

SUSTAINABILITY REPORT 2023



OPERATIONAL HIGHLIGHTS 2023

Deadweight Tonnage

2,027

(thousand DWT)

Compliance Training
Completion Rate

100%

Total Distance Traveled

4.5

(Million nm)

Seafarers

1,380

Operating Days

22,747

Number of Vessel
Port Call Days

5,983

About MPC Container Ships

MPC Container Ships ASA (the Company or MPCC) is a leading container tonnage provider focusing on small to mid-size container ships, listed on the Oslo Stock Exchange. Its main activity is to own and operate a portfolio of container vessels serving regional and intra-regional trade lanes on time-charters. Our annually published ESG report describes the Company's impact on people and the environment, together with the financial risks and opportunities that sustainability related events can present for MPCC. More information on MPCC operations is included in the [GRI Index](#) in the Appendix of this report.

The Company is registered and has its headquarters in Oslo, Norway with offices in Hamburg, Germany and Rotterdam, the Netherlands.

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About the report

MPCC's ESG report describes the Company's impact on the environment, climate, and society, including the transition to a zero-emission society. The report evaluates how the Company is responding to the financial risks and commercial opportunities that may arise from such impacts.

The ESG performance data in this report covers the period from January 1 to December 31, 2023. The report has been prepared on a consolidated basis and covers the impact of MPCC's operations and value chain.

As an Oslo Stock Exchange listed Company, MPCC follows the Euronext Guidelines for ESG reporting. This report is prepared in accordance with the Sustainability Accounting Standards Board's (SASB) Marine Transportation Standard (2023) and with reference to the Global Reporting Initiative (GRI) Standards. The Norwegian Shipowners' Association (NSA) Guidelines for ESG reporting in the shipping and offshore industries (updated 2021) have also been followed.

MPCC's ESG and Corporate Governance Reports are developed in accordance with the Norwegian Accounting Act and the recommendations of the Norwegian Corporate Governance Board. Both reports are published together with the Annual Report and are available on the Company's website.

CEO LETTER



Constantin Baack
Chief Executive Officer



Our commitment to sustainability is a fundamental driver of value creation over time.

Dear shareholders, as we reflect on the past year and set our sights on the journey ahead, it is essential to acknowledge the intricate landscape in which MPC Container Ships operates. Geopolitical tensions, exemplified by wars in Ukraine and Gaza, continue to present formidable challenges to international shipping. Extensive rerouting of vessels around the Cape of Good Hope in recent months have significantly impacted freight rates and operational logistics, underscoring the resilience required in our industry amidst global turbulence.

At MPCC, we recognize the importance having Environmental, Social, and Governance (ESG) considerations integrated into our strategic objectives, and our commitment to sustainability is a fundamental driver of value creation over time. As we navigate market dynamics and challenges, our ESG efforts serve as guiding principles, shaping our decisions and investments to maximize shareholder returns while mitigating risks.

Environmental Leadership: Reducing Our Carbon Footprint

One of our primary environmental objectives is the reduction of our greenhouse gas (GHG) emissions intensity in alignment with the International Maritime Organization's (IMO) trajectory. In pursuit of this ambitious target, we have over the past two years taken decisive actions, including ordering dual-fuel methanol and eco-design newbuildings, retrofitting existing vessels for enhanced efficiency, and selling many of our older and less efficient vessels. Our recent partnership with Unifeeder for the construction of another dual-fuel

methanol newbuilding, announced in January 2024, underscores our commitment to reducing carbon emissions while safeguarding long-term shareholder value.

To achieve our targets, we have committed to substantial fleet renewal and optimization investments of approximately USD 400 million, comprising dual-fuel and eco-design newbuildings, secondhand eco-vessel acquisitions, and joint retrofit investments with our charter customers. MPCC also invested in German e-fuel company, INERATEC, and signed the industry's first offtake agreement for sustainable marine diesel oil (MDO), with delivery starting in 2024.

Through our ambitious investment program, we will significantly enhance the efficiency of our fleet and reduce our carbon footprint, but importantly, by taking a collaborative approach in our ESG initiatives, we also create long-term shareholder value by extending

charter contracts and enhancing the long-term competitiveness of our fleet.

Our ESG efforts are not only about mitigating risks but also about seizing opportunities to create long-term value for our shareholders. Through strategic partnerships and fleet renewal investments, we aim to drive sustainable growth while maintaining a low-leverage structure that allows for dividend distributions and capital allocation aligned with ESG principles.

Social Responsibility: Ensuring Safety and Well-being

We are passionate about safeguarding and improving the safety and well-being of our employees onshore and the crews aboard our vessels. By fostering a supportive work environment and investing in safety culture, we aim to mitigate risks and ensure the welfare of all individuals involved in our operations.

This year, the war on Gaza and subsequent Red Sea Crisis resulted in shipping companies diverting vessels around the Cape of Good Hope. At MPCC, we immediately responded by avoiding transit through the Red Sea, placing our crews' safety above all else.

In 2022, we conducted a comprehensive crew well-being survey, which informed our practices and investments across our fleet. The assessment led to notable enhancements, such as improved access to recreational facilities and dietary options onboard. We have also provided information on mental health and nutrition topics and established a mental health support service via our ship managers. In 2024 we are continuing to invest in various improvements, including the installation of Starlink connectivity aboard all our

vessels. This will ensure that our crews can enjoy enhanced and unlimited broadband access, allowing for seamless communication with their families, while also elevating operational control and efficiency through improved real-time dialogue between ship managers and vessel crews. Building upon this foundation, MPCC will be undertaking a new crew well-being survey in 2024.

Governance and Regulatory Compliance

Both as a shipping company and as a publicly listed entity we face a rapidly evolving industry- and regulatory landscape, and our sustainability efforts are not confined to environmental initiatives alone. Governance forms the foundation of our ethical and responsible business approach, and we strive to operate with transparency, integrity, and accountability at every level of our organization.

Operationally, we are well-prepared for new regulatory developments and were early in preparing for CII and EU ETS, for instance by teaming up with software company, Zero44, supporting the development of tool for live monitoring of CII and required emission allowances. Furthermore, in 2023, we took an important step in our ESG management by completing our first CSRD compliant double materiality assessment (DMA), to understand and quantify our climate impacts. This assessment will contribute significantly in shaping our sustainability practices going forward across environmental, social, and governance dimensions.

Charting a Course for Long-Term Sustainable Operations

In closing, our commitment to ESG principles is not just a reflection of our values; it is a strategic imperative for sustained success in

a rapidly evolving industry. As we continue to navigate the evolving industry, facing both challenges and opportunities on the horizon, I am optimistic about the journey ahead. I would like to thank our dedicated and hard-working colleagues, seafarers, and partners for their continued support and contributions to these important efforts.

I hope this report provides insight into our ongoing commitment to sustainability and invite you to engage with us further. Your interest and feedback are invaluable as we continue to drive positive change in the shipping industry.

Sincerely,



Constantin Baack
Chief Executive Officer
MPC Container Ships ASA



ESG AT MPC CONTAINER SHIPS

The shipping industry is evolving rapidly, with a strong focus on reducing greenhouse gas emissions. The goal of achieving net zero by 2050 has been reflected in the most recent IMO update. These developments bring forth new challenges, including the need for substantial investments in new technologies and operational practices.

MPCC'S STRATEGY FOR SUSTAINABLE SHIPPING

At MPCC, we are committed to following this ambition and taking part in driving forward the industry's transition together with partners. Our strategy not only involves meeting regulatory demands but also excelling in a market that values environmental responsibility. We aim to attract customers and investors dedicated to sustainability by actively advancing our decarbonization efforts. Our approach encompasses Environment, Social, and Governance (ESG) aspects, as we strive to enhance our operational structures, minimize our environmental impact, and capitalize on emerging opportunities while mitigating risks.

Our commitment to sustainability is embedded in our vision for sustainable container shipping connecting the world's ports to serve people's needs. We aim to be seen by customers, investors, and the industry as a proactive and responsible shipowner. By embedding ESG principles in our strategy, we ensure resilience and compliance amidst changing regulations, aiding our customers in achieving their sustainability goals.

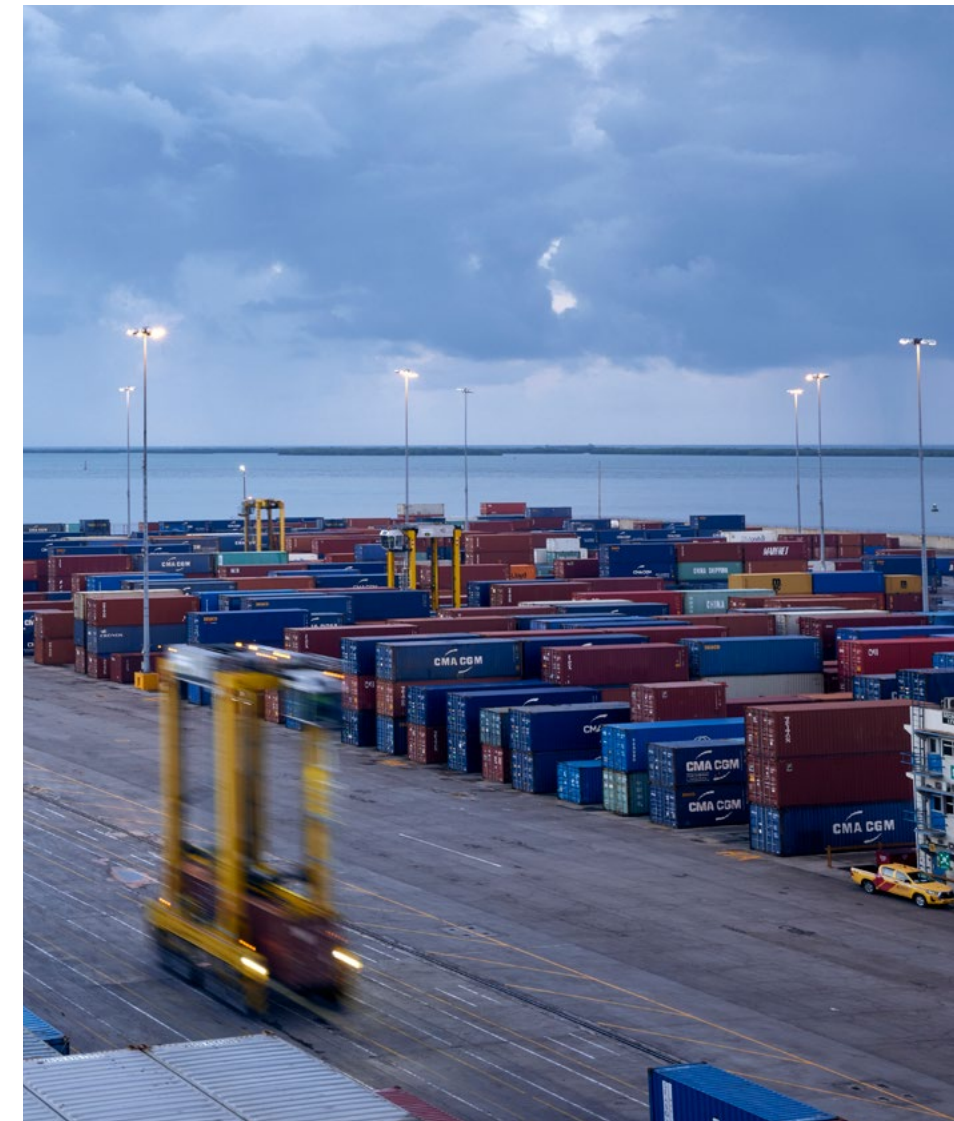
In 2023, we undertook various projects to better understand and quantify our climate impacts. These efforts led to new climate targets, involving a comprehensive analysis of our indirect Scope 3 emissions, and the establishment of a clear decarbonization trajectory.

Furthermore, underpinning our decarbonization efforts, MPCC has, in 2023, divested 13 older less efficient vessels and acquired seven modern vessels, of which five eco-design vessels. In early 2024, the Company entered into a contract for joint construction of a new 1,300 TEU dual-fuel methanol vessel with Unifeeder, which is scheduled for delivery in 2026. This latest investment adds to MPCC's existing newbuilding pipeline, with four newbuilds already in development and scheduled for delivery in 2024, comprising two 1,300 dual-fuel methanol vessels and two 5,500 TEU eco-vessels with possibility for conversion to operate on methanol in the future. In 2023, MPCC also initiated a retrofit investment program in partnership with charter customers, which will extend into 2024 and is aimed at enhancing the efficiency of its existing fleet. In total, MPCC has resolved a total investment commitment of USD 400 million into its extensive fleet renewal efforts.

A pivotal aspect of MPCC's strategic sustainability work in 2023 was completing its first CSRD compliant double materiality assessment (DMA). This assessment not only informs reporting but also shapes sustainability practices at MPCC, resulting in the following positioning on ESG:

Environmental Commitment

We are dedicated to reducing greenhouse gas emissions and responding proactively to regulatory changes. Recognizing our role in



intra-regional trade, we emphasize mitigating pollution impacts and evolving with environmental regulations. We recognize the importance of efficient waste management and responsible resource usage with the aim to lessen our environmental footprint. Global biodiversity loss is a complex and interconnected environmental issue and we aim to explore options in limiting our potential negative impact in the future. We strive to reduce our environmental impact and actively promote sustainable shipping practices.

Social Responsibility

Creating a supportive and safe work environment for both onshore employees and the crew at sea is vital for our long-term success. We are committed to preventing talent depletion and retaining key employees. Recognizing the health and safety challenges in the maritime industry, particularly in offshore operations and ship recycling, we prioritize fair and safe working conditions. Engaging continuously with suppliers, we aim to maintain high standards of safety and fairness throughout our value chain.

Governance and Ethics

Our governance framework is built on principles of transparency, trust, and collaboration. We foster a culture of accountability and ethical behavior, ensuring that our employees and crews aboard our vessels adhere to the highest integrity standards. Strong supplier relationships, fair payment practices, and active engagement are crucial aspects to addressing human rights risks in our supply chain. Through continuous training, we empower our team to identify and prevent corruption, bribery, and money laundering, thus maintaining stakeholder trust and upholding our commitment to ethical business practices.

Building on our strategic ESG objectives, MPCC will focus on three core strategic priorities:

- 1 Environment: Achieving Net Zero by 2050.**
 We are committed to significantly reducing our carbon footprint, with a target to reduce GMG emissions intensity by 35.5% by 2030 from a 2022 baseline and to net zero by 2050, in line with the IMO carbon intensity trajectory. These ambitious targets will guide our decisions and investments, ensuring that we contribute positively to global environmental efforts.
- 2 Social: Extending our Strong Culture for Safety and Well-Being.**
 The safety and well-being of our employees and crews aboard our vessels are paramount. We aim to extend and deepen our safety culture, reinforcing safe practices in every aspect of our operations. This extends from onshore offices to the decks of our ships, ensuring that safety is ingrained in our company's DNA. Furthermore, we will continue to invest in understanding, and adding solutions to enhance, crew well-being aboard our vessels.
- 3 Governance: Alignment with CSRD by 2025.**
 Governance forms the backbone of our ethical and responsible business approach. We are dedicated to full alignment with the Corporate Sustainability Reporting Directive (CSRD) by 2025. This commitment reflects our dedication to transparency, accountability, and ethical practices across all levels of our operations.

