



▲ "Seaschells" Royal Museums of Fine Arts of Belgium, Brussels
Photographer: Caroline Bultynck

B.I.

ESG – Environmental Social Governance

"Care for today, respect for tomorrow"

EXMAR has decades experience in the seaborne handling, transportation, and transformation of some of the world's most hazardous gases. Accordingly, the strictest standards with regards to safety and care for the environment are in the genes of EXMAR. We ensure the utmost priority to the health and well-being of our personnel at sea and on shore and are proud to announce our 3rd consecutive year without major incidents.

EXMAR embraces the continued focus from our stakeholders for ESG (Environmental, Social, and Governance) topics. With its vast experience in and knowhow of the handling, transportation, and transformation of gas molecules, whether from renewable or fossil sources, EXMAR is ideally positioned to handle the risks and capture the opportunities generated through a mindful ESG policy.

EXMAR's Executive Committee, and Board of Directors, commit to reach beyond the fundamental duties and obligations and incorporate ESG practices into our strategy and daily business, creating a sustainable and genuine value for all our stakeholders. This commitment is embodied in a multidisciplinary ESG task force, that oversees the group's activities, and form an integral part of EXMAR's strategy.

ESG partner	Input	Output
EXMAR Board of Directors	<ul style="list-style-type: none"> Communicate strategic objectives on ESG in its interaction with shareholders Presents non-Financial Annual Report to General Meeting with shareholders Uphold strategies & values of EXMAR in its sustainable value creation Review Dealing Code & Code of Business Ethics Determine company strategy Determine Corporate Governance Charter & Statement (including Dealing Code & Code of Business Ethics) Validates Press Releases of subjects under non-financial regulations 	<ul style="list-style-type: none"> Ensure Company-wide compliance with Corporate Governance Charter & Statement Compliance with laws & regulations Validate non-Financial Annual Report
Executive Committee	<ul style="list-style-type: none"> Day-to-day management & policy of the Group Implementation of decisions taken by the Board of Directors Establish internal controls Prepare annual accounts Communicate proposals on company strategy to Board of Directors Prepare Press Releases 	<ul style="list-style-type: none"> Establish non-Financial Annual Report Suggest proposals on company strategy
EXMAR	<ul style="list-style-type: none"> Provide input on non-Financial Annual Report Uphold ESG targets in business interaction Report on ESG KPIs 	<ul style="list-style-type: none"> Compliance Risk Assessment, Model & Manual Ensure Company-wide compliance with Corporate Governance Charter & Statement
ESM Management Committee	<ul style="list-style-type: none"> Undersign Annual Objectives & ESM Company policies Verify Quarterly Performance Review Uphold ESG targets in business interaction 	<ul style="list-style-type: none"> Ensure Company-wide compliance with Corporate Governance Charter & Statement
EXMAR Shipmanagement	<ul style="list-style-type: none"> Quarterly Performance Review Report on ESG KPIs Draft Annual Objectives Set-up policies & procedures Regulatory monitoring Reporting as per regulations 	<ul style="list-style-type: none"> Review policies & procedures Ensure regulatory compliance Complete questionnaires on ESG Provide input on Annual Objectives
Supporting Services & Engineering	<ul style="list-style-type: none"> Implement policies & procedures Uphold ESG targets in business interaction Report on ESG KPIs 	<ul style="list-style-type: none"> Ensure Company-wide compliance with Corporate Governance Charter & Statement



Our stakeholders are continuously mapped and their needs and expectations evaluated to confirm the communication strategy required to ensure an optimal business interaction. EXMAR set-up the following interactive communication with our stakeholders:

Stakeholder	Interaction with EXMAR	Interaction owner	Frequency
Business Financial bodies Regulatory bodies	Contractual Agreements Compliance Model & Business Ethics EXMAR Financial Annual Report & Press Releases	EXMAR Headquarters	Ad hoc follow-up Ad hoc Press Releases Financial Annual Report
	Meetings & Contact groups Implementation of regulations Inspections & Investigations Certification Memberships ISO standards & TMSA	EXMAR Shipmanagement Wah Kwong Shipmanagement	Ad hoc implementation of changes Ad hoc investigations Annual Internal Audits Financial Annual Report Annual external audits Industry workgroups upon invitation
Clients	Contractual Agreements Compliance Model & Business Ethics EXMAR Financial Annual Report & Press Releases	EXMAR Headquarters	Ad hoc follow-up of contractual agreements Ad hoc follow-up of instructions Monthly owners meeting Quarterly/Annual charterers meetings
	Inspections & Investigations Reporting on KPIs Implementation of contractual agreements and regulatory adherence	EXMAR Shipmanagement Wah Kwong Shipmanagement	Sharing of internal bulletins to improve standards of fleet Ad hoc investigations Monthly owners meeting Quarterly Performance Review Financial Annual Report 3-monthly external audits (vetting)
Human Relations	Human Relation procedures Contracts of Employment for office personnel Performance Evaluation & Code of Conduct for office personnel EXMAR Financial Annual Report & Press Releases	EXMAR Headquarters	Ad hoc implementation of changes Quarterly Performance evaluation of office personnel Ad hoc Press Releases Financial Annual Report Annual conference
	CBAs & Contracts of Employment for seafarers Performance Evaluation & Code of Conduct for seafarers SMS Crewing Manual procedures Health and Safety Campaigns & Welfare Crew Conferences MTI Network	EXMAR Shipmanagement Wah Kwong Shipmanagement	Ad hoc implementation of changes Performance evaluation mid-term and at end of contract Annual SMS review 2-monthly campaigns Weekly bulletins Quarterly crew conferences
Logistics Chain Crewing & Development Engineering & Maintenance	Reporting lines & Point of contact Dealing Code & Cyber Security Procedures & Policies	EXMAR Headquarters	Regular project meetings Ad hoc implementation of changes
	Contracts Conferences Evaluation & Audit SMS Instructions & procedures Training matrix Meetings Dry-Dock safety officer	EXMAR Shipmanagement Wah Kwong Shipmanagement	Purchase meetings Supplier approval, evaluation & audit Shipyard audits Annual Internal Audits Ad hoc implementation of changes

Each stakeholder has its own needs and expectations in its interaction with EXMAR. These are followed-up and delineated in EXMAR's key ESG topics for the future. EXMAR accommodates ESG factors valuable for stakeholders within our own business priorities while jointly protecting and evaluating EXMAR's core corporate values.

