



ESG REPORT 2022

Non financial statement

OPERATIONAL HIGHLIGHTS

2,004

Deadweight tonnage
(thousand DWT)

617

Revenue (USD million)

4.6

Total distance traveled
(million nm)

1,307

Seafarers

23,426

Operating days

5,914

Number of vessel port calls



“Our foundational work on ESG forms a strong basis for MPCC’s future growth and development.”



Constantin Baack, CEO

Dear Readers,

Reflecting on the past year, the ongoing war in Ukraine, the resulting European energy crisis, and prevailing macro-economic conditions have created new challenges for individuals, businesses, and society at large. Guided by our vision for sustainable container shipping connecting the worlds’ ports to serve peoples’ needs, we have taken a proactive and prudent approach to make our business resilient to these challenges, while striving to deliver best-in-class ESG performance.

The War in Ukraine

We are deeply concerned about the war in Ukraine and its serious humanitarian consequences. The war is also impacting our seafarers and their families, as a considerable part of our crew is domiciled in the region. Our priority is to support our seafarers and their families in every way we can, with their wellbeing and safety being of paramount importance to us. I am extremely proud of our Company and colleagues who have provided shelter for Ukrainian families of seafarers and made donations of furniture and household items. MPCC donated USD 100,000 to the Marlow fund, which is being used to help Ukrainian seafarers affected by the war. As the crisis continues to unfold and governments impose new sanctions, MPCC is monitoring the situation closely. We will ensure that we are compliant with the emerging sanction regime by conducting internal assessments to identify any areas of operations that may conflict with the regime.

Financial Performance and Market Conditions

This past year has brought a variety of challenges and opportunities, including a period with the highest charter rates in the history of container shipping as well as a normalization in freight- and charter rates throughout the second half of the year. At MPCC, we focus on being agile and well-equipped to adjust our operations and strategy to fit with the prevailing market conditions, and in 2022 we delivered the best financial year in MPCC’s history. During the first half of the year, we were able to capitalize on the strong markets by locking in long-term time charter contracts at very attractive rates, and as at December 31, we had contract coverage for 86% of operating days in 2023 and a charter backlog of USD 1.5 billion. Vessel availability in the market remains significantly reduced compared to historical averages and general improvements in the outlook for the global economy over recent months give reason for optimism in the medium-term outlook for container markets. We are particularly positive with regards to intra-regional trades, for which the supply-demand balance appears considerably more encouraging than for the long-haul market.

ESG Regulatory Developments and our Response

Regulations addressing decarbonization and the transition to a more sustainable economy continue to be on the top of the global agenda. MPCC is actively preparing for implementation of the International Maritime Organization's Carbon Intensity Indicator (CII) and the inclusion of maritime shipping in the EU's Emission Trading System. In 2022 we have undertaken a significant amount of work to understand our greenhouse gas (GHG) emissions profile, identify opportunities for reductions, and implement a plan to reduce our aggregate and intensity-based emissions. Assessment will be used as a catalyst for our efforts to develop relevant management processes and document our performance in accordance with the criteria laid out in the taxonomy. Furthermore, we will use the EU Taxonomy to inform strategy development and future investment decisions. This report describes our comprehensive approach to decarbonization in detail, including our performance to date. We maintain our broad coverage of both ESG regulatory compliance disclosure and demonstrate our response to new regulations, such as the due diligence we undertake to identify and manage human rights risks in our value chain, which is now required under the Norwegian Transparency Act.

Our ESG Performance in 2022

We recognize that the shipping industry is responsible for a significant portion of global emissions, and we are determined to do our part to address this issue. Together with our customers and partners we are investing in research and development and have already executed seven projects to reduce emissions. These include new dual-fuel vessels, the use of alternative fuels, and the installation of energy-efficient technologies. We estimate that these investments will eliminate significant amounts of CO₂ emissions over the life of the vessels.

In 2022 our Scope 1 GHG emissions were 1.81 million metric tons (2021: 1.76) carbon dioxide equivalents (CO₂e). Our average efficiency ratio (AER) improved by over 4% to 13.12 grams CO₂e per ton-nautical mile (2021: 13.70). We have measured our scope 1, 2, and 3 GHG emissions in 2022 and have set a decarbonization trajectory in line with a 2-degree Celsius warming scenario. A comprehensive assessment of our climate-related risks and opportunities was undertaken in 2022 and is disclosed in this report following the Taskforce on Climate-related Financial Disclosures (TCFD) framework.

Our lost time incident rate (LTIR) improved from 1.18 incidents per million hours worked in 2021 to 0.14 incidents in 2022. There were no serious marine casualties or fatalities in the year and our unwavering focus remains on creating a safe work environment for our crews. Our focus on health and safety has extended to include seafarer wellbeing and this report describes several successful initiatives undertaken during the year to improve the wellness of our crews at sea.

This report includes full disclosure of our ESG performance against the SASB's Marine Transportation Standard (2018), including disclosure on air quality, ecological impacts, business ethics, and accident and safety management.

Emerging ESG Issues and Green Finance Opportunities

We are actively monitoring emerging ESG issues and considering a range of green finance opportunities. In 2022 MPCC signed newbuilding contracts for dual-fuel methanol vessels with the aim to establish the first green shipping corridors in Northern Europe, together with strong likeminded partners in North Sea Container Line AS and Elkem ASA. A number of other promising climate-related projects have now commenced, including partnership development of sustainable marine diesel oil (MDO), combined with sharing decarbonization knowledge through a range of contribution and exchange fora. MPCC is proud to have been included in the inaugural Oslo Børs ESG index and has continued to improve its Sustainalytics ESG Risk Rating.

In summary, I am confident that the foundational work on ESG issues completed by MPCC forms a strong basis for the Company's future growth and development. I would like to take this opportunity to give thanks to our hard working and dedicated colleagues, seafarers, and partners for their continuous contributions to these important efforts. I invite you to read our detailed ESG report and welcome your feedback.

Sincerely,



Constantin Baack
CEO MPC Container Ships ASA

ESG AT MPC CONTAINER SHIPS

Our commitment to ESG and sustainability is founded in our vision for sustainable container shipping connecting the world's ports to serve peoples' needs. Our mission is to seize opportunities to create long-term value and propel sustainable change in the maritime industry with our own capital, new ideas, analytical skills, and a broad network. Our corporate responsibility is reflected in our core values, in the quality of our work and services, and in our entire range of activities. We strive for coherence between what we say and what we do. This commitment is reflected in our [Corporate Social Responsibility Statement](#), where we state that we:

- + Show consideration for the local communities in which we are part of and the environment in which we operate
- + Contribute to learning and distribution of knowledge
- + Establish long-term working relationships and utilize the shipping sector's expertise for the further development of the industry
- + Meet public authorities and customers with insight, respect, and understanding and in an open and appropriate manner, treating suppliers impartially and justly

ESG Priorities: Our Material Topics

To identify areas that are material to our business, we undertook a comprehensive materiality assessment in 2021 following the GRI 3 Materiality Standard. In 2022, we reviewed these topics against stakeholder feedback; the reporting of our peers; market, political and regulatory changes; as well as an internal validation exercise that included independent expert opinion. Those topics that are considered material have a significant environmental, social, or economic impact, and are validated by our stakeholders and experts. Our stakeholders include staff, investors, clients, business partners, local communities where we operate, and non-governmental organizations (NGOs). Our material ESG topics for reporting in 2022 are:

- + GHG emissions
- + Responsible ship recycling
- + Non-GHG emissions and waste
- + Biodiversity
- + Ethical business conduct
- + Data privacy and security
- + Supply chain
- + Diversity and inclusion
- + Safety, health, and well-being
- + Training and development

We have ongoing and continuous informal and formal interaction with our stakeholders. We see transparent ESG reporting and stakeholder engagement as integral parts of driving positive outcomes. We actively encourage discourse on this report and our ESG performance, including where our performance can be improved.



ESG Strategy

In 2022, we reviewed and refined our existing ESG strategy. Initially developed in 2021, the strategy sets out how we address and respond to our material ESG topics. Following review in 2022, we have chosen two primary ambitions related to the material topics of GHG emissions and safety, health, and well-being, as strategic priorities for the Company (see summary table below).

A number of ESG projects were undertaken in 2022 to better understand and quantify our climate impacts. These projects informed our setting of climate targets and included mapping and measuring our scope 3 GHG emissions, developing a decarbonization trajectory, and a formal review of our climate-related financial risks using the Taskforce on Climate-related Financial Disclosures (TCFD) framework.

MPCC Strategic Priorities

SDG	Ambition	Target	2021 performance	2022 performance
	Develop a fleet strategy aligned with the IPCC 2 degrees target.	Fleet average C-rating in line with MEPC76	C-rating	C-rating
	Extend the safety culture.	Lost time incident rate (LTIR) not to exceed 0.3	1.08	0.14
		Zero serious injuries	1	0