These strategic priorities are designed to propel MPCC towards a sustainable, responsible, and ethical future. They will guide our actions and decisions, ensuring that we not only meet but exceed the expectations of our stakeholders in environmental stewardship, social responsibility, and governance excellence.

MEMBERSHIPS AND INITIATIVES

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



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 towards a net zero future for our industry. In April 2022, MPCC provided concrete support by seconding an employee to the Center in Copenhagen. During 2023 two additional employees joined projects of the center. The seconded employee 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 as well as synthetic fuels to foster the necessary transition of the maritime industry.

Getting to Zero Coalition

Getting to Zero Coalition

The Getting to Zero Coalition is committed to get 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

MPCC is a member of the Clean Shipping Alliance. The 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 our vessels, a member of the German Shipowners' Association (VDR). The VDR aims to facilitate common and 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. Version 2 of the Eyesea app was launched in late 2023 and the app is available on Google Play and in the Apple App Store. MPCC encourages use of the app and the recording of ocean, coastal, waterway, and urban pollution, to effectively highlight areas in need of clean-up.

In 2023, Eyesea began development of a pollution management platform, which will allow area administrators to receive real time pollution reports and alerts in a geofenced area. The system will allow for direct communication with community groups and app users to organize clean-up operations and pollution event responses.

MPCC has provided extra funding and support for our partnership in Vasai, India, which has resulted in:

- + 70 clean-up operations over 2022-2023.
- + The provision of PPE, water, tools, and cleaning materials to 3,938 volunteers.
- + Over 46,500 kg of plastic and pollution removed.
- + 2,981 kgs of recyclable plastics collected from households in Papdy, Mercedes, Remedy.
- + Regular presentations to schools and community groups.



Maritime Anti-Corruption Network

MPCC is a member of the Maritime Anti-Corruption Network (MACN) – a global business network working towards the vision of 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 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.



The Silk Alliance

MPCC joined the Silk Alliance in 2023, a program focusing on creating and implementing a green corridor roadmap based around a decarbonization plan for a fleet that predominantly operates and refuels in Singapore, which includes different vessel types trading across multiple ports from the Pacific Islands, Southeast Asia, North Asia to East Africa. The Silk Alliance seeks to expand to a wider demand sector and grow to include other ship types, fuel producers and governments. This allows refinement and deployment of the First Mover Framework to generate data to which decisions can be made, including the scope and timing of green corridors. The initiative will allow the fuel supply and fleet sides to overcome the chicken-or-egg dilemma in generating demand for low-to-zero carbon fuels.

WORKING WITH STAKEHOLDERS

STAKEHOLDERS	TOPICS OF INTEREST TO STAKEHOLDER	ARENA OF DIALOGUE	REGULARITY	MPCC'S FOLLOW-UP
 Employees	<ul style="list-style-type: none"> + Facilitating an environment for committed employees + Creating a mindful culture + Climate, environmental impact + Business ethics, training 	<ul style="list-style-type: none"> + Intranet, management communication + Performance appraisal + Code of conduct 	<ul style="list-style-type: none"> + Daily, Weekly, Monthly, Quarterly, Annually 	<ul style="list-style-type: none"> Involved through employers' daily dialogue with managers Involved through internal communication channels Involved through weekly jour fixe meeting involving all employees
 Customers and Collaboration Partners	<ul style="list-style-type: none"> + Climate, environmental protection, human rights + Proper and efficient use of resources + Innovation 	<ul style="list-style-type: none"> + Customer meetings + Continuous dialogue + Fairs 	<ul style="list-style-type: none"> + Daily, Weekly, Monthly, Quarterly, Annually 	<ul style="list-style-type: none"> Customer conversations with key customers Engagement in customer dialogue in projects Participation in professional and industry forums
 Suppliers	<ul style="list-style-type: none"> + Climate, environmental protection, human rights, child labor + Business ethics, compliance, governance, labor regulations and standards + Working conditions 	<ul style="list-style-type: none"> + Meetings + Code of conduct + Business Partner Guideline 	<ul style="list-style-type: none"> + Monthly, Quarterly, Annually 	<ul style="list-style-type: none"> Early-stage involvement of suppliers Raising expectations to suppliers of HSEQ matters Concrete contract requirements
 Authorities, NGOs, and Industry Groups	<ul style="list-style-type: none"> + Anti-corruption + Regulatory compliance + Updates on status of fleet and development + Trends and opportunities + Technology, R&D with focus to reduce environmental footprint 	<ul style="list-style-type: none"> + Regular dialogue + Meetings and discussions + Sponsorships + Presentations and guest speakers 	<ul style="list-style-type: none"> + Quarterly, Annually 	<ul style="list-style-type: none"> Initiation of dialogue and participation in public debates on topics related to environmental and climate targets and industry standards Contribution of expertise and open for all consultations
 Financial Community, Investors and Owners	<ul style="list-style-type: none"> + Financial results + Market outlook + Compliance and governance + Strategy 	<ul style="list-style-type: none"> + Phone and email communication + Investor meetings and roadshows + Press releases + Annual and quarterly reports and presentations + Conferences 	<ul style="list-style-type: none"> + Daily, Weekly, Monthly, Quarterly, Annually 	<ul style="list-style-type: none"> Frequent and transparent reporting Senior management is always available for 1:1 meetings outside of reporting periods Participating in forums, events and conferences

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

In 2023 we updated our materiality assessment to incorporate the principle of double materiality. This transition enabled us to begin identifying, assessing, and reporting on the topics where our business has an impact on the environment and society, and on material sustainability factors that affect MPCC's ability to create financial value over time.

The DMA process began with the development of a longlist of potentially material topics. This list was refined through engagement with 16 internal and external stakeholders. The stakeholders helped identify relevant impacts, risks, and opportunities (IROs) in our own operations and value chain given the activities, business relationships, and operating geographies of the Company. The relevant stakeholders were chosen to ensure the presence of expert insight across topics and access to high-quality information. The scoring of IROs was conducted based on internal documentation (21 core documents) and stakeholder dialogue. The scoring was completed according to objective scoring parameters outlined by the European Sustainability Reporting Standards (ESRS). This entailed relying on quantitative scoring approaches, both for impact materiality and financial materiality, with thorough rationales for the assessments being provided based on quantitative and qualitative data. The use of quantitative scoring allowed for easy prioritization between topics. The outcome of the DMA was anchored at executive management level to validate assessments and thresholds and sense-check the outcome.

Materiality Matrix

Sustainability matters (SMs), referred to in the ESRS as including topics and sub-topics, can be material from an impact or financial perspective or both (double material). In total, 23 SMs were deemed material for MPCC spanning over environmental (E), social (S), and governance (G) themes.

Moving forward we will report our progress in managing the impacts, risks and opportunities connected to these different topics.

For 2023 reporting, MPCC is still in a transition phase, as the Company looks to align to the CSRD. Having now completed the DMA, our next step will require the Company to collect data, establish policies, targets, and interim action plans before MPCC will be fully prepared to report in compliance with the new EU regulation. Over the coming year, MPCC will be actively working on closing relevant gaps to further improve the comprehensiveness of its sustainability reporting.

On the following page is a complete list the topics deemed material for MPCC.



Topics Confirmed as Material for MPCC

DOUBLE MATERIAL TOPICS

- E1 Climate change mitigation
- E2 Pollution of air
- E2 Pollution of water
- E2 Substances of concern
- E2 Substances of (very high) concern
- S1 Working conditions of own workers
- S1 Health & safety of own workers
- S2 Working conditions of supply chain workers
- G1 Management of relationships with suppliers including payment practices

IMPACT MATERIAL TOPICS

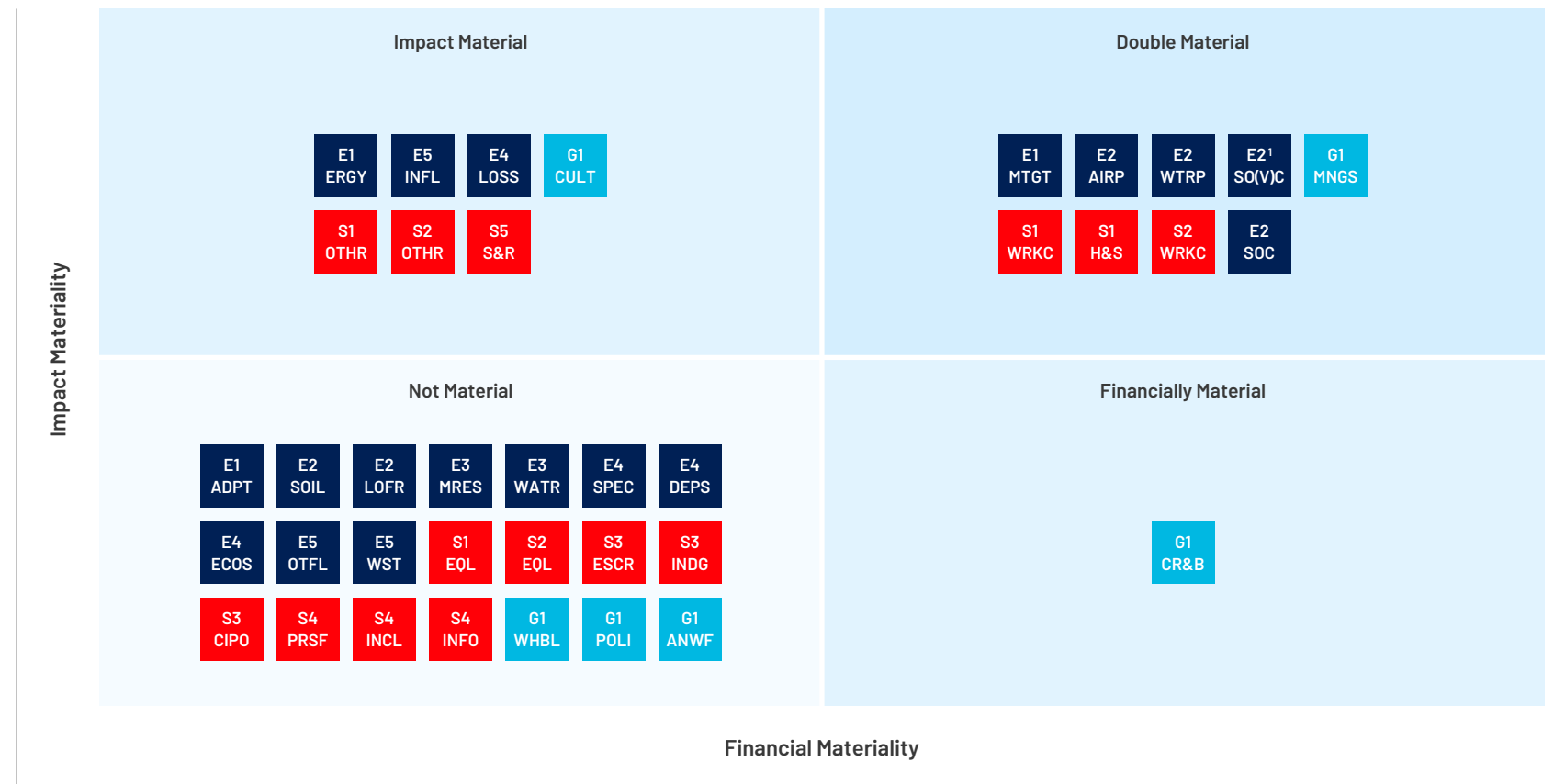
- E1 Energy
- E4 Direct impact drivers on biodiversity loss
- E5 Resource inflows including use
- S1 Other work-related rights of own workers
- S2 Working conditions of supply chain workers
- S5 Search and rescue
- G1 Corporate culture

FINANCIALLY MATERIAL TOPICS

- G1 Corruption & bribery

DOUBLE MATERIALITY MATRIX (HIGH-LEVEL)

■ Environmental ■ Social ■ Governance



¹ Counting for 2 sustainability matters under E2: Substances of concern and substances of high concern

MPCC Index of Sustainability Matters

E1 ADAPT Climate change adaptation	E3 WATR Water	S1 H&S Health & safety of own workers	S4 PRSF Personal safety of consumers and/or end users
E1 MTGT Climate change mitigation	E3 MRES Marine resources	S1 EOL Equal treatment and opportunities for all own workers	S4 INCL Social inclusion of consumers & end-users
E1 ERGY Energy	E4 LOSS Direct impact drivers on biodiversity loss	S1 OTHR Other work-related rights of own workers	S5 S&R Search and rescue
E2 AIRP Pollution of air	E4 SPEC Impact on the state of species	S2 WRKC Working conditions of supply chain workers	G1 CULT Corporate culture
E2 WTRP Pollution of water	E4 ECOS Impact on the extent and conditions of ecosystems	S2 EOL Equal treatment and opportunities for all supply chain workers	G1 WHBL Protection of whistle blowers
E2 SOIL Pollution of soil	E4 DEPS Impacts and dependencies on ecosystem services	S2 OTHR Other work-related rights of supply chain workers	G1 ANWF Animal welfare
E2 LOFR Pollution of living organisms and food resources	E5 INFL Resource inflows including use	S3 ESCR Communities economic, social and cultural rights	G1 POLI Political engagement
E2 SOC Substances of concern	E5 OTFL Resource outflows related to products and services	S3 CIPO Communities civil and political rights	G1 MNGS Management of relationships with suppliers including payment practices
E2 SOVC Substances of (very high) concern	E5 WST Waste	S3 INDG Particular rights of indigenous people	G1 CR&B Corruption & bribery
E2 MIPL Microplastics	S1 WRKC Working conditions of own workers	S4 INFO Information-related impacts for consumers and/or end users	

GOVERNANCE BODIES

The MPCC Compliance team is responsible for implementing an extensive list of policies connected to ESG. These policies include the MPCC Anti-Corruption Policy, Environmental Policy as well as our Health & Safety Policy which are currently in place within the Company.

Some of the policies are currently subject to review by the Compliance team and will be updated accordingly. A full [list of policies which support MPCC's ESG reporting](#) is included in the Appendix of this report and available on our webpage.

