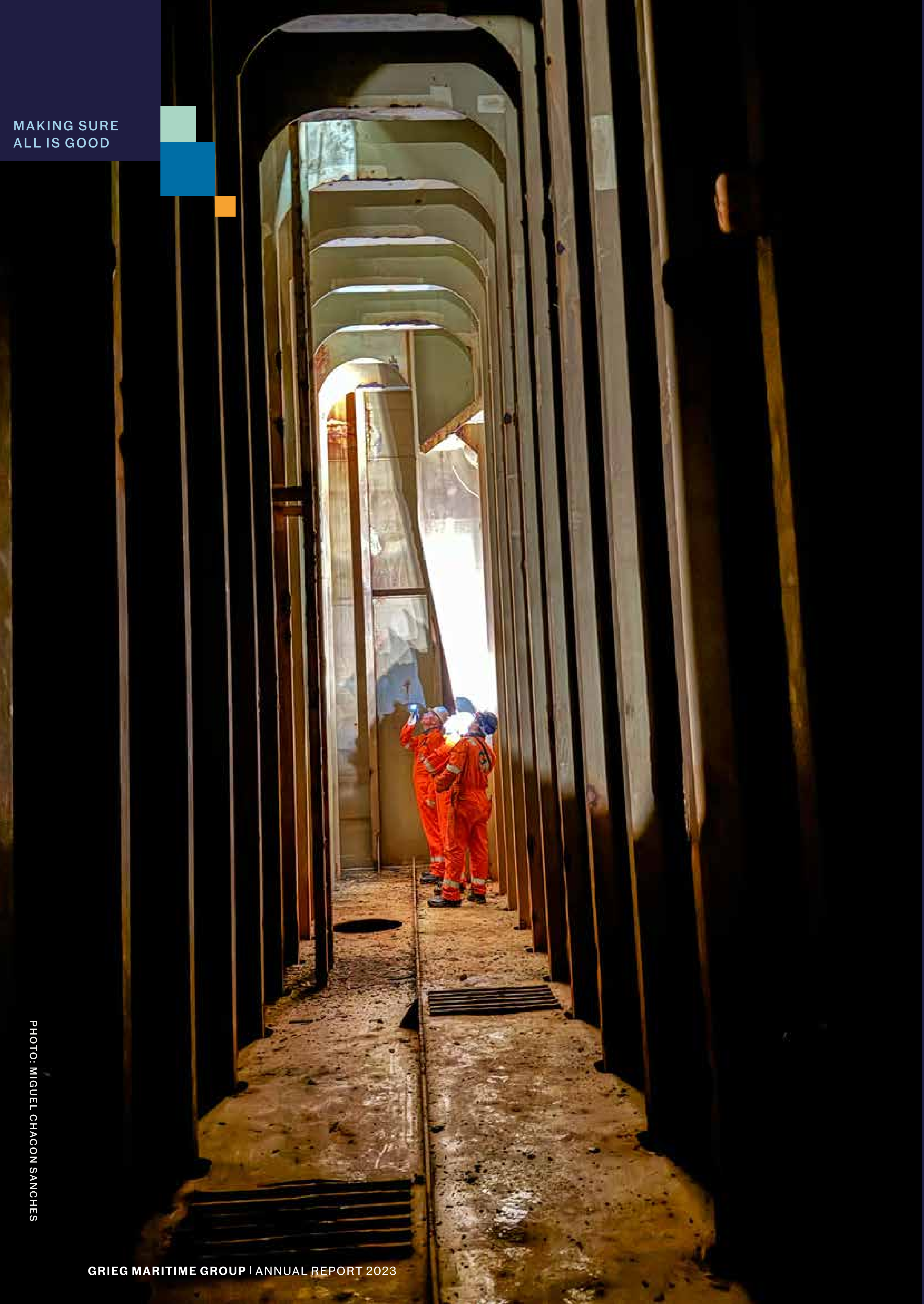
GRIEG MARITIME GROUP

Annual Report 2023



MAKING SURE ALL IS GOOD

PHOTO: MIGUEL CHACON SANCHES

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FRONT PHOTO: 30 NIKOLAS NAGAI

FROM OUR CEO

Partnerships for the goals

MATT DUKE
CHIEF EXECUTIVE OFFICER

We are acutely aware that climate change is mankind's greatest challenge. Still, without global peace and safety, the collaboration required to meet ambitious climate targets in the short term will become very hard to achieve. The year has been marked by increased environmental ambition from world leaders whilst brutal conflicts and suffering rage across Ukraine, the Middle East, and other parts of the world.

The immediate priority for the world should be to end the suffering of innocent men, women and children caught up in conflict. In parallel, Grieg Maritime Group will not stop our focus on providing safe, reliable transportation to support global trade, continuing to do our utmost to fulfil the decarbonisation strategy of our company and industry.

Despite all the political instability and regional wars, at COP 28 in Dubai last year, the world agreed to cut emissions. This is the world we live in - and the world we operate in. The violence, unrest and polarisation directly affect the shipping industry. The North Yemen rebels escalated the Gaza conflict by attacking ships in the Red Sea. The direct effect is vast numbers of vessels avoiding the Suez Canal, wich has an enormous impact on the climate and the economy.

We also see increased piracy out of East Africa and continued pirate activity in other parts of the world. The effort of our HSEQ team to ensure our crew and vessels sail safely through these turbulent times is impressive, but not something we could have done without our partners in safety, insurance, and the Norwegian Shipowners Association.

Through this, 2023 turned out to be a financially strong year for us. We expected a lower result than the all-time high of 2022 and delivered 30.7 million USD before tax. This is primarily due to the Open Hatch market slowing down after the peak in 2022. As our business is weighted on long-term contracts, the fluctuations are less dramatic, and there is a delay relating to the ups and downs of the market.

Even if COVID-19 no longer affects us directly, the heightened airfares remain, making crew changes more expensive than pre-Covid. Our crew has shown tremendous professionalism throughout the year. It is evident in how smoothly they handled taking ships back from external management and the quality of the vessels they operate. With over 1,000 seafarers in our pool, there are many people to manage for our land organisation. Still, we record a high level of work satisfaction and low attrition, thanks to the dedication of our maritime HR team in Manila and our vessel managers and purchasers in Bergen.

> In 2008, we committed to the UN Global Compact's principles, and we stay committed to those and to the Sustainable Development Goals

In 2008, we committed to the UN Global Compact's principles, and we stay committed to those and to the Sustainable Development Goals. We continue to focus on decarbonising our Open Hatch fleet, having sustainability as our primary focus throughout the strategy process in 2023. We have sharpened our targets and put even more resources into halving our emissions by 2030 compared to 2008. In the short term, we continue to have a strong focus on implementing efficiency measures that reduce our emissions. Our strategy work with the Board of Directors is rewarding with regards to preparing to solve the more extensive challenges and issues that arises in a developing industry. Together with our partners in G2 Ocean and Gearbulk we have continued to research and implement measures to reduce the energy needed to operate.

A vital part of our decarbonising efforts is the newbuildings we ordered last year. The N-class is four new 82,000 dwt Open Hatch vessels. Their carrying capacity dwarfs the 50,800 dwt L-class, previously the latest and largest vessels in the Grieg Maritime Group fleet. The new ships, scheduled for delivery in 2026, will be far more energy-efficient than any of our present vessels. In addition, they will be ready for retrofitting to their next fuel, be it green ammonia, methanol, biofuels, batteries - or carbon capture and storage. Where our industry is now, flexibility concerning energy is critical to success.

To diversify and get experience in new areas of the industry, we entered into a joint venture with Peak Group in 2022. The JV is called Skarv Shipping, and last year, we were happy to order four new 7,000 dwt, low-carbon, multipurpose vessels. They will sail in the European short-sea market from the end of 2025. The design includes an extended range of energy-saving technology, making it a significant step towards zero-emission vessels.

In 2010, we established Grieg Green to help our industry recycle its vessels sustainably. I am happy to say that Grieg Green expanded by the end of last year when it purchased a majority shareholding in ReFlow, a company with deep expertise in lifecycle analysis and environmental reporting. That is a significant expansion of our sustainability offerings.

Navigating the challenging waters of 2023—real and symbolic—could only be done with an organisation and partnerships teeming with creativity, engagement, and professionalism. We continue to rely on people and develop them professionally and personally. Together with our partners and joint ventures, we will continue to deliver maritime services for a better future.

Thank you to our dedicated teams at land and sea for all of your contributions in 2023.

About this report

Welcome to Grieg Maritime Group's 2023 Annual Report, which covers our business, strategy, and performance. The report's primary purpose is to explain how we create value for our stakeholders as an owner and service provider in the maritime industry and as a responsible employer and contributor to our society.

During 2023, we have enhanced Grieg Maritime Group's efforts to improve our reporting, as we believe combining the reporting of our financial, environmental, social and governance situation is vital for the organisation's behaviour when working for a more sustainable future. Our ambition is to show connectivity, allowing the reader to understand how Grieg Maritime Group's capital and human resources create value in the short, medium, and long term in context with external trends, the risks, and the opportunities to our business model.

Our company reporting quality has improved over the last decades, shifting from pure financials also to include risks and compliance matters, and sometimes also the more social side of the organisation. When we today have a more integrated focus on our business activities, there is a stronger drive in the management and the board to include sustainability targets when setting company objectives and key metrics. Thereby, integrated reporting also enhances business resilience, enabling better and more integrated decision-making and giving rise to more connected thinking across the organisation.

Our 2023 Annual Report is shaped by the Company's preparations to comply with the European Union's Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards. As part of this, Grieg Maritime Group has carried out its first Double Materiality Assessment and Climate Change Risk Assessment, pushing the organisation to discuss its impacts – in terms of risk and opportunities and then targets and actions that can be implemented to improve our footprint. The outcome of this process forms the structure of this year's report. Also new this year is our report concerning the EU Taxonomy, disclosing the proportion of Grieg Maritime Group's business that is taxonomy eligible (and not) and its significance.

In addition to maturing our reporting towards the requirements of CSRD, several of the metrics on Environmental, Social and Governance (ESG) matters are founded on the Norwegian Shipowner Associations' "Guideline on ESG reporting in the shipping and offshore industries," disclosing important aspects of our sustainability performance in the shipping industry. We follow the "Greenhouse Gas Protocol" when reporting on Scope 1, 2 and 3.

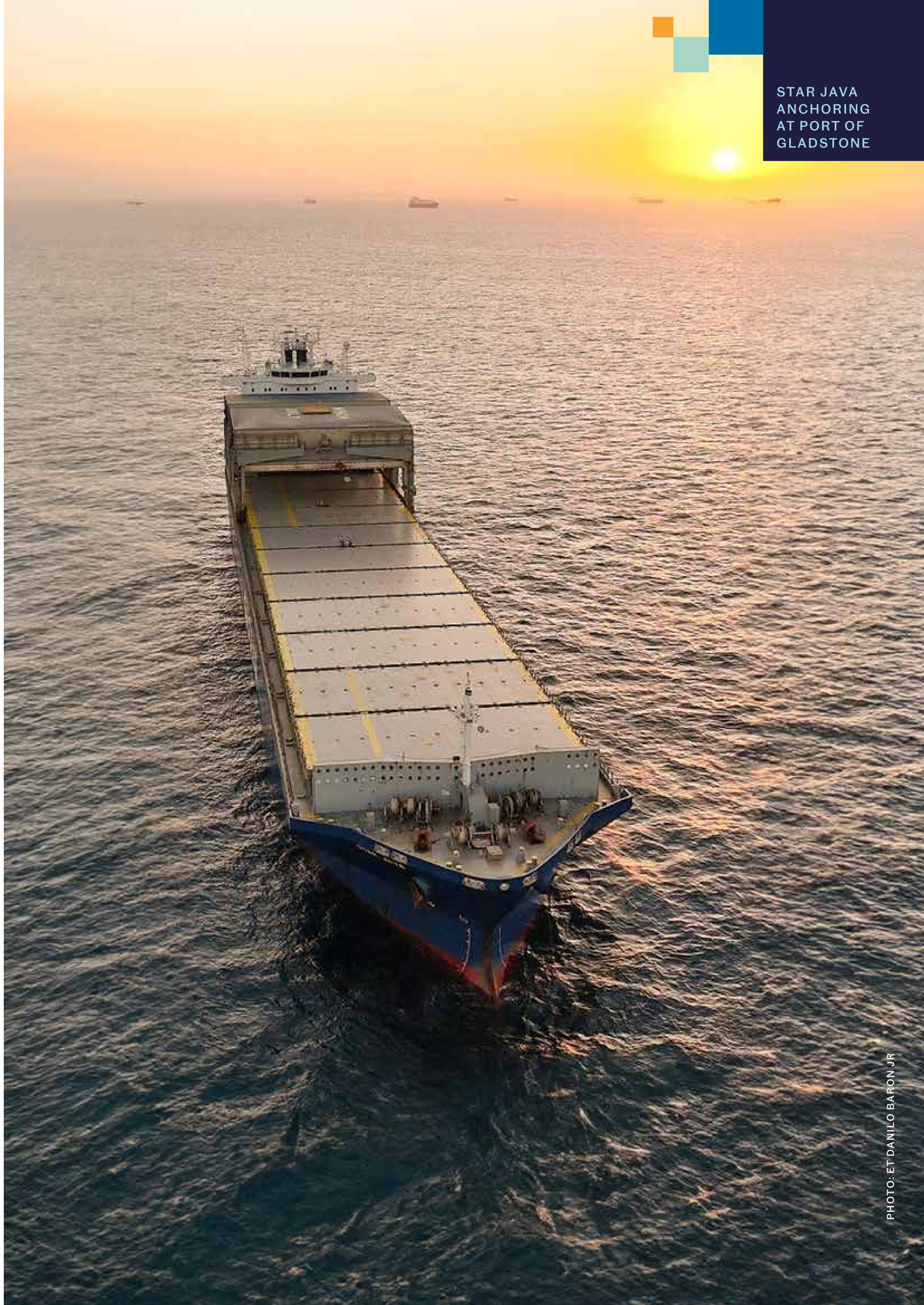
Previously, we reported emissions from our vessels as Scope 1. After a deep dive by The Norwegian Shipowner's Association and Position Green, we are from 2023 reporting this a Scope 3. Our vessels are charted out long term to G2 Ocean, and they as commercial operator are the ones directly controlling the purchase and usage of fuel and will report this as their Scope 1 emission. That implies that from 2023 onwards, our Scope 1 emissions will be 0, while our Scope 3 emissions increase accordingly.

This way, we share what our stakeholders find important, telling a comprehensive value-creation story and ensuring your trust in Grieg Maritime Group as a business partner, employer, and contributor to society.

Unless otherwise indicated, the scope of the data in the report covers all our operations for the entire calendar year 2023 or reflects the status as of December 2023. Where not specified, data come from our own sources and estimates. The report has been completed with the oversight of our Board of Directors and reviewed by our Top Management Team, including the CEO and CFO. Our auditor, PwC, has audited the financial accounts, including the Directors' Report, while the remaining part has been subject to their comments. We plan to use the 2023 report to assess what will be needed and close the gaps to deliver a CSRD-compliant report for 2024 - one year ahead of what is required for Grieg Maritime Group.

In this report we also refer to "Grieg Maritime Group" as «GMG», «the Group", «the Company», «we» and «us».

We welcome your feedback and suggestions for future improvement. Please get in touch with us at: transparency@griegmaritime.com



STAR JAVA ANCHORING AT PORT OF GLADSTONE

PHOTO: ET DANILO BARON JR

Our history

1884

After working as a captain on The Norwegian North Sea Expedition and living at sea for 13 years, Joachim Grieg founded a ship brokerage company in Bergen. When people used wooden sailing ships for transportation, Joachim Grieg became one of the first modern shipbrokers in Norway, as he invested strongly in steamships.

1959

Per Waaler established AS Star Shipping on the 24th of November 1959, but the company was not formally registered until the 11th of April, 1961.

1962

In November 1962 the Star Pool came into effect, formalised on the 5th of February 1963. Star Shipping and Westfal-Larsen & co agreed to make vessels available for a joint shipping operation.

1964

Star Bulk Shipping Company was formed on the 18th of September, with Westfal-Larsen & co and Star Shipping as equal owners. Per Waaler turned his ship-owning company into a partnership with among others Per Grieg and changed the name to "Billabong".

1965

The first ships were equipped with gantry cranes to secure more accurate stowage and larger output per hour. The gantry cranes stayed on as preferred cranes on the Star vessels until the L-class was acquired in 2012. The same year we ordered three Open Hatch vessels, the first in the Star system. Since then, the Open Hatch vessels have been the backbone of the Star fleet.

1972

To reflect that Star had advanced from being a bulk transporter, the name of the company changed to Star Shipping. At the same time, a common identity was approved, giving all the vessels Star names and yellow funnels with the star flag. That naming tradition is still with us.

2001

The last of the first generation owners and gründers retired in 2001. At an age of 70, Per Grieg left his place on the board to his daughter Camilla Grieg.

2008

The Star organisation and business were divided between the owners. Grieg continued to operate a slimmer Star Shipping, while Masterbulk sat up their own organisation. Star Shipping was integrated as a part of Grieg Star, moving its headquarters to Grieg Gaarden in Bergen, with Camilla Grieg as CEO and Elisabeth Grieg as Chair of the Board.

2010

Grieg Star established Grieg Green, a company focusing on sustainable recycling of ships, later on also rig recycling and IHM.

2017

Grieg Star entered into a new pool, this time with long time competitor Gearbulk. The intentions were announced in the fall of 2016, and on the 1st of May 2017, the joint venture was established: G2 Ocean, the world's biggest Open Hatch company.

2020

Grieg Star established a new company to strengthen innovation. Grieg Edge aims to identify and develop new business opportunities within shipping and related maritime segments – always with sustainability as a requirement.

2021

After several years of incremental changes and new subsidiaries, Grieg Star Group adopted a new name to mirror the development. From the 1st of January, the group is called "Grieg Maritime Group".

2026

The brand new N-class will be delivered. The four 82,000 dwt vessels will be the largest in the company's history - and will be ready for ammonia retrofitting

2030

The Grieg Maritime Groupd fleet have cut 50% of its annual CO2 emissions compared to 2008 - well on our way to zero in 2050.

Sustainability

based on the European Sustainability Reporting Standards (ESRS)

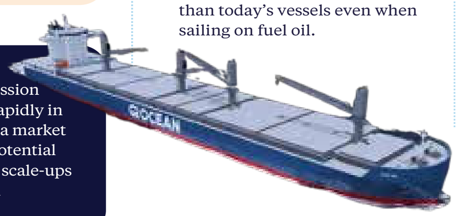
CLIMATE CHANGE

Our commitment

We are committed to reducing our CO_2 emissions by 50% by 2030 compared to 2008. By 2050, we will reach net zero. We will achieve this by investing in research, new vessels and new technology.

Newbuildings

Our four new N-class Open Hatch vessels will be delivered in 2026. The vessels are ammonia-ready, have energy efficiency technology installed, and are of a size that makes them far more climate-friendly than today's vessels even when sailing on fuel oil.



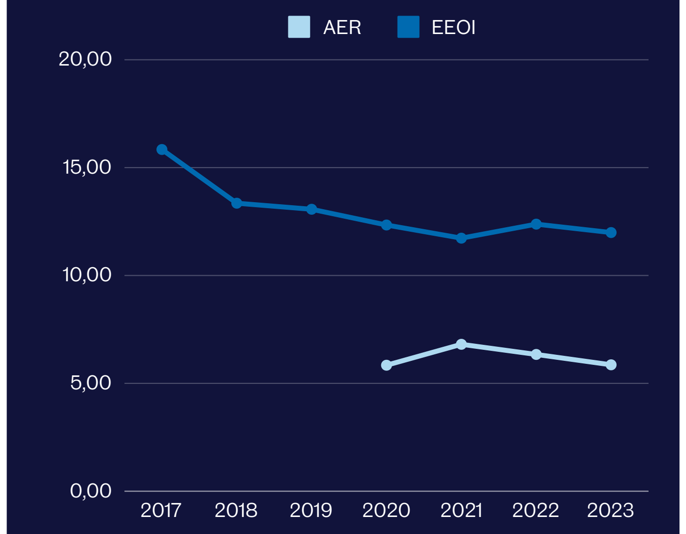
Ventures

The demand for zero-emission technologies is growing rapidly in our industry. We see it as a market with significant growth potential and support startups and scale-ups focused on zero-emission technology.

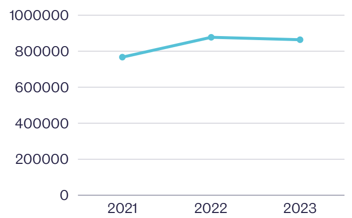
Partnerships

Our joint venture with Peak Group, Skarv Shipping, has ordered four new short-sea multipurpose vessels. They are ready for carbon-free fuels, and the company has invested in electrification systems to reduce carbon emissions further. Similarly, we hope that our investments in ammonia production with North Ammonia and hydrogen with Green H will reduce the CO_2 emissions in shipping in Northern Europe.

Fleet emissions

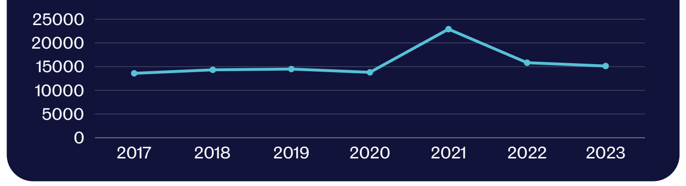


Total GHG scope 1,2,3 (t CO_2e)



The increase in total emissions from 2021 to 2022 is due to the increased quality of data, not an actual increase. Previously, we reported emissions from our vessels as Scope 1. From 2023 onwards, we will report this as Scope 3. Read more about why we do this on page 6.

NOx



Climate action initiatives

- Mewis ducts
- Electric cranes with power regeneration
- Battery packs
- Propeller Boss Cap Fins
- Waste heat management
- VFDs on main cooling pumps and fans
- Refrigerant system leakage detectors
- Energy awareness

Read more about these initiatives at https://griegstar.com/what-we-do/decarbonization/

BIODIVERSITY

Endagered species

We have mapped the number of whale species with habitats in our most traded routes threatened by ship strikes, especially at night when whales are near the surface. We slow speed in the Right Whale Seasonal Management Area in the US and Canadian Pacific coast to reduce the stress on the animals, in accordance with prevailing regulations.

Preserving Eco-systems

Ecosystems can be at risk of harm from the introduction of invasive species. This can happen when ships release untreated ballast water or when their hulls become covered in unwanted organisms. To prevent the spread of harmful aquatic life from one region to another, all of the vessels in our fleet have been equipped with ballast water treatment systems. Our anti-fouling systems contribute to preventing such spread, but are in itself possibly harmful in their nature.

OWN WORKFORCE

Gender equity

Our people build our success. Attracting and retaining the best people means ensuring equity in all aspects. We have vowed to have at least 40% women in management positions by 2030 — and we are already there. That same year, we will have 10% female seafarers.
Still, we struggle to attract enough women for certain technical positions and will establish an action plan to achieve diversity in those departments as well.

40by30

Health

The health and safety of our employees is our *first priority. In 2023, we had a Lost time injury frequency (LTIF) on board of 0.59 - lower than the two previous years. Sick leave onshore was 2,2%

Development

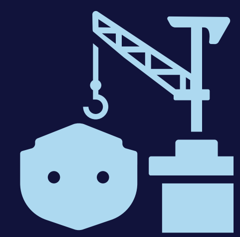
We need to combine organisational and individual development to grow the competence of our teams. In 2023, our seafarers received, on average, 82.7 hours of training. Onshore, the number is 33 for females and 28 for males.

CIRCULARITY

Women in the recycling industry

A circular economy means using resources wisely and recycling as much as possible. It's not just about helping the planet; it's also about saving money and streamlining operations. But a lot of the work is done by poor and uneducated workers with little HSE focus.

Grieg Green supports female workers in the downstream industry of ship recycling in India together with SEWA to improve their situation and important work.



Plastic

We fight to reduce the plastic waste onboard our ships. All vessels have water fountains and reusable bottles - and will get water delivered in paper cartons.

ReFlow

At the end of 2023, Grieg Green invested in ReFlow, a leading Danish supplier of Lifecycle Data and Advisory Services. ReFlow's digital platform provides ship owners with information and tools for sustainable decision-making.

WORKERS IN THE VALUE CHAIN

Human Rights

In 2023, we implemented new procedures at GMG to enhance our approach towards human rights. These included a Third-party Screening Procedure, guidelines for conducting Human Rights Impact Assessments, and Remediation Guidelines. Each tool is critical in helping us address and improve human rights issues in our operations.
In our annual report, we report according to the Norwegian Transparency Act (pages 62-63).

Recycling

In 2023, we updated our ship recycling procedures to mitigate potential human rights risks. We screen the yards, conduct a human rights impact assessment, and supervise the recycling operation.

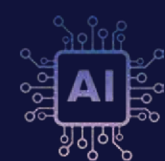
Digital screening tools

Last year, we screened our top 10 suppliers based on contract value and conducted a risk assessment based on suppliers' locations. In 2024, we will implement software that will enable us to map, gain insights, and quickly identify risks from our supplier network, monitor follow-ups and centralise suppliers' communications.

INFORMATION & CYBER SECURITY

Artificial Intelligence

The use of Artificial Intelligence (AI) in our operations has started carefully. Still, a few of our employees have started to use AI in their work, and by the end of the year, we also saw our first internally developed AI tool finalised: the Chat GMG. Testing of different solutions is underway. All employees have been instructed to use AI systems mindfully regarding information and cybersecurity.



Cyber response

Regularly, we organise cyber incident response exercises to train the organisation on handling cyber security breaches. Part of these plans is related to how we inform our stakeholders about how we mitigate with their interests in mind.

Training

More than 9 out of 10 employees participate in a training system related to cyber threats. Throughout 2023, we have completed more than 6,200 simulations. The average fail rate of 3.4% for employees with more than 30 simulated e-mails.

Photo from the Strategy Festival, celebrating and deep diving into the strategy laid in the fall of 2023

ESRS | General

ESRS GOV1: GOVERNANCE

A responsible organisation

Good corporate governance is essential in achieving Grieg Maritime Group's overall objectives and for us to act as a responsible organisation.

Grieg Maritime Group's vision, "Creating maritime solutions for a better future," captures our commitment to operating profitably and sustainably in accordance with ethical norms and respect for the individual, society, and the environment.

Our commitment also implies that we do not issue a separate sustainability strategy. Instead, our vision is covered through four strategic pillars:

- Build new sustainable business
- Ensure world class operations
- Take a leading role in the maritime green shift
- Implement clear ownership strategies

Across these dimensions, we measure progress and results by what we deliver and how we deliver.

Through our operations, we face various risks: Risks to our business strategy, operational risks, and risks associated with protecting our employees, the environment, our assets, and our reputation. Assessing and managing these risks is part of our sustainability work. Equally important are our efforts directed towards the identification and pursuit of opportunities. They may arise as a result of our risk handling or due to the company's commitment to develop new sustainable business activities. We consider transparency and disclosure on how we operate in these matters vital in building trust, as through dialogue with our stakeholders, we better understand the expectations of the society we operate in. As part of our journey towards CSRD-compliant reporting, we share some specific targets and actions on how we address Grieg Maritime Group's risks and opportunities to drive the sustainability improvements that our company has an impact on.

ESRS GOV-1:

The role of the administrative, management and supervisory bodies

The Board of Directors is the supreme corporate body of the company and is responsible for setting the overall direction and objectives of Grieg Maritime Group.

To ensure its long-term success, the Board oversees that the strategy aligns with the company's vision and values. The Board also oversees and assesses relevant sustainability elements that impact strategic, operational, and financial matters. This includes opportunities, critical risks and risk-reducing measures as the Board is expected to ensure that Grieg Maritime Group operates under a sustainable business model like any Grieg Group company.

VALUES

The foundation for this is the Grieg Group's shared values, its commitment to the UN Sustainability Goals and its environmental vision: "We Will Restore our Oceans". The shareholder's ambitions are also stated in their "Ownership Letters" to the Grieg Group's company boards and CEOs and through various overriding group policies concerning ESG matters, Ethical Guidelines, Human Rights, Gender Diversity and Sustainability Reporting Requirements.

The Grieg Maritime Group's Board consists of seven members, all Norwegian citizens. The gender composition is three women and four men, implying a 43% portion of women on the Board. 43% of the board members are independent of the administration and the shareholders. The Board works as a team in all matters and assembles at least eight times per annum.

There is no representation from the employees on the Board, but the CEO, CFO and VP Legal and Compliance (the Board Secretary) participate in all board meetings. The Executive Management Team take part in the Board's annual strategy discussions. In addition, they meet regularly, often accompanied by their expert co-workers, with the Board for business unit reviews or to discuss specific matters within their area of responsibility. This facilitates an open dialogue between the Board and the administration, ensuring sufficient reporting, discussions and alignment on business and sustainability matters.

CEO AND MANAGEMENT

The execution of the Group's strategy is delegated from the Board to the CEO, who is primarily responsible for the company's daily management and financial situation. The CEO leads the company according to its objectives, strategy, values, and sustainability goals and shall conduct the work according to ethical and commercial principles with due regard to the shareholder's ownership expectations. This is formalised in a BoD mandate to the CEO. He shall immediately notify the Board if any material worsened or expected worsened financial situation or other material risks and damages to the company, including incidents and decisions related to, e.g. health, safety, security, environment, compliance, and other sustainability matters.

The CEO is assisted by six senior executives, three women and three men, to deliver on the CEO mandate. Together, they make up the Company's Executive Management Team. The Board holds the Executive Management Team accountable for following Grieg Maritime Group's strategies, adhering to its policies, and implementing compliance within its expectations and commitments. This requires a high standard of ethical business conduct, which is necessary to care for the Group's employees, safeguard human rights, and assess risks related to the environment and other sustainability matters.

The Board and Executive Management Team possess broad expertise in international shipping operations, business development, technical ship management, finance and investments, organisational development, cyber security, new energy, corporate social responsibility, risk assessment, environmental issues, and strategy implementation. They have experience in both Norwegian and international business. The age distribution among the two teams is good, ensuring various perspectives on the matters discussed.

MEETINGS

The Executive Management Team meets weekly, where sustainability matters are part of the agenda, either because of a case requiring immediate consideration, policy setting, sharing perspectives, or competence enhancement. Sustainability topics are discussed at ordinary BoD meetings as part of the CEO's business update, strategy and investment discussions, or as separate agenda items. Ad hoc extraordinary board meetings are summoned when required, and there is regular dialogue between the Board Chair or individual board members and the CEO, members of the Executive Management Team or VP Legal & Compliance. Some of these conversations are linked to sustainable business conducts requiring prompt assessment and response.

Grieg Maritime Group's business units, Grieg Shipowning, Grieg Star, Grieg Green, and Grieg Edge, are managed by designated members of the Executive Management Team who are accountable for assessing impact and executing the Group's sustainability ambitions, managing relevant risks and opportunities within their line of operations. Some business units employ dedicated safety, security, energy transition, compliance, and sustainability specialists. Others draw on resources from the other business units, the company's group function, and resources in the wider Grieg Group or the G2 Ocean joint venture. This forms a safety, security, compliance, and sustainability network with the necessary skills and expertise for Grieg Maritime Group's activities.

SUSTAINABILITY MATTERS

We have established various forums that evaluate sustainability matters before presenting a recommended position or action for the respective business unit heads, the Executive Management Team, or the Board. These are the Group's Compliance Forum and various so G3 Forums or Teams. The latter consists of expert groups formed by managers and professional experts with defined mandates from the three JV partners G2 Ocean, Gearbulk and Grieg Maritime Group, and are the G3 Compliance Group, G3 Trading Risk Area Group, G3 Vessel Performance Team, G3 Fleet Management and Safety Forum, G3 HR Forum, G3 Finance Forum, G3 ESG Coordination Group, and Tonnage Forum.

The ESG Coordinator organises cross-functional and cross-business unit projects within Grieg Maritime Group, driving sustainability reporting and target setting. This work is sponsored by the CFO and the Chief Strategy Officer, who also ensure alignment within the Executive Management Team. Day-to-day assessment, implementation, and reporting are, however, a line management responsibility. This is to ensure that corporate social responsibility is an integral component for all business units and operations, their management teams, and departments.

GROUP FUNCTIONS

Group functions relevant to sustainability assessment and mitigation include:

- Strategy and communication.
- Finance & control.
- Business development.
- ESG reporting.
- People & organisation.
- Legal & compliance.

These functions facilitate strategic impact discussions, target setting, advice, stakeholder dialogue and advocacy, and risk and performance reporting to the Executive Management Team and the Board. Key Performance Indicators are defined at both the Group and business unit levels and are also available to employees.

The BoD receives monthly and quarterly reports of business performance, including KPIs on sustainability risks and opportunities, and reviews the Annual Report, also covering sustainability matters. While reporting is a CFO responsibility and is executed by finance, the ESG team, and communications, it relies heavily on employees across the Group to acquire correct and consistent reporting.

EXTERNAL SUPPORT

Professional expertise on sustainability matters is sought from external consultants when necessary to ensure expert opinions or sufficient capacity or implementation capabilities. Sustainability competence enhancement is organised several times a year for the entire organisation, mainly through in-house training webinars, open town hall meetings and strategy presentations and through presentations and discussions with the Executive Management Team and the Board.

> The BoD receives monthly and quarterly reports of business performance, including KPIs on sustainability risks and opportunities

The Group's general governing policies and procedures on health, safety, security, sustainability, integrity, and governance principles are gathered in the Group's business governing system, OnTrack. These are reviewed regularly and updated based on, amongst others, assessments of economic, environmental, social and governance matters. Each document has a responsible document owner and a person accountable for implementation. Many policies are brought to the Board for their approval, whilst others are consented to by the Executive Management Team, depending on the authorities granted by the Board as outlined in the Group's authority matrix.

ESRS GOV-2:

Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

> All parts of the business, from employees and managers to business units and the executive management team, lift sustainability matters that constitute risks to the company.

The level of involvement and where things are handled depend on the matter at hand. The process is governed by employee job descriptions stating responsibilities and authorities, established governing forums, and business unit mandates. Matters are expected to be discussed openly to explore impact and risk mitigation measures, ensure proper actions and communication, and potentially unveil business opportunities.

INFORMING THE BOD

The Board is regularly informed about sustainability matters as part of the CEO's business update at board meetings, through the monthly and quarterly reports from the Executive Management team, and ad hoc written information from the CEO when timing is essential. Matters are also regularly informed throughout the organisation during weekly operation briefs and department- and management meetings.

Any material matter or decisions involving the usage of funds are handled according to an established authority matrix for the Executive Management Team, the CEO, and the Board. Whenever an investment case or status on business performance is presented to the Board, its impact, risks, and opportunities concerning both financial, operational and sustainability are considered.

With sustainability as an overriding requirement for the company's business model, management's strategy meeting preparations and discussions with the Board do not only address business and organisational development but also challenges, deliveries and ambitions related to sustainability. For example, at the 2023 strategy meeting, the Group's commitment to slash greenhouse gas emissions per transported unit by at least 50% by 2030 was reiterated together with discussions on how to achieve this, including a monetised commitment to invest in decarbonising measures on the Group's open hatch fleet.

OTHER SUBJECTS

Other sustainability subjects that have been raised by the organisation, the Executive Management and/or the Board during 2023 are:

- How to retain women seafarers and ensuring a safe working environment onboard, how to increase the number of women seafarers and recruit more women in technical positions on shore
- The safety of our seafarers in relation to sailing in high risk areas as the Black Sea, Gulf of Aden, Gulf of Guinea and the Red Sea
- Reputational risks given G2 Ocean's cargo contract towards the NEOM project (Saudi Arabia),
- How to identify red flags before committing vessels to carry goods that may end up in disputed countries,
- How to ensure there are no breach of Russian sanction policies,
- The conditions for workers at recycling yards in Turkey and India and accountability for proper recycling
- Measures to reduce the number of injuries to seafarers and stevedore workers
- Implications when committing to sustainability linked financing,
- The dilemma of planning for future usage of ammonia in seagoing transportation when other industries that are heavier polluters are likely to have more effect of utilising this green energy.

We consider these assessments as part of our job to "Ensure world-class operations".

INVESTMENTS

Further on, the acquisition of 51% in ReFlow by Grieg Green and Grieg Edge's new investment in Pascal and its follow-up investments in Ocean Oasis, Evoy, North Ammonia, Grieg Ammonia Distribution Vessels and GreenH were discussed and agreed with the Board during the year as part of our commitment to "Build new sustainable business". Lastly, ordering four ammonia-ready open hatch vessels and 2 +2 multipurpose vessels contracted through our JV Skarv Shipping spurred numerous considerations within the organisation and between the Executive Management and the Board. An important part of the sustainability discussions was also which investments in emissions reductions should be made short-term, and which should be put on hold to keep an optionality longer-term, related to our commitments to "Take a leading role in the maritime green shift" and "Implement clear ownership strategies".

Board of Directors

Camilla Grieg
CHAIR OF THE BOARD

Kai Grøtterud
MEMBER OF THE BOARD

Elisabeth Grieg
MEMBER OF THE BOARD

Didrik Munch
MEMBER OF THE BOARD

Hege Leirfall Ingebrigtsen
MEMBER OF THE BOARD

Rune Birkeland
MEMBER OF THE BOARD

Stian Grieg Sæthre
MEMBER OF THE BOARD

Management team

Matt Duke
CHIEF EXECUTIVE OFFICER

Nicolai Grieg
DEPUTY CEO & MANAGING DIRECTOR GRIEG EDGE

Annicken G Kildahl
CHIEF FINANCE OFFICER

Vidar Lundberg
CHIEF BUSINESS DEVELOPMENT OFFICER

Kjerstin Hernes
CHIEF STRATEGY OFFICER

Pia Meling
MANAGING DIRECTOR GRIEG GREEN

Atle Sommer
MANAGING DIRECTOR GRIEG STAR

ESRS GOV-3:

Integration of sustainability-related performance in incentive schemes

The Board discusses the conditions of employment for the CEO and the philosophy, principles, and strategy for the compensation of leading executives and other employees. Whilst the Group's strategy has integrated sustainability objectives and key metrics have been established, the Group's incentive scheme is currently not directly linked to specific sustainability performance measures. Bonuses are primarily given when the company achieves certain financial thresholds, having a typical characteristic of a profit-sharing scheme.

ESRS GOV-4:

Statement on due diligence

Covered in IRO- pages 36-39

ESRS GOV-5:

Risk management and internal controls over sustainability reporting

The Executive Management Team in particular, and the Board are involved in the annual assessment of the company's sustainability-related impacts on people, the environment and society, including sustainability-related financial risks and opportunities (the Double Materiality Assessment).

The same applies when the company carries out the annual Climate Change Risk Assessment. Ahead of this, a structured process takes place where all parts of the business and the various business units and departments are involved in identifying material topics and scoring their impacts and risks. This work is based on a well-established risk matrix approach that has been utilised across Grieg Maritime Group for decades when assessing risks and change processes. The risk matrix concept is founded on best practices that external audit functions typically apply when evaluating internal control in licensed businesses.

An iterative process is put into work for sustainability (and other business-related) target settings. The Board sets the overall objectives, which are then operationalised into actions and/or targets based on input and discussions with the operative organisation and the Executive Management and coordinated by the ESG team.

VISION

Creating maritime solutions for a better future

OUR VALUES

Solid
We contribute to a stable economic foundation and thus ensure business continuity.

Proud
We contribute to the welfare of our society, nationally and internationally.

Open
We are honest, exchange ideas and seek to understand and learn from our colleagues.

Commited
We care about the job we do, work environment and the people around us.

OUR BUSINESS AREAS

Shipowning
Shipping
Ship Management
Maritime Sustainability services
Maritime Business Development

4 QUALITY EDUCATION
5 GENDER EQUALITY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION
14 LIFE BELOW WATER

STAR MAJESTY
FRESH FROM
DRYDOCK

PHOTO: CAPT DANILO SABADO

Managing business risks

In our operations, we have sustainability risks and more direct operational and financial business risks, which we address and manage.

As we operate internationally, global politics and events may directly impact our business. Throughout 2024, there will be 70 elections in the world. Some of these may challenge regional or international stability. A growing multipolarity will also make it more difficult to grasp the effect of events and policy changes.

MIDDLE EAST

The growing unrest in the Levant through 2023 culminated with the terror attack on Israel in October and the following military attacks on Gaza. As we don't have any business in Israel or Gaza, the events in themself would normally not affect us.

However, the Houthi forces in northern Yemen engaged in the conflict by starting to attack ships suspected to be connected to Israel and its closest allies. As a result of these attacks, the traffic in the Red Sea has decreased, leading to large parts of the world's fleet having to sail around Africa.

Our company's ships rarely navigate through this particular area. However, our HSEQ department always keeps a close eye on the security situation in the region. This allows us to make swift decisions should one of our vessels be scheduled to sail through this area should the situation improve. The same team also oversees our operations in other high-risk areas, such as those with a high risk of pirate attacks.

GLOBAL TENSIONS

Over many years, we have established a close connection with Chinese yards, doing all our dry dockings in China. Similarly, we will build our N-class in China, and your subsidiary, Skarv Shipping, will also build its new short-sea vessels in China. Like many shipping companies, a fair part of the trade G2 Ocean handles is out from or into China.

Based on this situation, the deteriorating relationship between the USA and China has increased the risk of doing business with China. In 2023, we conducted a thorough analysis of these risks and developed guidelines to manage our relations with Chinese suppliers and customers. In light of the Russian invasion of Ukraine, we only send any of our vessels to the Black Sea if our HSEQ team deems the voyage safe for our crew.

FINANCIAL AND MARKET RISK

The Group's financial and market risks are mainly risks related to development in freight rates, ship values, currencies, and interest rates. Most of these risks strongly correlate to macro-economic development. Our fleet's earnings are largely linked to long-term cargo contracts. This implies that revenues are less volatile than in the spot market and that changing market conditions have a delayed effect on the results. Changing equity prices and interest rates affect financial investments and loans.

The company's liquidity portfolio is managed under a long-term strategy reflecting the Group's business principles and risk capacity to ensure the portfolio can withstand market fluctuations. During 2023, we chose to reduce the portfolio's exposure to equities in response to increased investment plans for the coming years. There are policies to reduce currency exposure and interest rate risk related to the fleet's funding arrangements. This is also applicable to the Group's joint ventures.

Counterparty and credit risk are part of our daily business conduct, along with corresponding routines and systems for control. The Maritime Anti-Corruption Network membership is one of the tools used to fight and report corruption and facilitation payments actively, and we use a digital tool to verify the identity of any potential sanction or political exposure of our counterparties. During 2023, we reviewed several of our policies related to third-party activities, such as anti-money laundering, anti-bribery and corruption, and sanctions, and provided training to the organisation.

ENVIRONMENTAL AND CLIMATE CHANGE RISK

Environmental spills and violations are risks prevailing in our shipping operations. We had no unforeseen oil spills in 2023, but a vessel controlled but not operated by us was detained for discharging oily bilge water without using the required pollution prevention equipment. Measures have been taken by the ship manager to prevent such incidents in the future, as they are illegal.

A factor impacting our shipping activities as we advance is the carbon emission regulations, incentivising the maritime industry to reduce its effects on climate change. This may have negative effect on operational efficiency through slow steaming as well as require investments in carbon-reducing measures in the short term and investments in green propulsion systems in the long term. With the phasing in of emission permits in the EU Emission Trading System (EU ETS) effective from January 2024, the organisation is working to implement the required processes and formalities. What the effects on our open hatch business model will fully be is being followed closely, as well as the development in availability and pricing of emission-free fuel.

Besides the emission reducing regulations, imposed by the International Maritime Organisation (IMO) and EU's Fit for 55 with the EU Taxonomy, some of our stakeholders as customers of G2 Ocean and our financial partners express various expectations on the Group to reduce carbon footprint and to minimise the potential risk of owning stranded assets. An important milestone to meet this risk is the ordering of four ammonia ready open hatch newbuilds which took place during 2023. Another initiative that will drive us towards transitioning to a green operation is our recent fleet refinancing, where we set explicit environmental targets on the Average Efficiency Ratio for 2024-2030.

> What the effects on our open hatch business model will fully be is being followed closely, as well as the development in availability and pricing of emission-free fuel

OPERATING RISK

As maritime operations are highly regulated, we are subject to strict safety, security, environmental impact, ship construction and equipment standards. We must also comply with operational requirements related to e.g. disposal of waste, oil pollution response, port operations, carriage of cargoes, ship recycling and seafarers' training and certification. We report regularly to public authorities and our financing partners on various matters. We are also subject to inspections and audits by local, national, and international authorities and other stakeholder groups.

Risk management in our ship operations follows a common, company-wide process based on well-recognised standards that include requirements, specific work processes and a common tool for vessel HSEQ and operations. We identify, evaluate, and manage risks according to this process to create value and avoid incidents. A new digital system to handle this work was implemented in 2023, which also catered for a full review of our processes and routines.

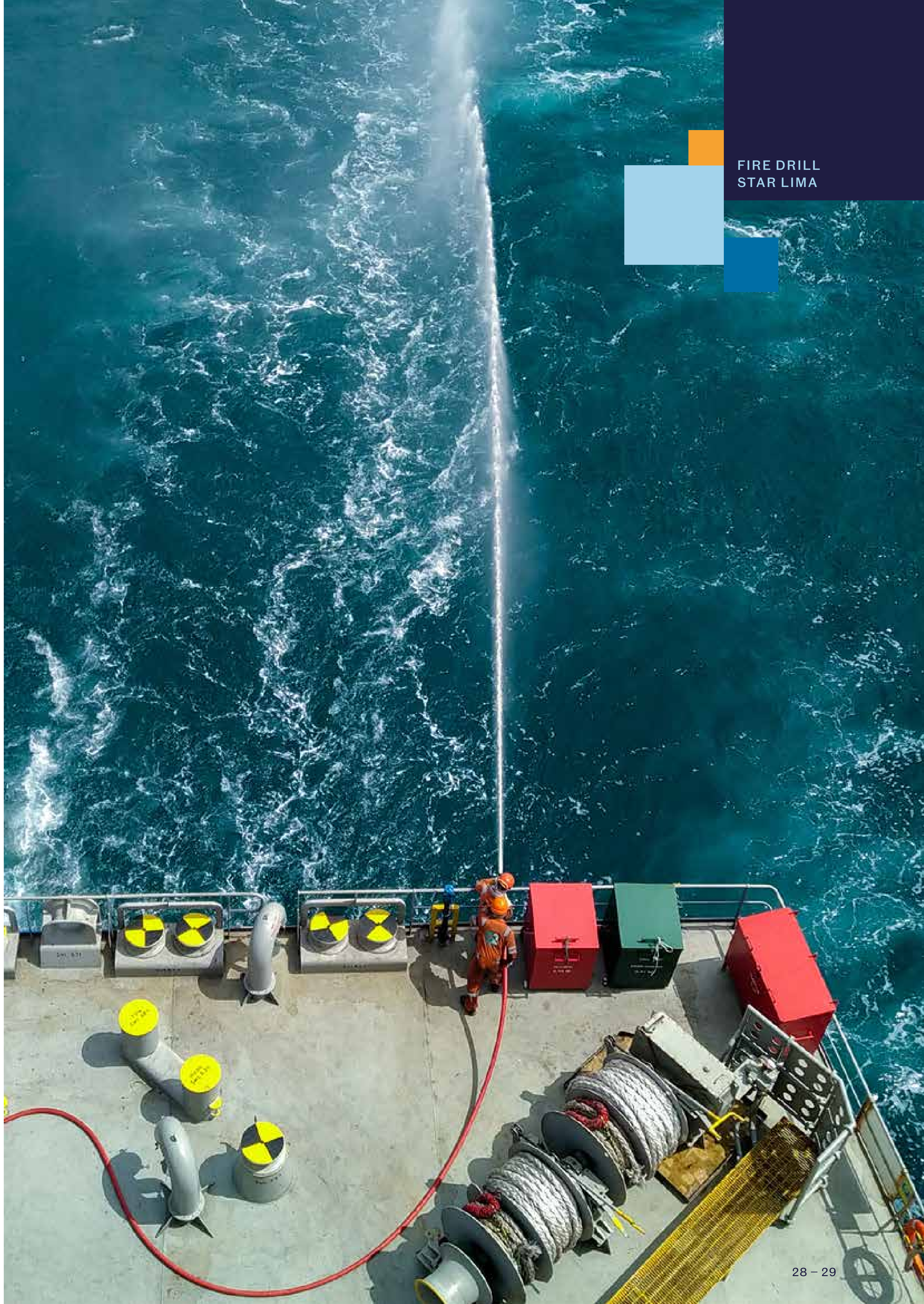
As manager of the Group's vessels, Grieg Star regularly conducts drills to ensure that the organisation is prepared to handle various incidents. Whenever an incident occurs, an Emergency Preparedness Team convenes. A digital emergency and response tool, operating independently of our IT system, is part of this.

RECYCLING AND INVESTMENTS

There are health, safety, and environmental risks at the ship recycling dismantling yards providing the decommission services that Grieg Green offers. Grieg Green asses these risks regularly through detailed pre-recycling planning and local site supervision. This is to ensure that working conditions are according to ethical standards, that safety and quality procedures are in place for all processes, that equipment used is suitable and verified, and that the environment is protected from hazardous waste. It is important to incentivise and motivate yards to continuously improve their standards and processes, no matter what country they are located. As part of this, Grieg Green has initiated YardScore in collaboration with key industry stakeholders to bring transparency to the ESG performance of recycling and repair yards.

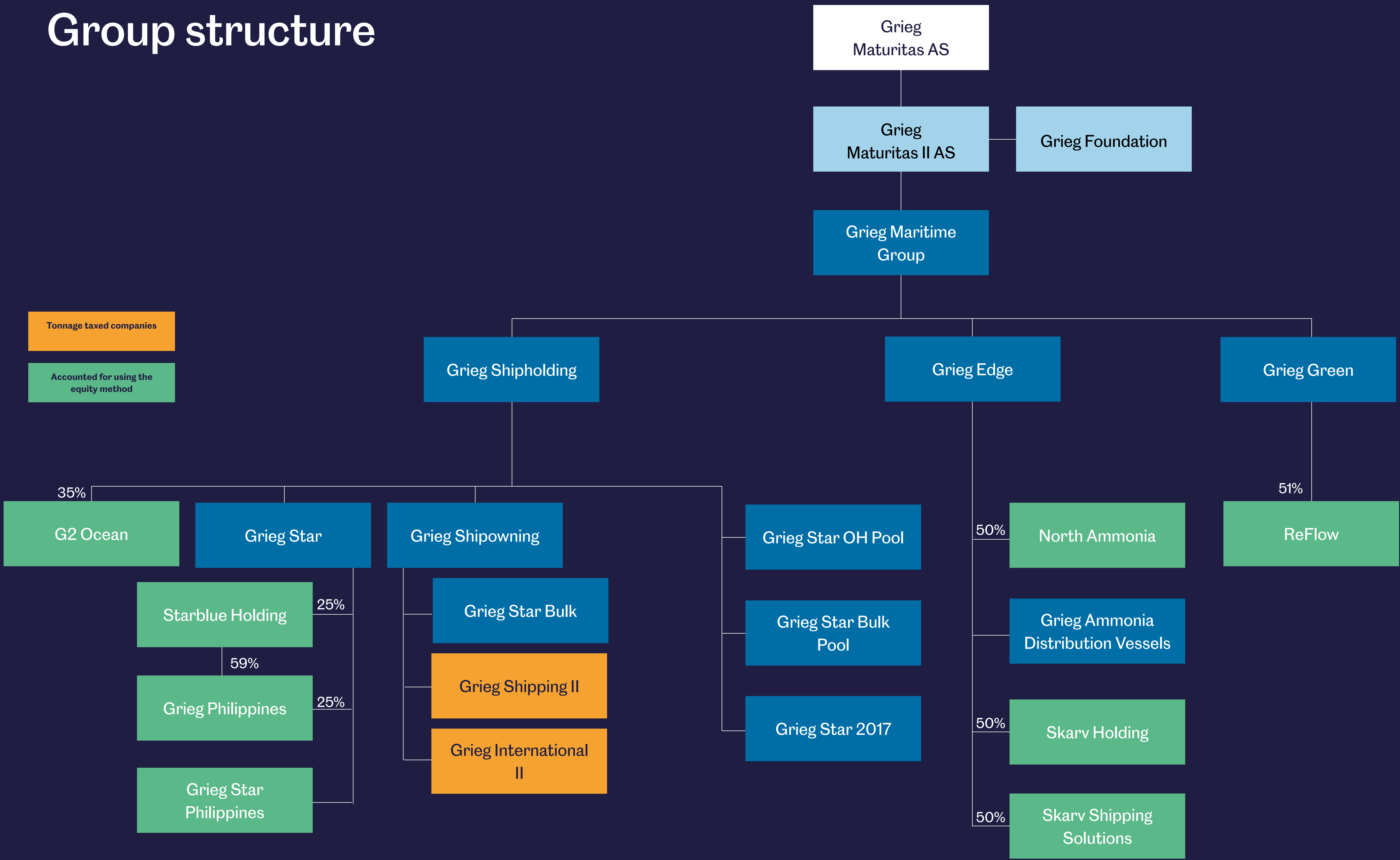
As Grieg Edge invests into new business solutions, the risk related to proof of concept in terms of technology risk and market entrance risk, is likely to increase going forward as its investment approach their final investment decision or are maturing into a more operational phase.

We have taken out insurance for the members of the Board and the General Manager for Grieg Maritime Group and its subsidiaries in respect of their personal liability for property damage that they may incur in connection with the performance of their duties. The insurance is taken out with an international company with a solid rating.



FIRE DRILL
STAR LIMA

Group structure



ESRS SBM: STRATEGY, BUSINESS MODEL AND VALUE CHAIN

A strategy based on sustainability goals

In 2020, we used our sustainability goals as a foundation for the strategy process, resulting in a four-pillar strategy with a strong sustainability focus.

Together with the rest of the Grieg Group, we defined our stretch goals for the 17 UN Sustainable Development Goals (SDGs) in 2019. Our strategy and vision build on these goals. Though each year sees amendments to the strategy, the four main pillars remain:

- Build News Sustainable Business
- Ensure World Class Operations
- Take a Leading Role in the Maritime Green Shift
- Implement Clear Ownership Strategies

SHIP OWNING AND SHIP MANAGEMENT

Grieg Maritime Group owns, manages, and provides world-class Open-Hatch vessels for cargo owners. Through Grieg Shipowning, we own or charter 31 such vessels. Our ship management team at Grieg Star handles the technical management of most of these ships. Through 2023, we reduced the number of external managers and will continue to do so in 2024.

The annual maintenance and operation of ships rely heavily on suppliers delivering various products and services, a need that is increased during the ship's five-year dry dockings

COMMERCIAL OPERATIONS

All our vessels are a part of a pool, commercially handled by G2 Ocean - a joint venture with Gearbulk. G2 Ocean is the world's largest Open Hatch shipping company, mainly shipping parcelled goods such as

- pulp, paper and forest products
- steel and building materials
- aluminium
- mining goods and materials
- agricultural goods
- wind energy components
- other project cargo

G2 Ocean customers are typically big producers of these goods. The goods are generally raw materials or materials for manufacturing or building, and as such, the recipients are industry and entrepreneurs.

The ESRS 2 section of this report covers the impacts, risks, and opportunities related to our shipping activities.

OTHER SERVICES

Two business areas are vital in our pursuit of diversifying our business model and creating new maritime sustainable business. Grieg Green is a subsidiary that provides ESG-related services, such as sustainable recycling of ships and rigs, hazardous materials services, and advisory services. Customers are traditionally ship and rig owners, but yards have shown interest in their advisory services lately.

Grieg Edge focuses on building new sustainable maritime business. Its three segments are within clean energy, short-sea shipping and oceanventures. The two first are project areas delving into ammonia and hydrogen production and distribution, and decarbonisation of the European short-sea fleet. The latter is focused on investing in start-up companies that focus on sustainability services or products.

Details on the financial effects of our businesses are available in the Financial Report from page 74. An overview of our stakeholder engagement is available on the next page.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Through 2023, our ESG team engaged external experts to help analyse our impacts, risks, and opportunities related to ESG matters, particularly climate change.

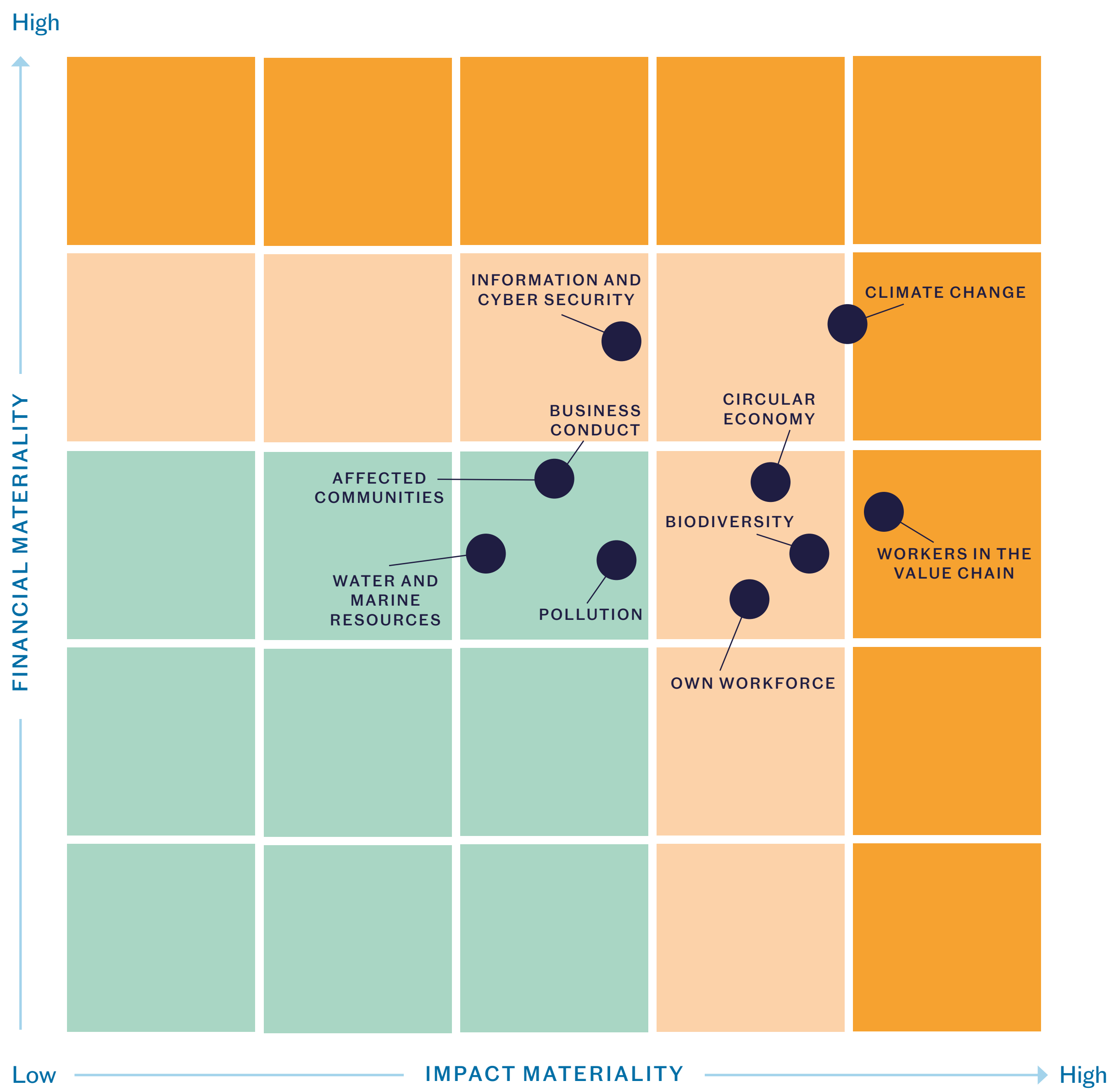
We also undertook a double materiality assessment, as found on pages 36-38. This assessment showed climate change as our most material topic, followed by biodiversity, circular economy, workers in the value chain, own workers, and information and cyber security. The Open Hatch business stands for most of the risks and impacts related to these topics. We see, however, that they represent opportunities for several of our business areas.

Impacts, risks, and opportunities related to climate change were components of the strategy and conclusions for 2023. The findings of the analysis and assessment will also be a vital part of the strategy for the years ahead.

Details on employees and geography is found on page 55.

Stakeholder engagement

Stakeholder	About them	How do we engage?	Key Topics or concerns raised	Actions or initiatives
Employees	All the employees working under Grieg Maritime Group and future employees	• Via BLINK, an internal communication appplication for seafarers • Individual development dialogues • Employee lifecycle management • Employees Pulse surveys • Events hosted by us or with other partners • Internal intranet • Own webinar regarding specific subjects and compliance training	• Internal pulse surveys suggests that employees are happy at the work place but that there is room for more feedback and a need for better sleep quality • Organisation structure is unclear • Bullying and harassment onboard • Office landscape (sitting, quality of air, lighting, noise, etc.) • Decarbonisation of the industry and company	• Throught the employee life cycle we have conducted Sustainable coworkership programs, leadership trainings as well as emerging professionals trainings. • Annual individual development dialogues for all employees with their respective managers • Anti-harassment and bullying campaing ("I'am a buddy not a bully"). • Engagement with an external party specialised in mental health to "take the pulse" of the organisation, by sending "pulse surveys" in shorted intervals • With the collaboration of Youngship, we hosted an event at Grieg Gaarden premises to promote careers in the maritime industry and engage with young professionals
Organizations/NGO	Partnering initiatives: It includes arrange-ments or collaboraritve initiatives with other parties (it can be with NGOs, governments, other business, individuals or a combination) to advance or make an impact on ESG (non-profit partnerships)	• Meetings and interviews • Events and project site visits	• Resource use, specially plastics and circular economy • Company's impact on whales • Respect of human rights in the value chain • Safe work practices for the value chain workers in the ship recycling industry	• Youngship and Wista named 2 of GMG's employees among Top 10 women to watch in shipping • WWF - Grieg Partnership to reduce plastics waste leakage by 50% in 3 major port citites in the Philippines • Grieg Green to help Self employed women's association (SEWA) to improve the conditions for women working in the Ship Recycling Industry in India • Provide training on human rights and continue working to raise awarness on the company's responsibility for due diligence
Customers	Customers of the Grieg Maritime Group companies.	• Meetings and phone calls • Events, seminars and conferences • Project updates and reports	• Responsible ship recycling • Circular economy: Lifecycle of vessels • Human rights and working condi-tions for workers at yards • Compliance with regulations	• Ongoing dialogues with customers and respond to questions and concerns by phone, email or publications • Creating new partnerships/services to provide solutions related to circular economy and responsible ship recycling • Grieg Green conducts assessments including human rights assessments at shipyards
Suppliers	Suppliers for the companies inside the Group and Ship Recycling Facilities collaboration	• Counterparty human rights and compliance screenings • Business dialogues • Yard visits • Meetings with suppliers representatives	• Collaboration to ensure high level of efficiency, safety and quality	• Implemented the new third party screening procedure • Started dialogue with a software provider for implementing a supplier management system for monitoring sustainability performance in 2024
Financiers and Banks	Banks, financing institutions and leasing companies we work with	• Regular meetings and calls • Reporting according to loan requirements and ad hoc requests • Events, gathering and conferences	• CII company's trajectory • Progress on CSRD compliance • Responsible Ship Recycling	• New sustainable financial agreements • Involvement in the double materiality assessment
Join ventures and Investments	Joint ventures with partners and Grieg Mari-time Group's investments	• Continous business dialogues: meetings and presentation updates • Business forums	• Stability of green ammonia availability/pricing for the maritime sector • Demand of alternative fuels in the future	• Joint forums to handle different areas of importance, such as personal health and safety, decarbonisation, ESG reporting, compliance, cyber security, etc. • Skarv Shipping signed a contract for 4 low-carbon multipurpose vessels. • The investments we do within ocean ventures are always with sustainability as a prerequisite: we only invest in ventures within the segment "energy efficiency", "zero emission" and "clean ocean". • Grieg Edge-supported desalination startup Ocean Oasis, that reached a significant milestone: the first drops of fresh water, and Grieg Edge-partner Green H formalised a contract with Torhatten Nord comprising a 15-year hydrogen supply agreement.
Public and Media	Group of individual people and companies as well as the press	• Social Media posts • Subscription to new channels • Direct contact with journalists • Website news • Events and conferences	• Employment opportunities • Climate change risks in shipping • Diversity and inclusion • Financial results	• Launched new website for the Group and all the subsidiaries • Participation in different congresses and seminars (Green Ports Lisbon, Maritime SheEO, NorShipping, etc.) • Proactively share GMG news and topics to media
Authorities/ Regulatory bodies/ Accredited registar	Auditors, regional organisations and governments as well as the classification societies	• Events and conferences • Meetings • GMG Annual report • Annual audits and certifications	• Compliance with regulations • Interest in GMG's decarbonisation strategy and sustainability report-ing progress • Availability of renewable fuels	• The company ordered 4 new green ammonia ready vessels • Participate with industry associations • Continue collaboration, providing insights and transparency reporting. An example is the joint publication with other companies of the report study of assessing the feasability of retrofitting and open hatch bulk carrier for green ammonia operations.



ESRS2: IMPACTS, RISKS AND OPPORTUNITIES

Double materiality assessment

Identifying our sustainability impacts, risks, and opportunities is an increasingly important part of our strategy work.

How we report on our sustainability matters has changed over time. Regarding the work done in 2022, the methodology, as well as the scope, has transformed. In 2022, we conducted an impact assessment where the stakeholders were asked about the topics they considered important and about the most significant impact of the topics.

ESRS

In 2023, we conducted a double materiality assessment following the European Sustainability Reporting Standards (ESRS), including our impact on people and the environment and how sustainability matters generate new risks and opportunities, changing the interaction with the stakeholders.

Preparing for ESRS involves collecting, analysing, and reporting data on various sustainability metrics. When effectively utilised, this data can provide valuable insights for informed decision-making. It allows us to identify areas for improvement and capitalise on opportunities. We will also be able to mitigate potential risks and capitalise on emerging trends. This proactive approach contributes to long-term resilience and sustainability.

Our report is still not fully compliant with the ESRS, but it is a significant step towards such compliance.

MATERIAL TOPICS

We have carried out the process of identifying impacts, risks and opportunities, involving many people in the GMG organisation as well as external stakeholders, and a prioritisation of these - based on the magnitude of impact and financial materiality on the various topics (by adding up the scores of each subtopic).

As a result, we consider that the following topics are material to Grieg Maritime Group:

- Climate Change
- Biodiversity
- Circular economy
- Workers in the value chain
- Own Workforce
- Information and Cyber Security

In addition, we also chose to prioritise:

- Business Conduct
- Pollution

Although they got a lower score, they are still highly important for GMG's operations.

FIND THE RESULTS OF OUR ASSESSMENT ON THE NEXT PAGE

PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

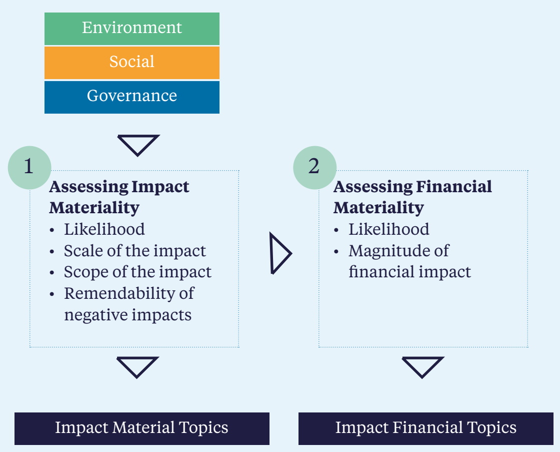
ESTABLISH GOVERNANCE STRUCTURE
Involve different members inside the organization. Moreover, the board and executive management oversight must be ensured.

IDENTIFY STAKEHOLDERS
Define groups of stakeholders and make a list of representatives to be involved.

COLLECT DATA AND INSIGHTS
Collect and analyze insight into the perspective of different stakeholders from direct sources to identify a long list of impacts, risks and opportunities. Categorize the topics identified in either, Environment, Social or Governance.

ENGAGE WITH STAKEHOLDERS
Engage stakeholders to test and assess the data and insights gathered on potential and actual impacts, risks and opportunities.

ASSESS IROS* TO DECIDE UPON MATERIAL TOPICS
Assess materiality of each sustainability topic from the impact perspective and from the financial perspective



PRIORITISE MATERIAL TOPICS
Based on the assessment of the IROs, these will be prioritized into material topics. The priority of the topics will define how they will be measured and followed up by the management and the board of directors.

CONCLUDE AND WRAP-UP
Having decided upon the material topics and prioritized among them, the materiality assessment will be used as input to annual reporting, as well as into the ongoing strategy process and development.

Environmental IRO's

Topic and Sub-topics	Why is this topic a priority for GMG?	Risks	Opportunities
Climate change (E1) Climate change mitigation Energy Climate change adaptation	Vessel operations directly emit GHGs GMG's largest environmental impact in the value chain today stems from well-to-tank emissions from fuels and potentially cradle-to-gate emissions during ship production, particularly steel manufacturing Energy consumption arises from fuel oil for vessel operation New vessels production involves energy-intensive steel production, mostly in China *More information related to risks and opportunities on climate change can be found on the assessment that GMG conducted following the TCFD framework, which main outcomes are published on page 48-49*	Inclusion in EU ETS leads to emissions costs for as well as carbon tax and higher fuel prices. Other shipping segments, if clients are willing to assume their costs for the transition, might gain competitive advantage in the bulk segment. With an increase on temperatures, more draughts are expected, which can cause delays and restriction access to canals. Furthermore, there are physical climate risks: extreme weather events can impact our value chain, such as water shortage can impact our suppliers, affecting the costs and product availability	Shore power in ports, starting with newbuilds and potential retrofits in the existing fleet. Reduce fuel use and enhance energy efficiency. Early adoption of low-carbon vessels and infrastructure may provide a competitive edge. Continue investing in start ups that contribute to tackle climate change effect, such as Ocean Oasis, that tackles water scarcity problem by generating fresh water from waves power Continue investing in the value chain for the green transition, from the production of green fuels (ammonia and hydrogen), to the distribution and storage
Pollution (E2) Pollution of air Pollution of water	Air pollution (NOx, SOx) from fleet operations and in harbors harm local air quality and human health Potential operational spills from cargo, or oils can impact the water an affect local biodiversity	Air pollution regulations pose potential risks to GMG's investments and operations. Risk of sanctions or penalties if spills occur Reputational risks for not meeting stakeholders' expectations	Hong Kong Convention ratification (from June 2025) creates business opportunities for Grieg Green, including yard assistance and IHM services
Biodiversity & ecosystems (E4) Impacts on biodiversity Impacts in state of species	Ballast water discharges can have a negative impact on biodiversity if alien species are present since it could harm existing ecosystems Persistent anti-fouling chemicals can harm sea life and the environment Unintentional strikes with whales is a negative impacts specially with endangered species GMG's underwater noise can affect marine species	More regulations for protecting sea areas could imply rerouting or requirement to invest in new technologies Reputational risks for not mitigating impact on whales and not meeting stakeholders' expectations	No material opportunities identified
Circular economy (E5) Resource inflows Resource outflows Waste	Ship production and vessel operations generate waste across the value chain Ship dismantling generates waste, with about 80% of ships containing recyclable steel Ship recycling in the EU and Turkey results in ship inventories mostly becoming waste	Environmental awareness poses a reputation risk if waste management is inadequate Risk of mishandling waste, potential fines, and long-term harm to marine environments and resources	Embracing steel reuse during decommissioning to enhance stakeholder relations and brand image Investing in technology and practices for reused steel in shipbuilding to proactively meet future regulations and market expectations

The topic did not come up as material but has been prioritised

Social IRO's

Topic and Sub-topics	Why is this topic a priority for GMG?	Risks	Opportunities
Own workforce (S1) Working conditions Equal treatment and opportunities	GMG has as a top priority the health and safety of the people involved in our operations. We have the commitment to target zero injuries and work-related illness. We also strive to have a diverse and inclusive place, and to operationalize equity, where people can thrive and prosper. We aim to avoid any negative impact on female seafarers due to underrepresentation and challenges in male-dominated environments.	Not providing a safe and healthy work environment, can put at risk on our people. As well as posing legal and reputational risks. Furthermore, not having DEIB in our agenda, supposes a risk of not having the best people, as well as, increasing difficulties of retaining and attracting talent, and by that limiting ourselves.	Continue providing training and skills development for own workers, as well as focus on diversity and equality, to increase/maintain the retention rate. Continue working on building a more, diverse, equitable and inclusive culture will help us towards attracting the best talent.
Workers in the value chain (S2) Working conditions Equal treatment and opportunities Other work related rights	We have limited insights beyond tier 1 suppliers, raising human rights concerns in high-risk countries. The nature of drydocking, new building and recycling activities might suppose a risk for workers Worker equal treatment and opportunities challenges. To avoid negative effects in raw material extraction, construction, logistics, and manufacturing, with potential human rights issues in high-risk countries due to limited insight beyond tier 1 suppliers.	Potential negative impacts on workers in our value chain, especially yard workers as well as workers involved in the extraction of raw materials such as steel. Not conducting proper human rights due diligence as part of our business activities can suppose reputational and financial risk for GMG. Further details on the main risks identified in GMG's value chain can be found on pages 60-61	Continue working on human rights due diligence and increase the scope year by year, as well as partner up with industry stakeholders to mitigate any potential risks.

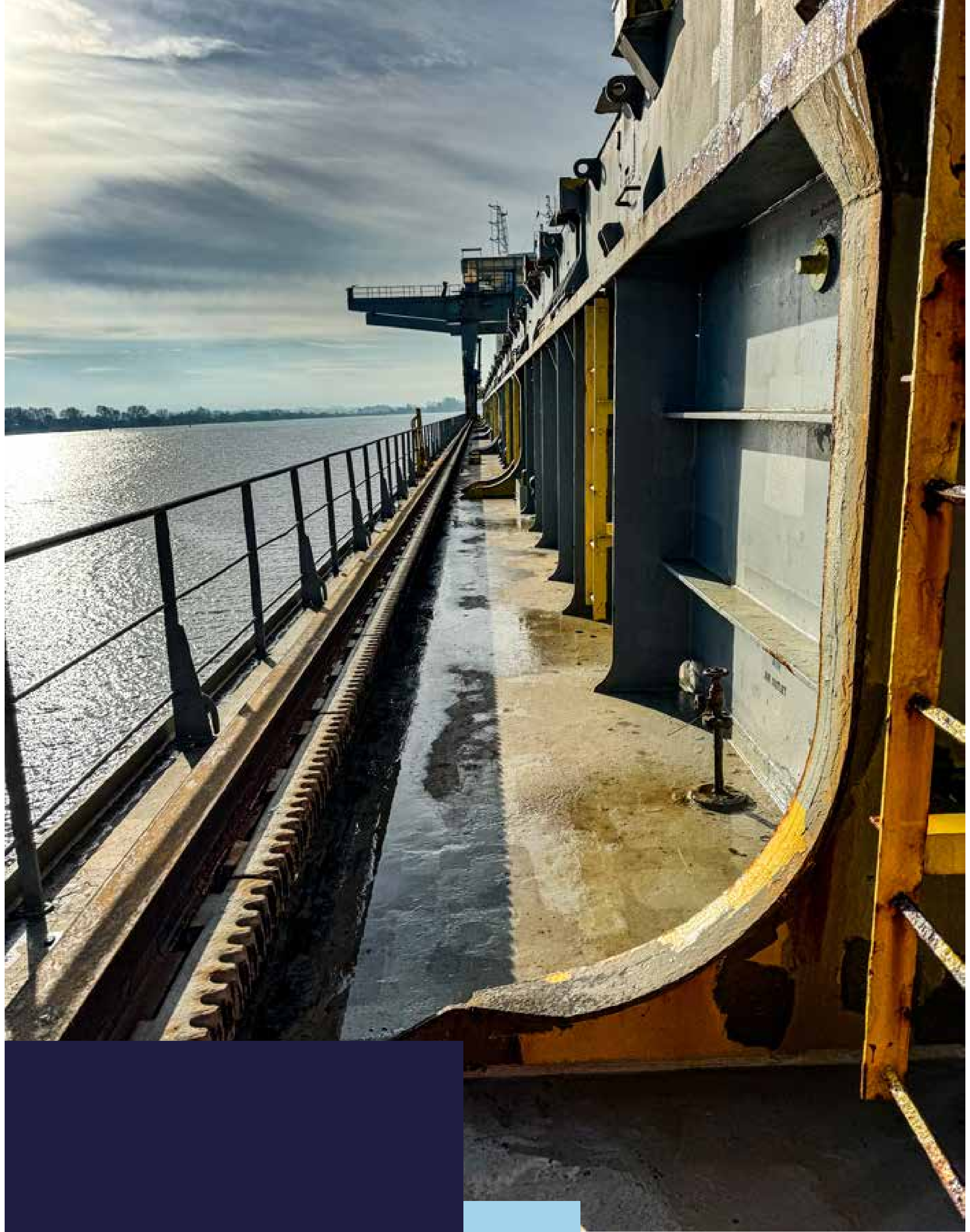
Governance IRO's

Topic and Sub-topics	Why is this topic a priority for GMG?	Risks	Opportunities
Business conduct (G1) Political engagement Management of relationships with suppliers Corruption and bribery	Without appropriate supply chain management, there is risk that GMG works with suppliers where social and/or environmental misconduct happens. This can in turn have negative social and environmental impacts. Corruption can lead to misallocation of resources, damage to the environment, abuse of democracy and political instability. Fighting corruption is a duty for ethical business since corruption has a negative effect on people and increases social vulnerabilities: it rewards unethical behaviour and waste or diversion of public funds as corruption leaves fewer resources for the population and to improve living standards.	Risks associated with not properly screening current and new suppliers for environmental and social aspects. Choosing the wrong party to do business with or being involved in corruption or bribery cases can result in fines, reputational harm, and disruption to operations.	Lobbying to create global practices for (e.g., carbon taxes) the shipping sector transitioning to a low-carbon industry, as well as advocate for higher and better standards.
Information and cyber security (topic prioritized by GMG**)**	Lack of cyber security and training could lead to data privacy breaches and negatively impact other third parties we are doing business with. At the same time as new technologies evolve rapidly, such as AI, cybersecurity threats are becoming more complex and sophisticated. While we are looking for ways to automate and secure our digital infrastructure, cybercriminals are working to find ways to breach us. The International Association of Classification Societies (IACS) introduced mandatory cyber security requirements UR E26 and UR E27 set to enter into force on 1 July 2024.	As we operate in a global market and the world is becoming more and more digitalised, e.g., the vessels, GMG's digital infrastructure becomes more vulnerable of being compromised. Cyberattacks could disrupt GMG's entire business operation which can result in large financial losses If a cyberattack occurs we can be expose to extortion, data loses and fines. Lack of investments in our IT infrastructure makes us weak to external threats	Increasing digitalisation can lead to more energy-efficient and enhanced performance: fuel consumption optimization, increase performance monitoring, improve data collection, data centralization, etc. Investing in our IT infrastructure helps to improve internal productivity, ensure data quality and reduce manual tasks. Increasing cyber security knowledge and awareness prepares us better against cyber security threats.

Partnerships and sustainability initiatives

Name	Company	Purpose	Started in	Achievements in 2022	Achievements in 2023
SEWA Collaboration	Grieg Green	SEWA the single largest Central Trade union registered with a membership of over 2.5 million poor, self-employed women workers from the informal economy in India. The purpose of the partnership is to strengthen the position of women workers in the downstream industry of ship recycling.	2023	Started in 2023	Grieg Green assisted SEWA in the application process for the Grieg Foundation, which awarded 4,9 million NOK to SEWA over a 3-year period. They will also assist in the project with the expertise in safe work practices and handling of hazardous materials
FUTURE-PROOF	Grieg Maritime Group	FUTURE-PROOF is a cooperation platform established by Bergen Chamber of Commerce and Industry and Rafto Foundation for business and human rights in the Bergen region.	2022	Signing and committing to the FUTURE_PROOF poster;1. by sharing knowledge and experiences on how to live up to our common human rights responsibility; 2. Taking seriously our shared responsibility to respect human rights by complying with the UN Guiding Principles on Business and Human Rights (UNGP)	Employee participation in the master course organised in collaboration between the University of Bergen, the Institute for Human Rights and Business and the Rafto Foundation with the aim to explore the link between business and human rights violations and gain insight into the use of internationl standards.
BIMCO Partnership	Grieg Star	Reduce single-use plastics in shipping	2022	SUPWG was established. Among members were Thome, Scorpio, Wilhelmsen, Gard. Group started to make the SUP campaign to be launched in 2024.	Continous collaboration for reducing plastic onboard and support-through the provision of best practice guidance, real-life stories from the members and information awarness raising material. To highlight in 2023 the completion of the campaing for 2024.
WISTA 40 by 30	Grieg Maritime Group	Promote diversity in the maritime industry, most importantly strive towards increasing the share of women in leading positions in your company to 40% within 2030	2022	International Corporate Diversity Award winner and one of our employees, Vilde Hageselle, was awarded 10 women to watch in shipping. We met the goal in 2022.	Pledge was part of sustainability financial agreements. Two of our employees, Kjerstin Hernes and Martine Bay were awarded with the 10 women to watch in shipping.
NCE Maritime CleanTech	Grieg Maritime Group	Share knowledge and collaborate with other companies to reach our climate goals	2022	Joined Maritime CleanTech, to share knowledge and resources to improve and make operations carbon neutral	Grieg Green managing director, Pia Meling, spoke about the Life cycle of sustainability and the VP of technology and decarbonisation , Torleif Frimannslund attended the pannel discussion on new fuels in the NCE Maritime CleanTech Annual Conference. During Arendalsuka, the CEO, Matt Duke, participated in the seminar exchange on safety and new technologies onboard. Furthermore, Grieg Star managing director, Atle Sommer, addressed the barriers of green ammonia in shipping, part of the findings of the Trans-atlantic Grieg Ammoni bulk-carrier pilot report.
Maritime Anti Corruption Netweork (MACN)	Grieg Maritime Group	Working jointly to reduce corruption worldwide	2011	Zero corruption cases reported in 2022	Zero corruption cases reported in 2023
YoungShip International	Grieg Maritime Group	Promote and encourage companies to strengthen their focus on talent and the development of young individuals	2021	GMG Received the Young Corporation Award to ackowledge GMGs effort in developing emerging talent.	Arranged together an event at the Grieg Gaarden premises to promote careers in the maritime industry and engage with young professionals.
AMWER	Grieg Star- Vessels	All Grieg vessels have been enrolled in the Amver-system. The Automated Mutual Assistance Vessel Rescue System (Amver) is a computer-based voluntary global ship reporting system. Amver is used worldwide by search and rescue authorities to arrange for assistance to persons in distress at sea. The Amver system contributed to saving 224 lives in 2021	1995	Certifcate of Merit to Grieg Star in recognition of outstanding dedication to the Automated Mutual-Assistance Vessel Rescue System in support of lifesaving on the world's oceans. 22 Grieg vessels have been enrolled for more than six years	We continued with the volunteer program. To highlight the prestige achievement, certificate of commendation to Star Toscana from flag state "Marshall Island" (RMI), for outstanding seamanship for rescue 56 individuals outside Moroccan coast.
Clean Ports, Clean Oceans: Improving Port Waste Management in the Philippines	"Grieg Foundation , Grieg Group and members from Grieg Maritime Group in the project group for the initiative"	The aim of the project is for WWF and the Grieg Group to cooperate to create concrete,scalable solutions to the plastic challengesin ports, to decrease and eventually stop plastic from entering the oceans. The project has the following deliverables: i) to provide input to the national action plan on marine litter and highlight the importance of the port industry inaddressing plastic pollution, ii)to reduce plastic waste leakage by 50% in at least 3 ports in the Philippines, and iii) to develop documentation to enable the scaling up in other ports in the Philippines and in the world.	2020	The second year of the project was the opportunity for the WWF-Philippines team to finalise the baseline studies for the three selected ports, as well as the national baseline study on the management of plastic waste in ports in the Philippines. These studies were a significant step to inform the development of action plans in the three ports and the selection of solutions to pilot to reduce plastic waste leakage.	"The main achievements since the beginning of the partnership have been: - In Manila North Port there have been an improvement on the plastic waste collection through support from informal waste workers - Building of material recovery facilities in Port of Batangas - Improved plastic waste segregation, collection and recycling with local start-up in Port of Cagayan de Oro
SHE Index	Grieg Maritime Group	Being part of the journey towards greater diversity and inclusion	2019	We obtained a score of 88. The score increased by 10 points respect 2021 (78) and we are above the country average (71).	Pending on filling the questionnaire (open on January)
G3 Decarbonization Task Force	Grieg Maritime Group & Grieg Star	Joint decarbonization task force with Gearbulk and G2Ocean	2020	- Biofuel trial performed - Joint Vessel Performance Team established - Ultrasonic Antifouling Pilot ongoing	'-Fuel Catalyst trial initiated -EcoTorque software update finalized -Graphene antifouling trial initiated -Ultrasonic Antifouling Pilot (still) ongoing
G3 joint Safety Culture Project	Grieg Star	Working jointly to build a common and strong safety culture across the three G's (Gearbulk, G2Ocean and Grieg Maritime Group)	2021	The following element from the G3 Safety Culture project was implemented in 2022: - G3 Safety Commitment: Published as posters to the fleet and office and presented during Officer's Conference in Manila in Oct 2022. - G3 Safety Intervention (Stop card) implemented and replaced the GS Stop Card procedure. - A dedicated Safety site in GMG Connect intranet for the Safety Culture project has been established. - A common Safety Moment Library has been established - A common G3 Safety dashboard for monitoring of established safety KPI's for improved Safety Culture - G3 Safety Day for office premises was conducted in 2022 - Guideline and reporting form for Management Visits to vessels was implemented - G3 Life Saving Rules were prepared. To be implemented in GS Q1 2023. - Learning sessions on 5 Safety I's completed for office employees and during Officer's Conference 2022.	The following element from the G3 Safety Culture project was implemented in 2023: - G3 Life Saving Rules implemented in the fleet through new procedures and information campaigns, production and distribution of posters to all vessels and video recording on board Star Kinn for production of safety videos - Safety Leadership training course in Manila for management level officers. The course is held by Green- Jakobsen - Learning sessions on 5 Safety I's completed for office employees and during Officer's Conference spring and autumn 2023. - Use of Stop card and breach of Life Saving Rules implemented into the safety reporting system for incidents, Near Miss and Pro-active safety observations. -Significant increase in Management visits on company vessels.
G3 ESG Support Group	Grieg Maritime Group	Working group to exchange knowledge about ESG reporting practices and sustainability challenges	2022	'First materiality assessment conducted and ackowledged the double accounting in emissions	Quarterly meetings to exchange knowledge on the CSRD, sharing best reporting practices and companies updates in terms of ESG reporting.
G3 Compliance Forum	Grieg Maritime Group	Joint compliance committee with Gearbulk and G2Ocean	2018	'Agreed compliance focus areas: Joint compliance training, 3rd Party screening and transparency act	Agreed compliance focus areas: Joint compliance training, 3rd Party screening, sanctions, sharing and aligning on policies and transparency act. We have agreed to establishing guidance on how to identify and handle reputational risks.
G3 Fleet Management Safety Forum (FMSF)	Grieg Star	Collaboration meetings regarding fleet operations. Discussing safety, different KPIs and general issues	2021	'Tackeld security issues, discussed KPIs and more communication in general	- Besides addressing general ship operation issues, this year, due to the situation in the world, there has been more focus on security, specially in the Red Sea and Black Sea - Significantly improved Stevedore safety through joint efforts and a safety culture program
GloLitter- Recirculation of Ropes	Grieg Maritime Group	The GloLitter Partnerhship is for preventing and reducing plastic marine litter. One of the activities has been to collaborate on different sprints for exploring ropes handling and recycling	2022	As part of the Global Industry Alliance (GIA) activities, two targeted sprints were developed to tackle the universal challenges of rope handling and recycling. The focus of the sprints was to explore the legal aspects of handling and exporting ropes for recycling and explore the circular economy of ropes. Furthermore, conversations with Wilhemsen were initiated for participating in their pilot project for returning ropes to Bremerhaven	No active

PHOTO: MIGUEL CHACON SANCHEZ



ESRS | Environment

EU Taxonomy disclosure

The EU Taxonomy functions as a green classification system, translating the climate and environmental objectives of the EU into specific criteria for economic activities intended for investment.

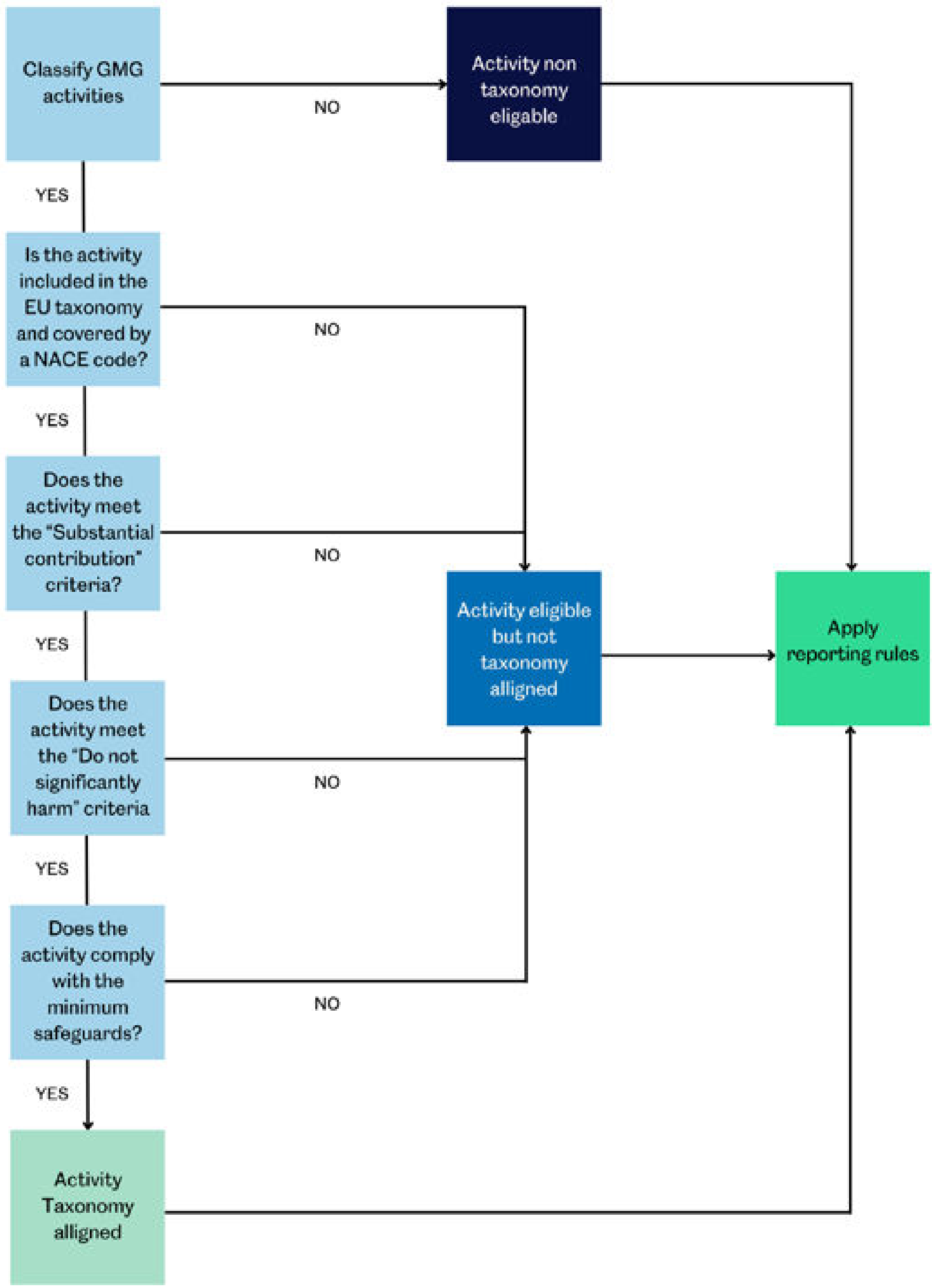
The Taxonomy identifies as "environmentally sustainable" those economic activities that significantly contribute to at least one of the EU's climate and environmental goals while ensuring they do not notably harm these objectives and adhere to minimum social safeguards. Those goals are:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

As a transparency tool, the Taxonomy mandates disclosure obligations for certain companies and investors, necessitating the disclosure of their involvement in Taxonomy-aligned activities. This disclosure enables comparisons between companies and investment portfolios and may guide investment decisions. Companies can utilize the EU Taxonomy to plan their climate and environmental transition and secure financing. At the same time, financial institutions can develop credible green financial products. The Grieg Maritime Group is not obligated to disclose per the Taxonomy but has chosen to do so regardless.

Activities not recognized by the EU Taxonomy Delegated Acts as substantially contributing to EU climate and environmental objectives may not necessarily be environmentally harmful or unsustainable. Similarly, the EU Taxonomy Delegated Acts currently include not all activities that could significantly contribute to environmental objectives. These acts will evolve, being updated and expanded as necessary to reflect ongoing developments.

The process



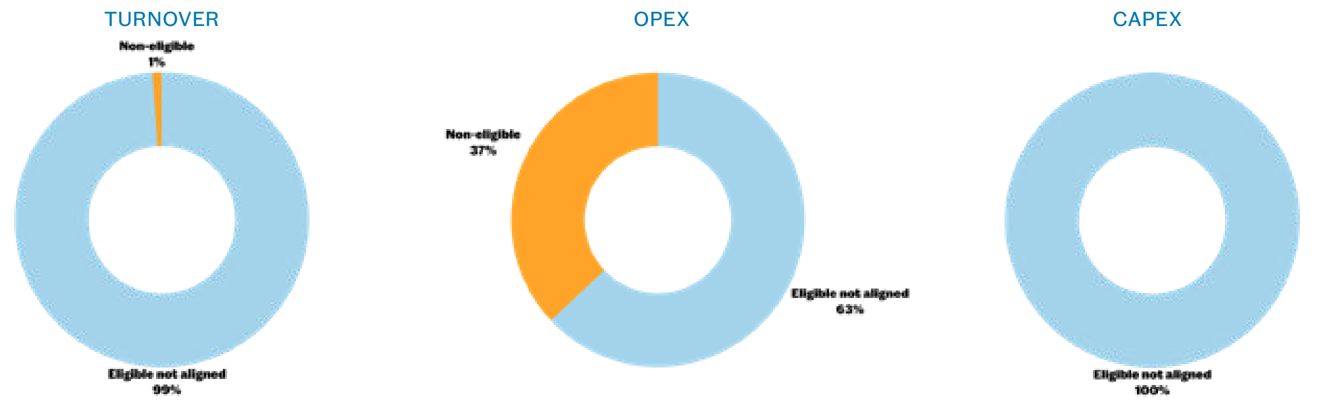
Eligible Activities

3.10 MANUFACTURE OF HYDROGEN	3.15 MANUFACTURE OF ANHYDROUS AMMONIA	4.12 STORAGE OF HYDROGEN	6.10 SEA FREIGHT WATER TRANSPORT	9.1 TECHNICAL CONSULTANCY DEDICATED TO ADAPTATION TO CLIMATE CHANGE
Planning phace, they are not yet an economic activity and no production sites are in place. This assessment will be reviewed periodically			Eligble	New Grieg Green service not yet in place. This statement will be reviewed periodically

Screening criteria summary for shipping

Criteria		GMG in compliance	Comments
Substantial contribution to climate change mitigation	Emissions and energy criteria	X	The vessels do not have zero direct CO2 emissions and do not run on fuels from renewable sources
Substantial contribution to climate change adaptation	Transition plans	X	In progress. We identified climate change related risks but the adaptation measures are still in progress and under revision
Do not significant harm	Climate change adaptation criteria	V	Climate risk assessment conducted in 2023 following the TCFD recommendations which are broadly aligned with the CSRD. GMG chose 2 pre-defined scenarios aligned with the latest IPCC's 6th assessment report.
	Climate change mitigation criteria	V	The vessels are not dedicated to the transport of fossil fuels
	Sustainable use and protection of water and marine resources	V	Risks evaluated during 2023 double materiality assessment under the topic water and marine resources. The risks did not came as material. The assessment will be reviewed periodically
	Transition to a circular economy	V	Meet all the thresholds. Our 3 last ships were recycled in Turkey in approved EU yards.
	Pollution prevention and control	V	Meet all the thresholds
	Protection and restoration of biodiversity and ecosystems	X	Fleet fitted with ballast water treatment systems but no technical devices or designs on our fleet that reduce noise/vibrations. We sail in reduced speed in protected areas to minimise noise and vibration
Minimum safeguards	Human Rights	V	In compliance with the Norwegian Transparency Act. More information on how we work with human rights available in the section workers in the value chain
	Corruption	V	Anti bribery and corruption policy and processes in place and 0 cases of corruption
	Taxation	V	Tax governance and compliance are important for the company, and we do not violate any tax laws
	Fair competition	V	Fair competition is embedded and promoted in our Ethical guidelines and the company has not been convicted of violating competition laws

Disclosure Turnover, OpEx and CapEx



ESRS E1: CLIMATE CHANGE

Our biggest challenge

Regardless of the effects on our industry and business, solving the climate crisis is our biggest challenge - as human beings.

GRI 302-1, 302-3, 305-1, 305-2, 305-3
SDG 7.2, 7.3, 8.4, 13.1, 14.3

Corporate agendas often prioritise profit margins over all else, but as the spectre of climate change looms ever larger, prioritising human existence over profit has become a moral imperative and a strategic necessity for businesses worldwide. Addressing climate change isn't just an ethical obligation; it's the most crucial task at hand.

So, it is obvious to us that our target is to be CO2-neutral. We have set our deadline to get there to 2050. And together with many other shipping companies, we aim to cut our emissions by half that of 2008 by 2030. E1-4

ENERGY SAVING NEWBUILDINGS

With vessels sailing for up to 35 years, transitioning from today's fuel to a carbon-free solution will take time. Many of our ships will sail for close to 25 more years. A study we headed in 2022 told us that retrofitting these ships to run on ammonia is possible but overly costly today. In addition, it is difficult to get the fuel we would need.

In 2023, we ordered our first newbuildings in over a decade. The four new N-class vessels will start sailing in 2026 and replace old vessels. With the design and technology of these new ships, we will significantly reduce our energy consumption. But even if the ships are "ammonia ready", they will sail using carbon-based fuels. Our vision is, however, to retrofit those ships to sail on ammonia or other carbon-free fuels as soon as green ammonia is commercially available.

The rest of the fleet will undergo extensive changes to ensure they are as energy efficient as possible, awaiting their replacement. Biofuel may be part of this plan

PARTNERSHIPS FOR FURTHER REDUCTIONS

Our joint venture with Peak Group, Skarv Shipping, has ordered four new short-sea multipurpose vessels. They are ready for carbon-free fuels, and the company has invested in electrification systems to reduce carbon emissions further. These will be a part of the Northern European market and the transformation of a shipping segment characterised by very old vessels.

Similarly, we hope that our investments in ammonia production with North Ammonia and hydrogen with Green H will reduce the CO2 emissions in shipping in Northern Europe. Last year, Green H formalised a contract with Torghatten Nord comprising a 15-year hydrogen supply agreement for the Lofoten ferries.

Our group has not had any GHG removals and mitigation projects financed through carbon credits in 2023, nor used internal carbon pricing. E1-7 E1-8 E1-9

See Climate crisis - risk evaluation on the next pages

1.2 E1-5

Million MWh total energy consumption from non-renewable sources disaggregated by type

495.2

MWh consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources

0

MWh total energy consumption from renewable sources disaggregated by type

E1-4 TARGETS

- We are committed to follow the Norwegian Shipowners association targets.
- By 2030: 50% CO_2 reduction of controlled fleet (baseline year 2008)
- By 2050: Reach net zero

E1-3 ACTIONS

- Investing in deep sea and short sea vessels, technology efficiency measures, green fuel and circularity services during the period 2022–2026
- Speeding up efforts on low- and no-carbon fuels
- Partnerships lead strategy to further build and develop our business

E1-2 POLICIES

Environmental policy:
As a company we are engaged in addressing environmental issues where we have an impact: climate change, air and water pollution, resource use and circular economy, and maintenance of biodiversity and endangered species. Scope: the whole group. Accountable: CEO

Other supporting documents
- Grieg Maritime Group ship recycling procedure
- Ship energy efficiency management plan. Describes the approach for contribution to reduction of global carbon emissions from the operative fleet.
- Supplier code of conduct. We expect suppliers to identify and implement actions to minimize any harmful emissions
- Grieg Star's HSEQ policy: details in page 50-51
- Grieg Green's HSE and quality policy: details in page 50-51

155 -19.3% since 2022

Gross location-based Scope 2 GHG emissions (tCO2eq)

165 -16.2% since 2022

Gross market-based Scope 2 GHG emissions (tCO2eq)

E1-6

863,613 -1.5% since 2022

Scope 3 GHG emissions (tCO2eq)

Full GHG emission disclosures and overview can be found in pages 122-123

Climate crisis - risk evaluation

IRO-1 We recognise the importance of examining the physical and transitional risks associated with climate change for ourselves and our value chain, and continually assessing them in a rapidly changing world. By gaining a better understanding of these risks, we can prepare for and mitigate their effects, as well as identify opportunities.

To identify operational risks and opportunities related to climate change, we have followed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). These recommendations align with the CSRD and the guidelines set forth in Norway by the NOU 2018:17, Klimarisiko og Norsk økonomi. The TCFD framework suggests considering various climate scenarios. We have chosen two scenarios that contemplate how the future might look if certain levels of greenhouse gas concentrations are met. Both of these scenarios align with the latest IPCC's 6th assessment report:

Sustainable development SSP1-2.6 and RCP 2.6
In this scenario there are some physical climate risks and the world limits warming to below 2°C.

Regional Rivalry SSP3-7.0 and RCP 7.0
In this scenario there are higher physical climate risks since global warming is approaching 4 °C and the world cooperation is threatened.

We evaluated both scenarios' physical and transitional risks due to climate change. The evaluation covers short-term (2030) and long-term (2050-2070) risks. Our strategy includes climate change risk assessment and mitigation actions. The Board has reviewed and approved these actions, which will be monitored annually by the management and the Board. Please note that the below information presents only highlights of the assessment and does not contain full disclosures. The risks outlined below are the outcomes of physical and transitional risks due to climate change and how they can impact our operations.

Our double materiality assessment also covers the anticipated financial effects from material physical and transition risks and potential climate-related opportunities. We have estimated the financial consequences to be above USDM 25 in over five years due to effects like:

- Physical acute: Extreme weather events can result in closed ports and value chain disruptions causing delays.
- Physical chronic: Frequently used ports may be unavailable due to rising sea levels.
- Transitional: Fuel price, carbon taxes and EU ETS. If GMG is not well prepared, it could imply a loss of market share.

Climate change risk assessment and mitigation

Disruption in agroforestry

IMPLICATION FOR GMG
Due to the market we serve, a decrease on agroforestry trade would have an impact on our business

MITIGATION ACTIONS
Monitoring industry, Diversify portfolio, Continuous collaboration with G2Ocean

Dependency on China

IMPLICATION FOR GMG
In a rivalry scenario a more isolated and closed China or an escalating trade conflict with China could have negative implications on GMG value chains

MITIGATION ACTIONS
Monitoring geopolitics situation, Diversification of business,

Reduced global trade on coal

IMPLICATION FOR GMG
This could impact GMG, as there will be more competition for GMG on remaining logistics demand

MITIGATION ACTIONS
Monitoring industry, Diversify portfolio, Continuous collaboration with G2Ocean

Access to crew

IMPLICATION FOR GMG
Potential delays onboarding crew, Difficulties hiring crew

MITIGATION ACTIONS
Training and promoting careers at sea

Fleet renewal in times of uncertainty

IMPLICATION FOR GMG
Securing predictable access to fuels is one of the main obstacles; If market access / purchasing power becomes monopolised by larger actors (example shipping containers) whose customers are willing to pay, they could gain competitive advantage on the bulk segment (for example transporting more forestry products as pulp and paper in containers)

MITIGATION ACTIONS
Pursuit of longer or larger client contracts, Short term: Fuel flexibility and energy efficiency, Long term: fuel sourcing strategy

Shipyard pressure

IMPLICATION FOR GMG
Attractive slots at yards would be harder to secure, and both newbuilds, retrofitting and upgrades could potentially be delayed and expensive

MITIGATION ACTIONS
Seek different yard options

Reputation

IMPLICATION FOR GMG
In a low-emission scenario it would be important to manage reputational risks (greenwashing impressions)

MITIGATION ACTIONS
Provide an honest and transparent account of our impacts on the environment and communities and measures to reduce them. Demonstrate non-affiliation or distancing itself from activities/ actors that are perceived as part of the problem.

0 spills to land or sea

15,125 metric tonnes of NOx emmitted

1,336 metric tonnes of SOx emmitted

E2-3 TARGETS

Annually 0 spills at sea and land

We currently do not have targets related to air pollutants. Regarding substances of concern and substances of very high concern, no material impacts or risks were identified during the double materiality assessment

E2-2 ACTIONS

Avoiding pollution is a vital part of the operations, governed by several procedures - all to ensure we affect the environment as little as possible.

E2-1 POLICIES

Environmental policy:
See page 46-47

Grieg Star HSEQ policy:
The key objectives of this policy are to have zero injuries and spills to air, sea and land.Applicable to the vessels internally managed. Accountable: Grieg Star Managing Director.

Grieg Green HSE and Quality policy:
This policy shall ensure that all Grieg Green's employees and contractors are committed to the quality goals of the company and that each will work to prevent any injury or accident. Accountable: Grieg Green Managing Director.

Other supporting documents:

- Shipboard oil pollution emergency plan to help the commanding officer to find the fastest way to contact nearest port in case of oil spill.
- Procedure on garbage handling onboard to ensure proper handling, storing and disposal of all types of garbage to avoid pollution to land and sea.
- Supplier code of conduct: Details in page 46

ESRS E2: POLLUTION

"No harmful emissions to air, land and water"

Our old environmental vision still holds up, but we still have a way to go - especially regarding air pollution.

GRI 305-7
SDG 12.4

The Grieg Star HSEQ policy has incorporated GMG's environmental vision, and through 2023, we had no spills to sea or land. This is due to the professionalism of our seafarers and the quality of the policies and procedures established by the HSEQ team.

HOW WE ACHIEVE IT

E2-2 To prevent pollution from harmful substances in the sea, we have implemented strict procedures for cargo handling, technical operations, regular equipment maintenance, and trained personnel. Adherence to international regulations for sewage treatment, ballast water management, biofouling control, and garbage handling is crucial. Similarly, addressing air pollution requires maintaining engines and hulls, energy-efficient operational planning, compliance with a Ship Energy Efficiency Management Plan (SEEMP), and adopting energy-saving technologies.

Still, with present engines, it is hard to ensure no E2-3 E2-4
harmful emissions. Due to low-sulphur fuels, we have reduced the emissions of SOx in the last few years, with 2023 seeing much the same numbers as the year before. Similarly, NOx emissions are at the same level as in 2022.

IMPACTS, RISKS AND OPPORTUNITIES

It is essential for us to consider the financial effects E2-6
of pollution-related impacts, risks, and opportunities across various fronts. Regarding air pollution, regulation changes could pose potential risks to GMG's investments and operations. If regulations become more stringent, the company may need to adjust its fuel use and speed, which could impact its financials.

Water pollution could result in sanctions, penalties, and reputational damage due to operational spills or accidents. The financial impact of such incidents could vary widely depending on their severity. Soil pollution presents a risk if GMG collaborates with partners who cause contamination during drydocking or recycling. Although we assess the financial impact as low, the potential for reputational damage remains a concern.

The impact of pollution on living organisms and food resources is closely related to air and water pollution and biodiversity. To comply with strict regulations on harmful substances, we may need to make new investments. Enforcing such regulations could result in a financial impact.

PLASTICS

Although microplastics pose new challenges, installing water system filters on ships to prevent them can be problematic. Despite potential solutions like filter installation, unexpected issues may arise, leading to financial losses and inefficiencies.

We have enforced procedures on larger plastics to ensure a substantial reduction in plastic waste produced. In addition, we have mapped the quality of plastic waste handling in different countries. By unloading plastic waste only in countries with good waste handling, we get closer to preventing that plastic from entering the ecosystem.

ESRS E4: BIODIVERSITY AND ECOSYSTEM

The life under the surface

Shipping's adversary effect on life below water is well known. Still, we need to emphasise this more in planning and conducting our operations.

GRI 304-4
SDG 14-2

As a part of the Grieg Group, we have vowed to work to restore our oceans. We know there are negative effects of our operations, and the first step will be to ensure we stop harming it. Improving existing operations and creating new sustainable business are both important areas in our strategy.

PROTECTING THE WHALES

E4-3
E4-5
For this year, we have worked on identifying what kind of impacts we have on biodiversity, understanding what metrics we can use to measure those impacts, and how we can manage and reduce them. Our stakeholders have highlighted a few, especially the unintentional effects on whales. Therefore, for 2023, we have mapped the number of whale species with habitats in our most traded routes threatened by ship strikes, especially at night when whales are near the surface.

The overview based on IUCN Red List species and national conservation list species:

- **Critically endangered:** North Atlantic Right Whale and Rice Whale
- **Endangered:** Blue whale, North Pacific Right Whale and Sei Whale
- **Vulnerable:** Fin Whale, Sperm Whale
- **Least concern:** Gray Whale and Humpback whale

For a few years now, we have followed the guidelines from local authorities and reduced our speed to 10 knots while sailing in certain areas and times in Canada and the USA to protect whales gathering and surfacing.

BIOFOULING

Ecosystems may be vulnerable to the introduction of alien species. Ships may introduce such species through untreated ballast water emissions and biofouling of the hull.

Our ballast water management procedures and biofouling management plan define how our ships should operate to prevent alien species' spread. Furthermore, all the vessels in our fleet are fitted with ballast water treatment systems to prevent the spread of harmful aquatic organisms from one region to another, in compliance with the BWM Convention (International Convention for the Control and Management of Ships Ballast Water and Sediments).

Other negative impacts identified are related to the persistent anti-fouling chemicals and underwater noise from our propellers that can harm sea life and the environment.

EFFECTS ON OUR BUSINESS

E4-6
There is an increasing focus on protecting the environment at sea. One example is the decision during COP15 to protect 30% of the planet and put 30% of degraded ecosystems under protection by 2030. This could impact trading routes, which could reduce profitability.

Furthermore, there are already stringent regulations for underwater noise during whale migration in Canada as underwater noise interferes with the essential life functions of these marine mammals. However, more countries can implement similar regulations (either to protect whales or other animals), which can impact how, when and where GMG can travel during certain times of the year. This may result in less efficient operational time, potentially reducing profitability. These risks could financially impact the company between 1.5 and 5 USDM long-term (over five years ahead).

E4-4 TARGETS

Prior to this years' Double Materiality Assessment, we have not had targets for reducing our impacts on biodiversity. Our aim is to establish such in 2024

E4-3 ACTIONS

Slow speeding in the Right Whale Seasonal Management Area in US and Canadian Pacific coast.

Installed Ballast Water Treatment system on all vessels

Clear policies on ballast water and biofouling managements.

E4-2 POLICIES

Environmental Policy
see page 46-47

Other supporting documents:
Ballast Water Management procedures
The purpose is to meet the requirements for the control and management of the vessel's ballast water and sediments.

Procedure for sewage handling and disposal
The purpose of this procedure is to ensure that sewage is handled in accordance with regulations.

Biofouling Management Plan
A plan to control and management of ship's biofouling to minimise the transfer of invasive aquatic species

ESRS E5: RESOURCE USE AND CIRCULAR ECONOMY

Charting a Greener Course

Although shipping is essential for global trade, its reliance on resources and energy poses environmental issues. Therefore, controlling resource use and embracing a circular economy will be crucial.

GRI 306-3
SDG 12.5, 12.4

A circular economy means using resources wisely and recycling as much as possible. For shipping, this means changing from a "take, make, dispose" mindset to one about efficiency and sustainability. It's not just about helping the planet; it's also about saving money and making operations smoother.

However, making this change can be challenging. Getting everyone involved, from shipbuilders to policymakers, to agree on a plan takes a lot of work.

RESOURCE INFLOWS

E5-4 The shipping industry, including GMG, relies heavily on natural resources throughout its operations and supply chain. This results in a significant ecological footprint due to the use of large quantities of virgin materials, such as marine oil, for operations, paint, or steel for constructing new vessels

In 2023, our company consumed a total of 168,957 tonnes of fuel (including MGO, LFO, and HFO), 1,405,593 litres of lube oil, and 177,620 litres of paint during our operations, drydocking, and repair projects.

ACTIONS AND RESOURCES

In 2023, we failed to achieve the reduction of plastic consumption but earned an increase of 0.03%. Most plastic E5-2 originates from the packaging of delivered goods from stores. Occasionally, the recipients may return the plastic, but this varies and is beyond our control.

For 2024, we will continue our efforts to reduce plastic waste by 25% compared to the 2021 level. Our focus will be on eliminating the use of water bottles on all our vessels and offering tetra-pack water for all vessels worldwide. We have also significantly improved our reporting and insights on this topic, which will help us closely monitor plastic disposal and water bottle consumption on all our vessels.

CIRCULAR ECONOMY

By the end of the year, Grieg Green acquired a majority stake in Danish ReFlow, a leading Danish Lifecycle Data and Advisory Services supplier. ReFlow has developed a digital platform to document the environmental performance of products to provide ship owners with the information and tools for sustainable decision-making related to design, decarbonization, optimization and end-of-life planning for vessels.

The ReFlow platform empowers all businesses in the maritime value chain to document products' carbon footprint and make greener and data-driven decisions, from raw material and equipment procurement and design via fuel choices for vessels, operations, upgrades and retrofits to end-of-life strategies.

RISK AND OPPORTUNITIES

We strive to discharge our plastic generated onboard to countries with effective plastic waste management systems. Still, we do not have a proper overview of how E5-6 the recipient handles the waste. As there is no adequate control of these facilities, it could lead to detrimental impacts on marine and land environments and potential depletion of resources, also impacting GMG's reputation.

When ships are decommissioned, the resulting waste is highly energy-intensive to recycle because the process mainly involves steel, which makes up about 80% of the waste. It could pose a financial risk if the cost of waste disposal increases and other countries follow China in banning waste imports, which could drive up disposal prices.

But with a stronger focus on the circular economy, the industry could evolve, and opportunities could rise around the usage of steel. We assessed the risks and opportunities during the double materiality assessment, showing a possible impact between USDM 1.5 and 5.

We have further estimated that there could be a future risk related to access to raw materials due to the impact of climate change. Still, investing in technology and practices to implement reused steel in shipbuilding processes could be an opportunity.

These risks also present opportunities that we believe Grieg Green and ReFlow could take advantage of.

6.5
Tons of waste generated in offices in Norway

54
Tons waste incinerated

+312
Tons waste discharged

=366 -36% since 2022
Total tons waste from ships

E5-5

E5-3 TARGETS

By 2024: 25% reduction of plastic waste generated since 2021 (continued from 2023)

E5-2 ACTIONS

- Making tetra-pack (carton) water available onboard all vessels worldwide.
- Updating dashboards in 2024 to allow us to follow up on vessels more closely when it comes to plastic disposal and water bottle consumption
- Further develop the services of ReFlow
- Continued support of women workers in the downstream industry of ship recycling together with SEWA.

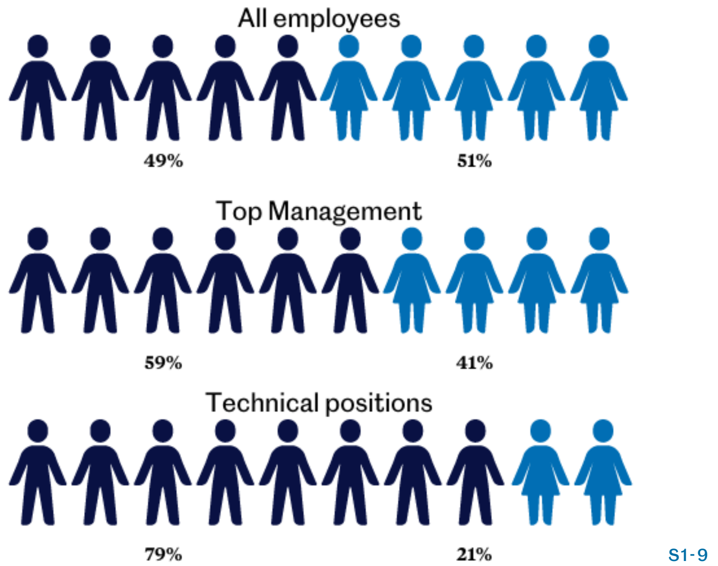
E5-1 POLICIES

Environmental policy:
details in page 46-47

Other supporting documents:
- Procedures on waste handling onboard: details in page 50-51 (pollution)
- Vessels waste management plan
- Grieg Maritime Group ship recycling procedure
- Supplier code of conduct: We expect suppliers to reduce or eliminate and properly dispose waste of all types and ensure sustainable use of resources

OFFICERS' CONFERENCE APRIL 2023

ESRS | Social



S1-9

ESRS S1: OWN WORKFORCE

Empowering our people

Success is built by people. That is why we focus on developing and empowering our employees to meet the challenges and opportunities ahead.

GRI 401-1, 401-3, 404-1, 403-8, 403-9, 404-3, 405-1, 405-2, 406-1
SDG 3.9, 4.3, 4.4, 4.5, 5.1, 5.4, 5.5, 8.2, 8.5

Our success is based on talent attraction, employee development, a sense of accomplishment, retention of professionals, and successful competence and experience transfers. To get there, we need to combine organisational and individual development. Our framework, Empowered People, helps us towards continuous organisational, personal and competence evolvement and attention to all aspects of the employee lifecycle.

DEVELOPING THE INDIVIDUAL

S1-4 In 2023, we organised a series of leadership training sessions for our extended management team. These sessions covered various topics, from diversity, communication, collaboration, and psychological safety, to ensure continuous business development and a change-oriented culture.

We also held two forums on individual development for our Emerging Professionals, employees under 33. In 2024, they will have two more sessions, including two-way mentoring with Experienced and Seasoned Professionals. And we conducted a shore-to-sea leadership initiative designed for those in ship management working directly with our seagoing officers and crew.

ENGAGEMENT ONSHORE

We have put annual employee surveys on hold, and in 2023, we started using short "pulse surveys" instead. Experts analyse these surveys to ensure anonymity and provide regular insights into the company's situation shared with the People and Organization department. S1-2 S1-3

In addition to these surveys, employees receive an annual development dialogue with their managers. This conversation leads to a development plan for the year, and regular check-ins are recommended to enhance understanding and gain better insights into each party's progress.

Our intranet (GMG Connect) and short, one-topic open meetings (Short Talks) further engage with employees. The working environment committee (AMU) discusses and implements strategies for optimal health and safety practices. We have set up a whistleblower channel with EY to report unacceptable working conditions safely and responsibly.

ENGAGEMENT ONBOARD

We regularly survey our seafarers to ensure their well-being and gather feedback on their onboard experience. In November 2023, we surveyed harassment and bullying to raise awareness and encourage employees to report any incidents. We also offer development talks with superiors and feedback reports to all employees.

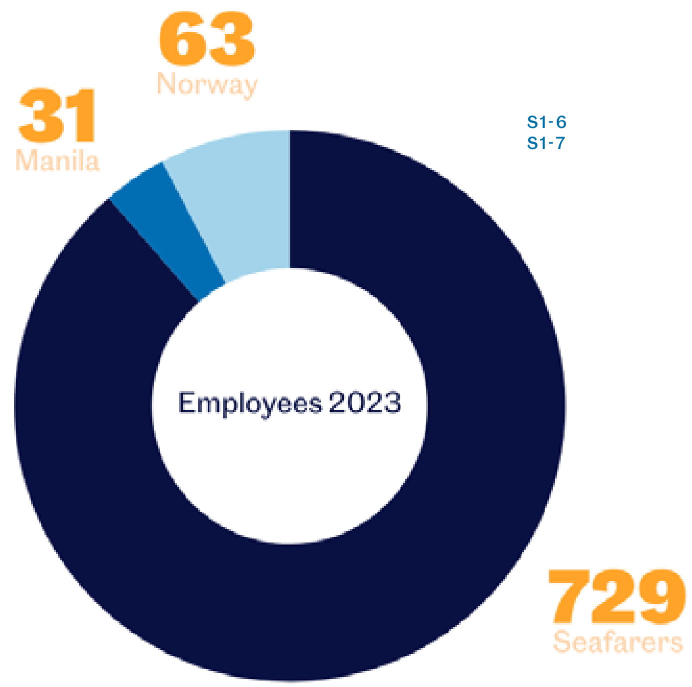
We offer leadership training to masters, chief officers, chief engineers, and second engineers to promote an open culture and effective communication. We also provide Blink, a communication app, for one-to-one interaction among employees, whether onboard or ashore.

We respect the right of all seafarers to report incidents to anyone, including authorities and seamen organisations. Our Integrated Management System (IMS) has an onboard complaint system. If an employee can't or doesn't want to report to their superior, they can use the anonymous whistleblower report form in the Blink app.

COLLECTIVE BARGAINING COVERAGE

Four collective bargaining agreements cover the terms of employment for all sea-based employees—all between the Norwegian Shipowners' Association (NSA), the Associated Marine Officers and Seamen's Union of the Philippines (AMOSUP), and relevant Norwegian seafarer organisations. Collective bargaining agreements do not cover the conditions of land-based employees. S1-8

Safety representatives act as a bridge between employees and management. They have a crucial role in identifying, reporting, and addressing potential health and safety risks in the workplace.



S1-6
S1-7

S1-5 TARGETS

- By 2030: 40% of women in management positions*
- By 2030: 10% of women in seagoing positions onboard managed vessels
- By 2024, define a target for women in technical positions and action plan for how to achieve it
- Annually have 0 target injuries and work-related health problems

S1-4 ACTIONS

- Young professionals forums with mentoring
- Shore-to-sea leadership training
- "I'm a buddy, not a bully"campaign for seafarers
- Strengthen our maternity benefits at sea

S1-1 POLICIES

Employee Code of Conduct:
Expectations regarding employees' behaviour towards colleagues, supervisors, overall organisation and other stakeholders. Applies to all employees. Accountable: CEO

Anti-harassment and bullying policy:
Applies to all employees. Accountable: CEO

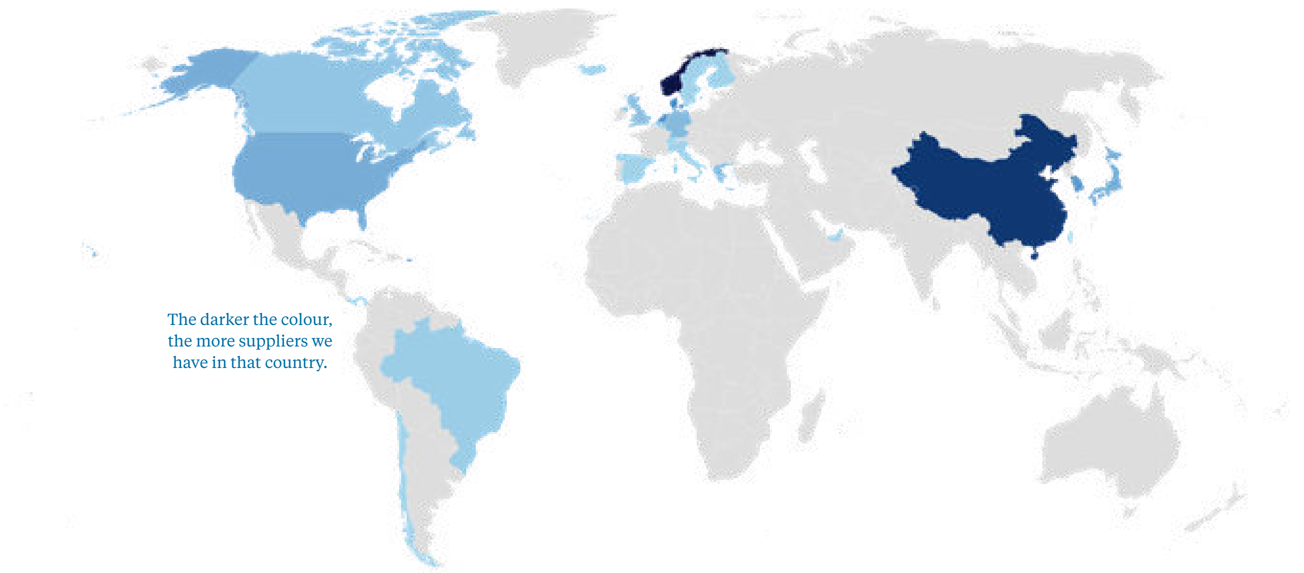
Gender equity policy:
Applies to all employees. Accountable: CEO

Flexible workplace
Defines what Flexible Ways of Working and a Flexible Workplace Arrangement (FWA) mean in GMG. Applies to all employees. Accountable: CFO

Ethical guidelines:
details in page 66-67 (business conduct)

Human rights policy:
details in page 60-61

Employee on Parental or Extended leave. To ensure the right to feel connected to the workplace when absent



12% of our suppliers are representing **21%** of all our purchase orders are located in what we consider high-risk countries in terms of human rights

344 different suppliers in 24 countries

ESRS S2: WORKERS IN THE VALUE CHAIN

Upholding Human Rights

We recognise our responsibility to uphold ESG standards throughout, ensuring that our operations, suppliers, and partners adhere to ethical principles and contribute positively to society.

GRI 407-1, 408-1, 409-1, 414-2
SDGS 5.2, 8.7, 8.8, 16.1, 16.2

By prioritising the well-being and rights of workers, we uphold our ethical standards, enhance stakeholder trust, mitigate operational risks, and fortify our brand reputation.

Through a series of initiatives and procedures, we attempt to improve working conditions, promote stakeholder dialogue, and ensure compliance with ethical standards.

THIRD-PARTY SCREENING

S2-2 In 2023, we implemented new procedures at GMG to enhance our approach towards human rights. These included a Third-party Screening Procedure, guidelines for conducting Human Rights Impact Assessments, and Remediation Guidelines. Each tool is critical in helping us address and improve human rights issues in our operations.

The Third-party Screening Procedure provides a framework for better understanding our counterparties, identifying risks, and establishing a system for reporting, recording, and handling findings. Anyone in Grieg Maritime Group who evaluates, negotiates, recommends, or approves engaging with third parties is responsible for following these procedures.

Following implementing the third-party screening S2-4 procedure in March 2023, we screened our top 10 suppliers based on contract value. Furthermore, we conducted a risk assessment based on suppliers' locations and informed the organisation about the new procedures. The aim for 2024 is to implement software that will enable us to map, gain insights, and quickly identify risks from our supplier network, monitor follow-ups and centralise suppliers' communications.

AUDITS AND ASSESSMENTS

Our drydocking yard is a crucial supplier that provides S2-4 drydocking and repair work for our fleet and new construction projects. However, we have identified these activities as having significant human rights risks. This is mainly due to the challenges of gaining a comprehensive overview of the entire value chain and the potential dangers to workers regarding safety and working conditions.

Grieg Green provides shipyard assessments as part of its business lines. These assessments cover various aspects, including human rights, based on international guidelines. To do this, they conduct research and interviews with different stakeholders such as workers, union worker representatives or local NGOs. Grieg Green assessed our drydocking yards following the implementation of the procedure in 2023 and found no significant issues.

RECYCLING OF VESSELS

In 2023, we updated our ship recycling procedures to S2-2 mitigate potential human rights risks. We screen the yards, conduct a human rights impact assessment, and supervise the recycling operation. By doing so, we can minimise the negative impact on human rights and ensure that the operation is safe.

Incentra, a marine purchasing organisation we are a member of, performs audits to ensure that all supplier members meet their supplier code of conduct based on the United Nations Global Compact's principles. Supplier compliance is checked and verified through the prequalification and audit processes, which involve the participation of supplier employees and representatives. For counterparties that Incentra does not audit, we followe the same procedures.

REMEDIATION

As part of our commitment to respecting human rights, Grieg Maritime Group has developed remediation guidelines that guide us on handling cases of human rights violations that may not have been identified through social audits or resolved by local suppliers. Although the legal responsibility for remediation lies with the authorities and our suppliers, we also strive to rectify any damage caused and ensure that remediation is carried out.

To report human rights breaches or inquire about S2-3 our approach towards human rights, please email us at transparency@griegmaritime.com

S2-5 TARGETS

- By 2023: Apply screening and due diligence procedures to our top 10 largest suppliers based on money spent.
- By 2024, implement a software to map and identify risks from our supplier network, as well as monitor follow-ups and centralise suppliers' communications.
- By 2025, conduct physical on-site inspection of shipyards for open hatch newbuildings.

S2-2 ACTIONS

- Screening our top 10 suppliers based on contract value for human rights.
- Assessing the drydocking yard for human rights and decent working conditions status
- Promoting human rights and decent working conditions in newbuilding contracts.
- Human rights and decent workingh conditions added to criteria for selection of reccyling yards.

S2-1 POLICIES

Human Rights Policy
Policy reflecting our commitment to respecting internationally recognised human and labour rights, by not infringing on the human rights of others, addressing adverse impacts and ensuring measures to prevent, mitigate and remediate such impacts. Accountable: CEO

Ethical guidelines:
Details in page 66-67 (Business conduct)

Other supporting documents:
- Supplier code of conduct
- Third Party screening procedure
- Human rights due diligence guidelines
- Remediation Guidelines
- Grieg Star HSEQ policy
- Grieg Green HSE and Quality policy

PHOTO: AB CRIS DELA CRUZ

REPORTING ON HUMAN RIGHTS DUE DILIGENCE:

Transparency Act Reporting

An integrated part of Grieg Maritime Group is our commitment to respect internationally recognised human rights. Therefore, we have clear policies and expectations for our suppliers and partners to ensure peoples safety, well-being and human rights in our operations, our value chain and in the communities we operate.

PURPOSE

This report is guided by the requirement under the Norwegian Transparency Act to report on human rights due diligence and our work to ensure compliance within our business, our supply chain and with our business partners. It reflects our commitment to promote and protect human rights.

The report should cover:

- The company's organisation and areas of operations;
- The guidelines and procedures for handling actual and potential adverse impacts on human rights and decent working conditions;
- Actual negative consequences and substantial risk for negative consequences which the company have identified through their due diligence assessments and the measures the company have taken or plan to take to stop actual negative consequences or to limit substantial risk.

OUR ORGANISATION AND AREAS OF OPERATIONS

Covered under Strategy, SMB-1 on page 32-33.

SUSTAINABLE CORPORATE GOVERNANCE

Covered under Governance, GOV-1 and GOV-2 on page 14-19.

GUIDELINES AND PROCEDURES FOR HANDLING ACTUAL OR POTENTIAL NEGATIVE IMPACTS ON HUMAN AND LABOUR RIGHTS

Covered under Workers in the value chain, S2-1, S2-2 and S2-3 on page 60-61.

SIGNIFICANT RISK AREAS, MEASURES IMPLEMENTED AND EXPECTED RESULTS

Covered under Workers in the value chain, S2-4 and S2-5 on page 60-61.

Any enquiry on how we work with human rights or other ESG aspects of the organisation can be sent to transparency@griegmaritime.com

PHOTO: CAPT JONALD ANDAYA

ESRS | Governance

1.72 0.88
2022-number
Port State Control Deficiencies
average per vessel in the fleet

ESRS G1: BUSINESS CONDUCT

Ethics, anti-corruption, and whistle-blowing

At Grieg Maritime Group, we take a firm stance on ethical principles and encourage our employees to do the same.

GRI 205-2
GRI 205-3
SDG 16.5

G1-1 The values shared by the Grieg Maritime Group shall be expressed in the way business is conducted and in interaction with each other, with customers, suppliers and other stakeholders. Our values are: open, solid, proud and committed and these are reflected in our ethical guidelines.

G1-2 G1-6 Suppliers are also expected to adhere to similar ethical standards as outlined in the Supplier Code of Conduct. The group has a strict policy when it comes to intermediaries. All agreements with them must be in writing and must clearly define the compensation and services to be provided. The compensation offered should be legitimate and justifiable. Payments are made only against satisfactory documentation and in line with generally accepted accounting principles. In terms of payment practices, the group's accounts payable system defaults to the due date of the invoice.

Information on how we screen suppliers and risks related to our supply chain can be found in pages 60-61 under the topic workers in the value chain.

G1-3 CORRUPTION

As per our ethical guidelines, we have a zero-tolerance policy towards any form of corruption. We do not condone any practices that could influence our business through illegal means. In addition, we maintain a careful relationship with our third parties, and we are cautious about giving or accepting gifts or any other services. We believe that the acceptance of any gifts or representations that may question our integrity goes against our ethical principles and hence should not be accepted. We have outlined our guidance on gifts and hospitality, which reflects our commitment to maintaining ethical standards.

At GMG, the functions that are most vulnerable to corruption and bribery are those related to crew and yard representation. To address this risk, the company has implemented a training matrix. It is mandatory for the top four officers and recommended for the rest of the crew to complete the e-learning course from the Maritime Anti-Corruption Network. Moreover, the crew is briefed about corruption and bribery during pre-departure seminars and company campaigns, while the officers receive training from conferences and assessments to higher positions.

WHISTLE BLOWING

We urge both employees and stakeholders to report any potential breach of our ethical principles through defined channels. We have established a whistleblower routine to ensure that all employees have the opportunity to convey information about unacceptable conditions in a safe and responsible way. To further ensure anonymity and safety, we have engaged with a third party, EY, to receive notifications on our behalf. This channel allows employees to report unacceptable conditions anonymously. G1-1

For sea-based employees there are the onboard anti-corruption guidelines, for detecting, handling and reporting any corruption and bribery incidents. Any reported incident is then sent anonymously to the Maritime Anti-Corruption Network (MACN).

Our Risk and Compliance Forum meets quarterly to observe, discuss, advise and exchange knowledge and information on anti-bribery, corruption, and facilitation payments. They send an annual evaluation to the Board.

LOBBYING

Grieg Maritime Group is a member of the Norwegian Shipowners Association, which is a leading employer's organization and interest group for Norwegian shipping and offshore companies. Our group does not provide any financial or in-kind political contributions. However, we participate in conventions and conferences related to our industry, where lawmakers and politicians are involved, such as Arendalsuka or Nor-Shipping. All costs related to these activities are for covering the travel expenses of our own employees. G1-5

Other lobbying activities are focused on improving the ship recycling industry. We aim to influence this industry by promoting higher standards for workers, their health, safety, and the environment. Grieg Green was even interviewed by the EU regarding the revision of the EU ship recycling regulations.

Our CEO is ultimately responsible for overseeing our political influence and lobbying activities.

G1-2 TARGETS

By 2024, retrain the whole organisation on antibribery and corruption

By 2024 review our code of conducts and ethical guidelines, as well as relevant documents in relation to human rights and corporate culture

ACTIONS

Anti-cuorruption training on 69 emnployees during Officers Conference

G1-1 POLICIES

Ethical Guidelines
Defines the ethic expectations of employees and companies. Board accountable.

Antibribery and Corruption Policy
Applies to all GMG companies and their subsidiaries, their officers, directors, and employees CEO Accountable.

Sanctions policy
Define the fundamental principles for, and to achieve a consistent approach to, compliance with Sanctions Laws within the GMG globally. Scope: GMG globally, CEO Accountable.

Anti money laundering and counter terrorist financing policy
Reflects GMG's commitment to not participate in the process of providing funds to support or facilitate terrorist activities. Scope: GMG companies. CEO Accountable

Authority Matrix
Defines the authority of each member of the management. CEO Accountable

Human Rights policy: pages 60-61

Anti-harassment and bullying policy: pages 58-59

Gender equity policy: pages 58-59

INFORMATION AND CYBER SECURITY

Safeguarding Our Business

Even though Information and Cyber Security are not a part of the ESRS, we have found them to be a material topic for us, and we have decided to report on our work in this regard.

SDG 9.1

In today's digital age, safeguarding our organisation from cyber threats is paramount. With work processes increasingly digitised, the risk of data breaches and cyberattacks grows. Hackers are more sophisticated than ever, constantly challenging our security measures.

WHY INFORMATION AND CYBER SECURITY

We prioritise information and cyber security at every level of our operations to combat these threats. Our proactive approach ensures that sensitive information remains secure and our systems operate effectively. By staying ahead of cyber threats, we protect our organisation's integrity and uphold the trust of our customers, partners, and stakeholders. In a world where cyber-attacks are pervasive, investing in security is not just wise—it's essential for our continued success.

We have steadfastly committed to prioritising information and cyber security at every level. Our joint IT department with G2 Ocean and Gearbulk handles this work.

CYBER RESPONSE

Our Cyber Security Contingency plan details how our IT department and the rest of the organisation should handle any security breaches. Cyber incident response exercises train the organisation on these and are a part of our response exercise schedule. Throughout the year, we have had several exercises onboard and ashore. Our IT department bases the exercises on a prepared scenario that reflects real cyber threats and allows us to verify our plans and identify needs for improvement in relevant processes.

A part of these plans is related to how we inform our customers, suppliers and other stakeholders in case of a cybersecurity breach and how we mitigate with their interests in mind.

TRAINING

The Cyber Security team of our IT department have implemented a training system related to phishing and other cyber threats. 91% of our onshore workforce are actively participating in this training, and throughout 2023 we have completed more than 6,200 simulations. The trainings show an average fail rate of 3.4% for all employees who have received more than 30 simulated e-mails.

91% 3.4% fail-rate

of employees actively participating in phishing training

In October every year, we observe Cyber Security Awareness Month through articles, activities and training with our partners in G2 Ocean and Gearbulk. The aim is to increase our employees' knowledge of cyber security threats to strengthen cyber resilience in the organisation.

UPGRADES AND AI

Still, we need to ingrain this work in our culture. The IT department has taken several actions in 2023 to ensure a higher level of security. We have modernised the infrastructure on all our ships to improve communication between ship and land and prepare the vessels for future digital solutions. Starlink is among the systems tested this year, and we will continue to do so in 2024. In parallel, we have increased the onboard internet speed by two to four times what we had through our VSAT project.

Onshore, we continue to digitise our operations through more intensive use of BI tools and various platforms that have streamlined our operations and brought efficiency to our workflows.

Several of our employees have started to use Artificial Intelligence (AI) in their work, and by the end of the year, we also saw our first internally developed AI tool finalised: the Chat GMG. All employees have been instructed in the mindful use of AI systems regarding information and cyber security.

TARGETS

As we operate in a global market and the world is becoming more and more digitalised, GMG's digital infrastructure becomes more vulnerable of being compromised. Therefore, with G2Ocean we aim to continue with cybersecurity education and to put more efforts in cloud security and data protection.

ACTIONS

- Platform 4 - An extensive project aimed at modernizing the infrastructure on all ships.
- VSAT roll-out to increase speed and security onboard.
- Phishing training.
- Cyber incident response exercises onshore and onboard

POLICIES

Social Media Policy:
The purpose is to promote a positive and inclusive online presence that aligns with GMG's values as wells as encourage responsible and professional use of social media platforms. Applies to all employees of GMG and any of its fully controlled subsidiaries. Accountable: Head of Communications

User accounts and password policy
Applies to all users with accounts managed by Unity.Accountable. CEO

Other supporting documents:
- Grieg Maritime Group cyber security contingency plan
- Procedures on IT infrastructure maintenance
- Procedures on cyber security management

PHOTO: JR 3O LOUIS XANDREX MERCADO

ESRS- List of material disclosures

		Paragraph or page reference
ESRS 2- General disclosures		
Basis for preparation	BP-1 General basis for preparation of its sustainability statement	Included in the sustainability section under relevant topics
	BP-2 Disclosures in relation to specific circumstances	Included in the sustainability section under relevant topics
Governance	GOV- 1 The role of the administrative, management and supervisory bodies	Page 15-17, Governance
	GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Page 19, Governance
	GOV-3 Integration of sustainability-related performance in incentive schemes	Page 22, Governance
	GOV-4 Statement on due diligence	Page 22, Governance
	GOV-5 Risk management and internal controls over sustainability reporting	Page 22, Governance
Strategy	SBM-1 Strategy, business model and value chain	Page 32-33, Strategy
	SBM-2 Interests and views of stakeholders	Page 34-35, Stakeholder engagement
	SBM-3 Material impact, risks and opportunities and their interaction with strategy and business model	Page 33, Strategy
Impact, risk and opportunity management	IRO-1 Description of the process to identify and assess material impacts, risks and opportunities	Page 37, Double materiality assessment
	IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Page 72-75, ESG Status
E1-Climate Change		
Governance	Disclosure requirement related to ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	Page 22, Governance
Strategy	E1-1 Transition plan for climate change mitigation	Page 46-47, Climate Change
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Page 36-39 (double materiality assessment) and page 48-49 (climate change)
Impact, risk and opportunity management	ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Page 36-39 (double materiality assessment) and page 48-49 (climate change risk evaluation)
	E1-2 Policies related to climate change mitigation and adaptation	Page 47, Climate Change
	E1-3 Actions and resources in relation to climate change policies	Page 47, Climate Change
Metrics and targets	E1-4 Targets related to climate change mitigation and adaptation	Page 46-47, Climate Change
	E1-5 Energy consumption mix	Page 47, Climate Change
	E1-6 Gross scopes 1, 2, 3 and Total GHG emissions	Page 48 (climate change) and page 79 (GHG emissions table)
	E1-7 GHG removals and GHG mitigation rojects financed through carbon credits	Page 47, Climate Change. Not applicable for 2023
	E1-8 Internal carbon pricing	Page 47, Climate Change. Not applicable for 2024
	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Page 48, Climate Change
E2-Pollution		
Impact, risk and opportunity management	ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Page 36-37, Double materiality assessment
	E2-1 Policies related to pollution	Page 51, Pollution
	E2-2 Actions and resources related to pollution	Page 50-51, Pollution
Metrics and targets	E2-3 Targets related to pollution	Page 50-51, Pollution
	E2-4 Pollution of air, water and soil	Page 50, Pollution
	E2-5 Substances of concern and substances of very high concern	Not a material subtopic, therefore not applicable for 2023
	E2-6 Anticipated financial effects from pollution-related, risks and opportunities	Page 50, Pollution
E3- Water and marine resources		
"We have identified negative impacts as well as risks and opportunities related to water and marine resources, mainly related to our value chain. However, after analysing them and rating them, they have not come up as material. One opportunity identified related to the subtopic water consumption has been covered under climate change and our impact on marine resources has been covered under the topic biodiversity and ecosystems."		The assessment of all topics, their impacts, risks and opportunities will be periodically reviewed
E4- Biodiversity and ecosystems		
Strategy	E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Not reported. Further efforts are needed to address biodiversity and ecosystems
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Page 36-38 (Double materiality assessment) and page 51 (anticipated financial effects from material biodiversity and ecosystem-related risks)
Impact, risk and opportunity management	ESRS 2 IRO-1 Description of the processes to identify and assess material biodiversity and ecosystems-related impacts, risks and opportunities	Page 36-38, Double materiality assessment
	E4-2 Policies related to biodiversity and ecosystems	Page 53, Biodiversity and ecosystem
	E4-3 Actions and resources related to biodiversity and ecosystems	Page 52-53, Biodiversity and ecosystem
Metrics and targets	E4-4 Targets related to biodiversity and ecosystems	Page 53, Biodiversity and ecosystem
	E4-5 Impact metrics related to biodiversity and ecosystems change	Page 52, Biodiversity and ecosystem
	E4-6 Anticipated financial effects from biodiversity	Page 52, Biodiversity and ecosystem

		Paragraph or page reference
E5-Resource use and circular economy		
Impact, risk and opportunity management	ESRS 2 IRO-1 Description of the processes to identify and assess material resource us and circular economy-related impacts, risks and opportunities	Page 36-39, Double materiality assessment
	E5-1 Policies related to resource use and circular economy	Page 55, Resource use and circular economy
	E5-2 Actions and resources related to resource ise and circular economy	Page 54-55, Resource use and circular economy
Metrics and targets	E5-3 Targets related to resource use and circular economy	Page 55, Resource use and circular economy
	E5-4 Resource inflows	Page 54, Resource use and circular economy
	E5-5 Reource outflows	Page 55, Resource use and circular economy
	E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Page 55, Resource use and circular economy
S1-Own workforce		
Strategy	ESRS 2 SMB-2 Interests and views of stakeholders	Page 34-35, Stakeholder engagement
	ESRS 2 SMB-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Page 36-39, Double materiality assessment
Impact, risk and opportunity management	S1-1 Policies related to won workforce	Page 59, Own workforce
	S1-2 Processes for engaging with own workers and workers' representatives about impacts	Page 58, Own workforce
	S1-3 Processes to remediate negative impacts and channels for own workersto raise concerns	Page 58, Own workforce
	S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Page 58-59, Own workforce
Metrics and targets	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 58, Own workforce
	S1-6 Characteristics of the undertaking's employees	Page 58, Own workforce
	S1-7 Characteristics of non-employee workers in the undertaking's own workforce	Page 59, Own workforce
	S1-8 Collective bargaining coverage and social dialogue	Page 59, Own workforce
	S1-9 Diversity metrics	Page 58, Own workforce
	S1-10 Adequate wages	Page 132-133, ESG status - social
	S1-11 Social protection	Page 132-133, ESG status - social
	S1-12 Persons with disabilities	Page 132-133, ESG status - social
	S1-13 Training and skilss development metrics	Page 58-59 (Own workforce) and page 132-133 (ESG status - social)
	S1-14 Health and safety metrics	Page132-133, ESG status - social
	S1-15 Work-life balance metrics	Page 134-135, ESG status - social
	S1-16 Compensantion metrics	Page 134-135, ESG status - social
	S1-17 Incidents, complaints and severre human rights impacts	Page 58-59, Own workforce

		Paragraph or page reference
S2-Workers in the value chain		
Strategy	ESRS 2 SBM-2 Interests and views of stakeholders	Page 34-35, Stakeholder engagement
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Page 36-39, Double materiality assessment
Impact, risk and opportunity management	S2-1 Policies related to value chain workers	Page 61, Workers in the value chain
	S2-2 Processes for engaging with value chain workers about impacts	Page 60-61, Workers in the value chain
	S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	Page 61, Workers in the value chain
	S2-4 Taking action on material impacts on value chain workers, and approaches to managing material riaks and pursuing material opportunities	Page 60, Workers in the value chain
Metrics and targets	S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 61, Workers in the value chain
S3-Affected communities		
There were identified negative impacts as well as positive impact on communities where we operate. We might negatively contribute to noise pollution in city near ports especially during loading and unloading of our vessels and we positively contribute on job creation in certain communities. The risk identified on indigenous people is linked to the possible forced labour that might occurr during the raw extraction of iron for new building. We have included this risk for monitoring and conduct due diligence and it is disclosed under workers in the value chain.		The assessment of all topics, their impacts, risks and opportunieis will be periodically reviewed
S4-Consumers and end-users		
No impacts, risks or opportunities identified		The assessment of all topics, their impacts, risks and opportunieis will be periodically reviewed
G1-Business conduct		
Governance	ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	Page 16-18, Governance
Impact, risk and opportunity management	ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	Page 36-39, Double materiality assessment
	G1-1 Corporate culture and business conduct policies and corporate culture	Page 68-69, Business conduct
	G1-2 Management of relationships with suppliers	Page 68-69, Business conduct
	G1-3 Prevention and detection of corruption	Page 68, Business conduct
Metrics and targets	G1-4 Confirmed incidents of corruption or bribery	Page 132-133, ESG status - governance
	G1-5 Political influence and lobbying activities	Page 69, Business conduct
	G1-6 Payment practices	Page 68, Business conduct

How we calculate greenhouse gas emission

This chapter presents the Greenhouse Gas emissions (GHG) from Grieg Maritime Group (GMG) during the calendar year 2023, which are calculated using methodologies consistent with the Greenhouse Gas (GHG) Protocol.

The document describes the boundaries considered for the accounting and reporting, the calculation methodologies used as well as the sources of data, assumptions and exclusions made. The disclosures meet the GRI Disclosures 305-1, 305-2 and 305-3 and is in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendation of disclosing the Scope 1, 2 and 3 if appropriate. The following supporting documentation from the GHG Protocol has been used:

- The Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard
- Scope 2 Guidance: An amendment to the GHG Protocol
- Corporate Value Chain (Scope 3) Accounting and Reporting Standards. Supplement to the GHG Protocol
- A Corporate Accounting and Reporting Standard
- Technical Guidance for Calculating Scope 3 Emissions

ORGANIZATIONAL BOUNDARIES

Grieg Maritime Group follows the operational control approach: as a shipowner with vessels under time charter we account for all emissions during the charter period under our Scope 3 in accordance with the recommendations from the Norwegian Shipowners Association, CSRD and the GHG protocol.

We report where we have the authority or ability to introduce, propose or implement operating policies at the operation. It is important to note that having operational control does not imply that we have the authority to make all decisions concerning an operation. We try to align as much as possible our financial accounting with our GHG accounting.

We account and report the below emissions when applicable and we report on tons of CO2 equivalent:

- Carbon dioxide (CO2);
- Methane (CH4);
- Nitrous oxide (N2O);
- Hydrofluorocarbons (HFCs);
- Perfluorocarbons (PFCs);
- Sulphur hexafluoride (SF6); and
- Nitrogen Trifluoride (NF3)

Other emissions not included above such as sulfur oxides (SOx) emissions are reported following the Norwegian Shipowners Association recommendations.

On the next page is an overview of Grieg Maritime Group scopes and emissions across our value chain.

SCOPE 1 EMISSIONS

TOTAL CO2E (T) FOR 2023

Not applicable for 2023.

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

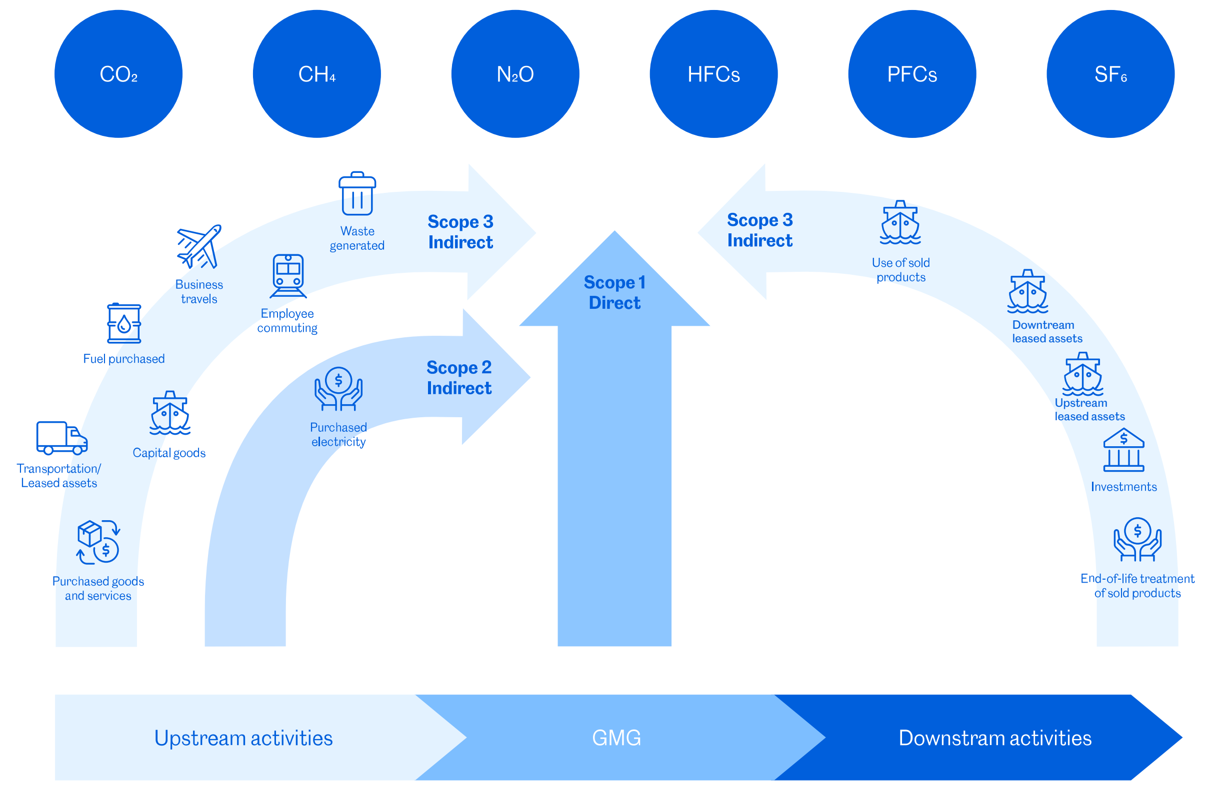
Direct emissions come from sources that the company owns or controls. Due to the type of contract between the Company and the Time Charterer, the emissions from the vessels owned by the Company will be included in our Scope 3, category 13 Downstream leased assets. As of today, GMG does not have direct emissions. However, this will need to be reviewed in the coming years.

CALCULATION METHODOLOGY

Not applicable for 2023.

EXCLUSIONS AND ASSUMPTIONS

None.



SCOPE 2 EMISSIONS

Scope 2 includes the emissions from the generation of purchased electricity, steam, heat or cooling consumed by GMG. It includes the emissions from the acquired electricity for Norway offices and Manila Office, as well as the Company property in Norway and the electricity purchased during drydocking.

Scope 2 emissions are reported using 2 methods: market and location-based methods as indicated in Scope 2 Guidance:

Location-based method

TOTAL CO2E (T) FOR 2023

155

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

Scope 2 location based method quantifies GHG emissions based on average energy generation emission factors for defined geographic locations, including national boundaries.

CALCULATION METHODOLOGY

The emissions factors for the calculation have been obtained from the Norwegian Water Resource and Energy Directorate and Institute for Global Environmental Strategies (IGES). Estimations have been used for allocating an entire building's electricity usage to all tenants on the basis of square meters and occupancy rate.

EXCLUSIONS AND ASSUMPTIONS

None.

Market-based method

TOTAL CO2E (T) FOR 2023

165

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

The market-based method quantifies the scope 2 GHG emissions of a reporter based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments.

CALCULATION METHODOLOGY

For some offices GMG counts with supplier specific data but for some has not been possible. Therefore, for these ones some of the emissions have been calculated using location-based emission factors.

EXCLUSIONS AND ASSUMPTIONS

None.

SCOPE 3 EMISSIONS

Scope 3 emissions are a consequence of the activities of Grieg Maritime Group, that occur from sources not directly controlled by the company. GMG follows the 15 categories from The Scope 3 Standard for accounting and reporting emissions.

Upstream scope 3 emissions

Category 1: Purchased goods and services

TOTAL CO2E (T) FOR 2023

11519

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

The data is extracted from the Company's accounting system, collecting the economic values in USD dollars of the different purchased goods and services during 2023. This data is reflected in the actual Profit and Loss statement (P&L) for 2023 and is classified by internal company accounts codes. Based on the codes, the items are classified following the same system that is used in the Industry and Commodity List for USEEIO Models. Finally, the relevant emissions factors from the Supply Chain Greenhouse Gas Emissions Factors for US Industries and Commodities are applied to calculate the total emissions.

CALCULATION METHODOLOGY

The methodology used is the spend-based method due to data limitations during 2023.

EXCLUSIONS AND ASSUMPTIONS

The hotel services for business travel have been included in Scope 3 Category 6: Business travel. For certain items, the Company was unable to identify the correct emission factors for calculating emissions. As a result, these items have not been included in the calculation of the total CO2e (t) for 2023.

Category 2: Capital goods

TOTAL CO2E (T) FOR 2023

Not applicable for 2023.

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year. These are the fixed assets in financial accounting reporting.

CALCULATION METHODOLOGY

For accounting the emissions from Category 2. Capital goods, emissions from the purchased/acquired fixed assets in financial accounting reporting, GMG will not depreciate, discount, or amortize the emissions from the production of capital goods over time. GMG will account for the total cradle-to-gate emissions of purchased capital goods in the year of acquisition.

EXCLUSIONS AND ASSUMPTIONS

The current guidance from the GHG Protocol does not explicitly address how companies should account for the emissions (cradle-to-gate) from secondhand assets. GMG will therefore not include them in the report to avoid double accounting.

Category 3: Fuel-and energy-related activities (not included in scope 1 or scope 2)

UPSTREAM EMISSIONS OF PURCHASED AND CONSUMED FUELS

CO2e (t): 122927

UPSTREAM EMISSIONS OF PURCHASED ELECTRICITY

CO2e (t): 15.48

TRANSMISSION AND DISTRIBUTION LOSSES

CO2e (t): 12.85

TOTAL CO2E (T) FOR 2023

CO2e (t): 122956

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category covers the well to tank emissions from the purchased and consumed fuel in our vessels, which GMG has operational control, as well as the upstream emissions of the purchased electricity in Norway, Philippines, and China (drydocking). It also covers the transmission and distribution losses emissions from the electricity consumed.

CALCULATION METHODOLOGY

For calculating the emissions, the "average-data" method has been used as described in the Scope 3 Guidance. Industry average emissions factors has been used for each type of fuel consumed. The emissions factors used are the ones from the UK Department for Business, Energy & Industrial Strategy from 2017, 2021 and 2023.

EXCLUSIONS AND ASSUMPTIONS

None.

Category 4: Upstream transportation and distribution

TOTAL CO2E (T) FOR 2023

245

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

The data used comes from one of the Company's biggest marine and offshore suppliers.

CALCULATION METHODOLOGY

The method used to calculate the total CO2 emissions is the distance-based method. This method involved determining the mass, distance, and mode of each shipment, then applying the appropriate mass-distance emission factor.

EXCLUSIONS AND ASSUMPTIONS

The emissions from transportation and distribution account for 40,84% of all Grieg Star's shipments (2445 out of 5987 orders). For the remaining shipments for 2023 there is not enough data to calculate the emissions. Nonetheless, the company is studying different ways to account for and report on the remaining emissions, for example letting our logistic partner handle as many shipments as possible. Additionally, the Company do not have a system that can exclude purchased orders that should not be included in category 4 (e.g. services and deliveries directly to the yards), something that should be taken into account. Therefore, the actual percentage of total purchase orders which the company can calculate emissions for will be slightly higher than 40,84%.

Category 5: Waste generated in operations

TOTAL CO2E (T) FOR 2023

1375

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

The data used is obtained from each vessel. The vessels for which GMG has operational control have a garbage record book following MARPOL Annex V. Under MARPOL Annex V, garbage includes all kinds of food, domestic and operational waste, all plastics, cargo residues, incinerator ashes, cooking oil, fishing gear and animal carcasses generated during the normal operation of the ship and liable to be disposed of.
The records are measured in m3 and have been converted to weight following the Volume-to-Weight Conversion Factors for Solid Waste from the United States Environmental Agency (EPA) and the Unit Conversion factors from the Blue Environment and Ascend Waste and Environment prepared for the Department of the Environment and Energy from Australian Government.
For other waste generated we obtained it from the office management of the different GMG office locations.

CALCULATION METHODOLOGY

The method used for calculating emissions from the waste generated onboard is the Waste-type-specific method, following the Technical Guidance for calculating Scope 3 Emissions. The method involves using emission factors for specific waste types and waste treatment methods. The offices emissions are provided by the building's property management.

EXCLUSIONS AND ASSUMPTIONS

For 2032 the waste generated such as paper and electronic waste in The Philippines offices have not been included since no records were kept for 2023. To be noted that the number of employees in respect to the other offices is considerably smaller. Furthermore, the operational waste from 2 vessels (we considered 27 out of 30) has not been included since the Group does not have HSEQ control over them.
The company does not have access to information about the handling of waste once it is discharged into port facilities. As a result, the Company is unable to track the treatment process or calculate emissions for 83% of its total waste from operations. It's presumed that a significant portion of this waste ends up either in landfills or undergoes incineration.

Emissions Category	Total Emissions (tCO2 equivalent)	
	2023	**2022**
Scope 1	**0**	**0**
Scope 2 Location-based emissions	155	192
Scope 2 Market-based emissions	165	197
Total Scope 1 + Scope 2 Location based	**155**	**192**
Total Scope 1 + Scope 2 Market based	**165**	**197**
Scope 3		
Purchased goods and services	11.519	11.995
Fuel and energy related activities	122.956	122.200
Upstream transportation and distribution	245	308
Waste in operations	1.375	642
Business Travel	4.862	2.922
Employee Commuting	33	62
Upstream leased assets	0	0
Scope 3 upstream	**140.990**	**138.130**
Downstream leased assets	568.618	55.8448
Investments	154.004	18.0453
Scope 3 downstream	**722.622**	**73.8902**
Scope 3	**863.613**	**877.032**
Grand total (scope 1, 2 location based and scope 3)	**863.768**	**87.7224**
Grand total (scope 1, 2 market based and scope 3)	**863.778**	**877.229**

Category 6: Business travel

TOTAL CO2E (T) FOR 2023

4862

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes the transportation of employees for business-related activities during the reporting year. The Company has also included the hotel stays.
The data has been directly obtained from different sources; for Norway and The Philippines the data is obtained from the travel agencies that the Group is working with for booking trips.
The CO2 equivalent emissions from hotel stays have been calculated using the Hotel Footprinting Tool, produced by the International Tourism Partnership and Greenview. For calculating the transportation emissions, the Company used the conversion factors from the UK Government GHG conversion Factors for Company Reporting.

CALCULATION METHODOLOGY

The emissions from flights have been calculated following the distance-based method, which involves determining the distance and mode of business trips, then applying the appropriate emission factor for the mode used. The emissions from cars and trains, which represent 0.25% of GMG's travel costs, have been calculated based on the spend-based method. This method involves calculating the emissions based on the amount spent per each transportation mode multiplied by secondary emissions factors. For calculating the emissions from hotel stays, the data used is the nights per stay for each employee per country travelled multiplied by the pertinent conversion factor.

EXCLUSIONS AND ASSUMPTIONS

None.

Category 7: Employee commuting

TOTAL CO2E (T) FOR 2023

33

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes emissions from the employees commuting to work from home. It also includes the emissions from teleworking. The difference in emissions compared to last year may be attributed to the use of different emission factor sources for this year's calculations. Additionally, the alteration may be partly due to the relocation of office space in the Philippines.

CALCULATION METHODOLOGY

The data is extracted from the annual form sent to employees located in both Norway and the Philippines, and the method applied to calculate emissions is the distance-based. This method involves collecting data from employees on commuting patterns based on the distance travelled and mode of transportation.

EXCLUSIONS AND ASSUMPTIONS

For teleworking we took the average emission factors for the UK, assuming that these emissions will not highly differ from the office's location.

Category 8: Upstream leased assets

TOTAL CO2E (T) FOR 2023

Not applicable for 2023.

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes emissions from the operations of assets that GMG leased during the reporting year that are not already included in scope 1 or scope 2. During 2023, GMG leased one vessel which was rented out to G2Ocean under time charter. Its emissions are not included in this category and are included in Downstream leased assets.

CALCULATION METHODOLOGY

Not applicable for 2023.

EXCLUSIONS AND ASSUMPTIONS

None.

Downstream scope 3 emissions

Category 9: Downstream transportation and distribution

TOTAL CO2E (T) FOR 2023

Not applicable for 2023.

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes emissions from transportation and in the reporting year between the GMG's operations and the end consumer (if not paid for by the reporting company), in vehicles and facilities not owned or controlled by GMG. This category does not apply to GMG since the Company do not sell any products. This assessment will be reviewed periodically.

CALCULATION METHODOLOGY

Not applicable for 2023.

EXCLUSIONS AND ASSUMPTIONS

None.

Category 10: Processing of sold products

TOTAL CO2E (T) FOR 2023

Not applicable for 2023.

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes emissions from processing of sold intermediate products by third parties (e.g., manufacturers) subsequent to sale by the reporting company. This category does not apply to GMG since the Company do not sell any products. This assessment will be reviewed periodically.

CALCULATION METHODOLOGY

Not applicable for 2023.

EXCLUSIONS AND ASSUMPTIONS

None.

Category 11: Use of sold products

TOTAL CO2E (T) FOR 2023

Not applicable for 2023.

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes emissions from the use of goods and services sold by GMG in the reporting year. This category does not apply to GMG since the Company do not sell any products or services that can be accounted for. This statement will be reviewed periodically.

CALCULATION METHODOLOGY

Not applicable for 2023.

EXCLUSIONS AND ASSUMPTIONS

None.

Category 12: End-of-Life treatment of sold products

TOTAL CO2E (T) FOR 2023

Not applicable for 2023.

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes emissions from waste disposal and treatment of products sold by the reporting company at the end of their life cycle. This category does not apply to GMG during the reporting year. This assessment will be reviewed periodically.

CALCULATION METHODOLOGY

Not applicable for 2023.

EXCLUSIONS AND ASSUMPTIONS

None.

Category 13: Downstream leased assets

TOTAL CO2E (T) FOR 2023

568618

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes emissions from the operations of assets that GMG owns and leases to other entities during the reporting year that are not already included in scope 1 or scope 2. GMG leases under time charter agreement 31 vessels to G2Ocean and all their emissions during operations have been included in this category.

CALCULATION METHODOLOGY

For calculating the emissions, the asset-specific method has been used as described in the Scope 3 Guidance. The calculation of the emissions from the time charted vessel are based on fuel consumption.

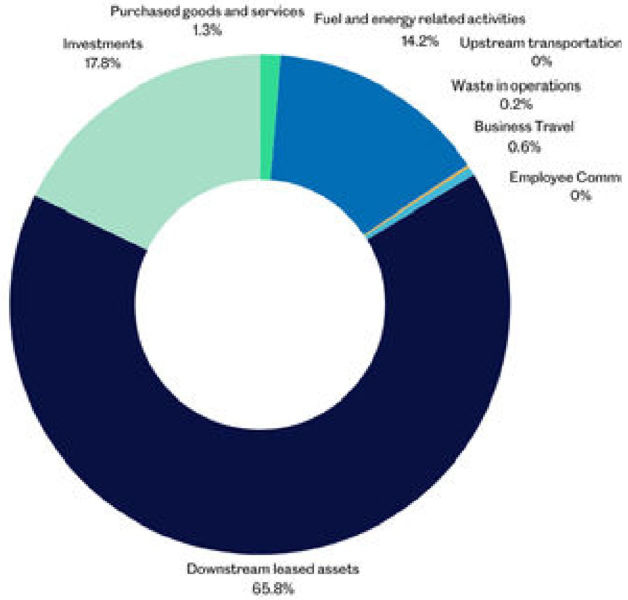
EXCLUSIONS AND ASSUMPTIONS

For one vessel only CO2 were accounted, other greenhouse gasses were not included.

Category 14: Franchises

TOTAL CO2E (T) FOR 2023

Not applicable for 2023.



DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

This category includes emissions from operations of franchises in the reporting year not included in Scope 1 and Scope 2 and reported by franchisor. This category does not apply to GMG since the company do not provide any license to sell or distribute GMG's services

CALCULATION METHODOLOGY

Not applicable for 2023.

EXCLUSIONS AND ASSUMPTIONS

None.

Category 15: Investments

TOTAL CO2E (T) FOR 2023

154004

DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE EMISSIONS

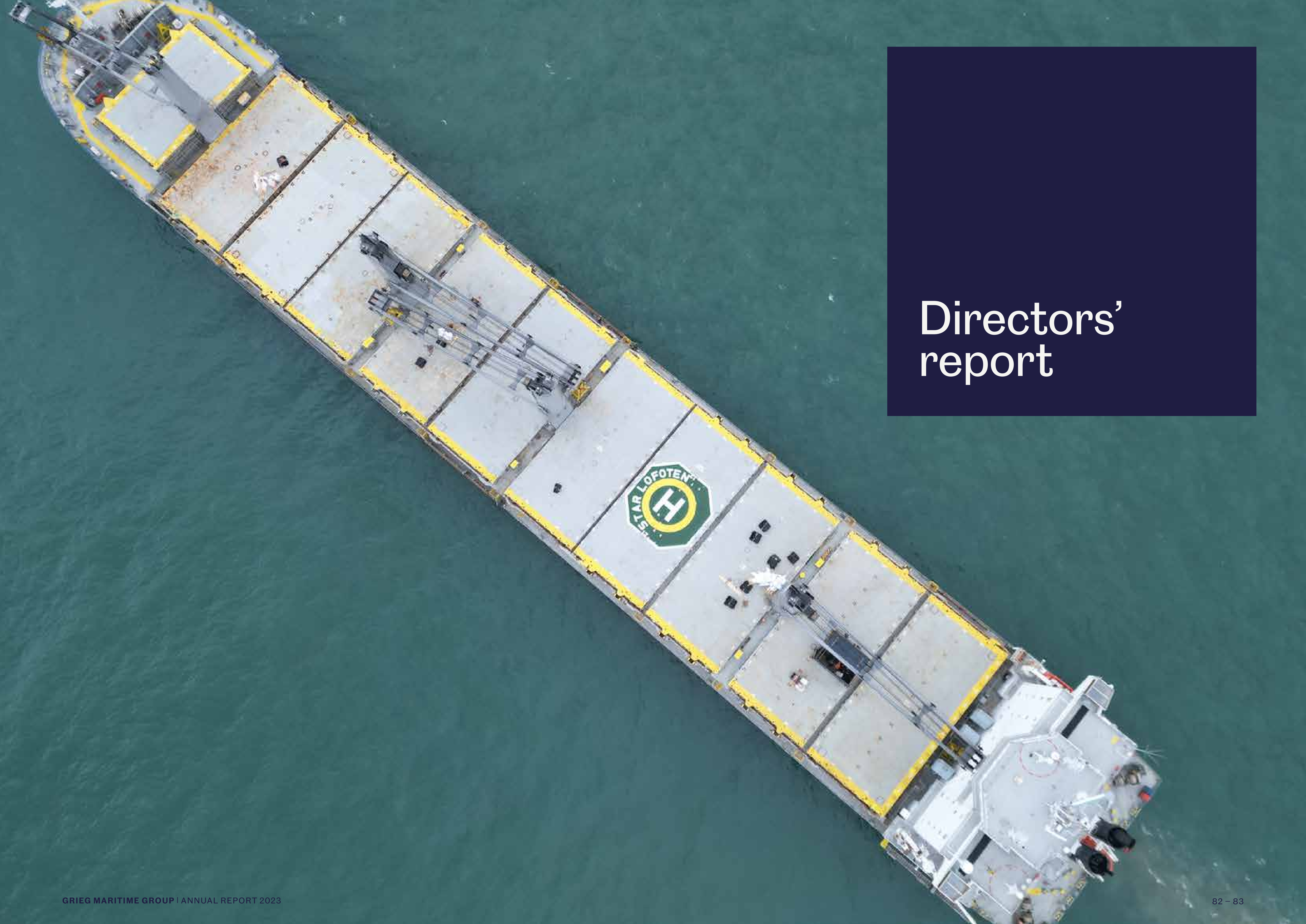
This category includes scope 1 and 2 emissions from GMG's equity and debt investments including subsidiaries, associate companies, and joint ventures that are not reported in the parent company's scope 1 and 2. The company counts with a portfolio managed by an external company, Grieg Investors and another portfolio managed by Grieg Edge.

CALCULATION METHODOLOGY

The emissions from GMG's 2023 are the proportional share of the scope 1 and 2 of the companies inside the financial and investment portfolios and G2Ocean (joint venture with Gearbulk), which include the proportional part of their time-chartered vessels.

EXCLUSIONS AND ASSUMPTIONS

Grieg Edge portfolio has not been included. Some of the companies do not have yet the production facilities running, and it is estimated that for the reporting year the investments do not contribute significantly to scope 3 emissions. This statement will be reviewed periodically.



Directors' report

Camilla Grieg

CHAIR OF THE BOARD

DIRECTORS' REPORT 2023

GRIEG MARITIME GROUP AS – CONSOLIDATED

Overall, 2023 was a good year for Grieg Maritime Group. Financially, we experienced shipping freight markets returning to more normalised but sustainable earnings levels. At the same time, operating costs continued to climb due to inflation pressure and the need to upgrade some of the vessels in the fleet. The year will stand out in our history as we invested in our first emission-free ready newbuilds, both in our traditional Open Hatch segment and in short-sea. The latter is a new segment for us and a part of Grieg Edge. When the year ended, Grieg Green purchased the majority in ReFlow, an expert in lifecycle analysis and environmental reporting, as part of broadening our sustainability offerings. Combined, these investments rig Grieg Maritime Group for the future. With this, we consider Grieg Maritime Group in good financial and strategic shape and ready to continue developing our business activities with a highly competent team.

THE BUSINESS

Grieg Maritime Group builds on more than 135 years of marine experience and is part of the Grieg Group, a family-owned group of companies determined to create lasting values. At Grieg Maritime Group, we innovate and deliver sustainability services to the maritime industry through our subsidiaries, Grieg Edge and Grieg Green. Grieg Shipholding provides world-class shipping through our activities in Grieg Shipowning, Grieg Star and G2 Ocean. We are long-term in our business approach, with a strong focus on sustainability, organisational development and operational excellence, all key for developing new and existing business – on our own and with partners. The Group has offices in Manila and Oslo, and its headquarters are in Bergen.

AREAS OF OPERATION

Owner and manager of specialized Open Hatch vessels

At year-end 2023, Grieg Shipowning controlled a fleet of 31 (31) Open Hatch vessels with an average age of 16 (15) years. As specialised ships, the vessels are equipped with gantry or swing cranes and box-shaped holds, constructed to offer a versatile transportation concept, delivering superior cargo care through advanced handling and loading operations. The ships are traded by G2 Ocean, the world's largest Open Hatch shipping company, which we control jointly with Gearbulk. Operating 33 global trade routes and having more than three thousand port calls in nearly 60 countries yearly, the G2 Ocean Open Hatch Pool delivers efficient, innovative, and high-quality services to customers worldwide. Twenty-five million tons of cargo was transported in 2023. The commodities transported, many under Contracts of Affreightments, are wood pulp and other forest products, aluminium, steels, granite, industrial minerals, and project and non-unitised cargos like wind turbines. Grieg Star is the internal ship management organisation taking care of the daily operation of the vessels and is also a driving force in developing the fleet to changing requirements. Highly skilled and experienced employees across the Group ensure safe and reliable operations and a cost-efficient capital structure. Both are essential in our effort to decarbonise the existing and future fleet. In 2023, Grieg Shipowning signed a contract for the building of four ammonia-ready 82,300 dwt Open Hatch vessels with delivery in 2026 at CSSC Huangpu Wenchong. The newbuilds have the flexibility to be close to emission-free as soon as fuels are available, as its' design is not tied to one fuel (but keeps our options open for other fuel types like methanol). This new class of Open Hatch vessels, called PulpMax, shows that we are serious about climate action and plan to stay a leading player in our segment.

Green services

Grieg Green is a world-leading provider of advisory and supervision services related to sustainable recycling of ships, rigs, and oil & gas units, and has, since its inception, completed 151 recycling supervision projects. The company also delivers other green solutions like Inventory of Hazardous Materials and assists asset owners with physical audits of shipyards for maintenance, repair and recycling. Grieg Green is ISO 9001 certified and approved by major class societies and is committed to continuously improving HSEQ practices at the yards the company engages with. In 2023, a transparent ESG rating system for shipyards, YardScore, was initiated. At the end of the year, Grieg Green acquired 51% of the Danish software provider ReFlow to add new competencies to the team and to offer a broader set of environmental services to the maritime market.

Maritime innovation

Grieg Edge is a dedicated innovation unit within Grieg Maritime Group, established to identify and develop new business within the green transition in the maritime industry. Since its incorporation in 2020, they have assessed numerous business ideas within the three key segments: Short Sea, New Energy, and Ocean Ventures. Partnerships have been crucial to our development and success. In our joint venture with the Peak Group, Skarv Shipping, 2023 saw an order of four 7,000 dwt low-emission multipurpose project carriers. We have established North Ammonia together with Arendals Fossekompani, we are developing an ammonia distribution vessel concept with Wartsila, and we are conducting a feasibility study of Slagentangen in the Oslofjord as a hub for green fuels together with Exxon, GreenH and North Ammonia. Furthermore, our Ocean Ventures segment has made several investments in promising start-up companies.

OUR FINANCIAL RESULT

In 2023, we saw a reduction in freight rates, increased vessel operating costs, and positive currency effects, which had an impact on both personnel costs and financial items, of which the latter was also positively influenced by strong equity and bond markets. The situation on a macro level is highly volatile, and market fluctuations are significant, which is more normal than abnormal in shipping. Overall, 2023 should be regarded as a good year for Grieg Maritime Group, delivering a consolidated profit before tax of USD 30.7m for 2023 (USD 155.7m).

Earnings, operating costs, and finance result

The Group's revenues consist primarily of freight income, which is accounted for as time charter hire. Other income is mainly related to the sale of consultancy services. Total 2023 revenues were USD 179.1m, down from USD 319.3m in 2022. The primary reason for this was a reduction in Open Hatch freight earnings, which reverted to more normal levels after a record high in 2022, which benefited from supply-demand imbalances related to pent-up demand after COVID-19, logistic inefficiencies, and the war in Ukraine. There was no sale of vessels in 2023, nor was there any bulk income that contributed notably in 2022 (USD 35.6m).

Total operating costs before depreciations decreased in 2023 to USD 113.7m (USD 117.0m). However, Vessel operating costs increased to USD 79.7m (USD 74.5m), mainly due to some vessels needing technical repairs and upgrading after being taken over from bareboat charter or brought back on internal ship management coupled with incidents requiring vessel repairs. In addition, costs related to food provision onboard increased in 2023, given inflation and insurance costs. On a positive note, there was improved safety performance and high efficiency at dry dockings. Docking costs increased in line with the fact that vessels being docked were five years older than in their previous special survey. Time charter and bareboat charter costs decreased to USD 15.5m (USD 22.5m) during 2023, largely as a result of the sale of long-term dry bulk charter agreements in 2022, and partly because of the purchase of a semi-Open Hatch vessel mid 2022 that had previously been chartered on bareboat. Payroll and administration costs also decreased, down to USD 18.5m (USD 20.0m), mainly because of a weaker Norwegian Kroner versus the US Dollar, which more than offset the effect of an increase in the number of people employed.

With significantly lower revenues than the decrease in operating expenses, the Group's EBITDA was reduced to USD 65.4m in 2023 (USD 202.3m in 2022). Depreciation costs increased to USD 32.1m (USD 31.7m) in 2023, which was due to the installation of Ballast Water Treatment Systems on vessels being dry docked, the timing of dockings, and the full-year effect of a vessel purchase in 2022. There were no impairments or reversals of impairment in the 2023 accounts. Thus, the Group's operating profit ended at 33.2m (USD 170.6m) for 2023.

Net financial items were minus USD 2.5m in 2023, significantly lower than for 2022 (USD - 14.9m). Despite increasing Libor/SOFR rates, interest expenses decreased to USD 13.0m (USD 16.4m) due to lower outstanding loan balances and favourable interest rate hedges. In addition, an improved return on the Group's excess liquidity of USD 5.3m (USD 0.4m) and a net gain on foreign exchange of USD 4.7m (USD 1.4m) had, in particular, a positive impact on net finance costs. All in all, this results in a consolidated profit after tax of USD 30.0m (USD 150.9m) for Grieg Maritime Group in 2023.

Balance sheet, financial situation, and cash flow

Based on net cash flows from operations of USD 60.5m (USD 176.2m), cash flow from investments of minus USD 53.8m (USD - 1.2m) and a net cash flow of minus USD 75.8m (USD – 133.2m) from financing activities, net change in liquid funds in 2023 was minus USD 69.1m (USD 41.9m).

Long-term interest-bearing debt, including financial leases, was USD 215.3m (USD 229.1m) as of year-end 2023. With Grieg Maritime Group's strengthened financial position, several of the Group's ship leases and loans have been refinanced, including amending some loans into revolving credit facilities, of which USD 50m was undrawn by the end of 2023. Financing terms and conditions are generally maintained or improved, all with first-class banks and leasing partners. 4 (5) vessels in the fleet are debt-free, and no loans have been incurred on the Open Hatch newbuilds so far.

Group equity was USD 383m at year-end 2023 (USD 359.1m), improving the equity ratio to 62% (53%) ex-dividend. By the end of 2023, Grieg Maritime Group has total assets of USD 619.0m (USD 675.9m), of which the shipping fleet constitutes 78% (76%) and liquid funds 12% (20%) of the balance sheet. Current assets account for USD 82.9m (USD 144.7m), of which liquid funds are USD 71.4m (USD 133.6m). Given the Group's strong asset values and sufficient liquidity, we consider Grieg Maritime Group in a good financial position.[1]

OUR PEOPLE

Developing our employees

Our success is dependent on developing, retaining, and attracting the best talent. In 2023, we continued our group-wide Sustainable Co-workership initiative as part of developing our organisation and strengthening our organisational culture. Through training on organisational and personal development, in live and interactive sessions across business units, we took a closer look at How we can create a safe environment for speaking up, Exercise self-leadership to be our best self, Embrace diversity to achieve innovation, and Bring the outside in to build change capacity. To ensure a collective direction, we also focused on what it means to be a leader in Grieg Maritime Group, offering mandatory training to all leaders with an emphasis on Building psychological safety, Cross-team collaboration, Change-orientation, and Learning mindsets. For our emerging professionals, employees below 32 years old, we facilitated gatherings to discuss personal and professional development. A shore-to-sea leadership initiative was designed for ship management employees working directly with seagoing officers and crew to address challenges and opportunities within remote leadership, sharing best practices.
In addition to arranging training and facilitating organisational development, considerable efforts are being put into ensuring sound working conditions for our employees and carrying out recruitment. As part of the latter, we implemented a new digital recruitment system in 2023 to provide better proximity to the labour market, strengthen our employer brand, and simplify GDPR compliance.

Our workforce, health, working environment and safety

The total number of employees in Grieg Maritime Group was 823 by year-end 2023, which is an increase compared to 2022 (683) and primarily due to vessels being insourced to own ship management. 729 (597) of the employees were working at sea, and 94 (86) were shore-based, of which 31 (25) were in offices abroad and 63 (61) were in Norway. Out of these, one was a (1) temporary position in 2023 and two (2) part-time employments.

The Board considers conditions related to the Group's working environment and health to be good. This is also shown through numbers, as absence rates and injuries are low. In 2023, registered sick leave for our global onshore organisation was 2.3% (0.6%). Sick leave for Norwegian-based employees increased to 3.1% (0.5%) due to some long-term illness, but still at an acceptable level, while it went further down to 0.7% (0.8%) in the offices abroad. Records show no (0) injuries onshore in 2023.

Besides medical follow-ups, the Group encourages and facilitates participation in physical activities so that our personnel stay healthy. With the help of employee pulse surveys, we gathered feedback and measured employee sentiment on various topics in 2023, such as Job Satisfaction & Subjective Well-being, Stress & Sleep, and Psychological Safety & Talent Management. Although responses were generally positive, with results underlining the importance of continuously building psychological safety, giving and receiving feedback to better understand and develop, and fostering work-life balance to manage stress and improve sleep, the surveys also offered insights on where to focus our attention going forward.

In 2023, the number of vessels on internal ship management increased by three. The number of human injuries did not increase, and we noted an improved injury frequency in all injury categories for our seafarers. There were no (0) fatal accidents, but three (3) seafarers had to be repatriated due to the nature and severity of the injury suffered. None of these injuries will lead to any permanent disabilities. We are constantly working to reduce this number to the only number we can accept for anyone working for the company, which is zero. For stevedore injuries, we saw a significant decrease in cases

[1] Grieg Maritime Group AS is the parent and holding company for the consolidated group of companies consisting of Grieg Green, Grieg Edge, and Grieg Shipholding with its respective subsidiaries. Grieg Maritime Group AS with its corporate and business support functions supplies management services to the various business units within strategy, communications, administration, accounting, finance, legal, business and project development as well as IT, HR and organizational development. The company accounts for 2023 shows a result before and after tax of USD 11.7m (USD 25.4m). The result is primarily made out of dividend from the subsidiaries. Total assets per year end 2023 is USD 272.2m(USD 313.4m). A 85% (91%) equity ratio reflects that the company's main assets are shares in subsidiaries.

in 2023, down to 22. compared to a very high number in 2022 (40). The efforts to improve safety for the stevedores continue as part of a joint G3 Safety Culture project. In addition to the human implications when stevedores are injured onboard vessels, the risk of legal implications is increasing, especially in US ports.

There were no (0) harmful spills to sea or land from vessels under our management in 2023. We had operational spills contained onboard, but these were reduced by 60% compared to last year. This is a very positive development, much related to systematic improvements made to the many hydraulic systems on Board the vessels. None of the company's vessels were involved in serious accidents like grounding, collision, or salvage. The most serious incident was when one vessel experienced a fire in the accommodation, which could have developed further if the crew had not acted quickly and correctly as they did. No humans were injured.

The quantity of plastic waste generated onboard the vessels increased in 2023 compared to the previous year. Still, more than 80% of the plastic waste was delivered to shore facilities with a responsible waste handling and recycling capacity. The focus on sustainable plastic waste management will continue in 2024.

Equal opportunities

At Grieg Maritime Group, we do not accept discrimination in any form. The business operations are to be conducted based on principles of equality and respect.

At year-end 2023, the land-based workforce reflected a gender distribution of 51% (52%) women and 49% (48%) men. As a Group we once again delivered on the Women in International Shipping and Trading Associations "40 by 30" pledge. Through this, we have committed to having 40% females in leading management positions by 2030. We had 41% (41%) women in management positions at the end of 2023, while there were 21% (19%) females in technical positions. 43% (50%) of our top management team are women, the same gender balance as that of the Board of Directors. Grieg Star, our ship management unit, trains female cadets for officer positions on our vessels. In 2023, 35 (19) of the 729 (597) seafarers onboard were women, of which 1 (1) was holding a senior management position and 14 (11) are holding junior management positions. In addition, 11 (8) of the 52 (38) in our cadet program on shore and at sea are female. There was one (0) woman on maternity leave in the Norwegian entities in 2023, while the average number of leave weeks taken out by male employees was 0 weeks (15 weeks). We are not where we want to be in all areas of equality, and as we advance, we will put more effort into recruiting female technical positions and attracting and retaining women seafarers. An initiative taken at the start of 2024 for the latter is an enhanced maternity leave policy for women on Board. Furthermore, our bank loans are sustainability-linked with KPIs related to having a defined minimum number of women in management and onboard our vessels.

Grieg Maritime Group aims to pay all land-based positions the right compensation based on the level of required competence, degree of problem-solving, and accountability. Positions are compared across the organisation and towards the industries and trades we operate with to provide proper payroll benchmarking. Equal pay across gender and ethnicity for equivalent positions is also the aim. For positions onboard our vessels, remuneration is based on equal pay for the same position, adjusted for the number of years in the position and the company.

OUR IMPACT ON THE ENVIRONMENT

Seaborne transportation accounts for approximately 90% of global trade and contributes to nearly 3% of total greenhouse gas (GHG) emissions worldwide. As an industry, we are steadfast in our commitment to mitigating this impact. In alignment with the International Maritime Organization's (IMO) directive, Grieg Maritime Group have embraced the Norwegian Shipowner Association's ambitious targets, and we aim to reduce GHG emissions per transported unit by a minimum of 50% by 2030 from 2008 levels, ultimately achieving carbon neutrality by 2050. The 2030 target is also confirmed in our bank loans, which are linked to sustainability. Achieving these objectives necessitates a collaborative effort to establish a robust value chain that supports adopting low and zero-emission fuels well before the 2030 deadline.
Throughout 2023, we have proactively implemented a series of efficiency measures and conducted trials of emerging technologies for our Open Hatch vessels. Noteworthy among these initiatives is the commencement of testing for a groundbreaking fuel catalysation technology to enhance fuel performance. Additionally, we have launched a pilot project to evaluate the efficacy of a graphene-based anti-fouling coating system. Beyond improving emission performance, this innovative solution has the potential to minimise paint usage and significantly reduce the release of biocides and microparticles into the marine ecosystem. Furthermore, we are actively supporting the development of an AI-driven model designed to optimise speed and fuel consumption across our fleet.
The implementation of emission-reducing initiatives is also evidenced by the Group's ordering of the ammonia-ready Open Hatch and multipurpose project carriers, which we expect will run on ammonia or other emission-free fuel when sufficient fuel infrastructure and supply is available in the respective trades. That is also why Grieg Edge's investments in the production and distribution of green ammonia and hydrogen are important, not only to Grieg Maritime Group but to the maritime industry in general—to enable the transition to emission-free shipping.

The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC) is the primary regulation in the ship recycling industry. IMO finally ratified this in June 2023 and entered into force globally in June 2025. In addition, there is the EU Ship Recycling Regulation (EU SRR) has been in force since 2018 for vessels with EU flag and/or EU trade and is currently under revision. While the wording in both regulations is open for interpretation, their purpose is to keep the environment and yard workers safe during dismantling and recycling. Grieg Green ensures in all projects it advises on, through detailed pre-recycling planning and local site supervision, that the working conditions are according to ethical standards, that safety and quality procedures are in place for all processes, that equipment used is suitable and verified, and not least that the environment - sea, air, and soil, is protected from hazardous waste. During 2023, only one complete supervision project was undertaken: for a container vessel at the ASRY Yard in Bahrain. This yard mainly engages in repair work and needed to learn the specifics of the recycling processes from Grieg Green. It turned out that their infrastructure, safety level and working conditions were above the industry average for recycling.

Grieg Green finds it of great importance to incentivise and motivate all Ship Recycling Facilities, no matter in what country they are located, to improve standards and processes continuously. We have, therefore, initiated YardScore - a transparent rating system for shipyards in collaboration with key industry stakeholders to bring transparency to the ESG performance of recycling and repair yards. We experience high interest in YardScore from a broad reference group consisting of BIMCO, shipowners, the Responsible Ship Recycling Standards, banks, and other investors like the Norwegian oil fund, insurance providers, and the green steel industry.

OUR SUSTAINABILITY PROGRESS

In Grieg Maritime Group, we have been dedicated to sustainability for decades, a long time before any formalised processes or clear stakeholder expectations existed, by just believing in a shared responsibility to build a better world. Over the last couple of years, this work has been structured around our commitment to the UN Sustainable Development Goals (SDGs)[2], our annual reporting of progress on Environmental, Social and Governance (ESG) metrics that are considered material for our industry[3], and not least continuously reviewing our overriding strategy - Creating maritime solutions for a better future, as our guidance for setting clear sustainability objectives for our daily operations, development initiatives and investments.

With the EU Corporate Social Reporting Directive (CSRD), we are now also directing our work to progress on sustainability based on how to report according to the upcoming European Sustainability Reporting Standards (ESRS), by which we plan to report from 2024, one year ahead of the deadline. This implies that we have completed Grieg Maritime Group's first Double Materiality Assessment and a Climate Risks Assessment and worked on improving our reporting on Scope 3 emissions. By allowing ourselves to use time and involving a large part of the organisation, we experience that we are not just working on a new reporting scheme but, through the assessments and target setting, also find ourselves discussing material aspects of our business that we may not otherwise have approached. You will find more about our progress on sustainability in other parts of the Annual Report.

OUR RISKS

Risk management is vital to protecting people, the environment, and the business's assets. Thus, risk management is essential for the Group's value creation and is an integrated part of our governing model. Grieg Maritime Group's key risks relate to operational activities, market and financial risk, compliance and regulatory framework, as well as human rights, climate, security, and cyber risks. Strategies, policy development, guidelines, and risk-mitigating measures are vital in managing and reducing these risks.

Risk areas that have been subject to particular focus in 2023, beyond others already mentioned in this report, are human

[2] Seven SDGs are targeted as material to the Group: 4. Quality Education, 5. Gender Equality, 9. Industry, Innovation, and Infrastructure, 12. Responsible Consumption and Production, 13. Climate Action, 14. Life Below Water and 15. Life on Land.
[3] To report on progress we have previously followed the ESG reporting recommendations from the Norwegian Ship Owners Association, and with reference to the Integrated Reporting Framework and the Global Reporting Initiative (GRI). From 2023 we are expanding this to also include a large share of the reporting requirements of EU's CSRD and ESRS.

rights - as part of our first reporting under the Norwegian Transparency Act and third-party activities concerning anti-money-laundering, anti-bribery and corruption, and sanctions. To control these risks better, we are implementing a digital screening tool to assist us in assessing human rights risk in our supply chain. As the war in Ukraine has continued and the Israel-Hamas conflict has evolved, the safety of our seafarers and ships has naturally also been high on the agenda. Thankfully, there were no security-related incidents for the fleet in 2023. None of our vessels traded in the most exposed areas, like the Gulf of Guinea. With the escalated tension in the Red Sea/Gulf of Aden, Grieg Maritime Group chooses not to sail any of its vessels through the area, which aligns with the Norwegian Shipowners' Association.

Regarding financial risks, a good economic result and a lowered leverage ratio coupled with our fleet renewal program are deemed supportive of the Group's business model, which is believed to reduce Grieg Maritime Group's liquidity risk. For more insight into our risks and handling of such, please see the separate section on risk management in the Annual Report.

OUR MARKET AND FUTURE OUTLOOK

Seaborne trade volume growth is expected to remain stable in 2024, with an estimated growth of 2.5% vs. approximately 2.4% in 2023. This is in line with the International Monetary Fund's forecast of global GDP growth of 2.9% in 2024, which is only marginally lower than the 3.0% growth recorded for 2023. Looking specifically at China as one of the most important drivers in the shipping market, GDP growth in 2024 is estimated at 4.2%, down from 5% in 2023. The Chinese economy appears to face headwinds going forward, with its real estate sector experiencing a continued drop in project starts in 2023 and household savings rates remaining significantly higher than pre-COVID levels. These factors indicate a softer 2024 and are further amplified by an estimated dry bulk demand growth (measured by ton-miles) of 2% compared to an estimated fleet growth of 3.5%.

In light of a relatively muted demand outlook, the supply side appears to be the key for shipping for 2024. The orderbook in the dry bulk sector remains close to all-time lows which, combined with limited shipyard capacity through 2026, effectively limits fleet growth for the coming years. Tighter environmental regulations are also expected to play an important role, as vessels taken out of service either for upgrades, retrofits, or recycling will limit the availability of tonnage. There is, however, a downside risk, especially related to the container market orderbook, with cargo-carrying capacity forecasted to increase by 10% in 2024 (and 6% in 2025). Still, as Grieg Maritime Group's core trades in the G2 Ocean Open Hatch Pool continue to have a substantial share of forward cargo contracts at acceptable market levels, the Group is considered to have a strong position for the coming year with less effects of a downside scenario. The new 82,300 dwt open hatch bulk carriers with delivery in 2026 will become the largest and most environmentally friendly vessels in our fleet and, by such, represent an important step towards offering clients zero-emission transportation. The investment further reflects the Group's positive market outlook and commitment for the years to come.

A total of 446 ocean-going ships and offshore platforms were recycled in 2023 (443 in 2022). This number is expected to increase somewhat in 2024 and then drastically from 2025 as the global fleet is ageing and stricter emission regulations make older vessels obsolete. However, as the focus on safe and environmentally friendly ship recycling is increasing, the competition for recycling supervision intensifies, resulting in several new market entrants and lower margins. With the wider maritime industry having great potential to improve the circularity and sustainability of ships, Grieg Green's main focus in 2023 has been more about developing its environmental product offering.

European-based shipping is facing increasing regulatory pressure with the EU's CSRD and the Corporate Sustainability Due Diligence Directive. Part of this is reporting on Scope 3 emissions and ensuring transparency regarding working conditions, of which shipyards are important parts of the supply chain. Grieg Green's launching of YardScore as a Minimum Viable Product will be an important milestone in this respect in 2024, as well as a broadening of the company's sustainability service offerings together with the recently acquired subsidiary ReFlow. ReFlow is an expert in lifecycle analysis and environmental reporting, ensuring that data-driven decisions drive improvements throughout the supply chain of maritime companies.

Grieg Edge continues to focus on operationalising its strategy and assessing numerous business concepts that will lead to new investments and partnerships. In 2023, Grieg Edge concluded its most significant investment so far with the order of four 7,000 dwt multipurpose project carriers in our joint venture, Skarv Shipping. The vessels will be delivered in 2025 and 2026, being ammonia/methanol-ready with electric propulsion and battery capacity. The vessels have unique design features with very low energy consumption and superior cargo intake in holds and on deck, and they also have the capacity to carry cargo in 'open top' condition without hatch covers during transit. Furthermore, Skarv was awarded MNOK 130 funding from Enova for the execution of three 5,000 DWT General Cargo self-unloader vessels with zero emission ammonia engines, including 5MWh battery packages.

Within the New Energy segment, we continue to develop North Ammonia with a focus on green ammonia production in Eydehavn, Arendal, and in 2024, we expect to start the Front-End Engineering Design study. Through our investment in GreenH, the largest maritime hydrogen contract in Northern Europe was secured to date when Torghatten Nord signed a 15-year contract to deliver compressed hydrogen from 2025-2040 for two new ferries operating in Northern Norway. Our other projects, such as MS Green Ammonia and Slagentangen, are also progressing and giving optionality to our portfolio within green energy production and distribution.

GOING CONCERN

The Board of Directors confirms that the annual accounts have been prepared based on the going concern assumption and that this assumption is valid. The consideration is based on the Group's financial position and expectations of future earnings. The Board believes that the submitted annual accounts give a correct picture of the results, cash flows and economic situation. No material events affecting the financial position have occurred after the balance sheet date.

A significant challenge of our time is to stop the deterioration of our environment. With the shipping industry being one of the hard-to-abate industries, we fully support international regulations and initiatives and commend IMO's efforts to elevate ambition levels on emission reductions. The transition towards measuring emissions per transport work by the well-to-wake principle represents, however, a significant stride, together with the absence of concrete sanctions for non-compliance. We firmly advocate establishing sanctions alongside incentives, which are essential to drive substantial emission reduction and ensure compliance with the objectives. Implementing the EU's European Trading Scheme from January 2024 is a welcome measure in this respect. However, we are concerned about the Norwegian decision-makers' lack of willingness to reinvest the funds from the EU ETS scheme back into emission-reducing initiatives. We sincerely hope this lack of commitment is only due to slower processes in Norway than in the EU, which already has this in place.

The maritime industry is an important contributor to Norwegian value creation, and we expect that it will continue to have a stable framework going forward and operate on an even level playing field. This is essential for our continued value contribution to society and for delivering common environmental objectives.

We are proud that a significant part of the value we create is given back to society through the support of humanitarian, social, and cultural projects and initiatives. Grieg Maritime Group, as part of the Grieg Group, is owned 25% by the Grieg Foundation. Finally, the Board would like to thank all the employees for their great efforts. The value of the business is dependent on the world-class performance of our people.

BERGEN, 20TH OF MARCH 2024
THE BOARD OF DIRECTORS OF
GRIEG MARITIME GROUP AS

Elisabeth Grieg
DEPUTY CHAIR

Camilla Grieg
CHAIR OF THE BOARD

Didrik Munch
MEMBER OF THE BOARD

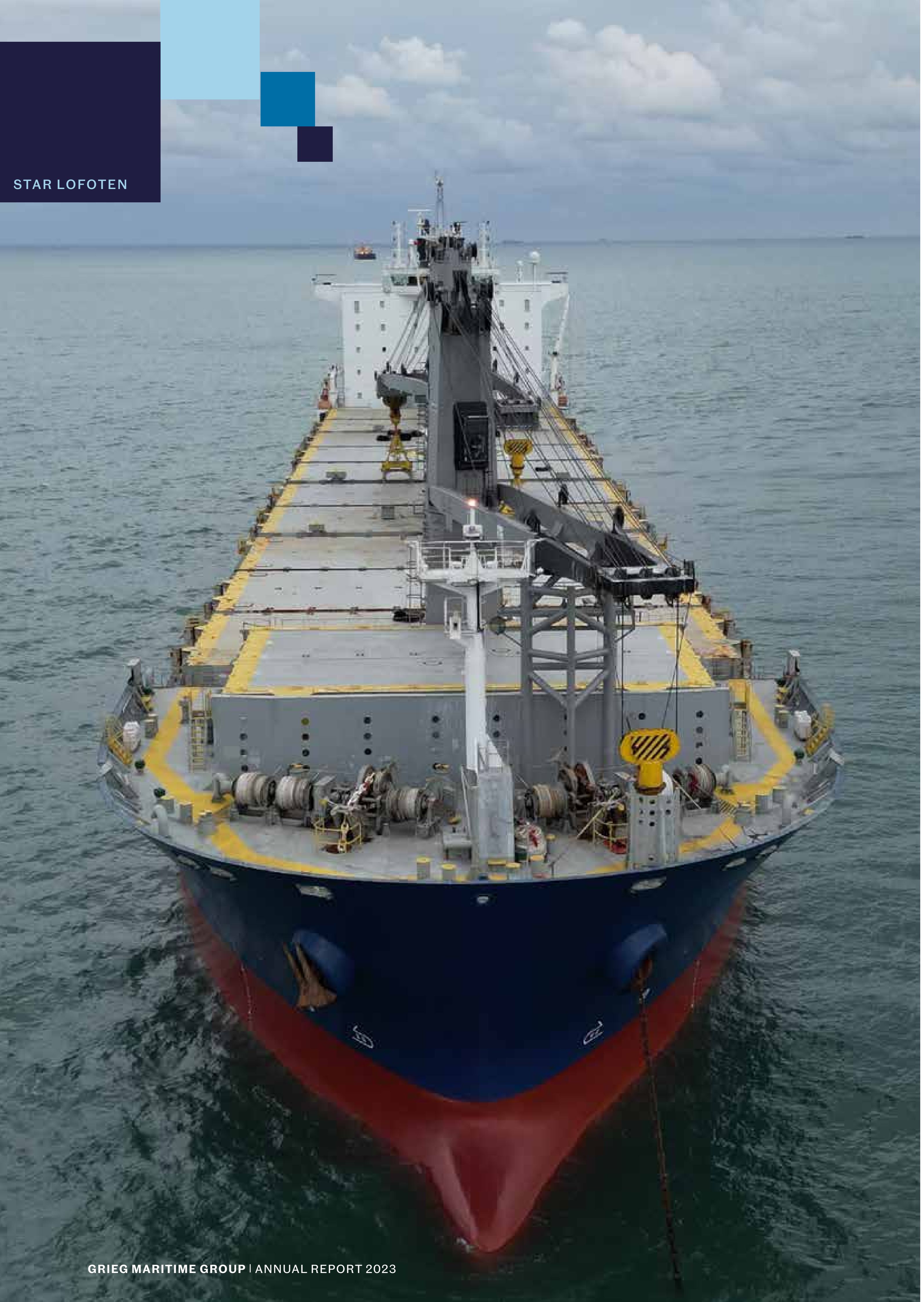
Rune Birkeland
MEMBER OF THE BOARD

Kai Grøtterud
MEMBER OF THE BOARD

Hege Leirfall Ingebrigtsen
MEMBER OF THE BOARD

Matthew Robert Cagienard Duke
CEO

Stian Grieg Sæthre
MEMBER OF THE BOARD



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INCOME STATEMENT

GRIEG MARITIME GROUP AS (figures in usd 1000) — GRIEG MARITIME GROUP CONSOLIDATED (figures in usd 1000)

GRIEG MARITIME GROUP AS 2023	2022	Note		GRIEG MARITIME GROUP CONSOLIDATED 2023	2022
			REVENUES		
			Operating revenue	176 834	292 512
4 741	4 505		Other income	2 261	26 785
4 741	**4 505**		**TOTAL REVENUES**	**179 095**	**319 297**
			OPERATING EXPENSES		
-	-		Vessel operating expenses	79 678	74 517
-	-	3	TC and BB-hire	15 510	22 489
4 265	4 803	4.5	Payroll and social security expenses	11 037	12 227
3 203	2 264	6	Other operating expenses	7 489	7 776
4	2	7.8	Depreciation	32 149	31 726
7 473	**7 069**		**TOTAL OPERATING EXPENSES**	**145 863**	**148 734**
-2 732	**-2 564**		**OPERATING PROFIT**	**33 232**	**170 563**
			FINANCIAL ITEMS		
28	3		Interest income	3 328	2 424
139	11	2	Interest income group	-	-
			Other financial income	42	149
		21	Interest expenses	-12 990	-16 421
-1 673	-458	2	Interest expenses group	-	-0
15 320	65 941		Dividend from subsidiaries	-	-
-	-38 338		Writedown shares in subsidiaries	-	-
			Other financial expenses	-180	-52
		11	Result on investment in associated company	560	694
-		9	Change in value of financial investments	2 379	-2 062
-		9	Realized return on market-based fin. Investm.	-416	7
571	851		Gain/loss on foreign exchange	4 737	353
14 386	**28 011**		**NET FINANCIAL ITEMS**	**-2 539**	**-14 908**
11 655	**25 446**		**PROFIT BEFORE TAX**	**30 693**	**155 655**
31		12	**TAX**	**-720**	**-4 710**
11 686	**25 446**		**PROFIT FOR THE YEAR**	**29 973**	**150 945**
3 146	**65 941**		**PROPOSED DIVIDEND**		
			GROUP CONTRIBUTION		
8 540	**-40 495**		**TO OR (FROM) OTHER EQUITY**		
11 686	**25 446**				

ILLUSTRATION OF THE NEW N-CLASS

ILLUSTRATION: LMG MARIN

BALANCE SHEET

GRIEG MARITIME GROUP AS (figures in usd 1 000)				GRIEG MARITIME GROUP CONSOLIDATED (figures in usd 1 000)	
2023	**2022**	**Note**		**2023**	**2022**
			ASSETS		
			FIXED ASSETS		
			Intangible fixed assets		
-	-	7	Research and development	953	765
31	-	12	Deferred tax asset	422	-
31	**-**		**Total intangible assets**	**1 375**	**765**
			Tangible assets		
14	18	8	Fixtures and fittings, other equipment	30	25
		8	Other property	518	518
		8	New Building Contracts	29 096	
		8	Vessels	486 039	515 883
14	**18**		**Total fixed tangible assets**	**515 683**	**516 426**
			Fixed financial assets		
252 124	244 200	14	Investments in subsidiaries	-	-
		15	Investments in shares	12 179	8 294
5 857	102	2	Long term receivables group companies		
		2.16	Long term receivables associated	1 050	2 100
		16	Long term receivables	7 730	3 676
257 981	**244 301**		**Total fixed financial assets**	**20 959**	**14 070**
258 026	**244 319**		**Total fixed assets**	**538 017**	**531 261**
			CURRENT ASSETS		
			Accounts receivable		
13 239	67 844	2	Receivables from group companies	37	39
128			Receivables from associated companies	718	37
			Inventory	4 475	3 856
10	86		Other receivables	6 214	7 159
13 377	**67 930**		**Total receivables**	**11 444**	**11 091**
-	-	9	**Market-based investments**	**29 983**	**22 997**
797	1 109	17	**Bank deposits, cash in hand, etc**	**41 463**	**110 580**
14 174	**69 038**		**Total current assets**	**82 890**	**144 668**
272 200	**313 358**		**TOTAL ASSETS**	**620 907**	**675 930**

GRIEG MARITIME GROUP AS (figures in usd 1 000)				GRIEG MARITIME GROUP CONSOLIDATED (figures in usd 1 000)	
2023	**2022**	**Note**		**2023**	**2022**
			EQUITY AND LIABILITIES		
			EQUITY		
			Paid-in capital		
1 164	1 164	18,19	Share capital (100 000 shares à NOK 100)	1 164	1 164
264 615	264 615		Other paid-in capital	264 615	264 615
265 779	**265 779**		**Total paid-in capital**	**265 779**	**265 779**
			Retained earnings		
	-42 827		Other equity	117 182	93 287
-34 287	**-42 827**		**Total retained earnings**	**117 182**	**93 287**
231 493	**222 953**	18	**Total equity**	**382 962**	**359 066**
			LIABILITIES		
			Provisions		
		5	Pension liabilities	2 943	3 210
-	0	12	Deferred tax	0	899
0	**0**	1	**Total provisions**	**2 943**	**4 108**
			Long-term liabilities		
-	-	20	Liabilities to financial institutions	167 981	177 759
		20	Other long-term liabilities	47 315	51 376
34 989	22 979	2	Liability to group companies	-	-
34 989	**22 979**		**Total long-term liabilities**	**215 296**	**229 135**
			Current liabilities		
1 549	331	2	Liabilities to group companies	5 869	5 106
		2	Liabilities to associated companies	346	2 043
77	39		Accounts payable	3 803	2 766
665	841		Public duties payable	1 851	2 213
3 146	65 941	19	Dividend	3 146	65 941
		13	Taxes payable	327	300
282	273		Other short-term liabilities	4 365	5 250
5 719	**67 425**		**Total current liabilities**	**19 707**	**83 620**
40 707	**90 405**		**Total liabilities**	**237 946**	**316 863**
272 200	**313 358**		**TOTAL EQUITY AND LIABILITIES**	**620 907**	**675 930**

BERGEN, 20TH OF MARCH 2024, THE BOARD OF DIRECTORS OF GRIEG MARITIME GROUP AS

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CEO

Stian Grieg Sæthre
MEMBER OF THE BOARD

STAR MAJESTY IN DRYDOCK

PHOTO: CAPT. DANILO SABADO

CASH FLOW STATEMENT

GRIEG MARITIME GROUP AS

Consolidated			Parent	
2023	**2022**	**Cash flow from operations**	**2023**	**2022**
30 693	155 655	Profit before income taxes	11 655	25 446
-300	-300	Taxes paid in the period		-
-367	-198	Gain/loss from sale of market based investments and subsidiaries		-
40 655	39 297	Depreciation incl docking	4	2
-267	-767	Pension costs without cash effect		-
	-22 330	Gain/loss from sale of fixed assets		-
-	-	Writedown shares in subsidaries	-	38 338
		Group Contribution recognized	-4 101	
		Dividend recognized	-11 220	-65 941
-	-	Impairment of fixed assets		-
-619	468	Change in inventory		-
1 037	1 342	Change in trade creditors	37	15
2	1 137	Change in group debtors	-64	-
-	283	Change in group creditors		-
-1 247	-671	Change in public debt and other short term debt		-
-1 796	915	Change in other provisions	1 907	255
-4 909	-	Effect of exchange fluctuations	-625	-
-2 379	1 368	Items classified as investments or financing		-
60 502	**176 199**	**Net cash flow from operations**	**-2 408**	**-1 885**
		Cash flow from investments		
-	37 855	Proceeds from sale of fixed assets	-	-
-39 957	-38 548	Purchase of fixed assets		-20
17 904	-	Proceeds from sale of market based investments		-
-24 698	-7	Purchase of market based investments		-
	-	Loan repayments received from Group companies	10 955	54 605
-4 132		Loan to assoicated companies		
	-	Capital increase subsidaries	-3 048	
-1 444		Aqusition of shares in subsidiaries		
-1 857	-836	Aqusition of shares in associated company		-6 019
370	384	Repayment of investments		-
-53 814	**-1 153**	**Net cash flow from investments**	**7 907**	**48 566**
		Cash flow from financing		
-13 839	-100 400	Proceeds from long term loans	-	-
		Repayment of long term group loans	-6 230	-13 875
-934	-	Proceeds from long-term Group loans	-	-
		Group Contribution received	5 618	
		Dividend Received	55 832	
-61 032	-32 786	Payment of dividend	-61 032	-32 786
-75 805	**-133 186**	**Net cash flow from financing**	**-5 812**	**-46 661**
-69 117	**41 860**	**Net change in cash and cash equivalents**	**-312**	**20**
110 580	68 720	Cash and cash equivalents at the beginning of the period	1 109	1 088
41 463	**110 580**	**Cash and cash equivalents at the end of the period**	**797**	**1 108**
		Cash and cash equivalents at the end of the period consists of:		
41 463	110 580	Bank deposits	797	1 109

NOTES

Note 1 Accounting principles

The annual accounts have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles.

Subsidiaries

Subsidiaries are posted in the company accounts applying the cost method. The investment is stated at historical cost of the shares unless a write-down has been necessary. The investment is written down to fair value when the reduced value is due to causes which are not deemed to be temporary. Write-downs are reversed when the grounds for the write-down no longer exist.

Dividends and other distributions are recognised in the year in which they are provided for in the accounts of the subsidiary. If the dividend exceeds the profit after the acquisition, the surplus amount represents repayment of the capital investment and the distributions are deducted from the amount of the investment in the balance sheet.

Investment in joint ventures and associated companies

Investments in associated companies are stated according to the cost method in the company accounts and according to the equity method in the group accounts. Investments in 50/50% joint ventures are stated according to the gross method.

Operating revenues

Operating revenues are entered as income at the time of delivery. The time of delivery is understood to mean the time of transfer of risk and control related to the delivery.

Classification and valuation of balance sheet items

Current assets and current liabilities relate to items which mature within one year from the date of purchase. Other items are classified as fixed assets/long-term liabilities.

Current assets are valued at the lower of historical cost and fair value. Current liabilities are carried at nominal value at the date of issue. Fixed assets are valued at historical cost, but are written down to recoverable amount in the event of impairment which is not deemed to be temporary.

Long-term liabilities are carried at the nominal amount at the establishment date.

Intangible assets

The cost of intangible assets is posted in the balance sheet if it is considered likely that the future economic benefits related to the assets will accrue to the company and a reliable measurement of the historical cost of the asset in question has been established.

Asset impairments

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The Group's open hatch vessels are sailing in a pool, which are market and operated by G2 Ocean AS. The bulk activities, with chartered and owned vessels controlled by respectively Grieg Star Bulk AS and Grieg Maas AS is marketed and operated by G2O Ocean in a suprmaxax/ultramax pool. This activity was discontinued in 2022. Having the vessels sailing in a pool means that the operational use of the vessels, including optimization of routes, is combined for the fleet. Earnings of each individual vessel is therefore affected by the earnings of other vessels in the pool. The open hatch fleet and the bulk fleet are therefore considered to be the respective cash-earnings of other vessels in the pool.

Fixed assets

Fixed assets are valued at historical cost less accumulated depreciation. Depreciation is charged on a straight line basis over the remaining expected useful life of each asset adjusted for the residual value. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period.

Improvements are capitalised and depreciated in pace with the asset involved. Docking costs are capitalised and depreciated over the period to the next scheduled dry-docking. Depreciation of the docking is classified as an operating expense.

The recoverable amount of an asset is measured whenever there is an indication that an asset may be impaired, written-down and the asset is stated at the lower of the recoverable amount and the cost price less any write-down. The write-down is reversed when the grounds for the write-down no longer exist.

Stocks of inventories

The inventories of lub oil, paint and provision are valued at the lower of cost and fair value.

Receivables

Trade debtors and other debtors are carried at nominal value after deducting provisions for expected losses. Loss provisions are based on an assessment of individual receivables.

Short-term investments

Short-term investments in shares and mutual funds are regarded as part of the financial trading portfolio and are stated at fair value at year-end. Dividends received and other distributions are entered as income under other financial income.

Foreign currency

Consolidated accounts are reported in USD. Financial statements denominated in other currency than USD are recalculated against USD at the average exchange rates and the balance sheet at the exchange rate at year end. Monetary items denominated in foreign currency are valued at the year-end exchange rate against USD. Exchange rate per 31.12.2023 is NOK/USD: 10.1724. Currency gain or loss from operation and monetary items in foreign currencies are posted at the exchange rate of the relevant date of balance. Transactions in foreign currencies are restated at the foreign transaction rate.

Foreign exchange hedging

Derivatives purchased in order to reduce currency risk are treated as hedging transactions for accounting purposes. Gains and losses on foreign exchange contracts are therefore recognised in the same period as the hedged transactions occur.

Unrealised gain/loss on the hedging contracts is not posted on the balance sheet.

Interest rate hedging

Interest rate hedging contracts are recognised and classified in the same way as the related mortgage loan. The interest received/paid under the contract is therefore recognised in the interest period in question and is included in interest expenses for the period.

Unrealised gain/loss on the hedging contracts is not posted on the balance sheet.

Freight risk hedging

Forward Freight Agreements (FFA) are recognised and classified in the same way as the related operating income. The freight received/paid under the contract is therefore recognised in the same period as the hedged transactions occur.

Unrealised gain/loss on the FFA contracts is not posted on the balance sheet.

Pensions

The Group's main pension scheme is a defined contribution plan. Moreover, the Group has continued some defined benefit plans.

For the defined benefits plans, pension costs and pension commitments are calculated on a straight line earnings profile basis, based on assumptions related to the discount rate, future salary regulation, penions and benefits under the National Insurance scheme, the future return on pension fund assets and actuarial assumptions about mortality, voluntary withdrawals etc. Pension fund assets are recognised at fair value an deducted from net pension commitments in the balance sheet. Changes in commitments due to changes in pension plans are spread over the expected remaining period of service. The same applies to estimated deviations and changed circumstances in so far as they exceed 10% of the larger of the pension commitment and the pension fund assets (corridor). In the balance sheet, the schemes are treated separately with pension fund assets booked as financial assets and pension commitments as a financial liability. Pension commitments in the balance sheet include Employers' National Insurance contributions.

For the defined contribution plans, the Group makes contributions to an insurance company. The Group has no further payment obligations once the contributions have been paid. Contributions are charged as payroll expenses. Any prepaid deposits are recorded as an asset in the balance sheet to the extent that the deposits can be offset against future payments.

Leases

The company differentiates between financial leasing and operational leasing based on an evaluation of the lease contract at the time of inception. A lease contract is classified as a financial lease when the terms of the lease transfer substantially all the risk and reward of ownership to the lessee. All other leases are classified as operational leases. When a lease contract is classified as a financial lease where the company is the lessee, the rights and obligations relating to the leasing contracts are recognised in the balance sheet as assets and liabilities. The interest element in the lease payment is included in the interest costs and the capital amount of the lease payment is recorded as repayment of debt. The lease liability is the remaining part of the principal. For operational leases, the rental amount is recorded as an operating cost.

Taxes

The tax charge in the profit and loss account includes taxes payable for the period and changes in deferred tax. Deferred tax is calculated at 22% (with effect from January 1st 2019) based on the temporary differences that exist between accounting and tax values, and taking account of the tax loss carried forward at the end of the financial year. Tax enhancing and tax reducing temporary differences which are reversed or can be reversed in the same period have been set off. The net deferred tax advantage is posted in the balance sheet where it is expected that this can be utillized. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and losses carried forward, is based on estimates of future of earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Grieg Shipping II AS and Grieg International II AS, are shipowning companies which are taxed under the Norwegian tonnage tax system pursuant to chapter 8 of the Taxation Act. The European Survellance Authority approved the currenty Norwegian tonnage tax regime for a 10 year period from January 1st 2018.

Estimates

When preparing the annual accounts in accordance with good accounting practice, the management makes estimates and assumptions which affect the profit and loss account and the valuation of assets and liabilities, as well as information about contingent assets and liabilities at year-end.

Contingent losses which are likely and quantifiable are charged against income on an ongoing basis.

Cash flow statement

Cash flow statements are prepared according to the indirect method. Accordingly, the cash flows from investment and financing activities are reported gross, while the accounting result is reconciled against the net cash flow from operations. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments that can immediately and with no major exchange rate risk be converted into a known amount and maturing less than three months from the transaction date.

Group account cash pool agreement

The Group account cash pool agreement with Grieg Shipholding AS as a Group Account Holder, divided into two cash pool agreements. Grieg Shipholding AS is the Group Account Holder for one of the agreements, and Grieg Shipowning AS for the other agreement.

In Grieg Shipholding AS' cash pool, Grieg Star AS, Grieg Star 2017 AS and Grieg Star Bulk AS is included. In Grieg Shipowning AS' cash pool, Grieg Shipping II AS, Grieg International II AS and Grieg Star OH Pool AS is included.

Under these agreements, alle participating companies are jointly liable for the overdraft facility and other participant's overdraft. Net aggregated cash balance on the group account is recognised as cash balance in the balance sheet statement of respectively Grieg Shipholding AS and Grieg Shipowning AS, as Group Account Holders. Participating companies' share of aggregated cash blance are recognised as intercompany balances in each participating company's balance sheet.

Consolidation

The consolidated accounts include the subsidiaries specified below and show the parent company and subsidiaires as a single enterprise. Shares in subsidiaries are eliminated using the purchase method. Shares in subsidiaries are set off in an amount correponding to the book value of equity attributable to the shares at the date of purchase. Any difference arising on elimination is assigned to specific assets. Excess values that cannot be assigned to specific assets are posted as goodwill and amortised over the expected lifetime. Intra-group transactions and balances are eliminated. Conversion of subsidiaries with a currency other than USD is for items in the balance sheet recalculated at the exchange rate at year end. Profit & loss is recalculated at the average exchange rate in 2023. Substantial items, if any are recalculated to the exchange rate on the day the transaction is accomplished. Conversion differences related to exchange rates are posted against the equity.

COMPANY	"REGISTERED OFFICE"	OWNERSHIP
Grieg Maritime Group AS - holding company	Bergen	100%
Grieg Shipholding AS - shipping holding company	Bergen	100%
Grieg Shipowning AS - shipowning holding company,	Bergen	100%
Grieg Star AS - ship managment company	Bergen	100%
Grieg Star 2017 AS - administration company	Bergen	100%
Grieg Edge AS - maritime innovation	Bergen	100%
Grieg Green AS - green recycling and certification services	Oslo	100%
Grieg Star Bulk Pool AS - pool company	Bergen	100%
Grieg Star OH Pool AS - pool company	Bergen	100%
Grieg Maritime Group AS which comprises the following companies:		
Grieg Shipholding AS - shipowning holding company		
Grieg Green AS - green recycling and certification services		
Grieg Edge AS - maritime innovation		
Grieg Edge AS is a group which comprises the following companies:		
North Ammonia AS - develops supply of ammonia	Oslo	49,7%
Grieg Ammonia Distribution Vessels AS - develops ammonia distribution at sea	Bergen	100%
Grieg Green is a group which comprises the following companies:		
Reflow AP - software provider within lifecycle analysis	Copenhagen	51%
Grieg Shipowning is a group which comprises the following companies:		
Grieg Shipping II AS - shipowning company, tonnage taxed	Bergen	100%
Grieg International II AS - shipowning company, tonnage taxed	Oslo	100%
Grieg Star Bulk AS - shipowning company	Bergen	100%

Note 2 Related parties

PARENT COMPANY

Figures in USD 1 000

Other receivables	2023	2022
Grieg Shipping II AS	692	1 116
Grieg International II AS	247	335
Grieg Shipping III AS		48
Grieg Star Bulk AS	2 460	5 618
Grieg Star AS	287	
Grieg Green AS	846	
Grieg Edge AS	2	404
Grieg Shipholding AS	62	
Grieg Maturitas II AS	643	
Grieg Shipholding AS (dividend)	8 000	60 323
Total	**13 238**	**67 844**

Other current liabilities	2023	2022
Grieg Shipholding AS	41	320
Grieg Star AS	74	
Grieg Star Bulk AS	500	
Grieg Edge AS	4	
Grieg Group Resources AS	6	10
Grieg Gaarden AS	1	1
Grieg Maturitas II AS	922	0
Grieg Maturitas II AS (dividend)	3 146	65 941
Total	**4 695**	**66 271**

Long-term receivables	2023	2022
Grieg Edge AS	5 857	102
Total	**5 857**	**102**

The loan to Grieg Edge is a convertible loan to equity

Long-term liabilities	2023	2022
Grieg Shipholding AS	34 989	22 979
Total	**34 989**	**22 979**

Transactions with related parties

Company	Type of services	2023	2022
Revenue			
Grieg Star 2017 AS	Management fee	18	22
Grieg Star Bulk AS	Management fee		56
Grieg Shipholding AS	Management fee	98	43
Grieg Star AS	Management fee	1451	1 048
Grieg Shipowning AS	Management fee	111	86
Grieg Shipping II AS	Management fee	1318	1 785
Grieg Shipping III AS	Managment fee		77
Grieg International II AS	Management fee	465	539
Grieg Star Bulk Pool AS	Management fee		22
Grieg Star OH Pool AS	Management fee	11	13
Grieg Green AS	Management fee	153	30
	Interest income	57	4
Grieg Edge AS	Management fee	514	467
	Interest income	83	7
Grieg Ammonia Distribution Vessel AS	Management fee	187	
North Ammonia AS	Management fee	13	11
G2 Ocean AS	Rental fee/adm	44	15
Grieg Maturitas II AS	Management fee	119	286
Total		**4 641**	**4 511**
Expenses			
Grieg Shipholding AS	Interest expense	1 673	458
	Management fee		347
	Rental- (and IT fee for 2022)	388	635
Grieg Maturitas II AS	Service fee	727	747
Total		**2 789**	**2 187**

GROUP

Figures in USD 1 000

Long-term receivables associated companies	2023	2022
G2 Ocean AS	1 050	2 100
Total	**1 050**	**2100**

Other short-term receivables	2023	2022
Grieg Shipbrokers Serv. KS	11	11
Grieg Maturitas II AS	3	3
Grieg Kapital AS	1	1
Grig Strat. Serv. AS	3	
Grieg Investor AS	18	21
Grieg Group Services AS	2	0
Grieg Maturitas AS	0	2
Total	**37**	**39**

Other short-term liablilities	2023	2022
Grieg Group Resources AS	14	20
Grieg Gaarden AS	1	1
Grieg Investor AS	17	13
Grieg Maturitas II AS	5 837	5 072
Grieg Maturitas II AS (dividend)	3 146	
Total	**9 015**	**5 105**

Office services from Grieg Group Resources AS to the Group	327	219
Office and parking rental agreement between the Group and Grieg Gaarden AS	592	546
Commission agreement between the Group and Grieg Shipbrokers KS	36	565

Note 3 Operating lease agreements

GROUP

The Group has the following long-term operating lease agreements related to chartering of vessels:

	Number of vessels	Average duration	Operating lease expense recognised in the year
Bare-boat hire	5	7.1 years	USD 12.7 m
Long-term time charter vessels	1	1.2 year	USD 2.8 m

Note 4 Payroll expenses, number of employees, remuneration etc.

PARENT COMPANY
Figures in USD 1 000

Payroll expenses	2023	2022
Salary including bonus	2 862	3 419
Employers' national insurance contributions	502	574
Pension costs	202	236
Other remuneration	698	573
Total	**4 265**	**4 802**
The number of employees on shore at 31.12	20	19
Remuneration to management	CEO	Board
Salary	570	212
Pension costs	16	
Other remuneration	14	

No loans or loan security have been given to the CEO, the members of the board of directors or any related parties. No loans or loan security has been given which individually correspond to more than 5% of the company's equity.

GROUP
Figures in USD 1 000

Payroll expenses	2023	2022
Salary including bonus	7 698	9 275
Employer's national insurance contributions	1 530	1 439
Pension costs	774	593
Other remuneration	1 035	920
Total	**11 037**	**12 227**
The number of employees on shore at 31.12	94	86
The number of sailing personnel at 31.12	640	597

Salary costs related to sailing personnel (employed by Grieg Philippines and other manning companies) totalled USD 30.3m. The payroll expenses are recognised in the P&L as vessel operating expenses.

Note 5 Pensions

PARENT COMPANY

There are no employees with defined benefit pension in Grieg Maritime Group AS.

GROUP

Grieg Maritime Group has both defined benefit and defined contribution pension schemes. The Group has also pension schemes for certain employees with salaries in excess of 12G. This pension gives the right to future defined benefits and the obligations are primarily dependent on years of service, salary at retirement and level of national insurance benefits. Pension costs and commitments depend principally on length of service, salary at retirement and level of National Insurance benefits. The scheme covers one individual.

Grieg Star 2017 AS and Grieg Shipholding AS have an early retirement scheme for employees who were in the main pension plan until the decision was made to close it. The early retirement scheme pays 70% of salary at the time reaching the age of 65 until 67 years. This scheme is not funded but is financed through operations. Pension liabilities in the balance sheet related entirely to Grieg Star 2017 AS and Grieg Shipholding AS. The pension scheme covered 40 people as at 31.12.2023, hereof 39 persons received pension in 2023.

All of the pension schemes comply with the Norwegian Accounting Standard for pension costs (NRS 6). When actuarial estimat differences exceed 10% of the higher of the calculated pension commitment, including Employers' National Insurance contributions and pension fund assets, the excess amount is amortised over the remaining pension earning period.

	2023	2022
Defined benefit pension scheme		
Current service cost	-	-
Interest cost	269	196
Expected return on plan assets	-334	-239
Social security	-9	-6
Administrative expenses	79	80
Plan change through profit/loss		-
Actuarial (gains) / losses	300	171
Net pension expenses	**306**	**202**

	2023	2022
Contribution based pension scheme		
Payments to the contribution based pension scheme (Norway)	75	236
Sum	**75**	**236**
Total pension cost	**381**	**438**

Economic assumptions:

	2023	2023	2022	2022
	Norway	Canada	Norway	Canada
Discount rate	3,10%	5,20%	3,00%	2,80%
Anticipated rise in salaries	3,50%		3,50%	
Anticipated return on pension fund assets	4,80%		4,70%	
Anticipated increase in National Insurance base rate	3,25%		3,25%	
Anticipated rise in pensions paid	3,25%		3,25%	

The actuarial assumptions for 2023 are based on assumptions generally applied within the insurance industry relating to demographic factors.

Figures in USD 1000	Canada	Norway	Norway	
Distribution by scheme at 31.12.23	**Funded**	**Funded**	**Unfunded**	**Consolidated**
Present value of obligations	807	9 348	512	10 667
Fair value of plan assets	-159	-7 183		-7 342
Surplus (deficit) of pension plans	648	2 165	512	3 325
Actuarial (gains)/losses not recognised		-612	-58	-671
Social security		217	72	289
Liability in the balance sheet	648	**1 770**	**526**	**2 944**

	Canada	Norway	Norway	
Figures in USD 1000	**Funded**	**Funded**	**Unfunded**	**Consolidated**
Distributed by scheme at 31.12.22				
Present value of obligations	867	9 547	668	11 081
Fair value of plan assets	-268	-7 558		-7 826
Surplus (deficit) of pension plans	599	1 989	668	3 255
Actuarial (gains)/losses not recognised		-297	-41	-338
Social security		198	94	292
Liability in the balance sheet	599	**1 890**	**721**	**3 209**

Asset Allocation in Norway as of 30.09:	**2023**	**2022**
Shares	11,7 %	11,3 %
Bonds	57,1 %	47,0 %
Property	10,0 %	10,8 %
Money market	8,9 %	8,3 %
Other	12,2 %	22,6 %

Note 6 Auditor's fee

PARENT COMPANY

Figures in USD 1 000

Auditor's fee	**2023**	**2022**
Statutory audit	10	12
Tax advisory fee (incl. technical assistance)	14	8
Tax advisory fee (incl. techincal ass. with tax return)	2	1
Total fee to auditor excl. v.a.t.	**26**	**21**

GROUP

Figures in USD 1 000

Auditor's fee

Group auditor	**2023**	**2022**
Statutory audit	96	136
Technical assistance and other attest services	26	38
Tax advisory fee (incl. techincal ass. with tax return)	27	17
Total fee to Group auditor excl. v.a.t.	**149**	**191**

Note 7 Intangible assets

GROUP

Figures in USD 1 000

Intangible assets	Research and development	Goodwill	Contracts	Total
Acquisition costs at 01.01	888			888
Additions	211			211
Disposals				
Acquisition cost at 31.12	1 099			1 099
Accumulated depreciation at 31.12	147			147
Accumulated write-downs				0
Book value at 31.12	**953**			**953**
Depreciation	23			23
Depreciation period	3 years	20 years	20 years	
Depreciation plan	Straight-line	Straight-line	Straight-line	

The research and development is related to Grieg Green AS and Grieg Ammonia Distribution Vessels AS.

Note 8 Fixed assets

GROUP

Figures in USD 1 000	Vessels	Docking	New buildings	Total
Acquisition cost at 01.01	1 120 424	49 834		1 170 258
Additions	2 432	8 348	29 096	39 876
Reclassification				0
Disposals		9 451		9 451
Acquisition cost at 31.12	1 122 856	48 731	29 096	1 200 684
Accumulated depreciation at 31.12	583 038	24 962		607 999
Accumulated write-downs	77 550			77 550
Accumulated write-downs reversed				0
Book value at 31.12	462 268	23 769	29 096	515 135
Share of financial lease:				54 818
Depreciation charge for the year	32 115	8 510		40 625
Depreciation plan	Straight-line	Straight-line		
Depreciation period	30-35 years	5 years		

Based on an impairment testing per year-end 2020, the open hatch fleet was written down with USD 77.55m.

The Group has 4 newbuilding contracts, and the vessels will be delivered in 2026.

	Other property	Machinery, vehicles etc.	Total
Acquisition cost at 01.01	518	1 401	1 919
Additions		15	15
Disposals			0
Acquisition cost at 31.12	518	1 416	1 934
Accumulated depreciation at 31.12		1 386	1 386
Book value at 31.12	**518**	**30**	**548**
Depreciation charge for the year	0	10	10
Depreciation plan	None	Straight-line	
Depreciation period		3-10 years	

Note 9 Market-based investments

GROUP

Figures in USD 1 000

	Acquisition cost 2023	Market value 2023	Acquisition cost 2022	Market value 2022
Mutual funds			3 782	3 034
Bonds	20 373	21 088	8 854	8 284
Money market funds	8 283	8 895	11 413	11 679
Book value at 31.12	**28 656**	**29 983**	**24 048**	**22 997**

2023	Realised	Unrealised	Total profit/ loss
Mutual funds	-372	748	376
Bonds	-44	1 286	1 242
Money market funds		347	347
Proft/loss from market-based investments	**-416**	**2 379**	**1 964**

2022	Realised	Unrealised	Total profit/ loss
Mutual funds		-830	-830
Bonds	7	-1 428	-1 421
Money market funds		197	197
Proft/loss from market-based investments	**7**	**-2 062**	**-2 054**

Note 10 Guarantee

GROUP

Grieg Shipholding AS has issued performance guarantees as follows:

		duration	remaining lease debt
Grieg International II AS	2 Fin. leasing vessels	10.9 years	66.5m
Grieg Shipping II AS	3 BB vessels	10.5 years	76.8m

Note 11 Interests in joint ventures

Grieg Shipholding AS and Gearbulk established a joint venture, G2 Ocean, 2 May 2017. The interest in the joint venture is accounted for using the equity method of accounting.

Reconciliation to carrying amounts:

In USD 1000	2023	2022
Opening net assets 1 January	5 686	4 705
Acquisition cost		
Share of profit	799	981
Effect of change revenue recognition principal	0	0
Carrying amount at 31 December	**6 485**	**5 686**

Summarised consolidated financial information 2023 joint ventures:

Grieg Edge AS and AFK Energy AS established a joint venture, North Ammonia AS, 25 August 2021. The interest in the joint venture is accounted for using the equity method of accounting.

Reconciliation to carrying amounts:

In USD 1000	2023	2022
Opening net assets 1 January	174	461
Acquisition cost	476	
Share of profit	-239	-287
Carrying amount at 31 December	**411**	**174**

Summarised consolidated financial information 2023 joint ventures:

In USD 1000	Share of equity	Equity	Profit/loss
G2 Ocean Holding	35%	21 571	2 284
North Ammonia AS	49.7%	797	-482

Note 12 Taxes

PARENT COMPANY

Figures in USD 1 000

Tax charge and tax payable in the accounts

Temporary differences	**2023**	**2022**
Fixed assets	(142)	2
Tax losses carried forward	1	
Basis for deferred tax/(deferred tax assets)	**(141)**	**2**
Deferred tax/deferred tax assets	-31	0,4
Deferred tax asset no recognised in the balance sheet		
Deferred tax/(deferred tax assets) in the balance sheet	**-31**	**0,4**
Basis for taxation, change in deferred tax and tax payable		
Profit before tax	11 655	3 461
Permanent differences	-15 897	(6 414)
Basis of tax charge for the year	-4 242	-2 953
Change in temporary differences		(2)
Change tax losses carried forward	142	(2 955)
Basis for payable taxes in the income statement	**(4 101)**	**-**
+/- Group contribution received/given	4 101	-
Taxable income (basis for tax payable in the balance sheet)	**-**	**-**

Tax expense consists of

Tax payable (22% of basis for tax payable in the profit and loss account)	-	-
Currency effects	-	
Change in deferred tax	(31,0)	0,4
Tax charge / (tax income)	**(31,0)**	**0,4**
Tax payable in the balance sheet		
Tax payable (22% of basis for taxes in the profit and loss account)	-	-
Under/over provison for tax payable		
Tax payable in the balance sheet	**-**	**-**

GROUP

Figures in USD 1 000

	2023	**2022**
Tax expense consists of:		
Tax payable on taxable income	1 808	3 557
Currency effects		(484)
Adjustment prior year	46	
Change in deferred tax	-1 321	3 660
Group contribution, tax effect	186	-2 023
Tax expense (income)	**720**	**4 710**
Tonnage tax (classified as an operating expense in the income statement):	316	243

Deferred tax:	2023	2022
Long-term debt		
Fixed assets	-74	-99
Shares in subsidiaries	-44	0
Early retirement	-130	-328
Pension	-2 295	-2 610
Other temporary differences	(1 092)	303
Financial instruments and other short-term investments	18 138	3 066
Profit/loss account	3 365	4 341
Tax loss carry forwards	-59 803	-44 351
Basis for deferred tax/(deferred tax assets)	-41 934	-39 678
Deferred tax/(deferred tax assets)	-9 225	-8 729
Deferred tax assets not recognised in the balance sheet	8 804	9 627
Deferred tax/(deferred tax assets) recognised in the balance sheet	(422)	898

Tax loss carry forward subject to ordinary income tax 31.12.2023 USD 26 669 TUSD

Tax payable consists of:		
Taxable financial income for companies under Chapter 8 of Taxation Act	50	64
Profit before tax subject to ordinary income tax	44 121	44 885
Permanent differences	(47 050)	(16 343)
Changes in differences included in the basis for deferred tax/deferred tax assets	-14 509	-1 214
Group contribution	-4 915	-15 595
Changes in deficit and remuneration brought forward	22 354	-11 727
Basis of tax charge for the year	50	70
Current tax payable of net income	11	15
Tax payable period before establishment		
Tonnage tax	316	285
Tax prepaid		
Effect of Group contribution		
Tax payable in the accounts	327	300

Note 13 Financial market risk

The Group uses various financial derivatives to manage its financial market risk. This includes forward contracts, interest rate swaps and forward rate agreements.

Interest rate risk

The Group's long term debt and some of its lease agreements are at floating interest rate terms, exposing the company to interest rate risk in both short and long term. The Group's strategy is to hedge parts of its interest rate exposure by utilizing interest rate swap agreements. Gains and losses arising from interest rate swaps are recognised in the same period as the related interest expense.

At 31.12.23 the Group held interest swap agreements of USD 138 m. Total unrealised MTM value, not recognised in the balance sheet, was USD 7 m.

Foreign exchange risk

The company hedges expenditures in currencies other than USD forward contracts. At 31.12.23 the company had entered into hedging agreements through the use of currency swaps for USD 8.7 m. Total unrealised MTM value, not recognised in the balance sheet at 31.12.23, was USD 0.78.

Freight risk

Forward Freight Agreements (FFA) are from time to time used as a risk management instrument in order to smooth out freight volatility. The FFA contrats are settled as an adjustment of operating income. At 31.12.23, the company had not entered into any Forward Freight Agreements (FFA).

Note 14 Subsidiaries

GROUP

Figures in USD 1 000

Subsidiary	"Denominated in"	Registered office	Ownership / voting rights	Equity 2023 (100%)	Result 2023(100%)
Grieg Shipholding AS *	USD	Bergen	100%	254 794	31 947
Grieg Shipping II AS	USD	Bergen	100%	278 602	21 446
Grieg International II AS	USD	Oslo	100%	131 743	11 561
Grieg Shipowning AS **	USD	Bergen	100%	193 085	-205
Grieg Star OH Pool AS	USD	Bergen	100%	(71)	-16
Grieg Star AS	USD	Bergen	100%	607	343
Grieg Star 2017 AS	USD	Bergen	100%	10 181	634
Grieg Star Bulk AS	USD	Bergen	100%	1 776	1 103
Grieg Star Bulk Pool AS	USD	Bergen	100%	-68	-6
Grieg Edge AS	USD	Bergen	100%	4 030	-1 393
Grieg Ammonia Distrib. V	USD	Bergen	100%	426	-111
Grieg Green AS	USD	Oslo	100%	2 933	-894
Book value at 31.12					

* Grieg Shipholding AS owns 100% of Grieg Shipowning AS,

** Grieg Shipowning AS owns 100% of Grieg Shipping II, Grieg International II AS, and Grieg Star Bulk AS.

Note 15 Investments in shares

GROUP
Figures in USD 1 000

	Registered office	Ownership	Book value
Incentra (co-operative)	Oslo	2.7%	2
Grieg Philippines Inc.	Makati City	25%	51
Star Blue Holding Inc	Makati City	25%	10
Grieg Star Philippines Inc.	Makati City	100%	200
Reflow AP	Copenhagen	51%	1 444
Viridis Kapital AS	Oslo	40%	5
Green H. AS	Oslo	9,2%	1 559
Ocean Oasis AS	Oslo	10,7%	754
North Ammonia AS (joint venture acc. for using the equity method)	Oslo	49,7%	411
Skarv Shipping Solutions AS	Bergen	50%	76
Evoy AS	Florø	3,5%	1 090
Pascal Technologies AS	Oslo	0,5%	93
G2 Ocean Holding AS (joint venture)	Bergen	35%	6 485
Book value at 31.12			**12 179**

Incentra is a non-profit maritime purchasing organisation, which seeks to ensure that the participants have the best possible suppliers of spare parts and consumer goods. Framework agreements are made with various suppliers on behalf of members.

Grieg Philippines Inc. has been the Group's manning agent in the Philippines since 2009.

North Ammonia AS is a joint venture between Grieg Edge and Arendals Fossekompani developing supply of green ammonia

G2 Ocean Holding AS is the holding company of G2 Ocean AS, marketing and operating the Group's vessels in one open hatch pool and one dry bulk pool.

Green H AS - develops infrastructure for the production and distribution of green hydrogen from renewable energy

Ocean Oasis AS - develops offshore desalination solutions with zero emissions

Evoy AS - develops and sell electric boat motors

Pascal Technologies AS - specialises in providing AirHull-technology to boat builders focused on energy-efficient vessels

ReFlow AP - develops software within life cycle analysis and reporting

In connection with the investment of ReFlow AP in 2023, there is a convertible loan to the company.

Note 16 Receivabales maturing later than one year

GROUP
Figures in USD 1 000

	2023	2022
Other loans	7 274	2 694
Deposit on office rent	456	469
Total	**7 730**	**3 164**
Other long term receivables	1 050	2 100
Total	**1 050**	**2 100**

Note 17 Restricted bank deposits

GROUP
Figures in USD 1000

	2023	2022
Other restricted deposits	961	1 279

Note 18 Equity

PARENT COMPANY
Figures in USD 1 000

Changes in equity	Share capital	"Other paid-up equity"	"Other equity"	Total
Equity at 01.01	1 164	264 615	-42 826	222 953
Profit for the year			11 686	11 686
Provision for dividends			-3 146	-3 146
Equity at 31.12	**1 163**	**264 615**	**-34 286**	**231 493**

GROUP
Figures in USD 1 000

Changes in equity	Share capital	"Other paid-up equity"	"Other equity"	Total
Equity at 01.01	1 164	264 615	93 286	359 066
Profit for the year			29 973	29 973
Provision for dividends			-3 146	-3 146
Group Contribution			-2 932	-2 932
Equity at 31.12	**1 164**	**264 615**	**117 181**	**382 962**

Note 19 Share capital and shareholder information

PARENT COMPANY

The share capital consists of	Number of shares	Nominal value	Book value in USD 1 000
	100 000	11,64	1 164
Total	**100 000**		**1 164**

Shareholders at 31.12	Number of shares	Total	Ownership
Grieg Maturitas II AS	100 000	100 000	100%
Total	**100 000**	**100 000**	**100%**

Note 20 Interest-bearing debt

GROUP

Figures in USD 1 000

Mortgage loans

As of 31.12.23, the Group has 4 mortgage loans. All loans are denominated in USD. Two of the loans are refinanced in 2023, and the arrangement fee is periodized during the loan period.

Loan covenants

Covenants common to all mortgage loans is that the Group must continue to be controlled by the Grieg family, Grieg Shipowning on a consolidated basis must maintain a minimum of USD M25 / 5% of total interest bearing debt in liquidity and a book equity ratio >25%.

Grieg Shipping II AS and Grieg International II AS are providing guarantees in the amount of USD 221.2m for Grieg Shipowning AS.

The companies have been in compliance with the covenants throughout the year.

	2023	2022
Mortgage loans (1st priority)	167 981	177 759
Total	**167 981**	**177 759**

Of which long-term debt with maturity later than 5 years	2023	2022
Debt to credit institutions	0	0
Total	**0**	**0**

Balance value of mortgaged assets	2023	2022
Vessels	411 064	320 813
Total	**411 064**	**320 813**

Other long term debt	2023	2022
Financial leasing	46 764	50 397
Other long term debt		979
Total other long term debt	**46 764**	**51 376**

OUR EMERGING PROFESSIONALS WITH DIRECTOR HEGE LEIRFALL INGEBRIGTSEN

To the General Meeting of Grieg Maritime Group AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Grieg Maritime Group AS, which comprise:

- the financial statements of the parent company Grieg Maritime Group AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Grieg Maritime Group AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Bergen, 20 March 2024
PricewaterhouseCoopers AS

Hallvard Aarø
State Authorised Public Accountant
(This document is signed electronically)

STAR HERDLA WITH ZERO DEFICIENCIES AFTER PORT STATE CONTROL

PHOTO: JR 4E CICEN NIÑO RAFALLO

ESG-status Environmental

DISCLOSURE REQUIREMENT	TOPIC	GRI	SDG	DESCRIPTION	2023	2022	2021	23' COMMENT
ESRS E1-5	Energy consumption and mix	GRI 302-1	SDGs 7.2, 7.3, 8.4, 13.1	Total energy consumption from non-renewable sources (MWh) disaggregated by type	1958840	1966902,40	Not reported	
				Total energy consumption from renewable sources (MWh) disaggregated by type	0	3644,49	Not reported	0% of all energy consumed in 2023 was coming from biofuel
				Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources (MWh)	495,24	550,40	Not reported	Covered in the scope 2 disclosures. Related to the electricity purchased during drydocks, for our offices and shore fleet
ESRS E1-6	GHG emissions	GRI 305-1 - 305-3	SDGs 14.3, 13.1	Gross scope 1 (t CO_2e)	0	0	0	As a shipowner with vessels under time charter, GMG follows the operational control approach from 2023 onwards. We account for all emissions during the charter period under our Scope 3 in accordance with the recommendations from the Norwegian Shipowners Association, CSRD and the GHG protocol.
				Gross scope 2 market based (t CO_2e)	165	197	Not reported	The reduction is primarily a result to fewer ships docking in 2023 compared to 2022
				Gross scope 2 location based (t CO_2e)	155	192	116	The reduction is primarily a result to fewer ships docking in 2023 compared to 2022. The calculation for 2021 was incomplete as it did not include the purchase of electricity during drydocking, making it not fully comparable.
				Gross scope 3 (t CO_2e)	863613	877031	766817	The increase in scope 3 in respect to 2022 is due to a change in reporting approach. More information about the scope 3 emissions is found in table on page 79
				Total Scope 1, 2 and 3 market based (t CO_2e)	863778	877228	Not reported	
				Total Scope 1, 2 and 3 location based (t CO_2e)	863768	877224	766933	
	AER			Gross value of AER (CO2 g/dwt*nm)	5,90	6,30	6,30	
	EEOI			Gross value of EEOI (CO2 g/t*nm)	12,05	12,44	10,81	
ESRS E2-4	Pollution of air, water and soil	GRI 305-7	SDG 12.4	NOx emissions (metric tonnes)	15125	15822	22904	Calculations include 30 vessels. The reduction from 2022 is due to a slight variance in fuel consumption. The Nitrogen oxides emissions is calculated with a NOx factor provided by the Norwegian Maritime Authority
				SOx emissions (metric tonnes)	1336	1347	1934	Calculations include 30 vessels. The reduction from 2022 is due to a slight variance in fuel consumption along with an average sulphur content of 0.45% in 2023
				Number of spills from own vessels and aggregated volume of potentially harmful spills and releases in metric tonnes	0 (0t)	2 (0.001t)	1 (14t)	No spills to the environment in 2023
ESRS E4-5	Impact metrics related to biodiversity and ecosystems change	GRI 304-4	SDG 14.2	Number of days in ECA or marine protected areas	Not reported	Not reported	Not reported	Not able to report due to lack of access to data for 2023
				"Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk: i. Critically endangered ii. Endangered iii. Vulnerable iv. Near threatened v. Least concern"	Nine different whale species inhabit our most traded routes. Some of these species are threatened by ship strikes, especially during the night when whales are near the surface.	Not reported	Not reported	"Overview of species: i. Critically endangered: North Atlantic Right Whale and Rice Whale ii. Endangered: Blue whale, North Pacific Right Whale and Sei Whale iii. Vulnerable: Fin Whale, Sperm Whale iv. Near treatened: - v. Least concern: Gray Whale and Humpback whale"

DISCLOSURE REQUIREMENT	TOPIC	GRI	SDG	DESCRIPTION	2023	2022	2021	23' COMMENT
ESRS E5-4	Resource inflow			When an undertaking assesses that resource inflows is a material sustainability matter, it shall disclose the following information about the materials used to manufacture the undertaking's products and services during the reporting period, in tonnes or kilogrammes	"Tonnes of combustible consumed during the reporting year: 168 957 t MGO: 23 682.4 t LFO: 56 621.6 t HFO: 88 653.0 t Paint purchased during the reporting year (l): 177 620 Lube oil (l): 1 405 593 "	Not reported	Not reported	
ESRS E5-5	Resource outflow	GRI 306-3	SDGs 12.5, 12.4	Breakdown of the waste generated onshore in tonnes	"TOTAL (t): 6.5 Plastic (t): 0.01 Glass and metal (t): 0.9 Paper and board (t): 0.98 EE waste (t): 0.1 Organic waste (t): 1.35 Other sorted waste (t): 3.2 "	"TOTAL (t): 6.5 Plastic (t): 0.03 Glass and metal (t): 0.9 Paper and board (t): 1.3 EE waste (t): 0.1 Organic waste (t): 1.1 Other sorted waste (t): 3.1 "	Not reported	Includes the waste from Bergen and Oslo offices. The waste from the Philippines office has not been included. However, for the upcoming years we are working to include it too.
		GRI 306-3	SDGs 12.5, 12.4	Breakdown of the waste generated onboard in tonnes	"TOTAL (t): 366 Waste incinerated (t): 54 Waste discharged (t): 312 Plastic (t): 8 Food waste (t): 5 Dometic waste (t): 51 Cooking oil (t): 3 Incinerator ashes (t): 77 Operational waste (t): 59 Animal carcasses (t): 0 EE-waste (t): 5 Cargo residues (non HME) (t): 158"	"TOTAL (t): 499 Waste incinerated (t): 20 Waste discharged (t): 478 Plastic (t): 8 Food waste (t): 6 Dometic waste (t): 44 Cooking oil (t): 2 Incinerator ashes (t): 41 Operational waste (t): 26 Animal carcasses (t): 1 EE-waste (t): 5 Cargo residues (non HME) (t): 366"	Not reported	The vessels for which GMG has operational control have a garbage record book following MARPOL Annex V. Under MARPOL Annex V, garbage includes all kinds of food, domestic and operational waste, all plastics, cargo residues, incinerator ashes, cooking oil, fishing gear and animal carcasses generated during the normal operation of the ship and liable to be disposed of.
				Plastic reduction respect 2021 and amount of plastic discharged in green countries*	Increase of 0,03% respect 2021 and 83% of plastic was discharged to green countries	Not reported	Not reported	

ESG-status Social

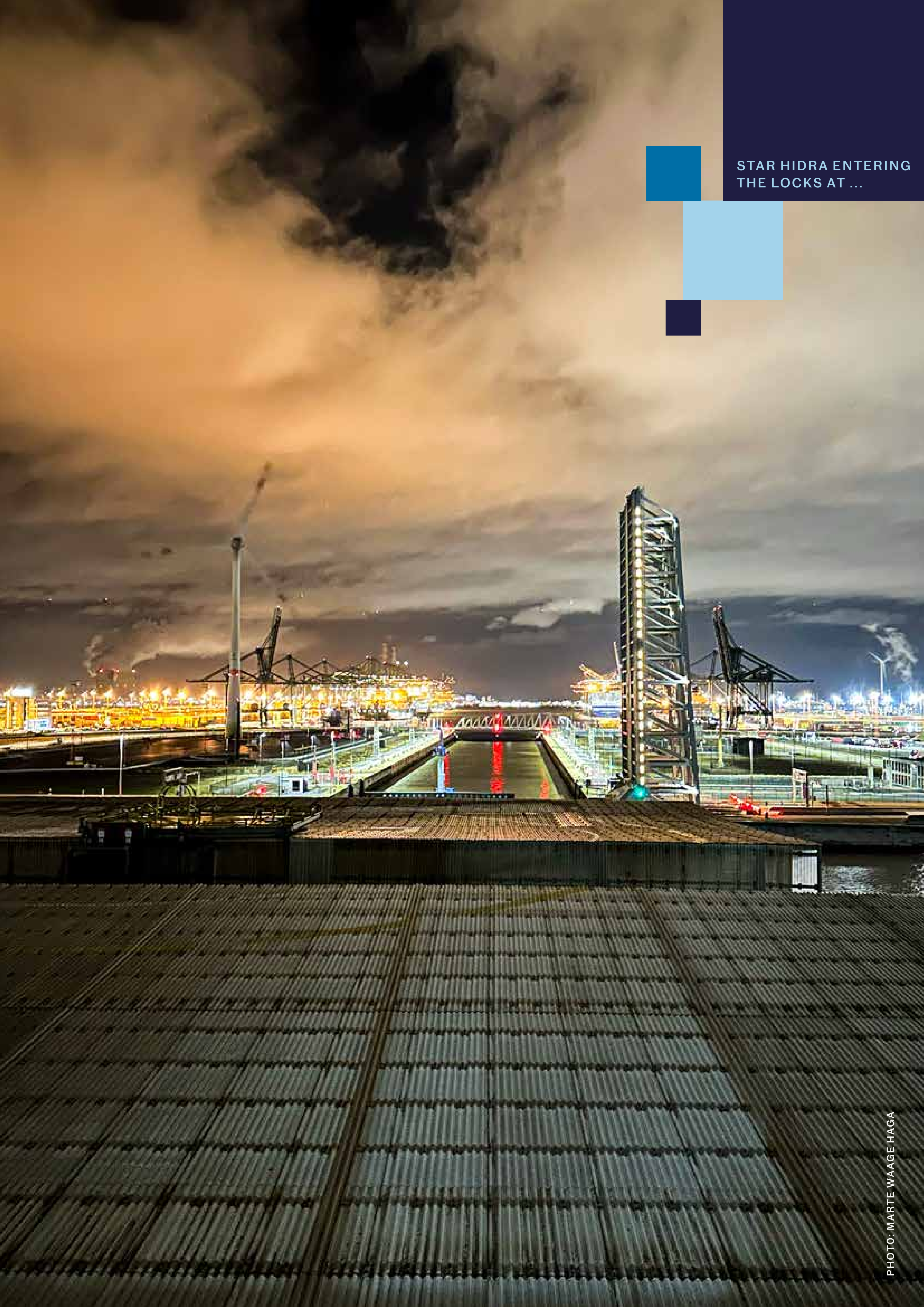
DISCLOSURE REQUIREMENT	TOPIC	GRI	SDG	DESCRIPTION	2023	2022	2021	23' COMMENT
ESRS S1-6 & S1-7	Characteristics of the undertaking's employees			Total number of employees	823	683	666	In 2023, more land and sea-based employees were hired. Number as of 31 December
				Total land-based employees	94	86	90	GMG includes permanent and temporary employees in 20% positions or higher. Consultants is not included.
				Total number of employees Norway	63	61	55	
				Total number of employees Philippines	31	25	35	
				Total number of permanent employees	91	Not reported	Not reported	
				Total number of permanent employees Norway	61	Not reported	Not reported	
				Total number of permanent employees Philippines	31	Not reported	Not reported	
				Total number temporary employees	1	1	5	
				Total non-guarantee hours employees	1	Not reported	Not reported	
		GRI 401-1	SDG 8.5	Total number of new land-based employees hires	"8 in Norway: 4 Emerging Professionals 4 Experienced Professionals 0 Seasoned Professionals 6 in the Philippines: 3 Emerging Professionals 2 Experienced Professionals 1 Seasoned Professional"	Not reported	Not reported	
				Total number and rate of land-based employee turnover	"Norway 5 employees (8%): Emerging Professionals: 1 Experienced Professionals: 3 Seasoned Professionals: 1 Philippines: 0 employees (0%)"	Not reported	Not reported	
				Total sea-based employees	729	597	576	Calculated based on the seafarers that are onboard
				Total number of permanent employees	0	Not reported	Not reported	
				Total number temporary employees	729	Not reported	Not reported	
				Total non-guarantee hours employees	0	Not reported	Not reported	
		GRI 401-1	SDG 8.5	Total number of new sea-based employees hires	235	Not reported	Not reported	
				Total number and rate of sea-based employee turnover	5% of turnover, 41 seafarers	Not reported	Not reported	5% for male and 0.2% for women
				Return rate of sea-based employees	97.5%	Not reported	Not reported	
ESRS S1-8	Collective bargaining coverage and social dialogue			Number of employees covered by collective bairgaining agreements	729	Not reported	Not reported	The terms of employment for all sea-based employees are covered by two collective bargaining agreements: Collective agreement for Filipino officers between the NSA, AMOSUP and NSU and the collective agreement for Filipino radio-officers, chief stewards, electricians, electro-technicians and ratings between NSA, AMOSUP and NSU
				Number of non-employee workers covered by collective bargaining agreements	Not applicable	Not applicable	Not applicable	

DISCLOSURE REQUIREMENT	TOPIC	GRI	SDG	DESCRIPTION	2023	2022	2021	23' COMMENT
ESRS S1-9	Diversity metrics	GRI 405-1	SDG 5.1, 5.5, 8.5	BoD % women	43%	57%	50%	7 Board members: 3 women, including the Chair of the Board and 4 men. One less woman respect to 2022
				Top management % women	43%	50%	43%	Change respect last year is due to one less employee in top management. Top management refers to Executive Management Team: CEO, CFO, CSO, CBDO, Managing Directors of Business Units
				Management % women	41%	41%	33%	Management positions refers to those with responsibility for personnel and/or specific area
				Technical positions % women	21%	19%	Not reported	Increase in respect to 2022, one more female joined the technical team
				Employees total % women	51%	52%	48%	
				% of land based employees emerging professionals (below 32)	26%	Not reported	Not reported	
				% of land based employees experienced professionals (33-55)	54%	Not reported	Not reported	
				% of land based employees seasoned professionals (>56)	20%	Not reported	Not reported	
				Seafarers top management % women	0.8%	0,90%	0,90%	Based not only on onboard seafarers but also on the active pool of seafarers
				Seafarers management % women	8.9%	8,0%	6,80%	
				Seafarers % women	3.6%	3,2%	2,4%	
ESRS S1-10	Adequate wages			% of employees paid below the adequate wage	0%	Not reported	Not reported	All employees are paid an adequate wage, in line with applicable benchmarks.
ESRS S1-12	Persons with disabilities			% of persons with disabilities in its own workforce	0%	Not reported	Not reported	
ESRS S1-13	Training and skills development metrics	GRI 404-1	SDGs 4.3, 4.4, 4.5, 5.1, 8.2, 8.5	Average hours of training land-based employees	31	24,1	Not reported	The increase is due to a better control over training hours
				Average hours of training sea-based employees	82.7	72,6	Not reported	
				Average hours of training per land-based female	33	Not reported	Not reported	
				Average hours of training per land-based male	28	Not reported	Not reported	
				Average hours of training per sea-based female	82.7	Not reported	Not reported	
				Average hours of training per sea-based male	82.7	Not reported	Not reported	
		GRI 404-3		% land-based employees that received career development/performance reviews	100%	Not reported	Not reported	
				% female land-based employees that received career development/performance reviews	100%	Not reported	Not reported	We do our performance review by June of each year. If an employee starts after June their first review will be the following year
				% male land-based employees that received career development/performance reviews	100%	Not reported	Not reported	
				% sea-based employees that received career development/performance reviews	77%	Not reported	Not reported	All of the seafarers receive performance reviews
				% female sea-based employees that received career development/performance reviews	81%	Not reported	Not reported	
				% male sea-based employees that received career development/performance reviews	77%	Not reported	Not reported	
ESRS S1-14	Health and safety metrics	GRI-403-8	SDG 3.9	The percentage of own workers who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines;	100%	Not reported	Not reported	
				The percentage of own workers who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	100%	Not reported	Not reported	
		GRI 403-9		Sea-based employees: Lost time injury frequency (LTIF)	0.59	0,65	0,74	
				Sea-based employees: Total recordable case frequency (TRCF).	1.58	2,39	2,46	
				Sea-based employees: The number of fatalities as a result of work-related injuries and work-related ill health	0	0	0	No marine casualties that resulted in death
				Sea-based employees: The number and percentage of cases of recordable work related ill health	0,017 %	Not reported	Not reported	
				Percentage of sickleaves land-based employees	2.2%	0,60%	0,90%	This is for both Norway and Philippines. Simployer was implemented from January 2023 and has improved our reporting an follow-up of sick leaves.

DISCLOSURE REQUIREMENT	TOPIC	GRI	SDG	DESCRIPTION	2023	2022	2021	23' COMMENT
ESRS S1-15	Work-life balance indicators	GRI 401-3	SDGs 5.1, 5.4, 8.5	% of land-based employees that were entitled to parental leave, by gender	100% female and 100% male	Not reported	Not reported	
				% of sea-based employees that were entitled to parental leave, by gender	100% female and 0% male	Not reported	Not reported	
				Total number of employees that took parental leave, by gender	1 female (land), 1 male (land)	1 male	Not reported	
				Return to work rate after parental leave	100%	Not reported	Not reported	
				Retention rate after parental leave	100%	Not reported	Not reported	
ESRS S1-16	Remuneration metrics	GRI 405-2	SDGs 5.1, 8.5	Women top managers' average salary in % of men's average in same category in Norway	77%	90%	Not reported	This covers all members of the top management team, except our CEO, i.e. managers on the same management level. (7 employees). The difference is due to the appointment of a new Deputy CEO.
				Women manager's average salary in % of men's average in same category in Norway	113%	113%	Not reported	Same than previous year. Management positions are those with responsibility for personnel and/or with responsibility for a specific area.
				Women professional's average salary in % of men's average in same category in Norway	83%	84%	Not reported	The difference in pay is primarily due to differences in the type of job held and years of experience. To ensure fair treatment of payment between men and women holding the same type of job, this is part of the annual salary appraisal assessment process. A special focus is laid on recruiting for diversity within job types.
				Women specialist manager's average salary in % of men's average in same category in The Philippines	21%	19%	Not reported	In the Philippines, several positions require background in Marine Transportation or Marine Engineering and this affects the pay gap between male and female, as majority of candidates with this competence is currently still male.
				Women professional's average salary in % of men's average in same category in the Philippines	69%	65%	Not reported	Increase in respect to 2022, due to promotion and higher salaries
ESRS S1-17	Incidents, complaints and severe human rights impacts and incidents	GRI 406-1	SDG 5.1	Total number of incidents of discrimination	"Sea-based employees: 11% Land-based employees: 0%"	Not reported	Not reported	"A survey on harassment & bullying in the maritime workplace onboard our vessels was conducted in Nov. 2023. 11% or 52 respondents reported having been harassed or bullied in the last 6 months. The reasons for being harassed or bullied were due to beliefs and opinions; age; and physical appearance. They were expressed in the form of jokes in an upleasant manner; wrongly or excessively blamed for having done a bad job; and had rumours spread about them. Since the survey was conducted, the company has started the ""I'm a Buddy, not a Bully"" campaign, distributing pins with the slogan and asking all to take a stand against harassment and bullying, shared the results of the survey, written articles about how to change bullying behavior and developed an anonomouys reporting channel. No reports have been received for shore-based harassment or bullying. We have a whistleblower channel for reporting of such incidents. "
ESRS S2-5	Suppliers at significant risk for incident of human and labour rights	GRI 407-1, 408-1, 409-1	"SDGs 5.2, 8.7, 8.8, 16.1, 16.2 "	Total number of suppliers in the supplier base	334 in 24 different countries	Not reported	Not reported	
				% suppliers considered to have significant risk for incidents of human and labour rights based on country risk location	12% of our suppliers are located in a high risk country, representing a 21% of all of our purchase orders. China being the country where most of our purchase orders come from	Not reported	Not reported	"*12% of our suppliers are in what is considered high risk countries in terms of human and labour rights. GMG elaborated a country risks list, which is a list that includes different international indexes that cover modern slavery, global rights, forced and child labour as well as equality. This 12% of suppliers are located in 4 countries considered high risk countries in terms and human rights: China, Brazil, Panama and United Arab Emirates. "
	Social impacts in the supply chain	GRI 414-2		Number of suppliers assessed for social impacts	25 suppliers	Not reported	Not reported	
				Number of suppliers identified as having significant actual and potential negative social impacts.	0	Not reported	Not reported	From the suppliers assessed during 2023 we could not conclude that any got significant actual or potential negative social impacts
				Suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.	0	Not reported	Not reported	
				Suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.	0	Not reported	Not reported	

ESG-status Governance

DISCLOSURE REQUIREMENT	TOPIC	GRI	SDG	DESCRIPTION	2023	2022	2021	23' COMMENT
ESRS G1-3	Prevention and detection of corruption and bribery: provide information about its system to prevent and detect,investigate, and respond to allegations or incidents relating to corruption and bribery including the related training.	"GRI 205-2 "	"SDG 16.5 "	Total number and percentage of employees that the company's anti-coruption policies and procedures have been communicated to	All employees	Not reported	Not reported	
				Total number and percentage of employees that have received training on anti corruption	69 employees, 8% of total employees.	Not reported	Not reported	
				Total number and percentage of governance body members that the company's anti-coruption policies and procedures have been communicated to	The board are informed and have approved the policy	Not reported	Not reported	
				Total number and percentage of governance body members that have received training on anti corruption, broken down by employee category and region	No training regarding corruption for the governance bodies	Not reported	Not reported	
				Number of calls at ports that have the 20 lowest rankings in Transparency International's Corruption Perception Index	0	1	0	
ESRS G1-4	Incidents of corruption and bribery	GRI 205-3	SDG 16.5	Number of convictions and the amount of fines for violation of anti-corruptionand anti-bribery laws and actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery	0	0	0	
				Total number and nature of confirmed incidents of corruption	0	0	0	In GMG there has been 0 confirmed incidents of corruption. However, there was one attempt during a yard audit.
				Details of public cases regarding corruption and bribery brought againts GMG and own employees during the reporting year and the outcome of those	0	0	0	
ESRS G1-6				Number of legal proceedings (currently outstanding) during the reporting period for late payments;	No legal proceedings for late payments	Not reported	Not reported	
	Sanctions	GRI 2-27		Total monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and/or regulations	0	0	1 (9000 EUR)	
	PSC Deficiencies			Number of deficiencies received from regional port state control organisations	1,72	0,88	1,03	Average per vessel in the fleet. 54% flawless inspections. The inspection frequency worldwide has increased after COVID-19.
	PSC Detentions			Number of detentions received from regional port state control organisations	3	0	1	3 Grieg Star vessels detained in China in 2023. The general number of vessels detained by Chinese PSC has increased by 400% in 2023 since 2022.



STAR HIDRA ENTERING THE LOCKS AT ...

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