



2024

**CORPORATE  
SUSTAINABILITY REPORT**

# ABOUT OUR REPORT

Corporate social responsibility is more than just a commitment at CSL, it's an integral part of who we are. Our dedication to sustainability shapes our values, guides our decisions, and strengthens our connection to the communities and environments we serve.

Since the release of our first publication in 2013, our annual Corporate Sustainability Report provides a holistic overview of the social, environmental, and governance (ESG) factors that shape our decision-making and drive our ongoing improvements each year. We are dedicated to continuous progress, focusing on refining our reporting methods, strengthening performance analysis, and identifying key initiatives that help us achieve our sustainability objectives.

Our reporting practices have evolved continuously since we adopted an ESG structure in 2022. Our data disclosures meet global sustainability reporting standards and incorporate updated requirements from the Sustainability Accounting Standards Board Marine Transportation Standard (SASB), Global Reporting Initiative (GRI), Green Marine (GM) and the United Nations Sustainable Development Goals (UNSDGs).

Incorporating ESG principles into every facet of our operations goes beyond ticking regulatory boxes. For us, it is about making meaningful contributions towards a sustainable future for our communities, our environment, and the world at large.

Learn more about CSL's sustainability and corporate social responsibility programs on our website:  
[www.cslships.com](http://www.cslships.com).

## Table of Contents

|                                           |           |
|-------------------------------------------|-----------|
| <b>2024 HIGHLIGHTS</b>                    | <b>3</b>  |
| <b>MESSAGE FROM THE PRESIDENT AND CEO</b> | <b>4</b>  |
| <b>CSL AT A GLANCE</b>                    | <b>5</b>  |
| <b>OUR APPROACH TO ESG</b>                | <b>8</b>  |
| Defining Our Priorities                   | 9         |
| Stakeholder Engagement and Materiality    | 9         |
| Leveraging Digital Technologies           | 11        |
| Our Targets                               | 12        |
| Partnerships for Progress                 | 13        |
| <b>ENVIRONMENTAL STEWARDSHIP</b>          | <b>14</b> |
| Decarbonization                           | 15        |
| Protecting Life Below Water               | 19        |
| Resource and Waste Management             | 24        |
| <b>SOCIAL RESPONSIBILITY</b>              | <b>28</b> |
| Health and Safety                         | 29        |
| Diversity, Equity and Inclusion           | 34        |
| Employee Engagement and Development       | 37        |
| Sustainable Partner to Our Customers      | 40        |
| Empowering Communities                    | 43        |
| <b>GOVERNANCE</b>                         | <b>46</b> |
| ESG Oversight                             | 46        |
| Ethics and Corporate Responsibility       | 49        |
| Cyber Security and Privacy                | 51        |
| Sustainable Supply Chains                 | 53        |
| <b>ANNEX</b>                              | <b>54</b> |
| About Our Data                            | 54        |
| Green Marine Performance                  | 56        |
| ESG Scoreboard                            | 57        |
| Comments on ESG Performance Data          | 62        |

# | 2024 HIGHLIGHTS

## Environment



**7%**  
reduction in  
total emissions  
from our global fleet  
since 2023

**30%**  
carbon  
intensity  
reduction  
vs 2005 levels

**576**  
cetacean  
sightings  
by seafarers  
since 2015

**67%**  
reduction in total  
landfill waste per  
seafarer/operating day,  
since 2010

## Social



**0.5**  
lost-time injury  
frequency rate

**2.4**  
total recordable  
case frequency rate

**8/10**  
employee  
engagement  
rate

**1%**  
of net profit  
donated to charities  
and disaster relief

## Governance



**96%**  
on MACN  
Anti-Corruption  
Scorecard

**ZERO**  
cyber security  
leaks, theft or  
losses of data

**ZERO**  
breaches  
of privacy laws

# MESSAGE FROM LOUIS MARTEL

## President and Chief Executive Officer

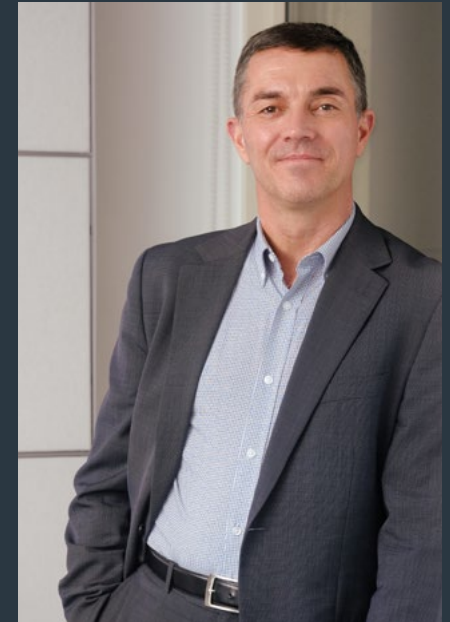
Operating responsibly, ethically, and sustainably isn't new at CSL – it's part of who we are. Amid changing global dynamics and persistent pressure for climate action, our commitment to these principles remains strong. Our 2024 Corporate Sustainability Report reflects how that commitment is evolving, as we continue to innovate and focus on actions that deliver real, lasting impact.

Sustainability is embedded in every decision we make, from how we design and operate our vessels to how we support our people and the communities we serve. In 2024, we made meaningful progress on multiple fronts. We reduced emissions from our global fleet by 7 percent since 2013, advanced our green fuel strategy, and began construction on the world's first fully electric battery-capable self-unloading vessel.

Above all, safety remains non-negotiable and the foundation of everything we do. Now in its twelfth year, our SafePartners program continues to build a strong, proactive safety culture. In 2024, we achieved our best performance yet, with a lost-time injury rate of 0.5, reflecting the vigilance and shared responsibility of our seafarers and shore-side teams.

We're also creating space for new voices and perspectives. Through mentorship, stronger workforce diversity, and meaningful partnerships with communities in the regions where we operate, we're building a more inclusive, equitable, and resilient CSL – one that reflects the world around us and is ready to meet its challenges head-on.

The progress we made in 2024 comes down to people working together with a shared sense of purpose and a commitment to doing what's right. Across CSL, from our ships to our offices, it's that everyday effort that drives real change. We know there's more to do, and that the challenges ahead won't always have easy answers. But we're moving forward with integrity, care and a strong belief that step by step, we can build a better future.



# CSL AT A GLANCE

With roots dating back to 1845, The CSL Group Inc. is a privately owned Canadian shipping company headquartered in Montreal, Quebec. A world-class provider of complex marine solutions, we are the world's largest owner and operator of self-unloading vessels, the third-largest operator of cement carriers, and a leader in high-efficiency transshipment services.

Our regional offices are located in Halifax, St. Catharines, Vancouver, and Winnipeg in Canada; Boston in the United States; London in the UK; Bergen in Norway; and Karratha, Perth, Sydney, and Whyalla in Australia.

Every year, our fleet transports millions of tonnes of dry bulk commodities for customers throughout the world. Commodities moved include iron ore, aggregates, grain, cement, gypsum, salt and wheat.

We employ approximately 2,300 people globally in a wide range of positions, both on board our ships and in shore-based positions. We are committed to the wellbeing and development of our employees, and to promoting a corporate culture that values high ethical standards, a safe and healthy workplace, and respect for the environment.

## OUR FLEET

In 2024, CSL's combined fleet of wholly and jointly owned assets totals 97 vessels. The wholly owned fleet consists of 48 assets, including 28 self-unloaders, six transhippers, six bulkers, five cement carriers, two self-unloading barges and one excavator self-unloader. Our co-owned fleet includes 49 assets consisting of 12 cement carriers, 14 multi-purpose product vessels (MPPs), eight tugs, four transhippers, four transshipment barges, three self-unloaders, three excavator self-unloaders and one transshipment crane.

CSL is also responsible for the commercial management of eight other self-unloading ships as part of the CSL International Pool, and seven cement carriers under the Eureka Shipping joint venture. Additionally, six excavator self-unloaders and five multipurpose vessels (MPPs) are chartered through our Peak CSL joint venture in Europe. Through our Mariac Belt Shipping joint venture, we also charter in four shuttle vessels and one transshipment crane.

### OFFSHORE LOGISTICS EXPANSION

Building on our longstanding expertise in short sea shipping and complex marine solutions, we expanded into the offshore logistics sector in 2024 with the launch of CSL Offshore Logistics. This new division focuses on rock sourcing and supply for offshore wind projects. As part of this growth, we partnered with Peak to form Peak CSL Group, focused on delivering full-service offshore logistics and designing low-emission vessels for Norway's short sea market. We also joined forces with Offshore Wind Logistics (OWL) to create CSL OWL SRI, marking our entry into the subsea rock installation segment. To support this venture, we've ordered two 17,500 DWT subsea rock installation vessels with dynamic positioning (DP2) capabilities.

## NEWBUILDS, CONVERSIONS AND ACQUISITIONS

- In 2024, we partnered with BCI Minerals Ltd. to build and operate a custom-designed transshipment vessel for the Mardie Salt and Potash Project in Western Australia. The vessel will be equipped with a diesel-electric propulsion system that allows for future conversion to clean fuels or electrification. Construction is scheduled to begin in spring 2026, with delivery expected in mid-2027.
- Under a 20-year partnership with Adelaide Brighton Cement Ltd., we are building the world's first fully electric, battery-capable self-unloading vessel. Set for delivery in 2026, the hybrid vessel will initially cut diesel use by 25 percent and Scope 1 emissions by 40 percent. Full electric capability by 2031 will result in emission reductions of over 90 percent.
- In partnership with Algoma Central Corporation, five methanol-ready Kamsarmax-sized self-unloaders are under construction to replace four older vessels in the CSL International Pool, expanding the fleet to 19. The new vessels will be 40 percent more efficient than the ships they replace. Two vessels are set for delivery in 2025, with three more to follow in 2026.
- An 18,800 DWT geared bulk carrier is being converted into an excavator self-unloader, designed to handle industrial and project cargoes, including armour rock. Scheduled for delivery in 2025, the vessel will support our operations in Europe.

## JOINT VENTURES

### CANDEU

CANDEU is a 50/50 joint venture between CSL and Hartmann Schiffsbeteiligungen GmbH & Co. KG. CANDEU built and owns two 40,700 DWT self-unloaders, both of which are under time charter with Mibau-Stema.

### CSL OWL SRI

CSL OWL SRI is a joint venture majority-owned by CSL, with Offshore Wind Logistics (OWL) holding a minority stake. The joint venture serves the subsea rock installation segment of offshore logistics. In 2024, CSL OWL SRI placed an order for two 17,500 DWT DP2 subsea installation vessels, scheduled for delivery in 2026.

### EMS-TECH INC.

CSL owns a minority stake in Canadian engineering firm EMS-Tech Inc., an industry leader in the design and supply of bulk material handling systems.

### EUREKA SHIPPING LTD.

Eureka Shipping is a 50/50 joint venture between CSL and SMT Shipping that owns and operates pneumatic and mechanical cement carriers in Europe. In 2024, Eureka began construction on a 12,500 DWT cement vessel designed for the Great Lakes, scheduled for delivery in 2025. Eureka has also ordered two 4,200 DWT and four 7,100 DWT cement carriers for operation in Europe.

### MARIAC BELT SHIPPING

Mariac Belt Shipping is a 50/50 joint venture between CSL and SMT Shipping that operates transhippers, bulk carriers, multi-purpose product (MPP) vessels and tugs in the Caribbean and West Africa. In 2024, Mariac purchased a 16,900 DWT MPP vessel now called MV *Veracruz* to optimize Caribbean trades.

### MARBULK SHIPPING

Marbulk Shipping is a 50/50 joint venture between CSL and Algoma Central Corporation that owns a 50 percent stake in MV *Weser Stahl*. The remaining 50% ownership of the vessel is held by the Bernard Schulte Group.

### PEAK CSL GROUP

Established in 2024, Peak CSL Group is a 50/50 joint venture between CSL and Peak Group. Peak CSL Group delivers comprehensive marine logistics solutions catering to the offshore renewable energy sector including rock and ballast logistics support, material transfer solutions, a fleet of project carriers and in-house engineering capabilities.

## CANADA STEAMSHIP LINES

12 self-unloaders  
5 bulkers

## CSL AFRICA

2 transhippers

## CSL AMERICAS

10 self-unloaders  
8 self-unloaders  
*Commercially managed only*

## CSL AUSTRALIA

3 self-unloaders  
1 bulker  
5 cement ships  
4 transhippers  
2 barges

## CSL EUROPE

3 self-unloaders  
1 excavator self-unloader  
2 CSL-Hartmann self-unloaders  
*Joint venture*  
1 Marbulk self-unloader  
*Joint venture*

## CSMT

1 transhipper  
7 MPPs

## EUREKA SHIPPING

12 cement ships  
7 cement ships  
*Commercially managed only*

## MARIAC AFRICA

3 transhippers  
4 barges  
8 tugs  
1 MPP  
1 transhipment crane  
4 shuttle vessels *Chartered*  
1 transhipment crane *Chartered*

## PEAK CSL

3 excavator self-unloaders  
6 MPPs  
6 excavator self-unloaders *Chartered*  
5 MPPs *Chartered*



**2,300 PEOPLE**  
employed globally (including crew on  
CSL-owned ships but excluding joint ventures)



**VESSELS**  
48 owned 49 co-owned  
31 commercially managed or chartered

# OUR APPROACH TO ESG

- 01** Defining Our Priorities
- 02** Stakeholder Engagement and Materiality
- 03** Leveraging Digital Technologies
- 04** Our Targets
- 05** Partnerships for Progress

## BUILDING RESILIENCE THROUGH SUSTAINABILITY

Throughout the changing operating environment of 2024, we continued to refine our ESG vision by taking concrete actions to incorporate sustainability into every facet of our business. As the geopolitical landscape changes around us, our sector and our customers recognize the importance of integrating ESG principles into business strategies, risk management, and day-to-day decision-making.

A key element of our strategy aims to address the global shift to a low-carbon economy that is shaping the future of our operations. Managing this transition means working to reduce emissions, deliver lasting value to our customers, and mitigate risks across our value chain. Ultimately, our goal is to be a more resilient partner to our customers, that not only adapts to global changes but thrives within them.



## 01 Defining Our Priorities

Our ESG priorities are guided by a range of factors including our corporate values, the expectations of our employees, customers and stakeholders, and our alignment with international frameworks and standards. These include the Sustainability Accounting Standards Board Marine Transportation Standard (SASB), Global Reporting Initiative (GRI) and Green Marine (GM).

We also recognize our responsibility to support the United Nations Sustainable Development Goals (UNSDGs). While our operations may not have a direct impact on all 17 SDGs, we are committed to making a meaningful and positive contribution to those most relevant to our operations.

CSL has the potential to make the most significant material impact on the following five UNSDGs:



### SDG 3 – Good Health and Well-Being

Our employee programs to address mental and physical health, and encourage a positive work-life balance align with this goal.



### SDG 5 – Gender Equality

Our efforts to promote women on board vessels and into leadership positions support this goal.



### SDG 12 – Responsible Production and Consumption

Our shipboard recycling programs, lifecycle approach to ship building and decommissioning, and circular economy efforts support this goal.



### SDG 13 – Climate Action

Our climate advocacy efforts and targets for reducing air emissions align with this goal.



### SDG 14 – Life Below Water

Our initiatives to protect marine and aquatic life, including underwater radiated noise reduction, ballast water treatment, oil spill prevention, and our work with marine mammals in Canada and Australia, contribute to this goal.

## 02 Stakeholder Engagement and Materiality

### FOCUSING ON THE ISSUES THAT MATTER MOST

Every few years, we conduct an ESG materiality assessment to evaluate the most pressing issues facing CSL that matter most to our stakeholders. By understanding the concerns and expectations of those most impacted by our operations, we can prioritize material topics to address risks, seize opportunities, and enhance our overall sustainability efforts. This process also guides our decision-making and ensures our ESG initiatives are aligned with both business objectives and the values of our diverse stakeholders.

### PRIORITY TOPICS FOR OUR STAKEHOLDERS

Our materiality survey was conducted electronically in November 2024, with 225 respondents across our value chain, including internal stakeholders (ship and shore employees and board members) and external stakeholders (customers, partners, suppliers, NGOs, government representatives and others).

Respondents ranked high-level topics in order of importance, covering health and safety, climate change, pollution, ecological impacts and biodiversity, employment conditions, sustainable supply chains, ethics and corporate responsibility, and corporate governance.

The top five material topics identified varied slightly between internal and external respondents. Health and

safety as well as pollution ranked highest among both stakeholder groups, followed by climate change and ecological impacts and biodiversity. External stakeholders placed slightly more emphasis on governance issues such as cyber security, while internal stakeholders ranked employment conditions higher, reflecting CSL's strong focus on diversity, equity and inclusion.

The top five high level material priorities identified by all respondents are:

1. Health and Safety
2. Pollution
3. Climate Change
4. Biodiversity Protection
5. Employment Conditions

## 2024 MATERIALITY MATRIX

### Changes Since 2020

Most sub-topics in our 2024 materiality matrix are consistent with those from our 2020 survey, with some renamed or regrouped for clarity. Compared to our 2020 results, health and safety, accidents and oil spills and decarbonization remain top priorities. Customer relationships and energy efficiency also ranked among the highest in importance in 2024.



| CLIMATE CHANGE                                                                                                                           | POLLUTION                                                                                                                                                                                                                                                                                           | ECOLOGICAL IMPACTS AND BIODIVERSITY                                                                                                                   | EMPLOYMENT CONDITIONS / HEALTH & SAFETY                                                                                                                                                                                                                                                     | SUSTAINABLE SUPPLY CHAINS                                                                                                               | ETHICS & CORPORATE RESPONSIBILITY                                                                                                                                                                     | CORPORATE GOVERNANCE                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Decarbonization</li> <li>Energy efficiency</li> <li>Physical impacts of climate change</li> </ul> | <ul style="list-style-type: none"> <li>Accidents and oil spills</li> <li>Air pollutants</li> <li>End-of-life ship recycling</li> <li>Waste generation and onboard recycling</li> <li>Hazardous materials management</li> <li>Ocean plastic and marine pollution</li> <li>Noise pollution</li> </ul> | <ul style="list-style-type: none"> <li>Marine mammal protection</li> <li>Freshwater health</li> <li>Biodiversity loss and invasive species</li> </ul> | <ul style="list-style-type: none"> <li>Health and safety</li> <li>Diversity, equity and inclusion</li> <li>Collective bargaining</li> <li>Training, development, and talent management</li> <li>Employee turnover</li> <li>Right to privacy</li> <li>Labour/management relations</li> </ul> | <ul style="list-style-type: none"> <li>Customer relationships</li> <li>Responsible sourcing</li> <li>Supply chain management</li> </ul> | <ul style="list-style-type: none"> <li>Anti-corruption</li> <li>Ethics and compliance</li> <li>Modern slavery, child and forced labour</li> <li>Community engagement</li> <li>Human rights</li> </ul> | <ul style="list-style-type: none"> <li>Cyber security and data protection</li> <li>Risk management</li> <li>Board diversity</li> <li>Climate risk</li> <li>Reporting transparency</li> <li>Innovation and technology</li> <li>Tax compliance</li> </ul> |

## **03** Leveraging Digital Technologies

Digital technologies are essential to advancing our ESG initiatives by providing the tools to collect, process and analyze data to make informed decisions. From monitoring our ships in real time to enhancing scheduling efficiency with AI, digital tools and platforms help us improve our processes, minimize risks, tailor our training programs and quantify the value of our decarbonization and waste management efforts.

Central to our digital innovation is our monitoring team, which works closely with regional fleets to track operations, generate reports, and recommend improvements. Their efforts lead to time savings, reduced fuel consumption, enhanced cargo uplift, and safer, more sustainable operations. The team oversees our digital systems, including our real-time vessel monitoring platform (O2), digital transhipment platform (Thor), Intelligent Scheduling System (ISS) and Cognitive Logistic Unit (CLU).

### **OPERATIONAL OPTIMIZER**

Our O2 project entered a new phase in 2024, with the operationalization of key system components. New routines were implemented to closely monitor equipment and fuel consumption. Additionally, the data accumulated with O2 over the last several years will be leveraged in two Ocean Super Cluster (OSC) projects, with the goal to improve asset reliability and overall voyage performance.

### **DIGITAL TRANSHIPMENT PLATFORM**

Our Thor digital transhipment platform crossed major milestones throughout the year, with its roll-out in three of our global transhipment projects. The platform is designed to improve the reporting process and accuracy of our operations, which in turn will lead to operational gains and reduced fuel consumption.