Climate change - Risk analysis

In a changing world with an increasingly more apparent impact of climate change, the industry including EXMAR is exposed to risks and opportunities. To properly align its vision for the future, EXMAR carefully analysed the potential impact of climate change risks and implemented due diligence measures to set targets for risk reduction. The ESG factors tabulated in the section 'Very High' of the materiality analysis (see below) can be found in this risk assessment as they are a translation of the shifting focus within society and the industry.

IMPACT ON OUR BUSINESS AND ASSET VALUE

In the short term, climate change leads to more frequent extreme weather events, leading to increased risks to shipping and ports from more severe weather conditions. The impact of such events can be material, including damage to people, vessels, environment, and an increase in costs due to unexpected re-routing of vessels. EXMAR continues to strengthen the weather monitoring via our weather routing software, lowering the threshold when seeking additional weather routing advice while balancing energy efficiency and navigational safety. As safety is a never-ending journey, we are committed to ongoing improvements.

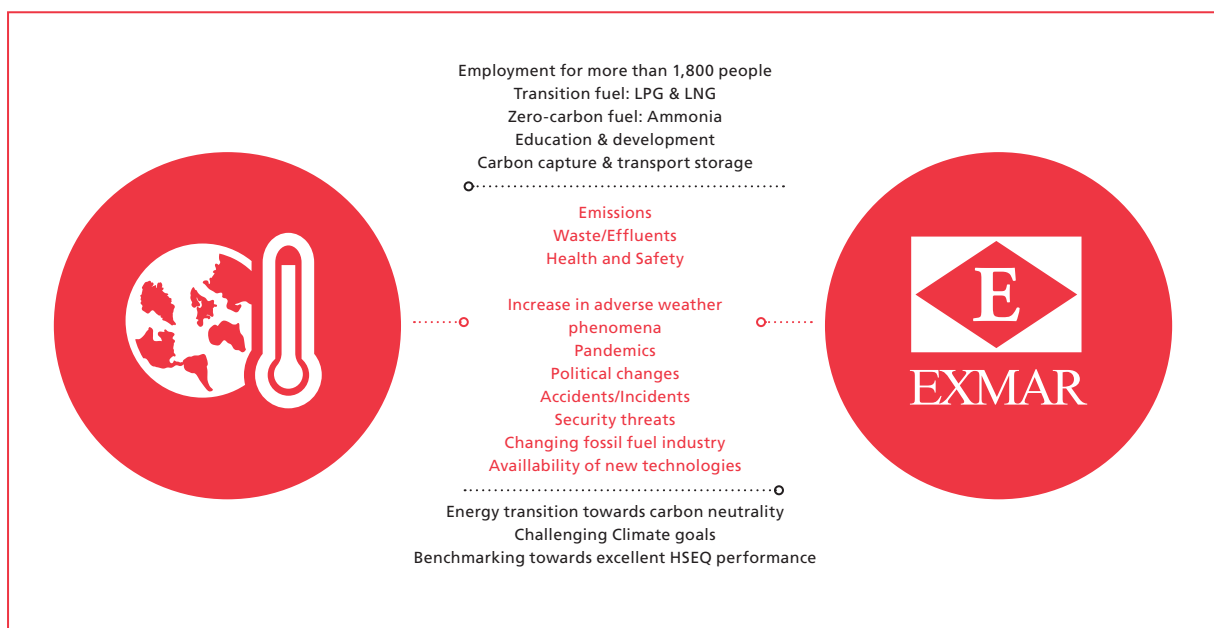
We also observe a reducing appetite with financiers and investors for businesses and assets with a negative impact on climate change. In this respect, EXMAR adheres to the Poseidon principles, which provide a framework for responsible ship financing. Under these principles, the leading shipping banks and financial institutions measure and publicise whether their shipping portfolios are in line with climate goals set. Furthermore, EXMAR is actively

using its knowhow and leading market position in the seaborne transport of ammonia for the development of the first seagoing vessels running on (green) ammonia. In this respect, EXMAR lifted the option with a shipyard on 2 Midsize gas carriers with dual fuel ammonia propulsion.

In the medium to long term, we expect the market value of vessels to be subject to different climate change related events and developing technologies. As a result of more extreme weather conditions, we anticipate an increase of operational challenges and concerns (e.g. re-routing, increase of incidents), impacting the earnings and valuation of a vessel. Also, a shifting demand from clients in their path to carbon neutrality will have a favourable impact on the value of vessels that match their requirements.

In the long term, we foresee an increased demand for low carbon vessels, having an adverse impact on earnings and valuation of older vessels with higher consumption. In this respect, EXMAR is actively investing in the rejuvenation of its fleet, having ordered six newbuilds with higher capacity and four with LPG dual fuel propulsion and two with ammonia dual fuel propulsion. In parallel, some of the older vessels in the fleet were sold in 2023 (Bastogne, Sombeke and Libramont).

Furthermore, EXMAR actively invests in R&D for low emission technologies and is exploring the use of commercially viable zero/low emission fuel propelled vessels. We expect this impact to be gradually and over the medium to long term. Accordingly, EXMAR is continuously evaluating the commercial viability of its fleet and actively invests and disinvests to maintain a state-of-the-art fleet.












EXMAR Goals













MATERIALITY ANALYSIS

On a yearly basis, EXMAR performs a materiality analysis in which ESG factors considered important by its stakeholders are weighed against their (potential) impact on the Company as well as the Company's impact on its environment. The ESG factors tabulated in the section 'Very High' are elected as the EXMAR key ESG topics which are classed as per the UN Sustainable Development Goals (SDGs).