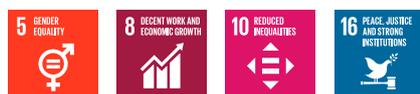
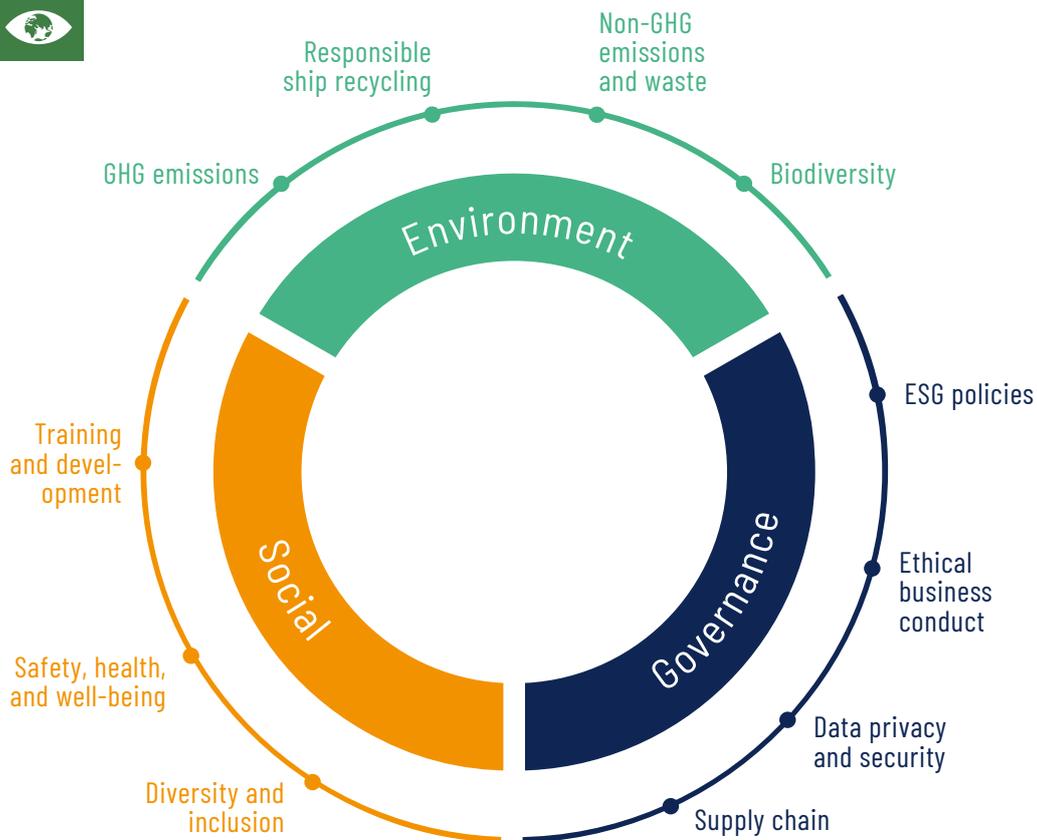


ESG Strategic Framework

We have developed a strategic framework for managing material ESG topics and linked how our efforts contribute to the achievement of the UN Sustainable Development Goals (SDGs).



The 17 Sustainable Development Goals (SDGs)



ESG Management

The Company is managed through its executive bodies, the General Meeting, the Board of Directors (the Board) and the Executive Management, with overall responsibility for governance of ESG matters sitting with the Board. The Board has delegated responsibility and authority to an ESG Committee, to act as a preparatory and advisory body for the Board in exercising its responsibility to handle ESG matters. In this role, the ESG Committee defines the Company's ESG Strategy, including setting its goals, targets, and action plans. The CEO executes the Board's approach and decisions regarding ESG matters and informs the Board on progress quarterly.

To reduce ESG risks in our operations and onboard our ships, MPCC requires that its third-party technical managers are certified according to quality and environmental management systems, such as ISO 9001:2015 and ISO 14001:2015. Third-party crewing agencies ensure the employment of seafarers in accordance with the International Safety Management (ISM) Code¹ and SOLAS², STCW³ and the 2006 Maritime Labor Convention.

Our approach to managing ESG topics is embedded in our policies, frameworks, and processes. Our ESG-related policies include Sustainability, Human Rights, Ship Recycling, Sustainable Procurement, Anti-Corruption, the Environment, Health and Safety, and Human Capital. These documents are publicly available on our website.

ESG Governing Instruments for MPC Container Ships

- + [Code of Conduct](#)
- + Corporate Governance Policy
- + [Anti-Corruption Policy](#)
- + [Environmental Policy](#)
- + [Health and Safety Policy](#)
- + [Human Capital Policy](#)
- + [Human Rights Policy](#)
- + [Ship Recycling Policy](#)
- + [Sustainability Policy](#)
- + [Sustainable Procurement Policy](#)
- + [Sanctions Policy](#)

In 2022, we revised our Sanctions Policy in response to tightened regulations. This policy applies to our corporate and operational staff, as well as our (contractual) partners, and aims to mitigate risks of sanction breaches and respond to rapidly changing legislative requirements.

Our suppliers and service providers are required to adhere to our [Business Partner Guideline](#), which sets out our service standards and expectations, including on ESG issues. We perform business partner checks, including sanctions and bad press screenings, on counterparties of strategic, financial, or reputational importance.

An e-learning program has been implemented to raise awareness of ESG topics across the business and to educate staff about our policies and management approach relating to those topics. We have digitized our collection and reporting of all ESG data.

¹ The International Management Code for the Safe Operation of Ships and for Pollution Prevention
² The International Convention for the Safety of Life at Sea
³ International Convention on Standards of Training, Certification and Watchkeeping for Seafarers

EU Taxonomy

The EU Taxonomy is a classification system that provides companies, investors, and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. The purpose is to prevent greenwashing and to scale up sustainable investments to meet the objectives of the European Green Deal. The taxonomy regulation states that an activity must make a substantial contribution to at least one of the six environmental objectives set out by the EU, while not causing significant harm toward the other five objectives. The activity must also meet minimum safeguards in relation to human and labor rights, anti-corruption, tax, and fair competition. The EU Taxonomy was approved by the Norwegian Government in December 2021 and entered into force in January 2023.

MPC Container Ships is not obliged to report under the EU Taxonomy regulation. However, in 2022 we carried out a voluntarily assessment of all business activities. The outcome of the assessment will be used as a catalyst for our efforts to develop relevant management processes and document its performance in accordance

with the criteria laid out in the EU Taxonomy. MPCC will also use the taxonomy to inform strategy development and future investment decisions.

The assessment found that 100% of MPCC's economic activities are deemed eligible under activity "6.10 Sea and coastal freight water transport, vessels for port operations and auxiliary activities" and "6.12 Retrofitting of sea and coastal freight and passenger transport." Eligible activities are activities that are covered by the taxonomy, irrespective of whether these activities meet any or all of the alignment screening criteria. The vessels in the current fleet do not meet the substantial contribution criteria, however MPCC has four newbuildings under construction that are assessed to meet the substantial contribution criteria. MPCC will continue working to ensure alignment with the EU Taxonomy criteria, including the Do No Significant Harm and Minimum Safeguards criteria.

MPCC expects the regulatory framework and the EU Taxonomy criteria for maritime transportation to be further developed and clarified in 2023.

EU Taxonomy Disclosures

	Eligible activities			Aligned activities		
	Revenue	OPEX	CAPEX	Revenue	OPEX	CAPEX
6.10 Sea and coastal freight water transport, vessels for port operations and auxiliary activities	100%	100%	100%	0%	0%	0%
6.12 Retrofitting of sea and coastal freight and passenger transport	N/A	100%	100%	0%	0%	0%



Memberships and Initiatives

MPCC is, either directly or via third-party ship managers, engaged in partnerships that support our objectives on ESG. These include the following:



Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping

Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping (MMMCZCS)

MPCC is a mission ambassador and a project partner to the MMMCZCS, an independent research and development center seeking to accelerate the transition toward a net zero future for our industry. In April 2022, MPCC provided concrete support by seconding an employee to the Center in Copenhagen, who is currently participating in the Industry Transition Strategy Project. MPCC and our partner companies at MPC Group are committed to provide further support to the Center by using our broad network and expertise in commercial and technical management, renewable energy, and synthetic fuels to foster the necessary transition of the maritime industry.



Getting to Zero Coalition

The Getting to Zero Coalition is committed to obtaining commercially viable deep-sea vessels powered by zero emission fuels by 2030. In 2021, MPCC signed the Getting to Zero Coalition's Call to Action, urging governments to work with the industry to deliver policies and investments needed to decarbonize global supply chains and the global economy.



Clean Shipping Alliance

The Clean Shipping Alliance seeks to provide information and research data to inform industry stakeholders on the environmental performance and benefits of open- and closed-loop Exhaust Gas Cleaning Systems (EGCS) and associated air and water emissions. The Alliance also serves as an advocate for companies working to reduce marine exhaust gas emissions.



VDR German Shipowners' Association

MPCC is, through its vessels, a member of the German Shipowners' Association (VDR). The VDR aims to facilitate uniform management of interests and represents German maritime shipping companies on a global scale. Executives of MPCC and its service providers from the MPC Group are represented in several working groups and commissions.



Eyesea

MPCC and its CEO are founding members and ambassadors of Eyesea, a non-profit organization set up to map and report global pollution and maritime hazards.



Marine Anti-Corruption Network

MPCC is a member of the Marine Anti-Corruption Network (MACN) – a global business network working towards its vision for a maritime industry free of corruption that enables fair trade to the benefit of society at large.



The Container Ship Safety Forum (CSSF)

CSSF is a global business-to-business network that improves safety performance and management practices in the container shipping industry. MPCC's primary technical manager, Wilhelmsen Ahrenkiel Ship Management, is a CSSF member and works together with other industry actors to continuously improve the safety culture and performance in the container shipping industry through measurement, reporting and benchmarking, sharing best practices and engaging with key stakeholders.