### **INTELLIGENT SCHEDULING SYSTEM**

Our Intelligent Scheduling System project (ISS), still under development, saw major progress in 2024. A new version of the optimization algorithm was implemented to further improve optimization gains, including minimizing ballast legs and maximizing cargo uplift. The system is scheduled to be deployed across CSL regions in the coming year.

### **COGNITIVE LOGISTIC UNIT**

CSL has been investing in AI for several years, leading to the implementation of the Cognitive Logistic Unit (CLU). This system uses a series of algorithms to accurately estimate fuel consumption and arrival times at ports. These algorithms are now used as the foundation for several voyage management tools, which are used to simulate voyages and operations, and reduce emissions and costs.



## 04 Our Targets

In 2024, we expanded our priority targets to include additional metrics aligned with our ESG strategy. Under biodiversity protection, we began measuring underwater radiated noise in 2012 and expanded our research in 2020 through our involvement in the Marine Acoustic Research Station (MARS) program. As research progresses, we aim to test various ship types across our global fleet (where possible) to support this effort.

Under governance, cyber security and privacy, we have added the long-term target of zero cyber security breaches. The marine industry is increasingly reliant on digital technologies, exposing it to cyberthreats. To achieve our goal of zero incidents, we are taking a proactive, multi-faceted approach, to protect CSL against increasing cyberthreats.

| ESG PRIORITIES                                                                                                                        | MATERIAL TOPIC               | METRIC                                                                                        | PERFORMANCE |            | GOALS AND AMBITIONS                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------------------------------------------------------------------------|-------------|------------|---------------------------------------------------------------------------------------|
|                                                                                                                                       |                              |                                                                                               | 2023        | 2024       |                                                                                       |
| <b>ENVIRONMENT</b><br>Reduce our footprint by decarbonizing our operations, protecting marine mammals and responsibly managing waste. | DECARBONIZATION              | Energy Efficiency Operating Indicator (laden) (Carbon intensity gCO <sub>2</sub> eq/tonne-nm) | -29%        | -30%       | 35% reduction in carbon intensity of shipping operations by 2030 compared to 2005     |
|                                                                                                                                       |                              | Scope 1 emissions (tonnes)                                                                    | 540,717     | 504,766    |                                                                                       |
|                                                                                                                                       |                              | Renewable energy as a % of total fuel                                                         | 8%          | 8.7%       |                                                                                       |
|                                                                                                                                       | BIODIVERSITY PROTECTION      | Number of oil spills / quantity (litres)                                                      | 5/17 litres | 3/4 litres | Zero oil spills                                                                       |
|                                                                                                                                       |                              | Percentage of ships measured for underwater radiated noise                                    | 38%         | 38%        | Achieve baseline URN measurement for at least 70% of each vessel type, where possible |
|                                                                                                                                       |                              | Landfill waste as percentage of total waste                                                   | 66%         | 67%        | Reduce shipboard waste to landfill by 75% by 2030 compared to 2010                    |
|                                                                                                                                       | RECYCLING & WASTE MANAGEMENT | Recycling as a % of total waste                                                               | 26%         | 29%        | Recycle 50% of total shipboard waste by 2030                                          |
| <b>SOCIAL</b><br>Achieve zero harm to people, property and planet while fostering a diverse and inclusive workplace.                  | HEALTH AND SAFETY            | Lost-Time Injury Frequency Rate (LTIFR)                                                       | 0.60        | 0.50       | Achieve 0.70 or less                                                                  |
|                                                                                                                                       |                              | Total Case Recordable Frequency Rate (TCRFR)                                                  | 3.50        | 2.40       | Achieve 3.50 or less                                                                  |
|                                                                                                                                       | DIVERSITY AND INCLUSION      | Proportion of women on board ships in Canada                                                  | 9%          | 8.4%       | Proportion of women on board ships in Canada to reach 12% by 2030                     |
|                                                                                                                                       |                              | Proportion of women in management positions and above                                         | 28%         | 27%        | Proportion of women in management positions and above to reach 50% by 2030            |
| <b>GOVERNANCE</b><br>Act ethically and accountably to ensure sustainable corporate responsibility.                                    | ETHICS AND ANTI-CORRUPTION   | Number of breaches of policy detected                                                         | 2           | 0          | Zero breaches of policy                                                               |
|                                                                                                                                       | CYBER SECURITY AND PRIVACY   | Number of identified leaks, thefts or losses of data                                          | 0           | 0          | Zero breaches or losses                                                               |

## 05 Partnerships for Progress

Every year, we collaborate with a wide range of partners and organizations to advance our sustainability goals. These include industry associations, academic institutions and non-profit organizations, some of which are listed below.

- Canadian Whale Institute, a charity devoted to the sustainable co-existence of whales and people.
- Clear Seas, a not-for-profit organization that provides independent, fact-based research and information on marine shipping issues.
- Eyesea, a non-profit organization that maps global pollution and maritime hazards.
- Fonds d'action du Saint-Laurent, a charity that supports projects that improve the ecosystem of the St. Lawrence River and Gulf.
- Future Care, an international medical management and telemedical service provider exclusively to the maritime industry.
- Green Marine, an environmental certification program.
- Group for Research and Education on Marine Mammals, a non-profit organization dedicated to research on marine mammals in the St. Lawrence.
- IMPA ACT, a sustainable procurement program of the International Marine Purchasing Association.
- Innovation maritime, an applied research center affiliated with the Institut maritime du Québec.
- Institut des sciences de la mer of the Université du Québec à Rimouski, an institute dedicated to the discovery and advancement of knowledge about coastal environments from a sustainable development perspective.
- Marine Animal Response Society, an organization that aids stranded, injured or entangled marine mammals.
- Marine Mammal Observation Network, a non-profit organization that works to protect and conserve marine mammals and their habitats in the Gulf of St. Lawrence.
- Maritime Anti-Corruption Network, a global business network dedicated to ending corruption in the marine industry.
- MeRLIN, an innovation center for the marine industry from Technopole Maritime du Québec.
- Moisson Montréal, Canada's largest food bank.
- Neptune Declaration on Seafarer Wellbeing and Crew Change, a declaration promoting four main actions to protect seafarers during the COVID-19 pandemic.
- White Ribbon, a movement to end violence against women and girls.



### CORPORATE ENVIRONMENTAL SUSTAINABILITY COMMITTEE

David Martin, co-owner of CSL, chairs our Corporate Environmental Sustainability Committee (CESC), which provides the guidance and oversight of our sustainability initiatives. The CESC convenes biannually to develop strategies, address key challenges and opportunities, and monitor the progress of our sustainability roadmap.

# ENVIRONMENTAL STEWARDSHIP

- 01 Decarbonization
- 02 Protecting Life Below Water
- 03 Resource and Waste Management

MV *Sunnanvik* is the first cargo ship equipped with sails to operate in the Great Lakes. The 8,600 DWT mechanical/pneumatic cement carrier is owned and operated by Eureka, a CSL and SMT joint venture, and began trading on the Great Lakes in April 2024.



## 01 Decarbonization

The shipping industry accounts for about three percent of global carbon emissions, making decarbonization crucial in the fight against climate change. At CSL, we're committed to doing our part by working toward the ambitious goals set by the International Maritime Organization (IMO) to reduce carbon intensity and achieve net-zero emissions by 2050.

To meet this target, we're focused on adopting cleaner fuels, improving energy efficiency, and exploring new technologies. We know the road to decarbonization won't be easy. The industry's heavy reliance on fossil fuels, the high costs of new technologies, and the long lifespan of ships all present challenges. That's why we approach this transition with both a global and regional mindset, aligning our strategies with international sustainability goals while adapting to local regulations and infrastructure.

To stay ahead of the curve, we closely monitor regulatory changes, upcoming levies, and the availability of new fuels and technologies to ensure our fleet stays competitive and compliant. By working closely with governments, port authorities, and other partners, we aim to do our part in the shift toward more sustainable shipping.

## OUR PROGRESS TOWARD DECARBONIZATION

In 2024, we continued to advance our decarbonization roadmap, which aims to reduce our emissions while supporting long-term business growth. A key factor in our efforts has been strong collaboration, both inside and outside the company.

Externally, we're working with industry partners and government agencies to support innovation and keep up with changing regulations. Internally, our ESG, Procurement, Technical, Commercial, and Operations teams are pooling their expertise to take a coordinated and practical approach, supported by our Decarbonization Working Group, which brings together key internal stakeholders to share knowledge and refine our strategy.

In 2024, total emissions from our global fleet (excluding joint ventures and biogenics, and including time charter vessels) decreased by 6.6 percent since 2023, emitting 504,766 tonnes of CO<sub>2</sub>e. Additionally, the carbon intensity of our shipping operations (EEOI laden, excluding transshipment) decreased by 1.2 percent to 9.49.

The reduction in emissions can be attributed to several factors including the ongoing use of biodiesel on vessels in Canada and Norway, vessel speed management, and enhanced use of real-time data and other digital tools to optimize vessel performance.

## 2024 PERFORMANCE



Achieved a **30 percent reduction** of CO<sub>2</sub>e per tonne of cargo moved while laden in 2024 compared to 2005 (EEOI laden, excluding transshipment).

## DECARBONIZATION METRICS

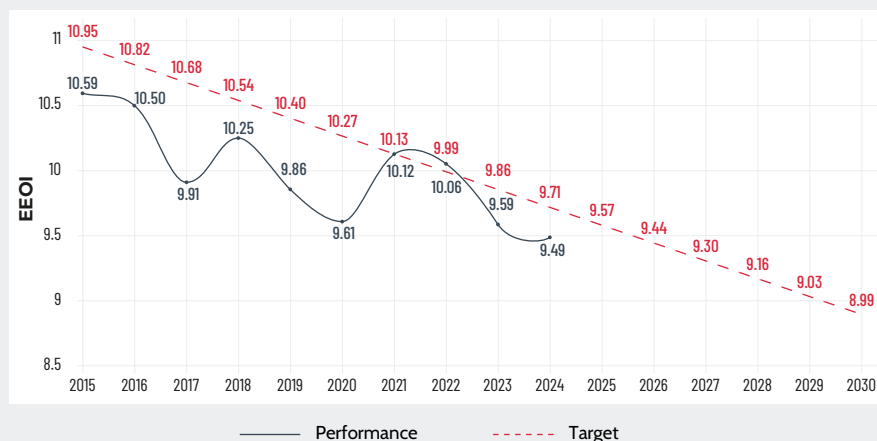
The IMO aims to reduce total annual greenhouse gas (GHG) emissions by 20 percent, with a stretch goal of 30 percent, by 2030 compared to 2008 levels. This target will be met through various measures, primarily by improving ship energy efficiency and adopting low-carbon fuels.

As CSL's global fleet continues to grow, total annual GHG emissions will fluctuate due to the addition of new vessels and the retirement of older ones. CSL remains committed to designing, building, and operating the most fuel-efficient ships possible, prioritizing improvements in its Energy Efficiency Operational Indicator (EEOI) over setting a fixed annual GHG reduction target.

| METRIC                                                                         | DESCRIPTION                                                        | SET BY                                                       | MEASURE                                            | 2024 PERFORMANCE                         | 2030 TARGET                        |
|--------------------------------------------------------------------------------|--------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------|------------------------------------------|------------------------------------|
| Energy Efficiency Operating Indicator (EEOI) – Laden (excluding transshipment) | Shipping industry energy efficiency metric                         | CSL (IMO-based metric, modified for laden vessel efficiency) | Grams CO <sub>2</sub> (laden) / tonne-nm (laden)   | -30%<br>from 2005 baseline               | -35% by 2030<br>from 2005 baseline |
| Scope 1 emissions (absolute CO <sub>2</sub> ) (including biogenics)            | Total fleet CO <sub>2</sub> emissions from fossil fuels combustion | CSL (based on international GHG protocol)                    | Total CO <sub>2</sub> emissions from owned vessels | 516,963 metric tonnes of CO <sub>2</sub> | N/A                                |
| Scope 1 emissions (absolute CO <sub>2</sub> ) (excluding biogenics)            | Total fleet CO <sub>2</sub> emissions from fossil fuels combustion | CSL (based on international GHG protocol)                    | Total CO <sub>2</sub> emissions from owned vessels | 504,766 metric tonnes of CO <sub>2</sub> | N/A                                |
| Renewable Fuel (%)                                                             | Percentage of annual fuel consumption from renewable sources       | CSL (in line with IMO)                                       | Renewable fuel/total fuel                          | 8.7%                                     | 10% by 2030                        |

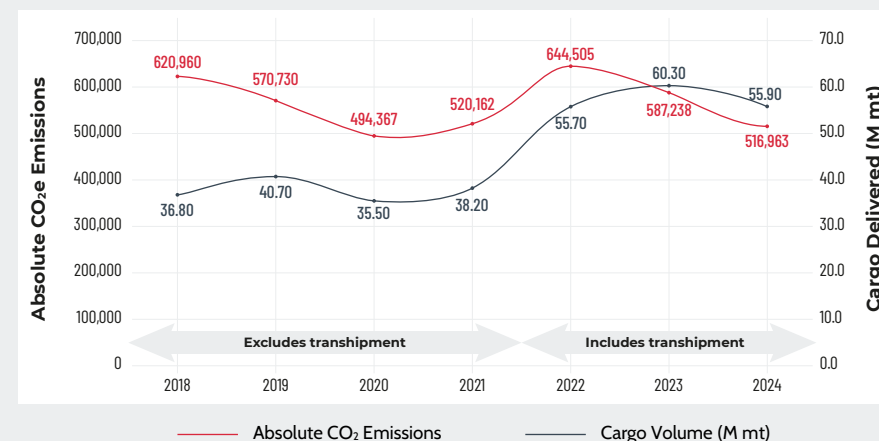
### CSL ENERGY EFFICIENCY OPERATING INDICATOR (EEOI) – LADEN

The CSL EEOI metric, which tracks the energy efficiency of vessels while laden, is sensitive to factors like alternative fuels, scheduling, fleet changes, cargo mix, and trade patterns.



### SCOPE 1 EMISSIONS – TOTAL ABSOLUTE CO<sub>2</sub> EMISSIONS (INCLUDING BIOGENICS)

We have been measuring our CO<sub>2</sub> emissions for several decades to gain insights into fleet efficiency, costs and environmental impact. Starting in 2022, transshipment emissions and cargo data were incorporated into our analysis, providing a more comprehensive view of our global environmental performance.



## GREEN FUELS AND TECHNOLOGIES

In 2019, we launched a biofuel pilot project in the Great Lakes to support the decarbonization of our ships, starting with trials on the auxiliary engine of one vessel. The project expanded, and by 2022, eight CSL lakers were operating on B100 biodiesel, demonstrating its viability as a drop-in fuel for marine engines. Since 2021, the program has logged over 80,000 hours on B100 biodiesel, consuming 50,000 metric tonnes of fuel and reducing life cycle carbon emissions by over 150,000 metric tonnes. We have been transparent in sharing our findings to help promote the adoption of biodiesel worldwide and we are recognized as the global leader in using biofuel in our fleet.

Today, we continue to incorporate biofuel into our broader green fuel portfolio strategy, while also exploring and investing in other alternative fuels and technologies. These include green methanol, ammonia, wind power, solar power and electrification. In 2024, we started building the world's first fully electric battery capable self-unloading vessel as well as two green methanol-ready Kamsarmax self-unloading ships. We have also ordered two dual-fuel methanol sub-sea rock installation vessels as part of our joint venture, CSL OWL SRI.

Leading our green portfolio strategy is a dynamic multidisciplinary team, composed of marine engineers and architects, data analysts, technical experts, and fuel and procurement specialists.

### REGIONAL BIOFUEL PROGRAMS AT A GLANCE IN 2024

#### GREAT LAKES

**9 vessels** operating on **biodiesel** from May to October 2024

**16,493 MT** of **B100 biodiesel** used

**Carbon intensity reduction** of over **80%**

**38,500 MT** of **carbon avoided** on a lifecycle basis

#### NORWAY

**2 vessels** operating on **biodiesel**

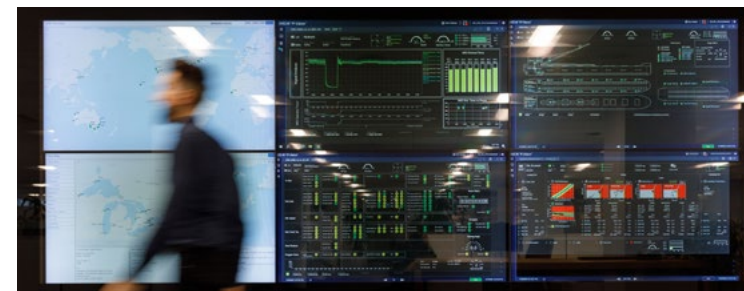
**1,569 MT** of **B6 biodiesel** used in Europe

**Carbon intensity reduction** of **4%**

**359 MT** of **carbon avoided** on a lifecycle basis

#### AUSTRALIA

We pursued opportunities to pilot biofuel bunkering on the Australian coast and explore supply options in key ports like Melbourne and Gladstone. Our goal is to demonstrate the technical feasibility of biofuels and help make them more accessible and affordable in Australia.



## STRATEGIES TO REDUCE FUEL AND INCREASE EFFICIENCY WITH O2

### VESSEL SPEED MANAGEMENT

By analyzing real-time data generated by our O2 vessel optimization system, our monitoring team works closely with fleet operations in Canada and Australia to implement vessel speed reductions across trade routes, helping to optimize fuel consumption. In 2024, the program saved approximately 3,000 MT of fuel and prevented 9,500 MT of CO<sub>2</sub>.

### WEATHER ROUTING

Weather routing uses weather data collected by O2 to optimize a vessel's route, minimizing fuel and improving safety by avoiding adverse weather conditions. After a successful trial in Australia, we are now planning to test weather routing strategies facilitated by O2 in our Americas fleet.

### JUST-IN-TIME IN LOCKS

The St. Lawrence Seaway Lock system, which serves our Great Lakes fleet, can experience congestion, leading to delays and increased fuel consumption. By using O2, we can monitor our vessels' arrival times in relation to others, helping to avoid traffic in the locks and minimize fuel waste.

### CARGO UPLIFT OPTIMIZATION

O2 helps us optimize cargo uplift by enabling technologies like dynamic under-keel clearance, allowing vessels to safely carry maximum loads and reduce emissions. It captures data from captain reports, which we use to monitor performance, benchmark results, and generate water level reports shared with ships to further improve uplift.

## THE FUTURE IS NOW

### EVALUATING THE POTENTIAL OF SOLAR POWER FOR SHIPS



In 2024, CSL teamed up with Innovation maritime, Nergica, and the Université du Québec à Rimouski on a research project to explore the potential of solar energy as a renewable power source for ships. Set to begin in early 2025, the project will involve

installing a small-scale solar panel station on *MV Nukumi*, a self-unloading vessel equipped with a diesel-electric propulsion system. This pilot project will serve as a test case to evaluate the performance of the panels and identify any technical challenges.

A key part of the study will be understanding how climate conditions in the St. Lawrence River and Gulf regions affect system performance, durability, and reliability. The project will also examine the impact of ice and de-icing methods on the panels, and look into ways to minimize these effects. Data will be collected over several navigation seasons to account for climate variability.

### ADVANCING MARINE ELECTRIFICATION

Green shipping corridors are playing a role in accelerating the electrification of the marine industry by creating routes where zero-emission technologies can be tested and deployed at scale. In collaboration with customers, ports, energy providers, and other partners in Canada and Australia, we are exploring ways to speed up the feasibility of all-electric or hybrid vessels operating on designated shipping routes.

In Canada, we are working with a customer to lay the groundwork for a viable hybrid vessel solution. This includes evaluating the design and integration of shore power infrastructure and charging networks, and exploring advanced battery technologies and hybrid propulsion systems.

In Australia, in partnership with Adbri, we are building the world's first fully electric battery capable self-unloading vessel. The vessel's diesel-electric design includes a scalable battery system, starting at 50 percent capacity and expandable to 100 percent. It will charge via shore power at ports using South Australia's renewable energy. This will cut CO<sub>2</sub> emissions by up to 10,000 tonnes annually, and 260,000 tonnes over the vessel's lifetime.

