

Century Bulk Carriers Management Co.

ESG Report

20
22

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Letter From The President

It's my great pleasure to introduce our second ESG Report. This report shows our non-financial Environment, Social, and Governance (ESG) performance, strategy, risks, opportunities, throughout the value chain.

This effort is another milestone in our sustainability reporting journey. Like the previous edition, this report leans on SASB standards.

Our future financial position and impacts on society and the natural environment are linked with our ability to create value for our stakeholders in the long term. This has been a front-and-centre concern since the formation of the company. By understanding our environmentand defining an ESG strategy, we

believe we will be better positioned to optimize our societal impact, strengthen our stakeholder relationships, and help navigate the changing global context.

We are supported in this journey by our **Value2Society/Value@Stake** capabilities (see page 42), which enable us to examine and quantify the value of business activities of our value chain to our stakeholders. We believe this enriched understanding of value will help strengthen our business resilience. I look forward to your feedback on this report, and I hope you enjoy this second edition.

Mr. George Skordias

About This Report



Structure & Scope

You are reading Century Bulk Carriers Management Co.’s (‘Century’) latest ESG report.

First, you will find an overview of Century, its history, and operating assets, followed by selected highlights of our 2022 ESG performance. The report then outlines our ESG Approach, the global context, our stakeholders, and materiality.

We then discuss each ESG dimension in depth. For each dimension, we reflect on our performance, our understanding of the risks

and opportunities landscape, and the strategic plan to mitigate risks and seize opportunities in the short, medium, and long term.

Following this, we present the **Value2Society/Value@Stake** capabilities that will enable us to execute our plan and achieve our strategic objectives.

We conclude this report with the Appendix, including key KPIs and content index for the IFRS S1 and S2 and the SASB Marine Transportation standards.

Reporting Guidelines

This report has been prepared in accordance with the SASB framework.

In addition, with the release of its S1 and S2 sustainability disclosures standards on 26 June 2023, IFRS-ISSB is building up on SASB to

establish a mandatory standard, coming into effect in January 2024. For this year’s edition of the report, we are taking proactive steps towards IFRS S1 and S2 compliance by introducing ESG risks and opportunities.

Specific concordance of the report with the SASB Marine Transportation and IFRS S1 and S2 standards is presented in the appendix.

About Century Bulk Carrier Management Co.

Our core management philosophy is to continually develop a high number of experienced and motivated personnel, both onshore and at sea.

Overview

Century Bulk Carriers Management Co. “Century” was established in the Marshall Islands on May 8, 2018 to be a ship management company which manages and operates a diversified fleet of bulk carriers trading worldwide.

The Century fleet has gradually increased to a peak of twenty-one vessels and, since inception, Century manages and operates fleet vessels to the highest standards of quality services, safety and health, environmental protection and energy

efficiency. Century and all managed vessels are certified by Lloyd’s Register Classification society against ISO 9001, ISO 14001, ISO 45001 and ISO 50001 Standards.

The core values of Century are the well-being of our people, respect for the marine environment, aim towards excellence, application of only the highest quality standards and safety for our people.



Mission

Century Bulk Carriers Management Co. is committed to the fact that building ships is not enough. Therefore, the Company’s primary mission is not just to invest in ships but to train the finest seafarers to carry cargoes safely, protect the seas and environment, and improve energy performance. The Company recognizes

that although shipping is by far the most fuel-efficient mode of transport, additional action has to be taken to further improve the energy efficiency of ship related operations. The increased energy efficiency will eventually result in environmental protection by reducing air emissions.

Vision

The vision of Century Bulk Carriers Management Co. is to be one of the leading companies in the shipping industry. Its intention is to be recognized among the marine industry entities for its enduring commitment to the:

- highest standards of services,
- highest standards of safety and health, environmental protection and energy efficiency,
- integrity in the operation of its vessels and the relationship with its customers.

Fleet [as of 31st December 2022]



4 x **CAPE SIZE (291M)**
179 Thousand DWT



1 x **POST PANAMAX (230M)**
93 Thousand DWT



3 x **KAMSARMAX (229M)**
81 Thousand DWT

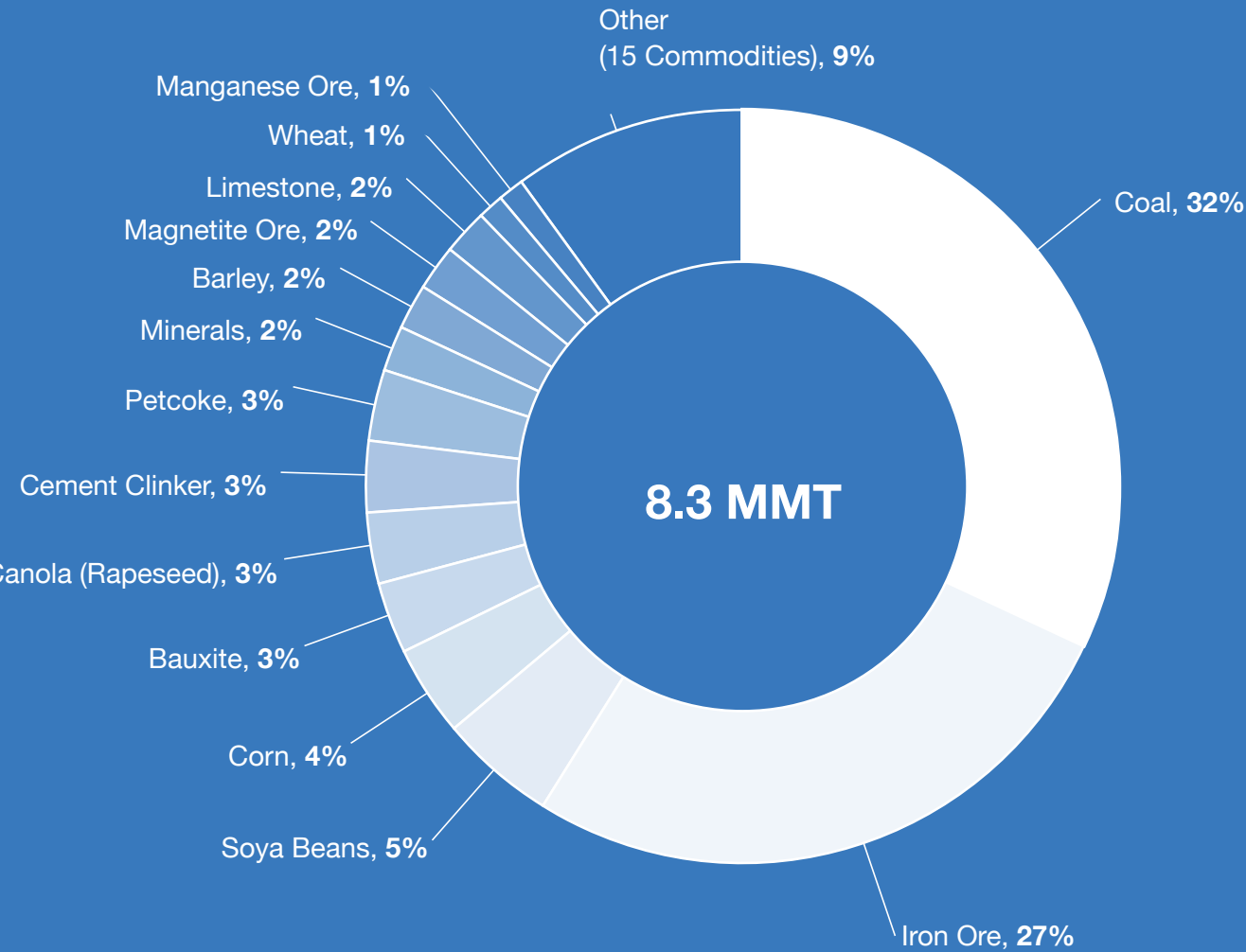


2 x **PANAMAX (225M)**
73 – 76 Thousand DWT



3 x **SUPRAMAX (190M)**
57 Thousand DWT

Cargo



8.3 Million Metric Tons of Bulk Commodities Transported over 763 Thousand Nautical Miles

651	762,834	5,327
Shipboard employees	Nautical miles travelled	Operating days
1,378,659 ¹	13 ¹	304
Deadweight tonnage	Vessels in fleet	Vessel port calls

1) As of 31st of December 2022

ESG Highlights

Environment



4.05 Fleet average AER

We had an average AER (Annual Efficiency Ratio¹) of 4.05 across our fleet. This is an improvement of 12.1% compared to 2021, driven by speed optimization.

CO₂ NOx PM10

GHG scope 1 emissions reduction **28.6%**

We reduced our greenhouse gas emissions by 28.6% compared to 2021. NOx emissions dropped by 28.5%, SOx emissions by 30.9%, and PM10 emissions by 27.5%. This is mainly driven by speed optimization.



7.49 Fleet average EEOI

We had an average EEOI (Energy Efficiency Operational Indicator²) of 7.49 across our fleet. This is an improvement of 9.4% compared to 2021, mainly driven by speed optimization.



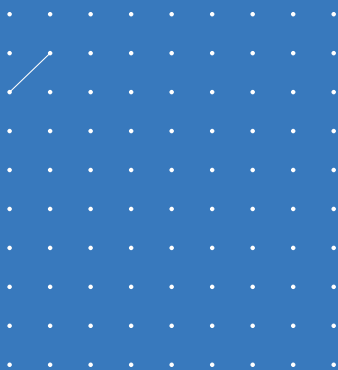
0 Releases of harmful substances

We had no case of release of harmful substances³ across our fleet. We also had no violations of ballast water management, handling of sewage, handling of grey waters.



0 Oil Spills

We had no case of oil spills across our fleet.