Climate and Environment

Ocean-going vessels are the most carbon-efficient mode of long-distance commercial transportation, responsible for transporting approximately 90% of global goods. Container shipping is the dominant transportation method and, as global trade expands, energy-efficient and environmentally friendly vessel operations are required to meet climate and environmental goals. Maritime transportation has a number of significant environmental impacts, related to:

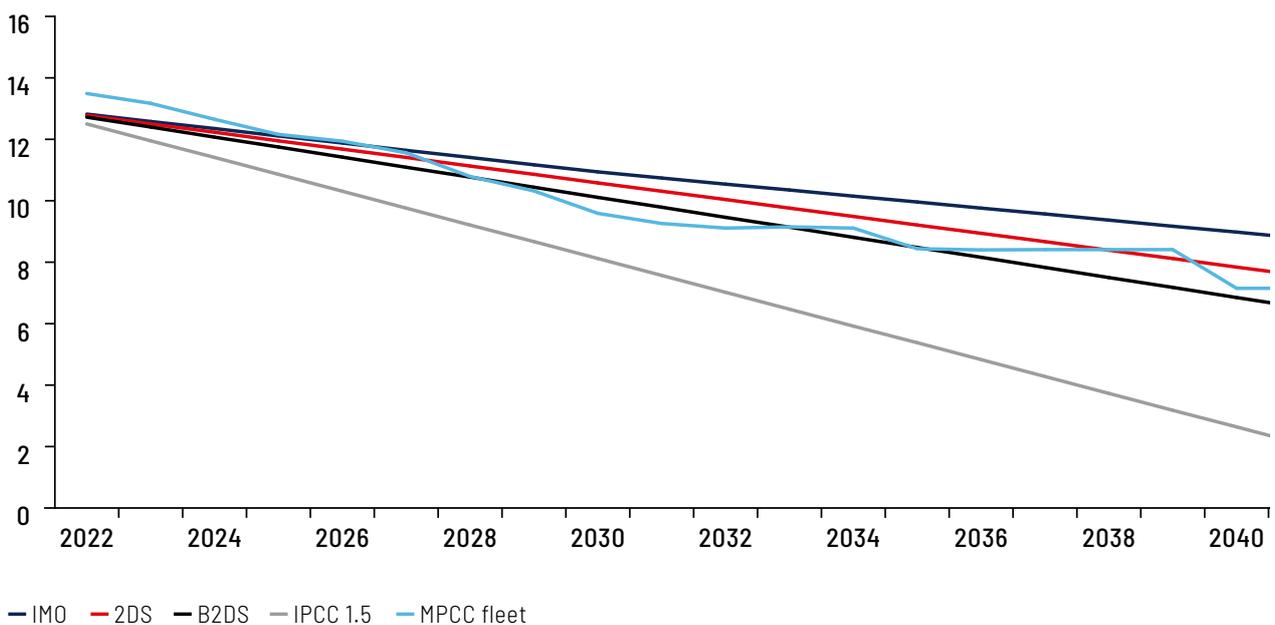
- + Greenhouse gas emissions from fuel combustion
- + Air pollutant emissions from fuel combustion
- + Environmental accidents
- + Biodiversity impacts from untreated ballast water discharge
- + Underwater-radiated noise
- + Waste generation
- + Vessel disposals at the end of their useful lives

Environmental regulations affect the ownership and operation of MPCC's vessels in a number of ways. The international shipping industry is governed by a global regulatory framework created by the International Maritime Organization (IMO). One of IMO's frameworks is the International Convention for the Prevention of Pollution from Ships (MARPOL). Since its ratification in 1973, MARPOL has undergone numerous amendments, continuously expanding to require compliance in an increasing number of areas for the shipping industry. Additionally, the industry is subject to regional, national, port state, and local laws and regulations applicable to international and/or territorial waters.

Greenhouse Gas and Air Emissions

The IMO's emission reduction targets of reducing CO₂ emissions per transport work by 70% and total annual GHG emissions by at least 50% by 2050 (compared to 2008 levels), is set to be revised in 2023. This revision is expected to be followed by new regulatory measures, including requirements supporting the use of greener fuels as well as market-based measures putting a price on carbon. To account for these developments, MPCC has established a decarbonization pathway aligned with the 2-degree trajectory previously used by the Climate Disclosure Project (CDP) and the Science Based Targets Initiative (SBTi). This pathway is more ambitious than the current emission reduction target put forward by the IMO. We view our current effort as an incremental step toward enhancing our decarbonization roadmap with realistic but necessary year-on-year targets. With the Maritime Guidance for science-based targets (SBT) being published in November 2022, MPCC is currently reviewing its possibility to set SBTs that are aligned with the 1.5-degree target of the Paris Agreement.

MPC Container Ships Decarbonization Pathway



Carbon Intensity Indicator (CII)

Improving energy efficiency from vessel operations, resulting in the subsequent reduction of GHG emissions, carries both environmental and economic benefits. With 2023 being the initial reporting year for the Carbon Intensity Indicator (CII), we have estimated the overall weighted average carbon intensity of our fleet – arriving at an average C-rating. The CII determines the annual reduction factor needed to ensure continuous improvement of a ship’s operational carbon intensity within a specific rating level. This rating level, where the threshold will become increasingly stringent towards 2030, ranges from ‘A’ (major superior) to ‘E’ (inferior).

Improving MPCC’s CII Rating

To benchmark and monitor our CII performance we supported the German-based software company, ZERO44, in the development of a live CII monitoring and forecasting software tool. Our current target is to retain a C-rating as a minimum for our fleet, which will require fleet investments and upgrades in the coming years. However, operating decisions impacting a vessel’s fuel consumption, such as trading routes, port calls, sailing speeds, and container stowage logistics, are determined by the liner companies chartering our vessels. Consequently, cooperation between industry actors is also required to achieve stated climate goals. Together with our third-party ship managers, we work with each vessel’s Ship Energy Efficiency Management Plan (SEEMP) to improve its long-term operating efficiency. Additionally, our ship managers employ performance teams which frequently compare and benchmark operational performance between our customers, with the goal of minimizing the carbon footprint of our fleet.

SDG	Ambition	Target	2021 performance	2022 performance
	Develop a fleet strategy aligned with the IPCC 2 degrees target	C-rating in line with MEPC76	C-rating	C-rating
	Continuously explore and assess new efficiency-enhancing technologies, propulsion technologies and alternative fuels	Establish task force, including key technical experts within MPCC, to monitor and engage with leading institutions on a quarterly basis	Established a task force and a broad overview of available technologies and fuels	Became a mission ambassador and project partner to the MMMCZCS, and in April 2022 we provided concrete support by seconding an employee to the Center in Copenhagen

Investing in Low-Emission Vessels

The EU’s legislative bodies reached a preliminary agreement in December 2022 to include maritime shipping in the EU’s Emission Trading System (EU ETS) from 2024 onwards. MPCC recognizes the urgent need for more energy-efficient and environmentally friendly vessel operations. To maintain an attractive and competitive fleet, we continuously review and evaluate feasible upgrades, retrofit possibilities, and investment opportunities with our charterers. In 2022, we signed contracts for the construction of two new 5,500 TEU vessels (ECODESIGN) and two new 1,300 TEU dual-fuel methanol vessels (GREEN BOXES). The two dual-fuel vessels will play a prominent role in establishing the first green shipping corridor in Northern Europe, between Rotterdam and the western part of Norway.

Zero and Low-Carbon Fuel Solutions

Reducing the costs of zero- and low-carbon fuel solutions requires new forms of cross-supply-chain collaboration and active coordination between different stakeholders from the whole maritime ecosystem. Green shipping corridors aim to achieve this by establishing favorable conditions for decarbonization on specific trade routes – where technological, economic, and regulatory feasibility of operating zero-emission ships is catalyzed through public and private initiatives.

At MPCC, we actively support the work of such initiatives, not only through our fleet renewal program and partnership with MMMCZCS, but also by investing in promising alternative fuel producers. In early 2023, we signed the industry’s first offtake agreement for synthetic marine diesel oil (MDO) with the German-based clean tech company INERATEC. The synthetic MDO is made from biogenic CO₂ and renewable hydrogen and can be used both in conventional combustion engines on our existing vessels and as a pilot fuel for our methanol-powered newbuildings. Delivery of MDO from INERATEC is set to start in 2024.

Greenhouse Gas and Air Emissions Disclosures

Accounting metric	Unit of measure	2020	2021	2022
Scope 1 ^a	Metric tonnes CO ₂ e	1,550,271	1,758,036	1,810,202
Scope 2 ^b	Metric tonnes CO ₂ e	Not disclosed	16.38	12.82
Scope 3 ^b	Metric tonnes CO ₂ e	Not disclosed	Not disclosed	338,694
Energy consumed ^c	Gigajoules	21,579,913	24,508,042	25,224,000
Average Efficiency Ratio (AER): weighted average ^d	Grams of CO ₂ e per ton-nautical mile	13.05	13.70	13.12
Heavy fuel oil consumed	Percentage	86%	91%	91%
NOx (excluding N ₂ O) ^e	Metric tons	34,722	40,186	47,924
SOx ^e	Metric tons	4,845	Not disclosed	4,837
Particulate matter (PM) ^e	Metric tons	Not disclosed	2,773	2,116

References, disclaimers and assumptions for this data table can be found on page 24

Climate-Related Risks

Climate change poses risks to our business. These include the risks and opportunities from the transition to a lower-carbon economy and from the physical impacts of climate change. In 2022, we undertook a comprehensive review of our climate-related risks and opportunities following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework. A summary of the review's findings is presented below, with comprehensive TCFD disclosures included in the appendix.

Governance

Climate-related risks and opportunities are regularly reviewed by the Board of Directors as part of its overall responsibility for risk governance. The Board receives updates on climate risk, emerging regulations, developments in the Company's performance on the decarbonization strategy, emissions reduction trajectories, and technological developments.

Strategy

MPCC has undertaken a climate risk review and decarbonization trajectory analysis to understand how climate risks and opportunities are likely to impact the business, its strategy, and financial planning. Using information from this analysis and its ongoing monitoring of GHG emission performance across the fleet, MPCC believes it is well-positioned to absorb, mitigate, or adapt to climate-related risks, and in some cases may exploit available opportunities.

Risk Management

Climate risk identification is incorporated into our general risk management and internal control system. Our Risk & Audit Committee serves as an advisory body for the Board, with subunits providing updates on potential risks. The financial impact of climate-related risks to our business are categorized and prioritized using a risk heat map, based on probability of occurrence and net monetary impact of each risk.

Targets and Metrics

We measure our total GHG emissions (Scope 1, 2 and 3) in CO₂ equivalents. We apply the IMO CII Carbon Intensity Indicator and report our Average Efficiency Ratio (AER) measured as grams of CO₂ per deadweight ton-nautical mile. To benchmark and monitor our CII performance we supported the German-based software company, ZERO44, in the development of a live CII monitoring and forecasting software tool for our vessels.

Spills, Discharges, and Ecological Impact

Environmental impacts from shipping include environmental accidents, discharges to land and water, and underwater-radiated noise. We seek to mitigate these environmental impacts and related risks by partnering with reputable third-party technical and crewing ship managers.