GOALS

	Type	Risk	Due Diligence	Ambition	Timeframe
Climate Impact	Emissions    	Climate mitigation	Increase Energy Efficiency by subscribing to ISO,0001 and optimizing vessel operations (SEEMP & Energy Manual in SMS), Comply with MARPOL Annex VI (VOC/ODS), Evaluate logistic air freights basis emissions to optimize transport, Travel policy for air travel by personnel, Ban on incineration of plastic waste by fleet, Training of personnel on energy efficiency , Track emissions of fleet in digital platform, Regulatory reporting of emissions a/p EU MRV, UK MRV and IMO DCS	Increase Energy Efficiency (and thus minimize fuel consumption) by efficient new vessel design (EEDI)	Continuous
				Decarbonisation: As a minimum <ul style="list-style-type: none"> - reduce average CO₂ emissions per transport work by 40% by 2030 - reduce average CO₂ emissions per transport work by 70% by 2050 - reduce total annual GHG emissions of the company by at least 50% by 2050 (reference year 2008) - aim to surpass the IMO targets towards reaching future regulations for shipping under EU Green Deal - Follow up on EEXI standard for existing vessels and CII in line with regulations 	Mid term (<2030) Long term (<2050) Long term (<2050) Long term (<2050)
				Increased digitalization and performance monitoring allowing more in-depth data analysis of vessel performance, report under CSRD and identify areas of improvement; streamline digital platform integration throughout the company and expand automatic sensor data monitoring and sharing	Short term (2024)
	Waste  	Impact on Marine life Impact on Land degradation Reputation damage	Single Use Plastics ban implemented in supply chain, Compliance to MARPOL Annex V, 'Price Inquiry Messages' to suppliers include ISO 14001 requirements on packaging, Ban on incineration of plastic waste by fleet to allow recycling, Inventory of Hazardous Materials (EU SRR), Track fleet waste in digital platform	Monitor potable water quality of fountains on vessels (on-board production)	Short term (2023)
Reduce plastic waste production by 30% compared to 2020		Short term (2024)			
Implement flag approved electronic garbage record book		Short Term (2024)			
	Effluents   	Impact on Marine life Contribute to Invasive species Breach of regulations Reputation damage	Compliance to MARPOL Annex I, SOPEP-SMPEP & NTVRP, Sewage Treatment Plants, Use of cleaning agents and additives of which effluents are not harmful to the marine environment, Company requirements w.r.t. effluent management (sewage, grey water, bilge water, scrubber effluent , deck wash water, ballast water, biofouling waste and sediments, etc.) described in the Environmental Manual in SMS, BWMP for all fleet vessels, regular hull & propeller in-water inspections & cleaning, Training of personnel, Close monitoring of regulatory changes to ensure compliance, track effluents of fleet in digital platform(s)-Insight)	Implement a Biofouling Management Plan on the fleet	Short term (2024)
Review ballast water management plan on board all vessels in the fleet		Short term (2024)			
Implement flag approved Electronic ballast water, ozone depleting substances, NO _x and scrubber record book		Short term (2024)			

Type	Risk	Due Diligence	Ambition	Timeframe	
Transition Risk	Political – safety of shipping / sanctions  	Attacks Damages, casualties Reputation Damage	Close monitoring of flag state requirements and security of shipping worldwide, ship security plans & ship security officer, company security officer, gathering information from authoritative and or industry organizations as well as from specialized consultants, Code of Business Ethics (denouncing trade with sanctioned countries and ensuring anti-corruption) uphold human rights and non-discrimination through Code of Business Ethics and standardized contracts of employment Maritime Cyber Risk Management procedures and cyber security response plan Regulatory compliance	Evaluate business opportunities in developing nations to aid energy transition and local development	Mid term (<2030)
	Legal – accidents / incidents  	Loss of clients Reputation damage Lack of regulatory framework of new technologies	Safety Management System, Safety campaigns, Close monitoring of regulatory changes, Training and employment of qualified personnel in line with fixed matrices, Advocate for and participate in workgroups with industry bodies to amend/set-up clear regulations on new regulation and technologies such as Ammonia as fuel.	Minimize accidents and incidents as much as reasonably practicable Issue Safety campaigns and share incidents and near misses Continuous training and development of our crew	Short term (2024) Short term (2024) Continuous
	Market  	Reduction in fossil fuel availability Market increase in energy efficient ships (EEXI/EEDI) will reduce demand for less efficient (older) vessels	Monitoring of market evolution: expected increase in LNG/LPG overhaul as transition fuel in decarbonisation	Invest in research on ammonia and CO ₂ transport once transition fuels may no longer be desired under decarbonisation Participate in research and develop solutions for large scale renewable energy transport under the form of hydrogen, e-ammonia, e-methanol, e-LNG or LOHCs. Invest in future-proof sustainably fuelled vessels Divest older tonnage	Mid term (<2030) Mid term (<2030) Long term (<2050) Mid term (<2030)
	Technology   	Availability of technology to support decarbonisation Safety of new technology	Close monitoring of regulatory changes to ensure compliance and safety of new systems Close interaction with long-term suppliers and makers to evaluate new technologies	Close monitoring of regulatory changes and technological developments to select the solution with highest potential on carbon emission savings on the road to decarbonisation Work closely together with equipment manufacturers (engine makers/process design) on alternative fuelled vessels	Mid term (<2030) Mid term (<2030)
	Reputation   	Company based on fossil fuel industry	Invest in alternative fuels and new technologies on the road to decarbonisation	Highlight the importance of LPG cargo transport for secondary markets (sustain petrochemical and fertilizer markets) and to aid decarbonisation Invest in research and development of green ammonia and green hydrogen (or other alternative fuels) and captured CO ₂ to close the gap for transport of these products Increase cooperation with local industries and world supply chain to drive transition to circular economy	Mid term (<2030) Long term (<2050) Long term (<2050)

total emissions. At the end of each year, all entities must hand in EU allowances (EUA) equal to their emissions. Each allowance counts for one ton of CO₂. The intention is that the carbon price promotes and rewards investment in decarbonization technology.

In a first phase, the EU's Emissions Trading System covers CO₂ emissions for vessels above 5,000 gross tonnage (same as the CII regulation), regardless of the flag. The EU ETS includes all emissions from ships calling at an EU port for voyages within the EU (intra-EU) as well as 50% of the emissions from voyages starting or ending outside of the EU (extra-EU voyages), and all emissions at EU berth as reported under EU MRV regulation.

