN AMRO.



FLEET UNDER TECHNICAL MANAGEMENT




GoodBulk

| Name | Type | Year | DWT |
|----------------|----------|------|---------|
| Aquamarine | Capesize | 2009 | 182,060 |
| Aquadonna | Capesize | 2005 | 177,173 |
| Nautical Dream | Capesize | 2013 | 180,730 |
| Aquavictory | Capesize | 2010 | 182,060 |
| Aquahope | Capesize | 2007 | 177,173 |
| Aquakatana | Capesize | 2005 | 185,897 |
| Aquarange | Capesize | 2011 | 179,842 |
| Aquamarie | Capesize | 2012 | 178,896 |
| Aquaenna | Capesize | 2011 | 175,975 |
| Aquabridge | Capesize | 2005 | 177,106 |
| Aquaproud | Capesize | 2009 | 178,055 |
| Aquatonka | Capesize | 2012 | 179,004 |
| Aquavoyageurs | Capesize | 2005 | 177,022 |
| Aquahaha | Capesize | 2012 | 179,023 |
| Aquataine | Capesize | 2010 | 181,725 |
| Aquascope | Capesize | 2006 | 174,008 |
| Aquasurfer | Capesize | 2013 | 178,854 |
| Aquamaka | Capesize | 2009 | 179,362 |
| Aquakatie | Capesize | 2007 | 174,100 |
| Aquasalwador | Capesize | 2012 | 180,012 |
| Aquanavigator | Capesize | 2011 | 179,905 |
| Aquaexplorer | Capesize | 2012 | 178,928 |
| Aquaknight | Panamax | 2007 | 75,395 |

As of Dec. 31, 2021:

- 33 high quality bulk carriers (26 Capesize, 5 Supramax and 2 Panamax)
- 4.4 million deadweight
- 11.7 average age
- 12,922 ownership days in 2021

| | Name | Type | Year | DWT |
|---|---------------|----------|------|---------|
|  | Bulk China | Capesize | 2005 | 176,274 |
| | Bulk Japan | Panamax | 2006 | 82,951 |
| | Bulk Manara | Supramax | 2010 | 55,692 |
|  | Aquaproper | Supramax | 2015 | 61,208 |
|   | Aquagenie | Capesize | 2003 | 177,346 |
|  | Aquafortune | Capesize | 2011 | 174,725 |
|  | Bulk Mexico | Capesize | 2010 | 176,354 |
| | Bulk Colombia | Supramax | 2011 | 57,937 |
| | Bulk Honduras | Supramax | 2012 | 57,959 |
| | Bulk Ecuador | Supramax | 2011 | 57,959 |

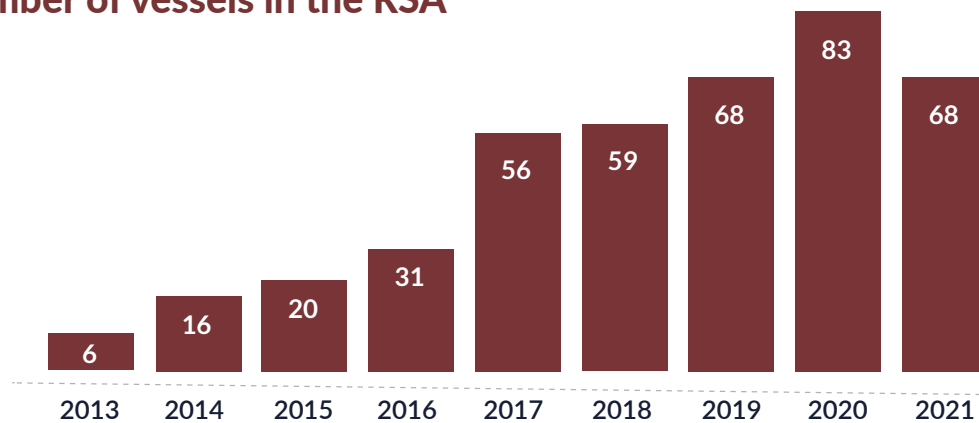
SUPRAMAX REVENUE SHARING AGREEMENT

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 13 vessels and in 2021 had reached 68 vessels from 16 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 is mainly due to sales finalized by Owners to take advantage of 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, 2021

68

vessels of which 10 scrubber-fitted

23

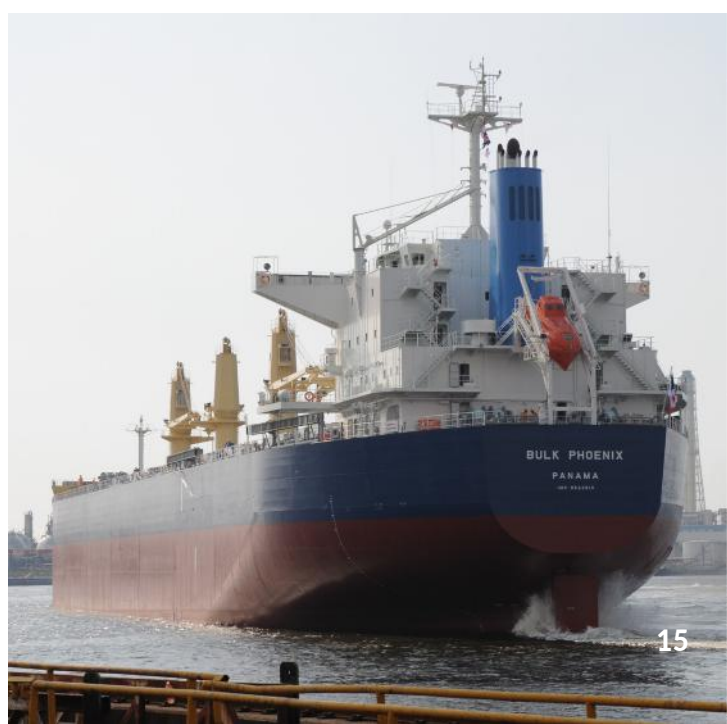
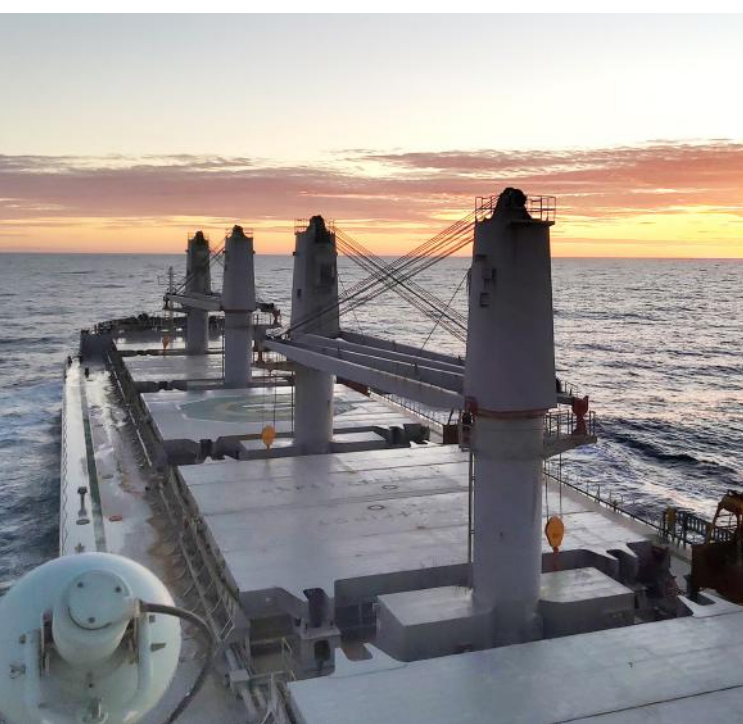
owners

60,600

average deadweight

7

years average age



About CTM

Materiality
Analysis

Corporate
Governance

Operational
Excellence

Environmental

Our People

Society

CAPE SIZE CHARTERING LTD



Capesize Chartering Ltd (CCL) was formed in January 2016. Present members are CTM, Bocimar, and Star Bulk who joined forces pooling their respective capesize vessels to facilitate the global cape- size commodity trade. The benefits of partnership, cooperation and the idea that two minds are better than one is what led to the creation of CCL. In today's very fragmented Capesize market, this joint venture provides an efficiently run, well maintained fleet with the utmost attention to global regulations, safety requirements and client satisfaction.

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 notices, 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, 2021

139 vessels of which 26 under CTM management, including 4 scrubber fitted vessels (16 owned by Goodbulk, 2 by Astron, 4 by Mangrove, 1 by Anchorman, 1 by Navios and 2 by CTM Ltd.).

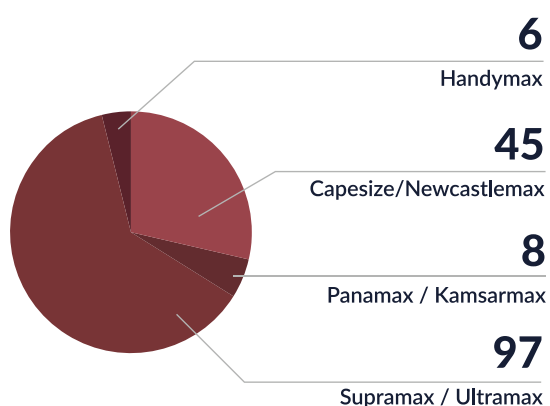


187,000 average deadweight

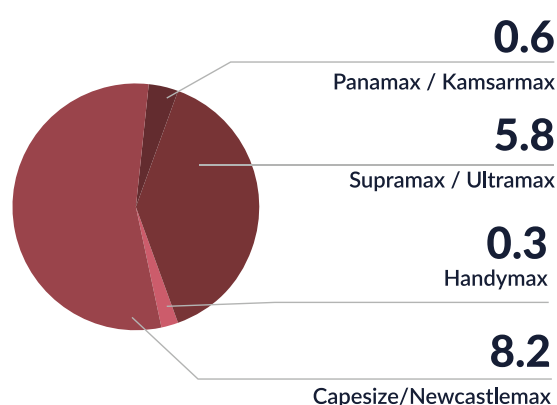
9 years average age

FLEET UNDER COMMERCIAL MANAGEMENT

156 Vessels



14.9 million DWT



Above figures relate to the year 2021 and exclude the ~113 Capesize vessels co-managed by CTM under Capesize Chartering Ltd.