Our ship managers are expected to perform their duties in strict compliance with applicable environmental laws and regulations, including IMO's ISM Code for the safe management and operation of ships and pollution prevention. Our ship managers adhere to sustainable procurement practices through compliance with our Code of Conduct. We focus on consolidating supply shipments, ISO certification of suppliers and local sourcing wherever possible. We require our ship managers to have in place satisfactory quality and environmental management systems, predominantly through certifications such as ISO 9001:2015 and ISO 14001:2015. Beyond existing regulations, we frequently carry out technical ship modifications such as air seals or EAL oils (Environmentally Acceptable Lubricants) in bow-thrusters and stern tube seals – also on vessels that may not be required to adapt to local regulation.

One potential environmental accident is spillage related to a vessel accidentally running aground or suffering a breach, with a subsequent leak of bunker oil into the environment. The prevention of pollution by oil from operational measures and accidental discharges is regulated by MARPOL's Annex I. Together with our ship managers, we have implemented comprehensive spill-prevention

procedures. In 2022, we experienced one reported spill incident. Spill response protocols were followed in response to the incident and a review was undertaken to determine the cause and prevent future incidents. The incident was reported to the relevant authorities and did not result in any form of sanction or fine.

Ballast water is essential for safe and efficient shipping operations. However, the discharge of untreated ballast water has shown to introduce non-native organisms into new marine environments, causing ecological damage. As at December 31, 2022, 54 of our vessels had installed ballast water treatment systems, while installations on the remaining vessels will be equipped between 2023 and 2024 to comply with the BWM convention.

Underwater noise from commercial ships may have adverse impacts on marine life. The main components of underwater noise can be attributed to a ship's design, such as hull form, propeller, and machinery configuration. However, operational modifications and maintenance measures such as hull and propeller cleaning contribute to reducing noise. We closely monitor ongoing research carried out by IMO's MEPC on underwater noise. To address adverse impacts on marine life, our technical ship managers regularly review vessel performance to determine the need for propeller and hull fouling and cleaning following the recommendations set out in IMO's 2014 non-mandatory technical guideline for the reduction of underwater noise from commercial shipping.

Ecological Impact Disclosures

Accounting metric	Unit of measure	2020	2021	2022
Shipping duration in marine protected areas or areas of protected conservation status ^f	Number of travel days	Not disclosed	1,539	2,174
Implemented ballast water exchange ^g	Percentage	66%	55%	18%
Implemented ballast water treatment ^g	Percentage	34%	52%	85%
Spills and releases to the environment ^h	Number	0	1	1
	Cubic meters	0	5	2.2

References, disclaimers, and assumptions for this data table can be found on page 24

Waste Management

The prevention of pollution by waste from ships is regulated by MARPOL's Annex V, which prohibits the discharge of most waste into the ocean. Regulated waste accumulated onboard vessels is offloaded at designated port reception facilities. Together with our ship managers, we utilize a designated service provider for ship waste management who is certified according to ISO 9001 and 14001 and performs regular audits of all our waste management handlers globally. We have direct access to, and full transparency

concerning, all offloaded waste streams per vessel. All vessels have an Inventory of Hazardous Materials in compliance with the requirements of the Ship Recycling Convention and the 2015 Guidelines.

In 2021, we successfully tested water filtration systems to produce drinkable water from our vessel's freshwater systems. As a result, we invested in 54 filtration systems, whereof 21 were installed in 2022. The remaining ones are scheduled to be installed in early 2023. This initiative is crucial in our efforts to minimize plastic waste and the transportation of water bottles.

Waste Disclosures

Accounting metric	Unit of measure	2020	2021	2022
Sludge	Cubic meter (m ³)	14,722	15,471	15,451
Sewage	Cubic meter (m ³)	147	120	191
Oily/bilge water	Cubic meter (m ³)	1,802	1,896	2,763
Plastic	Cubic meter (m ³)	Not disclosed	1,645	1,816
Food waste	Cubic meter (m ³)	Not disclosed	255	262
Cooking oil	Cubic meter (m ³)	Not disclosed	11	13
Electronic waste	Cubic meter (m ³)	Not disclosed	60	79
Domestic waste	Cubic meter (m ³)	Not disclosed	1,960	2,234
Operational waste	Cubic meter (m ³)	Not disclosed	890	1,055
Incinerator ash	Cubic meter (m ³)	Not disclosed	22	31
Other waste	Cubic meter (m ³)	Not disclosed	258	212
Total waste disposal	Cubic meter (m ³)	21,614	22,586	24,108

Our vessels operate in areas accessible to few others, and hence play a unique role in monitoring and reporting on marine pollution. The compilation of such data may have a profound impact on our ability to target areas in need of attention and solutions in need of development. MPCC and its CEO are founding members and ambassadors of Eyesea, a non-profit organization set up to map and report pollution and maritime hazards. Since its official launch in December 2020, Eyesea has developed an application for reporting ocean pollution to be used by seafarers, professional mariners, recreational sailors, fishermen, surfers, and divers. The application successfully went live in August 2021 following six months of testing onboard commercial ships and recreational boats, as well as with community volunteers. The application is available on Google Play and in the Apple App Store. We encourage the use of the application and the recording of ocean, coastal, and waterway pollution to highlight areas of need and effectively allocate clean-up resources.



Responsible Ship Recycling

The ship recycling industry provides economic benefits in several developing countries. It functions as a contributor to material circularity by recycling metals and other components, extending the useful life of these valuable resources. However, MPCC is aware of the risks of environmental and human impacts associated with the recycling of ships. Ships contain hazardous materials, and recycling must therefore be performed according to strict standards to protect human health, safety, and the environment.

At MPCC, we are committed to the responsible recycling of ships as outlined in our Ship Recycling Policy. At the end of 2022, the average age of our fleet was 15.5 years and we have not yet been involved in ship recycling activity. Any future recycling undertaken by MPCC will be conducted in accordance with applicable laws and regulations, specifically the 2009 Hong Kong Convention, the Basel Convention and, where applicable, the EU Ship Recycling Regulation.

SDG	Ambition	Target	2021 performance	2022 performance
 8 DECENT WORK AND ECONOMIC GROWTH	Adhere to market-leading practices for ship recycling	Establish policy and ensure proper implementation	Policy developed in 2021	MPCC Ship Recycling Policy was implemented and published on our website in 2022

People and Society

Our crew and workforce are crucial to our success. Maintaining a professional and positive workplace is vital to achieving a high degree of employee engagement and ensuring safe working environments onboard our vessels. MPCC aims to be an employer of choice, where we invest in our people.

Occupational Health and Safety

Maritime transportation comes with inherent health and safety risks. Ensuring the well-being and safety of both onboard crew and onshore employees is of the highest priority for the Company and our stakeholders.

SDG	Ambition	Target	2021 performance	2022 performance
	Extending the safety culture	LTIR not to exceed 0.3 by 2030	1.08	0.14
		Zero serious injuries	1	0
	Increasing the well-being of employees and seafarers	Establish and implement annual crew well-being survey	Survey under development	Survey developed and implemented
		Annual onshore employee retention rate above 90%	83%	73%

Our dedication to a secure working environment is outlined in our Health and Safety Policy, which sets out our standard for operating our businesses in a manner designed to safeguard the health and safety of our employees, customers and the public. The Policy specifies how we act in accordance with all applicable environmental and safety laws and regulations. We require compliance with this policy from our ship managers and crew, contractors, temporary personnel, and all others who act on our behalf, including third-party personnel, throughout our value chain.

Our Business Partner Guideline outlines policies that aim to safeguard the health and safety of our business partners while performing their duties and responsibilities. The subcontracting of seafarer crewing is entrusted to third-party ship managers who abide by the

International Management Safety (ISM) Code, SOLAS, STCW as well as the ILO Maritime Labor Convention. Masters, officers, and ratings are required to possess relevant qualifications, certifications, and experience in their respective roles. Regular training and education must be undertaken to maintain their qualification levels.

In the event of accidents, incidents, near-miss incidents, or non-conforming processes, thorough investigations are conducted, and deficiencies are identified, analyzed, and evaluated. In 2022, we experienced seven incidents but no serious marine casualties were reported, and we remain determined to uphold our record of zero serious injuries onboard our vessels. We will work diligently to continuously improve our safety culture, ensuring the ongoing protection of employees and assets.

Accounting metric	Unit of measure	2019	2020	2021	2022
Lost Time Incident Rate ^l	Rate	2.72	2.03	1.17	0.14
Lost Time Incident Frequency ^k	Rate	3.01	0.85	0.5	0.68
Marine casualties incidents ^l	Number	1	0	9	7
Very serious marine casualties ^l	Percentage	0%	0%	11%	0%
Port State Control Deficiency ⁿ	Ratio	1.25	1.35	1.23	0.95
Port State Control Detention ⁿ	Number	Not disclosed	1	1	1
Conditions of Class or Recommendations ^m	Number	Not disclosed	Not disclosed	256	295

References, disclaimers, and assumptions for this data table can be found on page 24

Seafarer Well-being

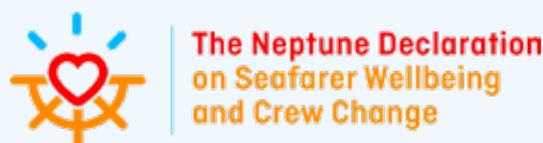
The past few years have presented significant challenges for seafarers. Since February 2022, the Covid-19 pandemic was quickly overshadowed by the war in Ukraine, causing serious implications for Ukrainian and Russian seafarers, whether at sea or at home. With a considerable part of our seafarers being domiciled in the region, our priority has been to support our crew and their families in every way we can. Ukrainian families of seafarers have been provided shelter by members of our management team, while multiple onshore employees have donated furniture and household items. Additionally, MPCC donated USD 100,000 to the Marlow fund, aimed at supporting Ukrainian seafarers affected by the war. We will maintain close dialogue with all vessels staffed with crew from the region and spare no cost in implementing recommended measures to meet the needs of our distressed seafarers.