## OVERVIEW

### Decarbonization

#### > CSL 2030 Goal

- Produce 35 percent less CO<sub>2</sub>e per tonne of cargo moved than in 2005 (EEOI laden, excl. transshipment)
- Reduce fleet sulphur emissions by 95 percent compared to 2010
- Eliminate ozone-depleting refrigerants from the fleet

#### > Progress in 2024

- Continued the biofuel program in Canada
- Consumed B6 biofuel on Norwegian trades
- Implemented speed management initiatives to reduce fuel consumption

#### > Moving Forward

- Consume 10,000 metric tonnes of B100 biofuel on the Great Lakes in 2025
- Pursue biofuel opportunities in other regions
- Optimize use of O2 system

#### > Sustainable Development Goals



## 02 Protecting Life Below Water

In 2024, we continued our efforts to reduce the impact of shipping on marine ecosystems. We slowed down our vessels in sensitive areas, tracked whale sightings, treated ballast water, and worked to cut underwater noise – practical actions to help protect marine mammals and their habitats.

As our ships navigate through protected areas, we use onboard systems to monitor our location and adjust how we operate to comply with local regulations and reduce our impact. Our research on underwater noise is also helping scientists better understand its effects on whales and other species.



### USING TECHNOLOGY TO SAFEGUARD MARINE ECOSYSTEMS

We use digital tools like our O2 vessel monitoring system to protect the environment and comply with regulations when navigating in sensitive marine protected areas or areas of conservation status such as the Great Barrier Reef, Monterey Bay Sanctuary, and the Gulf of St. Lawrence.

Our onboard O2 system tracks each vessel's location in real time and alerts the crew when approaching or entering a protected area. This allows crews to adjust speed, reduce fuel use, and limit underwater noise. In zones with stricter rules, like speed limits or bans on discharges, the system helps ensure our operations stay safe and environmentally responsible.

**2,140**  
**DAYS**  Shipping Duration  
in Marine Protected  
Areas or Areas of  
Conservation Status

SASB TR-MT-160A.1

## PROGRESS ON MITIGATING UNDERWATER RADIATED NOISE

Efforts to understand and reduce underwater radiated noise (URN) from our fleet have progressed, with ongoing initiatives focused on quieter operations and improved data collection. At an IMO workshop in 2023, we presented findings from several of our initiatives, including cavitation studies on *MV Ferbec*, sea trial measurement challenges on *MV Nukumi*, and vibration analysis using the Marine Acoustic Research Station to pinpoint onboard noise sources.

In October 2024, we completed our Underwater Radiated Noise Management Plan, which outlines the work done so far to assess and manage vessel noise. The plan includes a five-year roadmap to collect baseline data across vessel classes, continue voluntary slowdowns in sensitive areas, and evaluate ways to reduce noise on existing ships. In December 2024, CSL joined Transport Canada's pilot project to develop a URN performance indicator based on international noise reduction targets.



## UNDERWATER NOISE REDUCTION INITIATIVES

### MARINE ACOUSTIC RESEARCH STATION (MARS) PROGRAM

CSL is a leading contributor to the MARS program, which uses advanced instrumentation in the St. Lawrence Estuary to measure underwater radiated noise and identify onboard sources. Program results have demonstrated that *MV Nukumi*, with its diesel-electric propulsion system, is quieter at similar speeds than older vessels – showing that smart design can reduce noise and improve fuel efficiency. MARS also assessed four CSL ships against the Underwater Vessel Noise Reduction Target for bulk carriers and found that only *MV Nukumi* was compliant across all ranges. Thanks to onboard vibration data, CSL is now equipped to investigate and address the areas where other vessels exceeded noise limits.

### ECHO PROGRAM

We are committed to establishing a noise baseline for our fleet by using the ECHO station at Boundary Pass in British Columbia. URN measurements have been taken for five CSL ships operating on the North American West Coast, representing three different sizes: Kamsarmax, Panamax, and Supramax. Over the next five years, we will continue to use the ECHO station to collect baseline data for each ship class in our North American fleet, in accordance with our URN Management Plan.

### GREEN MARINE

As a founding member of Green Marine, CSL adheres to the program's environmental certification criteria for URN management. In 2024, we achieved a Level 5 score out of 5 for URN management and aim to maintain this level annually.

### PROPELLER BOSS CAP FINS

Vessels in our Americas and Australian fleets are fitted with propeller boss cap fins to help reduce noise. These fins help prevent the formation of vortices around the propeller, which reduces underwater noise and improves the vessel's efficiency.

## VESSEL SPEED REDUCTION INITIATIVES

In sensitive marine environments and habitats where regulations or voluntary initiatives are in place, we follow speed reduction measures to help prevent fatal ship strikes on endangered whales, reduce air pollution and greenhouse gas emissions, and minimize underwater noise.

### CALIFORNIA COAST

In 2024, CSL received the Sapphire Tier in California's Protecting Blue Whales and Blue Skies Vessel Reduction Program (VSR), with a cooperation rate of 85 percent, up from 81 percent in 2023. Shipping participants voluntarily limit their speed to 10 knots or less within the designated VSR zones and season.

### GULF OF ST. LAWRENCE

CSL follows the seasonal speed restrictions set by the Government of Canada in the Gulf of St. Lawrence to protect North Atlantic right whales. Our ships comply with Navigational Warnings from Transport Canada and stay updated through monthly Notices to Mariners. Additionally, CSL participates in the voluntary seasonal slowdown initiative, reducing speed to 10 knots during the whale season from spring to fall.

### SWIFTSURE BANK, BRITISH COLUMBIA

From June to October 2024, CSL ships participated in the ECHO Program's voluntary slow-down initiative at Swifsure Bank in British Columbia, achieving an 86 percent cooperation rate. When safe and operationally feasible, our vessels transited through the slowdown area at a speed of 11 knots.

## BALLAST WATER MANAGEMENT

We are committed to preventing the spread of aquatic invasive species by equipping our fleet with ballast water treatment systems (BWTS). These systems have been progressively installed to protect marine ecosystems along our trade routes.

Our fleet uses two types of systems: electro-chlorination (mainly for vessels in the Americas and Australia) and ultraviolet (UV) treatment (used in Canada and on *MV Sheila Ann*).

### BALLAST WATER TREATMENT SYSTEM IMPLEMENTATION

SASB TR-MT-160A.2

#### GLOBAL FLEET (excluding Great Lakes and exempted vessels)

##### 100 percent of fleet implementing ballast water treatment

Ballast water treatment systems have been installed on 24 of 27 vessels in our global fleet operating outside the Canadian Great Lakes area. We completed the BWTS installation on *MV Adelie*, the last ocean-going vessel in our international fleet requiring retrofit. Our three transshippers, operating within a single port's uniform aquatic environment, do not require ballast water treatment.

#### GREAT LAKES FLEET

##### 24 percent of fleet implementing ballast water treatment

Ballast water treatment systems have been installed on four of 17 vessels in our Great Lakes fleet. Under current regulations, only vessels built after 2009 are required to have a BWTS. Of CSL's seven ships built after that year, four are currently equipped – representing a 64 percent compliance. The three Canadian vessels that were originally required to install BWTS by September 2024 have been granted exemptions by Transport Canada, postponing their compliance to later dates. The exemptions stem from ongoing discussions between Transport Canada and the U.S. Federal Maritime Commission concerning the potential exemption of existing U.S.-flagged vessels. Such an exemption could place Canadian-flagged vessels at a competitive disadvantage, as they are still required to implement ballast water treatment systems.

### BALLAST WATER EXCHANGE

SASB TR-MT-160A.2

##### 4.5 percent of fleet implementing ballast water exchange

Ballast water exchange, which replaces coastal water in ballast tanks with open ocean water to limit the spread of invasive species, was performed on two transshippers outside their port of operation during drydock transits and cyclone avoidance.

## MARINE MAMMAL PROTECTION AND RESEARCH

### THE AMERICAS

In 2024, we continued to support the New England Aquarium's Right Whale Research Program, helping fund efforts to protect the critically endangered North Atlantic right whale. To date, we have adopted six whales and contribute to the world's longest running and most comprehensive right whale research initiative.

### AUSTRALIA

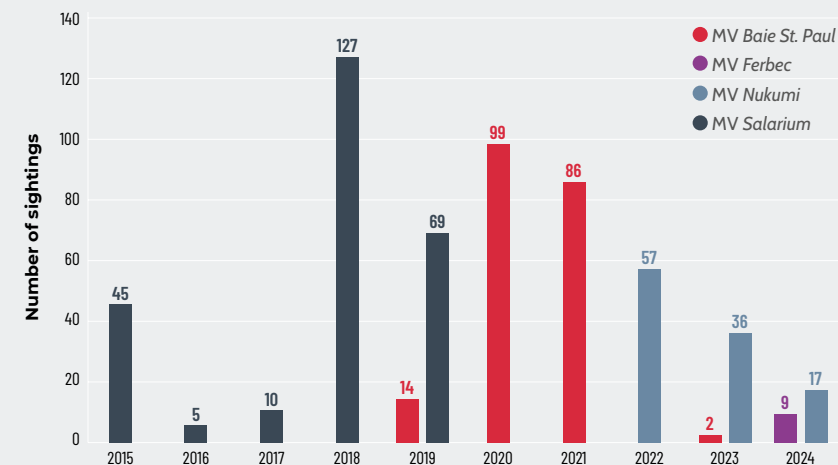
We support the Dolphin Research Institute in Victoria through donations that help fund its research and conservation work. In 2024, CSL's contribution supported the Williamson Research Fellowship, which provides early-career scientists with hands-on experience that advances dolphin and whale conservation. Working in Port Phillip Bay and along Australia's East Coast, the Dolphin Research Institute studies the impact of human activity on marine mammals and plays a key role in their protection.

### CANADA

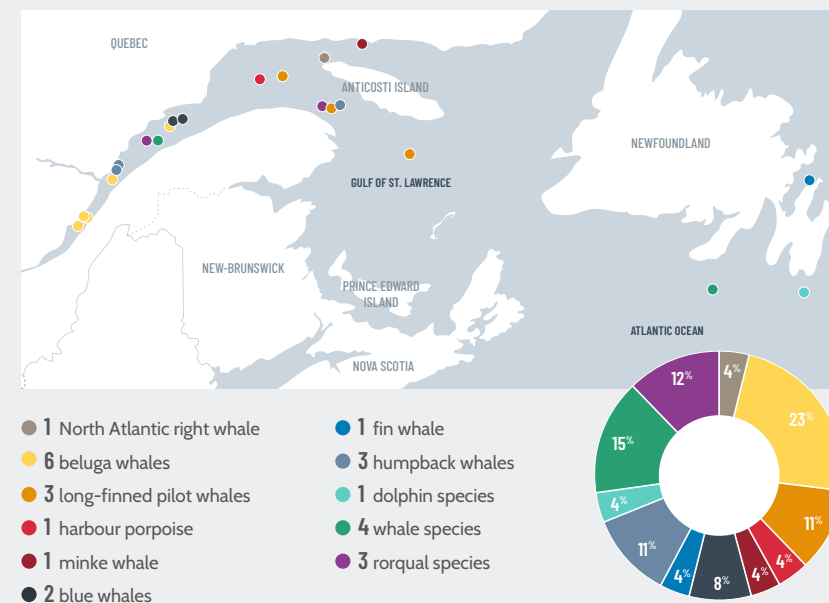
We have been a member of the Marine Mammal Observation Network (MMON) since 2015, supporting its mission to protect biodiversity in the St. Lawrence region. As part of this effort, CSL crews voluntarily collect whale sighting data in the Gulf of St. Lawrence and Estuary, with 576 sightings reported to date. In 2024, seafarers on board MV *Nukumi* and MV *Ferbec* recorded 26 sightings, including beluga, humpback, pilot, North Atlantic right, fin, and blue whales, as well as dolphins and harbour porpoises. This data helps to improve understanding of whale distribution and population trends in the region.



NUMBER OF MARINE MAMMAL SIGHTINGS BY CSL VESSEL CREWS IN CANADA – 2015-2024 (Source: MMON)



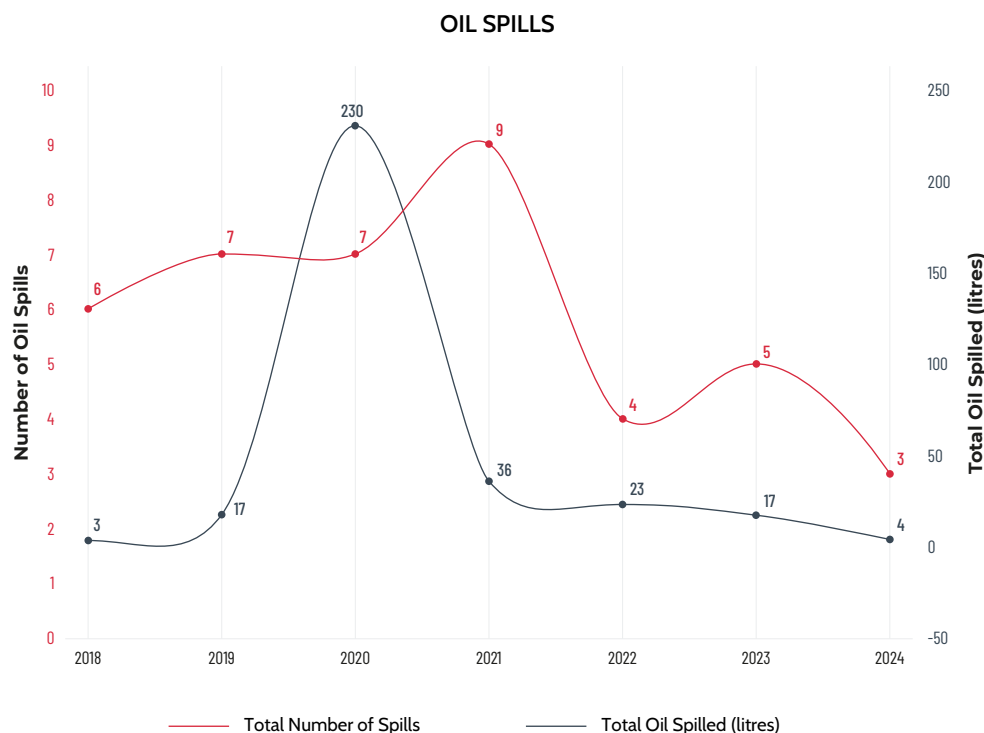
PERCENTAGE OF CETACEAN SIGHTINGS RECORDED BY CSL SEAFARERS IN CANADA IN 2024 (Source: MMON)



## STEADY DECLINE IN NUMBER AND VOLUME OF OIL SPILLS

Since 2021, the number and volume of oil spill incidents have dropped significantly, thanks to improved safety measures, regular maintenance, and quicker response times. In 2024, the total spill volume has fallen sharply to just four litres across three incidents – the lowest level in the past seven years. We continue to build on this progress as we move steadily toward our goal of achieving zero spills.

**THREE OIL SPILLS**  
IN 2024  
= **< 4 LITRES**



## OVERVIEW

Protecting Life Below Water

### > CSL 2030 Goal

- Zero oil spills
- Reduce the risk of marine aquatic invasive species transfer
- Understand the impact of vessel underwater noise on marine mammals and actively work to reduce it

### > Progress in 2024

- Completed underwater radiated noise management plan
- Supported and participated in Transport Canada's URN research project

### > Moving Forward

- Test effectiveness of BWTS installed on Great lakes vessels
- Support further research on URN and cavitation

### > Sustainable Development Goals



## **03** Resource and Waste Management



### **OUR LIFECYCLE-BASED APPROACH**

We take a lifecycle-focused approach to resource and waste management, starting with the design of long-lasting, adaptable, and recyclable ships and systems. We focus on maximizing resource efficiency, minimizing waste and implementing effective waste-to-asset strategies. We also ensure the safe disposal of oily residues, sewage, and other harmful substances, in compliance with local and international regulations including MARPOL Annex V. Our seafarers play a vital role in this approach and take pride in developing and adopting sustainable practices on board.

### **SUSTAINABLE RESOURCE AND WASTE MANAGEMENT**

Since 2011, CSL has been actively managing vessel waste across 26 categories, including recyclables, organics, e-waste, and hazardous materials. All waste is handled responsibly, with crew members trained in sorting and using dedicated bins to make recycling easier. These efforts have led to more recycling and less waste, helping CSL track its environmental impact and improve over time.

To support these efforts, CSL partners with certified waste management companies authorized to handle, transport, store, and manage all types of vessel waste. These service providers are Green Marine certified, and their facilities and practices undergo regular third-party audits to ensure compliance and environmental responsibility.

Building on our waste management program, we work to manage resource use across our operations. Energy-efficient upgrades, such as LED lighting, gas heating, programmable thermostats and auto-lighting fixtures, have been installed in our warehouses and offices to reduce electricity use. Additional measures, including water fountains with filtration systems, coffee grinders to eliminate disposable plastics, and a paper-free receiving process, further contribute to waste reduction.

### **OUR TARGET**

We measure our waste management performance against two main targets.

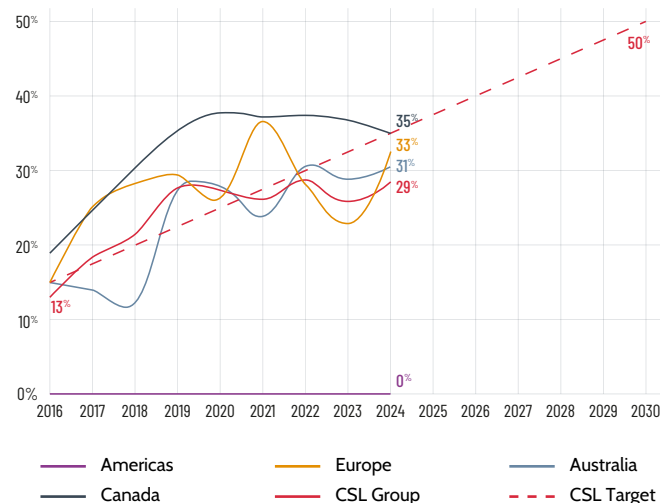
**By 2030, we aim to**

Recycle **50%** of our  
total onboard ship waste

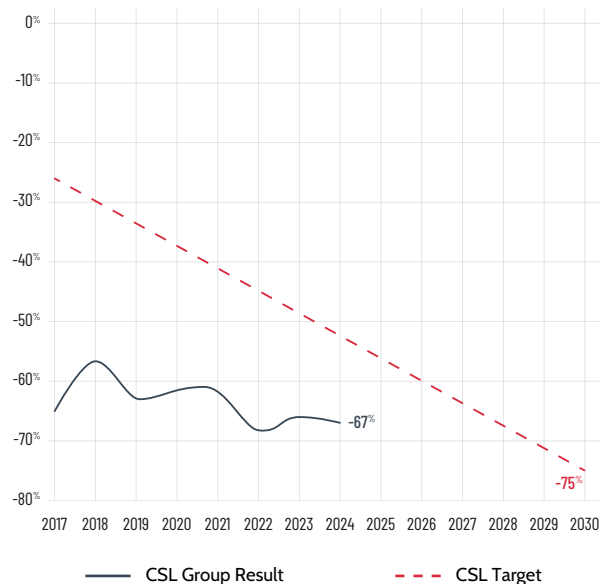
Reduce shipboard  
waste going to landfill by **75%**  
compared to 2010 levels

## RECYCLING AS A PERCENTAGE OF TOTAL WASTE

In 2024, we achieved a recycling rate of 29 percent across our global operations, representing a three percent increase from 2023, equivalent to 169 additional cubic meters of recycled waste. This progress reflects our ongoing investment in efficient waste management and our commitment to reaching our target of 50 percent recycling by 2030 through responsible, sustainable practices.



## TOTAL WASTE TO LANDFILL (M<sup>3</sup>/Crew Member/Operating Day)



## WASTE TO LANDFILL

We monitor the amount of shipboard waste that ends up in landfill using a standardized measure to accurately reflect our performance: the volume of waste per crew member, per operating day. Since our operations vary each year depending on contract demands and cargo volumes, the number of ships in service and their operating days can fluctuate. Crew sizes also differ from vessel to vessel.

In 2024, we reduced total landfill waste by 67 percent per crew member per operating day since 2010, maintaining our strong 2023 performance. This progress supports our target of a 75 percent reduction by 2030 and highlights the impact of effective waste segregation, crew engagement, and operational efficiencies across our fleet.