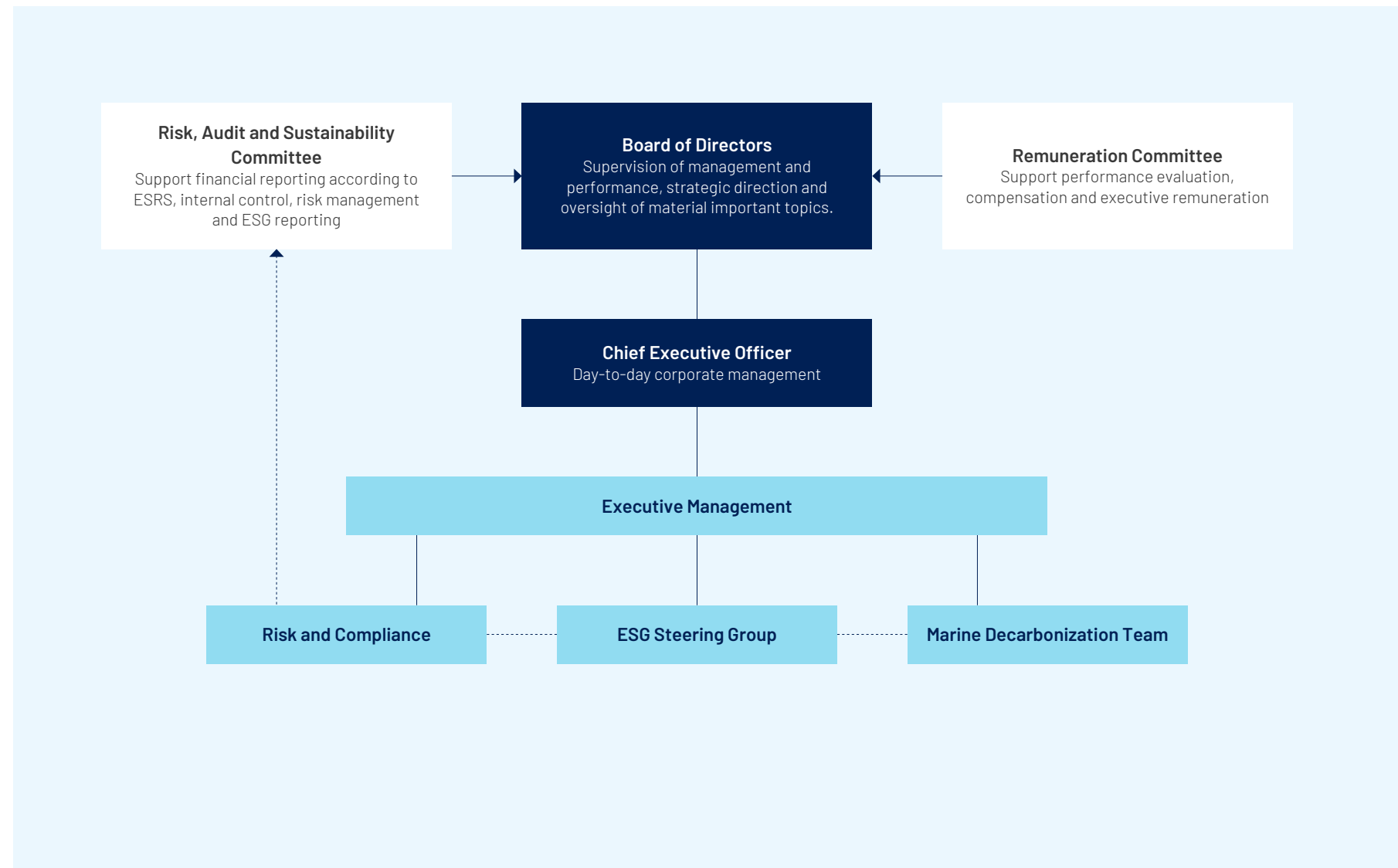


MANAGEMENT OF ESG

Strong governance processes are critical for effectively identifying and responding to material sustainability impacts, risks and opportunities. Effective governance structures hold key stakeholders accountable, ensuring that everyone, including the Board, management and its employees have a role to play in ensuring the long-term success of the Company's ESG targets.

MPCC is managed through its executive bodies: the General Meeting, the Board of Directors (the Board) and Executive Management. The Board holds overall responsibility for governance of ESG matters. It has delegated responsibility and authority to the Risk, Audit and Sustainability Committee (the Committee), which acts as a preparatory and advisory body for the Board, helping to define the Company's ESG Strategy, including setting its goals, targets and action plans. The Chief Compliance Officer takes ownership of all policies mentioned in this report and is responsible for their implementation. This also entails ensuring regular review of all policies.

In 2023 the Committee met three times, and all three meetings were fully attended by the Committee members.



ESG Management Process

Evaluation of Performance

The Committee monitors and evaluates the performance and effectiveness of ESG initiatives against established goals. This involves regular assessments to ensure alignment with the MPCC's values and industry standards. Additionally, the committee reviews key performance indicators (KPIs) to gauge the impact of ESG practices on the organization's overall sustainability.

Information to Governance Bodies

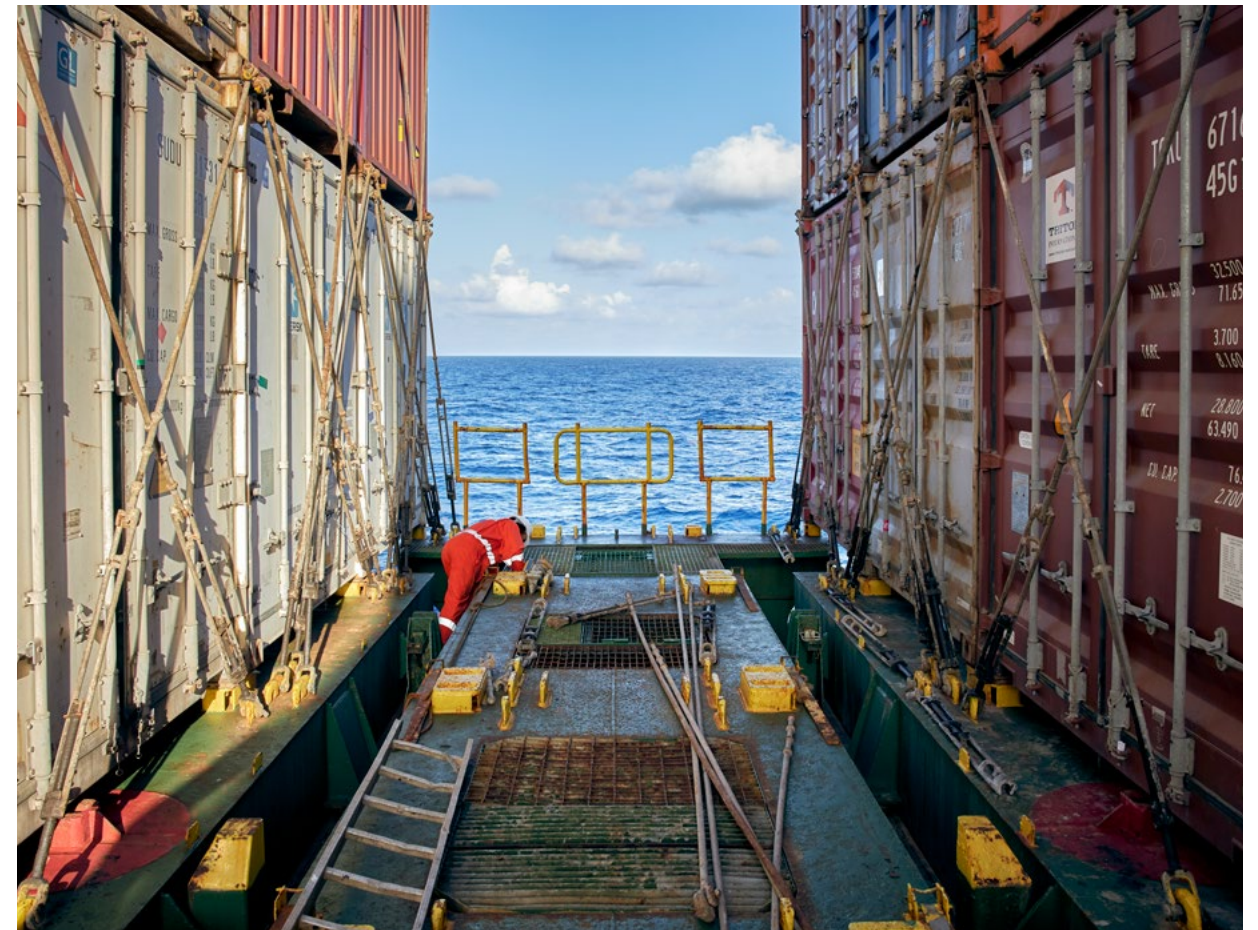
Executive Management provides detailed progress reports to the Committee during quarterly meetings, offering insights into the execution of the ESG strategy.

Incorporation of Information in Decision-Making

In quarterly meetings, the Committee will review comprehensive reports and discuss any challenges encountered or adjustments that need to be made to the strategy in pursuit of its ESG objectives referenced in the strategy chapter above. This review leads to an active formulation of a comprehensive ESG strategy, outlining specific goals, targets, and actionable plans to reach these objectives. This process ensures transparency and continuous alignment of the ESG strategy and objectives between the Board and Executive Management.

Practical Implementation of ESG Decisions

Executive Management assumes responsibility for the execution of the strategy formulated by the Committee. They oversee the implementation of the agreed-upon goals and action plans and ensure that the initiatives are effectively integrated into the Company's operations.



GOVERNANCE IN 2023

Multiple governance measures were taken in 2023. Overall, MPCC established an integrated and holistic surveillance of performance management and governance by establishing the Risk, Audit and Sustainability Committee, which reinforces oversight by the Board of Directors.

MPCC conducted its first CSRD aligned Double Materiality Assessment (DMA), adopting the principle of double materiality, which enables the company to identify, assess, and act and report on the topics where the business has an impact on the environment and society, and on significant risks and opportunities to the business. By conducting the DMA, MPCC is preparing to report in alignment with CSRD.

The company began preparing for CII and EU ETS early, such as by teaming up with Zero44 to support the development of a monitoring and compliance process tool, which has been installed on MPCC's vessels for live monitoring of CII and required emission allowances.

Importantly, a majority of charterparty agreements have been amended to include a requirement for the charter customer to redeliver the vessels with a CII-compliant "C" rating.

MPCC also resolved a new GHG reduction trajectory in line with IMO's revised 2030 carbon intensity target. MPCC pays close attention to the work of the IMO, relevant research, global macro trends, and the development of local and global regulations to identify and assess risks.

The company launched mandatory employee e-learning courses on topics. In 2023, these included courses on how to identify and prevent corruption, bribery, and money laundering. 100% of employees within scope completed all courses and the full training.

MPCC revised Management Guidelines and Company Policies in 2023 to meet regulatory requirements and ensure completeness.

Throughout 2023, MPCC acted proactively towards the increasing geopolitical tensions following the Russian invasion of Ukraine and the attacks related to the Gaza war on several commercial container vessels in the Bab al-Mandab Strait en route to the Suez Canal. MPCC prohibited vessels from traversing the Suez Canal following vessel attacks by Houthi rebels in the Red Sea.

The Norwegian Transparency Act came into effect on July 1, 2022, with the aim of promoting transparency within the Norwegian business community by ensuring public access to relevant information concerning how enterprises address adverse impacts

on fundamental human rights and decent working conditions. In compliance with Section 5 of the Norwegian Transparency Act, MPC Container Ships published its Transparency Act Statement for 2023 on its website. The work we do related to the Transparency Act is part of our integrated approach and an updated statement will be published at the latest by June 30 annually.



RISK MANAGEMENT IN REPORTING

In compiling this report, accuracy of reported data and information has been a key area of focus. The main risks we have identified in our reporting are:

- + The data quality of quantitative information could be low if methods of gathering data are not appropriate.
- + The accuracy of qualitative information could be low if communication between decision-makers and report-writers is not of sufficient quality.
- + The quality of reporting could be negatively affected if there is insufficient knowledge of reporting standards and a misunderstanding of requirements.

We have a comprehensive strategy in place to minimize the possibility that these risks may materialize. We use a third-party software to collect our sustainability data. This allows us to gather data closer to its source, allowing for more accurate estimations and more reliable methods of calculation. Additionally, we have several check-ins and quality assurances between decision-makers (sitting closer to the correct qualitative information) and those writing the report. To ensure reporting is aligned with the most recent standards, we have engaged independent consultants with expertise on this area to assist in producing our sustainability report. All these efforts and internal controls ensure that risks related to reporting are mitigated to the greatest extent possible.



EU TAXONOMY

The classification system of the EU Taxonomy 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 towards the other five objectives. The activity must also meet minimum safeguards regarding 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 are not obliged to report under the EU Taxonomy regulation. However, in 2022 MPCC carried out a voluntary assessment of all its business activities.

The assessment found that 100% of MPCC economic activities are deemed eligible under activities “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” as stated in the report. Eligible activities are those covered by the taxonomy, irrespective of whether they meet any or all of the alignment screening criteria. The vessels in the current fleet do not meet the substantial contribution criteria, but MPCC has a newbuilding program in place with four constructions deemed to meet the substantial contribution criteria.

The vessel constructions include two 1,300 TEU Geared Containers with Methanol Dual Fuel engines (also referred to as Greenboxes). The ships are being built at Taizhou Sanfu Ship Engineering in China. The keel laying for the first vessel took place in January 2024 and delivery is expected in November 2024 and early 2025.

	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	Not Applicable	100%	100%	0%	0%	0%





ENVIRONMENTAL INFORMATION

CLIMATE CHANGE

Working on climate change entails reducing emissions and energy use and adapting to the changing climate throughout our value chain, including our own operations.

Impact Materiality

MPCC material impacts identified through the DMA on climate change include two main groups of impacts related to climate change mitigation and energy consumption. Although the use of ocean-going vessels is the most carbon-efficient mode of long-distance **commercial** transportation, there are still significant greenhouse gas emissions arising from fuel combustion. Shipping contributes to approximately 3% of GHG emissions globally.

Financial Materiality

MPCC material financial risks and opportunities connected to climate change include physical and transition risks, alongside other possible risks and opportunities identified in our TCFD disclosures. **Climate change mitigation** was the only sustainability matter considered financially material. The table below lists all material groups of risks identified in the DMA, with a short description explaining why they were considered potentially material.

MATERIAL RISKS/OPPORTUNITIES	DESCRIPTION
Market Risks	In the transition to an environmentally friendly society, there is a moderate risk of increasing regulation supporting decarbonization. Examples of this include the entry into force of FuelEU Maritime in January 2025, requiring an increase in the share of low carbon fuels in the fuel mix of international maritime transport, and the inclusion of shipping into the EU ETS.
Market Opportunities	The increasing attention to GHG emissions could lead to a competitive advantage for MPCC should it opt for early positioning of the Company. This positioning is tied to different opportunities in making the fleet of vessels more GHG efficient, reducing overall emissions.

KPIs

TARGET	2023	2022	2021	STATUS
Reduce MPCC Well-to-Wake GHG emissions intensity (By 35.5% by 2030 compared to 2022) ^a	13.71	14.63	Not Reported	●
Establish task force, including key technical experts within MPCC, to monitor and engage with leading institutions on a quarterly basis	<p>MPCC participates in the MPC group’s Marine Decarbonization Solutions (MDS) team.</p> <p>The MDS team is a dedicated team comprising resources from various entities of the MPC group. The members represent competencies across the following areas:</p> <ul style="list-style-type: none"> + Alternative fuels (background and production) + Onboard technology (engines and fuel supply system) + IT and data acquisition + Network with other companies’ decarbonization teams <p>MPCC supports important projects, such as the Silk Alliance, cooperation with Ineratec, and MMMCZCS, with a dedicated part-time resource and participation in different projects (read more in the section on Memberships and Initiatives)</p>	Became a mission ambassador and project partner to the MMMCZCS, and in April 2022 provided concrete support by seconding an employee to the Center in Copenhagen	Established a task force and a broad overview of available technologies and fuels	●

Relevant Policies

- + Sustainability Policy
- + Environmental Policy

Reporting Standards Used

- + ESRS E1
- + GRI 302; GRI 305; GRI 308
- + TR-MT-110a.1; TR-MT-110a.2; TR-MT-110a.3; TR-MT-110a.4

Relevant SDGs



Background

Climate change is scientifically proven to be caused by human activity. At MPCC, we believe that everyone must play their role in keeping climate change to a minimum through reducing emissions and transitioning to greener ways of working. As a company operating in a high-emissions industry, it is important for MPCC to reduce negative, and increase positive, environmental impacts.