In 2022, we rolled out a crew well-being survey that is now set up to be performed on an annual basis. Seafarers often work in isolated and high-pressure environments, which can take a toll on their mental and physical health. Our well-being survey seeks to identify key stressors and risk factors, as well as increasing our overall understanding of how to further improve crew satisfaction. Looking at physical, psychological, and social factors, our survey showed that the majority of our seafarers are happy and satisfied, and that their engagement level is high. However, overweight and loneliness issues stand out as areas for improvement. By addressing these areas, we aim to bring about improvements in seafarer well-being and positive knock-on effects in other areas.

MPCC has taken a proactive approach to promoting a healthier diet and lifestyle onboard our ships and to improving the physical well-being of our crew. We encourage increased consumption of fruits and vegetables and reduced the intake of highly processed foods. During the pandemic, we have improved the onboard gyms to encourage daily exercise. Furthermore, sufficient rest is imperative to seafarers' physical and mental health as well as their ability to perform their duties safely. Consequently, we have increased the crew complement on our vessels with daily port calls to ensure sufficient rest hours.

Other ongoing initiatives include unlimited wireless internet access to enable seafarers to stay in touch with friends and family onshore. Our ship managers have also established closed groups on social media platforms, which have proven popular among our crew members for communicating on matters such as working conditions, career planning, and non-work-related topics.

In January 2021, MPCC signed the Neptune Declaration on Seafarer Wellbeing and Crew Change in a worldwide call to action to end the unprecedented crew change crisis caused by the Covid-19 pandemic. Through our technical manager we support the efforts of Wilhelmsen Ship Management, which is taking an active role in the working group that focuses on seafarers. Together with other ship owners and charterers, they are developing a code of conduct for charterers that aims to raise the industry's standard on seafarers' labor and human rights.



Fair and Equal Opportunities and Treatment

We advocate for fair and equal opportunities and treatment for employees irrespective of ethnic or national origin, age, disability, gender, sexual orientation, or religion, as outlined in our Human Capital Policy. We strive to foster a diverse workforce and ensure a constructive and pleasant working environment, where we have zero tolerance for harassment and discrimination in all its forms.

We seek to have a diverse workforce and an inclusive work environment. To strengthen our commitment to fair and equal opportunities, we have set a target of 35% female employees onshore by 2030.

SDG	Ambition	Target	2021 performance	2022 performance
 	Enhance a diverse workforce & inclusive environment	35% female employees onshore by 2030	19.2%	24.1%

Our employees are essential enablers of a work environment free from unfair treatment due to discrimination. At MPCC, we ensure that all employees are paid equally for equal work. To ensure that our principles are properly implemented in our daily operations, we

are rolling out training for our employees on non-discrimination and workplace harassment. Through our Business Partner Guideline, our suppliers and service providers are also required to adhere to the same standards of good business practice.

in %	2020	2021	2022
Group employees			
Male	90.0	80.8	75.9
Female	10.0	19.2	24.1
Seafarers			
Male	99.6	99.5	99.7
Female	0.4	0.5	0.3

in %	2020	2021	2022
Group employees			
Under 30 years old	5.0	15.3	20.0
30-50 years old	90.0	73.1	64.0
Over 50 years old	5.0	11.5	16.0
Seafarers			
Under 30 years old	38.6	31.3	35.2
30-50 years old	50.2	55.0	53.8
Over 50 years old	11.3	13.7	11.1

Human Rights

We seek to ensure that human and labor rights are upheld throughout the lifecycle of our vessels – from designing, financing, ordering, building and operating, to dismantling and recycling. We are committed to respecting human rights as defined in the International Bill of Rights, the ILO Fundamental Conventions on Labor Standards, and the UN Guiding Principles on Business and Human Rights. MPCC has not been found in breach of labor laws or human rights in 2022, nor previously.

SDG	Ambition	Target	2021 performance	2022 performance
 	Respecting internationally recognized human rights in our organization and throughout our value chain	Develop and implement policy in line with UN Guiding Principles on Business and Human Rights	Policy is developed and will be implemented in 2022	Human Rights Policy and Human Capital Policy were implemented and published on our website in 2022

In the last year we have worked diligently to strengthen our commitment to human rights. Our human rights policy, which is reviewed annually, applies to everyone at MPCC as well as our subsidiaries. We require this policy to be followed by our ship and crew managers, contractors, temporary personnel, and those who act on behalf of or represent us and third-party personnel. To ensure that everyone within the organization understands their responsibilities in this area, MPCC has developed customized e-learning courses in 2022, which have been rolled out within the organization and offered to our business partners to ensure proper knowledge of MPCC's commitments and responsibilities throughout its operations. By year-end 2022, approximately 80% of our onshore employees had completed our e-learning course on human rights.

In the coming year, we will take additional measures to ensure compliance with the new Norwegian Transparency Act, having entered into force in July 2022. This law requires companies to carry out human rights due diligence in line with the OECD Guidelines for Multinational Enterprises. In addition, companies must report on the actions taken to mitigate adverse human rights impacts and their effectiveness, as well as respond to requests for information from the public.

As a first step to complying with the law, we have worked with an independent consultant to identify salient human rights issues, which will be reviewed on a regular basis. The identified issues are:

- + Crew working conditions
- + Ship recycling
- + Diversity, discrimination, and minority rights
- + Supply chain management
- + Search and rescue
- + Security response to piracy

Going forward, as part of our drive to improve, we will begin our work on developing action plans with targets for our salient human rights issues, including action points to prevent or mitigate actual or potential impacts which are directly linked to MPCC. Such plans will ensure that the effectiveness of our human rights management can be tracked. In addition, we will continuously work on improving our internal systems to ensure that human rights risks remain low. We will also ensure that our ship and crew managers understand MPCC's expectations when it comes to respecting the right to collective bargaining.

Governance

Good corporate governance is a key factor in underpinning the integrity and efficiency of our company, with an aim of creating trust and providing transparency to all stakeholders. Our overarching goal is to develop a corporate culture characterized by good judgement and the ability to manage ethically difficult situations, should they arise.

At the core of our governance structure is the Code of Conduct, Corporate Governance Policy, Corporate Social Responsibility Statement, Business Partner Guideline, and Articles of Association. These policies are available on our website. Two key positions also provide qualified oversight of compliance-related topics

at MPCC. Our external Compliance officer, who is a German lawyer as well as certified Compliance officer, was appointed in 2021. We also appointed a Norwegian lawyer to be the Company's external Data Protection Officer, with responsibility for applicable data protection laws. Both positions report to the Company's Chief Compliance Officer.

We operate our business with integrity and respect laws, cultures, and human dignity. All employees are expected to observe high standards of business and personal ethics in the conduct of their duties and responsibilities, in line with our governing documents. Our business partners must practice fair dealing, honesty, and integrity in every aspect of dealing with employees, suppliers, competitors, the public, and government authorities – as stated in our Business Partner Guideline.

SDG	Ambition	Target	2021 performance	2022 performance
	Raise awareness and compliance of ESG among stakeholders	ESG policies updated and made available on website	Eight new policies were developed in 2021	The eight policies were implemented and published on our website in 2022
		Develop and implement ESG digital course for internal and external stakeholders	Course developed in 2021, and to be rolled out in 2022	ESG & Sustainability and Human Rights Courses were rolled out in 2022
	Enhance transparency and accountability of progress toward our ESG goals	Annual high-quality ESG disclosures based on TCFD, GRI and SASB	Sustainability report 2021 in accordance with the Marine Transportation SASB Standard (2018) and with reference to the GRI Standards	Sustainability report 2022 in accordance with the Marine Transportation SASB Standard (2018) and with reference to the GRI Standards

MPCC has appointed a Risk & Audit Committee – a subcommittee of the Board – to act as a preparatory and advisory body for the Board in the exercise of its responsibility for financial reporting, internal control, and risk management. Each member of the committee is independent of the MPCC management team. Furthermore, our Remuneration Committee assists the Board in its work with the Company's remuneration policies and the terms of employment for the CEO.

Overall responsibility for governance of ESG matters lies with the Board. The Board has delegated responsibility and authority to an ESG Committee, to act as a preparatory and advisory body for the Board in exercising its responsibility to handle ESG matters. In this role, the ESG Committee defines the Company's ESG Strategy, including setting its goals, targets, and action plans. The CEO executes the Board's approach and decisions regarding ESG matters and informs the Board on progress quarterly.

Anti-Corruption and Business Ethics

MPCC has zero tolerance for corruption, price-fixing agreements, market sharing or other practices that hamper free and fair competition, and we seek fair and open competition in all markets, both nationally and internationally. A level playing field is vital for sustainable and ethical business and our stakeholders expect transparency and tangible action around our commercial operations. Furthermore, the seafarers serving on our vessels deserve a safe and fair work environment. Under no circumstances shall MPCC or any of its employees take actions that breach applicable competition legislation. Neither MPCC, nor its senior management, including the senior management of its subsidiaries, have been convicted in court on corruption charges.

SDG	Ambition	Target	2021 performance	2022 performance
	Strengthening the anti-corruption/sanction system	Identify, assess, integrate and monitor anti-corruption risks	n/a - to be finalized in 2022	Corruption risks have been identified and are being monitored; an Anti-Corruption Policy was implemented and published on our website in 2022
		Implement annual testing and training of whistleblower system	Whistleblower hotline is implemented in 2021, testing and training to be rolled out in 2022	Persons responsible at MPCC for the whistleblower system were trained upon its implementation; the system was successfully tested in 2022

Our stance on anti-corruption is laid out in our Code of Conduct, Anti-Corruption Policy and Business Partner Guideline. These policies are also meant to ensure that employees and business partners adhere to high standards of business and personal ethics. We do not tolerate active (attempts to bribe others) or passive (allowing oneself to be bribed) corruption. Any demands for facilitation payments, such as payment of small amounts to civil servants, for example, in order to have routine services carried out, are rejected firmly and clearly. Similarly, our ship managers and charterers impose our Anti-Corruption Policy as applicable for the crew operating on our chartered-out vessels.