## TRANSFORMING WASTE TO ASSETS

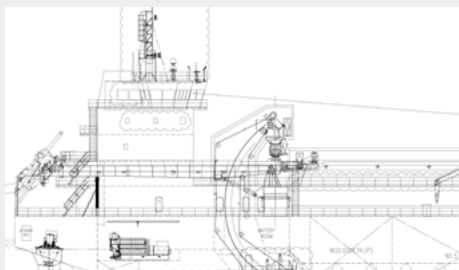
We select certified waste management providers to responsibly sort and process our shipboard waste. These partnerships focus on circular solutions that convert waste into reusable resources, such as turning sludge into biofuel and food waste into potting soil. We also donate specialized items like used mooring ropes to community organizations that repurpose them into useful items. Our ultimate goal is to reduce landfill use and reintegrate materials back into the value chain.

| SHIPBOARD WASTE                     | NEW RESOURCE                           |
|-------------------------------------|----------------------------------------|
| Oily waste and recyclable materials | Recycled                               |
| Organics                            | Potting soil                           |
| Scrap wood and dunnage              | Insulating panel                       |
| Cooking oil and trap grease         | Animal food additive and biofuel       |
| Oily plastics                       | Cleaned and recycled                   |
| E-waste and batteries               | Recycled for rare metals               |
| Printer cartridges                  | Donated to Mira Foundation             |
| Sludge and bilge water              | Treated and reused as renewable energy |
| Mooring ropes                       | Boundary markers and furniture         |

## FROM DESIGN TO DECOMMISSIONING OUR APPROACH TO SUSTAINABLE SHIPBUILDING

In 2024, we made continued progress toward a more sustainable fleet, with 23 owned and co-owned vessels in various stages of design and construction, all scheduled for delivery between 2025 and 2027. Sustainability is integrated

into every phase of the vessel lifecycle, from initial concept through to end-of-life. Our approach prioritizes minimizing waste, maximizing resource efficiency, and upholding environmental responsibility at every step.



### DESIGN

#### FUTURE-READY PLANNING

Our vessels are designed with long-term adaptability in mind, ensuring they can support emerging technologies and alternative fuels.

#### ENERGY EFFICIENCY BY DESIGN

Hull shapes and propulsion systems are optimized to reduce energy demand.

#### MODULAR POWER SYSTEMS

We incorporate energy-saving devices such as diesel-electric generators and DC-bus systems, allowing for seamless integration of future energy sources such as batteries or alternative fuels.

#### AUTOMATION AND OPERATIONAL FLEXIBILITY

Advanced systems like Single Point Loading (SPL) and auto-tensioning mooring winches reduce manual operations, enable future automation, and support shore power readiness.



### CONSTRUCTION

#### MATERIAL SELECTION FOR SUSTAINABILITY

We minimize the use of hazardous materials, avoiding asbestos, lead paint, mercury, and PCBs wherever possible.

#### GREEN PASSPORT DOCUMENTATION

If hazardous materials must be used, we compile a full inventory detailing location and characteristics, which is included in the ship's Green Passport.

#### BUILT-IN EFFICIENCY

Propulsion and auxiliary systems are chosen to reduce energy consumption, maximize performance, and simplify future retrofits.



### POST-DELIVERY

#### COMPLIANCE AND MONITORING

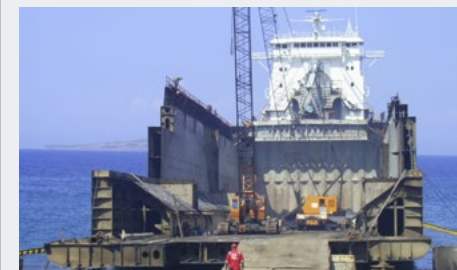
We conduct regular inspections and updates to the hazardous materials inventory to ensure ongoing environmental and safety compliance.

#### SUPPORTING AUTOMATION

Systems such as SPL and remote monitoring reduce manning requirements and enable increased automation and operational efficiency at berth.

#### FLEXIBLE UPGRADES

The modularity of the power systems means components can be replaced or enhanced with cleaner technologies as they become available.



### END-OF-LIFE

#### RESPONSIBLE VESSEL DISPOSAL

When no longer commercially viable, we responsibly dispose of vessels through certified recycling yards, dismantling facilities, or sale to other shipowners.

#### RECYCLABILITY BY DESIGN

From the outset, materials and systems are chosen to maximize recyclability and minimize waste at end-of-life.

#### COMPLIANT RECYCLING

In compliance with international regulations like the Hong Kong Convention for Ship Recycling and our own ship recycling policy, recyclable materials are recovered and hazardous substances safely managed.

#### HAZARDOUS MATERIAL TRANSPARENCY

The Green Passport documents hazardous materials, to enable safe and compliant handling and disposal.

#### SUSTAINABLE DECOMMISSIONING

We ensure vessel deconstruction is environmentally responsible and fully compliant with all regulations.

## VESSEL BATTERIES RECYCLED TO SUPPORT SOLAR STORAGE

Through an innovative recycling project, the batteries from the MV Wyuna's Global Marine and Distress and Safety Systems (GMDSS), as well as boat and emergency AE systems have found an unexpected home on a hobby farm in Victoria, Australia.

The recipient of this eco-friendly gesture is a local hobby farmer who tends to a flock of six sheep and has repurposed otherwise discarded batteries to store solar energy for the farm.



## CREW-LED RECYCLING ON THE GREAT LAKES

In Canada, waste generated by CSL vessels is managed by Green for Life (GFL) Environmental and Urgence Marine. In 2024, these partners calculated that the recycling and waste diversion efforts of CSL seafarers contributed to conserving natural resources and reducing emissions. The reported environmental benefits reflect the difference in resource consumption and emissions between using recycled materials versus virgin inputs. The data and formulas used in the analysis were sourced from environmental organizations, including A Tree, Statistics Canada, Earth Care Canada, ENERGY STAR, Paper on the Web, and the U.S. Environmental Protection Agency (EPA).

| RECYCLED                                                                                                                                                                                                 | BENEFITS TO ENVIRONMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>20,670 kg of recycling</li> <li>5,560 kg of cardboard</li> <li>49,220 kg of organics</li> <li>6,430 kg of scrap steel</li> <li>11,190 kg of scrap wood</li> </ul> | <ul style="list-style-type: none"> <li>218 metric tonnes of GHG emissions avoided, equal to taking 66 passenger cars off the road for a year</li> <li>155 mature trees saved, equivalent to 2.87 million sheets of paper</li> <li>328,021 kWh of electricity conserved, enough to power 134 homes for a month</li> <li>369 cubic yards of landfill space avoided, equal to the monthly waste of 9,249 people</li> <li>65 barrels of oil saved, enough energy for 97 homes for a month</li> <li>53,410 gallons of water conserved, meeting the monthly water needs of 589 people</li> </ul> |

## OVERVIEW

### Resource and Waste Management

#### > CSL 2030 Goal

- Produce 75 percent less shipboard waste to landfill than in 2010
- Increase shipboard recycling by 50 percent
- Work with others to pursue circular economy opportunities

#### > Progress in 2024

- Achieved a 67 percent reduction in waste to landfill vs 2010 levels

#### > Moving Forward

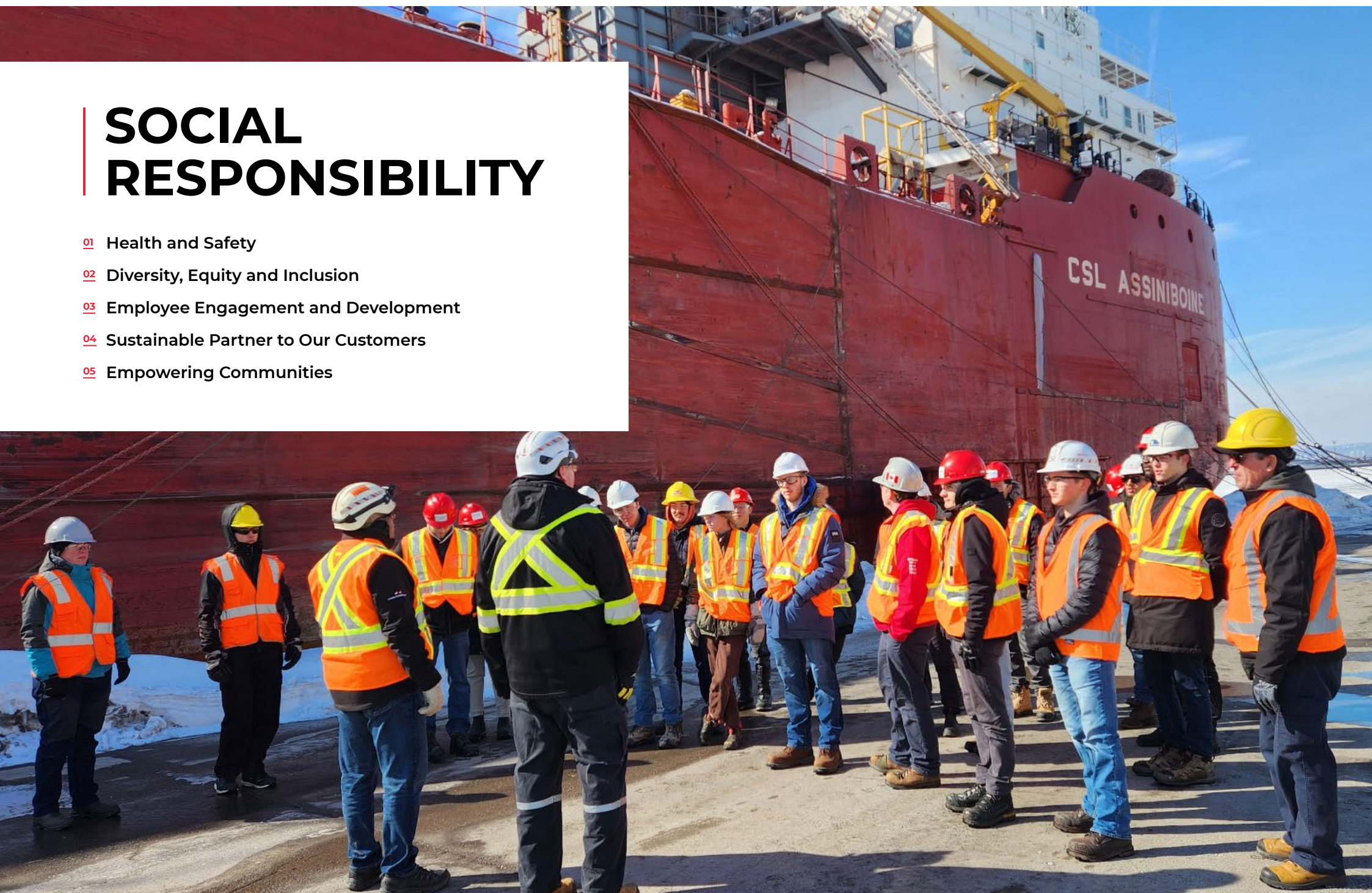
- Conduct an in-depth assessment of waste management successes in regions to identify initiatives which are transferable across our global fleet

#### > Sustainable Development Goals



# SOCIAL RESPONSIBILITY

- 01 Health and Safety
- 02 Diversity, Equity and Inclusion
- 03 Employee Engagement and Development
- 04 Sustainable Partner to Our Customers
- 05 Empowering Communities



## 01 Health and Safety

Since launching SafePartners in 2013, we've seen a steady drop in both the number and severity of lost-time injuries across our fleet. What started as a homegrown effort to improve safety has grown into a key part of how we work – and one that continues to make a real difference more than ten years later.

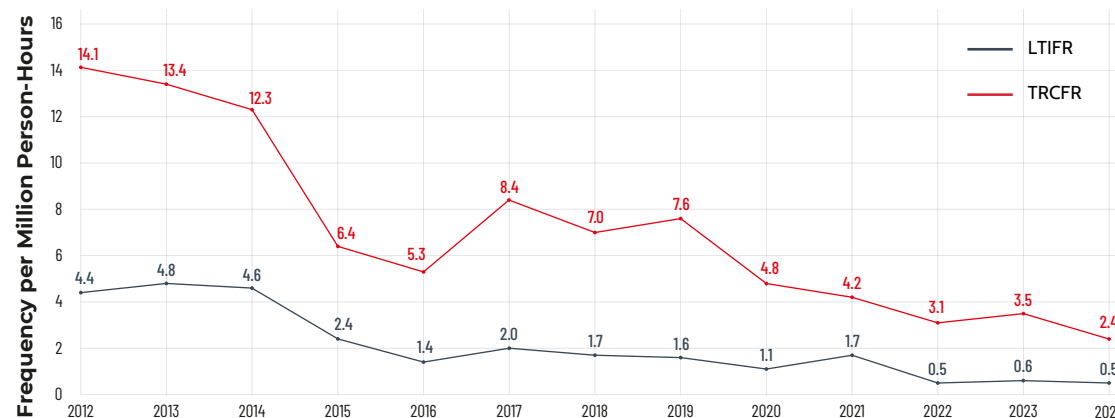
SafePartners was created to make safety a shared responsibility and takes a zero harm approach to people, property, and the environment. It brings together crew members and shore teams, encouraging everyone, no matter their role, to speak up, look out for one another, and take ownership of their working environment. The result has been a stronger, more proactive safety culture that's still evolving today.

### OUR PERFORMANCE IN 2024

Safety on board our ships continued to improve across our operations in 2024. For the third year in a row, our lost-time injury frequency rate (LTIFR) remained under 1.0, coming in at 0.5, beating our target of 0.7. We also exceeded our goal for the total recordable case frequency rate (TRCFR), which dropped from 3.5 to 2.4, marking the first time we have recorded a TRCFR below 3.0.

We also saw a rise in hazard reporting from the fleet, with 2,125 reports of unsafe acts, conditions, and safety observations, up from 1,855 in 2023. This level of proactive reporting by our crew has helped prevent issues before they escalate to more serious incidents, accidents, or near misses.

### HISTORICAL INJURY TREND



### 2023 VS 2024

|                                                  |                 |  |                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------|-----------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LTIFR</b><br>                                 | <b>-20%</b><br> |  | <p>For the third year in a row, we achieved our LTIFR goal in 2024 and tracked slightly better than 2023.</p> <p>The lost-time injury frequency rate (LTIFR) refers to the number of lost-time injuries occurring in a workplace per one million person-hours worked.</p>                                      |
| <b>TRCFR</b><br>                                 | <b>-31%</b><br> |  | <p>We achieved a TRCF rate below 3.0 goal for the first time and tracked lower than 2022.</p> <p>The total recordable case frequency rate (TRCFR) refers to the sum of lost-time injuries, restricted work cases and medical treatment cases occurring in a workplace per one million person-hours worked.</p> |
| <b>SAFETY OBSERVATIONS</b><br>                   | <b>+15%</b><br> |  | <p>CSL seafarers reported 2,125 safety observations in 2024 vs 1,855 in 2023.</p> <p>Safety observances refer to safe acts, unsafe acts and safety observations.</p>                                                                                                                                           |
| <b>DAYS OFF DUTY</b><br>                         | <b>-29%</b><br> |  | <p>The average days off per injury decreased from 199 in 2023 to 176 in 2024.</p> <p>Days off duty may differ from previous reports, as we continue counting time off into the following year, up to a cap of 365 days, if the injury occurred in the prior year and the person hasn't returned to work.</p>   |
| <b>CASUALTIES CLASSIFIED AS VERY SERIOUS</b><br> | <b>0</b><br>    |  | <p>Zero very serious casualties were reported across the fleet.</p> <p>A very serious marine casualty involves a ship's total loss, a death, or major environmental damage.</p>                                                                                                                                |

## INJURIES BY BODY AREA 2024

This image depicts the number of safety incidents and locations on the body where injuries occurred in 2024. All injuries requiring first aid and medical treatment and/or resulting in restricted work and lost-time injuries are included.



**HEAD, NECK AND EYES 29**



**BACK AND TORSO 30**



**ARMS, HANDS AND FINGERS 50**



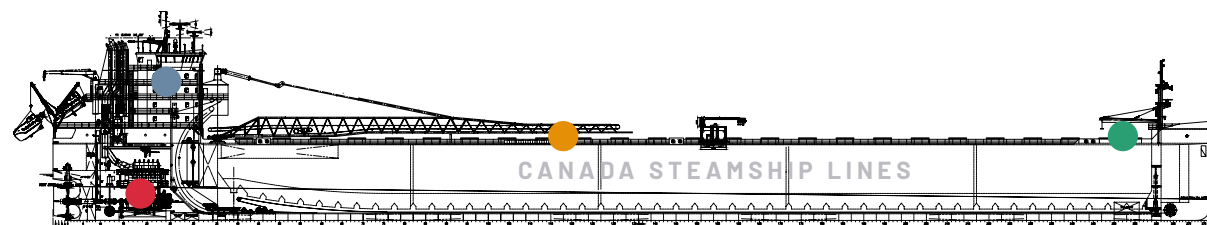
**LEGS, FEET AND TOES 36**



- Burns
- Crushes
- Cuts/Bruises
- Dislocations/Fractures
- Eye Injuries
- Strains/Sprains

## INJURIES BY SHIP AREA 2024

This graphic depicts the areas on our ships where injuries occurred in 2024.



|                        | ACCOMMODATION<br>& GALLEY | OPEN DECK | MOORING DECK | MACHINERY<br>SPACE | OTHER |
|------------------------|---------------------------|-----------|--------------|--------------------|-------|
| Burns                  | 2                         | 0         | 0            | 0                  | 4     |
| Crushes                | 1                         | 0         | 1            | 0                  | 0     |
| Cuts/Bruises           | 10                        | 8         | 6            | 1                  | 3     |
| Dislocations/Fractures | 1                         | 2         | 0            | 1                  | 0     |
| Eye Injuries           | 0                         | 4         | 1            | 5                  | 4     |
| Strains/Sprains        | 4                         | 3         | 5            | 7                  | 12    |
| Other                  | 0                         | 0         | 0            | 1                  | 2     |



## SAFEPARTNERS MILESTONES

It was another solid year for safety across our global fleet, with 42 ships completing the year without an LTI. A notable standout was the crew of *MV Whitefish Bay*, who was awarded a Sapphire pennant for 3,650 days without a lost-time injury.



**GLOBAL FLEET**  
SAFETY PENNANTS  
**31 awards**

**1**  
 **SAPPHIRE**

**6**  
 **EMERALD**

**1**  
 **QUADRUPLE PLATINUM**

**4**  
 **TRIPLE PLATINUM**

**4**  
 **DOUBLE PLATINUM**

**3**  
 **PLATINUM**

**5**  
 **GOLD**

**3**  
 **SILVER**

**4**  
 **BRONZE**

### SAFEPARTNERS PENNANT CRITERIA (NUMBER OF DAYS WITHOUT AN LTI)

| AWARD LEVEL                     | Diamond | Topaz | Opal  | Sapphire | Ruby  | Emerald | Quadruple platinum | Triple platinum | Double platinum | Platinum | Gold  | Silver | Bronze |
|---------------------------------|---------|-------|-------|----------|-------|---------|--------------------|-----------------|-----------------|----------|-------|--------|--------|
| AMERICAS<br>AUSTRALIA<br>EUROPE | 6,500   | 6,000 | 5,500 | 5,000    | 4,500 | 4,000   | 3,500              | 3,000           | 2,500           | 2,000    | 1,500 | 1,000  | 500    |
| CANADA                          | 4,745   | 4,380 | 4,015 | 3,650    | 3,285 | 2,920   | 2,555              | 2,190           | 1,825           | 1,460    | 1,095 | 730    | 365    |

## ONBOARD SAFETY TRAINING

CSL uses a combination of online training through the Ocean Learning Platform (OLP) and instructor-led onboard practical training to ensure seafarers are fully trained according to all required safety and regulatory standards. This includes training for mandatory national and regulatory requirements, as well as our own SafePartners and Lifesaving Rules programs.

In both Canada and Australia, seafarers can access a wide range of training modules on OLP, covering everything from basic safety to specialized skills.



## ONLINE SAFETY TRAINING IN NUMBERS

### CANADA

In 2024, a total of 591 Canadian seafarers across 18 vessels accessed 228 online training modules designed to meet industry requirements. More than 8,000 training activities were completed, representing over 2,800 hours of training and a completion rate of 89 percent. Training related to CSL's Lifesaving Rules accounted for 866 activities, or 10 percent of all training. For permanent crews – 429 seafarers across 18 vessels – more than 2,140 hours of training were completed, representing an average of five hours of development per seafarer.

**18** Vessels equipped with the Ocean Learning Platform (OLP)

**591** Seafarers who received training using OLP

**228** Training modules accessed

**8,000+** Training activities completed

### AUSTRALIA

In 2024, CSL Australia equipped all 11 vessels in its fleet with OLP. Over the course of the year, 238 seafarers accessed the system, completing training activities across 210 modules. Australian seafarers accomplished a cumulative total of 1,026 e-learning activities, including 188 modules dedicated specifically to CSL's Lifesaving Rules.

**11** Vessels equipped with the Ocean Learning Platform (OLP)

**238** Seafarers who received training using OLP

**210** Training modules accessed

**1,026** Training activities completed

## PROGRESS ON MITIGATING FIRE RISKS

CSL's Fire Integrated Risk Mitigation (FIRM) project aims to enhance fire prevention, detection, and suppression across the fleet. In 2024, FIRM system installations continued, with full completion expected in 2025. Beyond fire safety, the system also supports security, investigations, and incident analysis.