Social



0 Severe injury

We had no cases of severe injury or fatality. Our LTIF¹ and TRCF¹ were also low, with 0.38 and 0.38 per million hours worked.



95.8% Officers' retention

We achieved a retention rate of 95.8% for Officers in fleet.



0 unresolved MLC complaints

We had no MLC complaints which we could not resolve internally.



100% Key shore staff retention

We achieved a retention rate of 100% for key shore staff. This includes management.

ESG Shipping Awards: **Bronze**

We achieved the Bronze Social Award at the first ESG Shipping Awards in Athens.

Governance



360 Days of operation

Our vessels had an average of 360 days of operational use on average across the fleet. This corresponds to a utilisation rate of 98.6%.



0 Detentions

Our vessels had no cases of detention. They had an average of 0.30 deficiencies per Port State Control inspection.

Rightship: **Top performer**

We have maintained top performance in vessels' rightship safety scores. Shore-based management had excellent performance.

1. on 1,000,000 hours worked base rate

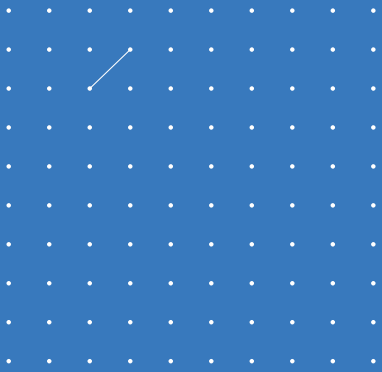
Risks and opportunities: **28**

We identified a total of 28 ESG-related risks and opportunities (14 risks and 14 opportunities).

1. Ratio of CO2 emissions per tonne mile (deadweight capacity times the distance sailed in nautic miles)
2. annual amount of CO₂ emissions per transport work
3. as per MARPOL (International Convention for the Prevention of Pollution from Ships), Annex II-VI

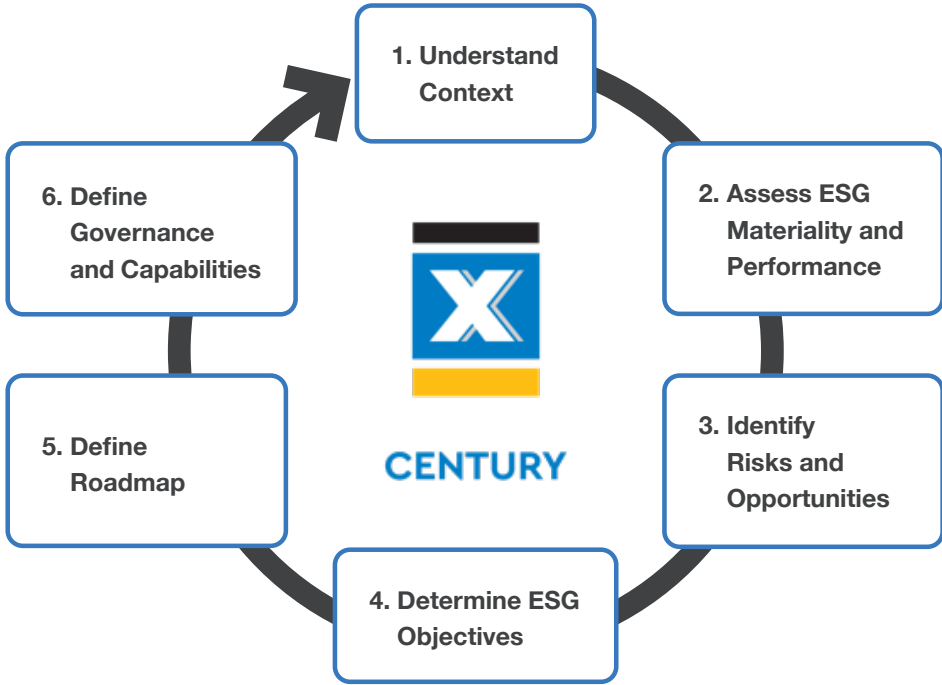
Strategy Development and Review Approach

Our ESG strategy is to maximize our positive impact on society whilst minimizing the associated financial risks. It considers global context, stakeholder perspectives, and ESG-related risks & opportunities. The strategy informs our business model by providing materiality assessments and setting ESG objectives that make our roadmap. To ensure the ESG roadmap is successfully implemented, we then review and define the appropriate governance setup and required capabilities, including data management and reporting.



We tackle the development and review of our ESG Strategy with a structured approach, which can be broken down into six steps. At each step, we ask ourselves key guiding questions

to address the topic comprehensively and thoroughly. This enables us to better understand, plan, and execute on value creation for all our stakeholders.



1. Understand Context

- What is the macro and micro context of our business?
- What are the trends?
- Who are our key Stakeholders?

2. Assess ESG Materiality and Performance

- What is our financial materiality and impact materiality?
- What are our material ESG topics?
- How do we perform in the Environmental, Social, and Governance dimensions?

3. Identify Risks and Opportunities

- What are our key ESG Risks and Opportunities?
- What is their relevance to Century and its key Stakeholders?

4. Determine ESG Objectives

- What are our key ESG objectives, in the Environmental, Social, and Governance Dimensions?

5. Define ESG Roadmap

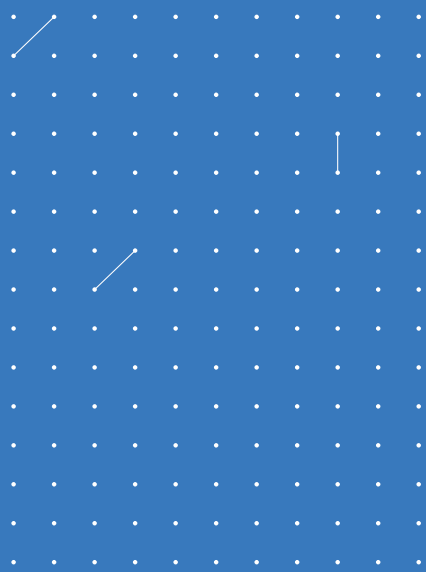
- How do we achieve our ESG objectives?

6. Shape Governance and Processes

- What Governance capabilities do we need for our ESG roadmap?
- How do we communicate progress effectively to all stakeholders?

Global Context

Living in an ever-changing world, the only constant is our effort to understand and adapt to the challenges, but also to identify business opportunities that will future-proof our business.



Shipping & geopolitical fluctuations

Just as the world was recovering from the shock of the Russia-Ukraine conflict, another violent and merciless war erupted in the Middle East. In a few weeks, the Israel-Hamas war had changed dynamics in the Middle East and beyond. At the time we write this report, peace in both Ukraine and Palestine seems far out of reach.

How this impacts Century:
We recognize that this new normal requires a shift in our mindset. In this ever-changing environment, agility and resilience must be our priority to adapt constantly.

Natural Capital depletion

The depletion of natural capital is happening at a faster pace than expected and is accelerating. Beyond the current biodiversity losses, risks to the environment are broadly seen dominating the global landscape in the next 10 years.

How this impacts Century:
We believe a shipping company is a natural custodian and advocate of the marine environment. To be up to the role, the maritime shipping industry must understand its impacts and own them. At the scale of the maritime industry, this means safeguarding sensitive and protected areas, local ecosystems (e.g., from invasive species), and limiting waste. Regulating bodies such as the International Maritime Organization (IMO) have already set the frame and are expected to further ramp up their focus on protection of biodiversity.

Consumer preferences and stakeholders’ expectations

Consumer preferences

Consumers increasingly seek products that align with their values. Ethical, social, and environmental impacts are now key purchase criteria. This trend is confirmed by our customers who increasingly ask for sustainable alternatives.

How this impacts Century:

At Century, we acknowledge and prioritize demands from our customers and society. We see those demands as opportunities that will require bold decisions and new business models. We act by integrating ESG considerations into our decision-making and speeding up our ESG roadmap.

Stakeholders’ expectations

With the loss of trust in institutions comes the rise of expectations towards business. As the most trusted institution in an era of social mistrust, wider society expects business to act. At Century, we want to leverage the opportunities in that fragmented landscape but are also aware of the risks of politicization. We aim to provide solutions that help communities and society with their social, economic, and environmental problems.

How this impacts Century:

At Century, we act by supporting those in need, fostering local communities, and collaboration. We restore trust by being transparent and fulfilling our commitments.

Decarbonization

The devastating effects of climate change can be felt around the world. To limit climate change, the Paris Agreement aims to significantly curb global greenhouse gas (GHG) emissions.

While shipping is largely seen as the most efficient way of transport, it is responsible for 3% of GHG emissions. The IMO is committed to reduce emissions of the industry and has defined a clear pathway consistent with the Paris Agreement goals. The target is for all actors to reach net-zero by 2050.

However, despite a decrease in carbon intensity, GHG emissions from shipping are on a rising trajectory. The maritime shipping industry is not on track to meet the targets set by the IMO and will need to redouble efforts to make up for the time lost.

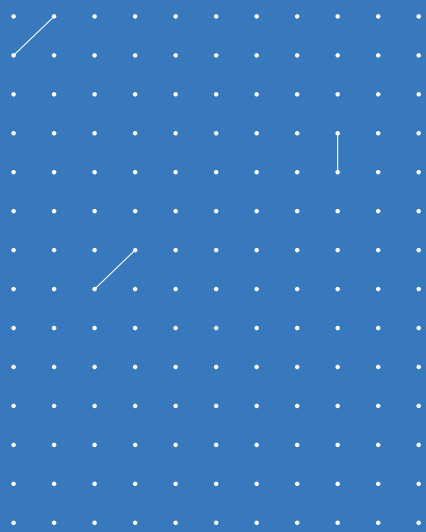
How this impacts Century:

Meeting industry GHG emissions targets will need leadership and thorough execution. At Century, we acknowledge the scale of the necessary changes to our business and industry and see this as a chance for growth. We want to help shape and execute a vision where sustainable business models create long-term value for all our stakeholders.



Our Stakeholders

We analyze and group our stakeholders based on their shared needs and expectations. This enables us to understand better who is impacted by our ESG risk and opportunities. Equipped with this understanding, we can shape responses that improve value for our stakeholders.



Stakeholder Group	Stakeholder	High-level Needs and Expectations
Customers	Ship Owners	High quality services, effective monitoring of vessel performance, compliance with contracts
	Cargo Owners	
	Charterers	
Employees	Personnel ashore and onboard	High safety, quality, and environmental standards, fair work environment, career growth
Suppliers	External providers (e.g., manufacturers, shipyards, brokers)	High quality, and environmental standards, high safety standards for their personnel, compliance with contracts, timely notice for needed products and services
	Manning agents	High competence and knowledge of seafarers incl. safety, quality, and environmental standards, compliance with MLC requirements
Sector	Peers	Fair competition, collaboration and knowledge sharing
Authorities	Governments	Compliance with laws, taxes, and other governmental obligations
	Flag and coastal administrations	Compliance with regulatory framework regarding safety, health, quality, security, environment, energy, and other aspects of shipping
	Regulatory bodies (local/international)	
Wider Society	General public	Compliance with all applicable obligations from governments, regulators, and authorities, ethical behaviour, community support and investment, integration of ESG in business decisions
	Local communities	Company operations compliant with legal framework, avoidance of general nuisance
	NGOs	Compliance with all applicable obligations from governments, regulators, and authorities, ethical behaviour, community support and investment, sustainability education and awareness, integration of ESG in business decisions, collaboration and knowledge sharing
	Associations (e.g., HELMEPA, BIMCO, INTERCARGO)	



Materiality

As a responsible business that serves society, we want to understand and report risks and opportunities not only based on value for our company, but also for all our stakeholders.

Therefore, we consider an ESG Topic relevant based on its impact on society and how this reflects on our future financial performance.

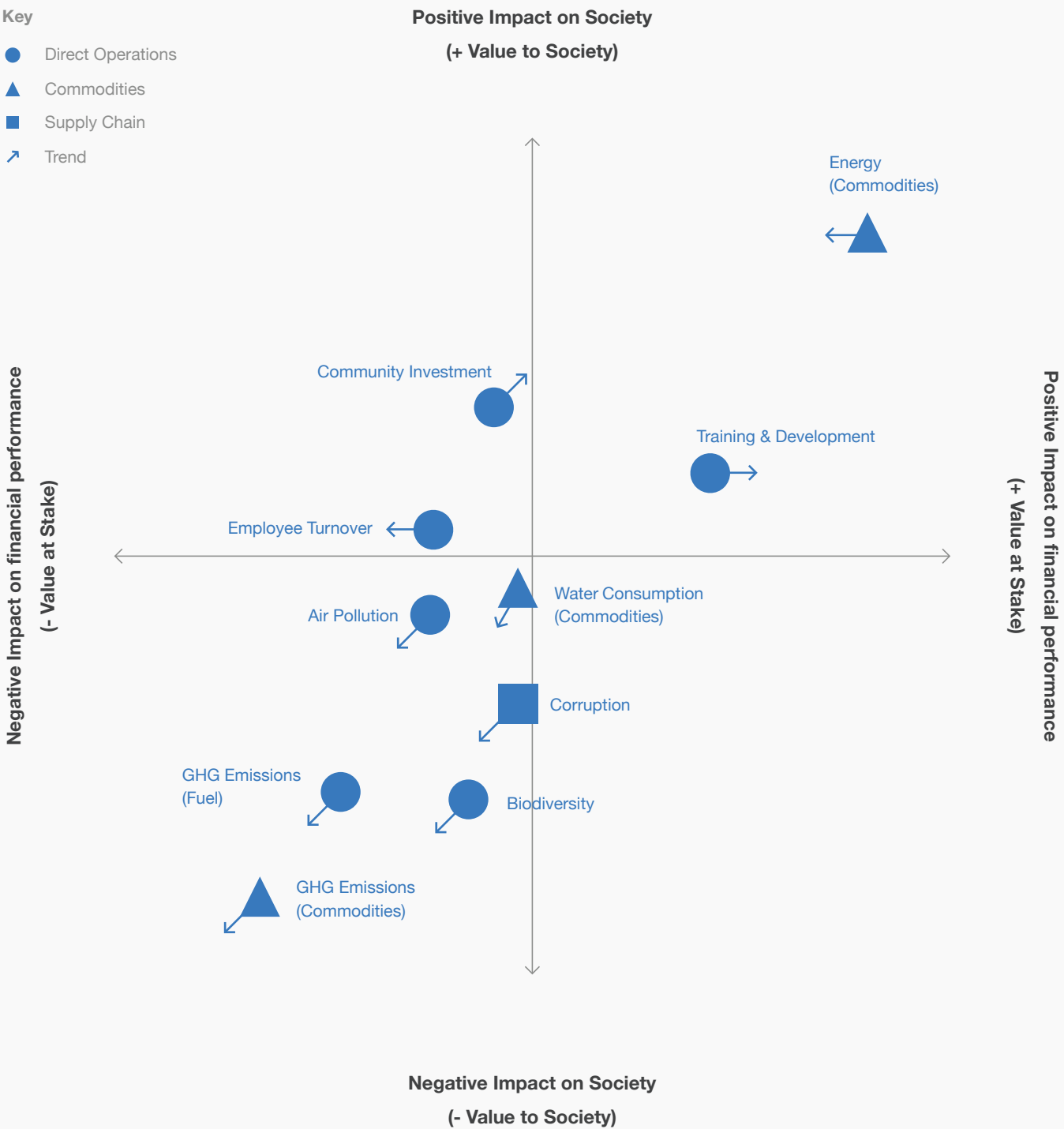
The double materiality matrix allows us to understand, communicate, and report double materiality effectively by visualizing the importance of topics based on their effect on society, effect on our financial performance, and trend.

Taking as an example training and development of our own workforce and downstream greenhouse gas emissions from the commodities transported by our vessels (e.g., coal):

- Training and development increase the productivity of our workforce, positively affecting our stakeholders and our future financial performance. We therefore position this topic in the top right quadrant of the matrix. We see an improving trend for that topic with the growing adoption of digitization and other tech trends.
- Greenhouse gas emissions affect society negatively, and we can reasonably expect this also to affect our business performance in the long term. This could, for example, occur through transition risks. We expect a worsening trend for that topic. We therefore position this topic in the bottom left quadrant of the matrix.

We consider key criteria to determine materiality of ESG topics

Represents substantial value for stakeholders
Is important to our stakeholders
Is mandatory to report on (e.g., CSRD, IFRS S1 and S2, IMO)
Represents a material risk (i.e., impact of >1 M USD) on net income



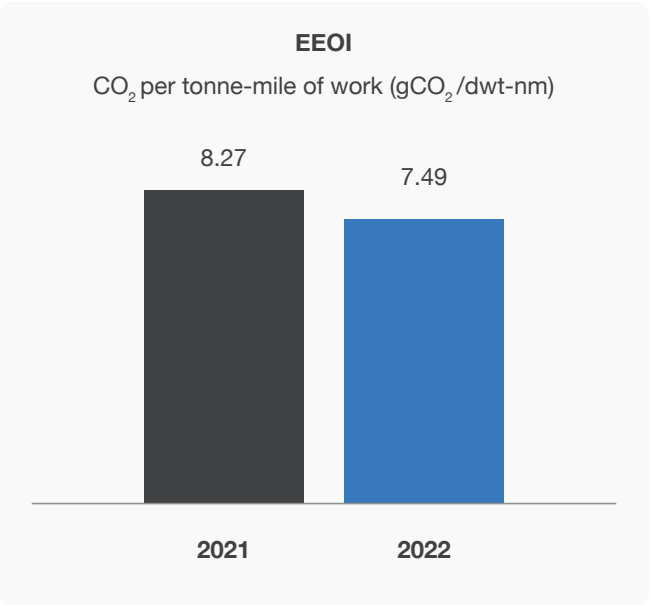
Environment

As a maritime shipping company, we are at the front line of the environmental crisis. It has become clear that investing in nature at present will safeguard business financial security in the future. Thus, amongst others, it is our responsibility to address climate change and biodiversity loss. We keep reducing our Greenhouse Gas Emissions and protecting biodiversity with targets that align with the goals of the IMO¹. We also strive to report our impact on the environment transparently and continuously.

Performance

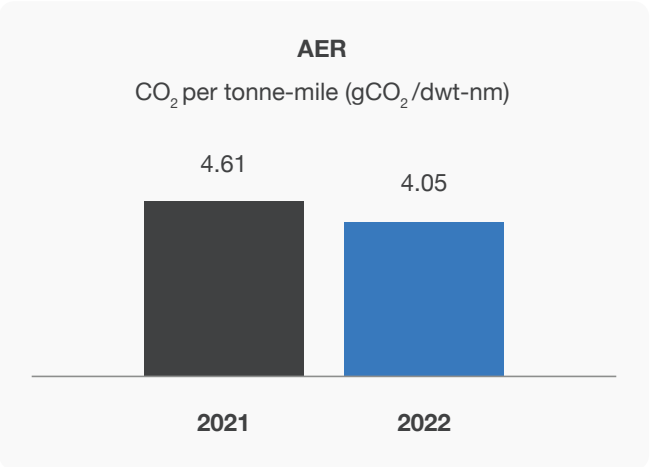
EEOI (Energy Efficiency Operational Indicator)	
2022	Change from 2021
7.49	-9.4%

To track the efficiency of our vessels, we use the IMO’s Energy Efficiency Operational Indicator (EEOI). This indicator measures the annual amount of CO₂ emissions per transport work. The EEOI of our fleet decreased by 9.4% from an EEOI of 8.27 in 2021 to an EEOI of 7.49 in 2022, and we continue to make progress.



AER (Annual Efficiency Ratio)	
2022	Change from 2021
4.05	-12.1%

AER is another carbon intensity metric we use to assess the energy performance of our fleet. This metric is calculated in accordance with the Poseidon Principles¹, which are aligned with the goals of the IMO². In 2022, we reduced the AER of our fleet by 12.1% compared to 2021 levels.



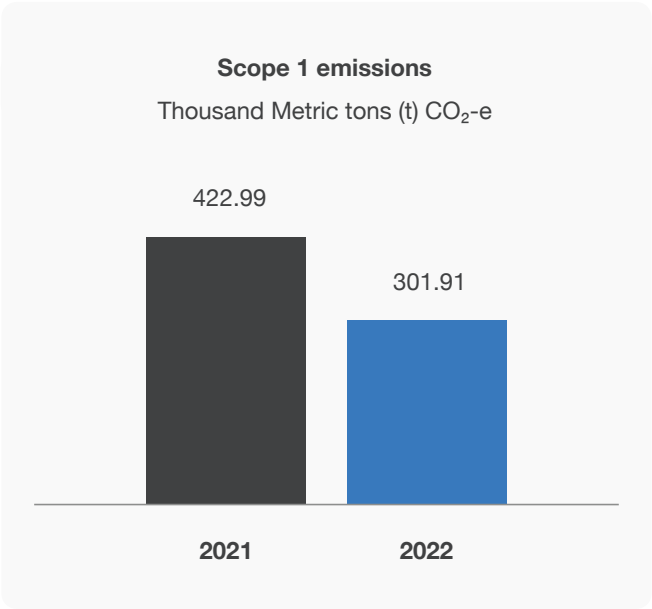
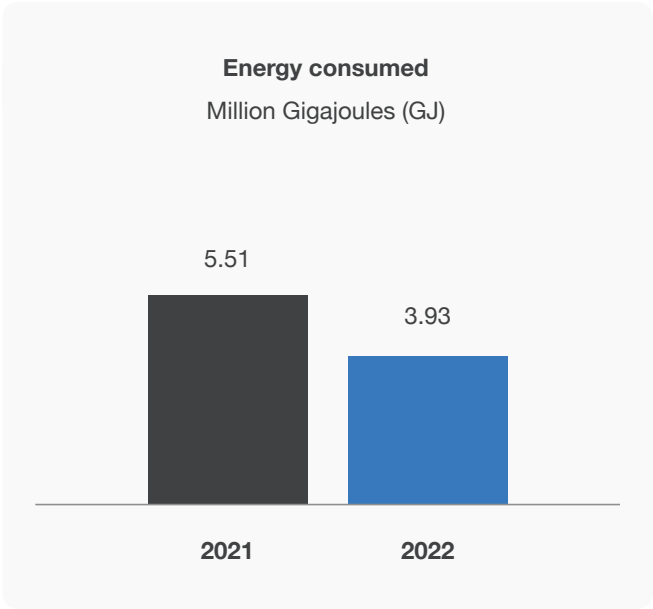
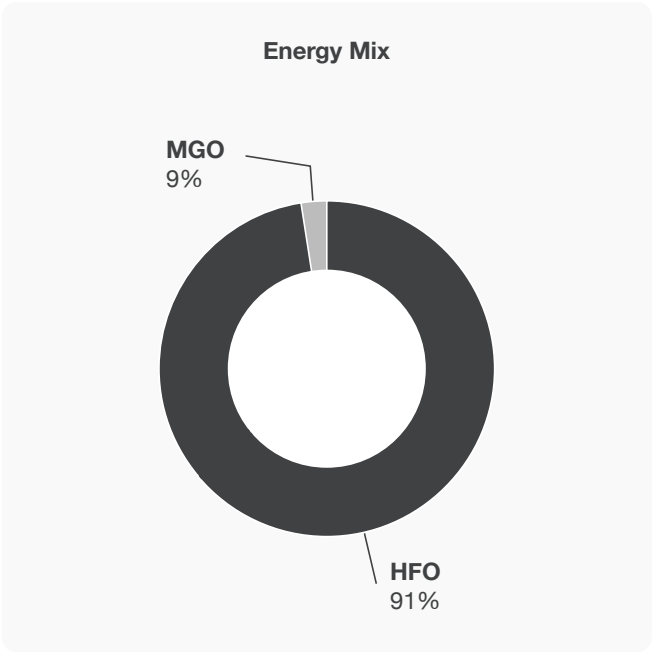
Efficiency Measures

We use weather routing systems and speed optimization practices to reduce fuel consumption and emissions. Furthermore, we have installed several Energy Saving Devices (ESD) such as ducts, PBCF, and low-friction paints on managed vessels and plan to apply these interventions to the rest of our fleet. We did not acquire new vessels in 2022. For future acquisitions, we will target vessels with an EEDI of the latest phase.

1. 2023 IMO Strategy on Reduction of GHG Emissions from ships
2. Assessment - Poseidon Principles for Financial Institutions

Greenhouse Gas Emissions

	2022	Change from 2021
Gross global scope 1 emissions Metric tons (t) CO2-e	301,907	-28.6%
Energy consumed Gigajoules (GJ)	3,929,601	-28.6%



Scope 2 and 3 emissions

We monitor scope 2 and 3 emissions and will continuously report on them in future iterations of the report.

Forest planting project in Chios

We implement the carbon management hierarchy and strive to avoid, reduce, and replace before we offset our emissions. When we do offset, we do it with quality and local projects, such as our forest planting project in Chios.

In 2022, we started a tree plantation project.

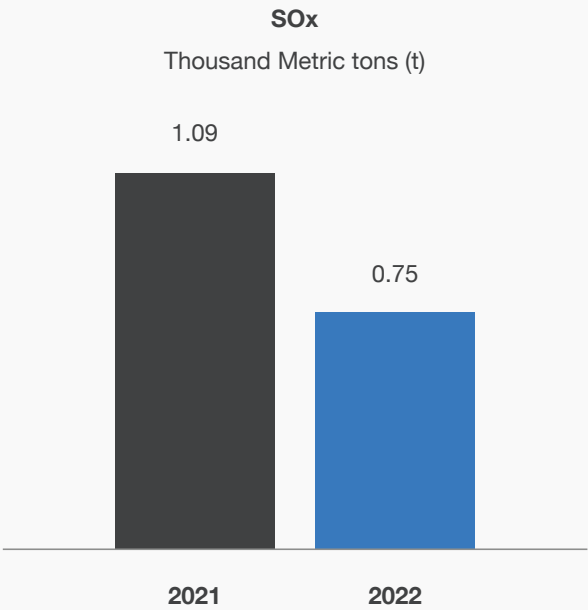
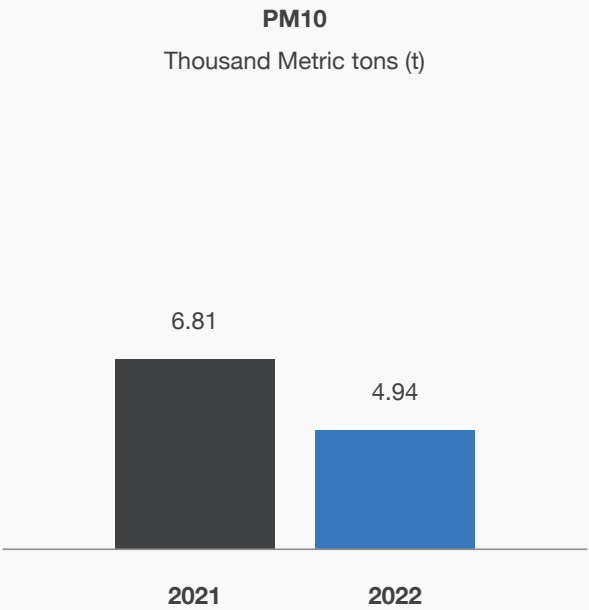
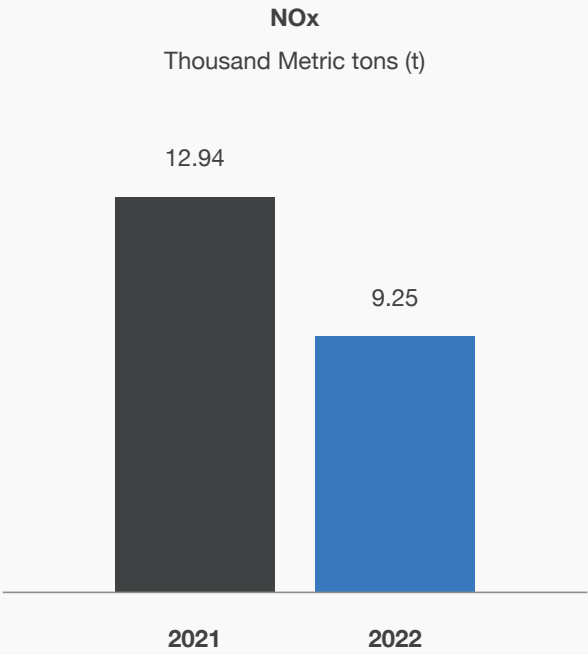
This project aims to create a forest core in Chios, on Mounta Aipos (St. Goergios, Flori). A total of 4,500 saplings will be planted on an area of 41 acres (41.834 m2).

The planting is currently in progress and will be completed in early 2025 (1,500 saplings per year are planted every year from January to April).



Air Quality

	2022	Change from 2021
NOx emissions Metric tons (t) CO2-e	9,247	-28.5%
SOx emissions Metric tons (t) CO2-e	754	-30.9%
PM10 emissions Metric tons (t) CO2-e	4,937	-27.5%



Refrigerants and Lubricants

We use refrigerant gases in vessel refrigeration systems with zero ozone-depleting substances (ODS), such as R407 and R404. To reduce the impact of global warming, we prohibit the use of any refrigerants that significantly affect the ozone layer (such as R22).

We also use biodegradable environmental lubricants and onboard non-polluting air sealing systems installations. 88% of the fleet-managed vessels have biodegradable lubricants and 12% have non-polluting air-sealing stern tube systems.

Biodiversity

	in 2021	in 2022
Ballast Water Treatment Systems (percentage of our fleet covered)	47%	88%
Ballast Water Exchange (percentage of our fleet covered)	53%	12%

	in 2021	in 2022
Spills and releases to the environment (Number and volume of spills and releases to the environment)	0	0

The IMO made the Ballast Water Treatment Convention effective in September 2017. As of December 2022, we had installed Ballast Water Treatment Systems (BWTS) on 88% of our fleet. A system has not yet been fitted to only 2 vessels. We address this gap and plan to have 100% of the fleet fitted by 2023, long before IMO’s deadline of 8 September 2024.

We take marine environmental protection seriously. In 2022 again, we had no environmental spills or releases to the environment.

Beach Cleaning

As custodians of the marine environment, we feel responsible for the protection of biodiversity.

This also holds true for our shore personnel, who joined a beach clean-up organized in November 2022 by our partner Helmepe, the Hellenic

Marine Environment Protection Association. In November 2022, our colleagues, along with peers from the maritime industry, helped clean the beach at the Peace and Friendship stadium in the Neo Faliro area of Piraeus. The motto guiding this effort was “Sea is life”.



- 1. 2023 IMO Strategy on Reduction of GHG Emissions from Ships
- 2. Assessment - Poseidon Principles for Financial Institutions

Risks and opportunities

We think in the long-term. We want to be ready for the challenges ahead of us. To achieve this, we aim to manage the risks and opportunities that will affect our financial performance and value for our stakeholders. Here is a summary of our environmental risks and opportunities throughout our value chain grouped by theme.

Climate Change

Risks

- Extreme weather events resulting from climate change lead to operational disruptions
- Highly carbonized portfolio bears high financial risks
- Delay in compliance to climate-change adaptation and mitigation regulations leads to fines
- Slow progress of the maritime shipping industry on ESG agenda leads to public backlash and reputational damage

Opportunities

- Alternative Fuels reduce greenhouse gas emissions
- Onboard efficiency measures decrease fuel consumption and lower emissions
- Powering of ships through renewable energy reduces dependence on fossil fuels, decreasing GHG emissions

Environmental Harm

Risks

- Environmental incidents result in biodiversity loss, significant fines, and reputational damage
- Ship operations impacts, from ballast water to route selection, lead to biodiversity loss

Business Models

Opportunities

- Circular economy practices reduce use of natural resources and greenhouse gas emissions across the value chain
- New low carbon business models attract environmental-conscious investors, customers, and employees

Objectives

Our Environment roadmap comprises 2 objectives.

Reduce our Greenhouse Gas Emissions

Reducing our greenhouse gas Emissions from our vessels and operations in line with the ambitions of the IMO, i.e., striving for 30% reduction by 2030.

Reduce our Air Quality Impact

Reducing air pollution from our direct operations by reducing our emissions of nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter (PM10).



Social

At Century, our workforce is our greatest asset. We understand the importance of our people and their well-being in making our business resilient.

Performance

Workforce well-being

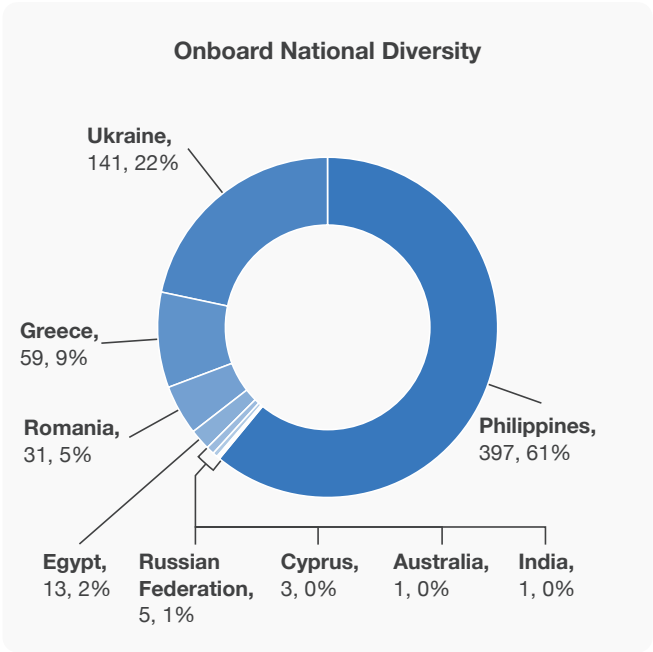
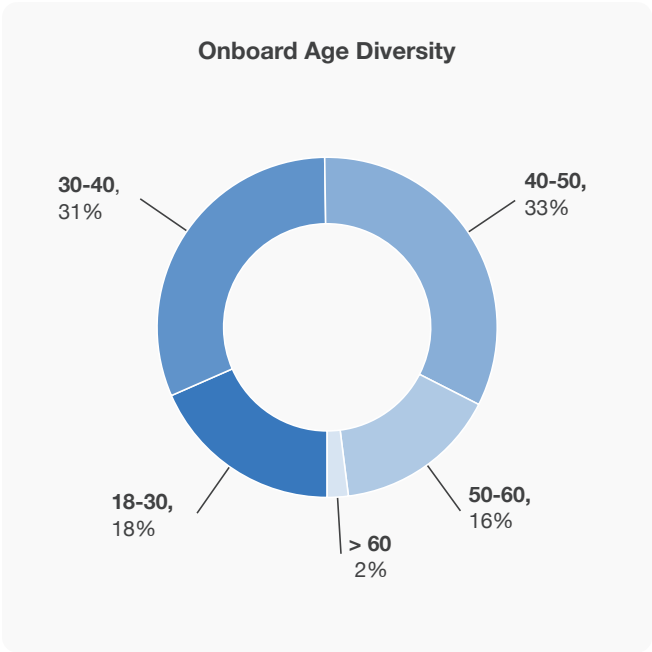
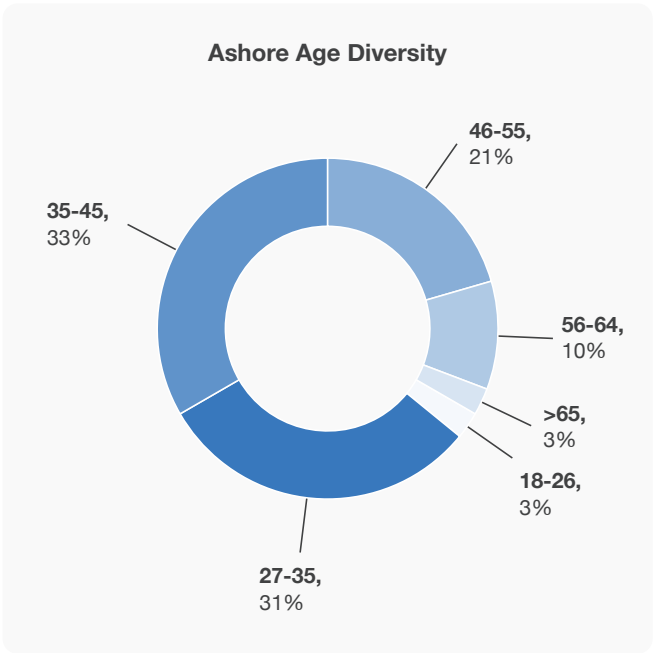
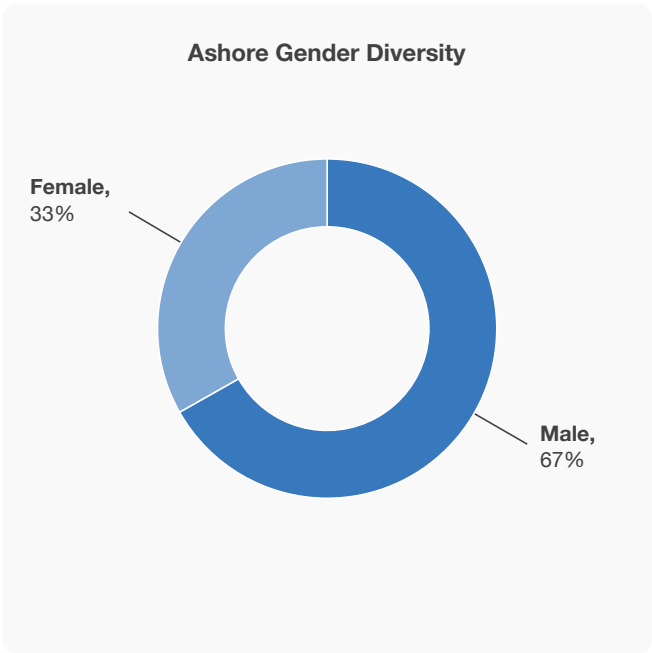
One of the core values of Century is the well-being of our people both onboard and ashore. The company’s interpretation of well-being includes Career, Social, Financial, Physical, and Community well-being. The Company aims to promote well-being by acting with integrity and principled business conduct. This helps ensure workforce resilience and results in high retention rates both onboard and ashore.

Maritime Labor Convention

We embrace the Maritime Labor Convention (MLC). We set high standards for seafarers’ working and living conditions in every aspect. This includes, among others, hours of work or rest, payment of wages, paid annual leave, repatriation, onboard/ashore medical care, accommodation, food and catering, health and safety protection and, accident prevention and seafarers’ complaint handling. In 2022, our ambitious target was to have zero (0) unresolved MLC complaints in our organization. We are pleased to share we succeeded.

Diversity

At Century, we know that a diverse workforce leads to business resilience and improved decision-making. We foster gender, age, and nationality diversity.



Health & Safety

The health and safety of our people, both onboard and ashore, is one of our core values. As a company, we consider it a priority to apply policies and measures even beyond regulatory requirements.

We have a solid framework to manage risks and improve occupational health and safety performance. Our ISO 45001 certification for occupational health and safety management systems covers all seafarers, including 3rd party personnel providing services onboard ships for or on behalf of the company.

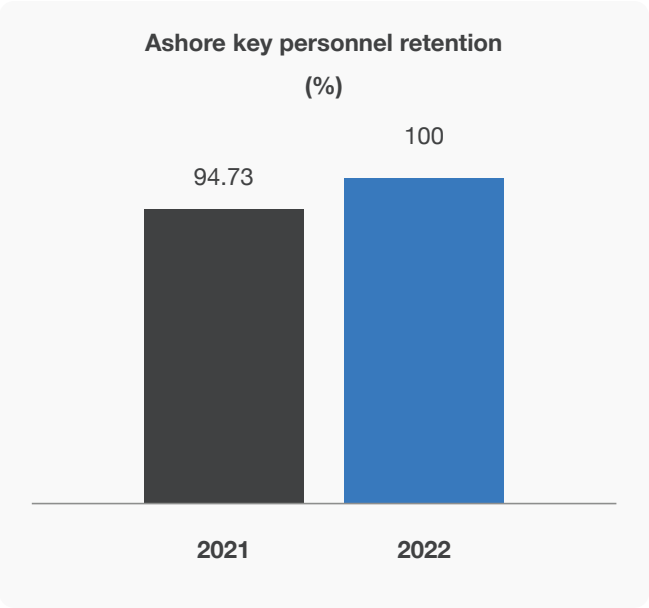
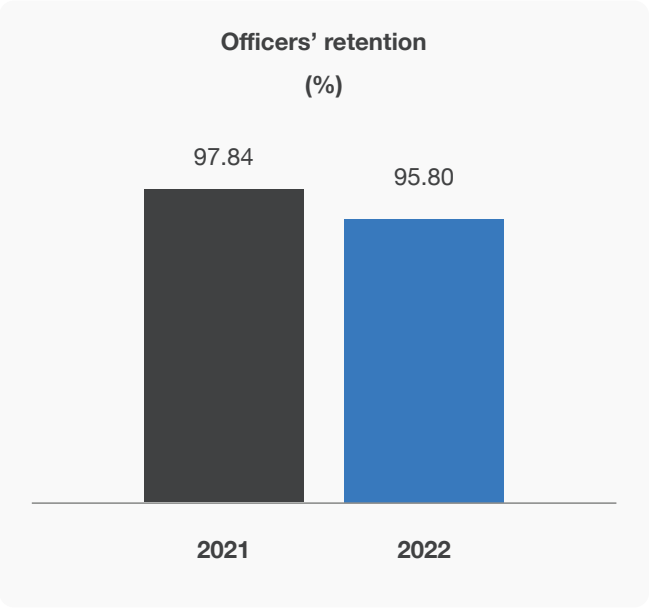
Retention

In 2022, our retention rates remained very high, even achieving 100% for key shore personnel. We believe this results from our continuous investment in our workforce’s well-being, working and living conditions, and diversity.



In 2022, we had 2,656,896 exposure hours fleet-wide without fatality or severe injury. The LTIF¹ was 0.38 and TRCF¹ 0.38. Our long-term goal is to have zero (0) accidents onboard through continuous improvement and increasing our employee’s situational awareness and sense of personal responsibility.

We also had zero (0) marine casualties due to our commitment to the highest safety standards. In addition, we have a near-miss reporting and monitoring scheme, which enables the identification of potential incidents and remedial actions to prevent recurrence.



Local communities and wider society now have higher expectations towards business. We understand those new expectations and are stepping up efforts to meet them.

Supplier Management

We aim for trust and long-term collaborations with our partners. Although we still need to get a supplier code of conduct, we strive to do the right thing. We understand that most human rights impacts reside in our supply chain and

choose our suppliers carefully. For that purpose, we use a procurement tool that gives us transparency on the sustainability credentials of vendors.

ESG Shipping Award

In May 2023, we received the first bronze Social Award at the ESG Shipping Awards in Athens. The new awards, under the auspices of the Ministry of Maritime Affairs and Insular Policy as well as the Hellenic Chamber, promote and recognize ESG and Sustainability initiatives in the Maritime industry. This award recognized

our efforts in supporting and promoting mental health and well-being onboard vessels and in the office. This recognition was thanks to our newly established Human Relations Department, which complements the existing Human Resources Department.



Community Investment

We help local communities by participating in actions that support charities such as Chios nursing home, Filodasiki Chios, and Ark of the world. We also contribute to SYN-ENOSIS,

which aims to undertake systematic and organized initiatives nationwide that give prominence to the significant social impact of the shipping community in Greece.

Risks and opportunities

Human Resources

Risks

Lack of skills and qualified workforce leads to bottlenecks for sustainability roadmap implementation and equipment operation.

Opportunities

Diversity of experiences and identities in senior leadership and workforce leads to better decision-making and company resilience.

Upskilled and regularly trained workforce contribute to resilience of the business and increases workforce engagement.

Health & Safety

Risks

Health and well-being issues increase risk of environment and safety-related accidents.

Deficient health and safety conditions on ships lead to injuries and/or fatalities.

Opportunities

Well-being programs increase employees’ engagement, sense of purpose, and meaning.

Employees mental health increases the productivity and maximize the employee retention which is essential to maintain workforce resilience.

Business Ethics and Human Rights

Risks

Business ethics issues and human rights violations from suppliers lead to ethics and human rights issues and reputational damage.

Opportunities

Business ethics foster employee loyalty, morale, and team-bonding, and positively influence suppliers and contractors.

Community Investment

Opportunities

Partnering and engaging with local communities, suppliers, and NGOs enable reputational spillover effects.

Customer and Consumer Preferences

Risks

Customer and consumer preferences and expectations for more sustainable and eco-friendly alternatives result in lost business.

Opportunities

Customer satisfaction fosters the company’s economic growth and sustainable customer retention during economic crises.

Objectives

Our Social roadmap comprises 4 objectives.

Zero Safety and Health related incidents

Achieving zero safety and health incidents in the long-term, with a zero tolerance for fatalities and serious injuries.

Promote and continuously improve shore staff continuity

Improving well-being, working and living conditions, and diversity in our shore staff to improve retention, with a special focus on key staff.

High standards of health and health protection culture onboard vessels

Taking promoting and supporting measures to ensure a healthy environment onboard our vessels.

Promote and continuously improve officers continuity

Improving well-being, working and living conditions, and diversity in our officers to improve retention.

Governance

Corporate governance is a matter of great importance for our company. We consider our organization as a corporate ‘citizen of society’ with rights and responsibilities.



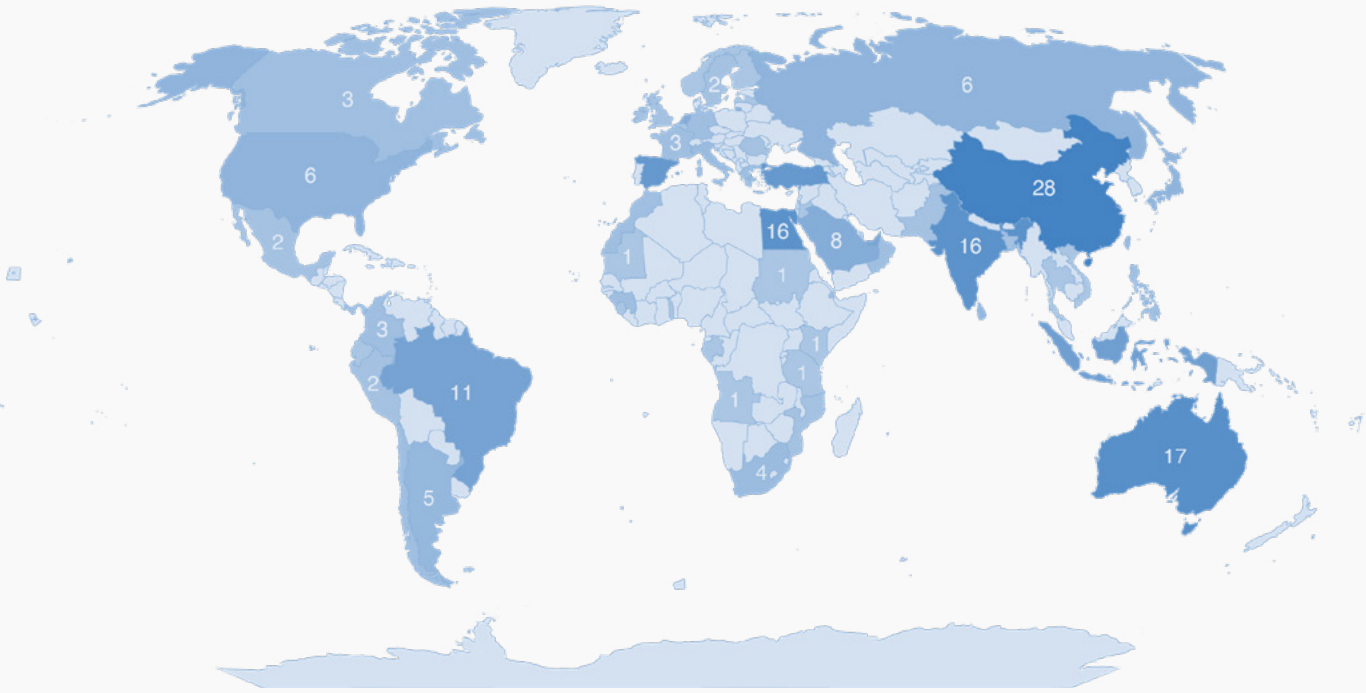
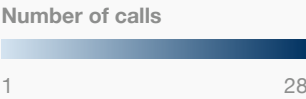
Performance

Vessel Port Calls

In 2022, our fleet made 304 port calls in total. One of these calls was in Sudan, which ranks in the 20 lowest in Transparency International’s Corruption Perception Index at the time we write

this report. Below is an overview of all port calls of our fleet in 2022, during which there were no monetary losses as a result of legal proceedings associated with bribery or corruption

Century Vessels Countries Calls 2022



Conditions of Class and Recommendations

We comply with all applicable administration requirements and regulations and have recorded zero (0) overdue conditions of class and recommendations within 2022.

Port State Controls

Compliance with mandatory rules and regulations is an integral part of Governance, which Century considers of utmost importance for onboard operations. In 2022, we had 0.33 deficiencies per inspection (11 deficiencies in 37 PSC inspections) and again without any detention.

Due Diligence and Risk Management

We have implemented RightShip’s due diligence and risk management tools for safety standards in the marine industry. We are recognized as Top Performers in Safety on our managed vessels and rated excellent as Document Of Compliance (DOC) holders.

Cybersecurity

We believe that cybersecurity is a crucial aspect of ESG (Environmental, Social, and Governance) concerns. We have demonstrated our ability to protect ourselves against potential cybersecurity breaches by showcasing operational resilience and flexibility. We also have a robust disaster recovery plan in place. We are pleased to share that in 2022 again, we had no cybersecurity incidents.

Risks and opportunities

Compliance

Risks

Conflicting regulatory frameworks make it difficult to comply, resulting in penalties and reputational damage.

Geopolitical tensions and instability lead to sudden changes in regulatory frameworks and tariffs.

ESG Performance

Risks

Poor ESG performance and transparency lead to higher cost of capital and reputational damage.

Opportunities

Strong ESG performance attracts talents, enables differentiation and access to lower cost of capital.

Internal Engagement

Opportunities

Commitment and communication on ESG efforts increases employee’s productivity and engagement.

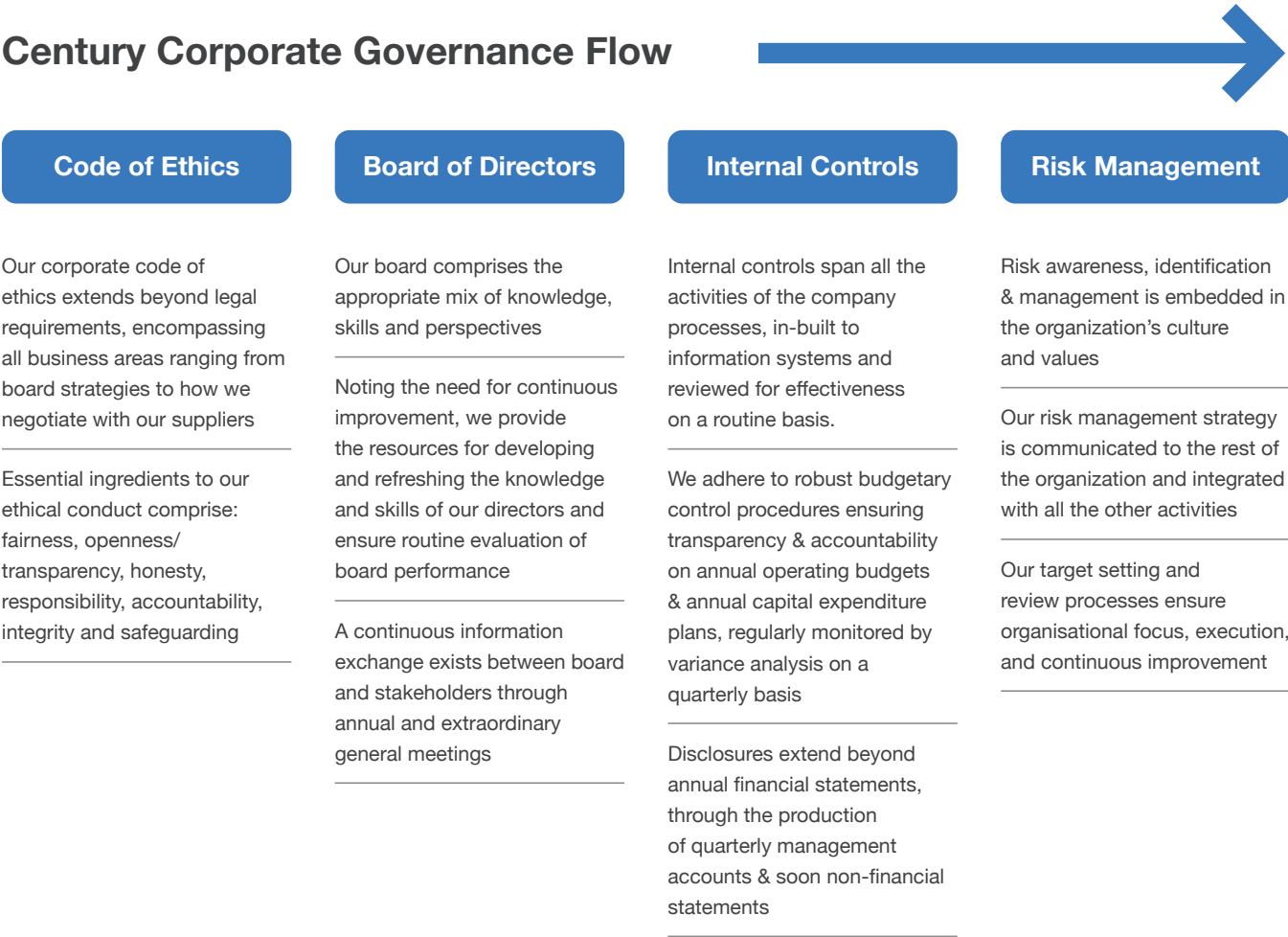


Corporate Governance Approach

We apply an ethical framework that it is in the best interest of society and in compliance with laws and regulations. We embrace responsibility for our actions and encourage a positive impact on our stakeholders and wider society.

We manage diversity to create a productive environment in which everybody feels valued, where talents are fully utilized and in which organizational goals are met.

Century Corporate Governance Flow



Roles and Responsibilities

As we need to focus to ensure execution of our ESG roadmap and strategic approach, we are bringing more structure into the ESG-topic at Century.

Skills

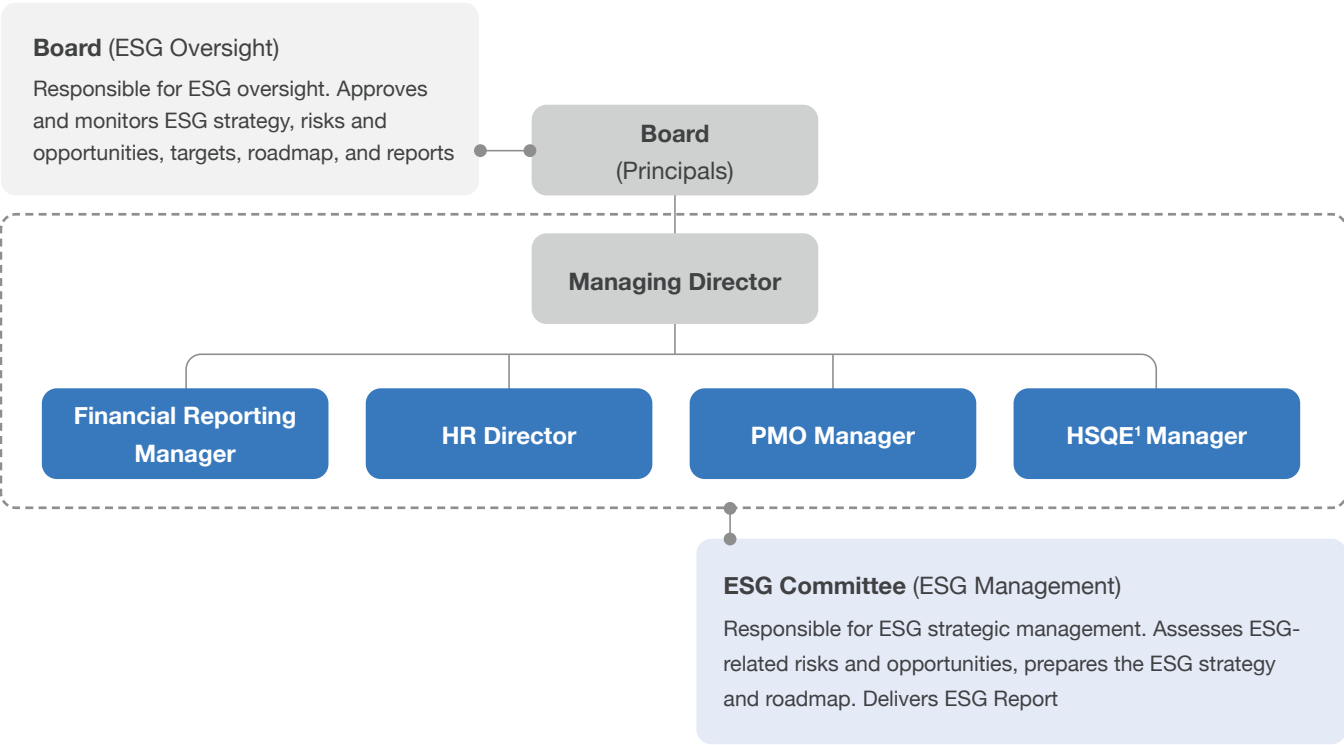
With this first effort towards IFRS S1 and S2 compliance, we did not consider the skills, organization, and finances required to implement our ESG roadmap. We plan to do so in the next iterations of the report.

Responsibilities

A dedicated body, the ESG Committee, manages the ESG topic, while the Board oversees, advises and approves.

Incentives

While we do not currently link executive remuneration with the achievement of climate or ESG-related targets, we plan to do so in the future.



Objectives

Our Governance roadmap comprises 2 objectives.

Continuous improvement of vessels' commercial performance

Achieving a high level of compliance with regulations and administration requirements.

Continuous improvement of navigational safety standards

Achieving a high level of navigational safety by increasing scope of audits and reducing deficiencies.

Value2Society™

Increasing our positive impact on society while reducing financial risks with sustainability accounting and impact quantification.

Introduction

Sustainability & ESG endeavours are fast evolving with increasing demands from multiple stakeholders, all keen to understand the wider non-financial performance of our business activities and its connection to financial performance. To this end we are gradually introducing two concepts (and associated frameworks) to our core sustainability strategy.

The first is our ‘Value to Society’ (“Value2Society™”), which quantifies and values the direct and indirect (upstream & downstream) external impact of our business activities, for example, greenhouse gas emissions,

infringement of human rights and community investment. The process of valuing these impacts permits impact comparison, aggregation and integration with our finance systems.

The second is our ‘Value at Stake’ (Value@Stake™), which estimates the probability, over time, of these external impacts translating to real financial costs and revenue opportunities. This translation is typically through physical (e.g. extreme weather) and transitional (tightening environmental regulations) events.



Century performed a Value2Society assessment over their full value chain in 2022. This enabled them to understand the materiality of ESG topics and the value they create, erode, and maintain for all their stakeholders over the 5 natural, human, intellectual, financial and social capitals.

Human Capital \$52M

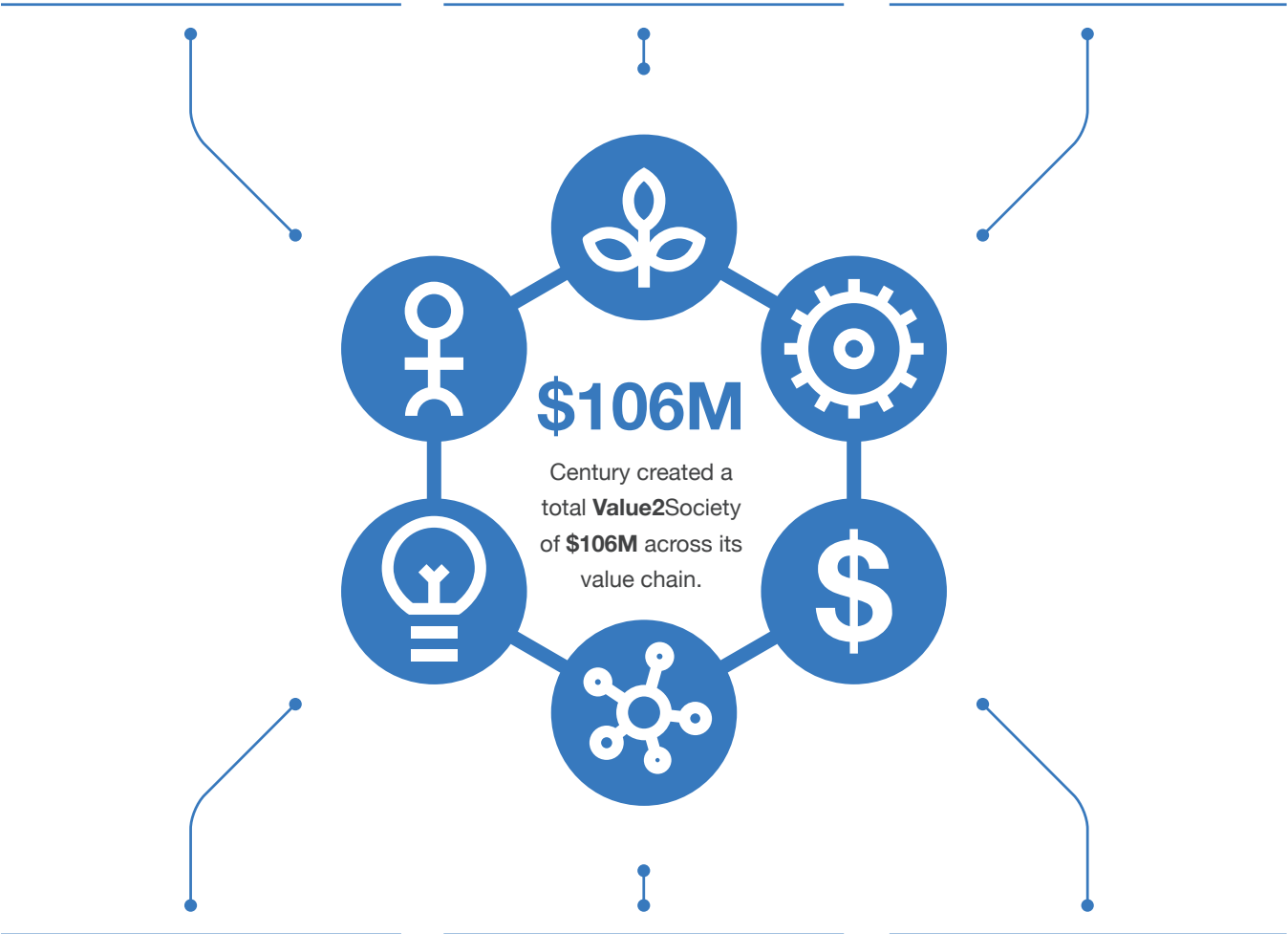
Century created **\$52M** of Human Capital value, predominantly thanks to wages distributed to Century’s employees and workers in the supply chain.

Natural Capital -\$140M

Century eroded **-\$140M** of Natural Capital value. This is largely due to greenhouse gases emitted from Century’s direct operations.

Manufactured Capital N/A

Not covered in V2S assessment.



Intellectual Capital \$18M

Century created **\$18M** in Intellectual Capital value mostly due to training and development.

Social Capital \$115M

Century created **\$115M** of Social Capital value, largely downstream, through the final consumption of transported commodities.

Financial Capital \$62M

Century created **\$62M** of Financial Capital value, largely driven by the combined profits of Century and the supplier networks.



Appendix

Key Performance Indicators

Adhering to IFRS S1 and S2 and Sustainability Accounting Standards Board (SASB) Classification (1/3).

Framework	Topic	Metric	Unit of Measure	Code	Value	Referenced in Pages
SASB / IFRS S2	Greenhouse Gas Emissions	Gross global Scope 1 emissions	Metric tons (t) CO2-e	TR-MT-110a.1	301,907	24
		Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions targets, and an analysis of performance against those targets	N/A	TR-MT-110a.2	N/A	23, 24, 29
		(1) Total energy consumed, (2) percentage Quantitative Gigajoules (GJ), TR-MT-110a.3 heavy fuel oil and (3) percentage renewable	Gigajoules (GJ), percentage (%)	TR-MT-110a.3	(1) 3,929,601 (2) 91% (3) 0%	24
		Average Energy Efficiency Design Index (EEDI) for new ships	Grammes of CO2 per ton-nautical mile	TR-MT-110a.4	– ¹	N/A

1. no new ships were acquired in 2022

Adhering to IFRS S1 and S2 Sustainability
Accounting Standards Board (SASB)
Classification (2/3)

Framework	Topic	Metric	Unit of Measure	Code	Value	Referenced in Pages
SASB	Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	Metric tons (t) CO2-e	TR-MT-120a.1	(1) 9,247.14 (2) 754.30 (3) 4,937.60	26
	Ecological Impacts	Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	TR-MT-160a.1	- ¹	-
		Percentage of fleet implementing ballast water (1) exchange and (2) treatment	Percentage	TR-MT-160a.2	(1) 12% (2) 88%	27
		(1) Number and (2) aggregate volume of spills and releases to the environment	Number, Cubic metres (m3)	TR-MT-160a.3	(1) 0 (2) 0	27
	Employee Health & Safety	Lost Time Incident Rate (LTIR)	Rate	TR-MT-320a.1	0.38	32
	Business Ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	TR-MT-510a.1	1	37
		Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption ¹	Presentation currency	TR-MT-510a.2	0	37
	Accident & Safety Management	Number of marine casualties, percentage classified as very serious	Number & percentage	TR-MT-540a.1	0, 0	32
	Accident & Safety Management	Number of Conditions of Class or Recommendations	Number	TR-MT-540a.2	0	38
	Accident & Safety Management	Number of port state control (1) deficiencies and (2) detentions	Number	TR-MT-540a.3	(1) 11 (2) 0	38

Adhering to IFRS S1 and S2 Sustainability
Accounting Standards Board (SASB)
Classification (3/3)

Framework	Activity Metric	Unit of Measure	Code	Value	Referenced in Pages
SASB / IFRS S2	Number of shipboard employees	Number	TR-MT-000.A	651	9
	Total distance travelled by vessels	Nautical miles (nm)	TR-MT-000.B	762,834	9
	Operating days	Days	TR-MT-000.C	5,327	9
	Deadweight tonnage	Thousand deadweight tons	TR-MT-000.D	1,378.7 ¹	9
	Number of vessels in total shipping fleet	Number	TR-MT-000.E	13 ¹	9
	Number of vessel port calls	Number	TR-MT-000.F	304	9
	Twenty-foot equivalent unit (TEU) capacity	TEU	TR-MT-000.G	N/A	N/A



Route2

Century Bulk Carriers Management Co.