Employees who observe or become aware of a situation that they believe to be a violation of the Code of Conduct are obliged to notify their immediate superior, the executive management, or a member of the Board unless the Code of Conduct directs otherwise. To further ease the reporting of unwanted behavior, we have implemented a third-party whistleblower hotline enabling all onshore

and offshore employees to anonymously report and document any violation of the Code of Conduct, including human rights-related issues. MPCC's Compliance Officer will be notified in the event of any respective report and will initiate the necessary steps to investigate the respective incident and any appropriate measures.

When a manager receives a report of a violation, it is their responsibility to handle the matter in consultation with a Board member. After proper investigation, legal and/or disciplinary action shall be taken in all cases where the Board considers it to be appropriate. Where it is likely that a criminal act has taken place, the police or an appropriate federal agency will be notified. If an employee reporting a violation wishes to remain anonymous, all reasonable steps shall be taken to keep their identity confidential. All communications shall be taken seriously and, if warranted, any reports of violations shall be investigated. No whistleblowing incidents were reported during 2022. At MPCC, we do not retaliate or allow retaliation in respect of any reports made by an employee in good faith.

Business Ethics Disclosures

Accounting metric	Unit of measure	2020	2021	2022
Calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	183	1,315	938
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	0	0	0



We are a member of the Marine Anti-Corruption Network (MACN), a global business network working towards the vision of a maritime industry free of corruption. Their goal is to enable fair trade to the benefit of society at large. By implementing the MACN Anti-Corruption Principles, co-developing and sharing best practices and collaborating with governments, non-governmental organizations and civil society, the MACN and its members seek to identify and mitigate the root causes of corruption and create a culture of integrity within the maritime community.



Taxation

MPCC is exposed to changes in legal, tax, and regulatory regimes within relevant jurisdictions as well as potential private litigation and public prosecution. The Company seeks to mitigate legal risks by maintaining a well-functioning risk management system, management guidelines and dedicated compliance and legal functions. Tax governance and compliance are considered important matters of Board oversight and risk management. In the current geopolitical situation with newly introduced and further strengthened sanction regimes, legal risk exposure is elevated. The Company mitigates risks through a) elevated monitoring of current business activities and all involved parties, b) the introduction of a comprehensive Sanctions Compliance Policy and c) seeking advice from seasoned sanction experts. Neither the Company nor its subsidiaries, has been finally found in violation of tax laws.

Prevention of Insider Trading

Our employees and their family members are not permitted to buy or sell shares or other securities in the Company, or provide advice related to trading in securities, while in possession of inside information relating to those securities, including the Company's financial instruments and the financial instruments of any customer, supplier, or partner of the Company. A Management Guideline has been established to ensure the proper handling and reporting of inside information applicable for companies listed on the Oslo Stock Exchange. This guideline is in accordance with governing laws and regulations. The statutory duties include, but are not limited to the following requirements:

- + The Company must have procedures to ensure secure handling of inside information
- + The Company shall ensure that a list is drawn up of persons who are given access to inside information, and the list shall be continuously updated
- + Persons given access to inside information shall be made aware of the duties and responsibilities that this entails, as well as the criminal liability associated with misuse or unwarranted distribution of such information
- + The Company must be able to provide documentary evidence that persons with access to inside information are aware of their duties concerning handling of inside information, including the criminal liability, to the Oslo Stock Exchange and the Norwegian Financial Supervisory Authority (NFSA)

If there is any doubt as to whether a person possesses inside information, they are required to contact their immediate superior or the Company's Chief Compliance Officer and advice of legal counsel may be sought. Members of the Board and employees classified as a Person Discharging Managerial Responsibility (PDMR) are subject to additional requirements under the Company's insider trading rules in compliance with Regulation (EU) No 596/2014 on market abuse (MAR).

Data Privacy and Security

We are committed to protecting employee, customer and company data held at MPCC in accordance with our Privacy Policy. We comply with the EU's General Data Protection Regulation (GDPR) and the IMO Resolution on Maritime Cyber Risk Management. There were zero reported data privacy or security breaches in 2022.

Appendices

SASB Disclosure Table

Accounting metric	Unit of measure	2020	2021	2022	SASB code
GREENHOUSE GAS EMISSIONS					
CO₂e emissions					
Gross global Scope 1 emissions: Financial control approach ^a	Metric tons CO ₂ e	1,550,271	1,758,036	1,810,202	TR-MT-110a.1
Gross global Scope 2 emissions	Metric tons CO ₂ e	Not reported	16.38	12.82	Additional (GRI 305-2)
Global Scope 3 emissions: Operational control	Metric tons CO ₂ e	Not reported	Not reported	338,694	Additional (GRI 305-3)
Discussions of long-term and short-term strategy or plan to manage Scope 1 emissions, emission reduction targets, and an analysis of performance against those targets	Qualitative description	2020 report	2021 report	Page 11, 12	TR-MT-110a.2
Reporting on climate related risks and opportunities in line with TCFD recommendations	Qualitative description	2020 report	2020 report	Page 13, 25-28	Additional (GRI 201-2)
Energy consumed					
Total energy consumed	Gigajoules (GJ)	21,579,913	24,508,042	23,736,166	TR-MT-110a.3
	Percentage of energy from heavy fuel (%)	86%	91%	91%	TR-MT-110a.3
	Percentage of energy from renewable/low-carbon sources (%)	0%	0%	0%	TR-MT-110a.3
CO₂e efficiency					
Average Energy Efficiency Design Index (EEDI) for new ships	Grams of CO ₂ e per ton-nautical mil	Not applicable	Not applicable	Not applicable	TR-MT-110a.4
Average Efficiency Ratio (AER): weighted average	Grams of CO ₂ e per ton-nautical mile	13.05	13.70	13.12	Additional
AIR QUALITY					
Other emissions to air					
NO _x (excluding N ₂ O)	Metric tons	34,722	40,186	47,924	TR-MT-120a.1
SO _x	Metric tons	4,845	2,018	4,837	TR-MT-120a.1
Particulate matter	Metric tons	Not disclosed	133	2,115	TR-MT-120a.1
ECOLOGICAL IMPACTS					
Marine protected areas					
Shipping duration in marine protected areas or areas of protected conservation status ¹	Number of travel days	Not disclosed	1,539	2,174	TR-MT-160a.1
Implemented ballast water					
Exchange	Percentage (%)	66%	55%	18%	TR-MT-160a.2
Treatment	Percentage (%)	34%	52%	85%	TR-MT-160a.2
Spills and releases to the environment					
Incidents	Number	0	1	1	TR-MT-160a.3
Aggregate volume	Cubic meters (m ³)	0	5	2.2	TR-MT-160a.3

Accounting metric	Unit of measure	2020	2021	2022	SASB code
BUSINESS ETHICS					
Corruption index					
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	183	1,315	938	TR-MT-510a.1
Corruption					
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	0	0	0	TR-MT-510a.2
EMPLOYEE HEALTH AND SAFETY					
Lost time incident					
Lost time incident rate (LTIR) ^j	Rate	2.03	1.08	0.14	TR-MT-320a.1
Lost time incident frequency (LTIF) ^k	Rate	0.85	0.51	0.68	Additional (GRI 403-9)
ACCIDENT AND SAFETY MANAGEMENT					
Marine casualties					
Incidents ^l	Number	0	9	7	TR-MT-540a.1
Very serious marine casualties	Percentage	0%	11%	0%	TR-MT-540a.1
Conditions of class					
Condition of class or Recommendations ^m	Number	Not disclosed	256	295	TR-MT-540a.2
Port state control					
Deficiencies ⁿ	Rate	1.35	1.23	0.95	TR-MT-540a.3
Detentions	Number	1	¹	1	TR-MT-540a.3

Activity metric	Unit of measure	2020	2021	2022	SASB code
Shipboard personnel ^p	Number	1,216	1,324	1,307	TR-MT-000.A
Total distance travelled by vessels	Nautical miles	4,190,865	4,462,895	4,600,705	TR-MT-000.B
Operating days	Days	23,441	23,567	23,426	TR-MT-000.C
Deadweight tonnage ^o	Thousand DWT	1,801	1,934	2,004	TR-MT-000.D
Vessels in fleet ^o	Number	65	69	68	TR-MT-000.E
Vessel port calls	Number	7,349	6,798	5,914	TR-MT-000.F
Twenty-foot equivalent unit capacity ^o	TEU	131,243	141,381	134,270	TR-MT-000.G

Disclaimers and Assumptions

The figures presented in this report are based on the vessels in our fleet throughout the reporting year.

^a **CO₂ emissions:** Calculations are based on IMO emission factors and fuel consumed for the reporting period. The financial control approach has been applied for Scope 1, which represents vessels owned by MPC Container Ships (including vessels owned through JVs).

^b **Gross global Scope 2 emissions:** Calculations are based on AIB residual mix emissions factors for electricity consumption, as well as IEA European average emission factor for district heating consumed.

^c **Energy consumption:** Calculations are based on fuel use, applying the UK Department for Environment, Food & Rural Affairs' ("DEFRA") conversion factors to calculate energy consumed in gigajoules ("GJ").

^d **Average Efficiency Ratio ("AER"):** Carbon intensity metric estimated based on fuel consumed, distance travelled ("nm"), and deadweight tonnage ("DWT"). Weighted average based on DWTnm.

^e **Other emissions to air:** NOx figures for Wilhelmsen Ahrenkiel Ship Management and joint venture vessels are compiled from real-time performance platform Bluetracker One installed on each vessel. NOx figures for Marlow vessels are calculated based on the consumption reported via their MARS system. NOx figures for Hartmann vessels are compiled through the software "Navigator Insight." SOx and PM figures for all vessels are estimated based on the IMO's Fourth Greenhouse Gas Study 2020 methodology. In cases where detailed engine data for a vessel has not been available, an average figure for the relevant segment has been applied. For more information on the formulas applied, please see the IMO's Fourth GHG Study, pp. 21-24.