### FIRM INSTALLATIONS TO DATE

- 43 ships installed with close-circuit television (CCTV)
- 31 ships installed with engine room smoke and flame detection systems
- 34 self-unloaders installed with linear heat detection systems
- 11 self-unloaders installed with automated Hi-Fog® or foam systems for water suppression
- 20 self-unloaders installed with open deck suppression



## NEXT-GENERATION SAFETY



### SELF-UNLOADING SYSTEM SAFETY DASHBOARD

The self-unloading system safety dashboard in O2 helps crews monitor 1,564 safety features, like emergency stops and shutdown switches, on 22 vessels across our global fleet. It automatically logs each time one of these is activated and uses a simple color-coded system to show how long it's been since the last test.

### AUTOMATIC ANOMALY DETECTION

Automatic Anomaly Detection (AAD) helps prevent equipment failures by identifying issues early and triggering alerts for investigation. It supports vessel uptime and efficiency by keeping equipment running optimally. A dedicated dashboard on O2 tracks AAD cases by region, showing their status as corrected, open, or agreed. Of 192 global cases, 159 have been corrected, 23 agreed upon, and 10 remain open.

### HYBRID AND ELECTRIC ENERGY STORAGE SAFETY

We are preparing for our first hybrid battery vessel to be delivered in 2026 and have launched a Battery Safety Review. A dedicated working group is focused on setting design standards, developing operational guidelines, creating firefighting protocols, and defining crew training and maintenance requirements. This review will ensure the vessel meets top safety standards and that the crew is fully equipped to operate it safely and efficiently.

## OVERVIEW

### Health and Safety

#### > Our Commitment

- Achieve Zero Harm
- Build on SafePartners through focused vessel safety design and risk management
- Focus on preventing catastrophic losses by tracking and learning from high-potential occurrences
- Leverage technology and reporting/analysis to anticipate and prevent future accidents
- Increase the maturity of CSL's safety culture

#### > Progress in 2024

- Achieved an LTIFR of 0.5 and a TRCFR of 2.4, both surpassing targets
- Continued the rollout of the FIRM system
- Progressed on development of the new CVMS/AVMS safety management system platforms
- Reduced the number of serious incidents across operations
- Embedded Shipsure 2.0 into ship and shore operations

#### > Moving Forward

- Deploy new CVMS/AVMS platforms across ship and shore operations
- Introduce leading safety indicators as KPIs
- Use enhanced data analytics capabilities in Shipsure 2.0 to better leverage operational and safety data

#### > Sustainable Development Goals



## 02 Diversity, Equity and Inclusion

Diversity, equity, and inclusion (DEI) are fundamental values at CSL, essential to our business and how we work. When teams include people with varied experiences, they spark innovation, question the status quo, and discover new ways to solve problems. Inclusion builds trust and collaboration, which are especially important in the complex, high-risk work we do. A workforce that reflects different backgrounds also helps us adapt and stay resilient in a changing maritime industry.



### DIVERSITY 7.8/10

Employees feel that CSL values and respects individual differences. Many say that working at CSL has helped them better appreciate people from different backgrounds. They see real actions, not just words, showing that diversity matters at CSL, and believe the company works to make sure different perspectives are heard.

## WHAT OUR EMPLOYEES THINK OF DEI

As part of our pulse surveys, we regularly ask our employees how they feel about our efforts around diversity, equity, and inclusion. Overall, the feedback in 2024 shows that CSL is heading in the right direction. There's a strong DEI foundation in place and a clear commitment, with employees also identifying opportunities to enhance efforts.

### EQUITY 7.3/10

Most employees feel people are treated fairly and have access to the same opportunities, and there's a shared interest in continuing to strengthen recognition and equity.

### INCLUSION 7.9/10

Inclusion received the strongest feedback. Employees say they can be themselves at work, speak openly, and feel appreciated for who they are. Many say their managers create a welcoming environment where everyone feels included.

| GLOBAL WORKFORCE                                                                                                                 | ON BOARD                                                                                                                                                               | AT SHORE                                                                                                                                  |                                                              |                                            |                                     |                     |
|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------|-------------------------------------|---------------------|
| <b>32</b> <br><b>COUNTRIES</b><br>represented | <b>2,050+</b><br><b>SEAFARERS</b> <br>on CSL-owned ships (excluding joint ventures) | <b>250+</b> <br><b>OFFICE EMPLOYEES</b><br>worldwide | <b>Education</b><br><b>32%</b><br>University Master's Degree | <b>43%</b><br>University Bachelor's Degree | <b>14%</b><br>College               | <b>10%</b><br>Other |
| <b>31</b> <br><b>LANGUAGES</b><br>spoken      |                                                                                                                                                                        | <b>38%</b> Women <b>62%</b> Men                                                                                                           | <b>Generation</b><br><b>11%</b><br>Baby Boomers 1946-1964    | <b>36%</b><br>Generation X 1965-1980       | <b>52%</b><br>Millennials 1981-1994 |                     |

## Employee-Led DEI Committee

In 2024, we invited ship and shore employees in Canada who are interested in advancing diversity, equity, and inclusion to help create and lead our first DEI Committee. The 12-member group is dedicated to building a more inclusive workplace on our ships and in our offices, and to ensure all individuals are respected, supported, and able to thrive. The committee's role is to develop practical initiatives to address DEI challenges and share strategies across our global operations. Lessons learned from this initial phase will inform the creation of similar committees across our regions. For 2024-25, the committee has identified three key areas for action: increasing awareness around DEI, promoting gender equity, and fostering inclusion across generations.

## LEVERAGING THE STRENGTHS OF EVERY GENERATION

A multigenerational workforce strengthens our operations by blending experience with fresh perspectives. This balance promotes a culture of learning, collaboration, and innovation, while ensuring critical skills are passed on.

On our vessels, captains-in-training are paired with experienced captains who provide hands-on mentorship and guidance, helping to transfer critical expertise in real-world settings. This model of learning extends to other officer positions, including pilotage training, and has proven highly effective in developing our next generation of maritime leaders.

To build on the success of this approach, we are developing a formal mentoring program for both ship- and shore-based employees, set to launch in 2025. The initiative will match employees who want to grow specific skills with experienced colleagues who can offer tailored guidance and support.

### Shore-Based Age Representation at CSL

**14%**  
are  
**BELOW**  
**30**

**60%**  
are  
**BETWEEN**  
**30-50**

**26%**  
are  
**OVER**  
**50**

## REPRESENTATION OF WOMEN AT CSL



In 2024, the representation of women in shore-based leadership positions increased, rising from 28 percent to 38 percent in executive positions and 20 percent to 21 percent in senior management roles. The representation of women across all shore-based positions remained stable at 38 percent.

The number of women working on board our vessels in Canada sits at 8.4 percent. While this is still well above the global average of 1.2 percent (BIMCO/ICS 2021 Seafarer Workforce Report), it reflects the ongoing challenge of attracting and retaining women in seafaring roles. In 2024, we have four female captains and one female chief engineer. The shipping sector continues to be male dominated. We're focused on addressing practical barriers to entry and progression for women, and we work with industry partners to help make seafaring a more accessible and sustainable career choice for women.

## FOSTERING THE NEXT COHORT OF MARITIME PROFESSIONALS

In 2024, CSL was named one of Canada's Top Employers for Young People for the third year in a row. This recognition highlights CSL's commitment to developing young talent and comes at a time when the maritime sectors in Canada and Australia grapple with an aging workforce and strive to appeal to young people.

We offer a variety of entry points for students, who make up approximately 10 percent of our workforce, including paid internships, co-op placements, and a comprehensive cadet and sponsorship program for aspiring seafarers. Once they join CSL, young employees benefit from personalized development plans, hands-on training, tuition reimbursement, and paid learning hours.

## ENHANCING WORKPLACE ACCESSIBILITY



We are committed to building a more inclusive and accessible workplace for all employees, in alignment with the Accessible Canada Act. Our efforts focus on removing barriers and creating equitable opportunities for people with disabilities. This includes improving how we recruit and support candidates, partnering with organizations that connect us to underrepresented talent, and training our teams to recognize and reduce unconscious bias.

While regulatory medical requirements limit accessibility for roles on board our vessels, we are prioritizing upgrades and assessments in our office spaces to better accommodate diverse needs. We're also reviewing our technology, communications and procurement practices to ensure accessibility is considered in every aspect of our operations. These actions are informed by direct input from employees and external partners, and we remain committed to listening, learning, and making steady progress.

## SUPPORTING INDIGENOUS PATHWAYS INTO MARINE CAREERS

We are working closely with Indigenous communities and organizations to support access to careers in the shipping industry through practical training and meaningful opportunities. In 2024, we partnered with the Western Arctic Marine Training Centre (WAMTC) in Hay River, Northwest Territories, to help recruit and train Indigenous seafarers for roles in CSL's Canadian fleet. WAMTC offers hands-on marine training, including the Bridge Watch Rating program, which prepares students for entry-level deckhand positions.

As part of our partnership, four students were selected and are preparing for their first assignments on CSL ships as trainees. This experience will allow them to build on their training and gain a better understanding of life and work on board a vessel. The program covers all costs for Indigenous Peoples, women, and Northerners, including tuition, travel, and accommodations. Following the successful completion of their first assignments, the trainees are expected to join CSL's relief pool, continuing their career path in the marine industry.

## OVERVIEW

### Diversity, Equity and Inclusion

#### > Our Commitment

- Create a safe and inclusive work environment where everyone can be their true self and achieve their full potential
- Increase the proportion of women in leadership positions to 50 percent
- Increase the proportion of women on board ships to 12 percent

#### > Progress in 2024

- Promoted and launched training related to DEI awareness and allyship
- Launched the CSL DEI Committee
- Established a training partnership with the Western Arctic Marine Training Center
- Continued to collaborate with Transport Canada to recognize foreign seafarer marine certificates
- Participated in events to raise awareness about maritime careers
- Partnered with stakeholders to promote maritime careers
- Advanced Women at CSL group

#### > Moving Forward

- Enhance recruitment process to minimize bias
- Further partnership with Western Arctic Marine Training Center
- Continue to deploy DEI Awareness Training Program
- Support DEI Committee in launching initiatives that foster inclusive ship and shore work environments
- Launch a ship and shore mentoring program

#### > Sustainable Development Goals



## 03 Employee Engagement and Development

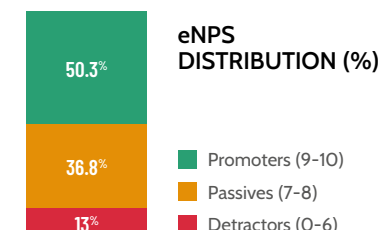
In a rapidly changing marine industry, we continue to successfully navigate workforce challenges, including shifts in labour market dynamics and evolving employee expectations. By prioritizing flexibility, investing in career development and training, and building a culture of collaboration, we have maintained a stable, committed and high-performing workforce.

## EMPLOYEE ENGAGEMENT

Since 2017, Officevibe pulse surveys continue to provide a safe channel for shore-side employees to anonymously share honest feedback. In 2024, 67 percent of office staff participated regularly, and our overall engagement score rose from 7.9 in 2023 to 8.0 out of 10. The strongest areas reported were relationships with managers (8.6) and coworkers (8.3), with many employees saying they feel appreciated and receive meaningful recognition and timely feedback.

Officevibe results also showed an above average employee Net Promoter Score (eNPS) of 37, up from 30 in 2023, reflecting increased satisfaction, stronger engagement, and a greater willingness among employees to recommend CSL as a great place to work.

|                                      | 2023       | 2024       |
|--------------------------------------|------------|------------|
| OFFICEVIBE EMPLOYEE ENGAGEMENT SCORE | <b>7.9</b> | <b>8.0</b> |
| EMPLOYEE NET PROMOTER SCORE          | <b>30</b>  | <b>37</b>  |



## EMPLOYEE TURNOVER

Employee turnover in our global offices dropped from 10 percent to 8 percent, well below industry averages. This reflects our dynamic work environment where employees feel supported and motivated to stay. In Canada, our seafarer turnover rate is even lower at 2.4 percent, highlighting the strength of our workplace culture and the long-term commitment of our crews.

In Australia, where there is a known shortage of experienced seafarers and high competition across the industry, our turnover rate is 16.1 percent. While this is higher than in other regions, it is consistent with local market trends.

### TURNOVER RATES

|                                 | 2023        | 2024         |
|---------------------------------|-------------|--------------|
| GLOBAL OFFICE EMPLOYEES         | <b>10%</b>  | <b>8%</b>    |
| PERMANENT SEAFARERS – CANADA    | <b>3.5%</b> | <b>2.4%</b>  |
| PERMANENT SEAFARERS – AUSTRALIA | <b>N/A</b>  | <b>16.1%</b> |



## SHIP AND SHORE TRAINING AND DEVELOPMENT

We're committed to building a sustainable, future-ready workforce by investing in the continuous growth of our people. Our programs ensure all employees, regardless of their role, have the support and resources they need to excel, grow, and contribute to the success and safety of our operations.



| SHORE-BASED EMPLOYEES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                              |                                                                                                   | SEAFARERS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Shore-side learning programs are designed to equip employees with the skills and knowledge necessary to succeed in their careers, offering a mix of online and in-person courses, resources, and personalized learning opportunities.</p> <div> <div> <b>INSIDE CSL</b><br/>Employee-led sessions to help colleagues understand each other's roles. </div> <div> <b>LEARNING HOURS</b><br/>Two hours per month dedicated to training and development. </div> <div> <b>NEW MANAGER ESSENTIALS</b><br/>A learning path focused on developing leadership skills. </div> <div> <b>CAREER WHEEL</b><br/>Guidance on career opportunities, required skills, and available resources. </div> <div> <b>LEARNING CAFÉ</b><br/>Peer coaching focused on leadership and professional skills. </div> <div> <b>RESOURCE LIBRARY</b><br/>A collection of books available to employees covering leadership and professional skills. </div> </div> |                                                                                              |                                                                                                   | <p>Ship-side learning programs are tailored to the needs of our seafarers, delivering essential training that addresses the specific requirements and challenges of maritime careers.</p> <div> <div> <b>OCEAN LEARNING PLATFORM</b><br/>Tailored computer-based training for seafarers assigned in sequence by rank, vessel and joining date. </div> <div> <b>LIFESAVING RULES TRAINING</b><br/>Training on critical safety rules, including theoretical and practical components. </div> <div> <b>ECDIS TRAINING</b><br/>Training on electronic chart systems for paperless navigation. </div> <div> <b>ANNUAL TRAINING REQUIREMENT SURVEY</b><br/>A survey to identify officers' training needs for career advancement. </div> <div> <b>WINTER TRAINING</b><br/>Rank-specific career advancement training offered during the off-sailing season in Canada. </div> <div> <b>CREW ONBOARDING</b><br/>A structured familiarization program designed for new crew members. </div> </div> |                                                                                                                                                 |
| <b>CLASSROOM LEARNING</b><br>In-person and virtual classroom training for skills and development.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>E-LEARNING</b><br>Access to over 10,000 online courses, personalized to individual needs. | <b>EDUCATIONAL ASSISTANCE PROGRAM</b><br>Tuition reimbursement for approved educational programs. | <b>VIRTUAL LANGUAGE COURSES</b><br>Tailored, one-on-one courses delivered by specialized teachers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>PSYCHOMETRIC TESTING</b><br>Personal psychometric testing to understand behavioural preferences, leadership style and areas for development. |

## TOP EMPLOYER RECOGNITION



In 2024, CSL was named one of Montreal's Top Employers for the sixth year in a row and one of Canada's Top Employers for Young People for the third consecutive year. This consistent recognition highlights the strength and stability of our workplace culture, and our ongoing efforts to support employee wellbeing, growth, and development. Our work environment is one where people feel valued, respected, and motivated to make a meaningful impact, year after year.

Canada's Top Employers for Young People highlights organizations with outstanding workplaces and programs for youth, while Montreal's Top Employers recognizes companies in the Montreal area that excel in providing exceptional work environments. Both awards assess criteria such as recruitment and retention strategies, mentorship, training, and career development programs.



## OVERVIEW

### Employee Engagement and Development

#### > Our Commitment

- Attract, select, develop and retain people with the right skillset and "fit"
- Foster employee satisfaction to enhance productivity and the customer experience
- Provide greater development and growth opportunities for employees and empower them to take ownership of their career progression
- Improve employee communication and engagement
- Prioritize employee health and safety at work

#### > Progress in 2024

- Achieved 95 percent succession for critical and leadership positions
- Digitized crew appraisal process
- Launched onboarding program tailored to seafarers' needs
- Advanced leadership and professional skills development
- Launched CSL Academy Library for all our offices in all regions

#### > Moving Forward

- Implement new talent acquisition system
- Improve employer brand visibility
- Enhance succession planning for onboard positions
- Provide career counselling and advice for seafarers
- Improve measurement of seafarer engagement rate
- Launch mentoring program to accelerate career progression
- Improve global wellbeing program

#### > Sustainable Development Goals



## 04 Sustainable Partner to Our Customers

Being a sustainable partner means making decisions that balance performance and responsibility at every step. We work side-by-side with our customers to design, build, customize and operate vessels that deliver on performance and minimize environmental impact. Our zero-harm philosophy drives every decision we make, ensuring the safety of our people and communities, upholding the highest ethical standards, and safeguarding the environment for future generations.

## EXPANSION INTO OFFSHORE LOGISTICS

In 2024, CSL took a major step forward in supporting the global energy transition with the launch of CSL Offshore Logistics. This new division marks our strategic entry into the offshore logistics sector, with a focus on delivering rock sourcing and transport solutions to the rapidly growing offshore wind industry. This development builds on our longstanding expertise in short sea shipping and complex marine solutions.

| OFFSHORE WIND LOGISTICS                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | SUBSEA ROCK INSTALLATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>In partnership with Norway's Peak Group, in which we acquired a 50 percent stake, we established Peak CSL Group to offer integrated supply chain services tailored to offshore wind projects across Europe.</p> <p>Beyond logistics, our collaboration with Peak Group also aims to advance low-emission shipping. Together, we are developing innovative vessel designs powered by next-generation technologies such as battery systems, green ammonia engines, and energy-efficient hulls.</p> | <p>Through our Netherlands-based joint venture CSL OWL SRI, we have entered the subsea rock installation segment of the offshore market. This new capability will be supported by two purpose-built, 17,500 DWT DP2 rock installation vessels to be delivered in 2026. Designed for operational flexibility and fuel efficiency, these vessels will run on marine gas oil and/or methanol and will play a key role in delivering and placing rock materials on the seabed to support offshore wind infrastructure.</p> <p>This service will support the offshore renewable industry by helping lower installation costs, improve efficiency, and reduce emissions, making green energy more affordable and accessible.</p> |

## CUSTOMER FEEDBACK AND PERFORMANCE



We regularly conduct a global, anonymous customer survey to assess our performance and understand evolving customer priorities. In 2023, our Net Promoter Score (NPS) rose to 9.4 out of 10, with 70 percent of respondents "very likely" to recommend CSL and 90 percent expressing high satisfaction with our service. Notably, 80 percent valued our support in their decarbonization efforts, and 90 percent rated CSL above other marine carriers in environmental responsibility, safety, and ethical governance.