Harvesting of wheat fields



Iron Ore reclaimer wheel bucket



Stowage of steel products

Cargoes carried by CTM's managed fleet:

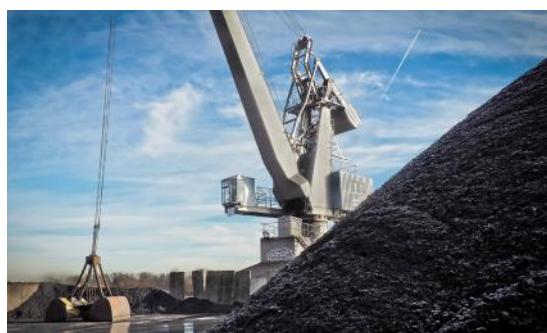
2021

| | MTONS | PERCENTAGE |
|------------------|-------------|-------------|
| Iron ore | 25.8 | 38% |
| Coal | 22.2 | 33% |
| Agribulk | 4.1 | 6% |
| Cement / clinker | 1.9 | 3% |
| Steel products | 1.7 | 3% |
| Fertilizers | 1.1 | 2% |
| Nickel ore | 1.1 | 2% |
| Limestone | 1.1 | 2% |
| Petcoke | 1.1 | 2% |
| Manganase | 1.0 | 1% |
| Others | 6.2 | 8% |
| Total | 67.3 | 100% |

Available days:

2021

| | |
|--------------|---------------|
| Supramax | 26,792 |
| Capesize | 15,299 |
| Panamax | 2291 |
| Total | 44,382 |



Crane and coal pile



A sugarcane plantation in Mato Grosso (Brazil)



Raw sugar pile in warehouse

WORLDWIDE OPERATIONS

2021Reference
year+2,372Port
calls104Countries
visited



2020
Reference
year

+2,540
Port
calls

104
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 (BWTSs) 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

52% of our managed fleet equipped with BWTs as of Dec. 31, 2021

14 vessels scheduled for BWTs installation in 2022

\$1.5 million capital expenditure in 2021 for BWTs installation and **\$4.7 million** expected in 2022.

Improved environmental performance compared to previous years

We apply operational performance measures that increase the energy efficiency of our managed fleet.

7 vessels underwent dry docking in 2021 with a total capital expenditure of **\$7.0 million**.

15 vessels scheduled for dry dock in 2022 with an estimated capital expenditure of **\$17.8 million**.

6.67 average EEOI (gr CO₂ / tonne - mile) of our managed fleet in 2021; increased by 1.7% from 2020 mainly due to the increase of the speed.

0.14 average NOx (gr NOx / tonne - mile) in 2021 in line with 2020.

0.94 average SOx (gr SOx / tonne - mile) increased of 5,2% from 2020 mainly due to the increase of speed and bunker quality.



We focus on continuously improving our social performance, including health and safety and community support.

Health and Safety crew welfare

- 5 cases of minor injuries during 2021

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.

0.75 ____ Lost Time Injury Frequency (LTIF) ratio for the crew of our managed fleet in 2021
17% increase ____ in crew training hours
\$ 0.5 million ____ in crew training expenses in 2021
35 ____ crew promotions in 2021
\$ 32.5 million ____ in crew salaries, bonuses and social security in 2021
28% decrease ____ in the number of seafarers pool
98% ____ crew retention rate
44% decrease ____ in PSC deficiency ratio for our managed fleet in 2021
33% ____ women employed inside our organization structure
18% ____ of our shore operational employees has seagoing experience
137 ____ Technical / Safety and Quality inspections
7 ____ community investment initiatives supported in 2021 by CTM

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 Organization for Standardization (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 Organizations 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 organization's governance, risk management, internal controls.**

Our Potential exposure to corruption is constantly monitored

18% of port calls in 2021 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 2021 (Two notifications were received; investigated without issues and/or incidents)

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

More than 90 reports produced in 2021 by our Accounting and Budgeting Team for all our clients and RSAs, including annual financial statements, budget/forecast, monthly and quarterly financial reports.

18 Financial Statements / Reports relating to fiscal year 2021 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 52)

CTM provided **5 financial institutions** with environmental data as part of their adherence to the Poseidon Principles.

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

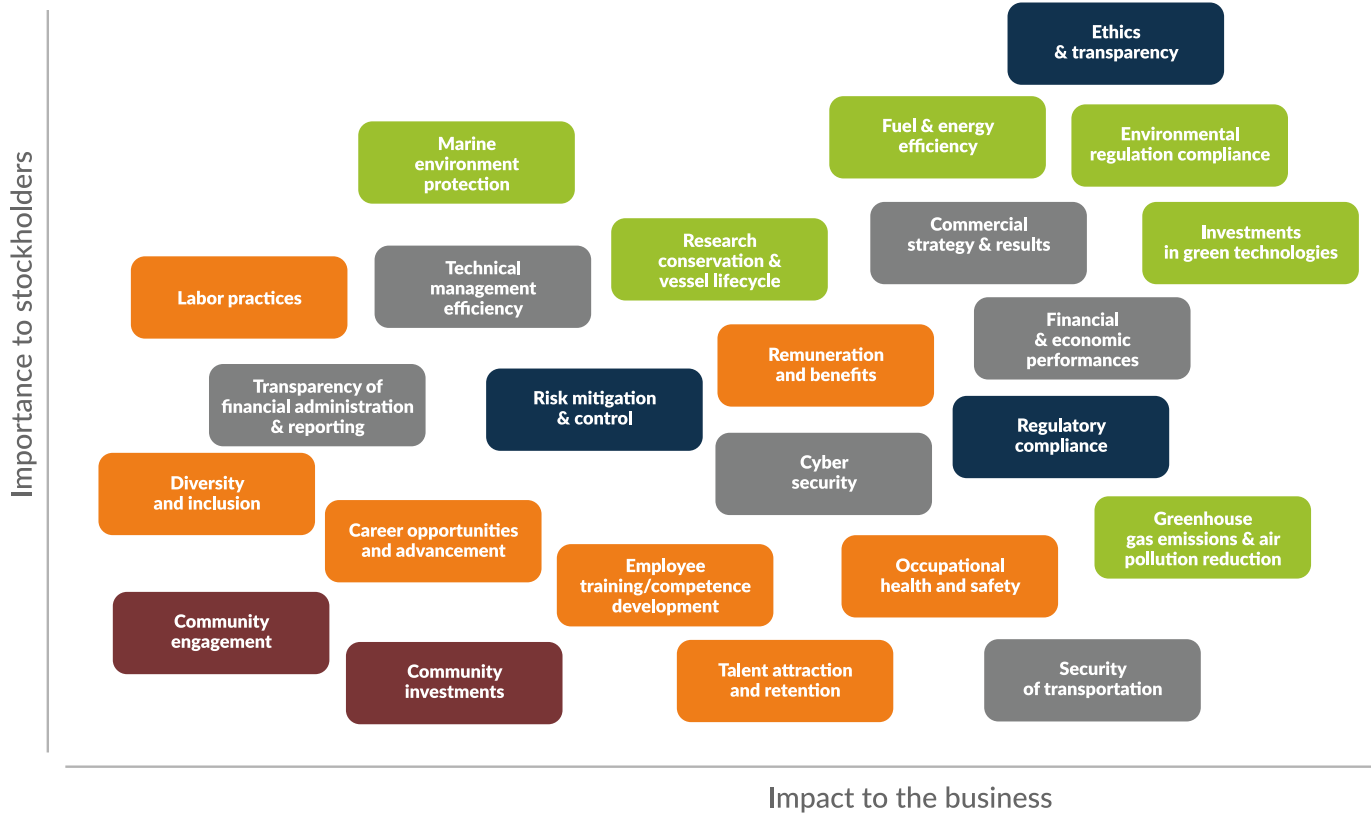


Our people:
7 issues - par. 6



Society:
2 issues - par. 7

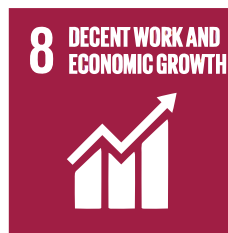
Materiality Matrix



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 of 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 of 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.

Declarations are filled out in the Navex platform.



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 of the ICS with the international relevant framework and standards. During 2021, our IA performed several internal audits in order to assess and monitor the performance of the Company's departments and their compliance to internal policies and procedures.

The IA reports directly to the CEO regarding their findings and provides recommendations and subsequently monitors their implementation. The number of internal audits performed by IA in 2021 increased by 3% compared to 2020. Due to extended working from home time as a result of Covid-19 restrictions, various specific internal audits were performed in order to verify ongoing internal control activities. Despite the sudden difficult situation, all employees reacted efficiently, acquiring flexibility and performing their duties as per usual. 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 role of the external auditor is to provide independent accountability and assurance to the public, external stakeholders and our clients. However, this independent assurance is also valuable feedback to the CTM Management.

NOTE: The monitoring control activities performed by our Quality & Environmental Department in respect to 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 2021
(two notifications were received and investigated without issues and/or incidents)

+31% of internal audits in 2021

0 Material weaknesses or significant deficiencies identified in 2021 internal audits

0 Material weaknesses or significant deficiencies identified in 2021 external audit report
(ISAE Report issued by Deloitte on Mar. 26th, 2021.

18 Financial Statements / Reports 2021 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

1,197 counterparts screened in NAVEX as of 2021: Agents 251 / Employees and consultants 114 / Customers 781 / Suppliers 51 (with volume over \$500 K), mainly bunker suppliers.