Shipping companies must only surrender allowances for a portion of their emissions during an initial phase-in period, reaching 100% of verified emissions after 3 years, thus in 2026 (40% in 2024, 70% in 2025). The financial impact on EXMAR's net result is expected to be limited, compensating for its own voyages - mainly repositioning off hire. For the client voyages, standard agreements in the industry must include arrangements for the EU ETS related costs. This should incentivise low-carbon solutions and reduce the price difference between alternative fuels and traditional maritime fuels.

The EU MRV/ETS scope will be broadened to include reporting of other greenhouse gases such as methane (CH₄) and nitrous oxide (N₂O) emitted by ships. Ships failing to comply with the EU MRV requirements for two or more consecutive periods may be expelled and denied trading in the EU.

The European Economic and Social Committee is developing the **Fuel EU Maritime Proposal**. This will impose a Greenhouse Gas life cycle analysis by 2025 of all energy used on board ships.

All the above mentioned regulation are related to our four environmental strengths: **Gas molecules as transition, efficient operation, strong design and innovation and engineering.**



CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)

The European Commission presented the Corporate Sustainability Reporting Directive (CSRD) proposal on 21 April 2021 as part of the European Green Deal and the Sustainable Finance Agenda. The CSRD provides a framework on sustainability information, as our clients and financial markets increasingly ask for access to environmental, social and governance information that is reliable, relevant, and comparable.

This new EU directive modernises, digitalizes, and strengthens the rules about the social and environmental information that companies must report and imposes mandatory sustainability reporting for large companies. The CSRD requires companies to have an audit of the reported sustainability information. EXMAR will apply

CSRD reporting in financial year 2024, for reports published in 2025.

Companies subject to the CSRD will have to report according to European Sustainability Reporting Standards (ESRS), published in December 2023 and drafted by the EFRAG (European Financial Reporting Advisory Group), an independent body gathering various stakeholders. Based on these standards, EXMAR is actively preparing to comply with its upcoming CSRD obligations.

AIR EMISSIONS

Air emissions coming from vessels consist out of several elements, some of which are harmful for the environment. Regulations aim to reduce elements and components that have a negative influence on the environment. The shipping industry and EXMAR have taken different initiatives to minimize its related impact.

CO₂

CO₂ is the most known air emission tackled by EEXI, EEDI and CII regulation. The amount of CO₂ a vessel emits is stipulated and to be reduced by operational and technical measures. More info can be found under the decarbonisation topic.

SO_x

Sulphur oxides (SO_x) are harmful to human health, causing respiratory, cardiovascular and lung disease. Once released in the atmosphere, SO_x can lead to acid rain, which impacts crops, forests and aquatic species and contributes to the acidification of the oceans. Reducing these harmful emissions will improve air quality, preserve the environment and protecting human health, especially those living near ports and coasts.

SO_x or Sulphur oxide are addressed by limiting the sulphur content in fuel oil used on board since 2020. IMO sets more stringent limits regarding the percentage of sulphur content in fuel: 0.5% worldwide and in specific regions the limit is even 0.1%. Most ships are using very low sulphur fuel oil (VLSFO) to comply with the new limit. Some vessels use scrubbers to reduce the amount of sulphur in emission gasses. As from 2020 a 77% drop worldwide in overall sulphur oxide emissions from ships – a reduction equivalent to 8.5 million metric tonnes of SO_x has been achieved.

NO_x

NO_x or Nitrogen Oxides plays a major role in several important environmental and human health effects. NO_x reacts with volatile organic compounds in the presence of sunlight to form ozone, which is associated with human health and ecological effects. Further, NO_x and other pollutants react in the air to form compounds contributing to acid deposition, which can damage forests and cause waterways to acidify. Deposition of NO_x can contribute to nuisance growth of algae disrupting the chemical balance of nutrients in water bodies, especially coastal areas. Finally, NO_x also plays a role in several other environmental issues, including formation of



Metric/Materiality	Unit	2023	2022	2021	Target	Remark
EXMAR SHIPPING & INFRASTRUCTURE (EXCLUDING ENGINEERING DVO&EOC)						
CO ₂ Scope 1 (1) (Fuel consumed during offhire and office footprint)	Metric ton	4,405	545,596	591,735	See CII	Majority fuel consumed by fleet shifted to scope 3 since EXMAR does not buy the fuel
CO ₂ Scope 3 (fuel consumed by fleet and air travel)	Metric Ton	4,863,553	NA	NA	NA	Majority fuel consumed by fleet shifted to scope 3 since EXMAR does not buy the fuel
Distance travelled	NM	1,827,553	1,993,781	1,925,558	SEE CII	More vessels sailing on worldwide trade, longer voyages, less ports
Number of port calls	Number	1,910	1,375	1,609	NA	
Operating days	Number	11,035	11,387	11,623	NA	Departure of older vessels
Average age	Number	11,22	10.63	10.94	NA	Selling older tonnage
Fleet	DWT	741,415.02	772,882.18	850,035	NA	Sale of older vessels
Number of ships	Number	32	35	37	NA	Sold Bastogne, Libramont, Sombeke
LPG carried	Metric ton	3,016,864	4,301,374	6,233,054	NA	Longer trade
Ammonia carried	Metric ton	1,598,380	1,907,075	1,618,772	NA	
LNG carried	Metric ton	3,583,588	0	502,243	NA	
Petrochemical gases	Metric ton	100,862	117,358	341,804	NA	
Fuel consumption	Metric ton	154,307	175,370	191,632	Optimize	Reduction due to fleet composition
Of which HFO	Gigajoules	5,302,588	5,952,008	5,321,024	Optimize	HFO includes LSFO
Of which MGO / MDO	Gigajoules	1,028,035	1,002,580	1,395,108	Optimize	
Of which LNG	Gigajoules	120,603	15,054	1,058,702	Optimize	
Of which LPG	Gigajoules	171,773	258,447	36,082	Optimize	
Energy consumed	Gigajoules	6,523,999	7,228,088	7,811,895	Optimize	
NO _x	Metric ton	10,284	11,450	11,096	NA	
SO _x	Metric ton	2,125	1,207	996	NA	Less trade in SECA area
Particular matter	Metric ton	590	635	779	NA	
Oil spills	Overboard (Number / M ³)	0	0	0		
	Inboard (Number / M ³)	1 event 3.1m ³	2 events 0.5m ³	1 event 0.3m ³	0	
Plastic waste (Category A)	Cbm	954.76	1,010.20	922	5% Reduction	Action on plastic waste reduction
Food waste (Category B)	Cbm	423.22	425.64	NA	NA	
Domestic waste (Category C)	Cbm	1,602.12	1,760.57	NA	NA	
Cooking Oil (Category D)	Cbm	9.95	6.55	NA	NA	
Incinerator Ashes (Category E)	Cbm	23.13	31.83	NA	NA	
Operational waste (Category F)	Cbm	360.21	372.10	NA	NA	
Animal carcasses (Category G)	Cbm	0	2.30	NA	NA	
Fishing gear (Category H)	Cbm	0	0	NA	NA	
E-waste (Category I)	Cbm	29.115	19.72	NA	NA	
Cargo Residues (Category J)	Cbm	0	0	NA	NA	
TOTAL GARBAGE	Cbm	3402.49	3,628.90	NA	NA	

EFFLUENTS

With the right measures, the environmental impact of effluents of a vessel can be minimized. EXMAR has a variety of measures in place to reach this goal.

Sewage / Grey Water

Sewage and grey water are the waste water coming from vessel sanitary facilities. All EXMAR vessels are equipped with a Class type approved sewage treatment plant assuring no contaminated water is discharged into the sea. To monitor the performance of the sewage treatment plants sewage sampling is being conducted on vessels calling US ports.

Bilge water

The bilge water of a vessel is generally foul and noxious containing fluids from machinery spaces, internal drainage systems, sludge tanks and various other sources. On the EXMAR vessels, the mixture is collected in the bilge water holding tank and controlled by pollution prevention equipment. This contains a 15 ppm bilge separator, 15 ppm bilge alarm and auto stopping device. It is regulated by MARPOL³ and prevents oil to be discharged in the water.

Biofouling Management Plan

We continuously monitor the efficiency of our vessels and plan hull cleanings accordingly. In certain operational locations, a biofouling management plan is in use for our vessels. It provides guidance on how to minimize

evasive species that can grow on the vessels hull.

Scrubber effluent

Scrubbers are used to reduce the amount of sulphur in emission gasses and produce scrubber effluent as a by-product. This scrubber effluent is managed following international and local regulations.

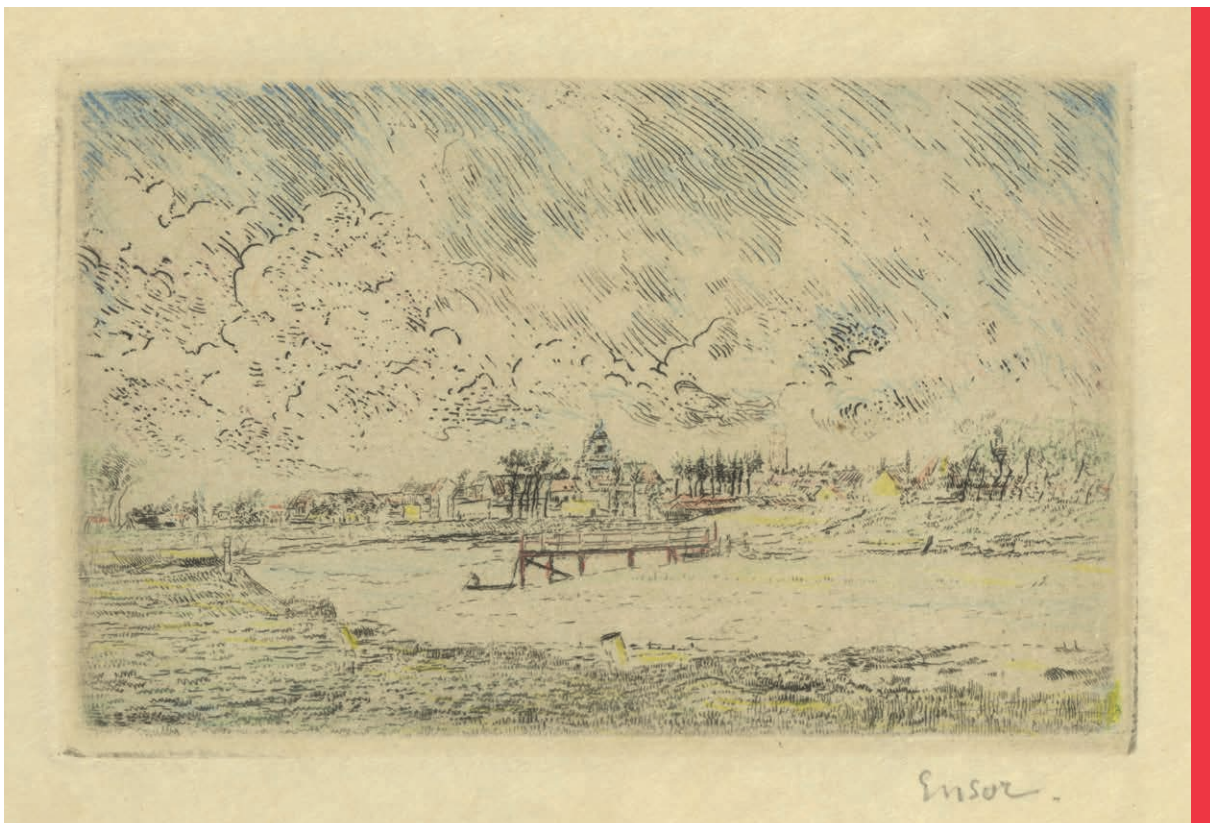
Garbage Management

The Garbage Management Plan is used to manage garbage on board. All garbage produced by the vessel that is discharged must be logged in the Garbage Record Book. We go beyond compliance by banning single-used plastics on board, prohibiting to incinerate cooking oil and plastics (stimulating recycling) and reporting alleged inadequacies of port reception facilities.

Reduction of single use plastic waste

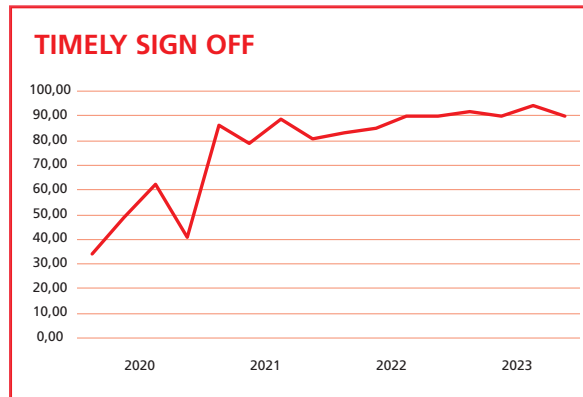
EXMAR fully adheres to the IMO Action Plan (2018) and Strategy (2021) to address marine plastic litter from ships. We have translated it in in our organisation by installing potable water fountains on board to ban the plastic water bottles. The introduction of potable water fountains results in a reduction in plastic waste, which in turn reduces the costs as less waste landing is required and no more bottled water is bought. The installation is of the highest standard and tested frequently, always assuring safe drinking water for the crew.

3 International Convention for the Prevention of Pollution from Ships



▲ "View of Nieuwpoort" MSK Ghent
Photographer: Cedric Verhelst

Contract extensions are avoided as performance and focus decreases and the risk of accidents increases. EXMAR measures the number of seafarers replaced more than 14 days after end of their contract. In total 90% of the sign offs are done on time due to the continuous efforts of the whole team.



INTEGRATION IN OFFICE EMPLOYMENT

EXMAR believes integration is key towards common understanding. In the Head Quarter office in Antwerp both senior and junior officers work temporarily to improve the understanding of office activities and to familiarize more with the Company's procedures and values. EXMAR finds it beneficial to integrate the expertise built up on board by sourcing seafarers for various temporary and permanent functions.



GIVING BACK TO SOCIETY

EXMAR has sponsored the newly build LAB school in Sint-Niklaas, Belgium, an education project where the wellbeing of children is central. EXMAR is patron for many years of VZW Zachte Kracht, a charity that offers young people with special needs the opportunity to sail on a yacht at sea for a day. The organisation is located at the Royal Yacht Club in the Belgian town of Nieuwpoort. EXMAR support several good causes like hockey club Gantoise in Ghent, Belgium.

Bexco works together with 'de Kemphaan' for the covers of their ropes, an inclusive company providing quality employment to people with working disabilities. As another example, Bexco works together with 'Sporzoeker', an organisation that reaches out to young derailed, unemployed people, to guide them towards the labour market.



SAFETY MATURITY

EXMAR is committed to apply the highest standards and continuously strives to exceed industry standards through innovative processes and with respect for its personnel and the environment in which it operates. EXMAR HSEQ department is continuously looking into ways to optimize processes and improve the company's performance. Quarterly safety steering committee meetings are held to assess and review vessel performance. In addition, regular safety, technical, health,... bulletins, incident

alert reviews and if needed immediate accident alerts are issued to the fleet and shore staff.

Taking The Safety Lead (TTSL)

The ultimate objective of taking the safety lead is achieve a culture taking a proactive approach to improve EXMAR practices and behaviour. The EXMAR "taking the safety lead" is a tool to direct people to a much higher level of safety maturity. Under this umbrella safety campaigns are set up focussing on important issues:

- Plastic Waste reduction
- Batteries Awareness
- Designated Person Ashore
- A pair of Gloves to Safety
- Personal Injury Awareness
- Learning Engagement Tool COW
- Several examples of project specific campaigns:
 - Heat Stress Management Campaign
 - Lifting Operation
 - Line of Fire
 - Work At Height
 - Enclosed Space
 - Hot work
 - Housekeeping
 - Simultaneous Operation (SIMOPS)

TTSL is an effective instrument to develop leadership skills of the officers and unleashing the potential of the juniors widening their practical skills anchored with the right mind-set. TTSL cultivates and enhances employee's perception of the EXMAR way of working.

The significant elements TTSL focuses on are the following:

- Risk Management
- Safety leadership
- Health and well being
- Incident Reporting
- Safety Mindset and behaviors
- Training

Control of Work, the key to excellent safety performance

Based on offshore process safety, Control of Work as a method for risk management is integrated in EXMAR working practices. The end goal is to ensure a safety lifestyle through intensive training. The safety performance is analysed, discussed, and shared via a bulletin to the complete fleet. We unfortunately had one Lost Time Incident (LTI) but succeeded for the third year in a row not to have any major incidents or casualties.

The strong and continued commitment by everyone in EXMAR is embedded in all significant elements of Control of Work (COW): daily coordination meeting, permit to work system, job hazard analysis, isolations, toolbox talks, and debriefing, serves as fuel to boost safety and guarantee assurance for a better performance.

Metric/Materiality	Unit	2023	2022	2021	Target	Remark
EXMAR SHIPPING & INFRASTRUCTURE (EXCLUDING ENGINEERING DVO&EOC)						
HEALTH & SAFETY						
Employee retention rate	Officers (%)	92.14	89.47	91.8	>91	
	Ratings (%)	93.67	91.75	80.6	>90	
Lost Time Injury Frequency (LTIF)	Rate	0.18	0	0.61	<0.5	One lost time injury
Total Recordable Cases Frequency (TRCF)	Rate	1.45	0.97	2.32	<2.5	Eight total recordable cases
Near miss reports	Number	907	538	370	>800	
Accidents or breakdowns (severity 5)	Number	2	0	0	0	Two major breakdowns
Fatalities	Number	0	0	0	0	
Audits overdue	Navigational	2	0	1	0	Difficult trading pattern
	Internal	0	4	0	0	
Conditions of class	Number	0	2	2	NA	
Port State Control Inspections	Number	54	54	35	NA	
Flawless inspections	%	72	85	88	>80	Location of the PSO
Detentions	Number	0	0	0	0	
Maintenance overdue (Non-Critical)	%	1.21	1.25	3.02	<2.5	Overdue critical maintenance not allowed
Monetary losses because of legal proceedings associated to bribery and corruption	EUR	0	0	0	0	
DIVERSITY						
Crew	Number	1,610	1,508	1,615	NA	
Female Crew	Number	47	24	NA	NA	
Nationalities	Number	46	33	43	NA	

Metric/Materiality	Unit	2023	2022	2021	Target	Remark
EXMAR OFFICES						
HEALTH & SAFETY						
Employee retention rate	Office (%)	92.31	94.74	83.5	>80	
LTI (Loss Time Injury)		0	5	NA		
TRC (Total recordable cases)		0	2	NA		
DIVERSITY						
Office Personnel	Number	409	418	234		
Total share female	%	34	46	45		
Nationalities	Number	21	22	NA		

Governance

Compliance is a crucial part of EXMAR's business strategy and the operations of the whole organisation. EXMAR operates globally and is governed by many diverse and complex regulatory systems.

The latest versions of the EXMAR Governance documents (Corporate Governance Charter including the Dealing Code and Code of Business Ethics) can be found on our website through following link: www.EXMAR.be/en/investors/corporate-governance

HIGH REGULATORY STANDARD

Compliance audits

There are multiple regulatory instances that check our compliance to both local and international regulations. We have in our office a yearly DOC audit by all flags (Belgium and Liberia) and internal audits. On board of our vessels we have yearly ISM/ISPS/MLC audit by flag state, regular port state control inspections, yearly internal audit and twice a year technical inspection.

Commercial audits and certification

To enable EXMAR to go beyond compliance our vessels have two SIRE⁵ vetting inspections, one CDI inspection, an OVID⁶ inspection and green award audits. In the office we have regular TMSA audits, in 2023 by Equinor.

Moreover, we are subscribed to several industry standards, including ISO. Bexco, EXMAR Shipmanagement and Wah Kwong Shipmanagement have a detailed Management System and hold ISO 9001 (Quality) and ISO 14001 (environmental) certificates. In addition EXMAR Shipmanagement holds ISO 50001 (Energy efficiency) and ISO 45001 (health and safety) standards. Additionally, some of our vessels are certified by Green Award, a certification and incentive program for shipping to contribute globally to sustainable waterborne transport. Our two newest vessels received an ECO notation by their classification society.

ISO 50001

To monitor energy efficiency, EXMAR Shipmanagement has an Energy Management System established under ISO 50001 certification. Improving efficiency is not only a gain for the environment as less emissions are produced but a reduction in fuel consumption means lower operational costs. Combining these both benefits is the way forward. The link between fuel consumption and air emissions explains why EXMAR spends so much attention to increasing vessel efficiency both in operation and during design.

ISO 14001

In addition to regulatory compliance, EXMAR Shipmanagement has implemented an Environmental Management System that is certified under ISO14001. The Environmental Manual, which is part of the company Safety Management System, sets the company standards on engine room bilge water management, sewage and

grey water management, operational waste, garbage management and emissions.

ISO 9001

We operate under an ISO 9001 certified quality management system which includes processes for improvement of the system and the assurance of conformity to customer, statutory and regulatory requirements. We consistently provide services that meets applicable statutory and regulatory requirements and aims to enhance customer satisfaction.

ISO 45001

EXMAR Shipmanagement is committed to provide safe and healthy workplaces by preventing work-related injury and ill-health, as well as to proactively improving its occupational health and safety performance. The company's safety management system has been established and is maintained in accordance with the applicable ISO 45001 standard.

ANTI-CORRUPTION

Anti-corruption is upheld by standardized purchase flows which demand 3-way verification by several employees and by standard tender processes that involve careful evaluation and final selection of suppliers for substantial investments.

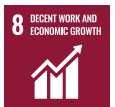
By carefully concluding charter party agreements with its clients and by using relevant BIMCO clauses and/or tailor-made anti-bribery, anti-corruption and ethics clauses in addition to regular sanction clauses, EXMAR is able to avoid port calls to countries having a low score in the International Corruption Perception Index.

As part of our commitment against facilitation and bribery EXMAR is part of the Maritime Anti-Corruption Network (MACN). The purpose of the company membership at MACN is to give the tools to our crew to fight against bribery and facilitation. The company procedure gives clear guidelines on anti-bribery procedures for vessels in certain geographical areas.

COMPLIANCE PROGRAM

To ensure optimal compliance with rules and laws and to reduce the risks of infringements and the adverse consequences these could have for EXMAR and all the stakeholders, the Board of Directors decided to implement a compliance program for EXMAR. This program was developed in cooperation with management and external advisers and is based on the international standard COSO Framework (Committee of Sponsoring Organizations). It aims at reaching a permanent state of compliance by means of procedures and structures that are intended to provide continuous improvement.

The compliance program is included in the Compliance Model which describes the structures and procedures used to assess and detect risks, to report and curb violations and finally to make employees aware of the Model, providing them with additional training. The



⁵ Ship Inspection Report
⁶ Offshore Vessel Inspection Database

	Material topic	Company standard	(Inter)national reference		
GOVERNANCE					
RISK & REGULATORY ENVIRONMENT	Compliance	Articles of Association, Corporate Governance Charter, Code of Business Ethics	Belgian Corporate Governance Code 2020, Belgian Code of Companies and Associations		
		Dealing Code	EU Market Abuse Regulation		
		Compliance Model/ / Manual	Committee of Sponsoring Organizations (COSO) 2013 Framework		
	Employees health & Safety	HSEQ pPolicy	ISM code, Marine Crew Resource management, Modern Slavery Act		
	Climate change	HSEQ pPolicy	EU Green Deal (ETS), IPCC and IMO framework		
	Air Emissions	HSEQ pPolicy	IMO Marpol Conventions, EU Sulphur Directives, UNCLOS		
	ICT	ICT policy	IMO cyber risk in SMS		
		Intellectual Property policy			
	Anti-corruption	Antifraud, whistleblowing	UN Global Compact, US Foreign Corrupt Practices, UK Bribery Act		
		Anti-money laundry policy			
	Competition	Anti-trust and competition policy			
	Metric / Materiality				
		Company standard	2023	2022	2021
BOARD COMPOSITION	Number of Board Meetings	Number	7	6	5
	Number of Board Members	Number	10	10	10
	Board Meeting Attendance	%	97	100	100
	Share of other gender	%	40	40	40
REMUNERATION	Audit fees	1,000 EUR	439	397	389
	Non-audit fees	20	317	204	184
	Board remuneration	1,000 EUR	530	580	580
	EXCO remuneration	1,000 EUR	2,761	1,844	1,355
	CEO remuneration	1,000 EUR	862	1,075	575
ETHICS	Endpoint files & IP's scanned	Number	Switch to AI based system	Switch to AI based system	690,170,000
	Endpoint security compromises	Number	Switch to AI based system	Switch to AI based system	121
	People trained in business ethics	Number	259	205	NA
	Inspections Maritime Labor Convention Inspection	Number	9	12	10
	Remarks Maritime Labor Convention Inspection	Number	1	0	1

Activities related to the shipping segment, ship-management services and yachting were assessed as being eligible in line with Annex I of the Climate Delegated Act. Other activities were identified as non-eligible because there was no perfect fit with the description of the activities in the Delegated Act or because they are a minor activity for the Group and not considered significant enough to be reported under the EU Taxonomy.

Alignment assessment

Where eligibility gives a view on the potential of a company to contribute to a sustainable future, alignment of an activity goes beyond and gives a view of the company's current sustainability status. Taxonomy-alignment implies that an activity complies with the requirements enumerated specifically for this activity in the Taxonomy, the so called Technical Screening Criteria and the 'Do no significant harm'-criteria. Put briefly, only when an activity is compliant with the technical screening criteria, the "do no significant harm"-criteria and the minimal safeguards linked to this activity in the Taxonomy is it aligned.

For an activity to align itself with the Taxonomy the first step is to check whether the activity is compliant with the technical screening criteria enlisted in the Taxonomy. These technical screening criteria are generally very elaborate, science based and are based on best practices in the market. For shipping in general, zero direct tailpipe CO₂ emissions is a crucial requirement in the Technical Screening Criteria. A buffer period will apply until 2025 to allow a certain amount of direct emissions, depending on what the vessel is used for. Generally speaking, vessels will meet the criteria if they derive a minimum of 25% of its energy from zero direct emission fuels. However, as there are very few such fuels available and technological breakthroughs are still ahead of us, the shipping industry as a whole, on the basis of these technical screening criteria, will continue to struggle to show the efforts being made to strive towards a more sustainable world.

The results of our screening process based on the analysis of our core assets with the Taxonomy Compass, is attached in below table (toe te voegen na analyse met conso collega's). For EXMAR, given the current

state of technology, as explained here above, the result of this alignment exercise is not a surprise. Indeed, on its website, the EU acknowledges that 'currently, there are no commercially viable zero-emission solutions for ocean-going vessels' (https://transport.ec.europa.eu/news/maritime-taxonomy-new-study-contributes-definition-sustainable-economic-activity-2021-05-04_en).

As one of the leading experts in the maritime transport of ammonia, EXMAR is actively investing in research and development of ocean-going vessels that are propelled by ammonia as a fuel. Ammonia is widely used in the chemical industry and is best known as the key ingredient in fertiliser. Colourless and with a pungent smell, the fact that the ammonia molecule (NH₃) is rich with hydrogen makes it perfect to adapt as a fuel. When used as a fuel, the only emissions are water, with no carbon present to make CO₂.

Furthermore, EXMAR wants to point out that its current shipping fleet already largely consists of carriers that can switch between the transport of LPG or ammonia. In a scenario whereby (particular green) ammonia gets traction as a dominant energy carrier following the switch to hydrogen, EXMAR vessels are fully ready to transport such green ammonia.

Results of the taxonomy screening

The KPIs are based on the requirements outlined in the Disclosure Delegated Act of 6 July 2021:

- The proportion of Turnover derived from products or services that are associated with environmentally sustainable activities.
- The proportion of capital expenditure (CAPEX).
- The proportion of operating expenditure (OPEX) related to assets or processes that are associated with environmentally sustainable activities.

EXMAR is preparing its financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The calculated KPI's mentioned below are based on the EU Taxonomy Regulation definition. Qualitative information is provided to give clarity to the reader on what is included or excluded from the KPI's in comparison with the IFRS financial information.

TEMPLATE 1 NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

TEMPLATE 2 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0/0		0/0		0/0	
8.	Total applicable KPI	0/0		0/0		0/0	

TEMPLATE 4 TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0/0		0/0		0/0	
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	Turnover: 71,075k/100% CAPEX: 2,179k/100% OPEX: 34,415k/100%		Turnover: 71,075k/100% CAPEX: 2,179k/100% OPEX: 34,415k/100%		Turnover: 0/0 CAPEX:0/0% OPEX: 0/0%	
8.	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	Turnover: 71,075k/100% CAPEX: 2,179k/100% OPEX: 34,415k/100%		Turnover: 71,075k/100% CAPEX: 2,179k/100% OPEX: 34,415k/100%		Turnover: 0/0 CAPEX:0/0% OPEX: 0/0%	



TEMPLATE: PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING YEAR 2023

Financial year 2023	2023	Substantial contribution criteria								DNSH criteria (Does Not Significantly Harm) (h)				Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022 (18)	Category (enabling activity or) (19)	Category (transitional activity) (20)	
Economic activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, Year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	%	E	T
Text		USD	%	"Y, N; N/EL; (b)(c)"	"Y, N; N/EL; (b)(c)"	"Y, N; N/EL; (b)(c)"	"Y, N; N/EL; (b)(c)"	"Y, N; N/EL; (b)(c)"	"Y, N; N/EL; (b)(c)"	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1 Environmental sustainable activities (Taxonomy-aligned)																		
N/a	N/a	0	0	N	N	N	N	N	N	N	N	N	N	N	N	0%		
CapEx of environmental sustainable activities (Taxonomy-aligned (A.1))		0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	0%		
Of which enabling			%	%	%	%	%	%	%	N	N	N	N	N	N	0%	N/A	
Of which transitional			%							N	N	N	N	N	N	0%		N/A
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)																		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	6,10	2179	27%	EL "EL; N/EL; (f)"	N/EL "EL; N/EL; (f)"	N/EL "EL; N/EL; (f)"	N/EL "EL; N/EL; (f)"	N/EL "EL; N/EL; (f)"	N/EL "EL; N/EL; (f)"									
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2179	27%	27%	0%	0%	0%	0%	0%							9%		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		2179	27%	27%	0%	0%	0%	0%	0%							9%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
CapEx of Taxonomy-non-eligible activities (B)		5951	73%															
Total (A + B)		8130	100%															