## CUSTOMIZED SOLUTIONS TO REDUCE ENVIRONMENTAL IMPACT

In 2024, we advanced our fleet renewal and expansion program with four CSL newbuilds and, through our joint ventures, eight additional newbuilds and one vessel conversion, all scheduled for delivery between 2025 and 2027. These projects reflect our close collaboration with our customers to develop tailored shipping and handling solutions that align with their operational and sustainability objectives.

| FIRST FULLY ELECTRIC BATTERY CAPABLE SELF-UNLOADING SHIP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | CUTTING-EDGE CEMENT CARRIER FOR THE GREAT LAKES                                                                                                                                                                                                                                                                                                                                         | NEW TRANSHIPPER TO SUPPORT SUSTAINABLE SALT EXPORTS                                                                                                                                                                                                                                                                                                                                                                                                | CSL AMERICAS FLEET RENEWAL                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>In partnership with Adbri, we are building the world's first fully electric, battery-capable self-unloading vessel, to be delivered in 2026. The vessel will transport 2.7 million tonnes of limestone annually, 35 percent more than the current vessel, while cutting diesel use by 25 percent and reducing Scope 1 emissions by 40 percent. By 2031, it is expected to operate fully on electric power, cutting emissions by over 90 percent.</p> <p>We are also working with Adbri to upgrade berth facilities at both ports for shore power connectivity during loading and discharging.</p> | <p>Through our Eureka Shipping joint venture with SMT Shipping, we are building a 12,500 DWT cement carrier for the Great Lakes, set to replace two older vessels with the same capacity.</p> <p>The ship is designed to significantly cut emissions per tonne of cargo while prioritizing safety, efficiency, and environmental performance. It is scheduled for delivery in 2025.</p> | <p>In 2024, we signed a 21-year contract with BCI Minerals to tranship up to 5.4 million tonnes of solar salt annually from the Mardie Project, Australia's largest solar salt development.</p> <p>Using a custom-built 12,000 DWT transhipment vessel, we will transfer salt from a 2.4 km jetty to larger vessels offshore.</p> <p>Our innovative vessel design minimizes dredging and reduces environmental impact on the marine ecosystem.</p> | <p>Two methanol-ready, Kamsarmax-class self-unloading vessels are under construction to replace older vessels in the CSL International Pool.</p> <p>Designed to exceed EEDI Phase 3 standards and equipped with Tier III engines, the new vessels are expected to be 40 percent more efficient than the ships they replace, thanks to improved fuel economy and optimized cargo capacity.</p> <p>The vessels are scheduled for delivery between 2025–2026.</p> |

## USING SHIPS TO REDUCE EMISSIONS AND CONGESTION



### SUPPORTING THE RANDLE REEF REMEDIATION PROJECT

In 2024, CSL partnered with H.R. Doornekamp and the Hamilton-Oshawa Port Authority to support the Randle Reef Contaminated Sediment Remediation Project, one of Canada's largest environmental clean-up efforts. Over six shipments, *MV Baie Comeau* delivered 150,000 metric tonnes of stone to help isolate toxic sediment in Hamilton Harbour. Delivering the same load by truck would have required 5,000 trucks, adding to emissions and road congestion.

The Randle Reef project will improve water quality, restore fish and wildlife habitats, and provide long-term economic and environmental benefits to the local community.

### MANAGING DRAFT LIMITS WITH TECHNOLOGY TO CUT EMISSIONS

CSL transports over 1.2 million tonnes of gypsum annually from Thevenard, a remote, draft-restricted port in South Australia. Limited water depth means vessels operate well below capacity, but sea transport remains far more efficient than trucking the same cargo 800 km to Adelaide.

To address loading limitations, CSL partnered with OMC International in 2024 to install a Dynamic Under Keel Clearance (DUKC) system. By using bathymetry data, real-time tide and wave measurements, vessel specifications and motion, the system allows for deeper loading within safe clearance limits. Since its installation, an additional 8,000 tonnes of gypsum has been loaded, avoiding one full shipment and preventing over 700 tonnes of CO<sub>2</sub> emissions annually.

A similar system on our transhipment vessel *MV Donnacona* at Cape Preston has enabled the safe transhipment of an extra 438 tonnes of cargo since 2023.

## SAFER PORTS THROUGH COLLABORATION

CSL's Port Safety Group (PSG) works closely with customers and vessel crews to proactively identify and address risks at ports and shoreside facilities before they happen. The success of this initiative depends on building strong, open relationships with our customers, who always offer excellent support. One example of this collaboration is our recent work with CRH to design a new gangway at their shore facility. Together, we developed a solution that provides safer and more reliable access to and from our vessel in all weather conditions, including snow and ice.

## ADVOCATING FOR OUR CUSTOMERS

Our advocacy efforts span a wide range of issues that impact both our industry and our customers, with the goal of making the marine sector more competitive and better supporting our clients' needs. Over the past year, we have continued to push for greater access to biodiesel to help our customers reduce their Scope 3 emissions and worked to level the playing field for self-unloading vessels. Despite their environmental benefits, self-unloaders are currently disadvantaged under the IMO's carbon emissions regulations. These vessels face penalties under the Carbon Intensity Indicator (CII) framework, which undermines their competitiveness and limits their potential contribution to global sustainability goals.

To address this issue, CSL is urging the IMO to consider the following measures:

- Recognize self-unloaders as a distinct ship category by assigning them their own reference line under the CII framework or applying appropriate correction factors.
- Adopt a pooling approach to carbon reduction, which would allow shipowners to concentrate investment in newer, more efficient vessels.
- Account for the unique characteristics of different vessel types and trading patterns, especially in short sea shipping, and their vulnerability to competition from more carbon-intensive modes of transport such as rail and truck.

## OVERVIEW

**Sustainable Partner  
to Our Customers**

### > Our Commitment

- Maintain the highest standards of safety, ethical conduct, and environmental responsibility
- Respond to customer needs and maintain an open dialogue
- Exceed customer expectations by creating high value through efficiency, innovation and continuous improvement
- Position customers for the future through advocacy and partnerships

### > Progress in 2024

- Launched CSL Offshore Logistics
- Developed customized solutions for our customers
- Continued biofuel trials on half of the Great Lakes fleet
- Advanced fleet renewal and expansion program aligned with sustainability objectives
- Partnered with customers on port safety initiatives

### > Moving Forward

- Leverage the expertise of our joint venture partners to deliver innovative solutions to our customers
- Support the development of cost effective alternative fuel supply chains to reduce customers' Scope 3 emissions
- Partner with more customers to advance their supply chain decarbonization efforts

### > Sustainable Development Goals



## 05 Empowering Communities

We aim to make a positive difference in the communities where we operate. In 2024, we focused our donations and local initiatives on areas where we could have a lasting impact. By working directly with local partners and organizations, we supported projects that respond to real needs and help strengthen communities over the long term.



## CORPORATE GIVING

We focus our philanthropic efforts on three key pillars: education, the environment, and social affairs. Within these areas, we support programs that deliver real, lasting impact, ranging from educational support and environmental initiatives to Indigenous empowerment, arts and culture, health services, community outreach and humanitarian relief. We also seek to partner with our customers and local organizations to identify and support development opportunities that deliver measurable and sustainable benefits to local communities.

Each year, approximately one percent (1%) of our net profit (before extraordinary items) is dedicated to charitable giving and disaster relief. Our Donations Committee manages an annual budget and reviews all funding requests using clear and consistent criteria.

A portion of our donations budget is also set aside to support our Matching Gift and Employee Sponsorship Program. This program encourages employees to give back by matching their donations to schools and other fundraising efforts, and by supporting their volunteer work in the community.

## EDUCATION PILLAR



In 2024, we continued to invest in maritime college students, recognizing their vital role as the future of our industry. We offered a range of opportunities to help them gain hands-on experience and advance their education, including scholarships, bursaries, cadet placements on our vessels, and internships within our shoreside teams. These initiatives were delivered in collaboration with the following institutions:

- Australian Maritime College
- British Columbia Institute of Technology
- Georgian College
- Institut maritime du Québec
- Maine Maritime Academy
- Marine Institute of Memorial University
- Maritime Society and Sea Cadets
- Massachusetts Maritime Academy
- Nova Scotia Community College – Nautical Institute

As part of our education pillar in Canada, we awarded 20 scholarships in 2024, equally divided between Engineering and Nautical Sciences. We partnered with five educational institutions, each receiving a \$10,000 donation specifically to fund student bursaries. Each school used the funds to provide four \$2,500 bursaries to students in their programs. All scholarship recipients were also offered a guaranteed summer internship with CSL.

Nine CSL cadets from the engine and navigation departments graduated and began working as licensed officers with our domestic fleet. This number is expected to grow as more cadets complete their sea-time requirements and obtain their marine certifications.

We also contributed \$10,000 to the Institut maritime du Québec's Academos project, which connects students with industry mentors. Through partnerships like this, we aim to raise awareness and spark interest in the maritime sector among young people.

## SOCIAL PILLAR



Under our social pillar, we contributed to a range of organizations through charitable giving, fundraising, and employee volunteering. These efforts supported seafarers, helped vulnerable communities, offered disaster relief, and promoted culture, history, and the arts. CSL Captains and Chief Engineers were also given dedicated budgets to support charitable initiatives in the communities where they live.

Some of the organizations supported by CSL and our employees include:

- |                                                      |                                               |                                                 |
|------------------------------------------------------|-----------------------------------------------|-------------------------------------------------|
| — Battle of the Atlantic Memorial Fund               | — Great Lakes Museum                          | — Multiple Sclerosis Society                    |
| — Beverly Bootstraps Food Pantry                     | — Harry Perkins Institute of Medical Research | — Musée maritime de Charlevoix                  |
| — Bikers 4 Heroes                                    | — Healing Abuse, Working for Change           | — Old Brewery Mission Foundation                |
| — Boat School at the Maritime Museum of the Atlantic | — Hockey4Youth                                | — Open Door                                     |
| — Breakfast Club of Canada                           | — Jeunes musiciens du monde                   | — Peabody Essex Museum                          |
| — Canadian Cancer Society                            | — Magic Moments Foundations                   | — Red Cross                                     |
| — Canadian Maritime Heritage Foundation              | — Make a Wish Foundation                      | — Red Kite                                      |
| — Canadian Red Cross                                 | — Mariners House of Montreal                  | — Shepherd Centre for Hearing Impaired Children |
| — Canadian UNICEF Committee                          | — McMichael Canadian Art Foundation           | — St-Vincent de Paul Society                    |
| — Children's Ground                                  | — Merchant Navy War Memorial Fund             | — Sydney Local Health District                  |
| — CHU Ste-Justine Foundation                         | — Miriam Foundation                           | — Trustees of Reservations                      |
| — Community Giving Tree                              | — Mission to Seafarers                        | — Vision Sans Frontière (Guinea)                |
| — Dans la rue                                        | — Moisson Montréal                            | — Volunteer Marine Rescue NSW-Sydney            |
| — Fondation du Musée des beaux arts de Montréal      | — Montreal Children's Hospital Foundation     |                                                 |

## ENVIRONMENTAL PILLAR



In 2024, we supported research, education, and conservation projects focused on protecting marine animals and their habitats. By working with organizations dedicated to these efforts, we aim to raise awareness, both within the maritime industry and the broader public, and help protect the marine environment for the long term.

We continued to support marine conservation through partnerships with organizations such as the Canadian Whale Institute, the Australian Dolphin Research Institute, and the Fonds d'action du St-Laurent. CSL employees also took part in hands-on environmental efforts, participating in shoreline cleanups in both Canada and the United States.

Our 2024 support included contributions to several key partners.

- Canadian Whale Institute
- Clean Up Australia
- Dolphin Research Institute
- Fonds d'action du Saint-Laurent
- Green Heroes Public Fund
- Group for Research and Education on Marine Mammals
- National Marine Life Center
- Resilient Reefs Foundation
- Salem Sound Coastwatch



## SUPPORTING GRASSROOTS ECONOMIC DEVELOPMENT IN GUINEA

In 2024, we marked the completion of a community-led project in Kamsar, Guinea, aimed at expanding fish-smoking facilities and supporting the women predominantly involved in this activity. Launched in 2023, the project was delivered in partnership with CBG and the NGO Vision Sans Frontière, with CSL contributing C\$132,000 in funding.

The initiative directly supported 133 women from Port Nènè, Port Fori, and the Island of Taidy. Organized into three business associations, participants received training

in accounting, purchasing, sales, and small business management. Two modern fish smokehouses were built in Port Taidy and Port Fori, with a third planned for Port Diapiare. To ensure safer working conditions, personal protective equipment was also provided to reduce exposure to smoke and fumes.

This project has already made a measurable difference, helping women improve their livelihoods, gain economic independence, and support their families and communities.

## THE MARTIN FAMILY INITIATIVE



Martin Family Initiative  
Initiative de la Famille Martin

CSL supports the Martin Family Initiative (MFI) in its mission to collaborate with First Nations, Inuit, and Métis Nation people to enhance education, health, and overall wellbeing for children, youth, and adults. MFI offers programs in early childhood development, literacy, entrepreneurship, and mentorship, reaching over 100 locations across nine Canadian provinces and two territories. Since 2008, these programs have benefited more than 8,000 students.

## OVERVIEW

Empowering  
Communities

### > Our Commitment

- Seek, identify and support causes that enrich lives, improve our environment and create opportunities for communities to thrive
- Donate approximately one percent of net profit (before extraordinary items) to charitable organizations

### > Progress in 2024

- Donated one percent of net profit (before extraordinary items)
- Achieved philanthropic objectives in education, environment and social pillars
- Reached community empowerment objectives with completion of economic development project in Kamsar, Guinea

### > Moving Forward

- Partner with customers and local organizations to identify and support development opportunities
- Focus on delivering measurable, sustainable benefits to local communities
- Increase participation in Matching Gift and Employee Sponsorship Program
- Increase employee participation in volunteer and community engagement initiatives

### > Sustainable Development Goals

17  
PARTNERSHIPS  
FOR THE GOALS



# GOVERNANCE

Our approach to governance is grounded in transparency, ethics, and accountability. We ensure strong oversight of our ESG goals, promote a culture of integrity, support responsible sourcing, and protect our systems and data through effective cyber security and privacy practices.

- 01 ESG Oversight**
- 02 Ethics and Corporate Responsibility**
- 03 Cyber Security and Privacy**
- 04 Sustainable Supply Chains**



## 01 ESG Oversight

The CSL Group Inc. is headquartered in Montreal, Canada, and has offices in each of the regions in which it operates.

CSL Group management is overseen by a ten-member Board of Directors, which includes CSL's three owners and seven independent directors. In addition to overseeing the company's business activities, the Board of Directors advises the management team on CSL's strategic and operational direction.

The Board undertakes many responsibilities through the three committees that meet throughout the year: Audit and Risk, Human Resources and Corporate Environmental Sustainability.

## CSL BOARD OF DIRECTORS



### Jacques Bougie

Jacques Bougie, formerly President and Chief Executive Officer of Alcan, is currently a Director of KDC-One Inc. and a member of the advisory board of the Montreal Neurological Hospital and Institute. Mr. Bougie has served on the boards of AtkinsRéalis, Atrium Innovations, Alcan Inc., BCE Mobile Communications Inc., Bell Canada, McCain Foods Limited, Royal Bank of Canada, Nova Chemicals Corp., Novelis Inc., RONA Inc., Abitibi-Consolidated Inc. and AbitibiBowater Inc.



### Marie-Josée Guérin

Marie-Josée Guérin was Vice-President, Finance, Special Projects in the Americas for Air Liquide from September 2022 to March 2023, Chief Financial Officer, Air Liquide North America, from 2019 to 2022, and Chief Financial Officer, Air Liquide Canada, from 2006 to 2019. Prior to joining Air Liquide, Ms. Guérin spent over 20 years at KPMG, including 10 years as audit partner with public and non-public organizations.



### Rhodri J. Harries

Rhodri J. Harries is Executive Vice President, Chief Administrative Officer of Gildan Activewear, based in Montreal. He previously served as Gildan's Executive Vice President, Chief Financial and Administrative Officer. Before joining Gildan in 2015, he held senior roles at Alcan and Rio Tinto Alcan, including Chief Financial Officer and Chief Commercial Officer, following 15 years at General Motors in finance and business development. From 2020 to early 2025, Mr. Harries served on the Board of Directors of Stella-Jones Inc.



### Rod Jones

Rod Jones was President and Chief Executive Officer of The CSL Group Inc. from 2008 to 2017. Over his 30-year career with CSL, Mr. Jones led the team that launched CSL Americas and CSL's international expansion to Australia, Asia, Europe and Africa. He also was a Director on the Board of The Standard Club Board, a P&I insurance club, from 2000 to 2017, where he served as Chair from 2014 to 2017. Prior to CSL, Mr. Jones held management positions at Van Ommeren and Navios Corp.



### William W. Linton

William (Bill) Linton is a Corporate Director currently serving on the Boards of TMX Group, Inc. and Empire Company Ltd. He served as Executive Vice-President, Finance and Chief Financial Officer at Rogers Communications Inc. from 2005 to 2012, and was Chief Executive Officer of Call-Net Enterprises from 2000 to 2005. Mr. Linton is a Fellow of the Ontario Institute of Chartered Accountants. He also is an active investor and serves as a director of several private companies in the technology and finance industries.



### David P. A. Martin

David P. A. Martin is an owner of The CSL Group Inc. and Horizon Capital Holdings, of which he is the Co-President and Chief Executive Officer, as well as the President of Bromart Holdings which is an owner of The CSL Group Inc. and Horizon Capital Holdings. Mr. Martin is a former Chair of the Board of Directors of the World Wildlife Fund (Canada) and a co-founder and General Partner of Capital for Aboriginal Prosperity and Entrepreneurship Fund (CAPE Fund).



### James E. Martin

R. James E. Martin is a film and television producer and an owner of The CSL Group Inc. and Horizon Capital Holdings. Mr. Martin began his career marketing films at The Movie Network before working in theatrical distribution with TVA International, a subsidiary of Montreal's Astral Network. Since 2006, he has been producing features through his own production company, High Treason Productions, and is currently developing a television co-production in partnership with Ciné Télé Action.



### Paul W. J. Martin

Paul W. J. Martin is the Chair of the Board of Directors of The CSL Group Inc. as well as an owner of The CSL Group Inc. and Horizon Capital Holdings.



### Eric Olsen

Eric Olsen was CEO of Aliaxis from 2020 to 2024, and CEO of LafargeHolcim from 2015 to April 2017. At Lafarge, he also served as Executive Vice President of Organization and Human Resources from 2007 to 2012, and Executive Vice President of Operations from 2012 to 2015. Mr. Olsen previously worked in audit at Deloitte & Touche, in mergers and acquisitions at Banque Paribas, and was a Partner at Trinity Associates. He currently serves as a Non-Executive Director at Fortera and Verdagy and has been a Corporate Advisor to Temasek since 2020. Mr. Olsen joined CSL's Board of Directors in June 2025.



### Nathalie Palladitcheff

Nathalie Palladitcheff was the President and Chief Executive Officer of Ivanhoe Cambridge (CDPQ) from 2019 to 2024, after previously serving as Chief Financial Officer and President. Before joining Ivanhoe Cambridge in 2015, she spent 15 years in leadership roles, including Chief Financial Officer and Chief Executive Officer, at European public real estate companies. She began her career in finance with PwC and the Credit Agricole Group. Ms. Palladitcheff is also a member of the board of directors of the CHU Sainte-Justine Foundation.

## ESG DECISION-MAKING

Sustainability is a core part of how we operate. Our management and board committees provide oversight and direction, working closely with our ESG team within the Sustainability, Legal, and Risk function. The Chief Legal and Sustainability Officer and ESG Director collaborate with teams across the organization to develop our sustainability strategies, which are carefully reviewed to ensure they align with CSL's values and long-term priorities.

### ESG TEAM

Our ESG team develops and tracks progress against our strategy and objectives, monitors impending regulations and reports on ESG metrics. It also ensures alignment across the organization on all ESG initiatives.

### GLOBAL ESG MANAGEMENT COMMITTEE

The committee meets quarterly and is composed of functional and regional vice presidents, along with other key representatives. It works together on environmental regulations, compliance strategies, and ESG initiatives, ensuring alignment across the organization.

### ESG STEERING COMMITTEE

Led by CSL's executive team, the committee meets monthly to shape and guide the direction of our ESG strategy. It ensures cross-functional alignment, approves our ESG goals, and is responsible for performance.

### THE CORPORATE ENVIRONMENTAL SUSTAINABILITY COMMITTEE

The committee monitors the impact of environmental factors on CSL and reports to the Board of Directors. It supports management in promoting sustainability by ensuring legal compliance, implementing environmental policies, overseeing audits, advising on strategic partnerships, and approving the annual Sustainability Report.

### THE HR COMMITTEE

The committee assesses CEO and senior management performance, recommends remuneration and wage adjustments, monitors Code breaches, oversees investigations, and escalates serious cases to the Audit and Risk Committee. It also oversees ESG-related incentive plans.

### THE RISK AND AUDIT COMMITTEE

The committee supports the Board by overseeing financial integrity, risk management, compliance, budgeting, valuations, executive incentives, financing, and external auditors. It will also oversee climate risk reporting and assessments under upcoming reporting framework regulations.

## ESG GOVERNANCE STRUCTURE



## **02 Ethics and Corporate Responsibility**

### **CODE OF CORPORATE RESPONSIBILITY**

CSL's Code of Corporate Responsibility underpins our ethical commitment and practices. The Code establishes our ethical responsibilities. It provides clear rules outlining appropriate conduct towards customers and business partners, our respect and fair treatment of employees, compliance with law, the need to protect the environment, and our zero tolerance for any form of corruption. The Code is part of our social licence to operate. Observing the Code is the obligation of every CSL director, officer, and employee.