^f **Marine protected areas:** The number reported reflect number of days sailed in ECA zones only.

^g **Implemented ballast water:** Only ships performing ballast water exchange with an efficiency of at least 95% volumetric exchange of ballast water have been included. When it comes to treatment, approved systems must discharge (a) less than 10 viable organisms per cubic meter that are greater than or equal to 50 micrometers in minimum dimension and (b) less than 10 viable organisms per milliliter that are less than 50 micrometers in minimum dimension and greater than or equal to 10 micrometers in minimum dimension.

^h **Spills and releases to the environment:** Any overboard spills and releases – intentional or accidental.

ⁱ **Corruption index:** Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index. In the event that two or more countries share rank, all have been included in the scope of disclosure. The list is based on the Corruption Perception Index for 2022.

^j **Lost time incident rate:** The rate is calculated based on (lost time incidents) / (1,000,000 hours worked) and includes incidents resulting in absence from work beyond the date or shift when it occurred.

^k **Lost time incident frequency:** The rate is calculated based on (lost time incidents) / (total exposure hours * 10⁻⁶) and according to BIMCO's shipping KPI methodology.

^l **Marine casualties:** The definition of a marine casualty is based on IMO's Code of International Standards and Recommended Practices for a Safety Investigation into a Marine Casualty or Marine Incident Resolution MSC 255(84), paragraph 2.9, chapter 2 of the General Provisions.

^m **Conditions of class:** The data provided represents the number of Conditions of Class or Recommendations the Group's vessels have received from a Flag Administration or a Recognized Organization that has been delegated the authority to issue such findings. The scope of disclosure includes all Conditions of Class regardless of whether they resulted in withdrawal, suspension, or invalidation of a vessel's Class certificate.

ⁿ **Port state control:** Deficiency rate is calculated using the number of deficiencies it received from regional port state control divided by total number of port state control inspections.

^o The figures include all vessels employed by MPCC throughout the reporting year.

^p The figures represent our fleet at year end.

TCFD Disclosures

GOVERNANCE

1

Describe the Board's oversight of climate-related risks and opportunities

In accordance with the principles supporting value-based management, the Board places significant importance on systematic risk management. This is done by identifying existing and potential risk exposures, which satisfies the requirements set out in law and ensures the Company's governance remains fit for purpose in a highly dynamic market environment.

In 2022 MPCCC undertook a Climate Risk Review, with support from an independent expert. The review has been presented to the Board. The review covered risk categories described in the TCFD framework, namely physical, regulatory, market, technology, and reputational risks (and opportunities).

Climate-related risks and opportunities are regularly reviewed as part of its overall responsibility for risk governance by the Board. Going forward, the Board will receive quarterly updates on climate risk, including emerging regulations, developments in the Company's performance on the decarbonization strategy, emissions reduction trajectories, and technological developments.

2

Describe management's role in assessing and managing climate-related risks and opportunities

The executive management regularly reviews climate-related risks and opportunities, as part of its daily operations, which contributes to the Company's strategy and enterprise risk management approach. MPCC has conducted an assessment of all relevant risk and opportunity areas, including operations, contracts, and charter parties. Identified risks have been defined and specific countermeasures developed.

In 2022, the executive management completed the following projects, where climate-related risks and opportunities were assessed, or that contributed to the assessment of or deployment of countermeasures for climate-related risks and opportunities:

- + ESG Strategy review
- + TCFD-aligned climate risk review
- + Decarbonization trajectory study
- + Scope 3 GHG emission identification and analysis
- + Green finance framework development
- + EU Taxonomy alignment analysis
- + Automation of collection and reporting of climate-related data including GHG emissions

All material climate-related risks and opportunities are reported to the Board. The Risk & Audit Committee act as a preparatory and advisory body for the Board for risk management.

STRATEGY

3

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term

See separate risks and opportunities table below.

<p>4</p> <p>Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning</p>	<p>See separate risks and opportunities table below.</p> <p>In 2022, MPCC undertook a climate risk review and decarbonization trajectory analysis to understand how climate risks and opportunities are likely to impact the business. Using information from these sources and its ongoing monitoring of GHG emission performance across the fleet, MPCC believes it is well-positioned to absorb, mitigate, or adapt to climate-related risks and, in some cases, may exploit available opportunities. This position is supported by the following assertions:</p> <ul style="list-style-type: none"> + The financial strength of the business and ability to execute on its financially-planned, long-term fleet renewal program. + Development of a business model with demonstrable alignment to the EU Taxonomy. + Ongoing investment in and updating of the knowledge and capability of human capital within the business to respond to climate-related risks and opportunities. + A focused, well-resourced, and regularly reviewed ESG Strategy which has Climate as the central theme. + The ready availability and high quality of climate-related data and information on which to make business, strategic, and financial decisions. + The resilience of the existing business model, financial planning, and strategic approach to respond to a wide range of forecasted climate scenarios.
<p>5</p> <p>Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2-degree Celsius or lower scenario</p>	<p>MPCC have assessed a range of decarbonization options based on different climate scenarios, ranging from business-as-usual to a 2-degree Celsius or lower scenario, and how these will affect our business. Our work in this area is designed to ensure that our business strategy can be refined to better meet future scenarios, including current and forecasted regulatory requirements. For us, the approach to emissions reductions will be mainly through investments in new assets and technology, with a planned long-term fleet renewal program in place.</p> <p>Reduction pathways required to achieve various climate goals have been analyzed, including the current 2030 and 2050 climate targets defined by IMO and in the Paris Agreement. Our strategy is evolving in response to these and a range of various future climate scenarios, with the aim to adapt as required and ensure that resilience is built in, as described in point 4, above.</p>
<p>RISK MANAGEMENT</p>	
<p>6</p> <p>Describe the organization's processes for identifying and assessing climate-related risks</p>	<p>In 2022, MPCC undertook a climate risk review and decarbonization trajectory analysis to understand its climate risks and opportunities.</p> <p>Risk management is an integrated part of our daily operations and management processes. Every quarter, enterprise risks, including climate risks, are presented to the Board, based on input from technical managers. The Board and the executive management also have an ongoing dialogue during Risk & Audit Committee meetings regarding climate-related risk, such as fleet performance, and investment decisions.</p>
<p>7</p> <p>Describe the organization's processes for managing climate-related risks</p>	<p>Climate risk management is integrated in our overall risk management processes, as it is part of assessing the effect of regulatory and propulsion technology developments.</p> <p>Through (i) quarterly reviews of the Company's most prominent areas of risk exposure and its internal co</p> <p>& Audit Committee, the Board aims to ensure that the Company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the Company's activities.</p>
<p>8</p> <p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management</p>	<p>The risk management approach to climate-related risks has been updated and incorporated into Board and management processes. It is based on assessing the likelihood and impact of developments and performance of the risks MPCC faces or may face. When the combination of likelihood and impact for a certain factor constitutes a sufficiently high level of risk, that risk is included in the Company's overall risk management processes.</p>

METRICS AND TARGETS

9

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk process

MPCC measures total GHG emissions (Scope 1, 2 and 3) in CO₂ equivalents. We apply the IMO CII Carbon Intensity Indicator and report our Average Efficiency Ratio (AER) measured as grams of CO₂ per deadweight ton-nautical mile. We have contributed to the development of a tool for the live monitoring of CII values of each vessels.

10

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks

See climate and emission reporting in the Climate and Environment section on pages 11-15 of the ESG Report for 2022

11

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets

A decarbonization trajectory study was completed in 2022 to understand how different trajectories could be achieved and how they would impact the business. Our target setting is based on the results of the study and the monitoring of fuel efficiency and GHG emissions on a vessel-by-vessel basis.

We aim to maintain an average C-rating as a minimum for our fleet in the IMO ship-rating systems. We will adjust our targets when appropriate to ensure that they are ambitious enough given regulatory and technological developments.

PHYSICAL RISKS

- + Physical risks may have financial implications for the Company, such as direct damage to assets and indirect impacts from disrupted operations.
- + Extreme weather / increased frequency of extreme weather and related knock-on effects that cause disruption to operations, e.g., delays and port closure.
- + Extreme weather / increased frequency of extreme weather and related knock-on effects that cause disruption to and impacts on MPC Container Ships customers' activities, operations, and markets. Including similar indirect effects further down the value chain.
- + Health and safety impacts on workforce caused by extreme weather events, e.g., injuries caused by increased wave height, higher storm frequency and prolonged duration of extreme weather events.

REGULATORY RISKS

- + The Company is exposed to changes in legal, tax and regulatory regimes within relevant jurisdictions as well as potential private litigation and public prosecution. The Company seeks to mitigate legal risks by maintaining a well-functioning risk management system, management guidelines, and dedicated compliance and legal functions within the organization.
 - + In the current geopolitical context, there are newly introduced and further strengthened sanction regimes, and legal risk exposure is elevated.
 - + Increasing carbon costs and shipping becoming part of the EU ETS will impact the cost of transportation.
 - + Impacts of speed of regulatory shift on business planning, strategy, and cost structures to comply with new and additional regulation.
-

MARKET RISKS

- + Changing customer requirements and contract risks – meeting market expectations for emission profiles of vessels.
- + The volatility of the fuel market poses a potential risk. Regulation can increase product prices, however fuel prices can be particularly volatile in this regard.
- + Impacts on business planning, strategy, and cost structures to meet new and evolving market requirements.
- + Shift from passive disclosure requirements to demonstration of an action-oriented approach.