LIMITED RISK EXPOSURE MONITORED BY ACTR TEAM

NAVEX RISK RATING

GREEN RISK: N° 924 counterparts (77%)

YELLOW RISK: N° 234 counterparts (20%)

RED RISK: N° 39 counterparts (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

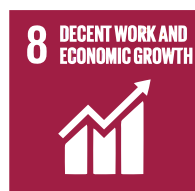
93.2% of the total payments done to Agents in 2021 were in favour of counterparties in the context of CharterParties including Sanctions/Anti-corruptions Bimco Clause.



Material issues

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

Related SDGs



COMMERCIAL EXCELLENCE

Commercial strategy is targeted to our clients' needs and expectations. This is agreed with the owners and vessels are employed in the market in accordance with the owner's market outlook, budget and risk appetite. In 2020 and 2021 our overall strategy was to focus on short-term employment via the RSAs/ CCL with possibility of going longer term i.e. with up to 12 to 16 months exposure via time charter agreements outside the RSAs. With the improving market in the second half of 2020 and into 2021 we have opted to operate our vessels in the spot market in order to benefit from any future increases in charter rates. Since entrance into the RSAs/CCL is free of charge and the exit notice is only three months' notice without additional cost, we provide owners with a lot of flexibility regarding their commercial strategy.

In the RSAs and CCL, 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 Pool mechanism grants transparency to CTM's commercial activity. Under the RSA the credit risk is shared within participants reducing the exposure to credit losses. Counterparty exposure is monitored by our Risk Management Department which is in charge of evaluating and rating counterparties.

We deal with professional and reputable brokers; our Commercial Department is constantly abreast with 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 2021 we fixed and operated **620 voyages/fixture**, using more than **50 brokers**. Our Operations Team managed more than **2,300 port calls** in 2021.

Revenues and Daily Time Charter Equivalent for the year ended December 31, 2021 compared to the previous year:

| | 2020 / 2021 Revenues | 2020 Daily TCE | 2020 Market Index (*) | Delta | 2021 Daily TCE | 2021 Market Index (*) | Delta (**) | Daily TCE Variation 20/21 |
|----------------------|------------------------------|-------------------|-----------------------------|--------|-------------------|-----------------------------|---------------|------------------------------|
| Supramax RSA | \$ 277 M / \$ 613 M | 8,425 | 7,764 | + 8.5% | 24,726 | 25,567 | -3.4% | + 193% |
| Capesize RSA (CCL) | \$ 174 M / \$ 373 M | 10,811 | 11,518 | - 6.1% | 29,104 | 30,239 | -3.9% | +169% |
| Vessels outside RSAs | \$ 114 M / \$ 164 M | | | | | | | |
| Total | \$ 565 M / \$ 1,150 M | | | | | | | |

(*) 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 / THE INVESTMENT STRATEGY: NEWBUILDING VS SECOND HAND

During the four year period 2018 - 2021 our Sale and Purchase Team finalized the sale of 8 vessels (5 Capesize and 3 Supramax) for a total net consideration of \$124.4 million with a total net gain for the owners of \$18.9 million.

In 2021 our Sale and Purchase Team finalized the purchase of 2 second hand supramax vessels for a total consideration of \$29.8 million. Today we are less focused on newbuilding projects, instead we look to the second-hand market to find attractive opportunities.

We believe that, under prevailing market conditions, the differential between newbuilding and second-hand pricing in the dry bulk sector is compelling and 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 for consideration in newbuildings is the rapid changes in technology as we move, under intense social and legislative pressure to achieve carbon neutrality, which could mean today's modern eco vessels becoming obsolete and almost untradeable in the next 3 to 5 years.

The GHG emission gap between the present newbuildings and the second-hand vessels with age above 8 years could be reduced by both a robust maintenance program and by targeted efficiency upgrades such as main engine power limitation, reducing the speed and consequently the bunker consumption thereby lowering overall the emissions.

"...The Shipping Industry should run to introduce mandatory speed limits. That is the only, real and significant action for a short term GHG emission strong reduction..."

EFFICIENCY IN TECHNICAL MANAGEMENT

- **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 **95%** utilization rate in 2021, which is slightly higher compared to the previous year (92.7%) due to lower number of drydocks performed. We calculate fleet utilization by dividing available days by ownership days.
- During 2021 the Technical Department managed **7 drydocks and 4 BWTS installations** (2020: 14 drydocks and 9 BWTSs installations).



3D SCANNING
FOR A BWTS INSTALLATION

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



- We are implementing telemetry on the majority of our managed vessels to automatically collect vessel data in real time. Through **CFM and other tools**, we will be able to collect and analyze data in real time from the vessels in order to support our technical, operational and commercial activities and optimize the performance of our managed fleet. The data, which will be captured daily, such as speed, consumption, position, engine temperature, etc., will be used to generate automated reports for the Technical and Operations departments and will be able to flag performance-related issues and support decision-making when it comes to maintaining the condition of the vessel and optimizing vessel planning and execution.

- In Q1 2021 with the aim of improving efficiency in our procurement system, we implemented the ShipServ platform which allow us to:
 - (i) **increase the outreach** of our search 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 FOR A SOLID ECONOMIC GROWTH

In managing our clients, we aim to maintain a solid financial structure in the medium / long term with enough available cash for financing new investments and capital availability for drydocks and BWTS installations as well as other technological innovations that could arise.

For financing of shipping investments, CTM promotes partnership and joint ventures between owners to aggregate resources and share risk. We deal with the main international banks and financial institutions to find the best financing solutions for our clients. During 2019, 2020 and 2021 our Financial Team finalized the **6 following deals**:

| # / OWNER | BANK / FINANCIAL INSTITUTION | DATE | DESCRIPTION |
|-----------------------|--|-----------|--|
| 1. JP MORGAN / CARRAS | Danish Ship Finance (DSF) | Mar. 2019 | \$ 13.9M refinancing of the loans in respect of MV Aquabella and Aquagenie |
| 2. CBC | SF Green 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 | DNB BANK | Apr. 2020 | \$ 11.5M refinancing of the loan in respect of MV Aquaproper |
| 4. GOODBULK | ING BANK DSF Credit Suisse | Jun. 2020 | \$ 200.0M loan for refinancing most of the existing loans, extending tenor and improving terms. |
| 5. AQUAYORK | ABN AMRO | 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 |

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:

- **\$ 7.0 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.

ECONOMIC PERFORMANCE

Economic Value Generated and Distributed in 2020 and 2021

(aggregate amounts of the vessels under CTM commercial and technical management)

| \$ '000s | 2020 | 2021 |
|---|----------------|------------------|
| A. Economic Value Generated | 603,566 | 1,189,443 |
| Shipping revenues | 564,553 | 1,150,367 |
| Proceeds from vessel sales | 39,013 | 39,076 |
| B. Economic Value Distributed | 572,215 | 1,004,926 |
| Voyage expenses | 167,905 | 198,424 |
| Shipping result distributed to external RSA Members | 195,515 | 581,719 |
| Capital expenditures for vessels' purchase | - | 29,796 |
| Capital expenditures for drydock, BWTS and upgrades | 23,832 | 11,834 |
| OPEX(*) | 84,231 | 83,933 |
| Employee wages, G&A expenses and taxation | 19,485 | 24,052 |
| Payments to providers of Capital - Financial Institutions | 81,247 | 75,168 |
| A-B Economic Value Generated, Net | 31,351 | 184,517 |
| Distribution to Shareholders and Investors (dividends and capital repayments) | (31,134) | (153,900) |
| Economic Value Retained | 217 | 30,617 |

(*) It includes OPEX of the vessels under technical management plus the theoretical technical component for the vessels controlled under TC contracts (considered as financial lease agreement and accounted for in accordance with IFRS 16)



TRANSPARENCY IN ACCOUNTING AND FINANCIAL

- 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 66,000 accounting entries** recorded by our Accounting Team in general ledger during 2020

HISTORICAL BACKGROUND

THE ORIGIN OF ACCOUNTING

First used in Italy in the 14th century for managing the finances of the Republic of Genoa. Subsequently developed by Venetian merchants during the Italian Renaissance. First codification of the double-entries' rules in 1494 by a Tuscan Franciscan friar, Luca Pacioli (Sansepolcro, 1447-1517).

Pacioli was a mathematics teacher in Perugia, Venice and Milan, a collaborator with Leonardo Da Vinci, he was the first person to publish work on the double-entry accounting system, "Summa de arithmetica, geometria proportioni et proportionalita". It was a text-book for use in the schools of Northern Italy, including a synthesis of the mathematical knowledge of his time. It is also notable for including the first published description of the bookkeeping method. The system he published included most of the accounting cycles as we know it today. He described the use of journals and ledgers, and warned that a person should not go to sleep at night until the debits equaled the credits. His ledger had accounts for assets (including receivables and inventories), liabilities, capital, income, and expenses, the account categories that are reported on an organization's balance sheet and income statement, respectively. He demonstrated year-end closing entries and proposed that a trial balance be used to prove a balanced ledger.



Republic of Genoa (1481)



Portrait of Luca Pacioli (1495)

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.

Business and market risks knowledge, timely information and precision in estimates are the three key factors of CTM budgeting process.

HISTORICAL BACKGROUND

THE SOUTH SEA BUBBLE AND THE ORIGIN OF BUDGET

The South Sea Company was a British joint-stock company founded in 1711, created as a public-private partnership to consolidate and reduce the cost of national debt. The company was also granted a monopoly to trade with South America, hence its name. At the time it was created, Britain was involved in the War of the Spanish Succession and Spain controlled South America. There was no realistic prospect that trade would take place and the company never realized any significant profit from its monopoly. Company stock rose greatly in value as it expanded its operations dealing in government debt, peaking in 1720 before collapsing to little above its original flotation price; the economic bubble became known as the South Sea Bubble. In Great Britain, a considerable number of people were ruined by the share collapse, and the national economy greatly reduced as a result. The founders of the scheme engaged in insider trading, using their advance knowledge of when national debt was to be consolidated to make large profits from purchasing debt in advance. Huge bribes were given to politicians to support the Acts of Parliament necessary for the scheme. Company money was used to deal in its own shares, and selected individuals purchasing shares were given loans backed by those same shares to spend on purchasing more shares. The expectation of profits from trade with South America was used to encourage the public to purchase shares, but the bubble prices reached far beyond the profits of the slave trade. A parliamentary enquiry was held after the crash to discover its causes. A number of politicians were disgraced, and people found to have profited unlawfully from the company had assets confiscated proportionate to their gains. The company was restructured and continued to operate for more than a century after the Bubble.

The practice of presenting budgets and fiscal policy to parliament was initiated by Sir Robert Walpole in his position as Chancellor of the Exchequer, in an attempt to restore the confidence of the public after the chaos unleashed by the collapse of the South Sea Bubble in 1720. He becomes Prime Minister of Great Britain (in office: from Apr. 1721 to Feb. 1742 under Monarchs George I and George II). The institution of the annual account of the budget evolved into practice during the first half of the 18th century and had become well established by the 1760s.



The Old South Sea House, the headquarters of the South Sea Company, in the City of London.



The Dividend Hall of South Sea House, 1810



Sir Robert Walpole with his secretary

INFORMATION TECHNOLOGY (IT) AND CYBER SECURITY

- Our IT Team together with our IT partner, VARGROUP, provides our clients with the following:
 1. Data processing services
 2. Maintenance service
 3. Operational system supervision
 4. Web design and implementation
 5. Expert advise for data processing services
 6. Strategic consultancy for IT evolution
- CTM periodically performs specific **IT risk assessment** in terms of (i) Information Security (Security of processed data), (ii) Cyber Security (security of information and data coming from Internet), and (iii) Facility security (security of company assets).
- **Firewall protection:** we protect our servers and networks by a next generation firewall system represented by two physical devices which are configured in a highly reliable architecture. The firewall system, besides all the usual security functionalities, 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 in line with our internal policy.
- 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.**
- 2021 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
- **Digitalization:** CTM recognize that the digitalization and new developments in the field of artificial intelligence, blockchain, IoT and automation are becoming increasingly relevant to CTM shipping activity as the digitalization can help streamline existing processes, create new business opportunities, transform supply chains and trade geography and support the CTM decarbonization path towards 2050.



2021 activity:

- 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 fully replacing the paper copy of register books, reducing paperwork on board, enhancing 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 also developed in respect of the relevant MARPOL regulation and circulars. The entries added onboard are available onshore to allow for constant monitoring and support of the crew by 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 IS OUR PRIORITY

H&S is always on top of our priorities for our shore-based personnel and seafarers. Concepts supported by a strong and efficient QEMS as well as SMS built up on a wide risks assessment philosophy in the spirit of continuous improvement.

QEMS Certifications

Our system is accredited with the ISO 9001/14001 standards Certified by International Registers, Rina and LRQA since 2006. Double certification ensures an accurate control of our Management system by annual audits.





Safety Management System

We manage a well structured system in full compliance with international maritime rules, in-house Company requirements and recognized 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 both internal and external inspectors.

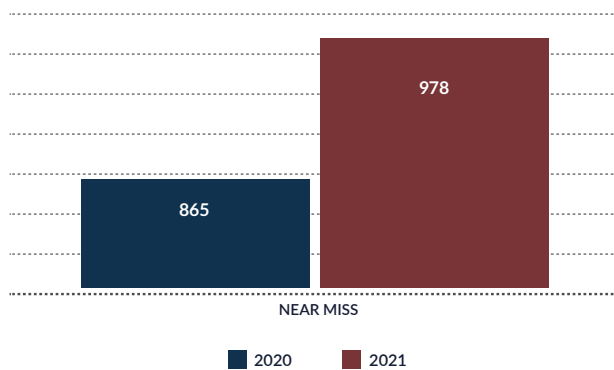
Vetting

We subscribe to RightShip, the world's leading maritime risk management and environmental assessment organization 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.

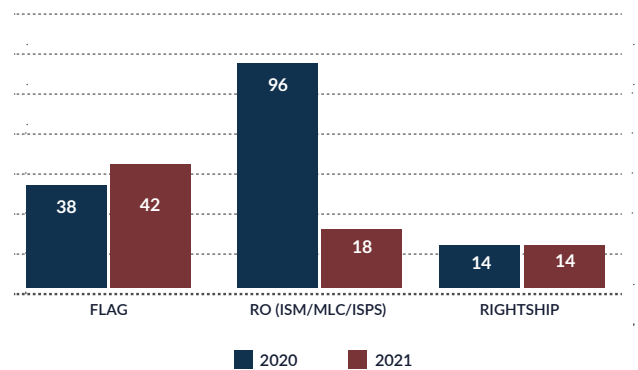
2021 CTM highlights:

- Internal review of Shipboard Oil Pollution Emergency Plan (SOPEP) and Garbage Management Plan
- Fleet vessels carried out 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 18th May, 2015 CTM maintains its recognition by the United States Coast Guards (USCG) with their highest award of QUALSHIP 21 as regards the safety and qualities 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 recognized by the Deputy Commissioner of Maritime Affairs of the Republic of Liberia achieving zero Port State Control detentions over the past two years.

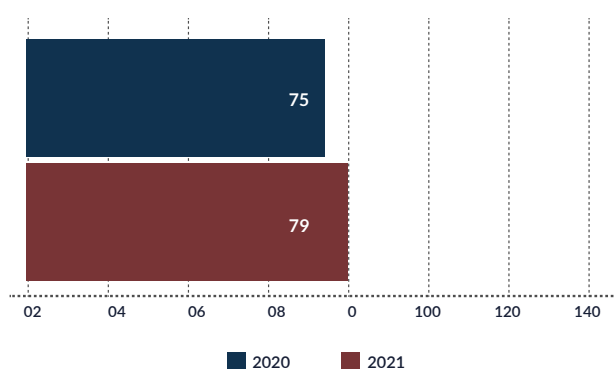
NEAR MISS



EXTERNAL INSPECTION



INTERNAL INSPECTION & 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.

COVID-19 MITIGATION

As far as shore-based personnel, CTM fully committed in the management of the Covid-19 issue throughout 2021. CTM Resource Management Department has constantly monitored the pandemic trend, adjusting the CTM policies in compliance with local regulations and promoting smart working to protect the health and safety of employees and families as well. CTM constantly informed all its employees on the COVID-19 pandemic recommendations of the World Health Organization (WHO), on matters such as travel limitations, providing advice or directives from local governments. During the 2021, a turn-over of shore- employees was adopted to contingency the eventual spread of the virus in the office supported by sanitation actions of workspace to preserve the health and safety of its employees. Strong benefit has been given by the Covid vaccination campaigns implemented by the local government.

Aware of the paramount importance of the seafarers health and the world-wide restrictions for crew changes, CTM fleet, in collaboration with Augustea Ship Manning Philippines Inc. (Augustea), called Manila 26 time for crew changes operations to overcome the risk to leave seafarers on board beyond the expire of their contract. Augustea signed agreement with various local authorities in order to assure smooth turn-over and comply with Stakeholders/Customers requirement based on local calling ports regulations. Vaccination plan wise, Augustea preventively purchased 2000 doses of Moderna vaccine for their Seafarers. In support of crew mental health, Augustea conducted a Well-Being campaign for seafarers at shore and on board. The training on board has been possible thank to the provision on board of OTS (Onboard Training System). In August 2021, In participation with AMOSOU, Augustea implemented a free vaccination campaign to all seafarers. Besides the vaccination campaign in Manila, vaccination plan have extended to calling ports wherever feasible and all actions resulted in 84% of crew fully vaccinated on board at the end of the 2021.

In addition, BIMCO Infection or Contagious Diseases clause adopted for Time Charter Parties to regulate issues related to Covid-19 between Parties.

Despite the continuous battle with Covid-19 , during 2021 we arranged safely crew changeovers while making sure our joining crews were travelling safely as well.

...Seafarers are frontline and essential workers.



M/V Aquaenna crew change: Sep-2021



M/V Bulk China crew - IMEC #ISupplyTheWorld campaign

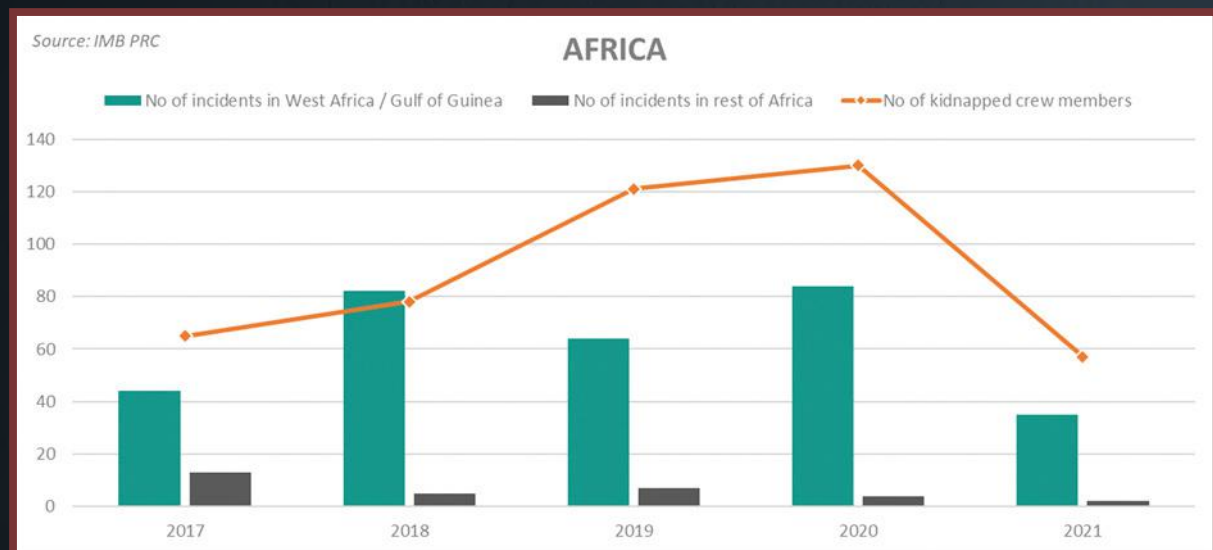
Piracy – An Actual Overview

According to the International Maritime Bureau (IMB), piracy can be defined as: **“the act of boarding any vessel with intent to commit theft or any other crime, and with an intent or capacity to use force in furtherance of that act”.**

As reported by Gard “Global piracy and armed robbery numbers decreased in 2021, according to the IMB’s Piracy Reporting Centre (IMB PRC). Its latest annual report shows a 32% drop in overall attacks in 2021 compared to 2020. The drop is primarily attributed to decreased activity within the Gulf of Guinea region, and Nigerian waters in particular. A look at the figures also reveals that only two incidents were recorded within the African continent outside the Gulf of Guinea region, compared to four in 2020. The Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia Information Sharing Centre (ReCAAP ISC) reported a 15% decrease in the total number of incidents in Asia compared to 2020.”

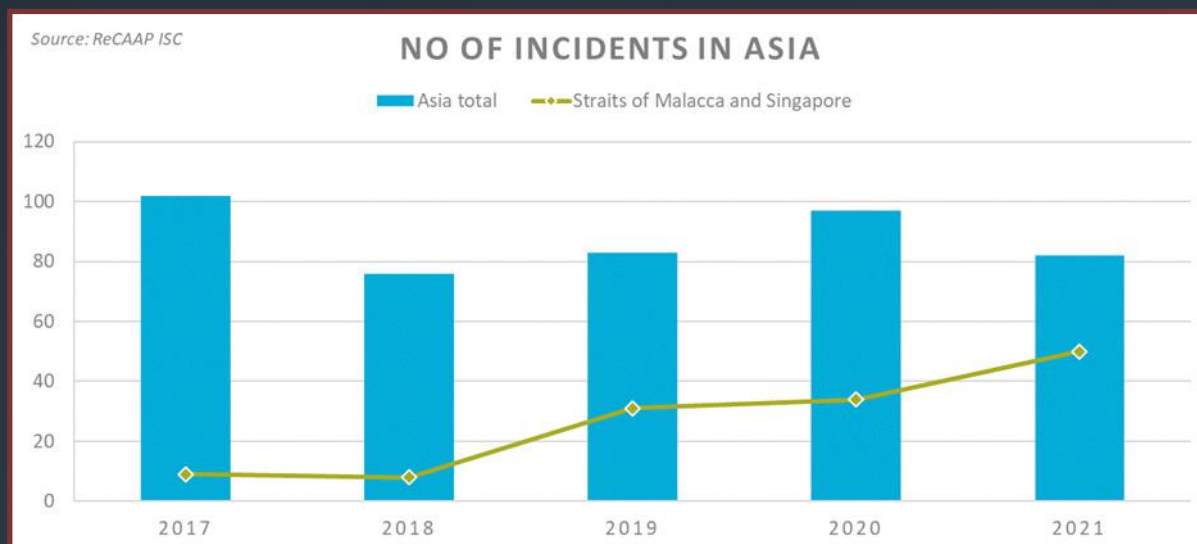
Africa

The increased presence of naval vessels and cooperation between regional authorities in the Gulf of Guinea has had a positive impact on the activity reported within that region – resulting in a 60% drop in recorded incidents compared to 2020. However, despite the decrease of the total number incidents in the Gulf of Guinea in 2021, the IMB PRC warns that the threat to innocent seafarers persists. Like in 2020, the region accounted for all kidnapping incidents globally, with 57 crew taken in seven separate incidents in 2021. Several crews were also taken hostage or injured in the region, with one crew member killed.



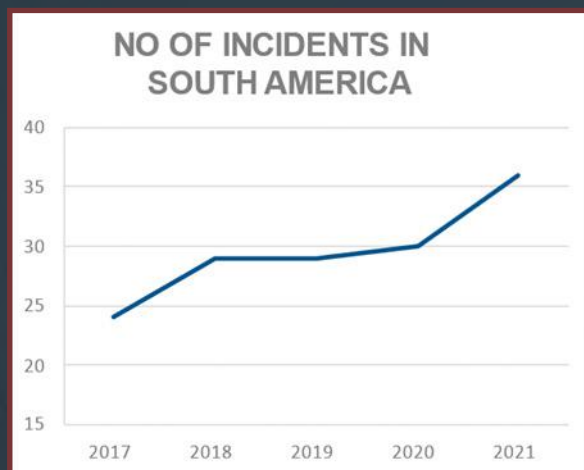
Asia

According to ReCAAP ISC, 82 incidents were reported in Asia in 2021, compared to 97 in 2020. All falling with the 'armed robbery' category. While most locations in Asia experienced a reduction in reported incidents, a sustained increase in the recorded rate of incidents in the Singapore Strait continues to give cause for concern. ReCAAP ISC draws attention to the levels of violence used by the perpetrators towards the crew in incidents at Manila Anchorage areas in the Philippines. It also reminds the industry not to forget about the persisting threat of abduction of crew in the Sulu-Celebes Seas area.



South and Central America and Caribbean waters

With a total of 36 piracy and armed robbery incidents recorded in the South and Central America and the Caribbean waters in 2021, the IMB PRC's five-year statistics shows no improvements for this region. Six crew were threatened, four taken hostage, and two assaulted in the region in 2021, according to the IMB PRC. Two container ships were also approached and fired upon during their river passages in Ecuador in the last quarter of 2021.



Source: <https://www.gard.no/web/updates/content/33156646>

The traditional modus operandi for pirates has not evolved dramatically over the years. It involves attacking vessels from astern, often at night, using grappling hooks and ropes to board the ship before anyone raises the alarm. To mitigate against this, vessels have long been warned not to drop anchor in high-risk areas and are increasingly being advised of the dangers of even drifting in these zones.

Where pirates have evolved is their capability to target ships at increasing distances from the coastline. We are typically seeing attacks take place between 45 and 75 nautical miles out to sea. There are also incidents recorded as far as 400 nautical miles from the shoreline. In these incidents, smaller ships are working in conjunction with a larger mothership that carries fuel, supplies and ammunition. Furthermore, attacks are also becoming increasingly common during daylight hours.

Pirates always operate in strategic areas, some out of tradition, such as the Strait of Malacca in Southeast Asia or the Caribbean. Today, however, the majority of the attacks of this type are concentrated in Africa and South East Asia.

Though very different parts of the world, the same factors explain why piracy has risen in these areas:

(i) corruption, (ii) the weak rule of law and unstable governments mean authorities are unable to respond to the threats and (iii) economic conditions have led some people to resort to illegal activity. Piracy is a lucrative job.

Cyberpiracy and drones

Advances in technology has given pirates the ability to hack into the databases of shipping companies and the use of drones allows them to track vulnerable ships. Conversely the naval task forces charged with protecting ships also use drones for facial recognition of pirates and to exercise expanded surveillance in areas of high risk. Other areas of technological advancement such as laser stun guns and network linking systems are all part of the naval task forces arsenal reducing the need to use firearms to prevent attacks.

Maritime transport measures against piracy

There are very few measures that can be taken unilaterally by shipping companies apart from having armed private security on board. However, this is costly and not without its dangers. A multinational task Force that assists local armed forces is much more effective. The U.S. Navy together with other countries' anti-piracy operations also patrol certain areas where pirates are active.

0 piracy incidents in 2021 both for vessels under technical management and commercially employed under our Supramax and Capesize RSAs.

CTM signs up to BIMCO's Gulf of Guinea declaration on Suppression of Piracy

CTM are pleased to announce that we have joined BIMCO's new anti-piracy initiative by signing up to their Gulf of Guinea (GoG) declaration on the Suppression of Piracy. We along with over 320 other maritime companies, institutions and authorities from around the world have come together to put an end to piracy in the Gulf of Guinea. BIMCO states on their website that "Every person deserves to be safe while carrying out their work, and to be able to return to their homes without being victims of violent crime. Seafarers deserve no less." At CTM we have always put the safety and the needs of our crews first. This is why we have a 98% retention rate with the seafarers who have sailed under our colours.

By signing this declaration we along with larger the seafaring community demand that no seafarer should face the possibility of being kidnapped or having their lives put at risk whilst operating in the Gulf of Guinea. The International Chamber of Commerce (ICC) states that piracy in the Gulf of Guinea accounts for nearly half (43%) of the worlds reported piracy incidents. This year has already seen over 40 crew kidnapped in the Gulf and at least one crew member has tragically died at the hands of pirates operating in the area. We send our thoughts and prayers to all those who have been impacted by piracy in the Gulf of Guinea and around the world.

It is our hope that this will increase awareness of the dangers that seafarers face from piracy. That governments around the world will step up to their efforts to end this threat to life and trade once and for all. Seafarers have enough things to worry about at sea and piracy should no longer be one of them. We condemn any and all acts of piracy that take place not just in the Gulf of Guinea but around the world.



KEY PERFORMANCE INDICATORS

Commercial excellence

-2% 2021 Supramax RSA overperformance (daily TCE against the Market)

-3% 2021 Capesize RSA underperformance (daily TCE against the Market)

128 charterer screenings made in 2021 by our Risk Management Team

\$ 124.4 million total net consideration for the sale of 8 vessels with a total net gain for the owners of \$18.9 million during the 4y period 2018/2021

Efficiency in Technical Management

Daily OPEX 18% below the 2021 Baltic Exchange Operating Expenses Index Dry (BOI)

95% fleet utilization in 2021 (the rate is influenced by the days consumed for dry docks works and BWTs installations)

9,693 Purchase Orders within 2021

Purchase Orders per region:

Asia: : 4,807 (50%) Europe: 3,852 (40%) North America: 642 (6%) Other: 392 (4%)

Health and Safety is Our Priority

0.83 PSC deficiency ratio in 2021 **(48% below the industry average: 1.74 index)**

78% decrease in PSC deficiency ratio in 2021

12% increase in reported near misses in 2021

5% increase in on board attendances in 2021

Financial Strategy for Solid Economic Growth

6 financing deals with leading international banks during 2019 and 2021

5 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 2020 by our Accounting and Budgeting Team for all our clients and RSAs, including annual financial statements, budget/forecasts, monthly and quarterly financial reports.

18 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 2021

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 established and implemented an Environmental Management System in accordance with ISO 14001 certified by Rina and LRQA, it is 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.
- Work with local businesses, partners or suppliers to encourage commitment and improvement in our local environment.
- Manage business with the goal of preventing environmental incidents and controlling emissions and wastes to below harmful levels.
- Use of energy, water, materials and other natural resources as efficiently as possible.
- Minimization of waste to landfill by reducing our waste generation.



ENERGY MANAGEMENT SYSTEM

Our energy efficiency and conservation management entail the following principles:

- With the objective of continuously increasing energy efficiency and minimizing energy waste.
- Establish and maintain a Ship Energy Efficiency Management Plan (SEEMP).
- Ensure the availability of information and of necessary resources to achieve our objectives and targets on energy efficiency performance.
- Promote energy efficiency awareness through training of the shore and sea-going personnel and implement energy related campaigns and other relevant personnel incentive/ motivating programs.
- Support the purchase of energy-efficient products and services.
- Invest in green technology in order to increase efficiency while preserving the environment and reducing our environmental footprint.

2021 ACTIVITY

Appointed Rina Classification Register for the preparation of the SEEMP part.III Ship or Operational Carbon Intensity Plan which will serve as the implementation plan for achieving therequired CII and will be subject to verification and company audits. Regarding ISO 50001, 54% of process completed consisting in the conduction of a assessment and gap analysis related to the energy efficient management aspects of the current Management System, activity carried out by Rina. CTM foreseen to get the certification within 2022.

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) with respect to 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 targets:

- *Mobility*: “Klaxit” carsharing solution promoted to the employees
- *Energy*: replacement of the existing lighting by energy efficient LED lights (project which benefits from a subsidy from the Monegasque government)
- *Waste*: CTM is carrying on waste sorting and recycling garbage



As an eco-friendly company, CTM pursues working on green business projects such as:

- *Eco-friendly cleaning*: CTM works with a cleaning company ISO 14001 certified and that use nontoxic products
- *Corporate Travel Policy*: minimization of business trips
- *Environmental impact and carbon emissions lessons*: CTM personnel is continuously made aware of how to reduce the environmental impact of daily activities such as how to use air conditioning in the summer, leaving lights on unnecessarily, etc.
- *Incentive*: CTM always promotes initiatives for the improvement of our carbon footprint, such as: plastic reduction through the use of reusable container: “MaConsigne”

An ambitious approach undertaken by CTM in 2021 has been the definition of a low-carbon strategy, compatible with the objectives of the Paris Climate Accords; strategy that provides specific actions that would allow CTM to achieve its greenhouse gas emission reduction targets by 2024. 54% of the objectives achieved at the end of 2021.

An assessment has been carried out by Deloitte Monaco to evaluate CTM targets and progress with satisfactory results.

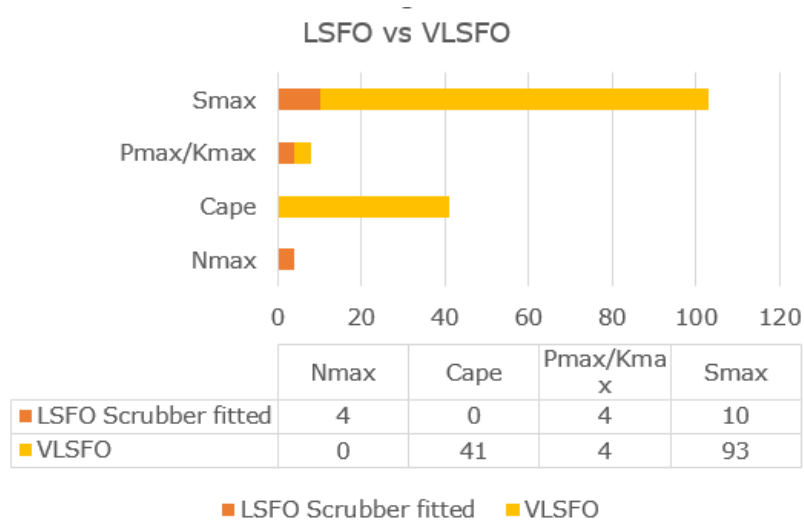


| | Emissions (tCO ² eq)* | % |
|----------|-------------------------------------|-------|
| Mobility | 49.36 | 67.77 |
| Waste | 6.79 | 9.32 |
| Energy | 16.68 | 22.9 |
| Total | 72.83 | 99.99 |

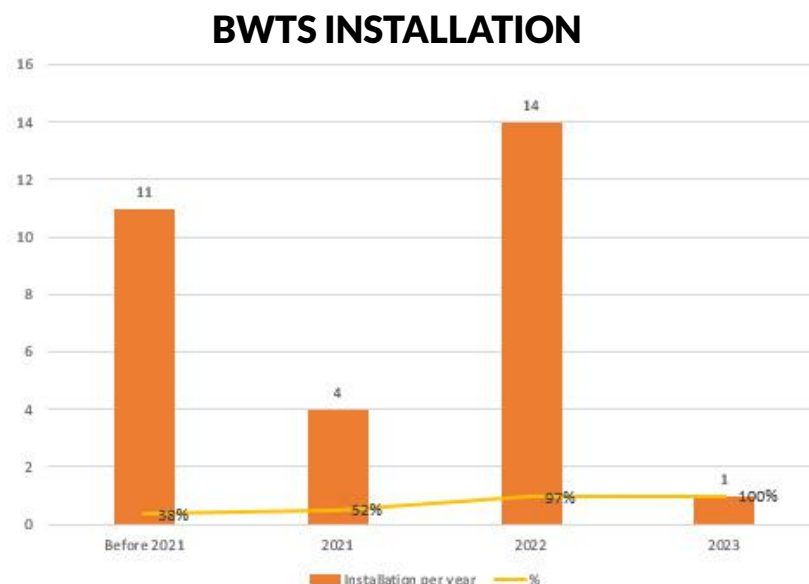
(*) 1 ton of CO2 eq.

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 which prepared the fleet for the changeover to VLSFO in compliance with IMO guidelines. Necessary fuel analysis was carried out by qualified laboratories to monitor the new fuels.
- Quality of bunker products strictly monitored by analysis carried out by qualified laboratory. At 31.12.2021, the CTM commercial fleet counts of 155 bulkers of which 18 scrubbers fitted (12%).

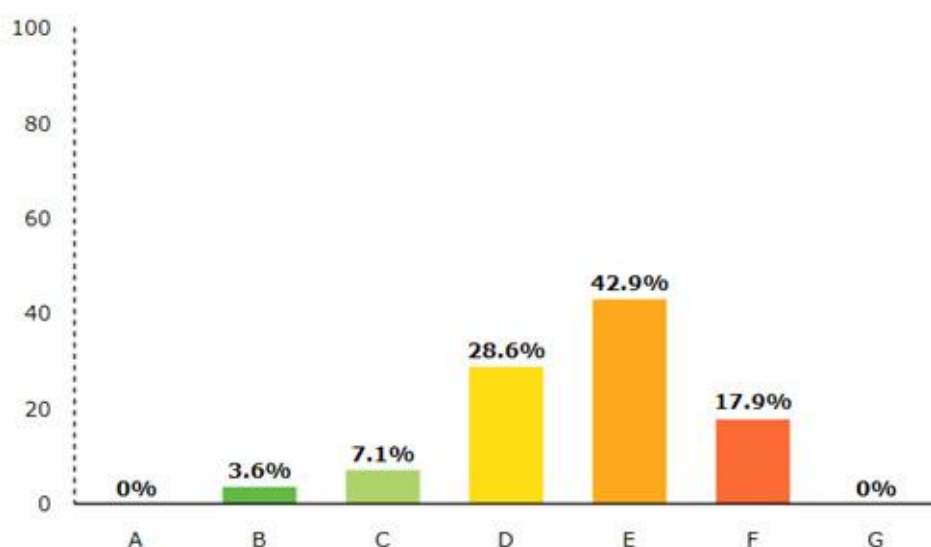


- Despite constraints faced in China shipyards related to Covid-19 restrictions, the 2021 target was achieved completing 52% of the fleet installations. The remaining 15 installations will be carried out respectively 14 in the 2022 and 1 in the 2023. For the familiarization with the BWTS systems, specific training was undertaken by the crew overseen by IMA (Italian Maritime Academy) through courses on site rather than remotely in addition to the familiarization of the crew by makers technicians during the installations. Implemented specific guidelines for enhance the crew knowledge in the operations of the systems which have been approved by Administration/Register Organization.



- **GHG Emissions:** IMO Initial Strategy set ambitious goals for future pollution reduction targets compared to 2008 levels bringing down GHG emissions 50% by 2050. We monitor the emissions values of the Energy Efficiency Operating Index (EEOI) by EU MRV and IMO DCS methods of the technical managed fleet.
- In 2021 CTM carried out the calculation of the attained EEOI and the evaluation of the gap between the attained and required EEOI values to determinate the most cost effective solutions to comply with the IMO requirements.

GHG RATING



- **IHM materials:** in 2021 all the managed vessels are fully in compliance with EU regulation (1257/2013 on Ship Recycling). The regulation refers to vessel recycling activities and the identification and monitoring of hazardous materials. The maintenance of the documentation and inventories is managed in the collaboration of Classification register.
- CTM appointed IHM Expert Company Varuna as the designated Personnel (DP) for IHM maintenance. The DP is responsible for ensuring and monitoring the correct execution of IHM process in compliance with current regulations. The DP appointed by Varuna on behalf of CTM, is trained and certified IHM expert by Classification Society. All related documentations available into Varuna portal to CTM and RO for process verification.
- **Antifouling paints** used for the ship's maintenance do not contain any trace of TBT - (Tinfree self-polishing antifouling paint: Seagrand prix 660 - Seagrand prix 1000 – Seaflo neo). For this reason, all vessels managed by CTM have obtained an International Anti-Fouling Certificate.
- We use **biodegradable lubricants** in the fleet and eco friendly stern tube systems (air, seal) regardless of their destination. Biodegradable lubricants and/or eco friendly stern tube systems are mandatory for vessels that transport cargo or have as a destination, ports in the United States

- **Air conditioning and refrigerating machinery** run with harmless refrigerating gas, i.e. not an ozone-depleting substance.
- **MRV and IMO DCS:** we are fully compliant with the EU MRV and IMO DCS regulations. We have established a standardized and structured process to ensure completeness, consistency and accuracy in our emissions monitoring and reporting process. As part of the data collection and KPI calculation process we use our own software which provides accurate and real time information regarding the performance of our vessels. Additionally, as per the regulatory requirements the GHG emissions of our vessels travelling to and from EU ports are also subjected to third party verification by an independent accredited verifier (MRV). **2021 activity:** Preparedness of the fleet by the provision of guideline/procedures for the entrance in force of the UK MRV. Collection of emissions data will be started in 2022 and verified in the 2023.
- **Waste Management:** all our managed vessels comply with MARPOL Annex V, which seeks to reduce the amount of garbage being discharged into the sea from ships. MARPOL Annex V generally prohibits the discharge of all garbage into the sea. Being fully conscious of the impact of improper waste disposal, we have developed and implemented a waste management system that stipulates the ways in which all types of waste are handled and disposed. Waste on board is collected, separated and deposited in ports for proper disposal, in line with all respective regulations. All vessels are equipped with plastic compactors and food comminutors. **2021 activity:** we have adhered to a initiative of our ship-chandler company, Oceanic” for the recycling of some garbage categories. So far, the recycling is possible at Singapore only but Oceanic is expect to implement it at further world-wide ports. At the end of 2021, 48% of CTM vessels participated in their recycling initiative disposing 34.3 M3 of garbage category A & C (Plastic and domestic waste).
- **Water Management:** fresh water consumed on board is either produced on board by the fresh water generator (through sea water) or supplied from the shore. Being a precious resource for our onboard operations, we are committed to using it efficiently through continuous monitoring and consumption control. The first pilot installation was provided onboard during Q1 2021. At the end of 2021, 39% of the fleet had the fresh water generator system onboard fully tested and operative. Estimation reduction of plastic water bottles supplies of 300,000 per year equivalent to a CO2 footprint reduction of approximately 10,000 CO2/Kg per year.

WE SUPPORT THE POSEIDON PRINCIPLES

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

18 scrubber fitted bulkers under commercial management

59% of our managed fleet is fitted with BWTS, the schedule foresees the completion of the installation by the end of 2023

Our managed fleet is already in compliance with the **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**

6.67 average EEOI (gr CO₂ / tonne - mile) of our managed fleet in 2021; increased by 1.7% from 2020 mainly due to the increase in the average speed.

0.94 average SO_x (gr SO_x / tonne - mile) increased of 5,2% from 2020 mainly due to the increase in the average speed and bunker quality

0.14 average NO_x (gr NO_x / tonne - mile) in 2021 in line with 2020

12,761 TJ energy consumption in 2021 of our managed fleet increased of 6.6% compared with 2020 mainly due to high bunker consumption

4% AER (*) increase of our managed fleet due to the increase in average speed

(*) 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



DANISH
SHIP FINANCE



Amsterdam
Trade Bank
Member of Alfa-Bank Group



BNP PARIBAS

CREDIT SUISSE



SparebankenVest

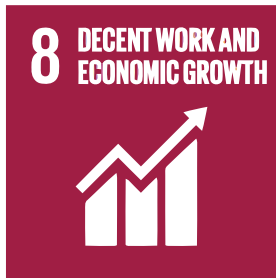


SOCIÉTÉ
GÉNÉRALE



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** out of which 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 among our top priorities

- Health and safety of our people is of prime importance and essential for the efficient operation of our business. In 2021 we had a Lost Time Injury Frequency (LTIF) of 0.75 and maintained a constant Total Recordable Case Frequency (TRCF) compared to 2020.

Our crew welfare program includes:

- Health card for crew and family
- Domestic air transportation
- Travel allowance for joining crew
- Free hotel accommodation and food allowance during pre-joining formality
- Seniority Bonus
- Scholarship Program
- Sponsorship of training for the renewal and upgrading of license
- Line Up Priority
- Career Development Plan fully sponsored by the company
- Special Program for Cadets

Crew Campaign 2021

- Health food safety campaign
- Well-being campaign
- Cyber security

Crew Benefits

- Dietary
 - 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 2020 we paid \$ 33.8 million in wages, remittances, bonuses, social security payments and cash advances to our seafarers.
 - The average salary of our crew is 11.6 times higher than the Philippines GDP per capita.
 - Specifically for cash advances we are open to relevant requests for the coverage of medical emergencies, personal needs, relief from natural disasters, etc.
 - Other crew benefits include private insurance to officers and their immediate family members and additional benefit schemes to crew members that demonstrate excellent performance and remain in the company for a long period of time.



TRAINING EXCELLENCE

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

Today ASMP manages the crews of 80 vessels of which 67 Bulk Carriers (including 33 under CTM management); the other 23 vessels are Containers 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 has a wide range of experience in the shipping sector. ASMP is ISO 9001:2015 Certified and recognized as ILO/MLC 2006 Compliant. ASMP has been also certified with Competence Management System (CMS) which is one of the highest standards nowadays in the Shipping Industry. Through this system, the competency of our seafarers is being advanced using a modern assessment tools and training systems carried out in coordination with the Italian Maritime Academy (IMA), ASMP affiliated Training Centre.



In order for us to continuously deliver quality training to enhance the skills of our seafarers and also to minimize where possible the training whilst on shore leave, IMA developed an Onboard Training Platform to provide Training Access for Seafarers Onboard even if there is a limited internet access.

OTS is a learning management system that not only delivers content, but also handles course registration, administration, tracking and reporting.

17 types of training were delivered throughout OTS platform during 2021.



- 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.
- I.M.A. Assessment and Training Centre's mission was from the beginning to enhance seafarer's competency by providing valid and reliable assessment methodologies and innovative training in line with the modern and most dynamic shipping industry.
- The centre is performing the training in accordance with ISO standards 9001:2015 by RINA, TUV, Class NK, and DNV and also 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. In 2021, more than 32,000 training hours were performed under the Cadetship Program and from the beginning more than 2,000 cadets were qualified. Recently, we also introduced a Cadetship Program module for Fitter and Electrician.
- Career Development Plan is developed especially for the Cadets that are at the starting point of their career at sea and also for officers holding higher license and have accumulated sea service in line with the company's and the ship owner's requirements. In 2021, a total of 46,900 training hours were performed under the Career Development Plan.
 - 620,792 total training hours in 2021
 - 168 students in 2021 with 23 years of average age
 - 8 instructors / teachers providing training in 2021
 - 35 graduates in 2021



SHORE-BASED EMPLOYEES

Driven, Determined & Creative individuals who are at the heart of all we do.

The biggest part of CTM's continued success is our people, they are at the forefront of all we do. Without their drive and determination, CTM simply wouldn't be the trusted company we are today. We have a strong emphasis on teamwork and allowing our people to innovate when they can. This brings with it a sense of pride and belonging amongst our colleagues that drives us to exceed expectations, that our people have for themselves and our clients.

The core of our activities are centralized in Monaco, in a comfortable workspace, mainly open-plan where over 82 people perform their duties in a healthy and respectful environment. The resources are equally distributed taking in consideration their professional background. Our employees come from **11 different** nations and are well-integrated in the Company and **33% are female** some of which are employed at Management level.

People development is a key priority. We invest in assignments, training and personal development so our people are highly qualified to perform well in an environment of changing industry demands. We actively employ talent from different industries and backgrounds to build our knowledge and expertise. **Continuous training** of our shore-based personnel is based on an annual schedule built up taking in consideration our activities as well as the shipping industry requirements and compliance with the company policies. The selection of providers is achieved by a constant monitoring of the trainer's performance and their skills and qualifications, performance evaluated by the participants and by the supervision of human resources department. Careful screening of the evaluation allows the achievement of Company expectations. Such practice and objectives were even conducted in 2020 despite the constraints created by Covid-19 and pursued in 2021. New hires are evaluated during the trial period and inducted to the Company's organization and policies. The various departments can count on the support of 16 skilled **ex sea-going personnel employed in the technical, commercial, operations departments as well as in the QSE Team. Employees are annually appraised by their supervisor in terms of their performance vis a vis the Company's objectives and receive feedback on their performance.**

We maintain a **2.4 employee / vessel ratio** to better support operations from ashore.

In 2019 we implemented **ZUCCHETTI**, a human resources integrated modern management system for increase efficiency in our processes (recruiting, labour contracts administration, training and performance assessment, attendance / holiday plan management and travel expenses reports processing).

We protect the personal data of our employees and stockholders. CTM is committed to (i) protect the privacy and security of personal information, (ii) be transparent about how it collects and uses that data and (iii) meet its data protection obligations. In accordance with its legal obligations under the Monaco law n° 1.163 issued on December 23, 1993 and General Data Protection Regulation (GDPR), CTM, after performing an adequate and specific risk assessment, adopted a Data Privacy Policy and organizational methods for keeping data secure. CTM designated its Data Protection Officer ("DPO") in charge of advising management on data protection impact assessments and conducting internal audits; DPO is responsible for compliance with relevant regulations. We had no incidents regarding personal data or security breach in 2021.



Our CEO and the commercial team - one of our Departments...

2021 activity:

Nowadays, the effectiveness and productivity of work is subject to take in advantage of all potentiality of software applications therefore trainings have been focused to enhance the skills level of the employees on this aspect.

During the 2021 over **2,465** hrs of training have been performed, equivalent to 30 hrs per employee, **55% more** than year 2020.

Invested **€ 36,917** in employees training, **59%** over the year 2020.

KEY PERFORMANCE INDICATORS

Crew

More than **1,100** pool of seafarers

More than **680** seafarers on board

40 average age of our crew in 2021

0.75 LTIF in 2021

\$31.2 million in wages, remittances, bonuses, social security

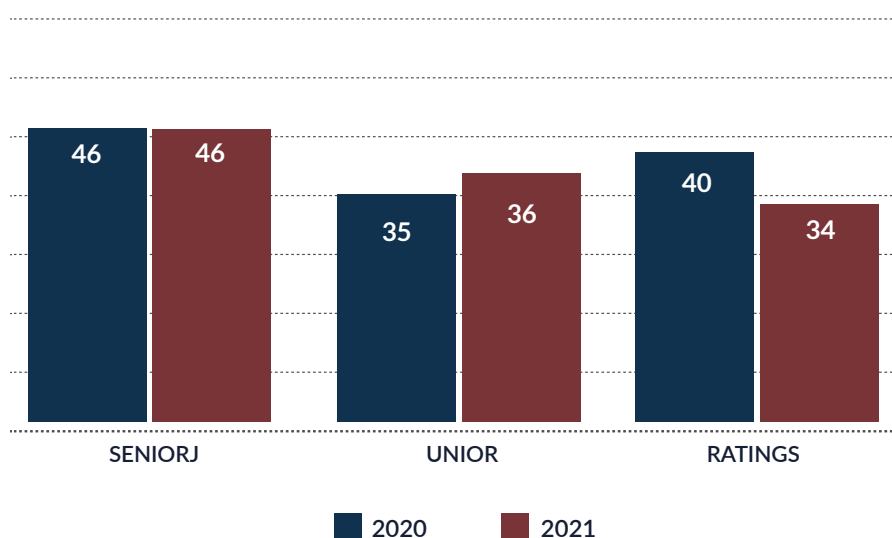
27 crew promotions within 2021

98% average crew retention rate

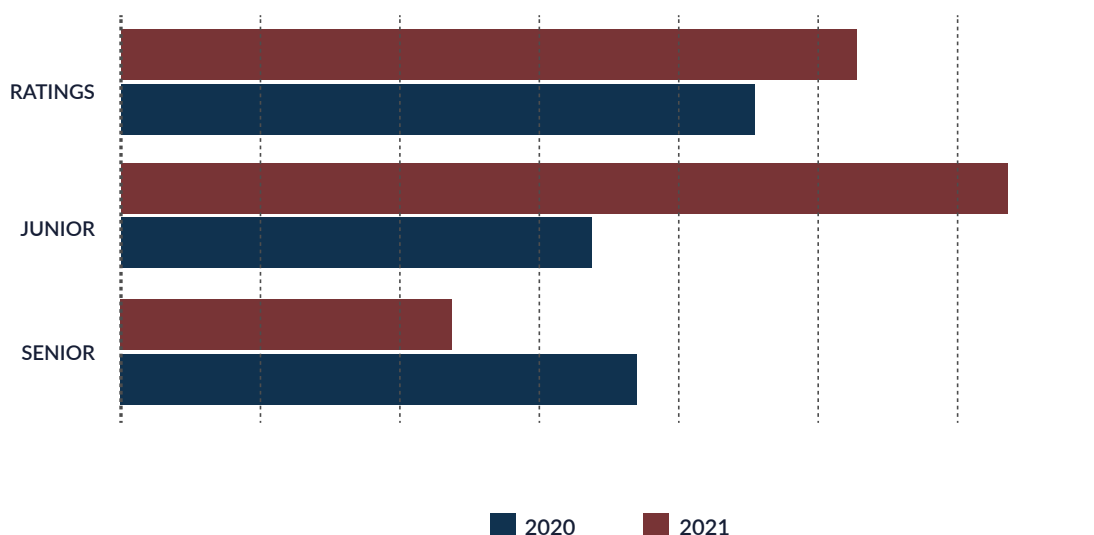
55,069 hours in training spending in 2021

\$0.5 million Crew Training Expenses in 2021

AGE



RETENTION RATE



Shore-based employees

44 average age of our employees in 2021

18% employees have seagoing experience

33% women in our organization

54% employees with university degree

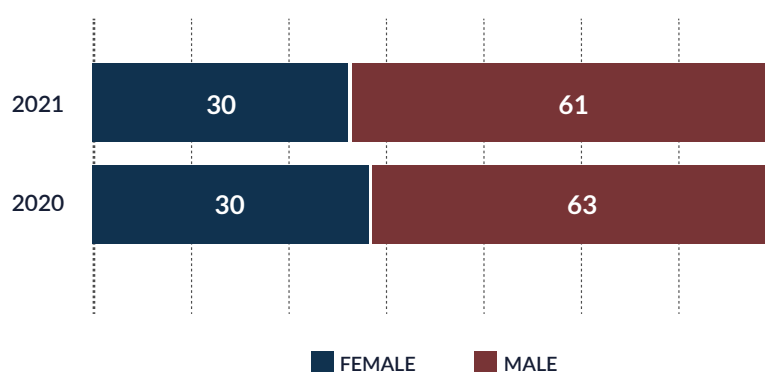
2.4 employee / vessel ratio

100% of our employees receive annual performance feedback

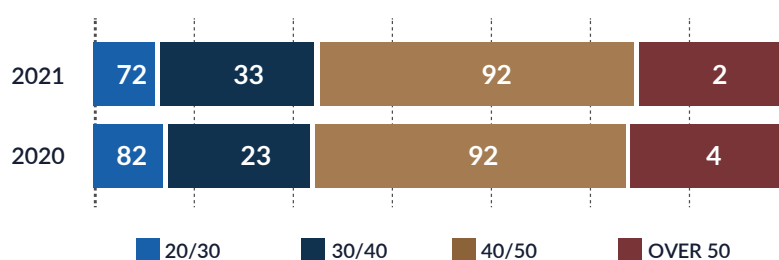
89% average employee retention rate

11% turn-over

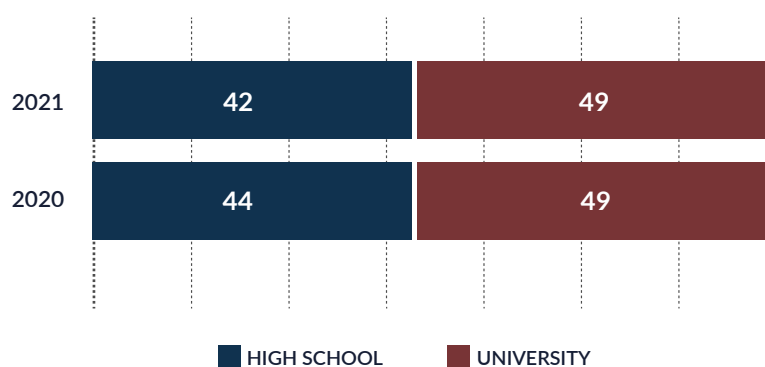
GENDER



AGE

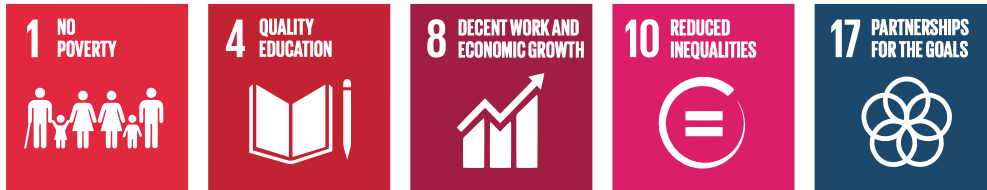


EDUCATION



Material issues

- Community engagement
- Community investments



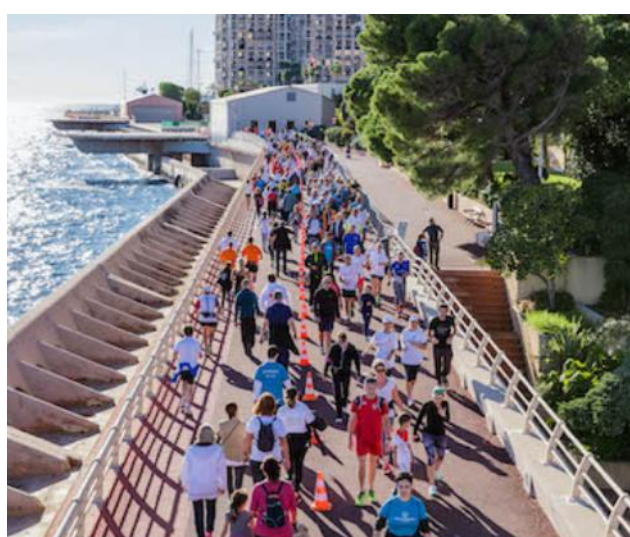
2021 activity:

- July 2021, CTM became a participant of Italian Decarbonization Committee founded by Rina. This initiative falls within the broader decarbonization program RINA is pursuing to support the shipping industry in achieving CO2 emissions reduction objectives established by IMO targeting improvements in technology, regulatory changes, digitally enabled services and the potential funding or financing of green technologies to benefit the entire industry.
- December 2021, CTM has been invited by ABS to become a member of the European Technical Committee (ETC). The objective is the development and updating of ETC standards used in the design, constructions and survey of vessels, other marine and offshore structures and of specialized systems.



No Finish Line® is a charity event that has been held 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, whether or not they are members of a running club. The principle is quite simple and involves running or walking as many laps as you wish on a 1,400 metre track, which is open 24 hours a day for eight days. Participants are free to run or walk for just an hour, or do a marathon every day, whether alone or as part of a group. Thanks to the registration fees, donors and sponsors, for every kilometre run or walked, Children & Future donates €1 to support efforts to help disadvantaged or sick children. If you wish, you can also pledge €1 for every kilometre you intend to run or walk.

CTM was a sponsor of the 2021 No Finish Line as well as previous editions.



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