### **LABOUR AND HUMAN RIGHTS**

We are committed to promoting a culture of respect and accountability, ensuring that our actions positively impact our employees, customers, communities, and all stakeholders we engage with. We adhere to the UN Guiding Principles on Business and Human Rights (UNGPs) and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (ILOD).

#### **PREVENTING DISCRIMINATION**

We have a clear process in place to prevent discrimination based on religious creed, color, race, national origin, ancestry, age, disability, family status, gender, sexual orientation, veteran status, pregnancy, childbirth, or any other legally protected characteristic. Our expectations for employees are detailed in our Employee Handbook, and we offer continuous training and education to support these principles.

#### **MODERN SLAVERY, CHILD LABOUR AND FORCED LABOUR**

We reject all forms of modern slavery, child labour, human trafficking, and forced labour. In Canada, Australia, the United Kingdom, and Norway, CSL is required to report on actions taken to prevent human rights abuses, including modern slavery and forced labour. Our 2024 Modern Slavery Report reflects our ongoing commitment to ethical business practices, fair labour standards, and the protection of human rights across our operations and supply chain. No instances of modern slavery or related abuses were identified in 2024, and we continue to assess the risk of forced labour in our supply chain as low.

### **COMPLYING WITH SANCTIONS**

CSL's Sanctions Compliance Manual is designed to ensure our business operations comply with sanctions regulations. We achieve this objective through five components:

- Tracking and updating the list of countries affected by sanctions in each region in which CSL operates
- Training employees on the requirements of the Sanctions Compliance Manual to ensure CSL does not conduct any operations in breach of sanctions
- Performing due diligence for at-risk projects and counterparties, which includes requesting information from counterparties by asking them to complete CSL's due diligence questionnaire
- Screening counterparties against sanctions lists using Descartes Visual Compliance
- Adding sanctions provisions in our contracts, including a right to terminate the contract if the counterparty becomes a sanctioned party

# ZERO TOLERANCE

## ZERO TOLERANCE FOR CORRUPTION

We have a zero-tolerance policy regarding any form of corruption in our business operations, supported by strict enforcement measures and a confidential reporting mechanism. Our robust anti-corruption program focuses on due diligence and stringent controls to ensure a corruption-free business environment. We work with our stakeholders to address the root causes of corruption, aiming to foster a culture of integrity within the maritime industry.

### MARITIME ANTI-CORRUPTION NETWORK

CSL has been an active member of the Maritime Anti-Corruption Network (MACN) since 2013, supporting its mission to eliminate corruption across the global maritime industry. MACN brings together over 200 companies to raise awareness, share best practices, and work with governments and civil society to address the root causes of corruption. As part of our commitment, we complete MACN's annual self-assessment. In 2024, we achieved a score of 96 percent, reflecting our commitment to maintaining an effective anti-corruption program.

### INTEGRITY TRAINING

Our shoreside employees receive annual integrity training to help them identify and address corruption risks. Targeted training is also provided to staff in operations and procurement, with a focus on applying due diligence practices. Additionally, vessel operations staff and Masters must complete MACN's anti-bribery training.

## WHISTLEBLOWING



We encourage employees, customers, and members of the public to report any suspected breaches of our policies or commitments through EthicsPoint, a confidential and anonymous third-party reporting service. Reports can be submitted online or by calling the designated phone number listed on the [EthicsPoint Website](#). All submissions are handled confidentially, thoroughly investigated, and addressed by CSL's legal department.

In 2024, we received 10 reports of alleged breaches of CSL's policies and commitments, submitted either through our whistleblowing system or other reporting channels. The following section provides a summary of these reports and the actions taken in response.

| NATURE OF COMPLAINT                            | NUMBER OF COMPLAINTS | NUMBER OF BREACHES DETECTED | NUMBER OF CORRECTIVE ACTIONS |
|------------------------------------------------|----------------------|-----------------------------|------------------------------|
| Accounting and Auditing Matters                | 0                    | 0                           | 0                            |
| Bribery                                        | 0                    | 0                           | 0                            |
| Conflict of Interest                           | 0                    | 0                           | 0                            |
| Discrimination                                 | 0                    | 0                           | 0                            |
| Harassment                                     | 8                    | 0                           | 3                            |
| Embezzlement                                   | 0                    | 0                           | 0                            |
| Falsification of Contracts, Reports or Records | 0                    | 0                           | 0                            |
| Misconduct or Inappropriate Behavior           | 0                    | 0                           | 0                            |
| Sabotage or Vandalism                          | 0                    | 0                           | 0                            |
| Substance Abuse                                | 0                    | 0                           | 0                            |
| Theft                                          | 0                    | 0                           | 0                            |
| Unsafe Working Conditions                      | 2                    | 0                           | 0                            |
| Violation of Policy                            | 0                    | 0                           | 0                            |
| Violence or Threat                             | 0                    | 0                           | 0                            |
| Other                                          | 0                    | 0                           | 0                            |

## ELIMINATING HARASSMENT

CSL is committed to maintaining a safe and respectful workplace, free from harassment and violence. All seafarers and employees undergo mandatory training on harassment prevention upon hiring and every three years thereafter. Additionally, ship and shore-based leaders receive ongoing training to address and manage harassment issues.

In 2024, we received eight complaints of alleged harassment through our whistleblowing line or other channels. Depending on the situation, most cases were resolved informally while others required a formal investigation. Even when a complaint is not substantiated, we may still take corrective steps to address concerns and help maintain respectful and supportive workplace for all employees and crew members.

## OVERVIEW

### Ethics and Corporate Responsibility

#### > Our Commitment

- Rigorously uphold the highest ethical standards in every aspect of the business
- Ensure all employees and agents are educated about and comply with policies, laws and ethical conduct

#### > Progress in 2024

- Investigated 10 complaints, with findings reported to the Audit and Risk and/or HR Committees of the Board of Directors
- Completed ethics training for all shoreside employees
- Delivered anti-corruption and ethics training to ship and shore employees
- Achieved a 96 percent score on the MACN (Maritime Anti-Corruption Network) self-assessment

#### > Moving Forward

- Ensure all relevant employees follow CSL policies and legal requirements
- Strengthen monitoring to support online compliance
- Align joint ventures with CSL on key ethical and legal standards

#### > Sustainable Development Goals



## 03 Cyber Security and Privacy

Cyber security is deeply integrated into all aspects of our operations. We identify risks, secure our systems, and stay prepared for emerging threats. Our layered security strategy protects critical systems and data, supported by a dedicated response team ready to act quickly if needed.

In 2024, we strengthened our overall security by improving our cyber security training and testing program, leveraging AI to assess threats, and introducing a more structured approach to assessing the security risks associated with our partners.

### 2024 Cyber Security Performance

|                                                                                              |     |  |
|----------------------------------------------------------------------------------------------|-----|--|
| Total number of substantiated complaints received concerning breaches of privacy (GRI 418-1) | 0   |  |
| Total number of identified leaks, thefts, or losses of data (GRI 418-1)                      | 0   |  |
| % of employees trained on cyber security (shore)                                             | 90% |  |
| % of employees trained on cyber security (ship)                                              | 62% |  |

## MITIGATING THREATS

### CYBER SECURITY AWARENESS TRAINING

We consider our employees as the first line of defense against cyber threats, so we make training a priority. All new team members complete required cyber security training that covers key topics like identifying phishing attempts, avoiding malware, and safeguarding sensitive data. To keep security top of mind, employees also complete an annual refresher course and receive weekly updates on online scams and cyber risks through our company newsletter.

### PHISHING TESTS

To reinforce this training, we run quarterly employee phishing tests. In the past year, we increased the difficulty of these tests to better reflect real-world threats. Despite the tougher challenges, failure rates are going down from 9.2 percent in November 2023 for shore employees to 4.4 percent in November 2024, indicating that our training and awareness efforts are making a real impact.

### THIRD PARTY MANAGEMENT

In 2024, we strengthened our third-party risk management to improve transparency, resilience, and compliance across our supply chain. This included developing a more targeted supplier risk questionnaire, creating a centralized third-party risk register, and conducting regular reviews of SOC audited reports from key partners. These tools allow us to assign a clear risk posture score to each supplier, giving us a more complete view of our exposure. With this insight, we're better equipped to assess potential threats, prioritize risks, and take proactive steps to mitigate them.

### ADVANCED THREAT DETECTION WITH AI

We are leveraging artificial intelligence (AI) and a centralized log aggregator to enhance our cyber security alert and response capabilities. By collecting and analyzing data from across our entire infrastructure, we gain greater visibility into traffic patterns, enabling AI to detect suspicious activity and identify potential threats in real time.

## PRIVACY

### INFORMATION SECURITY

Our Information Security Policy serves as an internal guideline designed to protect the security of data, information, and technology across our global operations. This includes protecting proprietary and confidential information entrusted to CSL by third parties such as customers, business partners, and suppliers. The policy outlines procedures to ensure the security of personal and company devices, secure handling of emails, proper management of passwords, secure data transfer practices, and other measures aimed at maintaining the highest level of confidentiality for our information.

### EMPLOYEE PRIVACY

Employee privacy is protected through clear policies overseen by the Chief Human Resources Officer acting as Privacy Officer. Personal information is collected and handled based on defined needs and with employee consent. Access to data is restricted, and measures are in place to ensure accuracy and confidentiality. Employees have the right to access and correct their information, with complaints addressed promptly. Internal use of employee photos or videos respects individual preferences.

### EXTERNAL PARTY PRIVACY

We are committed to protecting the privacy of personal information of anyone who interacts with our organization. We collect and process personal data only when necessary, such as to provide services, respond to inquiries, or process job applications, and always with consent. We take strong precautions to keep this information safe and handle it securely. Personal data is kept only as long as needed and in line with legal requirements.

## CSL RECOGNIZED FOR AI INNOVATION IN MARITIME OPERATIONS

In 2024, CSL received the prestigious IJB IT Solutions Award for our groundbreaking work in AI-powered vessel optimization. The award highlights our team's success in using artificial intelligence to improve vessel scheduling, enhance safety, and boost fuel efficiency, showcasing how AI can drive meaningful innovation across maritime operations.

We also earned the OCTAS Award in the "Data Valorization and Use of AI" category for our Cognitive Logistics Unit project. By harnessing data from our digital platform, O2, we developed machine learning models to predict ship arrival times and reduce fuel use. This pioneering initiative not only improves operational performance but also supports a more sustainable maritime industry, paving the way for continued AI leadership in the sector.

## 04 Sustainable Supply Chains

Our responsibility goes beyond our own operations and extends across the entire supply chain. The suppliers and partners we work with around the world are an important part of our sustainability efforts. By making responsible sourcing a priority and including ESG considerations in our purchasing decisions, we aim to support ethical practices and reduce our broader impact.

As interest in supply chain transparency grows and new regulations emerge, we're taking steps to stay ahead. In 2024, we started building a sustainable procurement strategy to strengthen our approach and align it with our values. This strategy will set out clear expectations for ethical and sustainable sourcing and guide how we choose and engage with suppliers. It will be regularly updated to reflect changing global conditions and the evolving needs of our business.

## SUSTAINABLE PROCUREMENT STRATEGY ELEMENTS

### EMBED ESG VALUES IN POLICIES AND PRACTICES

We aim to put ethical behavior and sustainability at the heart of how we work. Our policies and procedures will reflect these values, helping to guide decisions across the company.

### INCLUDE ESG IN SUPPLIER EVALUATION

When choosing suppliers, we will consider not just price and quality, but also environmental and social practices whenever possible. For example, we may request information on sustainability certifications during bidding or assess how chemical products are used and disposed of to ensure they meet safety and environmental standards.

### ENSURE COMPLIANCE WITH OUR CODE OF CONDUCT

Our supplier agreements refer to CSL's publicly available Code of Corporate Conduct and include requirements related to privacy, information security, modern slavery, sanctions, and anti-corruption. Suppliers are expected to follow these standards. Anyone can anonymously report concerns and suspected violations through our third-party Whistleblower program.

### MANAGE SUPPLY CHAIN RISKS

To build a more resilient supply chain, we will assess potential risks during the supplier onboarding process and throughout our ongoing relationships. Risks are flagged to the relevant internal teams for review. If issues come up during regular operations, CSL employees are expected to report them either directly or through the anonymous Whistleblower tool.

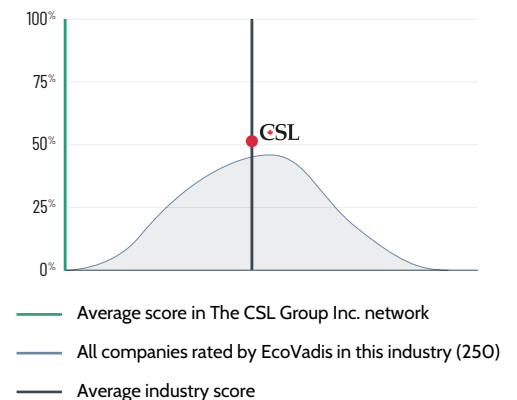
## ECOVADIS RATING

EcoVadis is a globally recognized independent organization that evaluates companies on their sustainability performance. Its assessments cover areas such as environmental impact, labour and human rights, ethics, and sustainable procurement.

CSL completed its first EcoVadis Assessment in 2023, and followed up with a second in 2024 to track our progress and identify areas for improvement. Our score rose from 46 to 50 out of 100, reflecting measurable improvement and placing us above the average rating for the Sea and Coastal Water Transport industry.

As part of the annual assessment, EcoVadis highlights areas for improvement. We will use these insights to help strengthen and guide the ongoing development of our sustainable procurement strategy.

### CSL PERFORMANCE AGAINST SHIPPING INDUSTRY



# ANNEX

- 01** About Our Data
- 02** Green Marine Performance
- 03** ESG Scorecard
- 04** Comments on ESG Performance Data



## 01 About Our Data

We are dedicated to sharing our environmental, social, and governance (ESG) metrics with clarity and transparency. Our voluntary disclosures are guided by the following frameworks:

- Sustainability Accounting Standards Board (SASB): The Marine Transportation Standard (version 2023-12)
- The Global Reporting Initiative (GRI) Standards
- The GHG Protocol
- The Green Marine Environmental Certification program

Our reporting focuses on the metrics that matter most to our stakeholders, as determined through our materiality assessment process. As a privately owned company, we are not required to disclose this data to meet shareholder obligations. Rather, we view transparency in ESG reporting as a pillar of responsible, forward-looking business practices. By providing credible, comparable information, we aim to build stakeholder trust and contribute to raising the bar for sustainability within the shipping industry.

Unless otherwise noted, CSL's ESG scorecard reflects data from the 2024 calendar year, spanning January 1 to December 31.

## 2024 ACTIVITY METRICS

|                                                                   |           |
|-------------------------------------------------------------------|-----------|
| Number of seafarers on CSL-owned ships (excluding joint ventures) | 2,050     |
| Total distance travelled by vessels (nautical miles)              | 1,731,808 |
| Operating days                                                    | 14,280    |
| Deadweight tonnage ('000s MT)                                     | 1,884     |
| Number of vessels in wholly-owned shipping fleet                  | 48        |
| Number of vessels in joint venture arrangements                   | 65        |
| Number of time charter voyages                                    | 14        |
| Number of vessel port calls                                       | 2,672     |

## JOINT VENTURES

CSL's ownership of joint venture vessels ranges from 25 percent to 50 percent. However, these vessels are under the full, 100 percent, operational control of our joint venture partners or third parties.

In 2024, we maintained our operational control approach to account for emissions by our joint venture vessels, whereby 100 percent of emissions are reported by the entity responsible for their operation.

Total Scope 1 emissions for jointly owned vessels in 2024 = **166,057 TONNES**

## EMISSIONS BOUNDARIES

### SCOPE 1 CO<sub>2</sub>

Our Scope 1 GHG emissions inventory includes all global operations of vessels that are:

- 100 percent owned and managed by CSL Group and subsidiaries
- 100 percent owned but managed by third party ship managers
- Time chartered in by a CSL entity
- 100 percent owned but time chartered out to a non-CSL entity
- Transshipment operations and vessels within those operations that are 100 percent owned by CSL

Our Scope 1 GHG emissions inventory excludes all global operations of vessels that are:

- Tugs and associated port vessels that are owned and managed by third parties

### ENERGY EFFICIENCY OPERATING INDICATOR (LADEN)

The Energy Efficiency Operational Indicator (EEOI) is used to measure the carbon intensity of our vessels. EEOI reflects the time spent loading, carrying cargo and discharging (laden leg).

It includes all global operations of vessels that are:

- 100 percent owned and managed by CSL Group and subsidiaries
- 100 percent owned but managed by third party ship managers
- 100 percent owned but time chartered out to a non-CSL entity

Self-propelled vessels that operate exclusively within a transshipment operation are excluded from our overall carbon intensity measurement.

Transshippers are port-based vessels that operate over short distances between the loading berth and the transshipment point. Their onboard material handling systems, such as conveyors and booms, are designed to transfer cargo from their holds into much larger, ocean-going Capezise vessels. Transshippers also require high maneuverability to navigate safely and efficiently between the berth and the receiving ship. Together, these operational demands result in higher energy use and propulsion requirements compared to typical coastal or ocean-going vessels.

### SCOPE 2

In 2024, we collected and compiled global Scope 2 emissions data. This includes electricity consumed by our Great Lakes fleet during winter lay-up, when vessels are connected to shore power for essential onboard systems. We also track electricity consumption from the buildings we own.

For Scope 2 emissions we use the Location-Based Method as indicated by the GHG Protocol Scope 2 Guidance.

### SOURCES OF EMISSIONS

#### SCOPE 1

Direct emissions from sources within CSL's control

Fossil fuel used in all CSL owned vessels

#### SCOPE 2

Indirect emissions produced to generate electricity used by CSL and CSL vessels

Purchased electricity used by vessels while docked and connected to shore power during winter lay-up

Purchased electricity from CSL-owned office space, buildings, warehouses or facilities

## 02 Green Marine Performance

Green Marine is a voluntary marine environmental certification program that helps shipowners, ports, terminals, Seaway corporations and shipyards improve their environmental performance. CSL and all participants agree to publish their results annually and have an external auditor verification every two years.

Because program requirements vary in different operating jurisdictions, CSL's participation in Green Marine is divided between Canada Steamship Lines, which encompasses our entire Canadian fleet, and CSL International, which includes all our other shipping fleets, excluding transhipment.



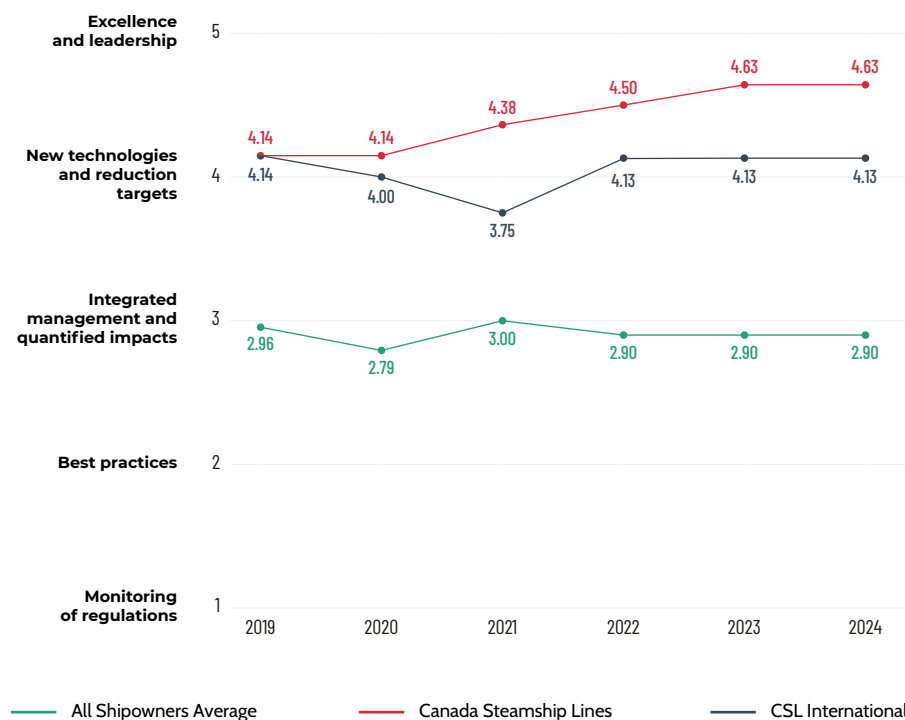
### LEVEL ACHIEVED IN 2024

The Green Marine program scores performance indicators on a scale of one to five. Reaching Level 1 indicates a company is in regulatory compliance, while reaching Level 5 demonstrates the organization's leadership and excellence.

In 2024, Canada Steamship Lines and CSL International maintained their performance indicator scores, with both regions achieving a level 5, the highest rating and well over the industry average. Performance highlights include our active support of underwater radiated noise research and the continuation of the biofuel program on the Great Lakes.

| PERFORMANCE INDICATOR                  | CANADA STEAMSHIP LINES | CSL INTERNATIONAL |
|----------------------------------------|------------------------|-------------------|
| Aquatic Invasive Species               | 5                      | 5                 |
| Air Emissions (So <sub>x</sub> and PM) | 4                      | 4                 |
| Air Emissions (No <sub>x</sub> )       | 4                      | 3                 |
| Air Emissions (GHG)                    | 5                      | 3                 |
| Oily Discharge                         | 5                      | 4                 |
| Waste Management                       | 5                      | 5                 |
| Underwater Noise                       | 5                      | 4                 |
| Ship Recycling                         | 4                      | 5                 |

### GREEN MARINE PERFORMANCE LEVELS AND HISTORICAL TREND



## 03 ESG Scorecard

### ENVIRONMENTAL STEWARDSHIP

| METRIC                                                        | METHODOLOGY REFERENCE                                           | 2020      | 2021      | 2022      | 2023      | 2024      |
|---------------------------------------------------------------|-----------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|
| <b>DECARBONIZATION</b>                                        |                                                                 |           |           |           |           |           |
| <b>GREENHOUSE GASES</b>                                       |                                                                 |           |           |           |           |           |
| <b>Energy Efficiency</b>                                      |                                                                 |           |           |           |           |           |
| Scope 1 CO <sub>2</sub> emissions                             | GHG Protocol                                                    | 494,368   | 520,162   | 599,590   | 540,717   | 504,766   |
| Biogenic emissions                                            | GHG Protocol                                                    | -         | -         | 44,915    | 46,521    | 12,197    |
| Scope 2 CO <sub>2</sub> emissions                             | GHG Protocol                                                    | -         | -         | -         | 48.53     | 215.35    |
| EEOI total (well-to-wake) (gCO <sub>2</sub> e/tonne-nm)*      | IMO                                                             | 17.40     | 16.95     | 17.48     | 16.25     | 15.94     |
| EEOI laden only (well-to-wake) (gCO <sub>2</sub> e/tonne-nm)* | CSL Internal                                                    | 9.61      | 10.12     | 10.06     | 9.61      | 9.49      |
| Average EEDI for new ships                                    | SASB TR-MT-110a.4                                               | -         | 3.78      | N/A       | N/A       | N/A       |
| <b>Total energy consumed</b>                                  |                                                                 |           |           |           |           |           |
| Total energy consumed                                         | SASB TR-MT-110a.3                                               | 6,492,522 | 6,613,950 | 7,353,271 | 7,412,079 | 6,974,861 |
| Heavy fuel as a percentage of total fuel                      | SASB TR-MT-110a.3                                               | 55%       | 37%       | 41%       | 38%       | 36%       |
| Renewable energy as a percentage of total fuel                | SASB TR-MT-110a.3                                               | 1%        | 8%        | 8%        | 8%        | 8.7%      |
| <b>Air Pollutants</b>                                         |                                                                 |           |           |           |           |           |
| Emissions of oxides of sulphur (SO <sub>x</sub> ) in MT       | SASB TR-MT-120a.1                                               | 525.30    | 316       | 352       | 350       | 307       |
| Fuel sulphur average (%)                                      | Green Marine Indicator – Air Emissions (SO <sub>x</sub> and PM) | 0.33%     | 0.20%     | 0.19%     | 0.19%     | 0.18%     |
| Emissions of oxides of nitrogen (NO <sub>x</sub> ) in MT      | SASB TR-MT-120a.1                                               | 12,216    | 12,292    | 14,582    | 14,500    | 14,293    |
| NO <sub>x</sub> (kg/tonne-fuel)                               | Green Marine Indicator – Air Emissions (NO <sub>x</sub> )       | 76.40     | 78.30     | 79.00     | 78.50     | 82.90     |
| Emissions of particulate matter (PM10) in MT                  | SASB TR-MT-120a.1                                               | 349       | 201       | 370       | 373       | 327       |

\*Transitioned to well-to-wake for biofuel in 2023

| METRIC                                                                                                                               | METHODOLOGY REFERENCE                     | 2020   | 2021  | 2022  | 2023  | 2024  |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|--------|-------|-------|-------|-------|
| <b>BIODIVERSITY PROTECTION</b>                                                                                                       |                                           |        |       |       |       |       |
| <b>Accidents and Oil Spills</b>                                                                                                      |                                           |        |       |       |       |       |
| Total number of spills and releases to the environment                                                                               | SASB TR-MT-16Oa.3                         | 7      | 9     | 4     | 5     | 3     |
| Total oil spilled (litres)                                                                                                           | SASB TR-MT-16Oa.3                         | 229.50 | 36    | 23    | 17    | 4     |
| <b>Marine Pollution</b>                                                                                                              |                                           |        |       |       |       |       |
| Treated bilge discharged to sea (m <sup>3</sup> )                                                                                    | Green Marine Oily Discharge Indicator     | 6,495  | 5,959 | 5,694 | 5,011 | 5,062 |
| <b>Ecological Impacts</b>                                                                                                            |                                           |        |       |       |       |       |
| Percentage of fleet implementing ballast water exchange                                                                              | SASB TR-MT-16Oa.2                         | 44%    | 21%   | 5%    | 6%    | 4.5%  |
| Percentage of fleet implementing ballast water treatment                                                                             | SASB TR-MT-16Oa.2                         | 24.40% | 38%   | 64%   | 62%   | 64%   |
| <b>Environmental Compliance</b>                                                                                                      |                                           |        |       |       |       |       |
| Number of incidents of non-compliance associated with environmental impacts or non-compliance with environmental laws and regulation | GRI 307-1                                 | 3      | 5     | 1     | 2     | 3     |
| Shipping duration in marine protected areas or areas of protected conservation status (number of travel days)                        | SASB TR-MT-16Oa.1                         | -      | -     | -     | 2,939 | 2,140 |
| <b>RECYCLING AND WASTE MANAGEMENT</b>                                                                                                |                                           |        |       |       |       |       |
| <b>Waste and Hazardous Materials</b>                                                                                                 |                                           |        |       |       |       |       |
| Landfill waste (m <sup>3</sup> )                                                                                                     | Green Marine – Waste Management Indicator | 2,085  | 2,278 | 2,240 | 2,704 | 2,601 |
| Landfill waste as a percentage of total waste                                                                                        | Green Marine – Waste Management Indicator | 60%    | 56%   | 64%   | 66%   | 60%   |
| Recycling (m <sup>3</sup> )                                                                                                          | Green Marine – Waste Management Indicator | 949    | 900   | 1,003 | 1,063 | 1,232 |
| Recycling as a percentage of total waste                                                                                             | Green Marine – Waste Management Indicator | 28%    | 22%   | 29%   | 26%   | 29%   |
| Incinerated (m <sup>3</sup> )                                                                                                        | Green Marine – Waste Management Indicator | 414    | 314   | 232   | 337   | 267   |
| Organic (m <sup>3</sup> )                                                                                                            | Green Marine – Waste Management Indicator | 189    | 204   | 228   | 389   | 389   |
| Organics as a percentage of total waste                                                                                              | Green Marine – Waste Management Indicator | 9.82%  | 4%    | 6%    | 8.10% | 9%    |
| Sludge disposed ashore (m <sup>3</sup> )                                                                                             | Green Marine – Waste Management Indicator | 3,681  | 2,659 | 3,095 | 2,889 | 3,208 |

## SOCIAL RESPONSIBILITY

| METRIC                                                                                          | METHODOLOGY REFERENCE | 2020 | 2021 | 2022 | 2023  | 2024                       |
|-------------------------------------------------------------------------------------------------|-----------------------|------|------|------|-------|----------------------------|
| <b>HEALTH AND SAFETY</b>                                                                        |                       |      |      |      |       |                            |
| Fatalities                                                                                      | SASB TR-MT-320a.1     | 0    | 0    | 0    | 0     | 0                          |
| Lost-Time Injuries (LTI)                                                                        | SASB TR-MT-320a.1     | 8    | 14   | 4    | 5     | 4                          |
| Lost-Time Incident Frequency Rate (LTIFR)                                                       | SASB TR-MT-320a.1     | 1.10 | 1.70 | 0.50 | 0.60  | 0.50                       |
| Total Recordable Cases (TRC)                                                                    | GRI 403-2             | 37   | 29   | 24   | 30    | 21                         |
| Total Recordable Case Frequency Rate (TRCFR)                                                    | GRI 403-2             | 4.80 | 4.20 | 3.10 | 3.50  | 2.40                       |
| Number of marine casualties                                                                     | SASB TR-MT-540a.1     | -    | -    | -    | 1     | 3                          |
| Percentage of marine casualties classified as very serious                                      | SASB TR-MT-540a.1     | -    | -    | -    | 0     | 0                          |
| Number of Conditions of Class                                                                   | SASB TR-MT-540a.2     | 48   | 82   | 48   | 69    | 67                         |
| Number of Port State Control deficiencies                                                       | SASB TR-MT-540a.3     | 99   | 79   | 75   | 45    | 51                         |
| Number of Port State Control detentions                                                         | SASB TR-MT-540a.3     | 2    | 1    | 1    | 0     | 3                          |
| <b>DIVERSITY, EQUITY AND INCLUSION</b>                                                          |                       |      |      |      |       |                            |
| Number of shore employees                                                                       | -                     | 249  | 249  | 244  | 260   | 263                        |
| Gender with the lowest representation (%) – shore                                               | GRI-405-1             | 41%  | 41%  | 40%  | 39% ♀ | 38% ♀                      |
| Gender with the lowest representation (%) – ship                                                | GRI-405-1             | -    | -    | 6%   | 9% ♀  | 8.4% (CA) ♀<br>2.4% (AU) ♀ |
| Number of incidents of discrimination and corrective actions taken                              | GRI-406-1             | -    | 8    | 2    | 0     | 0                          |
| <b>Total number of employees by age group and gender with the lowest representation – Shore</b> |                       |      |      |      |       |                            |
| <30                                                                                             | GRI-405-1             | 25   | 28   | 28   | 29    | 30                         |
| <30 (%)                                                                                         | GRI-405-1             | 48%  | 46%  | 46%  | 55% ♀ | 53% ♀                      |
| 30-50                                                                                           | GRI-405-1             | 153  | 160  | 156  | 169   | 172                        |
| 30-50 (%)                                                                                       | GRI-405-1             | 44%  | 44%  | 42%  | 39% ♀ | 37% ♀                      |
| >50                                                                                             | GRI-405-1             | 71   | 61   | 60   | 62    | 66                         |
| >50 (%)                                                                                         | GRI-405-1             | 31%  | 31%  | 32%  | 34% ♀ | 32% ♀                      |

| METRIC                                                                  | METHODOLOGY REFERENCE | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------------------------------------------------------|-----------------------|------|------|------|------|------|
| <b>Gender with the lowest representation by employee category ♀ (%)</b> |                       |      |      |      |      |      |
| Senior management                                                       | GRI-405-1             | 25%  | 31%  | 21%  | 20%  | 21%  |
| Management                                                              | GRI-405-1             | 34%  | 36%  | 34%  | 35%  | 27%  |
| Professional and technical operations                                   | GRI-405-1             | 39%  | 40%  | 43%  | 41%  | 43%  |
| Support staff                                                           | GRI-405-1             | 85%  | 80%  | 100% | 100% | 100% |

## NEW EMPLOYEES

|                                           |           |     |     |     |       |       |
|-------------------------------------------|-----------|-----|-----|-----|-------|-------|
| Total number of new hires – shore         | GRI-401-1 | 28  | 35  | 30  | 32    | 18    |
| Gender with the lowest representation (%) | GRI-401-1 | 32% | 46% | 47% | 38% ♀ | 28% ♀ |

### Total number of new employees by age group

|           |           |     |     |     |     |     |
|-----------|-----------|-----|-----|-----|-----|-----|
| <30       | GRI-401-1 | 6   | 8   | 6   | 8   | 7   |
| <30 (%)   | GRI-401-1 | 50% | 50% | 33% | 63% | 43% |
| 30-50     | GRI-401-1 | 17  | 23  | 20  | 18  | 10  |
| 30-50 (%) | GRI-401-1 | 35% | 43% | 50% | 28% | 20% |
| >50       | GRI-401-1 | 5   | 4   | 4   | 6   | 1   |
| >50 (%)   | GRI-401-1 | 0%  | 50% | 50% | 33% | 0%  |

## TURNOVER

|                                            |           |   |   |       |       |       |
|--------------------------------------------|-----------|---|---|-------|-------|-------|
| Total number of departures – shore         | GRI-401-1 | - | - | 43    | 25    | 21    |
| Total turnover rate – shore                | GRI-401-1 | - | - | 17%   | 10%   | 8%    |
| Gender with the highest representation (%) | GRI-401-1 | - | - | 58% ♀ | 60% ♂ | 57% ♂ |

### Total number of departures by age group with highest gender representation

|           |           |   |   |       |       |        |
|-----------|-----------|---|---|-------|-------|--------|
| <30       | GRI-401-1 | - | - | 7     | 6     | 1      |
| <30 (%)   | GRI-401-1 | - | - | 57% ♀ | 83% ♂ | 100% ♀ |
| 30-50     | GRI-401-1 | - | - | 24    | 13    | 13     |
| 30-50 (%) | GRI-401-1 | - | - | 58% ♀ | 54% ♂ | 54% ♀  |
| >50       | GRI-401-1 | - | - | 12    | 6     | 7      |
| >50 (%)   | GRI-401-1 | - | - | 58% ♀ | 50% ♂ | 57% ♀  |

## GOVERNANCE

| METRIC                                                                                                                                 | METHODOLOGY REFERENCE | 2020 | 2021 | 2022 | 2023 | 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------|------|------|------|------|
| <b>ETHICS AND ANTI-CORRUPTION</b>                                                                                                      |                       |      |      |      |      |      |
| Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index     | SASB TR-MT-510a.1     | 95   | 117  | 102  | 67   | 68   |
| Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index (%) | SASB TR-MT-510a.1     | 3.5% | 3.8% | 3.2% | 2.6% | 2.4% |
| Total amount of monetary losses because of legal proceedings associated with bribery or corruption                                     | SASB TR-MT-510a.2     | 0    | 0    | 0    | 0    | 0    |
| <b>CYBER SECURITY AND PRIVACY</b>                                                                                                      |                       |      |      |      |      |      |
| Percentage of employees trained on cyber security – shore                                                                              | -                     | -    | -    | -    | 90%  | 90%  |
| Percentage of employees trained on cyber security – ship                                                                               | -                     | -    | -    | -    | 62%  | 62%  |
| <b>RIGHT TO PRIVACY</b>                                                                                                                |                       |      |      |      |      |      |
| Total number of substantiated complaints received concerning breaches of privacy                                                       | GRI 418-1             | 0    | 0    | 0    | 0    | 0    |
| Total number of identified leaks, thefts, or losses of data                                                                            | GRI 418-1             | 0    | 0    | 0    | 0    | 0    |

## 04 Comments on ESG Performance Data

### BOUNDARY SETTING

The data provided in our ESG Scorecard includes all the assets CSL owns and operates, including vessels under third-party management, unless otherwise stipulated. The data includes employees of The CSL Group or subsidiaries. Assets and employees in CSL's joint ventures are excluded from the data.

### ACTIVITY METRICS

The activity metrics serve as an important reference point for other ESG disclosures. The number of port calls and distance travelled includes transshipment operations, while the total deadweight tonnage excludes transshipment platform and barges.

The total number of port calls includes any stops for repairs or fueling. Prior to 2021, the total number of port calls only included loading and discharge ports.

## ENVIRONMENTAL

### MARINE POLLUTION

Treated bilge water is the water legally discharged after treatment through a vessel's oily water separator. In the Great Lakes, ships must comply with 5 parts per million (ppm) oil to water content in the bilge discharged. In international waters, the limit is 15 ppm.

### AIR POLLUTANTS

Sulphur oxide emissions are calculated from the SO<sub>x</sub> percentage mandated and declared on the bunker delivery note. Nitrous oxide emissions and particulate matter calculations and emission factors are based on Green Marine data for different engine speeds and fuel types.

### GREENHOUSE GASES

#### CONVERSION FACTORS

We use the following standard conversion factors for fuel metric tonnes to gigajoules: heavy fuel oil 39,000KJ/KG, marine diesel oil 42,000KJ/KG, biodiesel 37,000 KJ/KG.

#### LIFE CYCLE ASSESSMENT (LCA)

Previously, our fleet's Energy Efficiency Operating Indicator (EEOI) was calculated using a tank-to-wake approach for all fuels. Since 2023, we adopted a consistent well-to-wake methodology for biofuel as set out by the IMO's 2023 Interim Guidance

on the Use of Biofuels. As a result, we consolidated the EEOI metrics from four down to two. We continue to use the tank-to-wake approach for traditional fuels. The two remaining indicators are:

- Total EEOI (blend of tank-to-wake for traditional fuels and well-to-wake for biofuels)
- Laden EEOI (blend of tank-to-wake for traditional fuels and well-to-wake for biofuels)

#### SCOPE 1 EMISSIONS

Scope 1 emissions exclude biogenic CO<sub>2</sub> emissions.

Biogenic emissions are calculated on a well-to-wake basis and reflect the CO<sub>2</sub> equivalent emissions from biodiesel using a conversion factor of 0.74.

#### SCOPE 2 EMISSIONS

The notable increase in Scope 2 emissions from 2023 to 2024 is primarily due to winter lay-up in the United States, where electricity grids emissions are higher compared to Canada.

### WASTE AND HAZARDOUS MANAGEMENT

This disclosure includes all waste generated on board our global fleet but excludes office-generated waste. Organic waste refers to all organic material generated on board, which is sent to composting facilities through our dedicated waste management supplier. We do not include dry cargo residues in our waste data.

### ENVIRONMENTAL COMPLIANCE

There were three breaches in 2024 for discharging grey water, water glycol, and oily water in prohibited areas. This was reported to the appropriate authorities and actions were taken to ensure enhanced monitoring of vessel position and transits in protected areas.

### SHIPPING DURATION IN MARINE PROTECTED AREAS

Our operations in the Great Lakes and Australia frequently require vessel transits through environmentally sensitive areas, including the Great Barrier Reef, Monterey Bay Marine Sanctuary and Gulf of St. Lawrence whale zones. These transits are monitored and highly regulated.

## SOCIAL

### HEALTH AND SAFETY

All safety data applies exclusively to CSL employees and does not include hours worked or injuries sustained by contractors. Both the Lost-Time Injury Frequency Rate (LTIFR) and Total Recordable Case Frequency Rate (TRCFR) are calculated per one million person-hours worked.

### NUMBER OF MARINE CASUALTIES

One incident of switchboard malfunction resulted in a blackout with no impact on the surrounding environment or the crew members on board, just some minor damage to the propeller blades. Two crew members sustained serious injuries on two of our vessels. Immediate first aid was administered and the crew members were medically evacuated from the vessels. Both have since been declared fit and returned to their respective vessels.

### DIVERSITY AND INCLUSION

CSL's diversity and inclusion disclosure includes gender representation by age and employment type. For shore side employees, our data includes permanent employees in all regions as of December 31, 2024.

### NEW EMPLOYEES

The new employee disclosure metrics include all new permanent employees from every region, hired during the 2024 calendar year. This disclosure includes shoreside employees only.

### TURNOVER

Turnover disclosure metrics and gender representation therein include all departures during 2024 in every region. This disclosure includes shoreside employees only.

## GOVERNANCE

### ETHICS AND ANTI-CORRUPTION

In 2024, 51 countries ranked in the bottom 20 on Transparency International's Corruption Perceptions Index, due to multiple countries sharing the same scores. Of these, the three countries visited by CSL that appeared in the bottom 20, listed from most to least frequently visited, were Mexico, Guatemala and Guinea.

We believe the most effective way to combat corruption is by actively engaging with stakeholders to address its root causes, and not only avoiding regions perceived as high-risk. This commitment is reflected in CSL's zero-tolerance corruption policy and robust anti-corruption program, focused on due diligence and strong controls. We also take an active role in the Maritime Anti-Corruption Network, working with governments, NGOs, and civil society to tackle corruption where it is most prevalent and foster a culture of integrity across the maritime industry.

### RIGHT TO PRIVACY

We received no complaints related to breaches of privacy in 2024, nor were any reported through our Ethics Point hotline. