

# Sustainability Report 2024



Navigare Capital delivers attractive risk-mitigated returns while enabling the green transition of the shipping sector

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## SECTION I

# Sustainability at Navigare Capital



# Introduction

The maritime industry is vital to the global economy, acting as the foundation for international transportation and trade, while also playing a key role in the development of new energy sources, such as offshore wind farms.

Despite the complexities of its operating environment, Navigare Capital remains fully committed to achieving its environmental, social and governance (“ESG”) objectives, including its ambition to reach net zero greenhouse gas (“GHG”) emissions by 2050. To meet this target, the company focuses on acquiring fuel-efficient vessels and installing energy-saving devices on its existing fleet, while upholding strict safety standards and ensuring good working conditions onboard to safeguard its crew members.

Navigare Capital’s sustainability strategy is built on the recognition that though the shipping industry is essential for global trade, it must also reduce its environmental impact, while supporting the welfare of the global seafaring workforce. As a result, ESG considerations are integrated throughout the investment process, from initial deal sourcing to employment and technical management decisions and, finally, to divestment decisions. These efforts are guided by Navigare Capital’s own ESG principles and targets, as well as the increasingly stringent regulations and guidelines from the European Union (“EU”) and the International Maritime Organisation (“IMO”).

In this Sustainability Report, Navigare Capital discloses its performance across material ESG topics, including GHG emissions, carbon intensity, biodiversity, safety and accident prevention, as well as corruption and bribery, among others. Comparative figures are based on consistent accounting principles, unless otherwise stated. See exhibit 5 for a full overview of material topics.

# CEO statement

As we reflect on 2024, we find ourselves in a world that is increasing in complexity, both operationally and geopolitically. The ongoing war in Ukraine and the conflict in Gaza have had far-reaching implications for global shipping. New trading routes have emerged, while key maritime corridors have been disrupted, prompting us to reroute vessels and update safety protocols to ensure the security of crew, cargo and operations. Beyond safety, there are environmental consequences to these geopolitical issues, including higher emissions from longer voyages brought about by rerouting, the risk of water pollution from Houthi attacks on vessels in the Red Sea, and the use of shadow fleets by sanctioned countries such as Russia. Despite these challenges, we remain committed to safe, efficient and responsible operations across our activities.

In addition to these challenges, the shipping industry is undergoing a period of transformation in terms of both regulation and sustainability. In 2024, the maritime sector was included in the European Union's Emissions Trading System ("EU ETS") for the first time. While the EU ETS has introduced complexities, we welcome the accountability it brings, which is driving innovation and accelerating the efforts needed to reduce greenhouse gas emissions. Our experience in this inaugural year has reinforced our commitment to improvement, and we are making steady progress in aligning our operations with the evolving requirements.

In 2025, FuelEU Maritime marks another regulatory milestone. FuelEU aims to reduce the carbon intensity of fuels used in shipping, thus promoting cleaner alternatives. In preparation for this shift, we have been aligning our operations with the new requirements, addressing

pooling mechanisms, and making contractual adjustments. However, as the regulation has only just been implemented, we are still working to fully understand its implications and determine the necessary compliance measures, including the role of sustainable fuels.

In line with our sustainability strategy, we are advancing our Double Materiality Assessment ("DMA"), guided by the Global Reporting initiative ("GRI") and the Corporate Sustainability Reporting Directive ("CSRD"). This process helps us understand the dual impact of ESG factors—how environmental and social risks affect our performance and how our operations impact society and the environment. Through this comprehensive approach, we ensure that our sustainability efforts are focused on the most material topics. Our commitment to robust reporting frameworks goes beyond compliance; it reflects our ambition to foster a future where transparency, responsibility and sustainable growth are central to our business.

As we navigate this pivotal year, we remain focused on the future. Geopolitical tensions and evolving regulations present challenges but also opportunities for innovation and growth. The resilience, expertise and commitment of our team will drive our success as we transition to a more sustainable future for shipping.



**Henrik Ramskov**  
Managing Partner  
Navigare Capital Partners A/S



# Industry insights

The maritime industry is essential to the global economy, acting as the foundation for international transportation and trade by transporting over 90%<sup>1</sup> of all traded goods in the most cost- and energy-efficient manner possible<sup>2</sup>. Additionally, it plays a critical role in developing new energy sources, such as offshore wind farms, where a 60-fold increase in energy production is projected from 2020 to 2050<sup>3</sup>.

Due to its vast scale, the shipping industry is responsible for 3% of global GHG emissions<sup>1</sup> and 1% of total pressure on biodiversity<sup>4</sup>. With the sector expected to continue growing for many years, reducing its environmental impact is a key priority. Recognising the importance of a sustainable transition within the shipping industry, Navigare Capital is therefore committed to actively contributing to this transformation.

## Traded goods

# 90%

of all traded goods by volume are at some point onboard a commercial vessel before arriving at the end consumer

## Offshore wind energy

# 60-fold

Offshore wind energy production is expected to increase 60-fold from 2020 to 2050

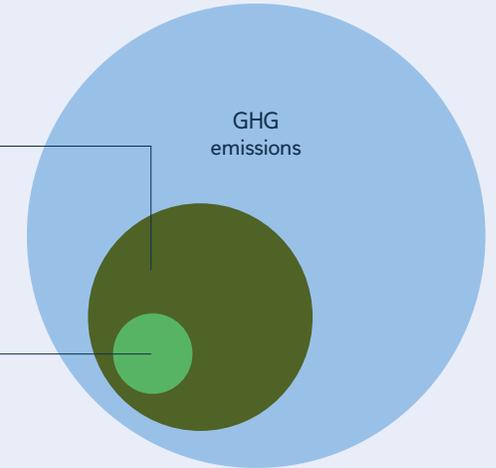
## Total GHG emissions

# 24%

Transport's share of GHG emissions in 2020

# 3%

International shipping's share of GHG emissions in 2020



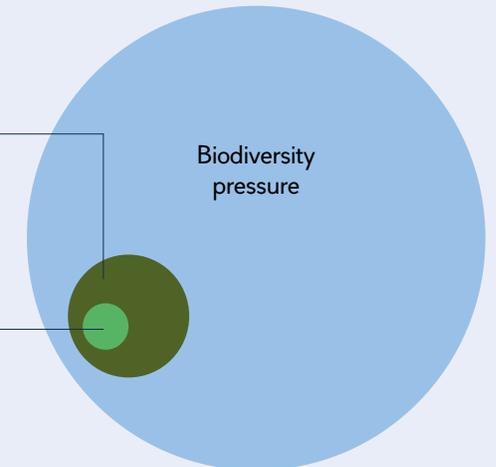
## Total pressure on biodiversity

# 7%

Transport's share of pressure on biodiversity

# 1%

International shipping's share of pressure on biodiversity



<sup>1</sup> OECD. <sup>2</sup> Shell in collaboration with Deloitte: "Decarbonising Shipping: All Hands on Deck". <sup>3</sup> IRENA, World Energy Transition Outlook 2023, 1.5 °C scenario.

<sup>4</sup> Boston Consulting Group: "The Biodiversity Crisis Is a Business Crisis". GHG emissions are used as a proxy to calculate international shipping's share of total biodiversity loss associated with transport.

# Navigare Capital

Navigare Capital is an alternative investment fund manager (“AIFM”) specialising in maritime asset investments. As of the end of 2024, it manages three funds with assets totalling USD 858 million.

Approved as an AIFM by the Danish Financial Supervisory Authority (“FSA”), Navigare Capital adheres to relevant financial legislation for alternative investment fund managers. This includes the Sustainable Finance Disclosure Regulation (“SFDR”), under which Navigare Capital’s funds are reported as Article 8 funds, obligating them to provide disclosure on various sustainability metrics.

In addition to its role as a financial market participant, Navigare Capital also functions as a shipowning entity, making it subject to regulations from the International Maritime Organisation (“IMO”), the European Union (“EU”) and other regulatory bodies impacting the maritime industry.

Furthermore, Navigare Capital is a signatory of the Principles for Responsible Investment (“PRI”) and an active member of the Danish Shipowners’ Association and BIMCO, one of the world’s largest international shipping associations.

In its capacity as fund manager, Navigare Capital considers certain social and governance issues to be material to it and this section of the report addresses related disclosures, including measures on anti-corruption and diversity.

## Anti-corruption and governance policies

As an AIFM, Navigare Capital is governed by various EU regulations, including the Alternative Investment Fund Managers Directive (“AIFMD”), which mandates conflict of interest disclosures and risk management systems, among other requirements, to enhance transparency of the company’s setup and operations. Additionally, the Danish Consolidated Act on Measures to Prevent Money Laundering and Financing of Terrorism (“AML”) imposes further obligations on the company to assess and mitigate the risk of being exploited for money laundering activities.

In compliance with anti-corruption regulations, the Compliance Officer conducts an annual risk assessment, which is reviewed and approved by the Board of Directors. The Compliance Officer also conducts a mandatory Know Your Customer (“KYC”) check for every potential investor, assessing risk based on factors such as customer profiles, products or services, transaction channels, and geographical conditions. This risk-scoring process helps Navigare Capital evaluate its exposure to corruption risks and safeguard its operations. Any changes to risk levels or instances of funds being used for money laundering or terrorism financing must be reported to the Board of Directors.

Additionally, Navigare Capital takes necessary measures to identify and monitor conflicts of interest that could negatively impact the company or its funds, as outlined in its conflicts of interest policy.

## Funds launched

# 3

## Assets under management<sup>1</sup>

USD  
**858<sub>m</sub>**

## Number of employees<sup>1,2</sup>

# 24

<sup>1</sup> These numbers are measured at year-end 2024.

<sup>2</sup> This number includes all employees and student assistants at year-end 2024.



Norwind Hurricane is a CSOV built in 2024, owned by a subsidiary of Maritime Investment Fund II.

Any identified conflicts of interest, along with their monitoring and mitigation, are reported to the Board of Directors, which assesses whether the conflict has been adequately addressed and remains within established risk limits.

Navigare Capital also has governance policies in place to ensure employees operate within the company's legal and ethical boundaries and are equipped with the necessary knowledge to identify and report acts of corruption. This includes mandatory training on the company's anti-corruption policies and code of conduct, with retraining provided whenever policies or procedures are updated. The code of conduct outlines the ethical standards that Navigare Capital, its funds and its employees should adhere to.

Employees can anonymously report concerns about misconduct and potential non-compliance with Navigare Capital's policies through its whistleblower system without fear of retaliation. This can include issues related to health and safety violations, discrimination, harassment, and financial misconduct such as insider trading, money laundering, fraud, bribery and kickback arrangements. To date, Navigare Capital has not received any whistleblower alerts. There were also no reported or suspected incidents of corruption among headquarters employees during the year and the company was not involved in any legal proceedings related to corruption or other legal matters.

As a fund manager, Navigare Capital complies with relevant tax legislation and adheres to the tax principles set by its institutional investors, which discourage the use of aggressive tax planning and tax avoidance. To align with investor expectations and uphold its ESG principles, Navigare Capital operates its funds as a Danish legal entity, ensuring that investments are placed in tax-transparent entities in Denmark and comply with applicable tax laws.

## Remuneration

A sound remuneration policy is an important mechanism for companies to attract and retain high-performing employees, while preventing incentives for excessive risk-taking. Employee and management salaries can include a combination of fixed remuneration, performance-based remuneration, participation in pension schemes, other benefits and severance payments.

Remuneration is subject to the regulations applicable to AIFMs, including the determination of bonuses and severance payments, among others. The remuneration policy also meets the requirements of the SFDR to describe how sustainability risks are handled in relation to remuneration.

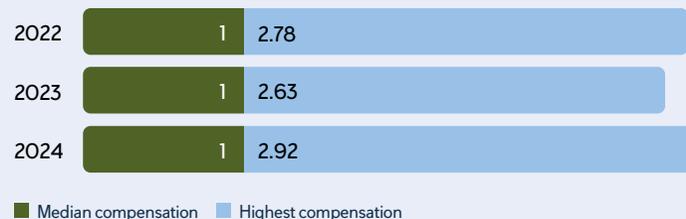
The Board of Directors is responsible for ensuring that Navigare Capital's remuneration policy aligns with existing regulation and good governance principles. The Board also approves bonuses on an annual basis, in line with the principles of sound financial and sustainability risk management. As Navigare Capital has a two-tier system whereby the management operates independently of the Board of Directors, decisions regarding remuneration are made without the influence of the management.

In recent years, there has been a growing focus on how companies compensate their employees, as pay for CEOs has, in some cases, far outpaced compensation for other workers and contributed to rising rates of economic inequality<sup>1</sup>. As part of its commitment to ensuring a responsible remuneration policy, Navigare Capital calculates the ratio of annual compensation and the change in annual compensation between the median and highest paid employees, including salaries and bonuses. These ratios measure the degree of difference between the middle and highest levels of compensation at Navigare Capital. Please see exhibit 1 for further details.

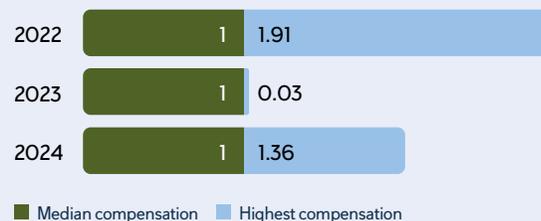
<sup>1</sup> Kandra, Jori and Lawrence Mishel. "CEO Pay Has Skyrocketed 1,322% since 1978: CEOs Were Paid 351 Times as Much as a Typical Worker in 2020." Economic Policy Institute, 10 Aug. 2021.

### Exhibit 1: Annual total compensation ratios between employees<sup>1</sup>

#### Ratio of the median to highest compensation



#### Ratio of the median change in compensation to the change in the highest compensation



<sup>1</sup> This KPI includes all full-time employees and part-time employees calculated at the full-time equivalent pay rate, but excludes student assistants. Annual total compensation is the sum of an employees' fixed salary plus any bonuses and pension contributions.



Humbria Seaways is a RoRo vessel built in 2020, owned by Maritime Investment Fund II and bareboat chartered out to DFDS until 2028. Credits: North Sea Port

## Diversity

Diversity is a key indicator of workplace inclusivity, and while the proportion of women in shore-based roles in the maritime industry has improved, a significant gap remains at the executive and board levels. The IMO reports that only about 28% of maritime company board members are women<sup>1</sup>.

As a result, Navigare Capital has an ambition of achieving gender balance among its employees, excluding the four founding partners. As of 2024, women made up 45% of the workforce, slightly below this ambition. While the proportion of women at the employee level increased from the previous reporting year, it remained unchanged at 0% in management, and dropped to 0% at the board level after the departure of the sole woman.

To advance gender diversity, Navigare Capital has signed Danish Shipping's "Charter for More Women in Shipping", and is committed to developing strategies aimed at increasing the proportion of women. These efforts include bias-free job postings and aiming for at least 25% of candidates to be women where feasible. In cases where candidates are equally qualified, preference may be given to candidates of the minority gender. Additionally, Navigare Capital will, when relevant, engage women recruiters to help mitigate bias in the hiring process.

<sup>1</sup> IMO: Women in maritime survey report, 2021.

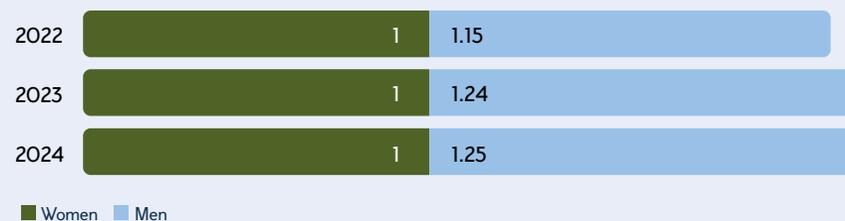
## Exhibit 2: Gender diversity

### Percentage of women measured at year-end



<sup>1</sup> This KPI includes all employees and student assistants, but excludes the four founding partners.

### Ratio of average remuneration of women to average remuneration of men<sup>1,2</sup>:



<sup>1</sup> Remuneration consists of fixed salary payments received during a year plus pension contributions.

<sup>2</sup> This KPI includes employees employed as of 31 December 2024, but excludes the four founding partners and student assistants. The remuneration of part-time employees is calculated as full-time equivalent remuneration.

Beyond gender, the company values other diversity dimensions, such as cultural representation. In 2024, Navigare Capital's workforce of 24 employees included individuals from six nationalities across four continents, contributing to a multicultural and inclusive workplace.

Navigare Capital's diversity and inclusion policy also sets clear expectations for respectful workplace conduct, emphasising inclusivity across various dimensions, including, but not limited to, gender, nationality, political and religious beliefs, and sexual orientation. The policy also formalises flexible working options such as remote working, part-time employment, and parental leave, supporting a balanced, inclusive work environment that values individual needs.

The gender pay gap is another persistent social challenge, including in Denmark, where men in the private sector earn an estimated 12.3% more in gross wages than women<sup>1</sup>. This disparity exists even when accounting for variations in job roles and levels of responsibility, underscoring the broader issue of unequal pay between men and women.

In response to these challenges, Navigare Capital is committed to equal pay for equal work, irrespective of gender. It monitors several diversity-related KPIs for headquarters employees, including the ratio

of average pay between men and women, to assess progress towards a diverse and equitable workforce. However, as this KPI includes all full- and part-time employees across various roles, while excluding the four founding partners, the 25% gender pay gap in 2024 was largely explained by a higher concentration of men in senior positions.

While these KPIs apply specifically to Navigare Capital's headquarters staff, the funds also support diversity onboard its vessels through initiatives from its technical managers. Further details on these initiatives can be found in section S.1.1.

<sup>1</sup> VIVE: Kønssforskelle i timeløn i den private sektor - med særlig fokus på funktionærer, 2023.

# Maritime Investment Funds

Since its inception in 2017, Navigare Capital has launched three funds: Maritime Investment Fund I K/S, Maritime Investment Fund II K/S and, most recently, Maritime Investment Fund III K/S.

The funds primarily invest in modern, energy-efficient vessels that operate in active markets and benefit from liquid sale and purchase markets. This approach enhances the assets' resilience to market fluctuations and facilitates their redeployment, as the vessels are not confined to a limited number of trade routes or reliant on a single type of cargo.

The funds' position in the value chain is that of a tonnage provider, chartering out vessels on fixed-term contracts to multiple counterparties. This positioning allows the funds to separate asset ownership from the operational risks inherent in shipping. Consequently, the funds avoid direct exposure to spot market fluctuations, fuel expenses, port fees, and end-customer responsibilities, including cargo handling and related claims.

The vessels are chartered out under time charter or bareboat contracts. The key distinction between these two is that under bareboat contracts, the charterer takes on full responsibility for the vessel. In contrast, with time charter contracts, the shipowner retains some responsibility, covering expenses and managing potential off-hire deductions if the vessel encounters breakdowns. This means the shipowner maintains control over the vessel's technical management and upkeep, including crewing and maintenance, while the charterer pays for fuel and other voyage-related costs. For time charter agreements, Navigare Capital has outsourced

**Exhibit 3: Distribution of responsibilities under different employment contracts**

	Type of employment	
	Time charter	Bareboat charter
<b>Vessel operations</b> (Cargo, voyage route and speed decisions, fuel purchasing)	Charterer	Charterer
<b>Technical management</b> (Crew hiring and management, vessel maintenance)	Shipowner <sup>1</sup>	Charterer
<b>Investments</b> (Purchase of vessels, retrofitting, dry-docking)	Shipowner	Shipowner

<sup>1</sup> The funds outsource these tasks to top-tier technical management companies.

the technical management of the vessels in its funds to top-tier technical management firms. Read more about the selection of these under Social.

In 2024, Maritime Investment Fund I K/S concluded its activities with the sale of its final vessel, Marvel Swan, an LNG vessel constructed in 2021. Meanwhile, Maritime Investment Fund II K/S divested two container vessels and added three container feeder vessels, along with three CSOVs, to its portfolio. By the end of the year, Maritime Investment Fund II K/S had a diverse fleet consisting of three crude tankers, one LPG carrier, six container feeder vessels, five CSOVs, and three RoRo vessels, managing a total of USD 727 million in assets. In October 2024, Maritime Investment Fund III K/S completed its fourth closing, securing committed capital totalling close to USD 500 million. By year-end, the fund had taken delivery of an LPG carrier and invested in two newbuild CSOVs, scheduled for delivery in 2025 and 2027.

The funds place strong emphasis on environmental soundness, labour conditions and onboard safety, as well as efforts to combat corruption in the maritime industry. The funds have also established specific targets and objectives related to environmental, social and governance (“ESG”) issues, which encompass GHG emissions, carbon intensity, and health and safety standards. Detailed information about these targets can be found in exhibit 5, with additional disclosures on the funds’ ESG initiatives provided in section III of this report.

As Navigare Capital set policies and procedures for the funds, which have no direct employees, the terms “the funds” and “Navigare Capital” are often used interchangeably when referring to sustainability work conducted on the vessels.

### Number of segments invested in<sup>1</sup>

# Five

Oil tankers, LPG carriers, container vessels, offshore wind and RoRo

### Number of vessels<sup>1,2</sup>

# 21

18 in Maritime Investment Fund II and three in Maritime Investment Fund III

### Average age<sup>1</sup>

# 3.2 years

2.8 years in Maritime Investment Fund II and 9 years in Maritime Investment Fund III

<sup>1</sup> These numbers are measured at year-end 2024.

<sup>2</sup> This KPI covers both vessels in operation and newbuildings.

# Materiality assessment

Materiality refers to the importance of the potential impacts and risks associated with a sustainability topic for Navigare Capital's business operations, funds and its stakeholders. The material topics outlined in this report are based on the company's 2021 materiality assessment, with updates made during its annual reviews. For instance, this year, climate risk reporting has been removed as a material topic, as the financial risks of climate change will be addressed in the double materiality assessment ("DMA") to be published next year. Additionally, the materiality assessment now mainly includes sustainability topics directly related to the funds under management, ensuring a more focused approach to the issues that are most relevant to the investments and asset management activities, and where the sustainability impacts are greatest. As a result, tax considerations and the whistleblower policy, which pertain to the fund management company, have also been removed as material topics but continue to be covered in the section on pages 8–9 related to Navigare Capital.

In conducting the materiality assessment, Navigare Capital engaged with a broad range of internal and external stakeholders, gathering insights from regulatory authorities, organisations active in the maritime industry, ESG reporting frameworks, non-governmental organisations ("NGOs") and civil society groups. In addition, Navigare Capital interviewed key investors, banks and customers to identify and rank sustainability topics based on their importance, taking into account both short- and long-term risks as well as the increasing regulatory requirements from the European Union ("EU") and the International Maritime Organisation ("IMO"). The complete ranking of material topics is available in exhibit 4.

The results of the 2021 materiality assessment show that Navigare Capital is strongly aligned with its key stakeholders, with the greatest emphasis on environmental topics such as greenhouse gas ("GHG") emissions and carbon intensity. Social and governance topics are ranked lower, as Navigare Capital has already reached a high level of maturity in these areas.

However, the findings are somewhat skewed by the fact that several stakeholders did not fully utilise the ranking scale, leading to differences in the level of importance assigned to each topic between the stakeholders and Navigare Capital.

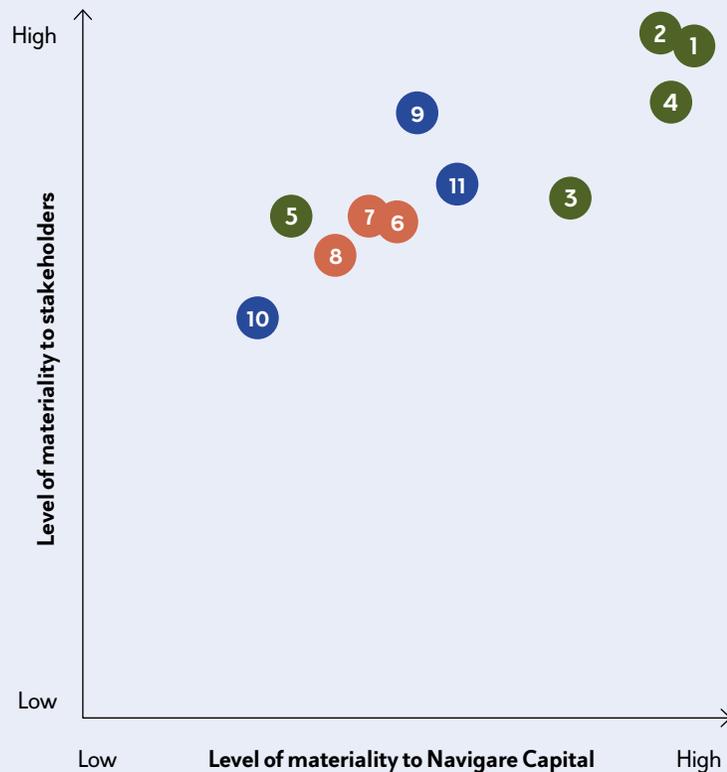
In the following sections, Navigare Capital reports on its performance on each material ESG topic, outlining its targets and the actions it is committed to taking to achieve them. To ensure consistency and transparency in its reporting, the report is informed by the reporting guidelines and standards established by the Sustainability Accounting Standards Board ("SASB") and the Global Reporting Initiative ("GRI").

Starting from next reporting year, Navigare Capital plans to adopt a double materiality perspective, as guided by the GRI and the Corporate Sustainability Reporting Directive ("CSRD"). This approach recognises that a topic can be considered material from either a financial or an environmental perspective, or both. Unlike one-dimensional materiality, double materiality allows a topic to be considered material based solely on its impact, even if it does not have a direct financial effect on the company.

Although neither Navigare Capital nor its funds are currently subject to the requirements of the CSRD, as per the latest regulatory update in January 2025, the company plans to adopt relevant best practices and keep abreast of developments in the regulatory landscape.

### Exhibit 4: Materiality assessment results

Navigare Capital is strongly aligned with key stakeholders, but used the full ranking scale, influencing the perceived importance of ESG topics.



### Exhibit 5: Navigare Capital’s ESG commitments and targets

	Material topics	Initiative	Ambition
Environment	1: GHG emissions	Responsible investment policy	2025: 35% reduction in carbon intensity compared to 2008
	2: Carbon intensity	Sustainability-linked loans	2030: 55% reduction in carbon intensity compared to 2008
	3: Air pollution	Purchasing modern and energy-efficient vessels	2050: Net zero
	4: Biodiversity	Installing energy-saving devices	Zero investments in offshore oil and gas exploration
	5: Ship recycling	Investing in dual-fuel vessels	Reduce exposure to coal cargoes Reduce time spent in marine protected areas Make fuel-efficient vessels available to our charterers
Social	6: Accidents and safety	Due diligence of shipyards for newbuildings	Maximum 0.5 deficiencies per port state control
	7: Labour rights	Counterparties agree to operate in compliance with relevant guidelines	Zero MLC observations
	8: Diversity	Signatory of the “Charter for More Women in Shipping”	
Governance	9: Corruption and bribery	Code of conduct	100% of employees trained in Navigare Capital’s code of conduct and anti-corruption policies
	10: Fines	Anti-corruption policies	Zero requests for bribes or facilitation payments accepted
	11: ESG-related policies	MACN membership	

For a full description of each KPI and its relevance for Navigare Capital, see page 83.

## SECTION II

# Organisation and governance



# Introduction

Navigare Capital's organisational and governance structure reflects its commitment to meeting its sustainability targets and ensuring adherence to its ethical standards and regulatory requirements.

Navigare Capital consists of 24 professionals<sup>1</sup> with a wide range of expertise in areas such as asset management, ship financing, ESG and research within the maritime industry. The employees are organised into two overall teams: an investment and asset management team, which focuses on monitoring and managing the impacts of ESG across the operations and assets, and a fund management team, which handles the broader fund management responsibilities, ensuring that ESG principles are maintained throughout the company's financial activities.

Furthermore, Navigare Capital has embedded ESG into its 6S Model, ensuring that ESG is integrated into all relevant aspects of its investment activities, from the due diligence process evaluating whether a vessel or shipyard complies with the ESG strategy, to the actual operation of the assets in accordance with recognised human and labour rights, and finally to ensuring assets are divested responsibly in a manner that maximises their usable lifetimes.

In addition to applicable sustainability legislation such as the European Union ("EU") Sustainable Finance Disclosure Regulation ("SFDR") and EU Emissions Trading System ("EU ETS"), Navigare Capital abides by its responsible investment policy, which sets internal ESG targets in accordance with the principles and trajectories advocated by, among others, the United Nations ("UN"), the International Maritime Organisation ("IMO"), the International Labour Organisation ("ILO") and the Organisation for Economic Co-operation and Development ("OECD").

<sup>1</sup> This number includes all employees and student assistants at year-end 2024.

## Organisation<sup>1</sup>

### Board of Directors

Provides strategic oversight and governance, ensuring that the company's operations align with its long-term objectives, including those within ESG and sustainability

### Management

Executes on the company's strategy, including integrating ESG and sustainability principles into daily operations and decision-making

#### Investment and asset management team

Identifies and manages investment opportunities, including incorporating ESG and sustainability considerations to optimise portfolio performance and mitigate risks

Deal sourcing

Asset management

Market research

Debt management & financial analysis

Lars Bagge Christensen  
Founding Partner

Stig Duus Enslev  
Founding Partner

Henrik Ramskov  
Managing Partner

John Peter Boesen  
Founding Partner

Stig Duus Enslev  
Founding Partner

Lars Bagge Christensen  
Founding Partner

Anders Windahl  
Partner

Mads Svensson  
Director, Renewables

Miaojia Liu  
Senior Research Manager

Thomas Lund  
Associate Partner

Max Nielsen  
Partner

Harry Sarantidis  
Technical Director

Livia Vilas Boas  
Research Manager

Tobias Børglum  
Investment Analyst

Line Skibdal Winther  
Operations Director –  
Consultant

Andreas Bille  
Investment Analyst

Line Drumm Blaabjerg  
Senior Operations Manager

#### Fund management team

Oversees fund operations and financial performance, ensuring ESG and sustainability factors are embedded in investment strategies and reporting

Investor relations & business development

Sustainability & ESG reporting

Risk management & compliance<sup>2</sup>

Finance & administrative support

Henrik Ramskov  
Managing Partner

Henrik Ramskov  
Managing Partner

Henrik Ramskov  
Managing Partner

John Peter Boesen  
Founding Partner

Martin Raasch Egenhardt  
Investor Relations Director

Mette Bendorff Andersen  
Senior ESG Manager

Anne-Sofie Skau  
Compliance & Risk Director

Christina Andersen  
Finance & Accounting Director

Emma Natanzon  
Student Assistant

Esben Skau  
Compliance & Risk Specialist

Peter Hegermann-Lindencrone  
Financial Controller

Rune Staugaard Engholm  
Student Assistant

Jeanette Hjelm  
Office Manager

<sup>1</sup> Employees as of 31 December 2024. <sup>2</sup> The compliance and risk management functions report directly to the Board of Directors.

# Organisation

## ESG responsibilities in the organisation

The organisational structure of Navigare Capital is composed of a Board of Directors and a management team—consisting of the four founding partners, including the managing partner—who oversee the investment and asset management and fund management teams. Responsibilities are delegated across these functions to ensure efficient management of investments and diligent oversight of Navigare Capital's ESG commitments.

### The Board of Directors

The Board of Directors ensures that Navigare Capital operates in compliance with its legal obligations, internal standards and policies. It has overall responsibility for the company's operations and adherence to applicable legislation, including regulations for managers of alternative investment funds. The Board has also approved Navigare Capital's responsible investment policy and strategy, which includes short- and long-term targets. This policy, available on the company's website, outlines the screening criteria and ESG due diligence requirements throughout the investment process. Additionally, the Board reviews and approves the annual Sustainability Report.

The Board of Directors maintains close oversight of ESG policy implementation and target compliance, while the Compliance Officer also evaluates the due diligence process, including ESG risks, and reports findings to the Board. If compliance with ESG policies is found inadequate, the Board is responsible for creating and overseeing the implementation of corrective measures.

The current members of the Board of Directors bring strong expertise from the shipping and financial industries, collectively holding the competencies necessary to steer Navigare Capital effectively. Board members are elected by shareholders at the annual general meeting based on criteria such as professional experience, competencies, reputation and integrity. Additionally,

the Board must meet the Danish Financial Supervisory Authority ("FSA") guidelines for "fit and proper" senior management, with members scrutinised for any conflicts of interest that could compromise Navigare Capital's investments or operations.

### Management

The management team at Navigare Capital consists of the four founding partners, including the managing partner, who oversee day-to-day operations of the company and ensure the implementation of and compliance with the policies approved by the Board of Directors. This includes the responsible investment policy, which stipulates the integration of sustainability and ESG principles into the investment process, from asset acquisition to exit. Additionally, management ensures adherence to relevant legislation, including regulations governing alternative investment fund managers.

Beyond operational oversight, management plays a key role in shaping the company's strategic direction by formulating the strategy, setting key objectives, and developing actionable plans. These initiatives must be presented to the Board of Directors for approval before implementation. Once they are approved, management is responsible for executing the strategy, including tracking progress, ensuring alignment across all business functions, and making necessary adjustments to address challenges and optimise outcomes.

If management identifies insufficient compliance with any policies or deems additional actions necessary, it must immediately inform the Board of Directors and submit a written report outlining the issue and a proposed solution. In 2024, no such reports were submitted. Suspected non-compliance with ESG policies can also be reported through Navigare Capital's whistleblower function.

### Investment and asset management team

The investment and asset management team oversees Navigare Capital's investments throughout their entire lifetimes, from the initial investment decision to exit. The team's wide range of competencies—spanning technical, operational, commercial and industrial expertise—ensures that asset selection, financing and operation align with Navigare Capital's ESG strategy and comply with applicable regulations. The team is divided into four departments: deal sourcing, market research, asset management, and debt management and financial analysis, each contributing to the investment and operational processes at Navigare Capital.

The deal sourcing team consists of professionals with extensive networks and commercial relationships from which to source secondhand or newbuilding projects, employ them on fixed charters and, finally, sell them. This process is supported by market research and asset management, which provide insights into market conditions, global economic trends and the operational capabilities of the assets to ensure well-informed decisions.

More specifically, market research informs investment activities by tracking developments across shipping segments and markets and combining this knowledge with an understanding of the global macro trends driving demand for shipping.

The asset management department ensures that the vessels are operated in accordance with charter contracts, regulations, sanctions and internal ESG policies. Its focus is on safe, cost-effective, and environmentally sustainable operations, with close oversight, to minimise risks such as bribery and sanction violations. It also works to enhance vessel performance through fuel-efficiency measures such as hull cleaning and, if necessary, implements new technologies to meet emission-reduction targets in collaboration with the deal sourcing and sustainability and ESG reporting teams.

Debt management and financial analysis professionals specialise in financial structuring, modelling, due diligence and risk assessment, ensuring investments generate targeted returns

while mitigating risks. They are responsible for structuring investments and providing ongoing investor reporting, thus playing a key role in ensuring the financial success of Navigare Capital's funds.

Together, these departments ensure that Navigare Capital's investments are managed with a focus on long-term sustainability, regulatory compliance and profitability.

### Fund management team

The fund management team oversees the operational and administrative functions of Navigare Capital and the investment funds, covering areas such as investor relations, ESG, compliance, accounting and IT. This team ensures responsible business conduct by implementing robust financial and ESG reporting procedures, monitoring the funds' risk profiles and ensuring full compliance with applicable laws and regulations. This team is structured into four departments: investor relations and business development, sustainability and ESG reporting, risk management and compliance, and finance and administrative support.

Investor relations and business development acts as the main liaison between the funds and their investors, managing investor communications and activities in a clear and balanced manner. It is also responsible for distributing quarterly investor reports, which contain information on the funds' financial performance and key ESG metrics. These reports enable both investors and the Board of Directors to track and assess progress on financial and sustainability targets.

In addition, sustainability and ESG reporting is responsible for the publication of an annual Sustainability Report, including emissions reporting under the Poseidon Principles, a framework designed to disclose the climate alignment of shipping-related activities to certain financial institutions. It also monitors the funds' alignment with the ESG strategy and targets, working

collaboratively on initiatives to enhance ESG metric performance and ensuring adherence to established ESG processes and procedures across teams.

This is further supported by risk management and compliance, which assesses the funds' risk profile and ensures compliance with relevant laws and regulations, including the investment strategies and mandates. This department operates independently of the investment team, and reports directly to the Board of Directors.

Finance and administrative support manages accounting and internal control processes to ensure accurate and transparent financial reporting to the relevant authorities in line with international standards and accounting principles. In addition, it assists sustainability and ESG reporting by providing relevant financial information for calculating Scope 3 emissions and conducting internal controls of ESG KPIs. Additionally, this department oversees IT security, ensuring personal data protection and compliance with the General Data Protection Regulation ("GDPR"), and implementing technological and software solutions to safeguard IT infrastructure.

This streamlined structure allows Navigare Capital and its funds to meet its financial, regulatory and ESG responsibilities effectively while maintaining transparent operations and securing investors' trust.

### Advancing employee knowledge in ESG

Sustainability issues in the maritime industry are evolving rapidly and Navigare Capital recognises the importance of fostering a high level of ESG knowledge among employees. To meet its ESG commitments and contribute to a more sustainable, responsible future for shipping, Navigare Capital encourages its employees to participate in training and skills development in ESG topics relevant to their particular field of operation. This includes attending lectures, conferences and webinars hosted by organisations and companies involved in a wide range

of ESG areas, from decarbonisation of shipping and sustainable investment to sustainability reporting.

In 2024, employees participated in activities organised by the Danish Shipowners' Association, Position Green, the Maritime Anti-Corruption Network ("MACN") and Gorrissen Federspiel, among others. These events are part of Navigare Capital's broader efforts to foster ESG expertise and contribute to the industry's sustainable future.

# Governance

## Integration of ESG into Navigare Capital's 6S Model

Navigare Capital pursues value creation through its 6S Model, which consists of six underlying principles that ensure a disciplined investment and divestment approach. By incorporating ESG into the 6S Model, Navigare Capital ensures that ESG is embedded into the entire investment process and key decisions from deal origination to exit, as summarised below.

- **Sourcing** of investments compliant with relevant ESG criteria.
- **Selecting** the assets, counterparties and partners that are aligned with Navigare Capital's ESG principles.
- **Structuring** of debt financing and incorporating sustainability into loan agreements to achieve attractive risk-mitigated returns.
- **Servicing** the assets with a strong focus on Navigare Capital's ESG strategy.
- **Steering** the assets by actively managing employment decisions using ESG metrics.
- **Selling** the assets with a focus on continuous operation.

In 2021, the Board of Directors approved Navigare Capital's first responsible investment policy. This policy describes how ESG is integrated into the investment process and key decisions from deal origination to exit through Navigare Capital's 6S Model. The policy is reviewed on an annual basis to include any changes in the ESG strategy or additional requirements. The policy can be found on Navigare Capital's website.

Navigare Capital and its funds are committed to complying with the following standards, conventions and guidelines:

- The Principles for Responsible Investment.
- The UN Global Compact.
- The OECD Guidelines for Multinational Enterprises.
- The UN Guiding Principles on Business and Human Rights.
- The ILO Declaration on Fundamental Principles and Rights at Work.
- The International Bill of Human Rights.
- Conventions, regulations and guidelines established by the IMO.

### Sourcing

The global shipping industry is fragmented, with vessel owners and charterers ranging from multinational industrial players to local niche operators. Hence, the ability to source investments compliant with relevant environmental criteria and find counterparties with the proper ESG principles requires a vast global network. Navigare Capital has, through the collective experience of its team, established a large global network of commercial and personal relationships, which forms the basis for this. Investments are sourced through several channels, including industrial partners, vessel owners, ship brokers, shipping banks and restructuring lawyers, and can be either secondhand transactions or newbuilding projects.

As each asset is unique, it is thoroughly screened on a set of parameters during sourcing, ranging from technical specifications and safety records to the vessel's fuel efficiency and trading history to assess whether it fits with Navigare Capital's ESG strategy. Only assets that meet the criteria satisfactorily may proceed to the Selecting stage.

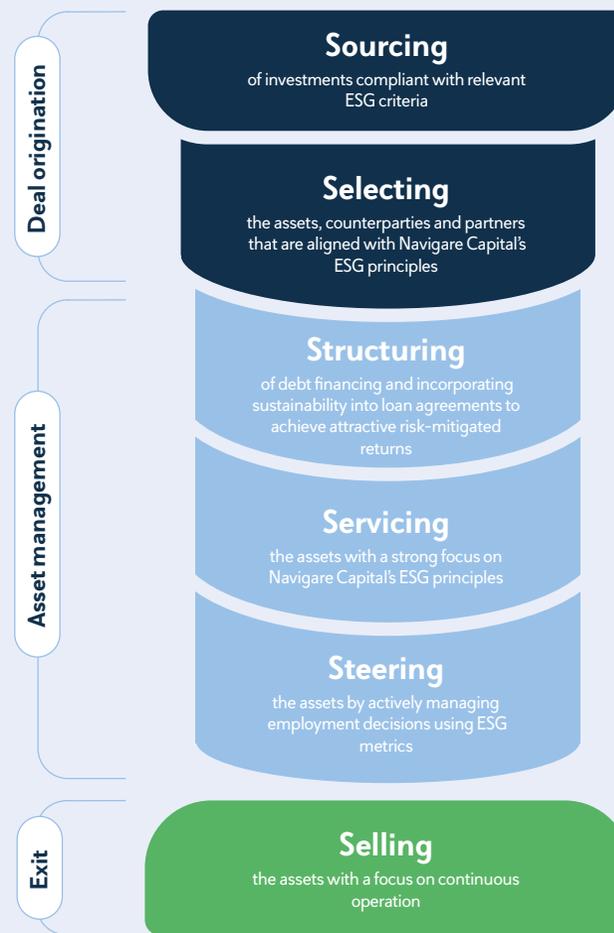
**Selecting**

Prior to making any investments, Navigare Capital performs full technical and commercial due diligence covering all relevant technical, operational, financial, tax, legal and ESG-related aspects of the proposed investment. During the selection process, Navigare Capital follows relevant due diligence procedures that cover all facts and risks of material importance to the investment decision, in which ESG is a key factor. Potential investments and peripheral activities are evaluated to assess whether they comply with Navigare Capital's ESG strategy and policies.

For investments in secondhand vessels, the technical team assesses and verifies the assets' physical condition, including the technical specifications, and reviews the performance of the assets, including fuel consumption and efficiency, key elements determining Navigare Capital's carbon footprint and biodiversity impact—and hence its ESG strategy. This information is also used to benchmark the assets' carbon intensity against Navigare Capital's own targeted reduction trajectory, along with those of known frameworks such as the IMO and the Poseidon Principles. Furthermore, when relevant, the technical team, in cooperation with a third-party specialist, delivers a catalogue of potential energy-saving devices enabling Navigare Capital to reduce its emissions further and remain on track towards its carbon intensity reduction target. Navigare Capital incorporates these energy-saving technologies into the financial model to assess the financial implications of complying with the ESG strategy on a specific vessel.

For newbuilding investments, Navigare Capital conducts audits of new shipyards prior to commencing projects to ensure that shipyards uphold adequate labour standards for their

**Navigare Capital 6S Model**



workers. An audit involves a comprehensive onsite inspection by Navigare Capital to verify that policies, procedures and facilities at the shipyard comply with the health and safety standards of Navigare Capital, and that the shipyard holds the necessary safety certifications and provides adequate safety training. In 2023, Navigare Capital expanded its efforts, particularly in relation to newbuilding projects, to align with the minimum safeguards laid out in the EU Taxonomy Regulation. Navigare Capital also has a dedicated onsite team throughout the duration of a shipbuilding project. The team monitors not only that the shipyard maintains technical standards, but also that its labour practices comply with Navigare Capital's expectations for health, safety and labour rights.

Based on the investment analysis and associated due diligence, Navigare Capital makes a recommendation to the Investment Committee, which makes the final decision on each investment and exit/realisation.

### Structuring

The financial structuring of the investments plays an important role in value creation in terms of generating the targeted return. As part of the structuring process, Navigare Capital performs financial due diligence on a proposed investment including stress testing of the financial risk and a risk assessment of the employment counterparty. The counterparty risk assessment is based on a comprehensive financial and qualitative analysis of the various risk elements, including the terms and conditions of the employment contract, the counterparty's business history and ownership, its financial risk and its ESG profile.

The ability to secure financing for investments will increasingly rely on the ESG profile of the fund and its subsequently acquired vessels, among other factors. Thus, Navigare Capital has incorporated sustainability and ESG into its financing strategy to ensure that it can continue to obtain attractive financing terms across shipping cycles. For this purpose, Navigare Capital benchmarks its portfolio's carbon intensity factor against the targeted reduction trajectory

stipulated by the Poseidon Principles. The Poseidon Principles is an agreement among 24 banks to assess and disclose the climate alignment of ship finance portfolios, setting a benchmark for responsible banking. As a result, if Navigare Capital's portfolio performs better than this benchmark, it triggers a premium, and conversely a worse performance triggers a penalty.

### Servicing and Steering

Navigare Capital has in-house teams dedicated to handling the disciplines of asset ownership and vessel operation. Before entering into a contract with a third party, the teams overseeing asset ownership make all reasonable investigations regarding the counterparty's experience, quality, resources, results and ESG practices. Hence, contracts are only made with counterparties that have been diligently screened both qualitatively and financially across a set of key parameters. Over and above this, Navigare Capital incorporates additional requirements on health and safety, human rights and working conditions into relevant contracts to ensure a high standard of welfare among its crew members and to ensure that the management agreements are aligned with Navigare Capital's ESG principles.

Charterers for vessels on bareboat contracts are responsible for the vessels' technical management, meaning that they do not regularly report to Navigare Capital on their operational conditions, including the occurrence or nonoccurrence of, for instance, oil spills or lost time injuries. For vessels on time charter contacts, Navigare Capital outsources the technical management to reputable companies experienced in ship and crew management. The in-house technical team reviews the performance of these third-party technical managers on a quarterly basis and carries out physical onboard inspections of the vessels to assess maintenance standards and evaluate whether the assets are in sound condition. Should the review of the third-party technical managers bring to light any anomalies or adverse trends, Navigare Capital will put new processes and procedures into place to ensure a reversal of the trend. If, in a worst-case scenario, the trend cannot be reversed, the fund will change the technical manager of the vessel in question. Vessels and technical managers are also subject to annual external

audits by third-party classification societies that verify compliance with safety regulations such as the International Safety Management (“ISM”) Code, the International Ship and Port Facility Safety (“ISPS”) Code and the Maritime Labour Convention (“MLC”). Compliance with these and other regulations governing the safety and environmental soundness of vessels is necessary for technical managers to maintain their Document of Compliance (“DOC”), which is a legal prerequisite for their operation.

On a daily basis, an in-house team of vessel operators ensures that the vessels are operated in accordance with the limitations of the charter contract and in compliance with relevant regulations, sanctions and the ESG policy of the funds. The operations team also closely monitors voyages, cargoes, speed and fuel consumption profiles in order to verify the safe and effective operation of vessels, addressing any operational challenges as they arise and optimising performance when necessary.

### Selling

An exit/realisation strategy is submitted to the Investment Committee for each vessel and the Investment Committee takes the final decision on every exit/realisation.

When selecting assets, Navigare Capital focuses on modern vessels with attractive ESG metrics to ensure a reliable and efficient fleet with economic lifetimes that exceed both the duration of the initial employment contracts and the lifetimes of the funds. As vessels are likely to be sold to third parties for continued operation, Navigare Capital’s sales contracts include a minimum period in which the vessel may not be recycled. At the same time, the buyer agrees to ensure that any future recycling or dismantling is undertaken in accordance with, as a minimum:

- The 2009 Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships.
- The Basel Convention’s technical guidelines for the environmentally sound management of the full and partial dismantling of ships.

To facilitate future recycling of vessels, Navigare Capital has already ensured that its vessels carry inventory of hazardous materials (“IHM”) certificates onboard, as required by the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships and the EU Ship Recycling Regulation. The IHM EU certificates meet all the conditions of the Hong Kong Convention and include two additional hazardous materials. However, as the IHM EU certificates are only recognised within Europe, vessels trading outside Europe hold the IHM Hong Kong certifications in addition to the EU certificates.

In the event that Navigare Capital has to undertake recycling itself, it will ensure this is done in compliance with the above regulations, but also along with the following, thus ensuring that any future recycling is compliant with the responsible ship recycling standards which are also adopted by certain financial institutions involved in ship financing:

- The EU Ship Recycling Regulation and the EU Waste Regulation.
- Any other laws, standards, regulations or rules which are applicable to recycling, including without limitation any national, international, state or local environmental or waste laws.

**SECTION III**  
Environmental,  
social and  
governance



# Introduction

The shipping industry plays a crucial role in supporting international trade and livelihoods worldwide through the efficient exchange of goods between nations and their populations.

However, despite being an essential component of the global economy, the shipping industry's contribution to global trade also poses environmental challenges—such as air and water pollution—that have significant consequences for climate change, biodiversity and ecological preservation. This means that the industry has a duty to adopt greener practices, explore alternative fuels, and adhere to more stringent regulations.

Shipping is well positioned to facilitate a just transition by not only addressing environmental concerns, but also safeguarding the welfare of those employed in the industry and the communities reliant on it. A just transition ensures that the transformation to a sustainable shipping industry benefits all stakeholders, including seafarers and the environment. The ambitions of a just transition can be broken down into the following environmental, social and governance (“ESG”) principles:

**Environmental (“E”):** Adopting energy-efficient technologies, reducing carbon footprints, and exploring alternative fuels highlight the shipping industry's commitment to a just transition. The transition aligns with broader global initiatives aimed at mitigating climate change and preventing biodiversity loss, which have interconnected consequences for humans and nature.

**Social (“S”):** Creating fair employment opportunities and promoting economic and social wellbeing for workers and affected communities ensure that the benefits of the industry's just transition are shared equitably among all stakeholders. For shipping, this means ensuring that seafarers and workers involved with shipbuilding and dismantling of vessels worldwide work under fair and safe conditions.

**Governance (“G”):** Transparent governance structures are essential for implementing and enforcing sustainability measures and ensuring that the industry's transformation aligns with global standards and regulatory frameworks. A commitment to good governance enhances accountability and fosters responsible practices within the shipping sector. Given that shipping is a global industry that interacts with many levels of government officials and authority, a just transition entails addressing maritime corruption and committing to responsible tax practices, both of which are vital for building robust and equitable institutions.

# Environment

The international nature of shipping, combined with the interconnected impacts of climate change, presents significant global challenges. While decarbonising the shipping industry remains a top priority, there is increasing recognition of the urgent need to address other environmental concerns, particularly biodiversity loss.

The introduction of a growing number of regulations, such as the EU Emissions Trading System (“EU ETS”), FuelEU, and the IMO’s 2023 net zero target for 2050, is propelling the maritime industry towards a green transition. Although many aspects of this transition, including alternative fuels, are still in their infancy, Navigare Capital aims to be at the forefront by adopting the best available and relevant vessel technologies and staying informed about the evolving regulatory landscape applicable to both shipping and investment fund managers.

## 2024 environmental KPI highlights

# Zero

oil spills

# 34%

reduction in carbon intensity compared to 2008



## E.1 Greenhouse gas emission targets

To establish a clear decarbonisation trajectory for its portfolio and drive the adoption of green technologies and fuels across its fleet, Navigare Capital has set several targets based on guidelines from leading environmental reporting and shipping decarbonisation organisations. Most notably, Navigare Capital has committed to achieving net zero greenhouse gas (“GHG”) emissions by 2050. This target encompasses the Scope 1–3 GHG emissions of both Navigare Capital’s headquarters and its funds, calculated according to the GHG Protocol, the most widely used GHG accounting standard<sup>1</sup>. In line with the Science Based Targets initiative (“SBTi”) recommendations, Navigare Capital aims for deep decarbonisation of 90–95%, while only using carbon removal to neutralise residual emissions that cannot be eliminated through other means. This approach focuses on addressing the primary source of greenhouse gas emissions—fossil fuel combustion—ensuring a lasting transition to more sustainable operations rather than relying on carbon offsets to mitigate negative impacts.

Navigare Capital has also established short-term targets for reducing carbon intensity, acknowledging that total GHG emissions are likely to rise in the near term as the portfolio of vessels grows. These targets ensure that the company continues to invest in increasingly less carbon-intensive assets or deploy energy-saving technologies onboard relevant vessels, and in turn is on course for its target of reaching net zero by 2050. Specifically, Navigare Capital aims to reduce carbon intensity by 35% by 2025 and by 55% by 2030, relative to the 2008 baseline set by the International Maritime Organisation (“IMO”) in its Fourth GHG Study. Using the IMO baseline allows industry-wide comparability of carbon intensity performance and alignment with the IMO’s reduction targets.

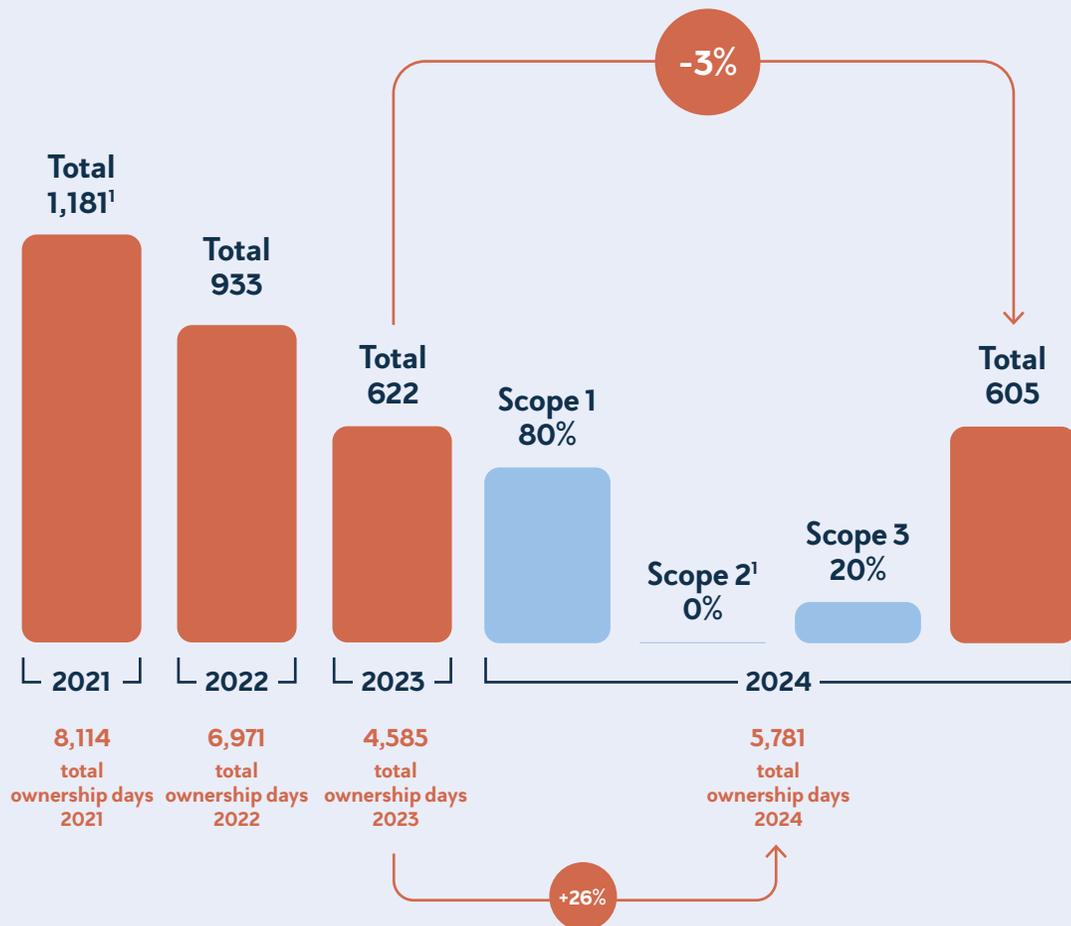
<sup>1</sup> Navigare Capital’s GHG baseline follows The GHG Protocol Corporate Accounting and Reporting Standard and The Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

### Exhibit E1: Emission targets



## Exhibit E2: Greenhouse gas emissions

Thousand tonnes of CO<sub>2</sub>e



<sup>1</sup> Location-based Scope 2 emissions.

### E.1.1 Greenhouse gas emissions

The GHG Protocol outlines three accounting approaches for consolidating GHG emissions, with the SBTi recommending either the operational control or the financial control approach for companies in the financial sector. The choice of accounting approach does not affect the total GHG emissions, but rather determines how vessel emissions are distributed across the different scopes.

Navigare Capital has adopted the financial control approach, as it maintains full financial control of the funds that own the vessels but does not exercise operational control. This approach enables Navigare Capital to establish the most accurate representation of GHG emissions across its entire operation. For example, emissions from vessels within the funds are allocated to and accounted for in Scope 1, reflecting Navigare Capital's responsibility for these emissions and its commitment to reducing them.

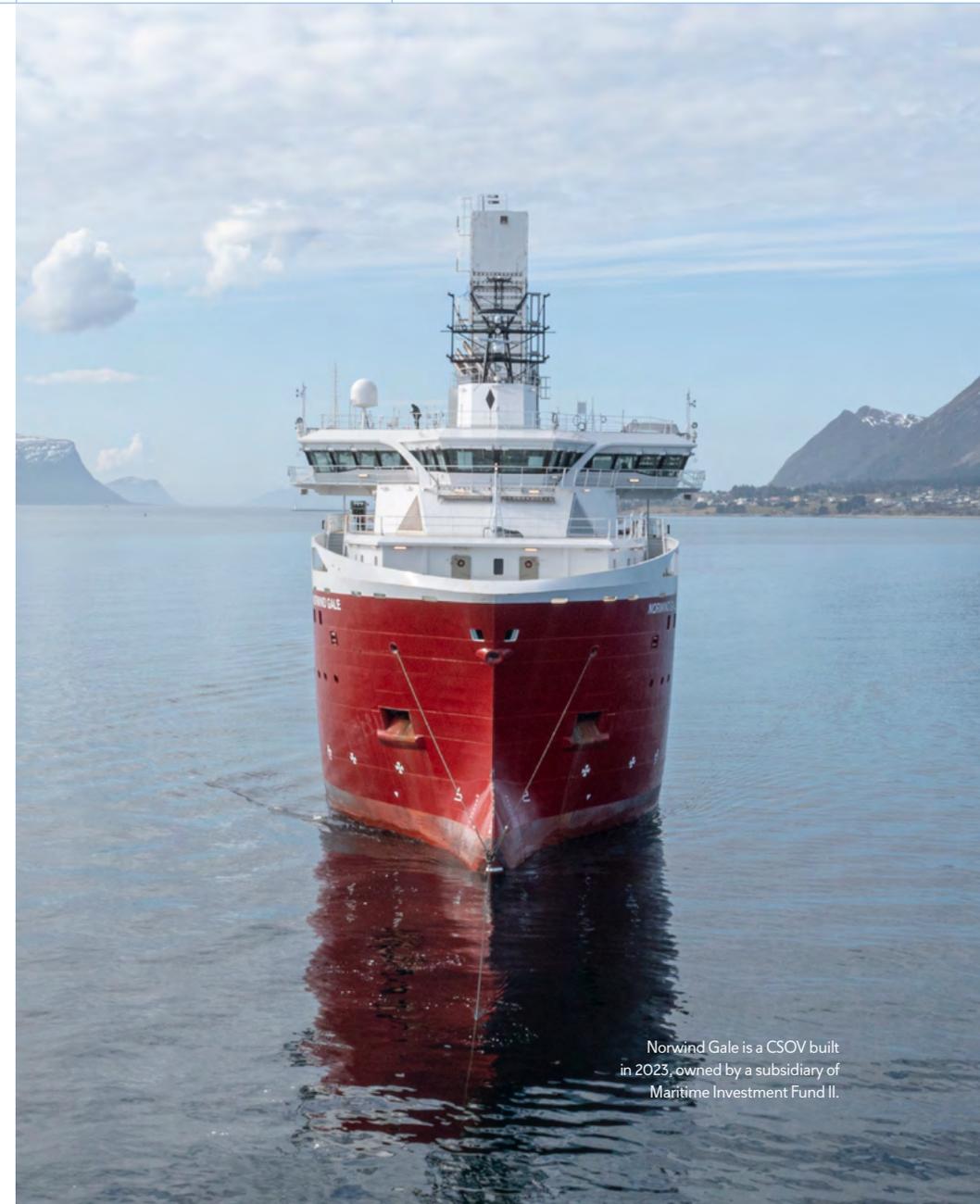
When calculating GHG emissions, it is important to account for all types of GHG emissions, as some vessels, such as LNG-fuelled vessels, produce lower CO<sub>2</sub> emissions than those using conventional fuel oil. However, depending on the engine type, LNG-fuelled vessels can experience methane slip. Methane is a particularly potent GHG, with one tonne having the same equivalent global warming potential as roughly 21 tonnes of CO<sub>2</sub> over a 100-year period<sup>1</sup>. To ensure that Navigare Capital invests in the efficient vessels across the different vessel types and helps mitigate global warming from shipping, the company considers every GHG in its assessment.

<sup>1</sup> United Nations Climate Change: Global Warming Potentials (IPCC Second Assessment Report).

In 2024, Navigare Capital recorded approximately 605,000 tonnes of carbon equivalent (“CO<sub>2</sub>e”) in Scope 1–3 emissions, remaining roughly in line with 2023 levels. While total emissions remained stable, Scope 1 emissions, which constitute around 80% of total emissions, increased by roughly 7.5%, whereas Scope 3 emissions, making up the remaining 20%, declined by approximately 30%.

The increase in Scope 1 emissions resulted from the addition of seven vessels to the portfolio in 2024, including three newbuild CSOVs with battery hybrid propulsion and three newbuild container feeder vessels. Additionally, the eight vessels delivered in 2023 had a full-year impact. This increase was partly offset by the sale of three vessels in 2024 and nine in 2023 (see pages 88–91 for a fleet overview). Generally, an increase in ownership days—the total number of days each vessel is included in the portfolio—correlates directly with Scope 1 emissions. However, the fact that the rise in Scope 1 emissions was smaller than the increase in ownership days suggests improved fuel efficiency, a reduction in average vessel size, or a combination of both. In Navigare Capital’s case, both factors played a role in achieving lower fuel consumption and thus reduced GHG emissions. For more details on the portfolio’s carbon intensity improvements, please refer to section E.1.2.

Conversely, the decrease in Scope 3 emissions of roughly 30% was primarily due to a decline in Scope 3.2 (capital goods) emissions, which fell from 96,000 tonnes of CO<sub>2</sub>e in 2023 to 44,000 tonnes in 2024. This reduction occurred despite the delivery of seven vessels, compared to eight in 2023, further indicating that these additions were smaller in size. Additionally, Scope 3.3 emissions saw a slight increase, as a result of higher fuel- and energy-related activities in Scopes 1 and 2. However, as vessel fuel consumption vastly outweighs the energy use of Navigare Capital’s headquarters, as emphasised by the fact that Scope 2 location-based emissions continue to represent less than 1% of total emissions, the majority of Scope 3.3 emissions continued to originate from vessel fuel usage.



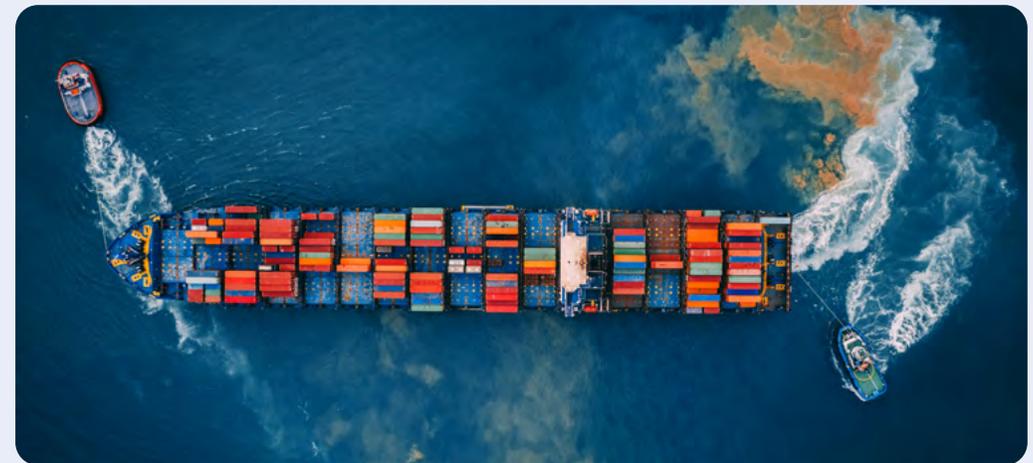
Norwind Gale is a CSOV built in 2023, owned by a subsidiary of Maritime Investment Fund II.

## Exhibit E3: Impacts from geopolitical and environmental disruptions in 2024

In 2024, the shipping industry was impacted by multiple geopolitical and environmental challenges which had consequences for the security and efficiency of the world fleet. Beginning in 2023 and well into 2024, severe droughts led to low water levels in the Panama Canal, which forms part of a major global trading route, accounting for approximately 2.5% of seaborne trade. The drought, caused by El Niño weather patterns worsened by climate change, resulted in a reduction in traffic through the canal of as much as 32% in certain periods. Restrictions on traffic through the canal caused delays, higher fees and, in some instances, rerouting of vessels, forcing them to undertake voyages with significantly longer distances. For instance, some voyages between the US Gulf Coast and China were rerouted around the southern tip of Africa, a trip that is approximately 50% longer than via the Panama Canal, while other trades were redirected to the US West Coast, where goods were transported onwards by rail. The combination of longer voyages and the uptake of ground transport may have contributed to an increase in GHG emissions from shipping and overall greater inefficiency in the transport industry. The impact of droughts in the Panama Canal underscores some of the challenges that shipping faces due to increased climate change and the vulnerability of global supply chains to changing weather patterns.

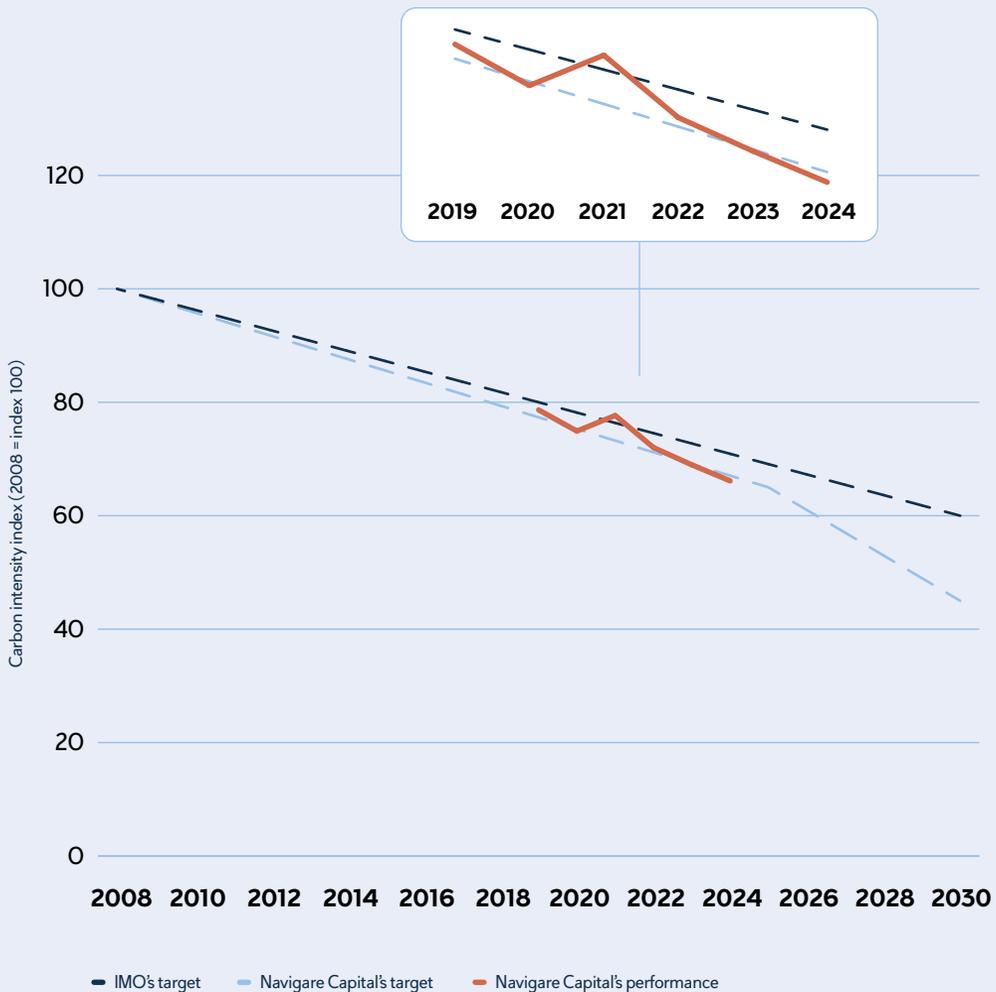
Extensive rerouting was also seen in other regions, including in the Red Sea, where vessels have come under attack by Houthis, a military group in Yemen, beginning in October 2023 and continuing throughout 2024. These attacks pose threats to the safety of seafarers and present environmental concerns due to the possibility of pollutants being released if a vessel is damaged. Due to these risks, many shipping companies have stopped sailing in the Red Sea, including the vessels in Navigare Capital's funds. As a consequence of the Houthi attacks, access to the Suez Canal has been largely cut off, disrupting one of the main trading routes between Asia and Europe. The Suez Canal is a major transit hub, through which approximately 30% of the global container trade sails<sup>1</sup>. The continued threat caused transits through the Red Sea to decrease by 70% in 2024, and some trades, including container vessels and LNG carriers, to avoid the area completely. In response to the situation, vessels were rerouted around the southern tip of Africa, a trip that takes about 30% longer than via the Red Sea, leading vessel operators to also increase speeds to meet demand. The increased fuel consumption from faster sailing speeds combined with the significantly longer sailing times has not only impacted greenhouse gas emissions but has also contributed to higher costs for consumers around the world.

These events have taken place against the backdrop of the continued challenges in the Black Sea due to the ongoing war between Russia and Ukraine. The war has halted grain exports from Ukrainian ports and restructured global trading patterns due to sanctions on Russian goods from many Western countries. The sanctioning of Russian oil and the shutdown of gas pipelines has led to European energy imports from Russia being replaced by seaborne oil and gas from the Middle East and the United States, requiring longer sailing distances and greater fuel consumption. At the same time, Russian exports have shifted towards longer-distance destinations outside Europe, some of these carried by the “dark fleet” of vessels operating outside the global fleet registry to avoid sanctions. These vessels pose additional environmental threats, as they often have lower maintenance and operational standards than the rest of the global fleet. These challenges highlight the significant impact of geopolitical and environmental disruptions on the efficiency of shipping, and the economic and environmental consequences.



<sup>1</sup> J.P. Morgan: What are the impacts of the Red Sea shipping crisis?

### Exhibit E4: Navigare Capital's carbon intensity



#### E.1.2 Carbon intensity

Navigare Capital measures carbon intensity based on a vessel's cargo-carrying capacity relative to its fuel consumption, a metric known in the shipping industry as the Annual Efficiency Ratio ("AER")<sup>1</sup>. AER accounts for CO<sub>2</sub> and tank-to-wake emissions and is the most widely used intensity metric for conventional shipping segments, applicable to vessels exceeding 5,000 gross tonnes. The recently acquired Norwind vessels do not fall under the AER framework, however, as they operate in a niche segment, namely the offshore wind sector, and are below 5,000 gross tonnes. However, their total GHG emissions are still accounted for in section E.1.1 Greenhouse gas emissions.

By prioritising investments in vessels with favourable AER numbers, Navigare Capital ensures a focus on fuel efficiency, enabling a consistent reduction in carbon emissions to meet its targets outlined on page 31.

While the IMO updated its 2023 GHG Strategy to strengthen its absolute GHG reduction target to net zero by or around 2050—an increase from the previous 50% reduction target—the 2030 carbon intensity goal remained unchanged from its 2018 GHG Strategy at a 40% reduction, covering only CO<sub>2</sub> and tank-to-wake emissions. As a result, Navigare Capital continues to benchmark carbon intensity against the IMO's 2018 baselines and targets, while recognising that these may not be sufficient to achieve net zero by 2050. In contrast, Navigare Capital's own carbon intensity targets are aligned with the goal of reaching net zero by 2050.

<sup>1</sup> AER is measured as grams of CO<sub>2</sub> emitted per cargo-carrying capacity x nautical mile.

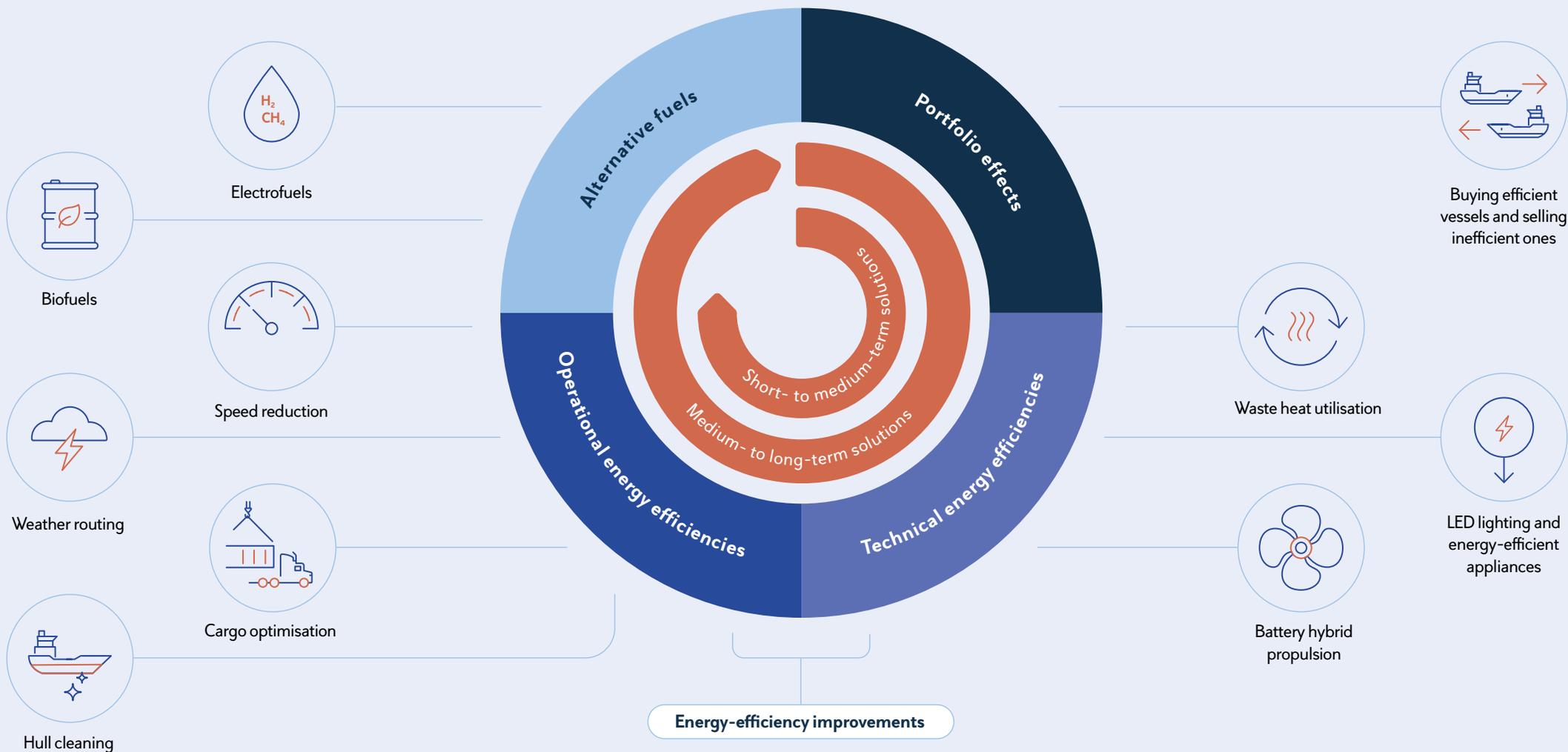
In 2024, Navigare Capital's AER performance was estimated to be 6.6% below the target trajectory set by the 2018 IMO GHG Strategy and 1.2% below its internal target trajectory. See exhibit E4 for further details on the portfolio's carbon intensity development. The carbon intensity improvement resulted largely from Navigare Capital's strategic focus on portfolio effects, which is one of the four identified methods for reducing GHG emissions. See exhibit E5 for a more detailed overview of the potential reduction methods, including examples of each. The portfolio effects were primarily attributable to the sale of three vessels—two container feeders and one LNG carrier—marking the completion of Maritime Investment Fund I. Additionally, Navigare Capital took delivery of seven vessels: three newbuild 2,700 TEU container feeder vessels with methanol-ready notation, allowing easy conversion to methanol during their first dry-docking; three newbuild CSOVs with battery hybrid propulsion designed for the offshore wind industry; and an LPG carrier.

While the energy efficiency of vessels plays a crucial role, operational efficiency is equally, if not more, important—particularly the choice of speed, as fuel consumption increases exponentially with speed. Since Navigare Capital does not have operational control over its vessels, including the choice of speed, it can only encourage its charterers to operate the vessels as efficiently as possible, while providing them with the most energy-efficient vessels. New regulations, such as the inclusion of shipping in the EU Emissions Trading System ("EU ETS") and the FuelEU initiative, will also incentivise charterers to optimise vessel operations. See exhibit E6 for further details on FuelEU.

As the choice of speed is often influenced by market dynamics and supply chain conditions, carbon intensity can fluctuate from year to year. Typically, carbon intensity deteriorates during strong market conditions and improves when markets slow down.

In 2024, geopolitical and environmental factors significantly impacted the market, forcing operators to reroute vessels and adopt longer trade routes. This led to higher freight rates in the first half of the year, prompting many operators to increase vessel speeds to meet demand, which in turn resulted in higher emissions and worsening carbon intensity. For more details, refer to the special topic in E3, "Impacts from geopolitical and environmental disruptions in 2024." Additionally, as seen in the previous year, some tanker vessels were used for storage rather than trading, reducing sailing distances and negatively affecting carbon intensity further.

### Exhibit E5: GHG emission reduction methods



## Exhibit E6: FuelEU Maritime

On 1 January 2025, FuelEU Maritime (“FuelEU”) came into effect. This is a significant regulatory initiative introduced by the European Union (“EU”) as part of its Fit for 55 package, aimed at achieving a 55% reduction in greenhouse gas (“GHG”) emissions in the maritime sector by 2030 compared to 1990 levels.

FuelEU Maritime is designed to promote the consistent use of renewable and low-carbon fuels in the maritime sector. The initiative complements the inclusion of shipping in the EU Emissions Trading System (“ETS”) starting from 2024 and is supported by the Renewable Energy Directive (“RED”) and the Alternative Fuels Infrastructure Regulation (“AFIR”), which aim to ensure the necessary infrastructure development and the availability of alternative fuels.

FuelEU sets specific targets for reducing the GHG intensity of fuels used by ships over 5,000 gross tonnes, calculated from a well-to-wake perspective. This begins with a 2% reduction in GHG intensity in 2025 compared to 2020, rising to 6% by 2030, and ultimately reaching an ambitious 80% reduction by 2050. Similar to the EU ETS, the GHG intensity requirement applies to 100% of fuel consumed on voyages between EU ports and during EU port stays, as well as 50% of the fuel consumed on voyages to and from non-EU ports.

For most companies, complying with FuelEU requires the use of sustainable alternatives to fossil fuels. Under FuelEU, alternative fuels must be certified by recognised certification schemes; otherwise, they are assigned the same emission factor as the least favourable fossil fuel. These certification schemes are implemented to ensure sustainability and traceability throughout the fuel production supply chain. Furthermore, the schemes offer detailed instructions to producers on achieving compliance and mandate that every company in the fuel supply chain holds certifications and demonstrates through annual audits that the materials they trade meet the sustainability and greenhouse gas savings criteria outlined by the RED.

A key feature of FuelEU is its enforcement mechanism, which includes penalties for non-compliance. Shipping companies that fail to meet the prescribed GHG intensity targets will face significant financial penalties, currently set at EUR 2,400 per tonne of very low sulphur fuel oil (“VLSFO”) energy equivalent, with a 10% compounding increase for every consecutive period in which the company is non-compliant. With these reinforcement measures in place, along with carbon pricing under the EU ETS, the cost gap between conventional and alternative fuels is expected to narrow, although some gap will likely still persist for the foreseeable future.

In addition, to support companies in meeting their carbon intensity reduction targets, incentivise overachievers, and accelerate the deployment of advanced options, FuelEU has introduced two key mechanisms. The first is a pooling mechanism that allows shipping companies to trade compliance surpluses and that encourages them to share resources and strategies, fostering more efficient compliance. Smaller operators in particular may find this mechanism beneficial, as they are likely to encounter greater challenges in meeting individual targets. The second mechanism is a banking and borrowing system, which permits companies to carry over surpluses and minor deficits to the following year, thereby encouraging companies to surpass their reduction targets.

To ensure transparency and accountability, shipping companies are required to monitor and report their fuel consumption and emissions, strengthening their compliance efforts. Compliance involves collaboration among multiple stakeholders, such as shipowners, technical managers and charterers, and Navigare Capital has been actively engaging with these over the past year. The company is now in the process of implementing contractual agreements to establish clear responsibilities under FuelEU. These agreements are guided by the BIMCO FuelEU Maritime clause for charterers and ship managers, which mandates that charterers either provide compliant fuel or bear the costs of non-compliance—a clause that Navigare Capital helped develop.



## E.2 Other significant air pollutants

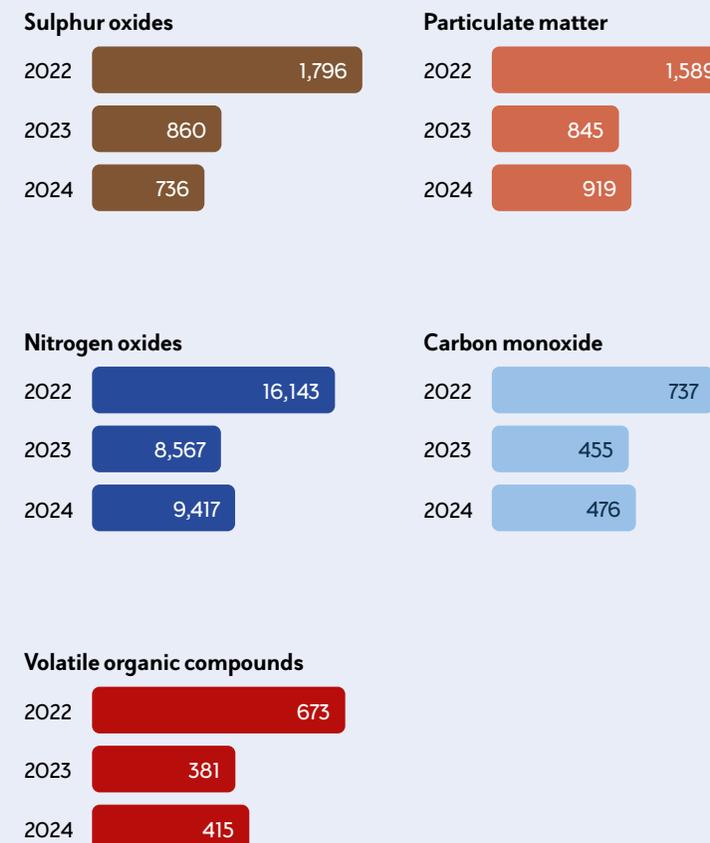
In addition to reducing GHG emissions, Navigare Capital is committed to limiting other forms of air pollution from its vessels while ensuring full compliance with applicable air emission regulations, including those set by the IMO.

Compared to 2023, emissions of nitrogen oxides (“NOx”), volatile organic compounds (“VOCs”) and carbon monoxide (“CO”) have increased. This rise is mainly explained by the fact that a greater number of vessels are in operation following expansion of the fleet. While these additional vessels are generally smaller in size, their combined activity has resulted in a net increase in emissions. In contrast, sulphur oxide (“SOx”) emissions have decreased, as a larger share of the fleet now operates with scrubbers that reduce SOx levels to 0.1%, further minimising their environmental impact.

Since 2005, the IMO has progressively tightened SOx emission regulations. As of January 2020, the sulphur content in fuel was reduced from 3.50% to 0.50%, and to 0.1% in emission control areas (“ECAs”) such as the Baltic Sea, the North Sea, and waters off the North American coasts. The Mediterranean Sea will join the list in May 2025. Compliance is achieved through the use of low sulphur fuel and exhaust gas cleaning systems known as scrubbers. By the end of 2024, six MIF II vessels were equipped with scrubbers, three of which are closed-loop systems that remove sulphur particles without necessarily discharging treated water into the sea. The rest of the fleet operates on low sulphur fuel oil.

Particulate matter (“PM”) emissions are indirectly regulated through SOx regulations due to the strong correlation between the two pollutants. As a result, the ongoing reduction in SOx emissions has contributed to a decline in PM emissions. However, since the current methodology does not differentiate between emissions from low sulphur fuel oil and high sulphur fuel oil, this reduction is not reflected in reported figures.

### Exhibit E7: Emissions of other air pollutants



NOx emissions, produced during fuel combustion, are regulated through engine tier classifications based on a vessel's keel laying date. Stricter Tier III standards apply to newer vessels, significantly reducing NOx emissions compared to vessels in Tiers I and II. By the end of 2024, the funds owned 12 Tier III-compliant vessels, including two under construction, and nine Tier II-compliant vessels. However, since Tier III requirements only apply in specific areas, most Tier III vessels continue to operate under Tier II conditions. This accounts for the lack of reduction in NOx emissions, even though the number of Tier III vessels in the fleet increased.

VOCs, primarily emitted from tankers and certain gas carriers, are managed through technical upgrades and vessel design modifications that help minimise emissions during operations. However, as the number of tankers and gas carriers in the fleet has increased, VOC emissions have also risen.

Similarly, CO, a by-product of incomplete fuel combustion, indirectly contributes to climate change by promoting ozone formation. While CO is not as strictly regulated as other pollutants, ongoing initiatives to improve fuel efficiency and optimise combustion processes, as part of broader environmental efforts, help mitigate its emissions.

## E.3 Biodiversity

Over the next decade, biodiversity loss is projected to become one of the most critical global challenges<sup>1</sup>, surpassing other significant social and political risks such as involuntary migration, social polarisation, and interstate conflict. With much of the world's economic output reliant on natural resources, a decline in biodiversity is expected to have far-reaching social and economic consequences. In addition to increased risks for businesses, biodiversity loss will negatively affect human health and livelihoods by disrupting food production, increasing disease

<sup>1</sup> World Economic Forum: Global Risk Report 2020.

transmission, and reducing ecosystems' ability to withstand extreme weather events, among other impacts.

The ecological impacts from shipping and other maritime industries pose threats to marine biodiversity and habitats around the world. These impacts include the direct introduction of invasive species, pollution from water and air emissions, and accidental leakages during operations. Indirectly, shipping also affects biodiversity by contributing to climate change and rising sea temperatures. According to Navigare Capital's 2022 biodiversity impact assessment conducted by an independent sustainability specialist, Navigare Capital's most significant impact on biodiversity stems from its contribution to climate change. As a result, reducing GHG emissions from shipping is an essential means of limiting ecological impacts. This complements the technologies and procedures already in place to prevent harmful or toxic pollutants from affecting marine ecosystems. Given the anticipated growth in the global shipping fleet in the coming decades, efforts to mitigate these ecological impacts will become increasingly important.

Drawing from insights gained in its 2022 biodiversity impact assessment, which identified key biodiversity pressure areas in the supply chain, Navigare Capital is actively working to reduce its biodiversity impacts wherever possible. This includes tracking time spent in marine protected areas and maintaining compliance with IMO regulations aimed at minimising the introduction of invasive species, and air and water pollution. Furthermore, Navigare Capital has introduced procedures to limit biodiversity impacts from its vessels, such as reusing wash water during cleaning and opting for sustainable cleaning materials whenever possible.

### E.3.1 Shipping duration in marine protected areas

In addition to the biodiversity impacts throughout Navigare Capital's value chain, there are potential ecological consequences for the areas through which vessels operate. To address these concerns, various organisations, including the IMO, have identified particularly sensitive sea areas

## Exhibit E8: Time spent in marine protected areas in 2024

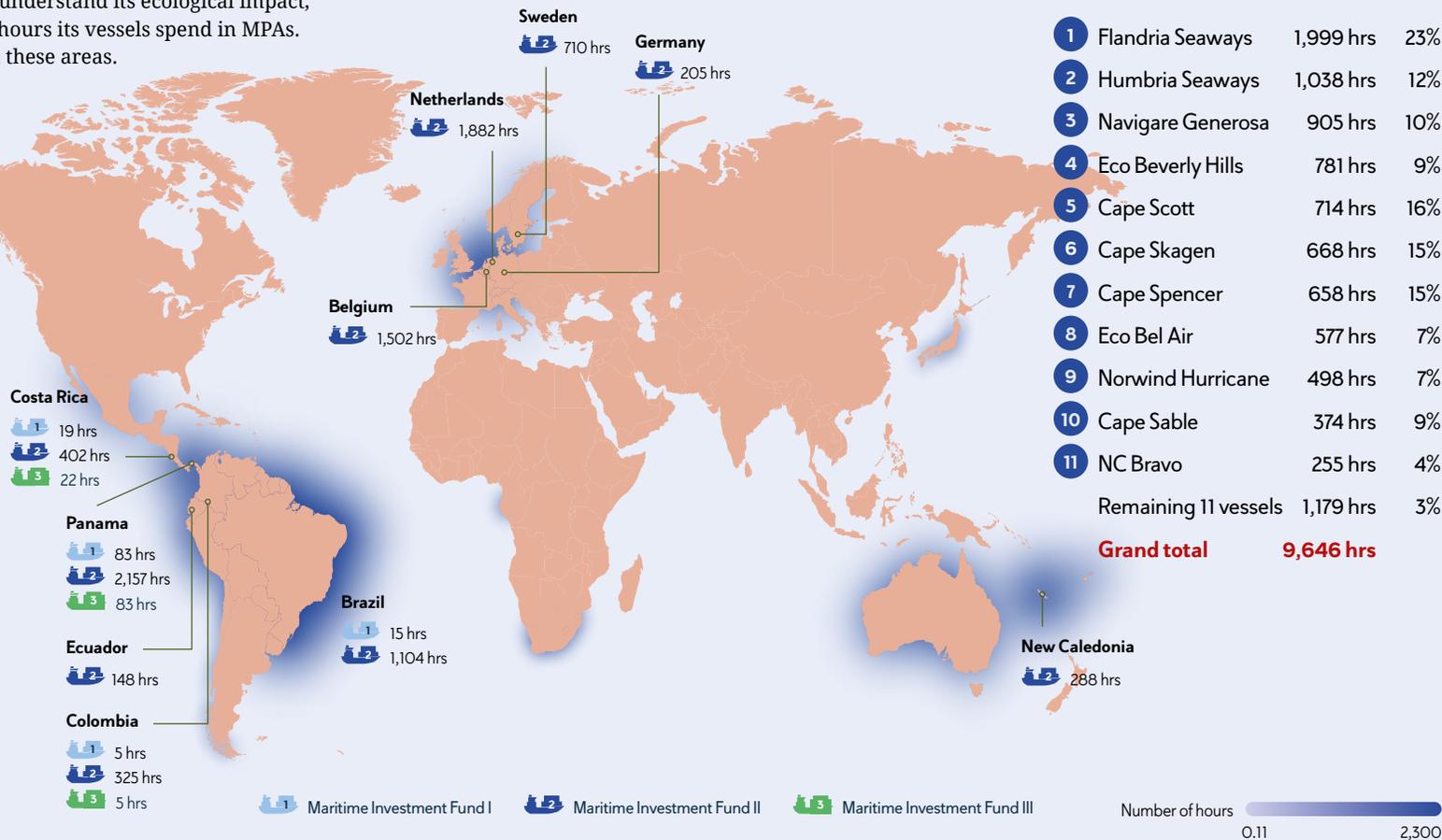
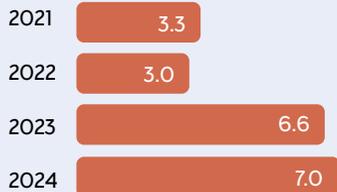
Marine Protected Areas (“MPAs”) are regions of seas, oceans, estuaries or lakes that are rich in wildlife and designated for protection. To better understand its ecological impact, Navigare Capital has started monitoring the number of hours its vessels spend in MPAs. In 2024, 7.0% of the vessels’ operating time was spent in these areas.

The amount of time each vessel spends in MPAs varies based on factors such as the geographical region of operation and the nature of the vessel’s work. For instance, vessels supporting the offshore wind industry often operate closer to shore and, as a result, may spend significant time in nationally designated MPAs. Similarly, container feeders and RoRo vessels, which operate on shorter routes between specific ports, frequently spend time in MPAs due to their many port calls. In contrast, vessels involved in deep-sea transport tend to operate in areas beyond national jurisdictions, where MPAs are fewer.

While this KPI does not fully encompass all aspects of Navigare Capital’s biodiversity impacts, it provides a valuable insight into where the company can focus its efforts to enhance its ecological stewardship.

### Time spent in marine protected areas

%



<sup>1</sup> Data on protected areas is compiled by VesselsValue from Protected Planet, the Marine Protection Atlas and the World Resources Institute, and includes all levels of protection status. Vessels in joint ventures are accounted for on a 50% basis, while vessels in subsidiaries are included at 100%. This approach aligns with the financial control method under the GHG Protocol, ensuring consistent accounting across KPIs.

<sup>2</sup> The table lists all vessels that meet either of two conditions: 1) the total number of hours spent in MPAs surpasses 250 during the ownership period, or 2) the operating time within MPAs exceeds 10% during the ownership period. The remaining vessels are summarised in a single line item.

that require special protection due to their ecological, socio-economic or scientific attributes. These marine protected areas (“MPAs”) encompass diverse regions, such as coastlines, shallow waters and notable sites such as the Great Barrier Reef and the Paracas National Reserve in Peru.

Vessels passing through these regions, especially those transporting oil or hazardous cargo, are required to avoid specific areas or take special precautionary measures. These restrictions are integrated into captains’ digital navigation systems, which are regularly updated to ensure compliance and minimise ecological risks.

Navigare Capital tracks the routes of its vessels to monitor time spent in MPAs. In 2024, its vessels spent an average of 7.0% of their time, totalling 9,646 hours<sup>1</sup>, in MPAs. This was an increase from previous years, partly due to the addition of three RoRo vessels to the fleet in 2023, with full impact in 2024, operating on routes within some of Europe’s many established MPAs. The delivery of six container feeder vessels also contributed to the increase, as these vessels operate on shorter routes between specific ports, frequently spending time in MPAs due to their many port calls. Furthermore, the inclusion of several CSOVs in the fleet, servicing the offshore wind industry, contributed to the increase, as these vessels typically operate closer to shore and often spend extended periods in designated MPAs. For further details, please see exhibit E8.

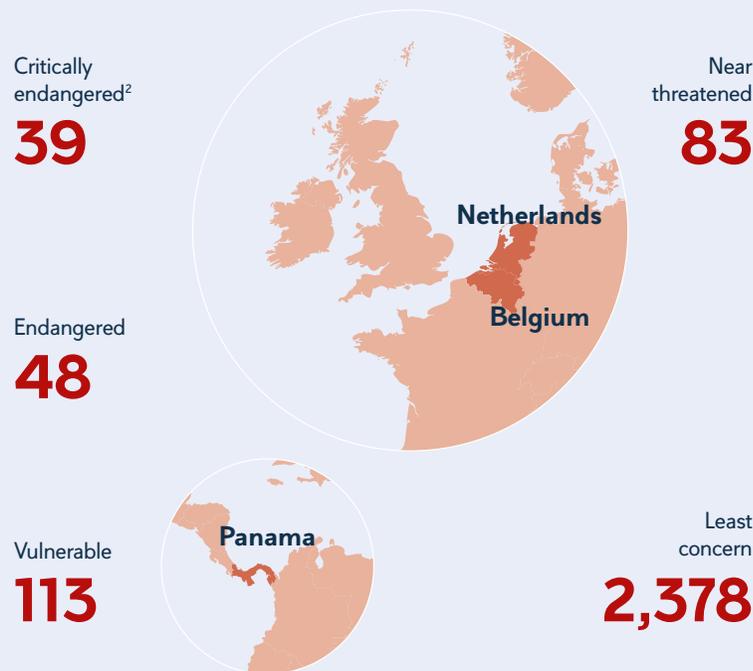
In 2024, Navigare Capital’s vessels spent the most time in MPAs in Panama, Belgium and the Netherlands. According to the World Wildlife Fund (“WWF”), the coastal marine habitats of these countries face varying degrees of pressure from man-made sea-use changes, including shipping. The waters around Belgium and the Netherlands are particularly vulnerable, with high levels of biodiversity risk stemming from sea-use changes and pollution. Meanwhile, Panama is experiencing medium to high biodiversity risk, primarily driven by deforestation linked to the expansion of the Panama Canal.

<sup>1</sup> This figure has been calculated using the same methodology as GHG emissions, with joint ventures included on a 50% basis.

## Exhibit E9: Biodiversity levels of marine ecosystems<sup>1</sup>

### By the top three most visited marine protected areas

The most significant threats to many of these species are climate change, commercial fishing, pollution and invasive species.



<sup>1</sup> Species are totalled across countries and categorised by IUCN Red List category. Species that are not listed on the IUCN Red List are not included in this KPI.

<sup>2</sup> IUCN Red List categories reflect the severity of extinction risk due to population decline. The “least concern” category includes all species that do not meet any of the criteria for threatened species and are not at risk of doing so in the near future.

Additionally, the International Union for the Conservation of Nature (“IUCN”) assesses the extinction risk of marine species in these regions, classifying them from “least concern” to “critically endangered”. See exhibit E9 for further details. Key threats to many of these species include climate change, commercial fishing, pollution and invasive species. Species identified as highly affected by shipping lanes and vessel strikes, in addition to habitat threats, include the basking shark, European sturgeon, Sowerby’s beaked whale, and several coral species.

Whales are especially vulnerable to vessel strikes due to the overlap between their habitats and heavily trafficked shipping routes. To mitigate these risks, the IMO has introduced mandatory reporting and rerouting measures for vessels operating in areas where the risk of whale collisions is particularly high.

### E.3.2 Water pollution

Due to the persistency and toxicity of oil, accidental releases into the ocean from vessels can have severe and long-lasting effects on marine life and ecosystems. Although the introduction of the International Convention for the Prevention of Pollution from Ships (“MARPOL”) and other regulations has significantly reduced spills, the risk remains, due to potential vessel groundings, hull failures, explosions or issues during loading and discharging operations, among other accidents<sup>1</sup>. Navigare Capital closely monitors for oil spills from its vessels in order to assess its ecological impact and evaluate the effectiveness of its technical and safety systems.

In 2024, no oil spills were reported from Navigare Capital’s time-chartered vessels or vessels in joint ventures. Bareboat charters are not required to report their operational conditions, including the occurrence of oil spills, to Navigare Capital. However, as the owner, Navigare Capital would be notified in the event of any significant oil spills from these vessels.

<sup>1</sup> European Environmental Agency: EN15 Accidental oil spills from marine shipping.

### E.3.3 Invasive species

Invasive species, particularly those introduced through biofouling on vessel hulls and ballast water, present serious environmental challenges. Biofouling occurs when aquatic organisms such as algae, molluscs and barnacles attach themselves to the hulls of ships, while ballast water, though essential for safe and efficient modern shipping operations, can carry a wide range of species from one location to another. These species can disrupt local ecosystems, outcompete native species, and introduce diseases, leading to significant biodiversity loss.

To combat these challenges, the IMO introduced the International Convention for the Control and Management of Ships’ Ballast Water and Sediments (“BWM Convention”) on 8 September 2017. This convention requires ships to use treatment systems to clean ballast water before discharge, thereby minimising the transfer of harmful species between marine environments. All vessels owned by Navigare Capital’s funds are equipped with ballast water treatment (“BWT”) systems and fully comply with the IMO’s ballast water management standards.

The IMO has also issued Biofouling Guidelines to address the risks associated with organisms accumulating on vessel hulls. These guidelines promote best practices for reducing biofouling, such as applying anti-fouling coatings, conducting regular hull cleanings, and maintaining proper inspection and maintenance schedules. Additionally, vessels engaged in international voyages are required to obtain an International Anti-fouling System Certificate under the IMO’s International Convention on the Control of Harmful Anti-fouling Systems on Ships (“AFS Convention”) to ensure that the coatings used do not harm the environment.

In compliance with these guidelines and conventions, Navigare Capital applies various anti-fouling paints to its vessels, including silicone-based coatings that effectively minimise biofouling. When these coatings alone are insufficient to ensure a clean hull, vessels undergo thorough hull cleaning. Studies show that maintaining a clean hull not only helps prevent the spread of invasive species, but also improves energy efficiency, leading to a substantial reduction in emissions.



# Social

The contribution of the maritime industry to society extends beyond economics; it also supports social wellbeing and sustainable development. By facilitating the distribution of essential goods and commodities, it provides a crucial service that supports quality of life and bolsters global connectivity and trade. Navigare Capital uses its position as a vital element of the worldwide supply chain to ensure that seafarers enabling global transport do so while benefiting from safe and secure working conditions.

## 2024 social KPI highlights

# One

port state control detention

# 0.86

lost time injury frequency

Navigare Capital strongly emphasises the safety and wellbeing of the seafarers working on the vessels owned by its funds, promoting inclusive and sustainable growth through employment with decent working conditions. To put these principles into practice, Navigare Capital takes various measures, such as carefully selecting top-tier technical management companies, operating vessels under reputable flags, actively participating in Danish Shipping (a trade and employer organisation for more than 90 shipowners and offshore companies in Denmark) and implementing additional programmes to enhance the quality of life for its seafarers. For a more detailed overview, please refer to exhibit S1.

Navigare Capital's approach to reporting on its social impact centres on two key areas, identified as material in the 2021 materiality assessment: accident prevention and labour rights. KPIs related to these topics are limited to seafarers on time-chartered vessels and vessels in joint ventures, and do not encompass those on bareboat-chartered vessels, given the funds' limited control over the working conditions and access to data on the latter.

## S.1 Health, safety and wellbeing

The funds are required to operate the fleet in accordance with a comprehensive set of international standards governing maritime safety and labour practices. These regulations, overseen by organisations such as the International Maritime Organisation (“IMO”) and the International Labour Organisation (“ILO”), ensure labour standards and fair working conditions for seafarers. The majority of the funds' vessels operate under the Danish flag, meaning they must also comply with the certification and inspection requirements stipulated by the Danish Maritime Authority (“Søfartsstyrelsen”). The offshore wind vessels in the fleet operate under the Norwegian flag, which has similar requirements to the Danish flag. Operating under these

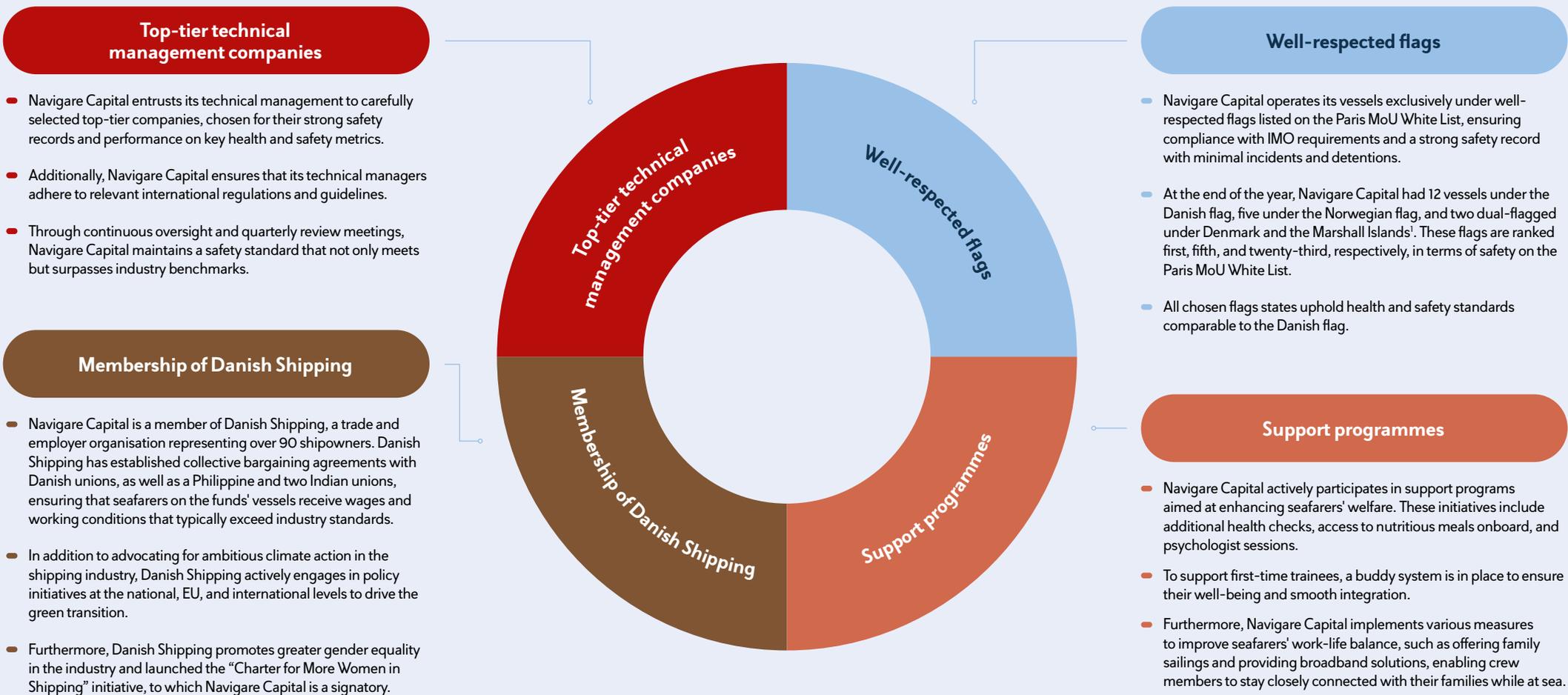
flags provides seafarers with comprehensive labour protections backed by national regulations, including provisions for work-related injury compensation, sick pay and vacation entitlements. This extends to all seafarers onboard Danish-flagged and Norwegian-flagged vessels, irrespective of their national origins.

Operating vessels under these flags also establishes an independent mechanism for seafarers to report potential violations of maritime safety, labour regulations or instances of harassment through the whistleblower system of the respective maritime authority, supplemented by a parallel channel administered by the technical managers.

All but four vessels in the funds are operated under the Danish or Norwegian flag. The exceptions are the Eco Bel Air and Eco Beverly Hills, which are dual flagged under Denmark/Marshall Islands, and NC Breda and NC Bravo, flagged under Denmark/Brazil. The latter two vessels were sold during the reporting period. A dual flag allows vessels to sail under a flag other than its primary flag state for a period of time. These four vessels are or were under bareboat charter agreements, meaning that the charterer assumes responsibility for the technical and crewing management of the vessels, including the selection of flag state. In these instances, the flag state must still be a country approved by the Danish Maritime Authority for bareboat registration of vessels, with the primary state being Denmark.

The Danish, Norwegian and Marshall Islands flags rank first, fifth and twenty-third, respectively, on the Paris Memorandum of Understanding (“MoU”) White List, a ranking of the best-performing flag states based on port state control detention rates within the 27 countries that adhere to the Paris MoU. The Brazilian flag does not meet the threshold for number of inspections in the Paris MoU to be ranked but has undergone the IMO Member State Audit Scheme (“IMSAS”).

## Exhibit S1: Promoting seafarers' wellbeing on vessels



<sup>1</sup> As of 31 December 2024.

Navigare Capital relies on third-party technical managers to conduct vessel operations and crewing but maintains diligent in-house monitoring systems overseen by the technical team. In accordance with the Maritime Labour Convention (“MLC”), all of the funds’ vessels operate within a comprehensive framework enforcing health and safety standards. The health and safety conditions onboard are subject to external audits conducted by classification societies and internal assessments overseen by Navigare Capital’s technical team, which conducts vessel inspections to verify that working and operating conditions align with environmental, social and governance (“ESG”) standards, in addition to the contractual commitments set forth by Navigare Capital. An overview of these regulatory and internal mechanisms to monitor health and safety is shown in exhibit S2.

Despite precautions taken to prevent any risks to crews' safety, unforeseen emergency situations can arise that jeopardise the safety of seafarers. Technical managers are therefore mandated by the International Safety Management (“ISM”) Code to implement crisis management plans to address potential safety threats to vessels and their crews in the case of extraordinary circumstances. Upon notification of an emergency onboard a vessel, Navigare Capital immediately assembles an internal crisis management team consisting of one of the founding partners, and the member of the technical and operations teams responsible for the vessel in question to determine how to handle the situation most effectively.

## Exhibit S2: Monitoring of health and safety protocols onboard vessels

### External mechanisms

- Port state controls—Inspections of foreign vessels conducted at ports to check compliance with international conventions and certification requirements. The frequency of PSC inspections depends on the risk level of the particular ship type and age.
- Ship surveys—Inspections and issuance of certifications by the local flag administration or classification societies, including the audits required by the International Safety Management (“ISM”) Code, the International Ship and Port Facility Safety (“ISPS”) Code and the MLC. For further information on the MLC, see section S.3.1 under “labour rights”.
- Whistleblower mechanisms—Independent reporting channels directly to the flag state administration that are clearly marked and available on all vessels. These supplement the additional whistleblower mechanisms run by the technical managers on every vessel.

### Internal mechanisms

- Onboard inspections—The responsible Technical Director from Navigare Capital visits each vessel on a rotating basis to inspect the working and living conditions of the crew, as well as the physical state of the vessel.
- Quarterly reports—The technical managers of Navigare Capital’s vessels submit quarterly reports that span a wide spectrum of KPIs, including insights from port state controls and results of external audits.
- Quarterly review meetings—The technical team holds quarterly meetings with the technical managers to address any findings from the quarterly reports and ensure potential safety or health hazards are mitigated.

## Exhibit S3: Investigative process for safety incidents



### Investigate

- Navigare Capital initiates an investigation to establish the sequence of relevant events preceding the incident or near miss.

### Identify

- Navigare Capital determines the root causes of the incident or near miss, along with any contributing factors.

### Implement

- Navigare Capital collaborates with the technical manager to identify and implement necessary measures to prevent similar incidents from recurring across the entire fleet.

### Ongoing

Beyond quarterly reviews with technical managers on safety KPIs aboard its vessels, Navigare Capital's in-house technical team carries out onboard inspections, engages with crew members, and assesses safety protocols firsthand to evaluate compliance and gather insights for potential improvements.

### S.1.1 Seafarer support programmes

Navigare Capital works with its technical managers to ensure crew members receive services that improve working conditions onboard. Wellbeing programmes include initiatives such as healthy food options, access to fitness equipment and recreational spaces, a buddy system, and high-speed internet for onshore connection. Reliable internet access is a particularly important service for seafarers, in order to secure connectivity with family during long voyages far from shore. Advances in communication technology, such as the Starlink satellite network, have significantly improved internet performance onboard vessels. The technical managers also provide seafarers with various benefits, which can include pension agreements and health insurance, in some cases extending to cover seafarers' families onshore. As seafarers are susceptible to stress and mental health challenges arising from intense working conditions and long stretches of time away from shore, psychological support is typically offered as a 24/7 remote service through the technical managers.

Following surveys showing persistent issues with bullying and harassment onboard vessels, the Danish and Norwegian Maritime Authorities have introduced new measures to combat these behaviours, including campaigns against bullying and harassment, work environment training, better avenues for complaints, and stronger legal action against offenders. The studies also showed that women seafarers experience a disproportionate amount of violence, bullying and harassment compared to men, highlighting the challenges faced by female seafarers. Women seafarers also face insufficient access to sanitary products, healthcare and personal

protective equipment. Navigare Capital still brings women seafarers onboard vessels, but only after careful consideration of the conditions. In 2024, there were 15 female seafarers employed across Navigare Capital's fleet, of which 13 were employed on three of Navigare Capital's RoRo vessels in positions ranging from deck officer to stewardess and cadet. There was also one female cadet on Cape Sable and one female second officer on Norwind Hurricane, in addition to 34 female caterers or stewardesses on Navigare Capital's offshore wind fleet.

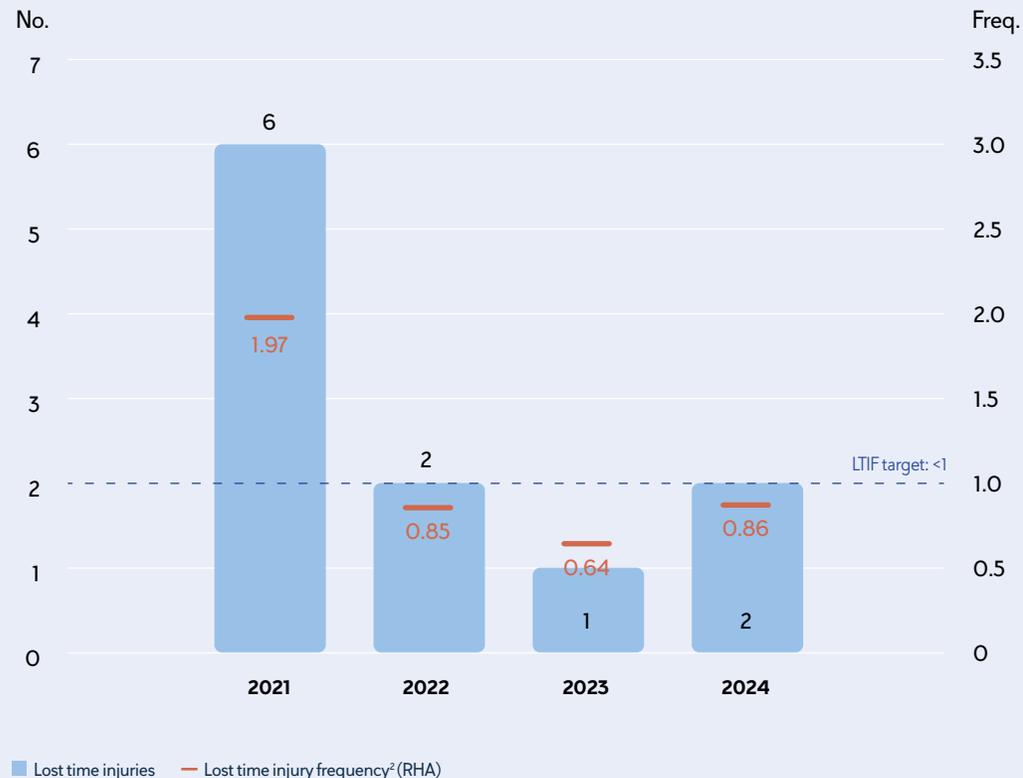
## S.2 Accident prevention

Navigare Capital maintains a firm commitment to the safety of seafarers onboard its vessels, striving to exceed regulatory standards and operate in line with best industry practices. In keeping with this, Navigare Capital only enters into business relationships with technical managers that have strong safety records and that have committed to the same United Nations ("UN") principles and guidelines as itself. This section describes the funds' accident and safety performance, measured through KPIs such as lost time injuries ("LTI") and port state control deficiencies and detentions.

### S.2.1 Lost time injuries

Despite the precautions taken and safety procedures implemented, the nature of seafaring regularly exposes crew members to potentially hazardous situations. However, according to the European Maritime

**Exhibit S4: Lost time injuries<sup>1</sup>**



<sup>1</sup> This KPI covers activities onboard all vessels owned by the funds managed by Navigare Capital, but excludes vessels on bareboat charter.

<sup>2</sup> Lost time injury frequency for ships is calculated as lost time injuries x 1,000,000 / number of exposure hours. A "lost time injury" is a fatality, permanent total or partial disability, or a lost workday case.

Safety Agency, the number of fatalities and injuries occurring on commercial vessels showed a downward trend between 2014 and 2022<sup>1</sup>.

Navigare Capital tracks LTIs, incidents and near-miss incidents for all vessels on time charter contracts and in joint ventures, and takes a systematic approach to investigating events and implementing adequate prevention measures. It additionally tracks total recorded cases (“TRC”) of injuries onboard vessels, even if they do not result in lost working days. These KPIs provide an overall picture of the safety of working conditions and the wellbeing of seafarers onboard vessels.

In 2024, Navigare Capital recorded over two million working hours, with three work-related safety incidents across the funds, of which two resulted in lost time. One lost time injury involved a seafarer who was hit by a wire while conducting unmooring operations. The seafarer received medical treatment onboard before being repatriated home to fully recover. The other incident involved a seafarer cutting his finger on a high-pressure washing gun. The seafarer received first aid onboard and further medical treatment at the first port call after the incident. The frequency of lost time injuries across both funds was 0.86 per one million hours worked, meeting Navigare Capital’s target frequency of below two. This is considered low compared to industry standards.

Navigare Capital takes a proactive approach to investigating safety incidents, working with its technical managers to analyse lost time injuries or near miss incidents and ensure safety procedures remain relevant to the situation onboard vessels. Navigare Capital follows a systematic three-step procedure, as described in exhibit S3, to ensure that adequate actions are taken along with future preventive measures.

## S.2.2 Safety training and medical care

Adequate safety training and medical facilities onboard vessels are essential for preventing accidents and protecting the health and wellbeing of seafarers. Depending on the position and rank of the seafarer, different certifications are required by the Danish Maritime Authority, ranging from training in basic safety to training in maritime legislation. Danish-flagged vessels are required to have a certified medical examiner onboard, whose certificate must be renewed at least every five years. In addition, all vessels must appoint a dedicated safety officer, who must meet the training requirements of the ISM.

Danish-flagged vessels also have 24/7 access to remote medical help through Radio Medical, a medical unit based in Sydvestjysk Hospital in Esbjerg dedicated to the Danish fleet. In cases of severe medical issues that require treatment beyond that available onboard the vessels, swift onshore care is arranged, potentially involving ship diversion or helicopter evacuation by the Danish military, depending on the gravity of the situation.

## S.2.3 Port state controls

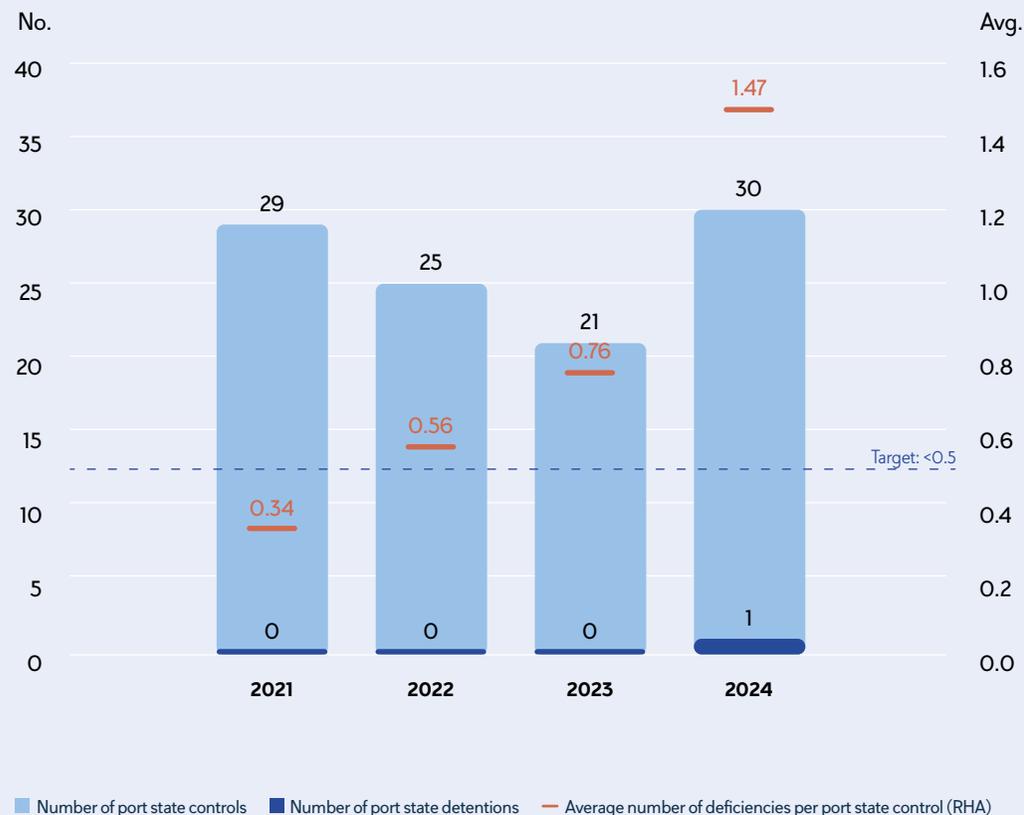
A port state control (“PSC”) is an inspection carried out by the local flag administration to verify a vessel’s condition and its equipment’s conformity to international regulations. It also ensures that the vessel’s operation and crew adhere to these regulations to uphold maritime safety, security and pollution prevention. Navigare Capital maintains a clear objective of zero detentions and up to 0.5 deficiencies per PSC conducted on its time-chartered vessels and those in joint ventures. These targets are low compared to industry standards, reflecting Navigare Capital’s dedication to upholding high operational standards. While deficiencies typically refer to infractions that can be corrected immediately or within a short time frame, a vessel can also be detained for a serious violation that endangers the crew or vessel.

<sup>1</sup> European Maritime Safety Agency: Annual Overview of Marine Casualties and Incidents 2022.

The vessels in the funds had a total of 30 port state controls in 2024, with 44 deficiencies found across the fleet. Following these, Navigare Capital had one detention and an average of 1.47 deficiencies per port state control across its time-chartered vessels and vessels in joint ventures and subsidiaries. The majority of findings were able to be rectified immediately or shortly thereafter, allowing the vessels to continue their voyages without delay. Three of the deficiencies were related to a serious navigation incident at port that resulted in the detention of the vessel. A complete investigation of this incident was conducted, including recommendations to avoid similar occurrences in the future.

The rest of the deficiencies resulted from infractions related to missing or improper documentation and certifications, deteriorated or faulty equipment and machinery, improper procedures related to bunkering, shore connection, vessel waste securement, storage or use of protective equipment, separation of garbage and dangerous goods, container lashing, fire doors and ISM legislation. The majority of the observations—33 out of 44—were found on five vessels in joint ventures, where Navigare Capital does not have control over decisions regarding technical management. These vessels conducted a significant number of port calls in areas covered by the Paris MoU, which includes all the EU maritime authorities and which typically has some of the highest rates of deficiencies per inspection of all the MoUs. The number of PSC deficiencies was above the level targeted by Navigare Capital, but still below the industry average. Nevertheless, Navigare Capital will take action to ensure future alignment with its targets.

### Exhibit S5: Port state controls<sup>1</sup>



<sup>1</sup> This KPI covers activities onboard all vessels owned by the funds managed by Navigare Capital, but excludes vessels on bareboat charter.

## S.3 Labour rights

Navigare Capital takes seriously its obligation to operate with full respect for the labour rights of those employed on vessels. Underpinning this commitment is Navigare Capital's ESG principles, which incorporate the United Nations ("UN"), Organisation for Economic Co-Operation and Development ("OECD") and International Labour Organisation ("ILO") frameworks pertinent to the maritime sector. These principles form the foundation of the policies Navigare Capital extends to its counterparties. All charterers and technical managers are obligated to operate vessels in observance of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles of Rights at Work, guaranteeing that Navigare Capital and its associates conform to globally recognised benchmarks for human and labour rights.

### S.3.1 Maritime Labour Convention

The funds' vessels are obligated to operate in compliance with the MLC adopted by the ILO in 2006, which sets out the minimum requirements for seafarers' working conditions, their conditions of employment, facilities while onboard, and health and welfare protection. The convention obliges all vessels engaged in international trade to have a Maritime Labour Certificate and a Declaration of Maritime Labour Compliance.

In addition to the audits conducted by the classification societies during the MLC certification renewal process, MLC audits are performed on a regular basis during port state controls. In this section,

**Exhibit S6: MLC observations during port state controls<sup>1</sup>**



<sup>1</sup> This KPI covers activities onboard all vessels owned by the funds managed by Navigare Capital, but excludes vessels on bareboat charter.

<sup>2</sup> This KPI is based on 2021 methodology and only includes MLC observations made during the MLC certification renewal process.

Navigare Capital includes only MLC observations made during port state controls, as port state controls occur more regularly and thus give the most up-to-date picture of safety and labour conditions onboard vessels. All MLC observations reported here are also included in exhibit S6.

In 2024, Navigare Capital had six MLC observations on its time-chartered vessels and vessels in joint ventures and subsidiaries, an increase from the previous year. The MLC observations included issues related to documentation, safety hazards, lack of protective equipment use, and missing records of working hours and safety procedures. All observations have been addressed.

Besides the audits carried out by the classification societies and the port state controls, Navigare Capital's in-house technical team performs internal audits, and in the event of any issues being found, these are tracked and investigated to prevent reoccurrence. Furthermore, the technical team monitors and tracks MLC audit performance for its technical management companies' entire fleets to ensure compliance and adequate attention to the topic.

### S.3.2 Collective bargaining agreements

Collective bargaining agreements ("CBAs") are legally binding contracts negotiated by unions and employer representatives that set standards for wages and working conditions for employees. All seafarers working on the funds' vessels are covered by CBAs entered into by either national unions or the International Transport Workers' Federation ("ITF"), depending on the vessel's flag state. Navigare Capital is a member of the trade and employer organisation Danish Shipping, which has entered into CBAs for seafarers onboard Danish-flagged vessels. These collective bargaining agreements also apply to foreign crew members from the Philippines, India and Ukraine. Seafarers on Norwegian-flagged vessels are covered by the CBA entered into by the Norwegian Shipowners' Association. Vessels operating under flags other than the Danish or Norwegian or with seafarers from countries other than those with agreements with the relevant shipowners' associations are covered by the CBAs entered into by the ITF,

which are similar to the national CBAs in terms of wage levels and working conditions. While technical managers often offer higher wages than required in the CBAs to attract seafarers, CBAs establish a baseline for fair working conditions for seafarers from around the world.

In addition to the various international health and safety standards, Danish-flagged vessels are covered by additional measures as stipulated by the Danish Maritime Authority and the CBAs entered into by Danish Shipping. For instance, a mandatory safety committee is formed on each vessel, whose members are elected among the crew and officers to discuss occupational health and safety matters on the ship and which can submit proposals for improving conditions. Members of the safety committees are required to hold a certificate of occupational health and safety training recognised by the Danish Maritime Authority. More information on the responsibilities of the safety committees on vessels can be found here: <https://dma.dk/>.

Other formal committees that facilitate seafarers' participation in managing working conditions include SEA HEALTH & WELFARE, which provides guidance and training on a wide range of occupational health issues affecting crew members onboard vessels. The board of SEA HEALTH & WELFARE consists of representatives appointed from among the employers and Danish maritime unions. Further information on the services provided by the organisation can be found here: <https://shw.dk/>. Navigare Capital's commitment to ensuring adequate protection of seafarers, in conjunction with international regulation of maritime working conditions, is reflected in the relatively low number of injuries, deficiencies and detentions reported on its vessels.

# Governance

Navigare Capital places a strong emphasis on upholding sound corporate governance as a fundamental pillar of its operational framework. This commitment extends to ensuring transparency, accountability and ethical business conduct in its funds, as well as in its interactions with diverse stakeholders such as shipyards, charterers and technical managers. As the funds are active in the maritime sector, Navigare Capital must navigate the complexities of compliance with a broad range of maritime regulations and protocols. It consistently aims to refine its corporate governance practices by fostering a business environment that promotes stability, fairness and robust institutional structures.

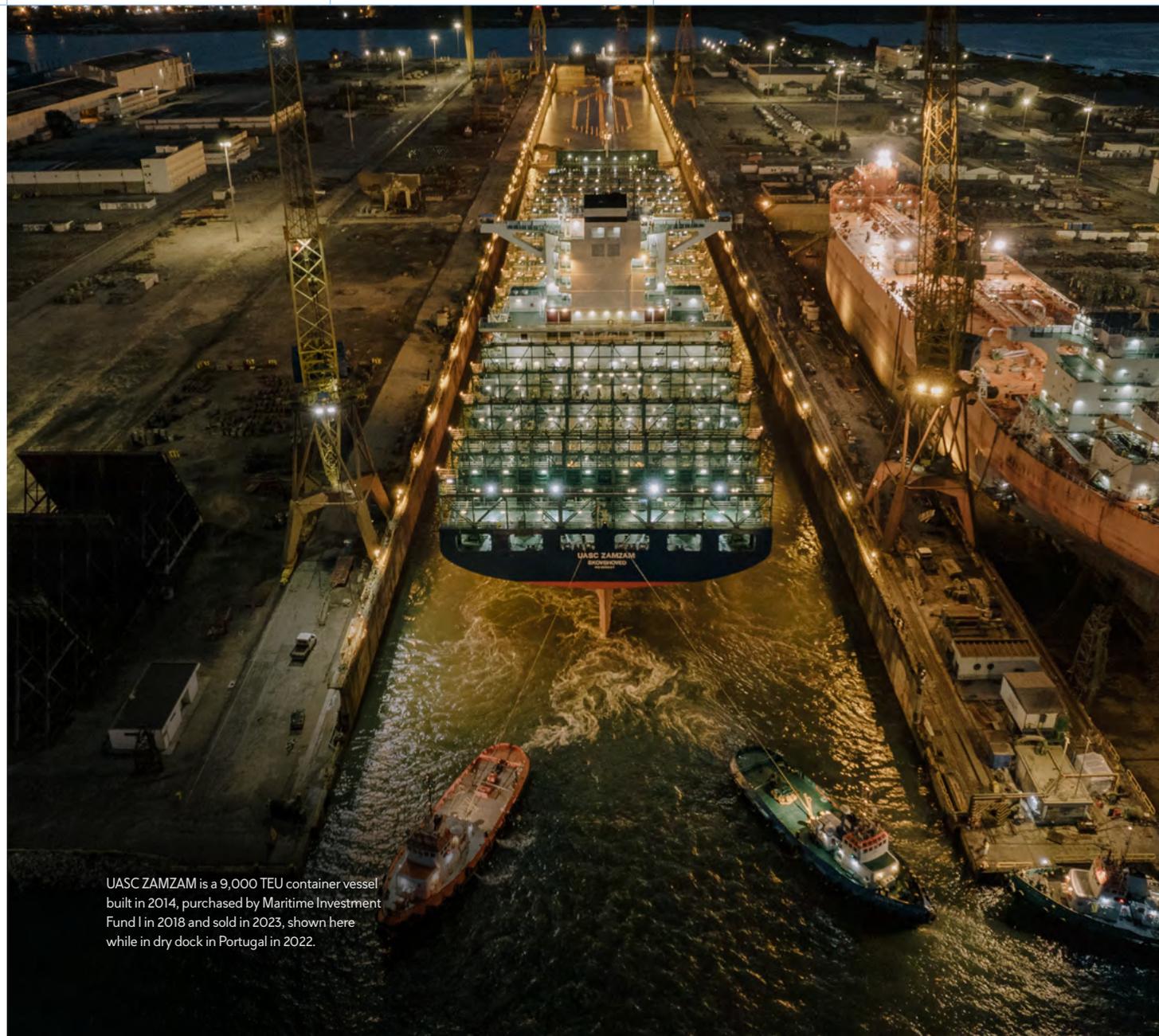
## 2024 governance KPI highlights

# Zero

accepted requests for bribes  
and facilitation payments

# Zero

violations of  
international sanctions



UASC ZAMZAM is a 9,000 TEU container vessel built in 2014, purchased by Maritime Investment Fund I in 2018 and sold in 2023, shown here while in dry dock in Portugal in 2022.

In order to report on the funds' performance on governance and the most significant issues related to this, Navigare Capital has focused on the topic of corruption and bribery, which was identified as material in the materiality assessment. This section discloses corruption and bribery KPIs related directly to the assets on time charter contracts and in joint ventures in the funds. To read more about governance in Navigare Capital in its capacity as fund manager, see the section "Navigare Capital" at the beginning of the report.

## G.1 Corruption and bribery

In the materiality assessment, corruption and bribery were identified as very important governance factors. Navigare Capital is fully aware that corruption undermines sustainable development and that the shipping industry is exposed to this due to its international nature and interactions with authorities at various levels in ports around the world. Bribes or facilitation payments occur when port officials request payments for performing necessary duties such as processing documentation or cargo. Refusal of such requests may lead to delays or unjustified fines, but in rarer cases could also result in detainments or even threats to the safety of crews. While requests for bribes and facilitation payments are typically in the form of demands for small cash payments or low-cost items such as alcohol or cigarettes, the occurrence of corruption of any size threatens the institutional integrity and functioning of global trade. Corruption not only adds to the time and costs of doing business at ports around the world, but also threatens the physical safety of crew members.

### Exhibit G1: Maritime Investment Funds' regulatory obligations, policies and standards

#### Regulatory compliance

- EU and Danish regulation covering Alternative Investment Funds ("AIFs")
- FuelEU Maritime
- EU Emissions Trading System ("ETS")
- IMO conventions and regulations
- Flag state administration requirements
- EU, UN, US<sup>1</sup>, UK sanctions

#### Company policies and initiatives

- Responsible investment policy
- Code of conduct
- Due diligence of counterparty anti-corruption measures and ethical performance
- Member of Maritime Anti-Corruption Network ("MACN")
- Supply chain human rights due diligence

#### Internal standards and targets

- Zero accepted requests for bribes or facilitation payments
- Zero violations of international sanctions
- Formal policies for charterers, technical managers and key suppliers that ensure high ESG performance across the supply chain

<sup>1</sup> US sanctions refer to all sanctions levied by the US Office of Foreign Assets Control ("OFAC").

### G.1.1 Fighting maritime corruption

Navigare Capital has a zero-tolerance policy regarding corruption, bribery and facilitation payments. In order to minimise the vessels' exposure to any unwanted requests, Navigare Capital is a member of the Maritime Anti-Corruption Network ("MACN"), a not-for-profit organisation established by the maritime industry to tackle corruption. MACN collaborates with key stakeholders, including businesses, governments, civil society and international organisations, to identify and mitigate the root causes of corruption in the maritime sector. MACN has established "help desks" in maritime corruption hotspots, including Nigeria, Ukraine, Egypt and India, to provide on-the-ground assistance with resisting corruption in local ports, as well as anti-corruption partnerships and initiatives in other countries experiencing high levels of maritime corruption.

One of the operational tasks of the in-house operations team is to continuously monitor the location of the vessels, so that they can take all possible precautions and alert the local MACN help desk to ensure that onshore MACN representatives are on standby to assist if necessary when they enter ports known for corruption risk, including those in Egypt, India, Ukraine and Nigeria<sup>1</sup>.

However, corruption also takes place at ports other than those with an on-the-ground MACN presence, and to capture the full corruption risk picture for the fleet, Navigare Capital calculates the percentage of port calls made at ports with the highest number of corruption incidents, as reported through MACN's incident reporting system from 2011 to 2020. In 2024, 24 port calls (2%) took place at two ports on this list, Shanghai and Qingdao. These two ports are among the most trafficked ports in the world, meaning that the number of interactions between vessels and port officials is much higher and the risk of bribery or facilitation payment requests being made is greater.

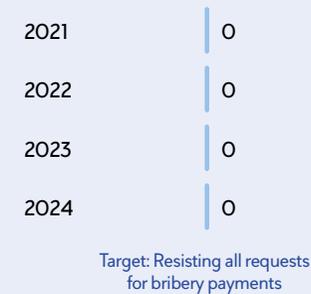
Navigare Capital has also stepped up its focus on mitigating corruption risks at ports by ensuring that crews are up to date on relevant anti-corruption procedures. To further pre-empt requests

<sup>1</sup> Maritime Anti-Corruption Network: 2021 Annual Report.

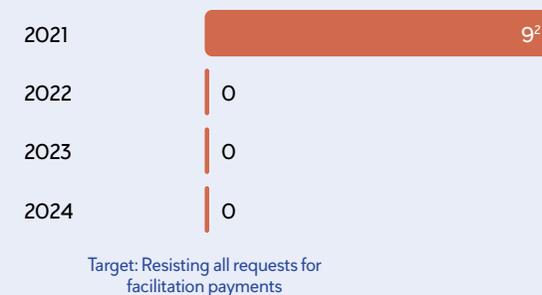
## Exhibit G2: Bribes and facilitation payment requests<sup>1</sup>

 No requests for bribes or facilitation payments have been accepted

### Number of incidents where bribes have been requested



### Number of incidents where facilitation payments have been requested



<sup>1</sup> This KPI covers activities onboard all vessels owned by the funds managed by Navigare Capital, but excludes vessels on bareboat charter.

<sup>2</sup> No facilitation payments were made.

for bribes and facilitation payments at ports, all vessels are equipped with large MACN posters on their bridges to emphasise that they are not authorised to make such payments and are contractually obliged to decline any such requests. When operating in high-risk areas, Navigare Capital also employs onshore Protection & Indemnity Club representatives for additional support when necessary.

In 2024, Navigare Capital's time-chartered vessels and vessels in joint ventures reported zero incidents where either bribes or facilitation payments were requested. There were also no fines levied against its vessels. The consistently low rate of corruption-related incidents reported throughout the fleet is the result of concerted efforts by MACN to combat corruption at ports, as well as the current composition of Navigare Capital's fleet, which is less exposed to bribery and facilitation requests due to the type of cargo it carries and the areas to which it sails. For instance, the fleet does not currently contain any dry cargo vessels, which are at higher risk of requests for bribes or facilitation payments, as they carry cargo that is inspected by port officials and they frequently call at ports in regions with higher rates of maritime corruption.

## G.2 Responsible business operations

Navigare Capital endeavours to use its position as an alternative investment fund manager and a shipowner to promote environmentally and socially responsible practices throughout its supply chain and with its counterparties. Strong governance and a consistent track record on business ethics are essential components of the evaluation process when the funds enter into agreements with charterers, technical managers, shipyards or other cooperative partners.

Interactions with counterparties are guided by the code of conduct, which describes the ethical guidelines that Navigare Capital, its funds and its employees must adhere to. Furthermore, in accordance with the responsible investment policy, which sets the sustainability-related targets and policies of the funds, Navigare Capital also conducts careful research and due

diligence when contracting with new counterparties to determine whether they align with the ESG expectations of the funds and their operations. Besides evaluating new counterparties, Navigare Capital also re-evaluates existing counterparties on a regular basis. This is a critical procedure through which the company assesses any changes in the counterparty risk and the counterparties' compliance with legal agreements on, for instance, sanctions, anti-corruption and anti-money laundering.

Navigare Capital extends these commitments to its joint ventures and has enhanced its active ownership and engagement activities with investees. This has involved amending its responsible investment policy to reflect its commitment to using its ownership share and board positions to steer investees on environmental, social and governance issues. Through direct dialogue and exercising of voting rights, Navigare Capital aims for investees to adopt policies and procedures that match its own ESG ambitions.

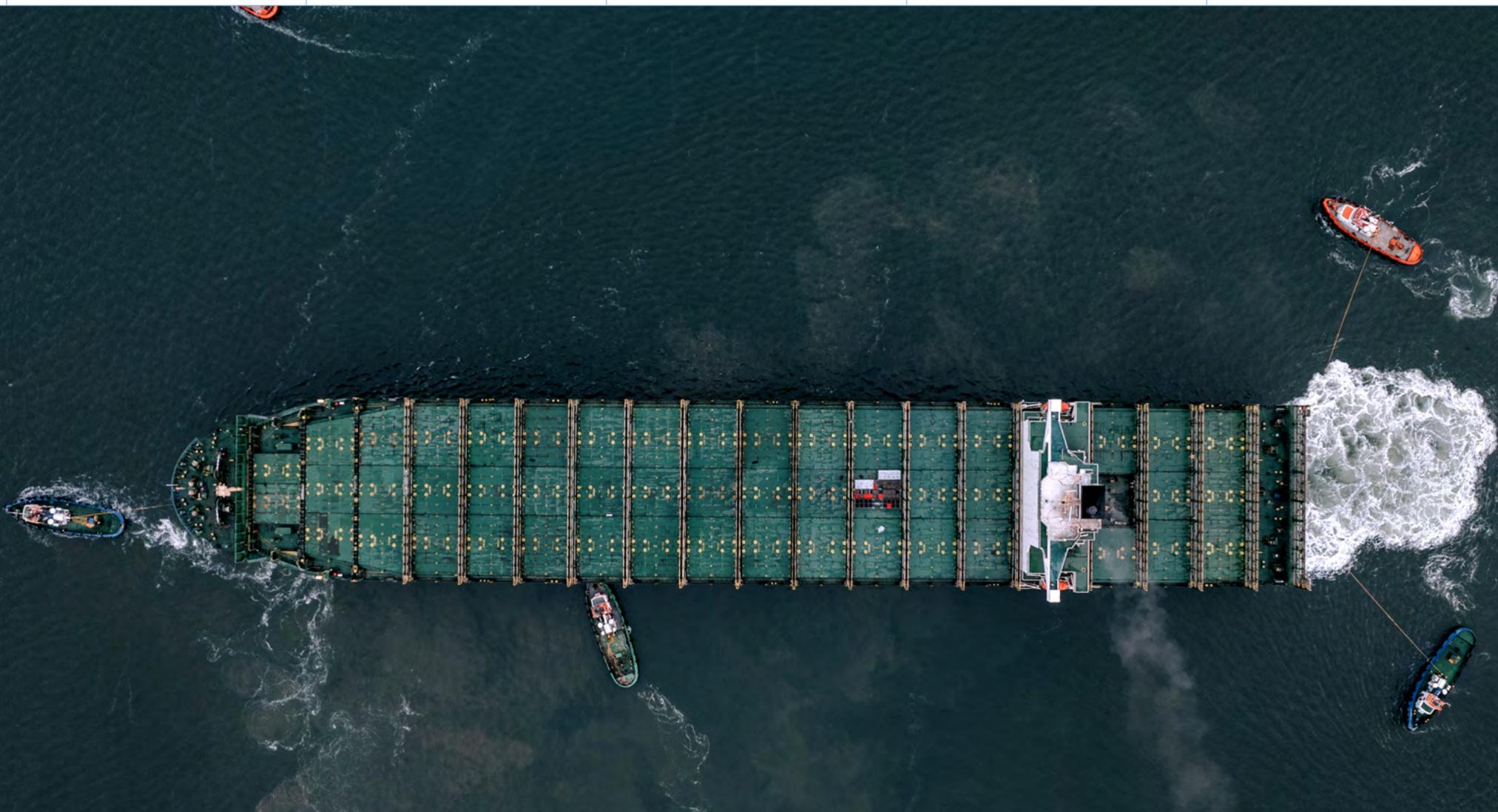
### G.2.1 Human rights in the supply chain

Navigare Capital has also taken action to strengthen its human rights due diligence throughout its supply chain, including at the shipyards where it potentially contracts newbuildings, to verify that policies, processes and facilities at the shipyard comply with the health and safety standards of the funds, including ensuring that standards are enforced for subcontractors and suppliers. As part of the audit, Navigare Capital verifies that labour rights are addressed and enforced for relevant workers and that the shipyard has adequate processes in place to identify and mitigate breaches of labour rights, including through a functioning grievance mechanism. The inspection also involves reviewing the safety certifications of the shipyard, such as the ISO 45001, as well as the training procedures and the onsite emergency medical services available to workers. Any future shipyards engaged by the funds for newbuildings will undergo the same auditing procedure, ensuring that any newbuildings in Navigare Capital's fleet are built by workers with adequate labour and safety protections.

In the recent year, Navigare Capital has also increased its focus on human and labour rights in its supply chain to make sure that its efforts to “green” its fleet are not at the expense of negative impacts on people or precarious working conditions. Its actions are guided by the introduction of EU sustainability regulations such as the Taxonomy Regulation, the Sustainable Finance Disclosure Regulation (“SFDR”) and the Corporate Sustainability Reporting Directive (“CSRD”), as well as the future Corporate Sustainability Due Diligence Directive (“CSDDD”), all of which include strict standards for human rights protection and due diligence. While Navigare Capital and the funds are not currently subject to some of these regulations, the company closely follows the evolving best practices and regulatory landscape to implement relevant learnings into its own business practices. As these regulations reference many of the guidelines of the UN, OECD and ILO, which Navigare Capital and its funds already commit to, in defining human rights and labour standards, Navigare Capital will continue to strengthen its commitment to these standards and seek to implement procedures both in its own operations and throughout its supply chain that reinforce alignment.

### **G.2.2 Geographical and cargo restrictions**

With vessels employed in the transportation of a variety of commodities across international waters, Navigare Capital is aware of its responsibility to uphold applicable sanctions and international trade regulations. Thus, in addition to its legal obligation to comply with EU sanctions, the funds also observe and comply with the sanctions imposed by the UN, the US and the UK. As part of the contracting and servicing process, charterers and technical managers must agree to an anti-corruption clause which requires them to comply with sanctions and resist requests for bribes. Navigare Capital monitors vessels’ adherence to this clause, with sanctions ranging in scope from specific cargo restrictions to comprehensive prohibitions on trade with embargoed countries. Vessels are also subject to international regulations and restrictions for the transportation of dangerous goods.



UASC ZAMZAM is a 9,000 TEU container vessel built in 2014, purchased by Maritime Investment Fund I in 2018 and sold in 2023, shown here while in dry dock in Portugal in 2022.

# APPENDICES



# GRI content index

<b>Statement of use</b>	Navigare Capital has reported with reference to the GRI Standards for the period 1 January to 31 December 2024.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>GRI Topic Standards</b>	Anti-corruption, tax, biodiversity, emissions, occupational health and safety, and diversity and equal opportunities.

GRI Standard/ other source	Disclosure	Location or information	Omission
<b>General disclosures</b>			
<b>GRI 2: General Disclosures 2021</b>	2-1	Organisational details	<ul style="list-style-type: none"> <li>a. Legal name: Navigare Capital Partners A/S.</li> <li>b. Nature of ownership: Private limited company.</li> <li>c. Headquarters address: Strandvejen 70, 2900 Hellerup, Denmark.</li> <li>d. Navigare Capital is an alternative investment fund manager with operations in Denmark.</li> </ul>
	2-2	Entities included in the organisation's sustainability reporting	<ul style="list-style-type: none"> <li>a. Maritime Investment Fund I and all its subsidiaries, Maritime Investment Fund II and all its subsidiaries, including MIF II Partnership no.1 K/S and MIF II Renewables no.1 K/S, and Maritime Investment Fund III and its subsidiaries (but excluding Norwind TBN Maestro and Norwind TBN Marin).</li> <li>b. The excluded entities stated above are not included because the vessels were not yet operating in the water as of year-end 2024.</li> <li>c. Emissions from the subsidiary MIF II Renewables no.1 are included on a 100% basis and emissions from the joint venture MIF II Partnerships no.1 are included on a 50% basis. The KPI for time spent in marine protected areas is also calculated using these weights.</li> </ul>
	2-3	Reporting period, frequency and contact point	<p>Sustainability and financial reporting period: 1 January to 31 December 2024.</p> <p>Limited assurance is provided by Deloitte annually over selected ESG KPIs. For further information on the 2024 limited ESG assurance, please refer to the Independent Auditor's Assurance Report published on pages 81–82. Publication date: 4 April 2025.</p> <p>Contact person: Head of ESG at Navigare Capital sustainability@navigarecapital.com</p>

GRI Standard/ other source	Disclosure	Location or information	Omission
2-4	Restatements of information	The disclosure of carbon intensity alignment with the IMO's targeted trajectory has been restated in the 2024 Sustainability Report due to an updated sailing distance for Nissos Delos in the verified fuel report. The previously reported figure was -4.0.	
2-5	External assurance	Pages 81–82	
2-6	Activities, value chain and other business relationships	<p>a. Page 8</p> <p>b–c. Pages 24–27</p> <p>d. There were no significant changes to Navigare Capital's activities, supply chain or business relationships from the previous reporting period.</p>	
2-7	Employees	<p>a–b. Total number of employees (incl. partners): Female: 9 Male: 15</p> <p>Number of permanent full-time employees: Female: 7 Male: 13</p> <p>Number of permanent part-time employees: Female: 1 Male: 1</p> <p>Number of student assistants: Female: 1 Male: 1</p> <p>Number of temporary employees (interns): Female: 0 Male: 0</p> <p>c. All employees are counted at year-end and are employed at Navigare Capital's headquarters in Hellerup.</p>	
2-8	Workers who are not employees	a–c. The number of seafarers onboard Navigare Capital's time-chartered vessels and vessels in joint ventures at any given point ranged from 243 in Q1 to 332 in Q4. The increase was due to the increase in the fleet size as the funds purchased new vessels or newbuild vessels began operating throughout the year. A single seafarer may be employed over several quarters, as most employment contracts vary from six to nine months, with some as short as one month.	

GRI Standard/ other source	Disclosure	Location or information	Omission
2-9	Governance structure and composition	<p>a. Page 21</p> <p>b. As the Board of Directors does not currently include any committees, the Board of Directors as a whole oversees the management of ESG topics.</p> <p>c.i and iii. Martin N. Larsen, Chairman of the Board: (2022–present), board member: (2017–2022), Finn L. Meyer, board member: (2017–present), Jesper Langmack, board member: (2021–present), Stig Pastwa, board member: (2024–present)</p> <p>c.ii. Page 21</p> <p>c.iv–vi. The gender distribution of the Board of Directors is currently such that there are four men and zero women. There are no other underrepresented groups. More information about the members, including other positions and memberships, is available on Navigare Capital's website (<a href="https://www.navigarecapital.com/about/">https://www.navigarecapital.com/about/</a>).</p> <p>c.vii. Page 21</p> <p>c.viii. None of the Board of Directors represents any of Navigare Capital's stakeholder groups.</p>	
2-10	Nomination and selection of the highest governance body	a–b. Page 21	
2-11	Chair of the highest governance body	In accordance with Danish company law, the Chairman of the Board of Directors is not part of the senior management team of Navigare Capital. Navigare Capital has established a two-tier system whereby the management with reference to the Board of Directors operates independently of the Board of Directors.	
2-12	Role of the highest governance body in overseeing the management of impacts	a–c. Page 21	b. i. Not applicable. The Board of Directors does not engage with stakeholders directly.
2-13	Delegation of responsibility for managing impacts	a–b. Pages 21–23	
2-14	Role of the highest governance body in sustainability reporting	The Board of Directors does not approve material topics but does approve the report as a whole. The materiality assessment was undertaken with the assistance of a third-party sustainability consultancy firm, with the Board of Directors regularly updated and informed on the progress of the assessment and topics chosen as material.	

GRI Standard/ other source	Disclosure	Location or information	Omission
2-15	Conflicts of interest	<ul style="list-style-type: none"> <li>a. Pages 8–9</li> <li>b. To date, Navigare Capital has addressed all conflicts of interest that have arisen and therefore does not have any outstanding conflicts to report to its investors.</li> </ul>	
2-16	Communication of critical concerns	<ul style="list-style-type: none"> <li>a. Page 21</li> <li>b. There were no critical concerns reported to the Board of Directors in 2024.</li> </ul>	
2-17	Collective knowledge of the highest governance body	No explicit measures are taken to advance the Board of Directors' knowledge of and skills in sustainable development, but it is regularly updated and informed about Navigare Capital's work in ESG fields. Board members also have knowledge of the subject through their membership positions on various boards.	
2-18	Evaluation of the performance of the highest governance body	The Board of Directors is evaluated annually through a self-evaluation process among the board members.	c. Confidentiality constraints. The results of the self-evaluations are confidential and thus it is not known which actions are taken as a direct result of the evaluation.
2-19	Remuneration policies	a–b. Page 10	
2-20	Process to determine remuneration	<ul style="list-style-type: none"> <li>a. Page 10</li> <li>b. The remuneration policy was updated and approved by the Board of Directors in 2024.</li> </ul>	a. iii. Not applicable. Remuneration consultants are not involved in determining remuneration.
2-21	Annual total compensation ratio	Page 10	
2-22	Statement on sustainable development strategy	Page 6	
2-23	Policy commitments	<ul style="list-style-type: none"> <li>a.i,ii,iv. Pages 19, 24, 27, 45, 47, 52, 55 and 57–58</li> <li>a.iii. The responsible investment policy does not stipulate applying the precautionary principle. However, Navigare Capital aims to limit the negative impacts of its operations where possible.</li> <li>b. Page 24</li> <li>c. Navigare Capital's responsible investment policy, including its human rights commitments, can be found online here: <a href="https://www.navigarecapital.com/wp-content/uploads/2023/11/Responsible-Investment-Policy.pdf">https://www.navigarecapital.com/wp-content/uploads/2023/11/Responsible-Investment-Policy.pdf</a></li> <li>d. All policies are approved by the Board of Directors.</li> <li>e. Pages 57–58</li> <li>f. Relevant policies applicable to counterparties are communicated through contractually binding agreements.</li> </ul>	b. ii. Not applicable. Navigare Capital does not pay particular attention to certain groups or stakeholders in its human rights commitments.

GRI Standard/ other source	Disclosure	Location or information	Omission
2-24	Embedding policy commitments	a.i–iii. Pages 24–27, 57–58 a.iv. Page 23	
2-25	Processes to remediate negative impacts	a. Pages 17, 45–47 b. Page 45 c. Page 48 d. Page 53 e. Page 47	
2-26	Mechanisms for seeking advice and raising concerns	Page 45	
2-27	Compliance with laws and regulations	a.i. No fines were incurred on the fleet in 2024. a.ii. Pages 50–53 b. No fines were incurred on the fleet in 2024. c–d. Pages 50–53	
2-28	Membership associations	Navigare Capital does not have any membership associations or involvements beyond ordinary membership duties and fees.	
2-29	Approach to stakeholder engagement	Page 57	
2-30	Collective bargaining agreements	Navigare Capital's employees are not covered by collective bargaining agreements. However, they are protected by funktionærloven (the Civil Service Act), which guarantees labour conditions including sick pay, severance, termination and maternity leave. All seafarers onboard the funds' vessels are covered by collective bargaining agreements. See page 53.	
<b>Material topics</b>			
GRI 3: Material topics 2021	3-1	Process to determine material topics	Page 16
	3-2	List of material topics	a. Page 17 b. Page 16

GRI Standard/ other source	Disclosure	Location or information	Omission
<b>Anti-corruption</b>			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	Page 55	
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	<p>a. MACN maintains a local presence in ports it considers high-risk, and Navigare Capital takes particular caution when calling at these ports. To reduce the risk of requests for bribery and facilitation payments, MACN outlines a procedure and provides support for its members when calling at ports in Nigeria, Ukraine, India and Egypt. In addition, MACN also provides guides and document checklists for other ports where corruption is common, including those in Angola, Argentina, Congo, Gabon, Gambia, Indonesia and Senegal. In 2024, 9 out of 1,385, or less than 1%, of all Navigare Capital's port calls occurred at these ports. Pages 56–57</p> <p>b.</p>	
	205-2 Communication and training about anti-corruption policies and procedures	<p>a–b, d, e. % who have had anti-corruption policies communicated to them: Board of Directors: 100% Management: 100% Employees: 100%</p> <p>% who have received anti-corruption training by Navigare Capital: Board of Directors: 100% Management: 100% Employees: 100%</p> <p>c. Total number and percentage of business partners to which the organisation's anti-corruption policies and procedures have been communicated, broken down by type of business partner: Time charterers: (8) 100% Bareboat charterers: (3) 100% Technical managers: (4) 100% Joint ventures: (2) 100%</p>	
	205-3 Confirmed incidents of corruption and actions taken	<p>a. Pages 56–57</p> <p>b–c. No contracts with employees or counterparties were terminated or not renewed due to corruption.</p> <p>d. Page 9</p>	

GRI Standard/ other source	Disclosure	Location or information	Omission	
<b>SASB disclosure business ethics</b>	TR-MT-510a.1	Number of calls at ports in countries that are among the 20 lowest ranked in Transparency International's Corruption Perception Index	0	
	TR-MT-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	0	
<b>Tax</b>				
<b>GRI 3: Material topics 2021</b>	3-3	Management of material topics	Page 9	
<b>GRI 207: Tax 2019</b>	207-1	Approach to tax	Page 9	
	207-2	Tax governance, control, and risk management	Page 9	
	207-3	Stakeholder engagement and management of concerns related to tax	Page 9	ii. Not applicable. Navigare Capital does not engage in any public policy advocacy in regard to taxation.
	207-4	Country-by-country reporting		Not applicable. Navigare Capital has only incurred tax liabilities and paid taxes in Denmark. More information on Navigare Capital's tax liabilities is available at: <a href="https://datacvr.virk.dk/">https://datacvr.virk.dk/</a>
<b>Biodiversity</b>				
<b>GRI 3: Material topics 2021</b>	3-3	Management of material topics	Page 40	
<b>GRI 304: Biodiversity 2016</b>	304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Page 41	v. Not applicable. Navigare Capital defines operational sites for the purpose of this disclosure as the marine protected areas all over the world in which its vessels have spent time.

GRI Standard/ other source	Disclosure	Location or information	Omission
	304-2 Significant impacts of activities, products and services on biodiversity	a. Pages 42–43 b. Pages 41–43	b. iv. Information unavailable/incomplete. Navigare Capital does not currently have sufficient information to report on the reversibility or irreversibility of its impacts on biodiversity.
	304-3 Habitats protected or restored		Not applicable. Navigare Capital has not taken any action to directly protect or restore habitats. However, it complies with all relevant regulations related to biodiversity and ecological impacts.
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Pages 42–43 As Navigare Capital's vessels operate all over the world, it currently only calculates the number of the International Union for Conservation of Nature ("IUCN") Red List marine species affected by operations in the top three countries where vessels have spent the most time in marine protected areas. The number of species reported reflects the number of Red List species for the country as a whole, rather than the specific marine protected areas. Navigare Capital is working on ways to gain more insight into the specific marine protected areas its vessels spend the most time in to report on the species most impacted by its operations and to be better able to reduce its impacts.	
<b>Emissions</b>			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	Pages 29 and 34–35	
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	a–b. Page 33 e. Source of emissions factors: FuelEU and IPCC Second Assessment Report. f–g. Page 32	c. Not applicable. Navigare Capital does not have any Scope 1 biogenic CO <sub>2</sub> emissions.  d. Not applicable. Navigare Capital does not use a baseline to measure its own GHG emissions against, as it targets net zero emissions by 2050. However, its intermediate carbon intensity targets use the 2008 baseline of the IMO to conform to industry standards and allow for comparability across the industry.
	305-2 Energy indirect (Scope 2) GHG emissions	a–b. Page 32 c. Page 33 e. Source of emissions factors: HOFOR and Energinet. f–g. Page 32	d. Not applicable. Navigare Capital does not use a baseline to measure its own GHG emissions against, as it targets net zero emissions by 2050. However, its intermediate carbon intensity targets use the 2008 baseline of the IMO to conform with industry standards and allow for comparability across the industry.

GRI Standard/ other source	Disclosure	Location or information	Omission
	305-3 Other indirect (Scope 3) GHG emissions	<p>a–b. Pages 32–33</p> <p>d. Categories included in Scope 3 calculations are 3.1, 3.2, 3.3, 3.5, 3.6, 3.7 and 3.12</p> <p>f. Source of emissions factors: Department for Environment Food and Rural Affairs (DEFRA), IEA Emissions database, Ecolnvent, Sailing Towards Zero report, SFI - Center for Research-based Innovation.</p> <p>g. Page 32</p>	<p>c. Not applicable. Navigare Capital does not have any Scope 3 biogenic CO<sub>2</sub> emissions.</p> <p>e. Not applicable. Navigare Capital does not use a baseline to measure its own GHG emissions against, as it targets net zero emissions by 2050. However, its intermediate carbon intensity targets use the 2008 baseline of the IMO to conform to industry standards and allow for comparability across the industry.</p>
	305-4 GHG emission intensity	<p>a–b, d. Page 33</p> <p>c. Only Scope 1 CO<sub>2</sub> emissions are included in the carbon intensity ratio.</p>	
	305-5 Reduction of GHG emissions	<p>a–b, d. Page 33</p> <p>c. Changes in GHG emissions are compared against the previous year's GHG emissions.</p> <p>e. Page 32</p>	
	305-6 Emissions of ozone-depleting substances (ODS)	All of Navigare Capital's vessels comply with the MARPOL Convention regulating ODS on vessels. To phase out the use of ODS, the IMO has banned equipment with chlorofluorocarbons (CFC) and halons on ships constructed after 2005. As all of Navigare Capital's vessels were constructed after this date, there are no emissions of those substances in its fleet.	Information unavailable/incomplete. Navigare Capital does not have data on its emissions of ozone-depleting substances, but it is investigating how to monitor these emissions in the future.
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	<p>a. Page 39</p> <p>b. Sources of emission factors: Third IMO GHG Study 2014.</p> <p>c. Pages 39–40. Navigare Capital calculates its emissions of other significant air pollutants based on the above published emission factors.</p>	a.v. Information unavailable/incomplete. Navigare Capital does not have data on its emissions of hazardous air pollutants ("HAP"), but will investigate the relevant pollutants and how to monitor them in the future.
<b>Occupational health and safety</b>			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	Page 45	
<b>GRI 403: Occupational health and safety 2018</b>	403-1 Occupational health and safety management system	Pages 45–47	
	403-2 Hazard identification, risk assessment, and incident investigation	<p>a. Pages 45 and 47</p> <p>b. Page 45</p> <p>d. Page 48</p>	c. Not applicable. This is covered by the policies set by the technical managers selected by Navigare Capital.

GRI Standard/ other source	Disclosure	Location or information	Omission
	403-3 Occupational health services	Page 50	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 53	
	403-5 Worker training on occupational health and safety	Page 50	
	403-6 Promotion of worker health	Pages 46 and 48	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 45, 47 and 48	
	403-8 Workers covered by an occupational health and safety management system	In 2024, the number of seafarers onboard Navigare Capital's time-chartered vessels and vessels in joint ventures at any given point ranged from 242 in Q1 to 327 in Q4. All seafarers onboard these vessels are covered by an occupational health and safety system that is audited both internally by Navigare Capital's technical team and externally by the classification societies or flag state administration during certification for the Maritime Labour Convention or port state controls.	
	403-9 Work-related injuries	<p>b.i Navigare Capital has never experienced a fatality on any of its vessels.</p> <p>b.ii Pages 49–50. In 2024, Navigare Capital experienced two high-consequence injuries onboard its time-chartered vessels. The rate of high-consequence injuries was 0.86 per one million hours worked.</p> <p>b.iii–v. Pages 49–50</p> <p>c–e, g. Pages 49–50</p> <p>f. Disclosures of work-related injuries are limited to seafarers on time-chartered vessels and vessels in joint ventures, and do not encompass those on bareboat-chartered vessels, given the company's limited control over the working conditions on the latter.</p>	a. Not applicable. Navigare Capital only records injuries incurred by seafarers onboard its vessels, rather than employees working at its headquarters, as the seafarers are particularly vulnerable to injuries.
	403-10 Work-related ill health		Information unavailable/incomplete. Navigare Capital does not have access to the medical records of its seafarers. This is handled by its third-party technical managers.

GRI Standard/ other source	Disclosure	Location or information	Omission
<b>Diversity and equal opportunities</b>			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	Pages 12–13	
<b>GRI 405: Diversity and equal opportunities 2016</b>	405-1 Diversity of governance bodies and employees	a.i The Board of Directors consists of four (100%) male board members at year-end. Page 12	
		a.ii Age diversity in Navigare Capital by employee category measured at year-end: Board of Directors: <30: 0 (0%) 30–50: 1 (25%) >50: 3 (75%)  b.ii Age diversity in Navigare Capital by employee category measured at year-end: Partners: <30: 0 (0%) 30–50: 0 (0%) >50: 4 (100%)  Employees <sup>1</sup> : <30: 4 (17%) 30–50: 12 (50%) >50: 8 (33%)	
		<sup>1</sup> Employees including student assistants and interns but excluding partners	
	405-2 Ratio of basic salary and remuneration of women to that of men	Page 12. All employees are located in Hellerup, Denmark.	

# ESG performance data overview

## Environment

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Direct (Scope 1) GHG emissions from Navigare Capital and its funds	tCO <sub>2</sub> e	481,143	447,638	794,909	951,618	Pages 32–33	<p>Direct Scope 1 GHG emissions refer to the release of CO<sub>2</sub> equivalents, including carbon dioxide (“CO<sub>2</sub>”), methane (“CH<sub>4</sub>”) and nitrous oxide (“N<sub>2</sub>O”). These emissions are calculated based on the fuel consumed by vessels owned by funds managed by Navigare Capital during their ownership period. The calculation uses emission factors outlined in the EU regulatory framework FuelEU for each specific fuel type, including marine gas oil (“MGO”), heavy fuel oil (“HFO”), light fuel oil (“LFO”) and LNG. Methane slip is also factored into the calculation according to the FuelEU methodology, and global warming potential is assessed over a 100-year timescale.</p> <p>Fuel consumption data is sourced from the vessels’ reports to the International Maritime Organisation’s Data Collection System (“IMO DCS”) and verified by classification societies—independent third-party organisations authorised by the flag state administration to conduct audits and certifications. Where verified data is unavailable, the data submitted for verification is used. Emissions from vessels in joint ventures are accounted for on a 50% basis, while those from vessels in subsidiaries are fully included (100%). This scope only includes emissions from vessel operations, as Navigare Capital has no other relevant activities to report under Scope 1.</p>
Indirect (Scope 2) location-based GHG emissions from Navigare Capital and its funds	tCO <sub>2</sub> e	6	4	7	6	Pages 32–33	<p>Indirect Scope 2 location-based GHG emissions refer to emissions of CO<sub>2</sub> equivalents, including carbon dioxide (“CO<sub>2</sub>”), methane (“CH<sub>4</sub>”) and nitrous oxide (“N<sub>2</sub>O”). These emissions are calculated based on the electricity, cooling and district heating purchased from third parties, using location-based emission factors from Energinet and HOFOR, following their 200% methodology. Consumption data is derived from invoices received directly from third-party providers or building administrators. For shared areas, consumption is allocated among tenants based on office square metres. Since vessels generate their own electricity, heating and cooling, no relevant activities are reported under Scope 2 emissions.</p>
Indirect (Scope 2) market-based GHG emissions from Navigare Capital and its funds	tCO <sub>2</sub> e	24	11			Pages 32–33	<p>Indirect Scope 2 market-based GHG emissions refer to emissions of CO<sub>2</sub> equivalents, including carbon dioxide (“CO<sub>2</sub>”), methane (“CH<sub>4</sub>”) and nitrous oxide (“N<sub>2</sub>O”). These emissions are calculated based on electricity, cooling and district heating purchased from third parties, using market-based emission factors provided by Energinet and HOFOR, following their 200% methodology. Consumption data is derived from invoices received directly from third-party providers or building administrators. For shared areas, consumption is allocated among tenants based on office square metres. Since vessels generate their own electricity, heating and cooling, no relevant activities are reported under Scope 2 emissions.</p>

<sup>1</sup> The 2024 data indicator has been subject to limited assurance.

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Indirect (Scope 3) GHG emissions from Navigare Capital and its funds	tCO <sub>2</sub> e	123,791	174,847	137,925	229,371	Pages 32–33	Indirect Scope 3 GHG emissions represent emissions of CO <sub>2</sub> equivalents, encompassing all seven Kyoto gases, that arise from value chain activities. This category includes emissions associated with Navigare Capital and its managed funds. Emissions from vessels in joint ventures are accounted for on a 50% basis, while those from vessels in subsidiaries are fully included (100%). A detailed breakdown of categories is provided below.
Scope 3.1: Purchased goods and services	tCO <sub>2</sub> e	3,027	3,310	4,396		Pages 32–33	Indirect Scope 3.1 GHG emissions originate from purchased goods and services and are measured in CO <sub>2</sub> equivalents, including all seven Kyoto gases. These emissions are calculated based on expenditure categorised by SIC codes, which are then matched to the corresponding emission factors outlined in DEFRA.
Scope 3.2 : Capital goods	tCO <sub>2</sub> e	43,951	96,312	3,639		Pages 32–33	Indirect Scope 3.2 GHG emissions stem from emissions associated with shipbuilding activities, particularly embedded carbon, as well as significant capital expenditures activated over a vessel's lifetime. These emissions are measured in CO <sub>2</sub> equivalents, including all seven Kyoto gases. In line with guidance from the World Resources Institute, emissions are adjusted to reflect the expected ownership period—seven years of an anticipated 25-year vessel lifespan. Emissions associated with shipbuilding activities are accounted for in the year the vessel enters the portfolio, while emissions from investments in capital goods are fully recorded in the year the expenditure occurs. Emissions associated with shipbuilding activities are determined using Ecolnvent's life cycle analysis of shipbuilding for each vessel type, adjusted for size, and combined with emission factors primarily from Ecolnvent and the International Energy Agency ("IEA"). Emissions from larger capital expenditures are based on expenditure amounts and matched with appropriate emission factors from DEFRA.
Scope 3.3 : Fuel- and energy-related activities	tCO <sub>2</sub> e	74,645	70,659	125,025		Pages 32–33	Indirect Scope 3.3 GHG emissions primarily consist of upstream emissions associated with the fuel- and energy-related activities reported under Scopes 1 and 2 and are measured in CO <sub>2</sub> equivalents, including all seven Kyoto gases. Emission factors are sourced from DEFRA, Energinet and HOFOR.
Scope 3.5: Waste generated in operations	tCO <sub>2</sub> e	381	1,611	2,003		Pages 32–33	Indirect Scope 3.5 GHG emissions result from waste generated during operations and are measured in CO <sub>2</sub> equivalents, including all seven Kyoto gases. This includes office waste, waste from shared spaces, and waste and sludge produced onboard vessels owned by the funds. Vessel-related waste is reported annually by the technical management companies, categorised into relevant groups, and assigned emission factors based on DEFRA's comprehensive dataset for the corresponding year.
Scope 3.6: Business travel	tCO <sub>2</sub> e	210	123	143		Pages 32–33	Indirect Scope 3.6 GHG emissions are generated by business travel and measured in CO <sub>2</sub> equivalents, including all seven Kyoto gases. These emissions are primarily calculated using transportation and accommodation data provided by Navigare Capital's travel agency, combined with specific DEFRA emission factors. For travel expenses not managed by the travel agency, a spend-based approach is used whereby expenditure is categorised by SIC codes, which are then matched to the corresponding emission factors outlined in DEFRA.

<sup>1</sup> The 2024 data indicator has been subject to limited assurance.

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Scope 3.7: Employee commuting	tCO <sub>2</sub> e	1,239	1,692	2,327		Pages 32–33	Indirect Scope 3.7 GHG emissions result from employee commuting, expressed in CO <sub>2</sub> equivalents and covering all seven Kyoto gases. This scope includes both office employees and crew members. Office employees provide data through a survey, indicating the number of office days, commuting distance and travel method. These inputs are used to calculate actual commuting emissions, applying the appropriate DEFRA emission factors. For crew members, a spend-based approach is used, assuming all commuting occurs by air, with emissions calculated using the relevant emission factor from DEFRA.
Scope 3.12: Downstream end-of-life treatment of sold products	tCO <sub>2</sub> e	339	1,141	392		Pages 32–33	Indirect Scope 3.12 GHG emissions stem from emissions associated with the end-of-life treatment of vessels sold by the funds during the reporting year, measured in CO <sub>2</sub> equivalents and encompassing all seven Kyoto gases. In line with guidance from the World Resources Institute, emissions are proportionally adjusted to reflect the expected ownership period—seven years of an anticipated 25-year vessel lifespan. Emissions related to end-of-life treatment are determined using Ecolnvent's life cycle analysis for each vessel type, adjusted for size, and combined with emission factors primarily from Ecolnvent.
Carbon intensity alignment with the IMO's targeted trajectory	%	-6.6	-5.2 <sup>2</sup>	-3.4	1.4	Pages 35–36	The carbon intensity alignment score reflects Navigare Capital's overall carbon intensity in comparison to the International Maritime Organisation's ("IMO") targeted trajectory. Since the IMO does not provide benchmarks for vessels under 5,000 gross tonnage ("GT") or offshore wind vessels, these are excluded from the calculation. The score is calculated using the IMO's methodology. Specifically, an Annual Efficiency Ratio ("AER") is computed for each vessel based on the total amount of fuel consumed by the vessel's main and auxiliary engines, and applying relevant emission factors to calculate the associated CO <sub>2</sub> emissions. These individual AERs are compared to the IMO's AER target for the corresponding vessel type. The percentage difference between the actual AER and the target is weighted by the vessel's design deadweight tonnage ("dwt") and the number of ownership days to produce the carbon intensity alignment score. Fuel consumption data is sourced from the vessels' reports submitted to the IMO Data Collection System ("DCS") and verified by classification societies, which are independent third-party organisations authorised by the flag state administration to conduct audits and certifications. If verified fuel reports are unavailable, the data submitted for verification is used instead. Vessels in joint ventures are accounted for on a 50% basis, while vessels in subsidiaries are included at 100%. This approach aligns with the financial control method under the GHG Protocol, ensuring consistent accounting of emissions from joint ventures and subsidiaries.

<sup>1</sup> The 2024 data indicator has been subject to limited assurance.

<sup>2</sup> This figure has been restated in the 2024 Sustainability Report due to an updated sailing distance for Nissos Delos in the verified fuel report. The previously reported figure was -4.0.

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Emissions of sulphur oxides	Tonnes	736	860	1,796		Pages 39–40	<p>Emissions of sulphur oxides (“SOx”) are calculated using the methodology outlined in the Third IMO GHG Study. Specifically, SOx emissions are calculated by determining fuel consumption by type and multiplying it by its average sulphur content. The sulphur content is informed through fuel analyses or, alternatively, from bunker delivery notices. If neither is available, the maximum allowable sulphur content is used. For vessels equipped with scrubbers, emissions are calculated based on the sulphur content limits of 0.1% and 0.5%, corresponding to the proportion of fuel scrubbed to these levels.</p> <p>Fuel consumption data is sourced from the vessels’ reports submitted to the IMO Data Collection System (“DCS”) and verified by classification societies, which are independent third-party organisations authorised by the flag state administration to conduct audits and certifications. If verified fuel reports are unavailable, the data submitted for verification is used instead.</p> <p>Vessels in joint ventures are accounted for on a 50% basis, while vessels in subsidiaries are included at 100%. This approach aligns with the financial control method under the GHG Protocol, ensuring consistent accounting of emissions from joint ventures and subsidiaries.</p>
Emissions of particulate matter	Tonnes	919	845	1,589		Pages 39–40	<p>Emissions of particulate matter (“PM”) are calculated using the methodology outlined in the Third IMO GHG Study. Specifically, PM emissions are calculated by determining fuel consumption by type for each engine—main engine, auxiliary engine and boilers—and multiplying it by the corresponding emission factor. Since the study does not provide emission factors for all relevant fuel types, the emission factors for heavy fuel oil (“HFO”) are applied universally.</p> <p>Fuel consumption data is sourced from the vessels’ reports submitted to the IMO Data Collection System (“DCS”) and verified by classification societies, which are independent third-party organisations authorised by the flag state administration to conduct audits and certifications. If verified fuel reports are unavailable, the data submitted for verification is used instead.</p> <p>Vessels in joint ventures are accounted for on a 50% basis, while vessels in subsidiaries are included at 100%. This approach aligns with the financial control method under the GHG Protocol, ensuring consistent accounting of emissions from joint ventures and subsidiaries.</p>
Emissions of nitrogen oxides	Tonnes	9,417	8,567	16,143		Pages 39–40	<p>Emissions of nitrogen oxides (“NOx”) are calculated using the methodology outlined in the Third IMO GHG Study. Specifically, NOx emissions are calculated by using the engine’s tier (determined by its construction date), its fuel consumption by type for each engine—main engine, auxiliary engine and boilers—and multiplying it by the corresponding emission factor. Since the study does not provide emission factors for all relevant fuel types, the emission factors for heavy fuel oil (“HFO”) are applied universally.</p> <p>Fuel consumption data is sourced from the vessels’ reports submitted to the IMO Data Collection System (“DCS”) and verified by classification societies, which are independent third-party organisations authorised by the flag state administration to conduct audits and certifications. If verified fuel reports are unavailable, the data submitted for verification is used instead.</p> <p>Vessels in joint ventures are accounted for on a 50% basis, while vessels in subsidiaries are included at 100%. This approach aligns with the financial control method under the GHG Protocol, ensuring consistent accounting of emissions from joint ventures and subsidiaries.</p>

<sup>1</sup> The 2024 data indicator has been subject to limited assurance.

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Emissions of carbon monoxide	Tonnes	476	455	737		Pages 39–40	Emissions of carbon monoxide (“CO”) are calculated using the methodology outlined in the Third IMO GHG Study. Specifically, CO emissions are calculated by determining fuel consumption by type for each engine—main engine, auxiliary engine and boilers—and multiplying it by the corresponding emission factor. Since the study does not provide emission factors for all relevant fuel types, the emission factors for heavy fuel oil (“HFO”) are applied universally. Fuel consumption data is sourced from the vessels’ reports submitted to the IMO Data Collection System (“DCS”) and verified by classification societies, which are independent third-party organisations authorised by the flag state administration to conduct audits and certifications. If verified fuel reports are unavailable, the data submitted for verification is used instead. Vessels in joint ventures are accounted for on a 50% basis, while vessels in subsidiaries are included at 100%. This approach aligns with the financial control method under the GHG Protocol, ensuring consistent accounting of emissions from joint ventures and subsidiaries.
Emissions of volatile compounds	Tonnes	415	381	673		Pages 39–40	Emissions of volatile organic compound (“VOC”) are calculated using the methodology outlined in the Third IMO GHG Study. Specifically, VOC emissions are calculated by determining fuel consumption by type for each engine—main engine, auxiliary engine and boilers—and multiplying it by the corresponding emission factor. Since the study does not provide emission factors for all relevant fuel types, the emission factors for heavy fuel oil (“HFO”) are applied universally. Fuel consumption data is sourced from the vessels’ reports submitted to the IMO Data Collection System (“DCS”) and verified by classification societies, which are independent third-party organisations authorised by the flag state administration to conduct audits and certifications. If verified fuel reports are unavailable, the data submitted for verification is used instead. Vessels in joint ventures are accounted for on a 50% basis, while vessels in subsidiaries are included at 100%. This approach aligns with the financial control method under the GHG Protocol, ensuring consistent accounting of emissions from joint ventures and subsidiaries.
Total number of oil spills released into the sea <sup>2</sup>	Number	0	0	0		Page 43	The total number of oil spills, irrespective of their size, caused by vessel groundings, hull failures, or other onboard accidents is monitored and reported quarterly. This data is tracked by the vessels’ technical managers and reviewed by Navigare Capital’s in-house technical team.
Catastrophic spills <sup>2</sup>	Number	0	0	0		Page 43	The number of catastrophic spills is defined as the number of instances in which more than 700 cubic metres (“CuM”) of oil are released into the sea.
Severe spills <sup>2</sup>	Number	0	0	0		Page 43	The number of severe spills is defined as the number of instances in which between 7 and 700 cubic metres (“CuM”) of oil are released into the sea.
Major spills <sup>2</sup>	Number	0	0	0		Page 43	The number of severe spills is defined as the number of instances in which between 1 and 7 cubic metres (“CuM”) of oil are released into the sea.
Minor spills <sup>2</sup>	Number	0	0	0		Page 43	The number of catastrophic spills is defined as the number of instances in which less than 1 cubic metres (“CuM”) of oil are released into the sea.

<sup>1</sup> The 2024 data indicator has been subject to limited assurance.

<sup>2</sup> In 2023 and 2024, this KPI covers activities onboard all vessels, excluding vessels on bareboat charter, as Navigare Capital has limited knowledge of and control over the operational conditions onboard these vessels. This is a change in methodology from the previous years, when joint venture vessels were excluded. However, as 2023 was the first year with joint venture vessels, the methodology change does not result in a change to the 2021 and 2022 KPI values.

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Vessels with scrubbers installed	Number	6	6	6	6	Page 39	The number of vessels equipped with scrubbers at the end of the year. Scrubbers are devices designed to remove sulphur particles during fuel combustion, preventing their release into the atmosphere. The presence of a scrubber on a vessel can be verified through its International Air Pollution Prevention Certificate.
Vessels without ballast water treatment systems installed	Number	0	0	0	3	Page 43	The number of vessels without ballast water treatment (“BWT”) systems installed at the end of the year. BWT systems are designed to prevent the introduction of invasive species during ballast water discharge. The presence or absence of a BWT system, as well as the type of system installed, can be identified on the vessel’s International Ballast Water Management Certificate.
Vessels with IHM Hong Kong certificates	%	74	87	94	100	Page 27	The percentage of vessels with a Hong Kong Inventory of Hazardous Materials (“HK IHM”) certificate at the end of the year is calculated relative to the total number of vessels owned at year-end. The HK IHM is a structured system designed to control hazardous materials onboard ships and ensure compliance with the Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships. Certificates are issued by classification societies, which are independent third-party organisations authorised by the flag state administration to conduct audits and certifications. The Hong Kong Convention will enter into force on 26 June 2025 and applies to all vessels operating in international waters.
Vessels with IHM EU certificates	%	100	100	100	100	Page 27	The percentage of vessels with an EU Inventory of Hazardous Materials (“EU IHM”) certificate at the end of the year is calculated relative to the total number of vessels owned at year-end. The EU IHM is a structured system designed to control hazardous materials onboard ships and ensure compliance with the EU Ship Recycling Regulation (“EU SRR”). EU IHM certificates are issued by classification societies, which are independent third-party organisations authorised by the flag state administration to conduct audits and certifications. Since the EU SRR requires all vessels calling at EU ports to have an EU IHM certificate, and because it covers two additional materials compared to the Hong Kong IHM (“HK IHM”), the EU IHM certificate may also be used for the verification and issuance of an HK IHM. Consequently, the EU IHM is the sole requirement for vessels that operate exclusively within European waters, such as offshore wind vessels.

<sup>1</sup> The 2024 data indicator has been subject to limited assurance.

## Social

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Lost time injuries <sup>2</sup>	Number	2	1	2	6	Pages 49–50	Lost time injuries refer to the number of safety incidents onboard vessels that result in lost time during the reporting year. Lost time incidents include fatalities, permanent disabilities, permanent partial disabilities and lost workday cases. These incidents are reported quarterly by the technical managers and are reviewed annually during the vessels' International Safety Management ("ISM") audit.
Lost time injury frequency <sup>2</sup>	Number of injuries / million hours worked	0.86	0.64	0.85	1.97	Pages 49–50	Lost time injury frequency is the number of lost time injuries expressed per one million exposure hours during the reporting year. Exposure hours are calculated by multiplying the ownership days for the reporting year by the number of hours per day, i.e. 24, and the number of crew members onboard each vessel.
Port state controls <sup>2</sup>	Number	30	21	25	29	Pages 50–51	The number of port state controls conducted by official port state surveyors during the reporting year. Each port state control is followed by an official report which is provided to Navigare Capital by its technical management companies as part of their quarterly KPI reporting.
Average deficiencies per port state control <sup>2</sup>	Deficiencies / inspections	1.47	0.76	0.56	0.34	Pages 50–51	The average number of deficiencies reported by the official port state surveyor per port state control during the reporting year. A deficiency is noted when there is non-compliance with or deviation from the requirements of international regulations. The official port state control reports list each deficiency, if any.
Port state control detentions <sup>2</sup>	Number	1	0	0	0	Pages 50–51	The number of detentions resulting from a port state control during the reporting year. A detention occurs when a deficiency presents an immediate threat to the ship, its personnel or the environment, making the ship unsafe to proceed to sea. The official port state control reports list each detention, if any.
MLC observations during port state controls <sup>2</sup>	Number	6	1	4	0 <sup>3</sup>	Pages 52–53	The number of Maritime Labour Convention ("MLC") observations made during port state controls during the reporting year. An MLC observation is recorded when there is non-compliance with or deviation from the requirements for the working and living conditions of seafarers onboard ships. The official port state control reports list each MLC observations, if any.

<sup>1</sup> The 2024 data indicator has been subject to limited assurance.

<sup>2</sup> In 2023 and 2024, this KPI covers activities onboard all vessels, excluding vessels on bareboat charter, as Navigare Capital has limited knowledge of and control over the operational conditions onboard these vessels. This is a change in methodology from the previous years, when joint venture vessels were excluded. However, as 2023 was the first year with joint venture vessels, the methodology change does not result in a change to 2021 and 2022 KPI values.

<sup>3</sup> This KPI is not comparable to 2022, 2023 and 2024 values, as it is based on a different methodology which only includes MLC observations made during the MLC certification renewal process.

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Gender diversity of employees at Navigare Capital's headquarters	% female	45	42	53	42	Pages 12–13	Female representation among employees, including student assistants but excluding partners with management responsibilities, is measured as a percentage at the end of the year. The data is collected through the E-indkomst system.
Gender diversity on the Board of Directors	% female	0	25	25	0	Pages 12–13	Female representation on the Board of Directors is measured as a percentage at the end of the year. The data is collected through the E-indkomst system.
Gender diversity at the management level	% female	0	0	0	0	Pages 12–13	Female representation at the management level is measured as a percentage at the end of the year. The management level currently consists of the four founding partners, who are the only partners with management responsibilities. The data is collected through the E-indkomst system.

## Governance

Description	Unit	2024 <sup>1</sup>	2023	2022	2021	Page	Accounting principle
Incidents where bribes have been requested <sup>2</sup>	Number	0	0	0	0	Pages 55–57	The number of incidents where bribes have been requested during the reporting year. A bribe is defined as a request for cash payments to secure or expedite a process. Vessels report each incident to the Maritime Anti-Corruption Network (“MACN”) reporting system, as well as to the technical management companies, which include any bribery requests in their quarterly KPI reports.
Incidents where facilitation payments have been requested <sup>2</sup>	Number	0	0	0	9	Pages 55–57	The number of incidents where facilitation payments have been requested during the reporting year. A facilitation payment is defined as a request for smaller items, such as cigarettes or alcohol, to induce officials to perform routine functions. Vessels report each incident to the Maritime Anti-Corruption Network (“MACN”) reporting system, as well as to the technical management companies, which include any facilitation payment requests in their quarterly KPI reports.
Whistleblower alerts received	Number	0	0	0	0	Page 9	The number of whistleblower alerts reported via the whistleblower programme to the Chairman of the Board and Navigare Capital's compliance officer during the reporting year. The whistleblower function is available to Navigare Capital employees to report potential breaches of laws or policies relevant to the company.

<sup>1</sup> The 2024 data indicator has been subject to limited assurance.

<sup>2</sup> In 2023 and 2024, this KPI covers activities onboard all vessels, excluding vessels on bareboat charter, as Navigare Capital has limited knowledge of and control over the operational conditions onboard these vessels. This is a change in methodology from the previous years, when joint venture vessels were excluded. However, as 2023 was the first year with joint venture vessels, the methodology change does not result in a change to the 2021 and 2022 KPI values.

# Statement by the Executive Board and the Board of Directors

The Executive Board and Board of Directors have today considered and approved the Sustainability Report of Navigare Capital Partners A/S for the financial year 1 January – 31 December 2024.

The ESG performance data indicators as presented in section “ESG performance data overview” in the Sustainability Report for 2024 on pages 72 to 79 have been prepared in accordance with the ESG accounting principles stated on pages 72 to 79.

In our opinion, the Sustainability Report gives a true and fair presentation of Navigare Capital Partners A/S’ sustainability activities and results of the company’s sustainability efforts in the reporting period in accordance with the ESG accounting principles, as well as a balanced presentation of Navigare Capital Partners A/S’ environmental, social and governance performance.

Copenhagen, 4 April 2025

## Executive Board



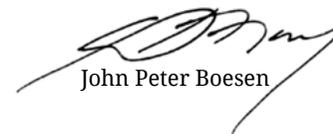
Henrik Ramskov  
CEO



Lars Bagge Christensen

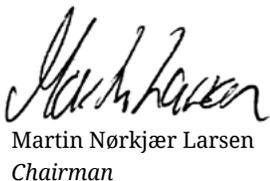


Stig Duus Enslev

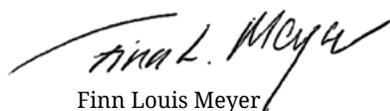


John Peter Boesen

## Board of Directors



Martin Nørkjær Larsen  
Chairman



Finn Louis Meyer



Stig Pastwa



Jesper Langmack

# Independent auditor's assurance report on the ESG statement

## To Management and broader stakeholders of Navigare Capital Partners A/S

Navigare Capital Partners A/S engaged us to provide limited assurance on ESG performance data for the financial year 1 January - 31 December 2024, presented on pages 72 to 79 in the Sustainability Report 2024 of Navigare Capital Partners A/S (hereinafter 'the ESG statement').

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Sustainability Report 2024, and accordingly, we do not express an opinion on this information.

## Management's responsibility

Management of Navigare Capital Partners A/S is responsible for designing, implementing and maintaining internal controls over information relevant to the preparation of the ESG performance data and information in the ESG statement, ensuring they are free from material misstatement, whether due to fraud or error. Furthermore, Management is responsible for establishing objective accounting principles for the preparation of the ESG statement, for the overall content of the ESG statement, and for measuring and reporting the ESG performance data in accordance with the ESG accounting principles for environmental data, social data and governance data ("the accounting principles"), presented on pages 72 to 79.

## Auditor's responsibility

Our responsibility is to express a limited assurance conclusion based on our engagement with Management and in accordance with the agreed scope of work. We have conducted our work in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ISAE 3410 Assurance Engagements on Greenhouse Gas Statements, and additional requirements under Danish audit regulation, to obtain limited assurance about our conclusion. Greenhouse gas emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions of different gases.

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the ESG statement is free from material misstatement, whether due to fraud or error, and prepared, in all material respects, in accordance with the accounting principles;
- forming an independent conclusion, based on the procedures we performed and the evidence we obtained; and
- reporting our conclusion to the stakeholders of Navigare Capital Partners A/S.

Deloitte Statsautoriseret Revisionspartnerselskab applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

## Work performed

We are required to plan and perform our work in order to consider the risk of material misstatement in the ESG statement. To do so, we have:

- conducted interviews with data owners and internal stakeholders to understand the key processes and control activities for measuring, recording and reporting the ESG performance data indicators;
- reviewed evidence on a selective basis to check that data has been appropriately measured, recorded, collated and reported;
- performed analysis of data, selected based on risk and materiality;

- made inquiries regarding significant developments in the reported data;
- considered the presentation and disclosure of the ESG performance data indicators;
- assessed that the process for reporting greenhouse gas emissions data follows the principles of relevance, completeness, consistency, transparency and accuracy outlined in The Greenhouse Gas Protocol Corporate Standard Revised edition (2015) and The Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and
- evaluated the evidence obtained.

## Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us not to believe that the ESG statement for the financial year 1 January - 31 December 2024, as presented on pages 72 to 79 in the Sustainability Report 2024, have been prepared, in all material respects, in accordance with the accounting principles on pages 72 to 79.

Copenhagen, 4 April 2025

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Business Registration No. 33 96 35 56

**Michael Thorø Larsen**  
State Authorised Public Accountant  
MNE no 35823

**Mads Stærdahl Rosenfeldt**  
ESG partner

# Materiality assessment KPI overview

## Environment

Greenhouse gas (“GHG”) emissions	GHG emissions are used to assess Navigare Capital’s environmental performance, including its funds’ total Scope 1–3 emissions. This is a vital KPI in the endeavour to decarbonise shipping.
Carbon intensity	Carbon intensity is another way of tracking energy efficiency. As the majority of Navigare Capital and its funds’ GHG emissions are Scope 1 emissions stemming from fuel consumption, tracking the energy efficiency of each vessel is essential. For this reason, Navigare Capital has also set specific short-term targets for carbon intensity.
Air pollution	Air pollution is not only caused by GHG, but also by other pollutants such as sulphur oxides (“SO <sub>x</sub> ”) and particulate matter (“PM”). These also need to be tracked and reduced to improve air quality, especially in coastal areas.
Biodiversity	Biodiversity is the variety of all species on Earth and their interactions within complex ecosystems. Shipping’s biodiversity impacts are important to address, as all vessels engaged in international trade pose a threat to ecosystems if not managed properly.
Ship recycling	The methods used when dismantling a vessel are a key consideration in determining the overall sustainability of a vessel throughout its entire lifetime. Given the sheer size of the vessels and their onboard inventories of hazardous materials, it is important that dismantling is undertaken properly and in accordance with relevant conventions.

## Social

Accident prevention	Accident prevention and safety have always been top priorities for Navigare Capital, and its desire to ensure that as few accidents as possible occur makes this an important KPI.
Labour rights	Labour rights for its seafarers are another key priority for Navigare Capital, which is why it only operates vessels under well-respected flags on the Paris MoU’s White List and only uses top-tier management companies.
Diversity	Diversity has historically been difficult to achieve in shipping, and it still is, especially within sea-based work. However, as a signatory of Danish Shipping’s “Charter for More Women in Shipping”, Navigare Capital is working to make both sea- and land-based shipping more appealing to women.

## Governance

Corruption and bribery	Corruption and bribery are present in the maritime industry, often in the form of demands for facilitation payments. This KPI is relevant, as any kind of corruption undermines social, environmental and economic development. Navigare Capital’s membership of the Maritime Anti-Corruption Network (“MACN”) contributes to the fight against corruption.
Fines	Fines are in some incidences justified, but in rare cases are used as extortion when officials refuse to perform their duties or abuse their positions of authority to demand, for instance, facilitation payments. No matter what the circumstances are, it is important to track fines.
ESG-related policies	ESG-related policies have been put in place to ensure that Navigare Capital acts responsibly when investing and operating its vessels.

# Glossary

Term	Definition
<b>AER</b>	The Annual Efficiency Ratio estimates CO <sub>2</sub> intensity based on actual fuel consumption and designed cargo capacity (dwt).
<b>AIFM</b>	An alternative investment fund manager is any legal person whose regular business is managing one or more alternative investments.
<b>AIFMD</b>	The Alternative Investment Fund Managers Directive is a legal act of the European Union on the financial regulation of hedge funds, private equity, real estate funds and other alternative investment fund managers.
<b>The AML Act</b>	The Danish Consolidated Act on Measures to Prevent Money Laundering and Financing of Terrorism requires banks, financial institutions and AIFMs, among others, to implement compliance and risk procedures for countering financial crimes.
<b>Ballast water</b>	This is essential for the safe operation of ships. It provides stability and manoeuvrability during a voyage and during loading and unloading operations.
<b>Bareboat charter</b>	A contract where the owner leases a vessel without a crew, often over a longer period. The charterer pays the operating expenses, as well as a fixed amount in bareboat rent to the owner each month.
<b>BIMCO</b>	This is one of the largest of the international shipping associations representing shipowners. BIMCO states that its membership represents approximately 60% of the world's merchant shipping tonnage and that it has members in more than 130 countries, including managers, brokers and agents.
<b>BWM Convention</b>	The International Convention for the Control and Management of Ships' Ballast Water and Sediments (2004) is a treaty adopted by the IMO to help prevent the spread of potentially harmful aquatic organisms and pathogens in ships' ballast water.
<b>BWT</b>	Ballast water treatment.

Term	Definition
<b>Carbon intensity</b>	The measure of emissions associated with consuming a transportation fuel, measured in grams of carbon dioxide per megajoule of energy.
<b>Charterer</b>	The legal party that has signed a charter contract with the owner of a vessel and thus hires or leases the vessel or part of the vessel's capacity.
<b>CII</b>	The Carbon Intensity Indicator measures how efficiently a vessel above 5,000 gross tonnage transports goods or passengers and is expressed in grams of CO <sub>2</sub> emitted per cargo-carrying capacity and nautical mile.
<b>CO</b>	Carbon monoxide is a colourless, odourless and tasteless toxic gas formed by the incomplete ignition or burning of carbon-based fuels.
<b>CO<sub>2</sub></b>	Carbon, one of six greenhouse gases (contributing to global warming) and the most predominant within shipping.
<b>CO<sub>2</sub>e</b>	Carbon equivalent is a term for describing different greenhouse gases in a common unit. For any quantity and type of greenhouse gas, CO <sub>2</sub> e signifies the amount of CO <sub>2</sub> which would have the equivalent global warming impact.
<b>CSOV</b>	A commissioning service operation vessel transports technicians and crew to support offshore wind farm commissioning and maintenance work.
<b>The Danish Maritime Authority</b>	The Danish Maritime Authority is the government agency regulating the Danish maritime industry, including the health, safety and certification requirements of Danish-flagged vessels.
<b>Dry cargo vessel</b>	A vessel transporting commodities such as iron ore, grains and wood pellets.
<b>ESG</b>	Environmental, social and governance.
<b>EU</b>	The European Union is a supranational political and economic union of 27 member states located primarily in Europe.

Term	Definition
<b>EU ETS</b>	The European Union emissions trading system is a “cap and trade” scheme where a limit is placed on the right to emit specified pollutants over an area and companies can trade emission rights within that area.
<b>EU Taxonomy</b>	The EU Taxonomy is a classification system established to clarify which economic activities are environmentally sustainable.
<b>FSA</b>	The Danish Financial Supervisory Authority oversees and regulates the financial activities of banks, pension funds, insurance companies, etc.
<b>GDPR</b>	The General Data Protection Regulation is a regulation in EU law on data protection and privacy in the EU and the European Economic Area.
<b>GHG</b>	The seven greenhouse gases contributing to global warming.
<b>The GHG Protocol</b>	An organisation that has established comprehensive global standardised frameworks to measure and manage GHG emissions from private and public sector operations and value chains, as well as mitigation actions. Its standard is the most widely used accounting framework for measuring Scope 1–3 GHG emissions.
<b>The GHG Protocol financial control approach</b>	A company has financial control over an operation for GHG accounting purposes if the operation is considered a group company or subsidiary for the purpose of financial consolidation, i.e. if the operation is fully consolidated in financial accounts.
<b>The GHG Protocol operational control approach</b>	Under the operational control approach, a company accounts for 100% of emissions from operations over which it or one of its subsidiaries has operational control. Operational control means that a company has the authority to introduce and implement operating policies.
<b>GRI</b>	The Global Reporting Initiative is an organisation that has created a standard for organisations to report on their sustainability impacts in a consistent and credible way.

Term	Definition
<b>IEA</b>	The International Energy Agency is an intergovernmental organisation that provides policy analysis and recommendations for the energy sector.
<b>ILO</b>	The International Labour Organisation is the UN agency that sets internationally recognised labour standards to protect the rights of workers. The ILO is made up of a social partnership of governments, employers and trade unions.
<b>IMO</b>	The International Maritime Organisation is the United Nations’ body for maritime matters.
<b>ISM</b>	The International Safety Management Code was created to provide an international standard for the safe management and operation of ships and for pollution prevention.
<b>ISPS</b>	The International Ship and Port Facility Security Code is a security measure put into place in response to the 9/11 attacks by the IMO as part of the Safety of Life at Sea (“SOLAS”) Convention.
<b>IUCN Red List</b>	The International Union for Conservation of Nature Red List of Threatened Species measures the extinction risk of the world’s animal, plant and fungi species.
<b>LNG</b>	Liquefied natural gas.
<b>LNG carrier</b>	A vessel transporting natural gas cooled to -163°C to make it liquid.
<b>LTI</b>	A lost time injury is an injury sustained by an employee that leads to loss of productive work in the form of absence or delays. A workplace injury is only considered an LTI if the worker is unable to perform their regular duties, takes time off to recover or is assigned to modified tasks while they heal.
<b>LTIF</b>	Lost time injury frequency is the number of lost time injuries occurring in a workplace per one million hours worked.

Term	Definition
<b>MACN</b>	The Maritime Anti-Corruption Network is a not-for-profit organisation established by the maritime industry to tackle corruption. The MACN collaborates with key stakeholders, including businesses, governments, civil society and international organisations to identify and mitigate the root causes of corruption in the maritime sector.
<b>MARPOL</b>	The IMO's International Convention for the Prevention of Pollution from Ships, designed to limit emissions from ships.
<b>Methane</b>	A very potent GHG: one tonne of methane has the same global warming potential as approximately 30 tonnes of CO <sub>2</sub> .
<b>MLC</b>	The Maritime Labour Convention is an International Labour Organisation convention established in 2006 which embodies all up-to-date standards of existing international maritime labour conventions and recommendations, as well as the fundamental principles found in other international labour conventions.
<b>MPAs</b>	Marine protected areas are areas of the ocean set aside for long-term conservation aims.
<b>Net zero</b>	A reduction in GHG emissions of at least 90% and neutralisation of any residual GHG emissions on an ongoing basis.
<b>NGO</b>	A non-governmental organisation is an organisation that generally functions independently from any government.
<b>NO<sub>x</sub></b>	Nitrogen oxides ("NO <sub>x</sub> ") are chemical compounds of oxygen and nitrogen which are formed by these reacting with each other during combustion at high temperatures, mainly the combustion of fuels such as oil, diesel, gas and organic material.
<b>OECD</b>	The Organisation for Economic Co-operation and Development.
<b>The OECD Guidelines for Multinational Enterprises ("OECD Guidelines")</b>	Recommendations from governments to multinational enterprises on responsible business conduct. The OECD Guidelines set standards for responsible business conduct across a range of issues such as human rights, labour rights and the environment.

Term	Definition
<b>OFAC</b>	The Office of Foreign Assets Control, an agency of the US Treasury department.
<b>Operator</b>	The party responsible for managing vessel performance, bunker quality and quantity, and ship routing.
<b>Paris Agreement</b>	The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 parties at COP 21 in Paris on 12 December 2015 and entered into force on 4 November 2016. Its goal is to limit global warming to well below 2 degrees Celsius, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.
<b>Paris MoU White List</b>	The Paris MoU maintains a "White List", which is a list of member states (countries) that have confirmed to the IMO's Maritime Safety Committee ("MSC") that they are adhering to the relevant provisions of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers.
<b>PM</b>	Particulate matter is a mixture of solid particles and liquid droplets found in the air.
<b>Poseidon Principles</b>	An agreement among 24 banks to assess and disclose the climate alignment of ship finance portfolios, setting a benchmark for responsible banking.
<b>PSC</b>	A port state control is the inspection of foreign ships in national ports to verify that the condition of the ships and their equipment complies with the requirements of international regulations and that the ships are manned and operated in compliance with these instruments, ensure maritime safety and security, and prevent pollution.
<b>RoRo</b>	Roll-on/roll-off ships are cargo ships designed to carry wheeled cargo, such as cars, motorcycles, trucks, semi-trailer trucks, buses, trailers, and railway carriages that are driven on and off the ship on their own wheels or using a platform vehicle.
<b>SASB</b>	The Sustainability Accounting Standards Board is an organisation that has established a standard to guide on the disclosure of sustainability KPIs across 77 industries considered material by investors to inform their decision-making.

Term	Definition
<b>SBTN</b>	The Science Based Targets Network is a group of organisations working to shape private sector and city impacts on nature by using science-based targets.
<b>SBTi</b>	The Science Based Targets initiative defines and promotes best practice in science-based target setting, offering a range of resources and guidance to help companies set science-based targets in line with the latest climate science.
<b>Scope 1 emissions</b>	Direct GHG emissions that occur from sources controlled or owned by an organisation.
<b>Scope 2 emissions</b>	Indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.
<b>Scope 3 emissions</b>	Indirect GHG emissions that occur in the company's value chain, excluding those under Scope 2.
<b>Scrubbers</b>	Air pollution control devices that use liquid to remove particulate matter or gases from industrial exhaust or flue gas streams. This atomised liquid (typically water) entrains particles and pollutant gases in order to effectively wash them out of gas flows.
<b>SFDR</b>	The EU Sustainable Finance Disclosure Regulation is a set of EU rules which aim to make the sustainability profile of funds more comparable and better understood by end investors.
<b>SOx</b>	Sulphur oxides are a group of important ambient air pollutants consisting of both gaseous and particulate chemical species.
<b>Tanker vessel</b>	A vessel transporting liquid cargo including crude oil and petroleum products.
<b>TRC</b>	Total recorded cases of injuries.
<b>The UN Guiding Principles on Business and Human Rights</b>	A set of guidelines for states and companies to prevent, address and remedy human rights abuses committed in business operations.

Term	Definition
<b>UN</b>	The United Nations is an intergovernmental organisation whose stated purposes are to maintain international peace and security, develop friendly relations among nations, achieve international cooperation, and be a centre for harmonising the actions of nations.
<b>UN Global Compact</b>	The United Nations Global Compact is a voluntary initiative based on CEO commitments to implement universal sustainability principles and take steps to support UN goals.
<b>UN PRI</b>	The Principles for Responsible Investment refer to a United Nations-supported international network of investors working together to incorporate ESG factors into investment and ownership decisions.
<b>VOC</b>	Volatile organic compounds are organic compounds that have high vapour pressure and low solubility in water. VOCs are emitted as gases from certain solids or liquids.
<b>WWF</b>	The World Wide Fund for Nature Inc. is a Swiss-based international non-governmental organisation founded in 1961 that works in the field of wilderness preservation and the reduction of human impact on the environment.

# Portfolio overview

Navigare Capital invests in maritime assets, focusing on a mix of modern existing vessels and newbuildings across different shipping segments. Through careful asset selection, Navigare Capital has built diversified portfolios within its three funds, aligning with market trends, sustainability considerations and investment strategies. For a closer look at the vessels purchased and sold within each fund, please see the detailed overviews on the following pages.





Tanker



Container



LNG



LPG



Bulk



SOV/CSOV



RoRo

## Maritime Investment Fund I



JULY 2017

**NAVIGARE FACTOR**

IMO: 9583653

Size: 51,034 Year: 2012

Exit: January 2023



JULY 2017

**NAVIGARE PARS**

IMO: 9583665

Size: 51,034 Year: 2012

Exit: May 2023



NOVEMBER 2017

**NISSOS SERIFOS**

IMO: 9592264

Size: 115,689 Year: 2012

Exit: November 2022



DECEMBER 2017

**CMA CGM GANGES**

IMO: 9718117

Size: 111,034 Year: 2015

Exit: July 2022



DECEMBER 2017

**NAVIGARE BONITAS**

IMO: 9705976

Size: 63,166 Year: 2014

Exit: August 2021



DECEMBER 2017

**CMA CGM MEKONG**

IMO: 9718105

Size: 111,040 Year: 2015

Exit: July 2022



FEBRUARY 2018

**NISSOS DELOS**

IMO: 9592305

Size: 115,691 Year: 2012

Exit: March 2023



MARCH 2018

**KIRIBORA**

IMO: 9636694

Size: 50,044 Year: 2013

Exit: May 2023



APRIL 2018

**UASC ZAMZAM**

IMO: 9699127

Size: 119,512 Year: 2014

Exit: June 2023



APRIL 2018

**NAVIGARE COLLECTOR**

IMO: 9779771

Size: 119,262 Year: 2018

Exit: February 2023



JUNE 2018

**NAVIGARE BACCA**

IMO: 9758741

Size: 61,213 Year: 2016

Exit: September 2022



AUGUST 2018

**NAVIGARE BOREAS**

IMO: 9729922

Size: 61,491 Year: 2016

Exit: August 2021



DECEMBER 2018

**NAVIGARE TOLERO**

IMO: 9410973

Size: 156,516 Year: 2011

Exit: April 2023



AUGUST 2019

**SOUTHAMPTON EXPRESS**

IMO: 9447885

Size: 153,514 Year: 2011

Exit: July 2023



SEPTEMBER 2019

**ROME EXPRESS**

IMO: 9447861

Size: 153,514 Year: 2010

Exit: July 2023



APRIL 2021

**MARVEL SWAN**

IMO: 9880192

Size: 88,831 Year: 2021

Exit: October 2024

Size is measured as dwt



Tanker



Container



LNG



LPG



Bulk



SOV/CSOV



RoRo

## Maritime Investment Fund II



JANUARY 2020  
**NC BRAVO**  
 IMO: 9612791  
 Size: 48,044 Year: 2015  
 Exit: September 2024



FEBRUARY 2020  
**NIC BREDA**  
 IMO: 9612765  
 Size: 48,044 Year: 2014  
 Exit: September 2024



FEBRUARY 2020  
**THALASSA PISTIS**  
 IMO: 9665619  
 Size: 152,343 Year: 2014  
 Exit: May 2022



OCTOBER 2020  
**NAVIGARE BELLUS**  
 IMO: 9714678  
 Size: 63,310 Year: 2017  
 Exit: September 2021



NOVEMBER 2020  
**NAVIGARE BEATUS**  
 IMO: 9714680  
 Size: 63,304 Year: 2017  
 Exit: August 2021



DECEMBER 2020  
**ECO BEVERLY HILLS**  
 IMO: 9794068  
 Size: 157,286 Year: 2019



DECEMBER 2020  
**ECO BEL AIR**  
 IMO: 9794056  
 Size: 157,286 Year: 2019



JUNE 2021  
**NAVIGARE TERRA  
 MATER**  
 IMO: 9740330  
 Size: 297,638 Year: 2017



MAY 2022  
**NORWIND  
 BREEZE**  
 IMO: 9745079  
 Year: 2015



JANUARY 2023  
**NAVIGARE  
 GENEROSA**  
 IMO: 9726061  
 Size: 54,564 Year: 2015



JUNE 2023  
**NORWIND GALE**  
 IMO: 9955753  
 Year: 2023



JULY 2023  
**CAPE SCOTT**  
 IMO: 9950117  
 Size: 34,980 Year: 2023



AUGUST 2023  
**CAPE SPENCER**  
 IMO: 9950129  
 Size: 34,980 Year: 2023



OCTOBER 2023  
**HUMBRIA  
 SEAWAYS**  
 IMO: 9832597  
 Size: 16,973 Year: 2020



OCTOBER 2023  
**FLANDRIA  
 SEAWAYS**  
 IMO: 9860142  
 Size: 16,881 Year: 2020



OCTOBER 2023  
**SCANDIA SEAWAYS**  
 IMO: 9864681  
 Size: 16,941 Year: 2021



NOVEMBER 2023  
**CAPE SKAGEN**  
 IMO: 9969857  
 Size: 34,965 Year: 2023



JANUARY 2024  
**CAPE SABLE**  
 IMO: 9950131  
 Size: 34,980 Year: 2024



MARCH 2024  
**CAPE SOREL**  
 IMO: 9969869  
 Size: 34,980 Year: 2024



APRIL 2024  
**CAPE SERRAT**  
 IMO: 9950143  
 Size: 34,980 Year: 2024



MARCH 2024  
**NORWIND HURRICANE**  
 IMO: 9970741  
 Year: 2024



JULY 2024  
**NORWIND STORM**  
 IMO: 9956044  
 Year: 2024



NOVEMBER 2024  
**NORWIND HELM**  
 IMO: 9972660  
 Year: 2024

Size is measured as dwt



Tanker



Container



LNG



LPG



Bulk



SOV/CSOV



RoRo

### Maritime Investment Fund III



AUGUST 2024

**NAVIGARE GAIA**

IMO: 9694634

Size: 54,516 Year: 2015



JANUARY 2026

**NORWIND TBN****MAESTRO**

IMO: 1074890

Year: 2026



JUNE 2027

**NORWIND TBN MARIN**

IMO: TBD

Year: 2027





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