MPCC has implemented policies to actively work towards our objective of reaching net zero by 2050. MPCC's Sustainability Policy and Environmental Policy apply to its entire operations, including its value chain, and seek to address material sustainability matters, GHG emissions, and energy efficiency. The Sustainability Policy confirms that negative sustainability impacts should be identified, avoided, and minimized. The Environmental Policy states that MPCC is committed to protecting the environment and minimizing the Company's environmental impact.

Managing Climate

MPCC completed a CSRD compliant DMA in 2023. Following the results of the DMA, MPCC is now conducting a gap analysis to assess potential data gaps on material topics, including climate change mitigation, and seeking to develop a roadmap to help address them.

In parallel, the IMO also updated its [Strategy on GHG emissions](#) (the IMO Strategy), which carried an ambition for the shipping industry to reduce the carbon intensity of its emissions by 40% by 2030 from a 2008 baseline and to reach net zero by 2050. The net zero target includes two key checkpoints for total annual GHG emissions to be reduced by at least 20% by 2030 and by at least 70% by 2040, compared to 2008.

The Board of MPCC has resolved to establish targets aligned with the 2023 IMO Strategy aiming to reach net zero by 2050 and has established a target to reduce Well-to-Wake GHG emissions intensity by 35.5% by 2030 compared to 2022.¹

MPCC has conducted detailed scenario analyses, and based on this concluded that targeted GHG emission intensity reductions will rely on:

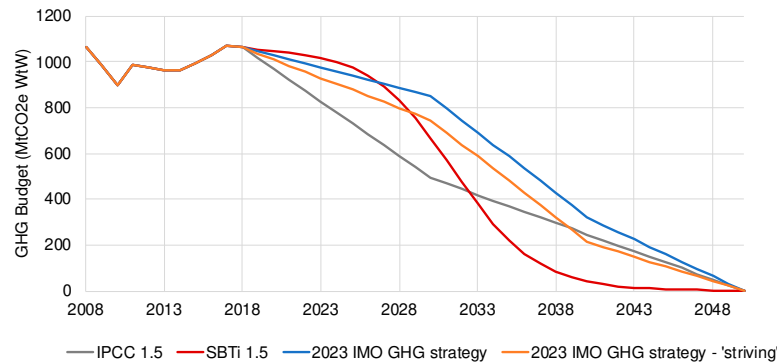
- + Efficiency gains through investments into retrofitting the existing fleet
- + Efficiency gains through investments into renewing the fleet with newer vessels
- + The maritime industry's ability to scale the use of biofuels and other sustainable fuels

MPCC expects to generate efficiencies through key upgrades to the old fleet (MPCC has an average fleet age of 15.1 years), with vessels being renewed at 25 years of age unless useful life is extended through retrofit investments. Older, less-efficient vessels might be replaced by more modern and efficient second-hand vessels running on fossil fuels or alternative low well-to-wake Greenhouse Gas (GHG) content, which can be achieved with newbuilds or dual-fuel engine conversions. The transition in MPCC's fleet composition is a key decarbonization lever for ensuring that the Company can reach the IMO intensity target.

As MPCC progresses towards this reduction plan we will continue to actively monitor and adapt our plan to potential changes communicated by the IMO regarding the 2023 IMO Strategy.

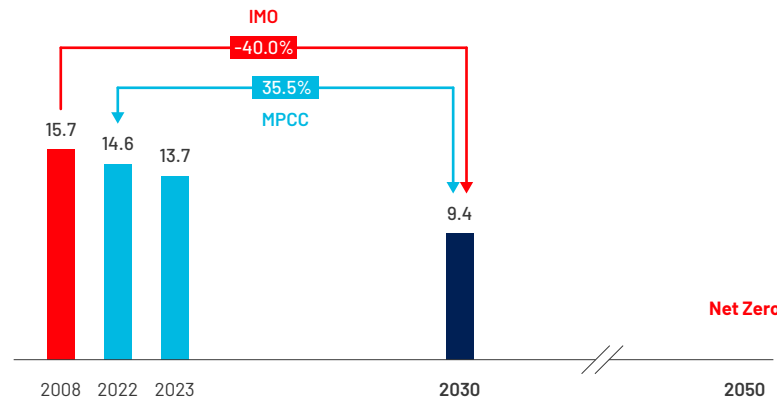
¹ For more information on the calculation method and metrics for this target please see the [Disclaimers and Assumptions](#) section and the [TCFD Disclosures](#) in the Appendix of this report

IMO GHG REDUCTION TARGETS COMPARED AGAINST 1.5-DEGREE PATHWAY PROJECTIONS



Source: UMAS: Implications of the Revised IMO GHG Strategy for national, regional and corporate action

MPCC'S WELL-TO-WAKE GHG EMISSIONS INTENSITY TRAJECTORY



MPCC targets Well-to-Wake GHG emissions intensity (g CO₂e-WTW/dwtm) reduction of 35.5% by 2030 from a 2022 baseline, aligning with the IMO trajectory of 40% reduction by 2030 from a 2008 baseline.

Investing in Low Emission Vessels

To reach the above targets 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.

Fleet efficiency measures achieved in 2023:

- + MPCC installed efficiency enhancing technologies (EET) on board of six vessels. Amongst other measures on these vessels, we installed CJC filters for AUX/Engine lube oils and M/E preheating automation to reduce steam consumption on board during port stays (reducing boiler loads). Additionally, the injection timing by software/hardware have been changed to reduce fuel consumption by ~2%. There have been autopilot upgrades to optimize steering gear actuation and reducing drag.
- + Silicon paint applied.
- + The Company invested in improved data collection by installing new flow meters and torque meters on board of all our vessels.
- + MPCC initiated retrofit programs in 2023 that will extend into 2024 with a total cost of USD 24 million, of which several will be undertaken jointly with customers. The retrofits will include installations of Energy Efficiency Technologies, such as Variable Frequency Drives, Autopilot upgrades, M/E&A/E preheating, CJC oil filtration solutions, A/E waste heat recovery, shore power and LED lights, and Hydrodynamic Measures, such as pre swirl stators, propeller, propeller boss cap fins and new bulbous bows.
- + The Company sold 13 older and less efficient vessels, and acquired seven more efficient secondhand vessels.
- + MPCC expects delivery of five newbuild vessels in 2024–2026.

Improving MPCC's Carbon Intensity Indicator (CII) Rating

2023 was 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).

In 2023, MPCC has made significant efforts to improve energy efficiency from vessel operations. In addition, regular calls have been held with MPCC customers in cases where vessels are operated as non-compliant to discuss possible countermeasures. Due to these efforts, the number of non-compliant vessels has reduced significantly.

Retaining the C rating will require continued fleet investments and upgrades in the coming years. In 2023 these efficiency investments have totaled USD 6.9 million.

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, MPCC has implemented a CII-clause in its charter-party agreements, requiring charterers to redeliver the vessels from the charter with a minimum C-rating.

Cooperation between industry actors will be 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. Our ship managers employ performance teams which frequently compare and benchmark operational performance between our customers, with the goal of minimizing our fleet's carbon footprint.

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 help to achieve this by establishing favorable conditions for decarbonization on specific trade routes – where technological, economic, and regulatory feasibility of operating zero-emissions ships is catalyzed through public and private actions.

At MPCC, we actively support the work of such initiatives, not only through our fleet renewal program and partnership with MMMCZCS and the Silk Alliance, but also by investing in promising alternative fuel producers. We recently 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. The delivery from INERATEC is set to start in the fourth quarter of 2024.

Preparing for EU ETS

The EU's legislative bodies agreed in December 2022 to include maritime transportation in its Emission Trading Scheme (EU ETS) effective from January 1, 2024. Under this system, EU Allowances (EUAs) allow companies covered by the EU ETS to emit a certain amount of CO₂e. EUAs will be procured by MPCC charterers in their capacity as operators. MPCC's preparation for the EU ETS has primarily centered on improving the ship to shore consumption reporting (Flow and torque meters) and developing software together with zero44. We can now track in real time the emissions in scope of the ETS and handle the settlement of EUAs to be received from our charterers. The efficiency investments carried out in 2023 will reduce fuel consumption and hence the need to surrender EUAs. The most efficient vessels in our fleet (which includes some of the second-hand vessels bought during 2023 and some of the retrofitted vessels) will be deployed in European waters where savings can be considerable.

Climate-Related Risks

Risk management is a core part of how we conduct our daily operations and management processes at MPCC. Enterprise risks, including climate-related risks, are regularly reviewed, and presented to the Board annually. This risk management approach draws on insights from technical managers and consultants. Climate-related risks encompass both physical risks, such as weather disruptions and vessel handling, and transitional risks, including current and emerging regulations and change in customer requirements.

The DMA completed by MPCC in 2023, identified climate mitigation as a material topic for impact materiality and financial materiality (carrying both financial risks and opportunities listed in the introductory table to this chapter). The DMA brings additional insights to how we consider climate risks moving forward and builds on the findings of the Climate Risk Review we undertook in 2022, that followed the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and covered MPCC's physical, regulatory, market, technology, and reputation risks (and opportunities).

A summary of the risks identified following the Climate Risk Review is included in the table on the following page (these are complimentary to the risks and opportunities identified during the DMA):

MATERIAL RISKS/OPPORTUNITIES	DESCRIPTION
Physical Risks	<p>Physical risks may have financial implications for the Company, such as direct damage to assets and indirect risks from disrupted operations.</p> <p>Extreme weather or increased frequency of extreme weather and related knock-on effects that causes disruption in operations, such as delays and port closures.</p> <p>Extreme weather or increased frequency of extreme weather and related knock-on effects that causes disruption and impacts on MPCC's customers' activities, operations, and markets. Including similar indirect effects further down the value chain.</p> <p>Health and safety impacts on workforce caused by extreme weather events, such as injuries caused by increased wave height, higher storm frequency, and prolonged duration of extreme weather events.</p>
Regulatory Risks	<p>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.</p> <p>In the current geopolitical context, there are newly introduced and further strengthened sanction regimes, and legal risk exposure is elevated.</p> <p>Increasing carbon costs and shipping becoming part of the EU ETS will impact the cost of transportation.</p> <p>Impacts of speed of regulatory shift on business planning, strategy and cost structures to comply with new and additional regulation.</p>
Market Risks	<p>Changing customer requirements and contract risks – meeting market expectations for emission profiles of vessels.</p> <p>The volatility of the fuel market poses a potential risk. Any sort of regulation can increase product prices, however fuel prices can be particularly volatile in this regard.</p> <p>Impacts on business planning, strategy and cost structures to meet new and evolving market requirements.</p> <p>Shift from passive disclosure requirements to demonstration of an action-oriented approach.</p>

MATERIAL RISKS/OPPORTUNITIES	DESCRIPTION
Technology Risks	<p>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.</p> <p>Viable technologies to fully transition to the low carbon solutions do not currently exist, and dual fuel options are limited by the lack of the relevant infrastructure required to adopt this technology.</p>
Reputation Risks	<p>There are associated reputational effects connected to potential spills and chosen, shipping routes that affect ecosystems and biodiversity.</p> <p>Below average fuel efficiency performance can also drive negative reputational risks.</p>
Opportunities	<p>The container market is now normalizing following a positive cycle. This provides the 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. Becoming the recognized low carbon tonnage of choice and preferred chartering partner.</p> <p>High ESG performance driving an enhanced reputation.</p> <p>Container shipping is the dominant method of international transportation for a broad range of industrial and consumer goods. As global trade in the foreseeable future will rely on container shipping, it is likely there will be an increased demand for energy-efficient and environmentally friendly vessel operations.</p> <p>Adaptation leading to improved operational performance. Technology opportunities for improving (increasing efficiency) onboard systems, including alternative fuels and hybrids.</p> <p>There are related opportunities in developing partnerships with leading industry actors to accelerate decarbonization, like MMMCZCS and ABS.</p> <p>Accelerating the business relationships with selective carriers by financing and implementing mutual projects to improve the ships' efficiency and consequently reduce their fuel consumption.</p> <p>Getting access to alternative financing paths like green and/or sustainable finance and reducing the costs of capital.</p>

→ A summary of MPCC's approach to how it tackles climate-related risks and opportunity is included in the [TCFD Disclosures table on page 57](#) of this report.

Performance

ACCOUNTING METRIC	UNIT OF MEASURE	2023	2022	2021
Scope 1 ^b	Metric of tons CO ₂ e	1,667,141	1,810,202	1,758,036
Scope 2 ^c	Metric of tons CO ₂ e	26.41	12.82	16.38
Scope 3	Metric of tons CO ₂ e	210,768	338,694	Not Reported
Energy Consumed ^d	Gigajoules	21,352,958	23,736,166	24,508,042
Average Efficiency Ratio (AER): weighted average ^e	Grams of CO ₂ e per ton-nautical mile	12.32	13.12	13.70
Heavy Fuel Oil Consumed	Percentage	92%	91%	91%

➔
References, disclaimers, and assumptions for this data table can be found under [Disclaimers and Assumptions](#) in the Appendix of this report.

Scope 3 Data Improvement Efforts

This year, MPCC has worked to improve the calculation methods for scope 3 emissions. Below is a short summary of the work carried out.

Until 2023, the MPCC used spend-based method for categories 1 (Purchased goods and services, with a focus on chemical products as they represent the biggest group), 2 (Capital Goods), 4 and 6 (Business travel). This approach meant that the Company estimated scope 3 emissions for goods and services by collecting data on the **economic value of goods and services purchased** and multiplying it by relevant secondary emission factors (secondary data). The result of this method is that the data quality and resource intensity are quite low.

To help improve the accuracy of the emission calculation, MPCC transitioned to other calculation methods after the screening phase (during the data collection phase) including, in increasing order of data quality and resource intensity:

1. The average-data method: This method estimates emissions for goods and services by **collecting data on the mass, or other relevant units** of goods or services purchased and multiplying by the relevant secondary (e.g., industry average) emission factors (secondary data).
2. The hybrid method: Using a combination of **supplier-specific activity data** (where available) and **average-data** to fill the gaps (secondary data).
3. The supplier-specific method: Collecting **product-level cradle-to-gate GHG inventory data** from goods or services suppliers (primary data – highest level of data quality and resource).

MPCC therefore followed a three-stage process to enable these improvements starting with 1) **prioritizing data collection efforts** (taking a deep dive into industry grouping with most GHG emissions), 2) **Selecting data for prioritized activities** (using supplier specific data) and 3) **Collecting data from suppliers and other sources and filling the gaps** gathering data from the activities with the most significant GHG emissions and the most significant GHG reduction opportunities.

The 5-month transition process took place throughout the second half of 2023. It began with the identification of scope 3 improvements, followed by a synthesis of key results and a high-level plan. Finally, the scope 3 reporting structure was updated within the online data collection platform used by MPCC ahead of the next reporting phase.

Analysis of Performance

In 2023, MPCC Scope 1 GHG emissions amounted to 1,667,141 metric tons, representing an 8.2% reduction from the previous year (1,810,202). Our scope 2 emissions increased substantially from 12.82 Metric tons of CO₂e in 2022 to 26.41 in 2023. This increase was driven in part by a move to new facilities which brought about an increase in electricity consumption. On the other hand, our scope 3 emissions significantly decreased by 47% from 338,694 in 2022 to 210,768 in 2023. During the year MPCC sought to improve the specificity and quality of the Scope 3 GHG emissions reported. To that end, the emission factors used to calculate the GHG emissions of “Scope 3 category 1 – Purchased goods and services”, “Category 2 Capital Goods”, “Category 4 upstream transportation and distribution” and “Category 6 business travel” were updated using more specific emission factors than before. The value recorded for scope 3 emissions in the value chain is therefore more representative than before and explains the difference with results from 2022. Our energy consumption also reduced by 10.57% from 23,736,166 to 21,352,958 gigajoules. The reductions were predominantly driven by changes in fleet composition, and decarbonization initiatives implemented across the fleet. Although the consumption of heavy fuel oil increased by 1%, this has remained stable at 91 to 92% for the last three years. In the future, we will continue our efforts to reduce emissions further aligned with the International Maritime Organization (IMO) intensity targets.



ECOLOGICAL IMPACT

Working on ecological impact entails reducing non-GHG emissions, use of water & marine resources, and negative impacts on biodiversity or ecosystems.

Impact Materiality

MPCC material impacts on ecological issues include three main groups of impacts: **pollution in operations, pollution after disposal of vessels** and **biodiversity**. The operation of vessels causes pollution of water and air. After the disposal of vessels, it is likely that substances of (very high) concern can be released. GHG emissions and biofouling on the side of vessels can also cause biodiversity loss.

Financial Materiality

MPCC material financial risks and opportunities arising from ecological issues include three of the DMA sub-topics identified in chapter two: **Pollution of air, pollution of water** and **substances of (very high) concern**. The table below lists all material groups of risks, with a short description explaining why they were considered material.

MATERIAL RISKS/OPPORTUNITIES	DESCRIPTION
Regulatory Risks	There is likely to be a significant risk connected to increasing regulatory requirements calling for lower NO _x and Sox emissions, due to the green transition. There is also a risk of non-compliance with environmental law identify through whistleblowing cases showing deliberate pollution of water in US territory, which in turn leads to financial penalties. Lastly, non-compliance with EU Ship recycling rules on inventories of hazardous substances could also lead to financial penalties.

KPIs

TARGET	2023	2022	2021	STATUS
Formulate targets for ecological impact	To be developed following outcome of 2023 DMA	Not Applicable	Not Applicable	●

Relevant Policies

- + Sustainability Policy
- + Environmental Policy

Relevant SDGs



Reporting Standards Used

- + ESRS E2; ESRS E4
- + GRI 304; GRI 306; GRI 308
- + TR-MT-120a.1; TR-MT-160a.1; TR-MT-160a.2; TR-MT-160a.3

Background

Ecological impacts include a wide variety of impacts on nature. In the green transition, we believe it is key to balance the considerations to both climate and nature, as both are key for ensuring a sustainable future. As a container shipping Company, controlling a significant portfolio of physical assets and using the marine environment as a means to an end in transportation, we have significant interaction with, and impacts on, nature. We are keenly aware of the marine environment and its delicate balance. Reducing our footprint to maintain the marine environment is a key priority for us.

Policies are actively used to achieve this key priority. We have two policies that apply to our entire operations, including our value chain, and address the material impacts: pollution in operations, pollution after disposal of vessels and biodiversity impacts. The relevant part of our Sustainability Policy establishes that long-term ecological aspects should be considered when conducting our business. Our Environmental Policy states that we will identify, avoid, minimize, manage, and monitor environmental impacts, including any harmful pollution or contamination.

Managing Ecological Impact

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, mainly through certifications like 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.

The potential for major environmental accidents relates to the risk of 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.

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 (i.e., hull form, propeller, and machinery configuration). However, operational modifications and maintenance measures such as hull and propeller cleaning should be considered ways to reduce noise for new and existing ships. We closely monitor the on-going 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.

Ballast water is essential for safe and efficient shipping operations. However, the discharge of untreated ballast water has been shown to introduce non-native organisms into new marine environments, causing ecological damage. As at December 31, 2023, MPCC had installed ballast water treatment systems on all but two of its vessels. Installations on the remaining two vessels are planned to be completed in 2024, in compliance with the BWM convention.

Performance

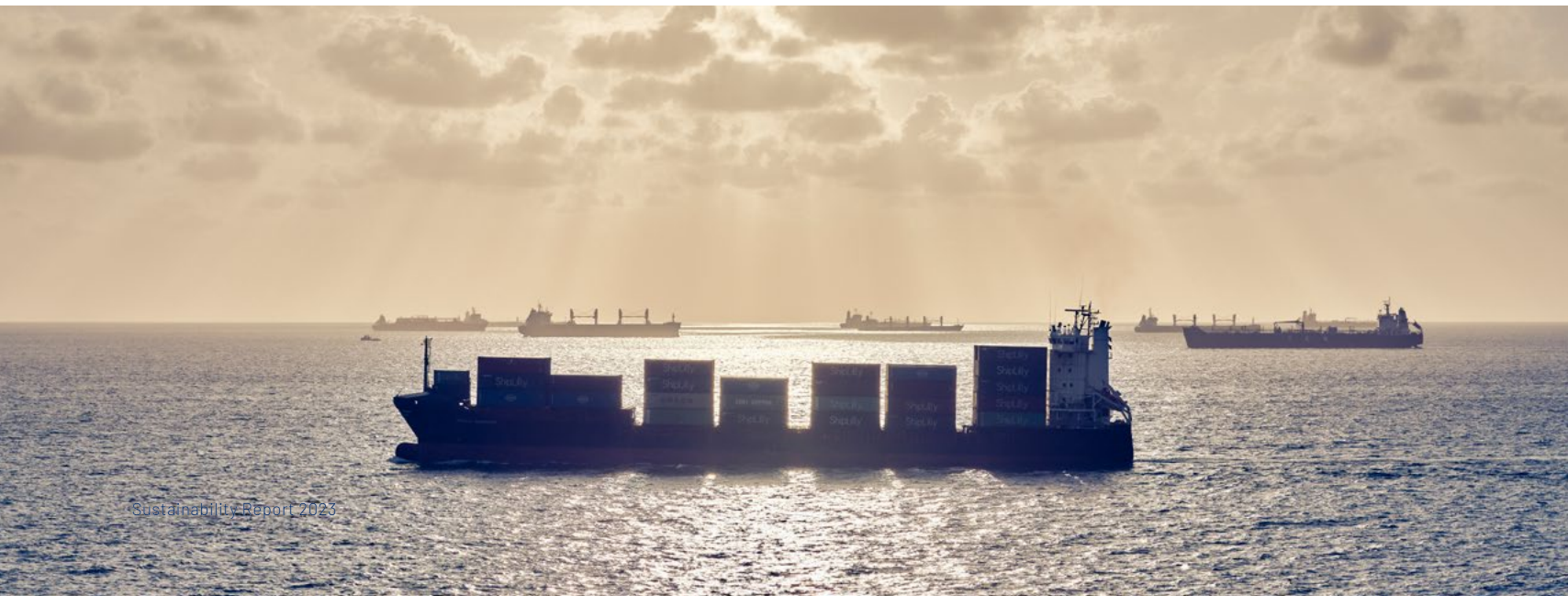
ACCOUNTING METRIC	UNIT OF MEASURE	2023	2022	2021
NO _x (excluding N2O) ^f	Metric tons	43,767	47,924	40,186
SO _x ^f	Metric tons	4,482	4,837	Not Reported
Particulate matter (PM) ^f	Metric tons	1,926	2,116	Not Reported
Shipping duration in marine protected areas or areas of protected conservation status ^g	Number of travel days	1,904	2,174	1,539
Implemented ballast water exchange ^h	Percentage	5%	18%	55%
Implemented ballast water treatment ^h	Percentage	95%	85%	52%
Spills and releases to the environment ⁱ	Number	0	1	1
	Cubic meters	0	2.2	5.0

➔ References, disclaimers, and assumptions for this data table can be found under [Disclaimers and Assumptions](#) in the Appendix of this report.

🔍 Analysis of Performance

In the past year, MPCC has made positive progress in reducing our ecological impacts. We reduced our emissions of NO_x, SO_x and particulate matter. We have also reduced our biological impact by decreasing the number of days traveled in protected areas and by implementing ballast water treatment systems on a vast majority of our fleet. In addition, the Company has recorded zero spill incidents in 2023, which is key to avoid unnecessary negative ecological impact.

Our plan is to continue our efforts to reduce the ecological impact we have in our operations. We see that we are on a good path, especially when it comes to avoiding spills, but will also review potential actions that can be taken to make our day-to-day operations even more ecologically friendly.



CIRCULAR ECONOMY

Working on circular economy entails improving circularity principles in resource inflows and outflows and reducing production of and responsible handling of (hazardous) waste.

Impact Materiality

MPCC material impact on circular economy issues was limited to **resource inflows including use**. Container shipping requires the use of resources that can be considered harmful to the environment, such as steel, fuel, and paint. Waste produced onboard vessels going to landfills and ship recycling also impact the environment. At the same time, utilizing more recycled materials onboard vessels can have a positive impact on local waste management practices in certain geographies.

Financial Materiality

No material financial risks and opportunities on circular economy were identified.

KPIs

TARGET	2023	2022	2021	STATUS
Establish policy and ensure proper implementation of ship recycling practices	MPCC Ship Recycling Policy was updated in February 2024	MPCC Ship Recycling Policy was implemented and published on our website in 2022	MPCC Ship Recycling Policy was developed to be implemented in 2022	●
Formulate targets for resource inflows including use	To be developed following outcome of 2023 DMA	Not Applicable	Not Applicable	●

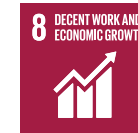
Relevant Policies

- + Sustainability Policy
- + Environmental Policy

Reporting Standards Used

- + ESRS E5
- + GRI 301; GRI 306; GRI 308

Relevant SDGs



Background

Circular economy includes all resources flows both in and out of MPCC. As a Company with 59 vessels, MPCC inevitably has a significant impact on the circular economy. All our vessels are sourced from a large resource pool, all of which need to be responsibly managed when they near end-of-life. To support this approach MPCC has made it a Company priority to reduce its ecological footprint throughout the life-cycle of its vessels.

Policies are actively used to achieve this key priority. We have two policies that apply to our entire operations, including our value chain, and which address the material sustainability matter of resource inflows including use. Our Sustainability Policy states that we will only cooperate with buyers that follow the same principles as MPCC in respect to ship recycling. Our Environmental Policy also confirms that we will eliminate and reduce resource waste, implementing initiatives to promote greater environmental responsibility.

Managing Circular Economy

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 disposed of 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 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 decided to invest in 54 filtration systems. The installation has been done by the crews with the vast majority of vessels now being equipped and the crews are confirming they are satisfied with the quality of the water. This initiative is crucial in our efforts to minimize plastic waste and the transportation of water bottles.

Our vessels operate in parts of the globe 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 our CEO are founding members and ambassadors of Eyesea, a non-profit organization set up to map and report pollution and hazards at sea. Since its official launch in

December 2020, Eyesea has developed an ocean pollution reporting app for the intended use 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, recreational boats, and with community volunteers. The app is available on Google Play and in the Apple App Store. We encourage the use of the app and the recording of ocean, costal and waterway pollution, to effectively allocate clean-up resources and highlight areas of need.

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 environmental risks and human impacts associated with the recycling of ships. Ships contain hazardous materials, and ship 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. By the year-end of 2023, the average age of our fleet was 15 years and we have not yet been involved in ship recycling activity. Any future recycling of owned vessels 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.

Performance

ACCOUNTING METRIC	UNIT OF MEASURE	2023	2022	2021
Sludge	m ³	14,526	15,451	15,471
Sewage	m ³	78	191	120
Oily/bilge water	m ³	2,984	2,763	1,896
Plastic	m ³	1,818	1,816	1,645
Food waste	m ³	200	262	255
Cooking oil	m ³	14	13	11
Electronic waste	m ³	81	79	60
Domestic waste	m ³	2,085	2,234	1,960
Operational waste	m ³	1,039	1,055	890
Incinerator ash	m ³	33	31	22
Other waste	m ³	1	212	258
Total waste disposal	m ³	22,858	24,108	22,586

➔ References, disclaimers, and assumptions for this data table can be found under [Disclaimers and Assumptions](#) in the Appendix of this report.

Analysis of Performance

MPCC achieved a 5% decrease in total waste disposal from 2022 to 2023. The waste data displays an improvement in performance in several areas. Most notably, sewage releases decreased by 84% decrease from 191 cubic meters in 2022 to 78 cubic meters in 2023. We also note reductions in the following categories: sludge (6.1% decrease), domestic waste (7% decrease), operational waste (1.5% decrease) and food waste (27% decrease). Other waste categories such as plastic waste, electronic waste, cooking oil and incinerator ash have remained at a similar level as 2022. Overall, we believe that MPCC's 2023 data on waste disposal is consistent with the shipping industry expectations.

MPCC will continue to promote sustainable resource management to further reduce the impact of the Company's operations, in line with the principles of the circular economy. We will also pay close attention to technological innovation and initiatives within the industry that could help make us more resource efficient.



SOCIAL INFORMATION

OWN WORKFORCE

Working on our own workers entails improving working conditions, health & safety, equality and any other work-related rights for them.

Impact Materiality

MPCC material impacts on social issues connected MPCC’s own workforce include three main groups of impacts, namely: **working conditions, housing as a work-related right and health & safety**. Given the physical nature of the work, and the fact that many work offshore, MPCC has a significant impact on those who work for the Company. In addition, promoting equality amongst our workers positively impacts the workers who are affected by this.

Financial Materiality

MPCC material financial risks and opportunities connected to its own workforce include three of the DMA sub-topics identified in chapter two, namely: **Working conditions and health & safety**. The table below lists all material groups of risks, with a short description explaining why they were considered material.

MATERIAL RISKS/OPPORTUNITIES	DESCRIPTION
Market Risks	There could be a lower intake of new workers due to societal development leading to people losing interest in jobs with hard working conditions. Additionally, reliance on key employees means that their departure could lead to significant negative financial effects.
Market Opportunities	Learning how to keep seafarers safer could lead to less delays and less workers that need to be replaced, which is positive from a financial perspective. Also, retaining workers for longer due to good working conditions could provide a significant opportunity for MPCC.

KPIs

TARGET	2023	2022	2021	STATUS
Lost Time Incident Rate(LTIR) not to exceed 0.3 by 2030 ^k	0.05	0.14	1.17	●
Zero serious injuries	0	0	1	●
Establish and implement annual crew well-being survey	A crew well-being study is planned for 2024	Survey performed	Survey under development	●
Annual onshore employee retention rate above 90%	97%	73%	83%	●
35% female employees onshore by 2030	36.4%	26.7%	19.2%	●

Relevant Policies

- + Sustainability Policy
- + Human Capital Policy
- + Health & Safety Policy
- + Human Rights Policy

Relevant SDGs



Reporting Standards Used

- + ESRS S1
- + GRI 401; GRI 403; GRI 404; GRI 405; GRI 406; GRI 407; GRI 408; GRI 409; GRI 410; GRI 411
- + TR-MT-320a.1

Background

Our own workers, which encompasses all our crew and workforce, including temporary workers, are crucial to MPCC's success. For us to achieve our goal of being an employer of choice, we need to create a working environment that fulfils both basic requirements and expectations, as well as enabling our workers to grow through our investments in them.

To achieve this goal, we build on a range of policies. We have four policies that apply to our entire operations and address the material groups of impact: working conditions, health & safety, equal treatment & opportunities, and human rights. Our Sustainability Policy covers this by establishing that we will operate as a responsible employer. The Human Capital Policy promotes the principles of valuing the workforce, improving their skills and well-being, creating a constructive and pleasant working environment, and avoiding harassment and discrimination. The Health & Safety Policy establishes that safety takes precedence over commercial considerations, personal incidents are unacceptable, and we try to exceed regulatory requirements on this topic in our operations. The Human Rights Policy states that we will support and respect the protection of internationally proclaimed human rights, fostering diverse workforce and good working conditions.

Managing Own Workforce

Working Conditions

The past few years have presented significant challenges for seafarers. The war in Ukraine has caused serious implications for Ukrainian and Russian seafarers, whether they are 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.

In 2022, MPCC rolled out a crew well-being survey that is now set up to be performed bi-annually. No study was conducted in 2023, but a new study will be completed in 2024.

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 and increase our understanding of how to improve employee satisfaction. Looking at physical, psychological, and social factors, our survey showed that most of our seafarers are happy and satisfied, and their engagement level is high. However, overweight, obesity 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 flow on effects in other areas.

We have already taken a more proactive approach when it comes 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 while reducing the intake of highly processed foods. During the pandemic, we have also been improving the onboard gyms to encourage daily exercise. Sufficient rest is also imperative to seafarers' physical and mental health and their ability to perform their duties safely.

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 amongst our crew members for communicating on matters such as working conditions, career planning and non-work-related topics.

Since the signature of the Neptune Declaration on Seafarer Well-being in January 2021, MPCC has worked with our technical managers Wilhelmsen Ahrenkiel to support the efforts of Wilhelmsen Ship Management who are 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.

Health & Safety

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 2023, we experienced three incidents. No serious marine casualties were reported in 2023, and we remain determined to uphold our record of zero serious injuries onboard our vessels.

MPCC is diligently working to continuously improve our safety culture, ensuring the ongoing protection of employees and assets. We will be testing AI-powered cameras on board five vessels in 2024. The cameras, that will be installed on several positions of the vessel, will automatically check compliance with safety rules. By deploying the AI-powered cameras and real-time visual analytics, the platform proactively alerts shipowners, managers, and seafarers to onboard anomalies, reducing incidents onboard and increasing cargo operations efficiency.

Equal Treatment and Opportunities

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 enhance a gender-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.

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, including women and those from minority backgrounds. Through our Business Partner Guideline, our suppliers and service providers are also required to adhere to the same standards of good business practice.

Human Rights

To ensure that everyone within the organization understands their responsibilities when it comes to human rights issues, MPCC developed customized e-learning courses in 2022. These courses 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 2023, 100% of our onshore employees had completed our e-learning on human rights.



Performance

ACCIDENT AND SAFETY MANAGEMENT DISCLOSURES

ACCOUNTING METRIC	UNIT OF MEASURE	2023	2022	2021
Lost Time Incident Rate ^k	Rate	0.05	0.14	1.17
Lost Time Incident Frequency ^l	Rate	0.67	0.68	0.5
Marine casualties incidents ^m	Number	3	7	9
Very serious marine casualties ^m	Percentage	0%	0%	11%
Port State Control Deficiency ^o	Ratio	1.39	0.95	1.23
Port State Control Detention ^o	Number	2	1	1
Conditions of Class or Recommendations ⁿ	Number	272	295	256
Percentage of temporary workers	Ratio	0	Not Reported	Not Reported

➔ References, disclaimers, and assumptions for this data table can be found under [Disclaimers and Assumptions](#) in the Appendix of this report.

DIVERSITY DISCLOSURES

IN %	2023	2022	2021
Group Employees			
Male	63.6	73.3	80.8
Female	36.4	26.7	19.2
Seafarers			
Male	99.5	99.7	99.5
Female	0.5	0.3	0.5

IN %	2023	2022	2021
Group Employees			
Under 30 years old	6.1	20.0	15.3
30–50 years old	81.8	64.0	73.1
Over 50 years old	12.1	16.0	11.5
Seafarers			
Under 30 years old	36.5	35.2	31.3
30–50 years old	53.1	53.8	55.0
Over 50 years old	10.4	11.1	13.7

Analysis of Performance

MPCC performance on health and safety issues has further improved in 2023, this includes an 80% reduction in marine incidents. On the topic of diversity, we note at Group level a 31% increase in the ratio of females to males from 26.7% in 2022 to 36.4% in 2023. For seafarers, the profession remains a largely male-dominated, however we note a slight increase in female seafarers from 0.3% last year to 0.5% in 2023.

VALUE CHAIN AND SOCIETY

Our work to improve MPCC impacts, risks and opportunities connected to its value chain focuses on three key areas: improving working conditions, health & safety, equality, and any other work-related rights. We consider that working on societal impact can help improve the living situation of the people in close proximity of our operations.

Impact Materiality

MPCC material impacts on its value chain and society include three main groups of impacts related to **working conditions, human rights abuses** and **search & rescue**. Due to the long life-cycle of ships which is tied to physical production and construction, there are many instances whereby the level of working conditions and human rights protection could be of varying quality. This increases the likelihood of such impacts occurring.

Financial Materiality

MPCC material financial risks and opportunities connected to impacts on its value chain and society was limited to **working conditions**. The table below provides a short description the risk explaining why it was considered material.

MATERIAL RISKS/OPPORTUNITIES	DESCRIPTION
Regulatory Risks	Non-compliance with the Hong Kong Convention on working conditions in ship recycling could lead to financial penalties.

KPIs

TARGET	2023	2022	2021	STATUS
Develop and implement policy in line with UN Guiding Principles on Business and Human Rights	Human Rights Policy and Human Capital Policy were updated in February 2024	Human Rights Policy and Human Capital Policy were implemented and published on our website in 2022	Policies were developed to be implemented in 2022	●

Relevant Policies

- + Sustainable Procurement Policy
- + Human Capital Policy
- + Health & Safety Policy
- + Human Rights Policy

Relevant SDGs



Reporting Standards Used

- + ESRS S2
- + GRI 413; GRI 414;
- + TR-MT-110a.1; TR-MT-110a.2; TR-MT-110a.3; TR-MT-110a.4

Background

MPCC is dedicated to protecting human and labor rights throughout the entire life-cycle of our vessels. This ranges from the design, financing and construction stages all the way through to operation and ultimately the dismantling and recycling of the vessels.

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.

The implementation of the Norwegian Transparency Act (the Transparency Act) in July 2022 helped to further reinforce our human rights goals across the MPCC supply chain. The law requires companies to carry out human rights' due diligence in line with the OECD Guidelines for Multinational Enterprises. In addition, with the aim of promoting transparency within the Norwegian business community, 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.

Managing Value Chain and Society

To support compliance with the Transparency Act MPCC has carried out a human rights saliency assessment. The assessment helped to identify the following as salient human rights issues that apply to our entire value chain:

- + Crew Working Conditions,
- + Ship Recycling
- + Diversity, Discrimination and Minority Rights,
- + Supply Chain Management
- + Search and Rescue, and
- + Security Response to Piracy.

These issues are reviewed regularly alongside a set of core governing documents that outline MPCC's management and compliance practices concerning human rights and decent working conditions and help address our material impact. These core governing documents include MPCC's:

- + Business Partner Guidelines
- + Human Rights Policy
- + Code of Conduct
- + Human Capital Policy
- + Health and Safety Policy
- + Ship Recycling Policy

Links to these documents are publicly available and provided in the [list of policies](#) in the Appendix of this report. The findings from the MPCC Transparency Act Statement (published in June 2023) provide further detail on MPCC's commitment to human rights.

In parallel to these governing documents, MPCC's Sustainable Procurement Policy establishes that we prioritize suppliers who operate in a sustainable and ethical way and enforce the same standards in their own supply chain. The policy further reinforces our commitment to identify high-risk areas in our supply chain and engage to mitigate our impact in these areas.

The **Human Capital, Health and Safety**, and **Human Rights policies** apply in the same way for value chain workers as they do for our own workers. The three policies are also relevant for our work with societies, committing MPCC to continuously work to develop positive relationships and impacts with local communities.

Performance

We include below an update on performance of MPCC's salient human rights.

Crew Working Conditions

The nature of the work of the crew onboard vessels makes it vulnerable to rights abuses, including the potential for forced labor, harassment and poor safety health and safety conditions. The shipping industry ensures that the human rights of the crew are well protected by rules and regulations that MPCC, including its technical ship managers and technical agents strictly follow. The focus of MPCC in this case is to continue to follow the main rules and regulation and monitor respective obedience by the technical managers, ensuring the adequate training of the crew onboard our vessels. Due diligence exercises carried out by the MPCC compliance team, have further confirmed that were no identified human rights breaches to report in 2023.

Ship Recycling

None of the MPCC vessels are currently expected to be recycled in the near future. We have nonetheless established a Ship Recycling Policy to properly address the environmental and human rights impacts associated to ship recycling, to account for the situation when the fleet does reach the end of its lifecycle. The policy itself mandates recycling to be carried out in Accordance with the 2009 Hong Kong Convention for the Save and Environmentally Sound Recycling of Ships. Furthermore, we will recycle our vessels built after 2020 in accordance with the EU Ship Recycling Regulation,

even if this should not be mandatory under its terms or other applicable laws and regulations, and prioritize the safeguarding of the environment and human health and safety when recycling vessels. We will also only cooperate with buyers that follow the same principles as MPCC in respect of ship recycling.

Diversity, Discrimination, and Minority Rights

MPCC promotes gender equality both on board and at shore. It has implemented rules regarding zero tolerance for harassment and discrimination and minority rights in its Human Capital and Human Rights Policy. Given the fact that crewing is still a largely male-dominated profession it remains a challenge to implement a gender-balanced crew as is evidenced by the low (yet improving) results in the diversity disclosures in the table at the start of this section.

Supply Chain Management

To support the operation of MPCC's vessels the services of hundreds of international suppliers and service companies are contracted. Given the international dimension of MPCC's operations, as identified in the section on Crew working conditions, this can lead to human rights risk cases including restrictions on the right to form trade unions and engage in collective bargaining. Although MPCC is not directly involved in the technical management of the vessels (which select suppliers and service providers for the vessels) the Company does not tolerate any human rights violations or indecent working conditions. The MPCC Business Partner Guideline requires technical

managers to operate their business in accordance with fundamental human rights. If it is found that a business partner has committed a human rights violation or there have been indecent working conditions, then MPCC may terminate a contract pursuant to its rights under the Business Partner Guideline. In 2023, no contracts were terminated pursuant to this policy.

Search and Rescue

A highly relevant part of our business activity, with regards to society, include our Search and Rescue operations (SAR OPS). In shipping, this can occur in any waterway or region where maritime accidents, distress incidents, or emergencies occur. We have an obligation to



provide aid. This applies regardless of nationality or status of such persons or the circumstances in which they are found, according to the International Convention for the Safety of Life at Sea ("SOLAS").

Several SAR OPS were recorded during the course of 2023. A brief overview of the operation is listed below:

- + AS Palina was involved in a rescue operation on February 9, 2023. The crew sighted a floating raft with people calling for help approximately 61 nautical miles off the coast of Mexico. In total, 9 individuals were taken on board (6 men and 3 women) who declared to be of Cuban origin. Those rescued were offered accommodation, and provided with necessary essentials, including food and water. No medical assistance was required. They were successfully disembarked from the Vessel at Veracruz and received by the immigration authorities, without any further complications.
- + On November 28, 2023, AS Anita was involved in a SAR OPS for several hours, during which only search operations were carried out without physical rescue.
- + On December 26, 2023, AS Christiana rescued 19 members of the crew from MV Apollo Triumph, which had caught fire. The crew was taken on board were all healthy, and later disembarked to the local coastguard.

Throughout the year several SAR operations involving refugee rescues in the Mediterranean Sea were also recorded. During these operations, MPCC vessels were put on stand-by until the Coast Guard arrived on scene but none of the refugees were taken on board the MPCC ships. The following vessels were involved in these operations at different dates:

- + 1/2/2023 AS Rosalia
- + 6/12/2023 AS Fatima
- + 6/19/2023 AS Fatima
- + 6/21/2023 Stadt Dresden
- + 8/31/2023 Stadt Dresden.

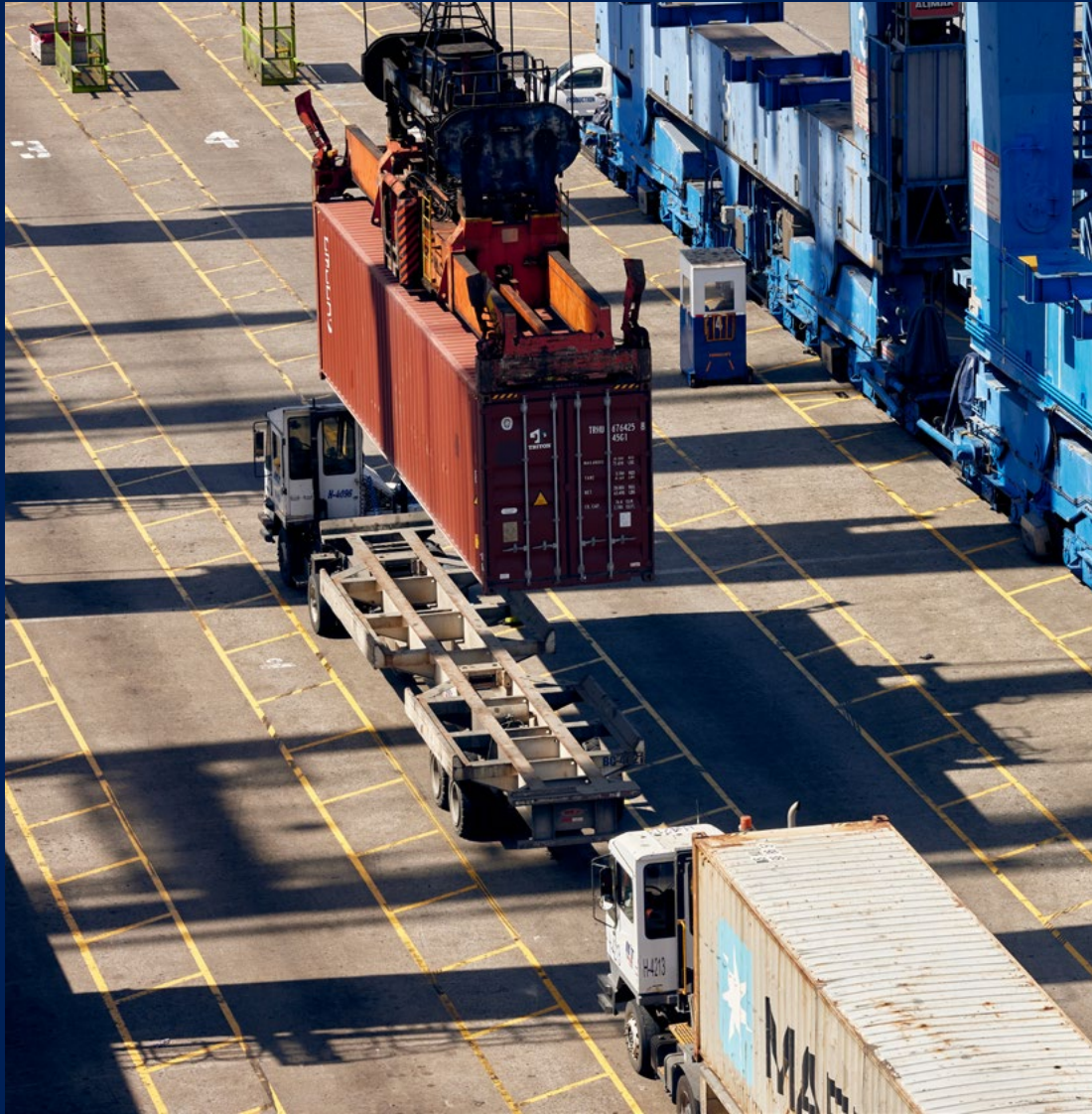
Security response to piracy

Piracy continues to be a concern in certain regions around the world including in piracy hot spots such as the Gulf of Guinea, Singapore Strait and the Red Sea, particularly around the coast of Yemen. To protect its crew on board of MPCC vessels MPCC follows the Best Management Practices for Protection against Somalia Based Piracy ("BMP"). The document is a set of industry best practices aiming to assist vessels in minimizing the risk of piracy attacks. MPCC will continue to review the technical managers' procedures in line with BMP including additional security measures such as vessel hardening, crew training and piracy drills.

MPCC will continue to track the results of our planned measures on the above-listed Human Rights issues and publish progress on them in the 2024 Transparency Act Statement.

Analysis of Performance

As part of MPCC's near term goal, we will develop action plans to address our salient human rights issues. This 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 intend to formalize a process for assessing involvement in actual and potential adverse impacts in the event where an adverse impact is identified. We will also ensure that our ship and crew managers understand MPCC's expectations when it comes to respecting the right to collective bargaining. As part of this effort MPCC has recently reviewed and updated the MPCC Business Partner Guidelines.



GOVERNANCE INFORMATION

BUSINESS CONDUCT

Working on business conduct entails continually improving how we work on our corporate culture. This includes factors such as whistleblowing, political engagement, supplier-relationships, and corruption & bribery.

Impact Materiality

MPCC material impacts on business conduct two sub-topics, namely: **corporate culture** and **payment practices**. As a Company that operates across many geographies and interacts daily with stakeholders in a variety of ways, the way we conduct our business is of high importance.

Financial Materiality

MPCC material financial risks and opportunities related to business conduct impacts include two of the DMA sub-topics identified in chapter two: **Payment practices** and **corruption & bribery**. The table below lists all material groups of risks, with a short description explaining why they were considered material.

MATERIAL RISKS/OPPORTUNITIES	DESCRIPTION
Regulatory Risks	There is a possibility of fines being applied against MPCC should cases of corruption and bribery be found in its own operations.
Reputational Risk	There is a possibility of fines being applied against MPCC should cases of corruption and bribery be found in its own operations.
Market Risks	There is a possibility of reduced access to capital for MPCC should cases of corruption and bribery be found in its own operations. MPCC could encounter a lack of funding should it not pay its suppliers on time and the issue is not resolved by communication.

KPIs

TARGET	2023	2022	2021	STATUS
ESG policies updated and made available on website	One new policy was implemented and published on our website in 2023.	The eight policies were implemented and published on our website in 2022	Eight new policies were developed in 2021	●
Develop and implement ESG digital course for internal and external stakeholders	100% of MPCC onshore employees completed e-learning on human rights in 2023	ESG & Sustainability and Human Rights Courses were rolled out in 2022	Course developed in 2021, and to be rolled out in 2022	●
Annual high quality ESG disclosures based on TCFD, GRI and SASB	Sustainability Report 2023 was developed in accordance with the Marine Transportation SASB Standard (2023) and with reference to the GRI Standards and TCFD	Sustainability Report 2022 was developed in accordance with the Marine Transportation SASB Standard (2018) and with reference to the GRI Standards and TCFD	Sustainability Report 2021 was developed in accordance with the Marine Transportation SASB Standard (2018) and with reference to the GRI Standards	●
Identify, assess, integrate and monitor anti-corruption risks	Corruption risks have been identified and are being monitored; The Anti-Corruption Policy was updated in February 2024	Corruption risks have been identified and are being monitored; an Anti-Corruption Policy was implemented and published on our website in 2022	To be finalized in 2022	●
Implement annual testing and training of whistleblower system	Persons responsible at MPCC for the whistleblower system were provided with relevant updated training in 2023	Persons responsible at MPCC for the whistleblower system were trained upon its implementation, the system was successfully tested in 2022	Whistleblower hotline was implemented in 2021, testing and training to be rolled out in 2022	●

Relevant Policies

- + Code of Conduct
- + Corporate Governance Policy
- + Anti-Corruption Policy
- + Sanctions Policy

Reporting Standards Used

- + ESRS G1
- + GRI 204; GRI 205; GRI 206
- + TR-MT-510a.1; TR-MT-510a.2

Relevant SDGs

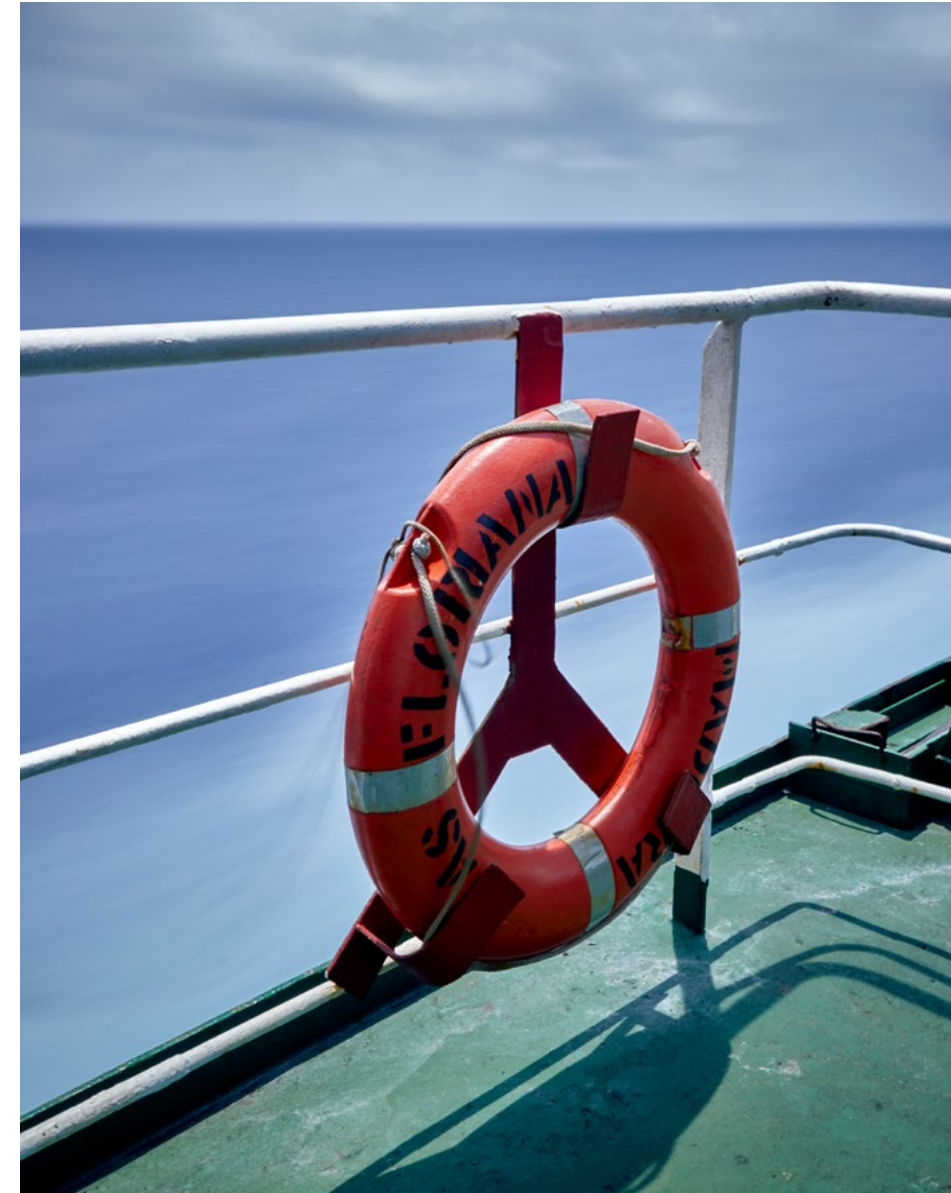


Background

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 our stakeholders. We operate our business with integrity and respect laws, different cultures and human dignity. We also expect our business partners must practice fair dealing, honesty and integrity in every aspect in dealing with employees, suppliers, competitors, the public and government authorities. Our overarching goal is to develop a corporate culture characterized by good judgement and the ability to manage ethically difficult situations, should they arise.

We have three key policies that apply to our entire operations, including our value chain, and are used to guide the work on the material groups of impact: **corporate culture** and **payment practices**. Our Code of Conduct establishes that 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 Corporate Governance Policy states that business should be done in accordance with relevant regulations, in line with the Company's strategy and risk profile, and with sufficient internal controls. Our Sanctions Policy is designed to ensure that every MPCC employee understands and complies with all applicable sanctions. This is particularly relevant given that MPCC operates in a high sanctions risk industry.

In addition, core documents such as our Business Partner Guideline and Articles of Association are used to supplement our work on these material impacts. To guide the work on stopping **corruption** and **bribery**, we also make use of our Anti-Corruption Policy. This policy expresses that we do not tolerate active (attempts to bribe others) or passive corruption (allowing oneself to be bribed). 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.



Managing Business Conduct

Two key positions provide qualified oversight of compliance-related topics at MPCC. A German lawyer and certified Compliance Officer was appointed as our external Compliance Officer 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.

MPCC has appointed the Risk, Audit, Sustainability 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, as well as ESG related topics. 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 and CFO.

Although neither MPCC, nor its senior management, including the senior management of its subsidiaries, have been convicted in court on corruption charges, we still continuously work to improve on this area. During 2023 e-learning courses on the topic of bribery and corruption were facilitated for staff. These sessions were conducted/initiated by the external compliance officer. Overall, 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. This hotline will gain more visibility in 2024 as updates to the corresponding MPCC webpages are carried out. 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 or the Compliance Officer 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 will be taken in all cases where the board of directors considers further action to be appropriate. Where it is likely that a criminal act has taken place, the police or an appropriate federal agency will be involved. If an employee reporting a violation wishes to remain anonymous, all reasonable steps are taken to keep their identity confidential. All communications are taken seriously and, if warranted, any reports of violations are investigated.

No whistleblowing incidents were reported during 2023. At MPCC, we do not retaliate, or allow retaliation, in respect of any reports made by an employee in good faith.



We are a member of the Maritime 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, NGOs 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.

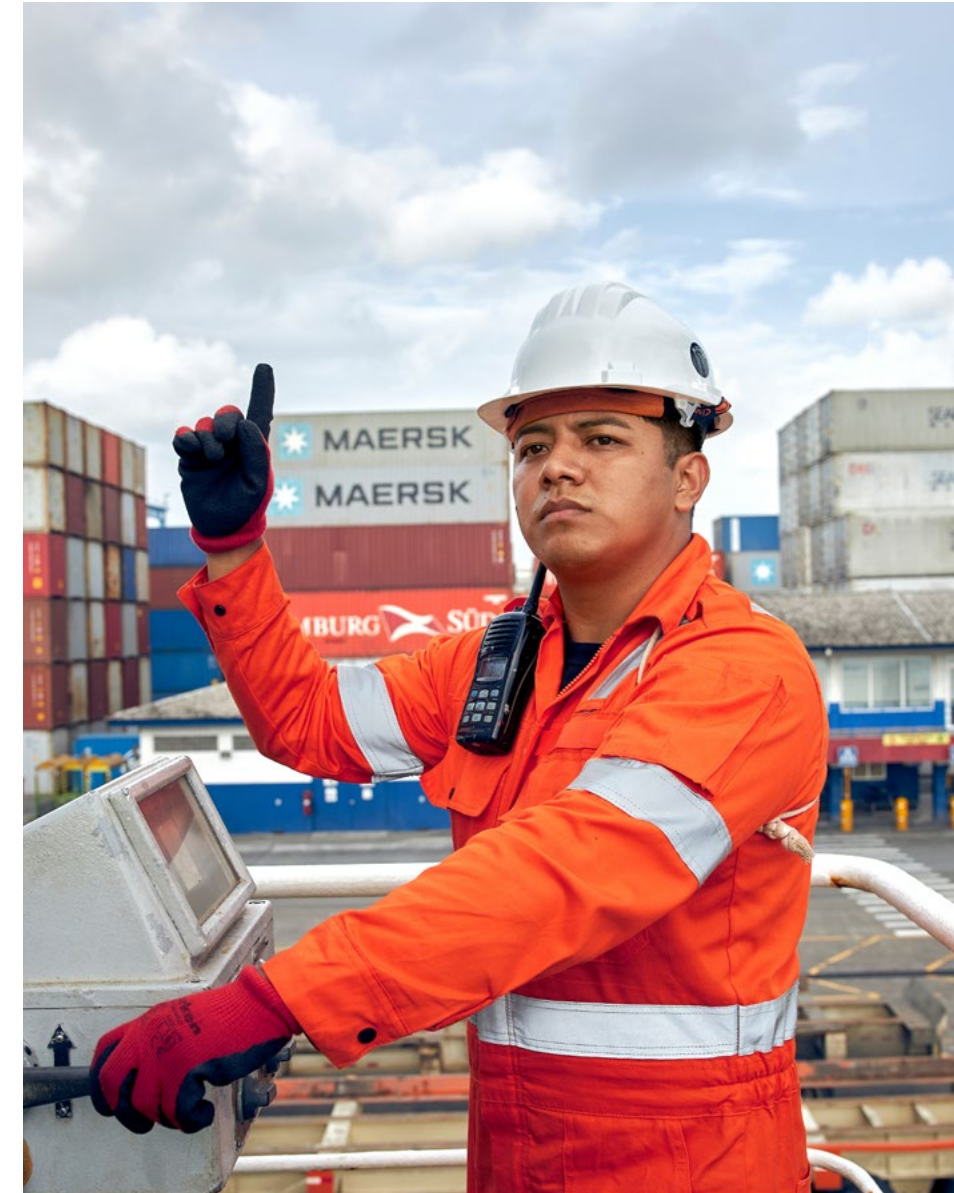
Prevention of Insider Trading

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 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, the Company's Chief Compliance Officer and the advice of legal counsel may be sought. Members of the Board and the executive management and certain other people are subject to additional requirements under the Company's insider trading rules.

The books and records of the Company are prepared with care and honesty and accurately reflect the Company's transactions. All corporate funds and assets are recorded in accordance with Company procedures. No undisclosed or unrecorded funds or assets are established for any purpose.



Performance

ACCOUNTING METRIC	UNIT OF MEASURE	2023	2022	2021
Calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	956	938	1,315
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	0	0	0

➔ References, disclaimers, and assumptions for this data table can be found under [Disclaimers and Assumptions](#) in the Appendix of this report.

🔍 Analysis of Performance

In 2023, the amount of port calls in countries with the lowest rankings in Transparency International's Corruption Perception Index has remained close to the 2022 figure with only a 2% increase from 938 in 2022 to 956 in 2023. MPCC continues to report 0 monetary losses as a result of legal proceedings linked to bribery and corruption (a figure which remains the same since 2020). Together with the fact that 0 whistleblowing instances have been reported in 2023, business conducts issues appear to have been minimal during the course of the year.





APPENDIX

ESG-RELATED POLICIES AND DOCUMENTS

- + [Anti-Corruption Policy](#)
- + [Environmental Policy](#)
- + [Health & Safety Policy](#)
- + [Human Capital Policy](#)
- + [Human Rights Policy](#)
- + [Ship Recycling Policy](#)
- + [Sustainability Policy](#)
- + [Sustainable Procurement Policy](#)
- + [Corporate Governance Policy](#)
- + [Remuneration Guideline](#)
- + [Business Partner Guideline](#)
- + [Code of Conduct](#)
- + [CSR Statement](#)
- + [Norwegian Transparency Act Statement](#)



SASB

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	2023	2022	2021	SASB CODE
Greenhouse Gas Emissions	Gross global Scope 1 emissions: Financial control approach ^b	Metric tons CO ₂ e	1,667,141	1,810,202	1,758,036	TR-MT-110a.1
	Gross global Scope 2 emissions ^c	Metric tons CO ₂ e	26.41	12.82	16.38	Additional (GRI 305-2)
	Global Scope 3 emissions: Operational control	Metric tons CO ₂ e	210,768	338,694	Not Reported	Additional (GRI 305-3)
	Discussion 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	Page 22-28	Page 11, 12	Page 11-12	TR-MT-110a.2
	Reporting on climate related risks and opportunities in line with the recommendations	Qualitative description	Page 22, 23-26	Page 13, 25-28	Page 12-13	Additional (GRI 201-2)
	Total energy consumed ^d	Gigajoules (GJ)	21,352,958	23,736,166	24,508,042	TR-MT-110a.3
		Percentage of energy from heavy fuel (%)	92%	91%	91%	TR-MT-110a.3
		Percentage of energy from renewable/low-carbon sources (%)	0%	0%	0%	TR-MT-110a.3
	Average Efficiency Ratio (AER): weighted average ^e	Grams of CO ₂ e per ton-nautical mile	12.32	13.12	13.70	Additional
	Air Quality	NO _x (excluding N ₂ O) ^f	Metric tons	43,767	47,924	40,186
Sox ^f		Metric tons	4,482	4,837	2,018	TR-MT-120a.1
Particulate matter ^f		Metric tons	1,926	2,115	133	TR-MT-120a.1

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	2023	2022	2021	SASB CODE
Ecological Impacts	Marine Protected Areas^g					
	Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	1,904	2,174	1,539	TR-MT-160a.1
	Implemented Ballast Water^h					
	Exchange	Percentage (%)	7%	18%	55%	TR-MT-160a.2
	Treatment	Percentage (%)	96%	85%	52%	TR-MT-160a.2
	Spills and Releases to the Environmentⁱ					
	Incidents	Number	0	1	1	TR-MT-160a.3
Aggregate volume	Cubic meters (m ³)	0	2.2	5	TR-MT-160a.3	
Business Ethics	Corruption Index^j					
	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index ^j	Number	956	938	1,315	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) ^k	Rate	0.05	0.14	1.18	TR-MT-320a.1
	Lost time incident frequency (LTIF) ^l	Rate	0.67	0.68	0.51	Additional (GRI 403-9)
Accident & Safety Management	Marine Casualties^m					
	Incidents	Number	3	7	9	TR-MT-540a.1
	Very serious marine casualties	Percentage	0%	0%	11%	TR-MT-540a.1
	Conditions of Classⁿ					
	Condition of class or Recommendations	Number	272	295	256	TR-MT-540a.2
	Port State Control					
	Deficiencies ^o	Rate	1.39	0.95	1.23	TR-MT-540a.3
Detentions	Number	2	1	1	TR-MT-540a.3	

ACTIVITY METRICS	UNIT OF MEASURE	2023	2022	2021	SASB CODE
Shipboard personnel ^Q	Number	1,380	1,307	1,324	TR-MT-000.A
Total distance traveled by vessels	Nautical miles	4,547,460	4,600,705	4,462,895	TR-MT-000.B
Operating days	Days	22,747	23,426	23,567	TR-MT-000.C
Deadweight tonnage ^P	Thousand DWT	2,026	2,004	1,934	TR-MT-000.D
Vessels in fleet ^P	Number	59	68	69	TR-MT-000.E
Vessel port calls	Number	5,983	5,914	6,798	TR-MT-000.F
Twenty-foot equivalent unit capacity ^P	TEU	149,119	134,270	141,381	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 **Well-to-Wake GHG emissions intensity target:** The baseline of 2008 (15.73 g(CO₂e)_{WTW/dwt}) GHG emissions intensity has been retrieved from container shipping intensity emissions stated in the 4th IMO study (13 gCO₂e/dwt) from which a 1.21 ratio has been applied to adjust the value to WTW emissions following an [article from the ICCT](#) (July 2023). The 2030 GHG emissions reduction intensity target for MPC Containership is based on the 2023 IMO GHG strategy which states a 40% intensity reduction based on 2008 levels of container shipping which results in a targeted value of 9.44 g(CO₂e)_{WTW/dwt}.
- ^b **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).
- ^c **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.
- ^d **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").
- ^e **Average Efficiency Ratio ("AER"):** Carbon intensity metric estimated based on fuel consumed, distance traveled ("nm"), and deadweight tonnage ("DWT"). Weighted average based on DWTnm.
- ^f **Other emissions to air:** NO_x figures for Wilhelmsen Ahrenkiel Ship Management and joint venture vessels are compiled from real-time performance platform Bluetracker One installed on each vessel. NO_x figures for Marlow vessels are calculated based on the consumption reported via their MARS system. NO_x figures for Hartmann vessels are compiled through the software "Navigator Insight". SO_x 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.
- ^g **Marine protected areas:** The number reported reflect number of days sailed in ECA zones only.
- ^h **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.
- ⁱ **Spills and releases to the environment:** Any over-board spills and releases – intentional or accidental.
- ^j **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.
- ^k **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.

- ^l **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.
- ^m **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.
- ⁿ **Conditions of class:** The data provided represents the number of Conditions of Class or Recommendations the Company'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.
- ^o **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.
- ^p The figures include all vessels employed by MPCC throughout the reporting year.
- ^q The figures represent our fleet at year end.



TCFD DISCLOSURES

TOPIC	TCFD RECOMMENDATIONS	MPC CONTAINER SHIPS 2023 RESPONSE
Governance	1. Describe the Board's oversight of climate-related risks and opportunities	See description of governance structure in the Management of ESG section (page 16). This governance structure is also relevant for climate-related issues. As part of its regular reviews of ESG issues, the Board receives updates on climate risks and opportunities, including emerging regulations, developments in the company's performance on the decarbonization strategy - emissions reduction trajectories and technological developments. The governance structure is the same for climate-related issues as for other material ESG issues.
	2. Describe management's role in assessing and managing climate-related risks and opportunities	See description of governance structure in the Management of ESG section (page 16). The responsibilities of the Risk, Audit and Sustainability Committee (the Committee) include climate-related issues.
Strategy	1. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	See information in the Climate Change section (page 22). During the identification of risks and opportunities, all time-horizons have been taken into account, especially given the tendency of climate-related risks to occur over the longer time-horizons. We have used the following definitions of time horizons: + Short: <1 year + Medium: 1-5 years + Long: >5 years
	2. Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning	See description of climate-related financial risk/opportunity factors in the Climate Change section (page 22). For description of how climate-related issues are prioritized and used in financial and strategic planning, see description of governance structure in the Management of ESG section (page 16) A thorough analysis of how our commitment to follow a decarbonization pathway based on the 2023 IMO GHG 'striving' strategy, and the implications this has on our business, strategy and financial planning, can be found in the Climate Change section under the subsection entitled Managing Climate (page 23)
	3. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario	Our well-below 2 degrees-aligned decarbonization pathway, along with an assessment of decarbonization levers, is presented in the Climate Change section under the subsection entitled Managing Climate (page 23). This strategy is aligned to the striving-scenario of the IMO, meaning that if we have to change our strategy given climate-related risks, we could still be on track to achieve the original scenario of the IMO. Conversely, climate related opportunities could make it less costly to commit to the striving-scenario, which would reinforce the strategy chosen.

TOPIC	TCFD RECOMMENDATIONS	MPC CONTAINER SHIPS 2023 RESPONSE
Risk Management	1. Describe the organization's processes for identifying and assessing climate-related risks	See description of how MPC Container Ships has undertaken a climate risk review and decarbonization trajectory analysis to understand its climate risks and opportunities in the Climate Change section under the subsection entitled Managing Climate (page 23). See also the description of identification and assessment process from DMA in the section, Impact Risk and Opportunity Management (page 12).
	2. Describe the organization's processes for managing climate-related risks	See general description of management of ESG issues in the Management of ESG section (page 16). This is also relevant for how climate-related risks are managed. See also the description of management process from the DMA in the Impact, Risk, and Opportunity Management section (page 12).
	3. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	See a description of integration between the overall risk management process and climate-related risks (represented by ESG issues) in the Management of ESG section (page 16). Further details on this integration are provided in the Climate Change section in the subsection entitled Managing Climate under the heading "Climate-Related Risks" (page 25).
Metrics and Targets	1. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk process	We measure our total GHG emissions (Scope 1, 2 and 3) in CO ₂ equivalents. We measure our energy consumption in gigajoules. We apply the IMO CII Carbon Intensity Indicator and report our Average Efficiency Ratio (AER) measured as grams of CO ₂ per deadweight ton-nautical mile. We have developed a tool to monitor the CII values of all of our individual vessels on a live basis. Lastly, we measure the percentage of heavy fuel oil consumed in our operations. MPCC has this year established a target to reduce its Well-to-Wake GHG emissions intensity. The well-to-wake GHG emissions intensity target is a relative metric that is aligned with the ambition of the IMO to now report the GHG emissions generated by the maritime industry on a well-to-wake basis. The metric relies on the GHG emissions stemming from the full life cycle of the fuel used by the fleet, the deadweight tonnage (dwt) and the nautical miles (nm). These metrics, along with their historical values, can be found in the Climate Change section under the subsection, Performance (page 27).
	2. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks	Emission metrics are reported in the Climate Change section under the subsection, Performance (page 27).
	3. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	For climate-related targets, see section on Climate Change (page 22). For a detailed description of how these targets are aligned with the IMO 'striving'-scenario, see the Climate Change section under the subsection Managing Climate (page 23)

GRI INDEX

GRI STANDARD	DISCLOSURE	LOCATION	
GRI 2: General Disclosures 2021	2-1	Organizational details	Page 62
	2-2	Entities included in the organization's sustainability reporting	Page 3 , Annual Report Page 67–68 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 2023, and is published on an annual basis. Financial reporting covers the same period (January 1–December 31). The ESG report was published on March 22, 2024. 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 27 ff. www.mpc-container.com/about-us Our value chain includes our technical managers, commercial managers, insurance companies, banks, charterers, freight forwarders, port operator and agency, operator transport infrastructure.
	2-7	Employees	Page 36 ff.
	2-8	Workers who are not employees	Page 40 ff.
	2-9	Governance structure and composition	Annual Report Page 24–25, Page 36 ff. www.mpc-container.com/governance/board-of-directors
	2-10	Nomination and selection of the highest governance body	Annual Report Page 39
	2-11	Chair of the highest governance body	The chair of the Board of Directors is the CEO of MPC Münchmeyer Petersen Capital AG.
	2-12	Role of the highest governance body in overseeing the management of impacts	Page 16
	2-13	Delegation of responsibility for managing impacts	Page 16
	2-14	Role of the highest governance body in sustainability reporting	The Board is responsible for reviewing and approving the annual Sustainability Report.
	2-15	Conflicts of interest	Managed according to our Code of Conduct.
	2-16	Communication of critical concerns	Page 45–48

GRI STANDARD	DISCLOSURE	LOCATION
	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 Board controls, evaluates and contributes to the performance of the highest governance body on ESG in regular committee meetings, at minimum four times a year.
	2-19 Remuneration policies	Annual Report Page 43 ff. www.mpc-container.com/governance/governance-documents
	2-20 Process to determine remuneration	Annual Report Page 43 ff.
	2-21 Annual total compensation ratio	Not disclosed
	2-22 Statement on sustainable development strategy	Page 6 ff.
	2-23 Policy commitments	Page 15 , Page 51
	2-24 Embedding policy commitments	Page 37 , Page 41 , Page 42
	2-25 Processes to remediate negative impacts	Page 45 ff.
	2-26 Mechanisms for seeking advice and raising concerns	Page 45 ff.
	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 9-10
	2-29 Approach to stakeholder engagement	Page 11
	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 12
	3-2 List of material topics	Page 13
Material topic: Climate-related risks		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 22 ff.
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Annual Report Page 34, Page 22 ff. , Page 58
Material topic: Corruption risk		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 45 ff.
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Page 45 ff.
	205-2 Communication and training about anti-corruption policies and procedures	Page 18 , Page 45 ff. , Page 51
	205-3 Confirmed incidents of corruption and actions taken	Page 47

GRI STANDARD	DISCLOSURE	LOCATION
Material topic: Energy mix		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 22 ff.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 52–54
	302-2 Energy consumption outside of the organization	Page 52–54
Material topic: Direct emissions from consumption of fossil fuels		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 22 ff.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 52–54
	305-2 Energy indirect (Scope 2) GHG emissions	Page 52–54
	305-3 Other indirect (Scope 3) GHG emissions	Page 52–54
	305-4 GHG emissions intensity	Page 22
	305-5 Reduction of GHG emissions	Page 23 ff.
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Page 30–31 , Page 52–54
Material topic: Marine casualties		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 36 ff.
Other	SASB TR-MT-540a.1	Page 52–54
Material topic: Seafarer welfare		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 36–38
Material topic: Responsible ship recycling		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 7 ff. , Page 32 ff.
Other	Norwegian Shipowners' Association's Guidelines for ESG reporting in the shipping and offshore industries. Metric: Responsible ship recycling	Page 3 , Page 33
Material topic: Human and labor rights in the supply chain		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 40–43

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