TECHNOLOGY RISKS

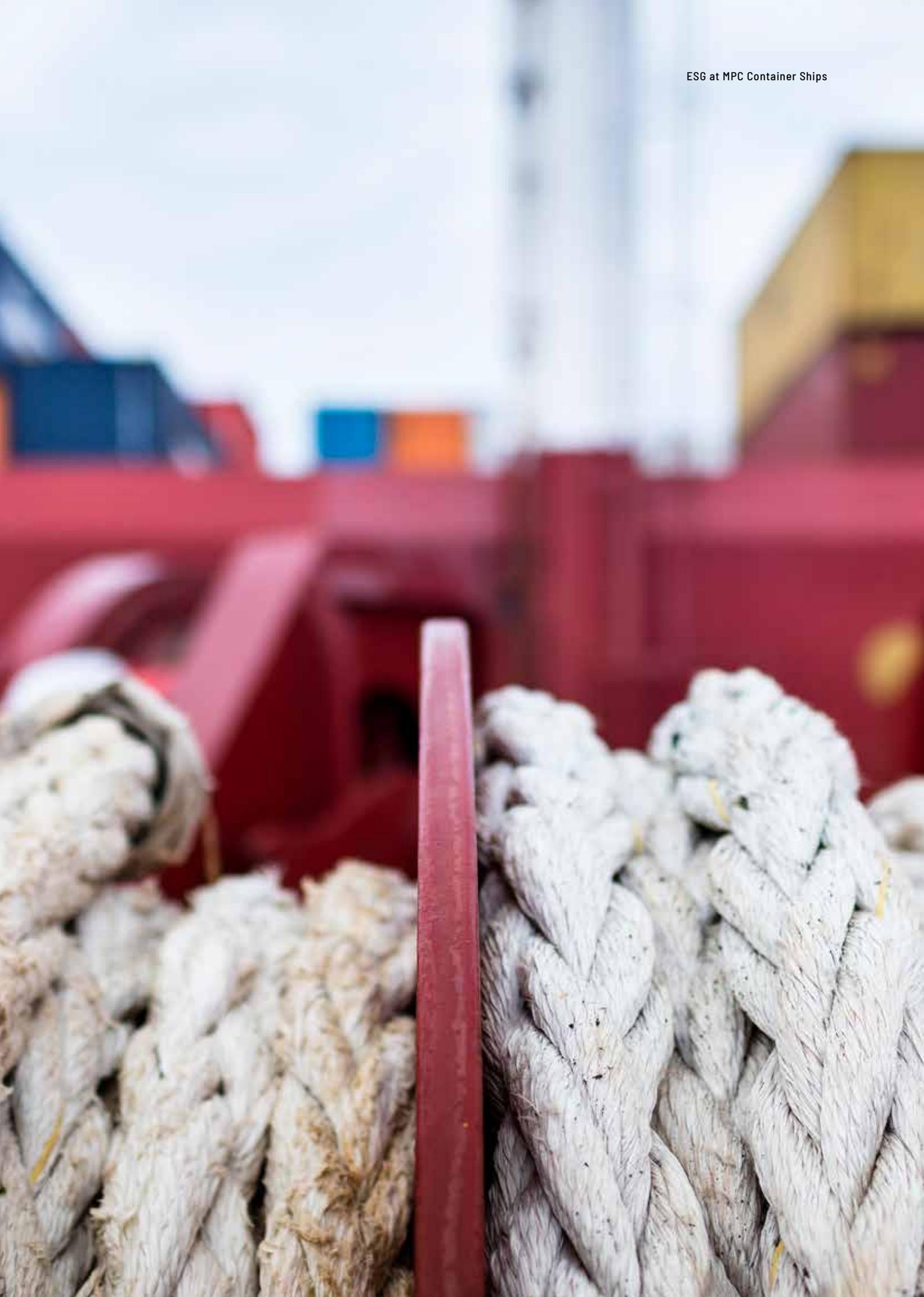
- + IT and cyber risks make up an increasing share of a company's risk universe. The Company purchases IT services from third parties that offer comprehensive security strategies which closely match the Company's business objectives.
- + Viable technologies to fully transition to the low-carbon solutions does not currently exist, and dual fuel options are limited by the lack of the relevant infrastructure required to adopt this technology.

REPUTATIONAL RISKS

- + Reputational effects related to spills, routes affecting ecosystems and biodiversity.
- + Below average fuel efficiency performance.

OPPORTUNITIES

- + The container market is now normalizing following a positive cycle. This provides a potential opportunity to rejuvenate the fleet with more efficient vessels at a lower cost relative to the peak prices experienced over the last 24 months to become the recognized low carbon tonnage provider of choice and preferred chartering partner.
- + High ESG performance driving an enhanced reputation.
- + Container shipping is the dominant method of international transportation, and as global trade will rely on container shipping for the foreseeable future, there will likely be increased demand for energy-efficient and environmentally friendly vessel operations.
- + Adaptation leading to improved operational performance.
- + Technological opportunities for improving and increasing the efficiency of onboard systems, including alternative fuels and hybrid technology.
- + There are opportunities in developing partnerships with leading industry actors, such as MMMCZCS and ABS, to accelerate decarbonization.
- + Accelerating business relationships with selective carriers by financing and implementing joint projects to improve ships' efficiency and consequently reduce fuel consumption.
- + Gaining access to alternative financing paths like green and/or sustainable finance and reducing the costs of capital.



GRI-Index

GRI standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 34
	2-2 Entities included in the organization's sustainability reporting	See Annual Report for 2022 Entities are included/excluded upon commercial closing of transaction.
	2-3 Reporting period, frequency and contact point	The ESG report covers the calendar year of 2022, and is published on an annual basis. Financial reporting covers the same period (January 1 - December 31). The ESG report is published in March 2023. Contact point for questions about the reported information: Investor Relations at ir@mpc-container.com
	2-4 Restatements of information	Not applicable
	2-5 External assurance	Not applicable
	2-6 Activities, value chain and other business relationships	Annual Report page 9 et seq. www.mpc-container.com/company/container-shipping Our value chain includes our technical managers (link to various suppliers and crew managers), direct supplier (e.g., for BWTS), commercial managers, insurance companies, banks, charterers, freight forwarders, port operator and agency, operator transport infrastructure.
	2-7 Employees	Page 16 et seq.
	2-8 Workers who are not employees	Page 16 et seq.
	2-9 Governance structure and composition	Annual Report page 24 et seq. www.mpc-container.com/company/board-of-directors
	2-10 Nomination and selection of the highest governance body	Annual Report page 27 et seq.
	2-11 Chair of the highest governance body	The Chairman of the Board of Directors is the CEO of MPC Capital (MPC Münchmeyer Petersen Capital AG).
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 8
	2-13 Delegation of responsibility for managing impacts	Page 8
	2-14 Role of the highest governance body in sustainability reporting	The ESG committee is responsible for reviewing and the Board is responsible for approving the annual ESG Report.
	2-15 Conflicts of interest	Managed according to our Code of Conduct.
	2-16 Communication of critical concerns	Page 19
	2-17 Collective knowledge of the highest governance body	Workshops and meetings with external experts to discuss policies and processes related to ESG. Developed eLearning to increase knowledge throughout the organization and amongst suppliers
	2-18 Evaluation of the performance of the highest governance body	The ESG committee controls, evaluates, and contributes to the performance of the highest governance body on ESG in regular committee meetings, at a minimum of four times a year.
	2-19 Remuneration policies	Annual Report / Remuneration Report page 32
	2-20 Process to determine remuneration	Annual Report / Remuneration Report page 32
	2-21 Annual total compensation ratio	Not disclosed
	2-22 Statement on sustainable development strategy	Page 6
	2-23 Policy commitments	Page 8
	2-24 Embedding policy commitments	Page 8
	2-25 Processes to remediate negative impacts	Page 19

GRI standard	Disclosure	Location
	2-26 Mechanisms for seeking advice and raising concerns	Page 19
	2-27 Compliance with laws and regulations	No significant instances of non-compliance with laws and regulations during the reporting period.
	2-28 Membership associations	Page 10
	2-29 Approach to stakeholder engagement	Page 10
	2-30 Collective bargaining agreements	0% of employees covered by collective bargaining agreements. Working conditions and terms of employment are not based on collective bargaining agreements.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 5
	3-2 List of material topics	Page 5
Material topic: GHG emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 11 et seq.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 22
	305-2 Energy indirect (Scope 2) GHG emissions	Page 22
	305-3 Other indirect (Scope 3) GHG emissions	Page 22
	305-4 GHG emissions intensity	Page 13
	305-5 Reduction of GHG emissions	Page 13
GRI 302: Energy 2018	302-1 Energy consumption within the organization	Page 22
	302-2 Energy consumption outside the organization	Page 22
GRI 201: Economic Performance 2018	201-2 Financial implications and other risks and opportunities due to climate change	Page 13 et seq., Annual Report page 20 and page 51, TCFD Disclosures page 25-28
Material topic: Responsible ship recycling		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 15
Norwegian Shipowners' Association's Guidelines for ESG reporting in the shipping and offshore industries	Metric: Responsible ship recycling	Page 1
Material topic: Non-GHG emissions and waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 11 et seq.
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	Page 22
SASB: TR-MT-160a.2	Implemented ballast water	Page 22
SASB TR-MT-160a.3	Spills and releases to the environment	Page 22
Material topic: Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 13 et seq.,
SASB TR-MT-160a.1	Shipping duration in marine protected areas or areas of protected conservation status	Page 22
Material topic: Ethical business conduct		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 19 et seq.
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 19 et seq.
	205-2 Communication and training about anti-corruption policies and procedures	Page 19 et seq.
	205-3 Confirmed incidents of corruption and actions taken	Page 19 et seq.

ESG at MPC Container Ships

GRI standard	Disclosure	Location
SASB: TR-MT-510a.1	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Page 23
SASB: TR-MT-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Page 23
Material topic: Data privacy and security		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 21
Material topic: Supply chain		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 18
Material topic: Diversity and inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 16 et seq.
MPC Own Disclosure	Number of female Group employees (% of total)	Page 18
MPC Own Disclosure	Number of female seafarers (% of total)	Page 18
Material topic: Safety, health, and well-being		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 16 et seq.
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Page 23
SASB: TR-MT-320a.1	Lost time incident rate (LTIR)	Page 23
SASB: TR-MT-540a.1	Marine casualties	Page 23
Material topic: Safety, health, and well-being		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 16, 17, 19



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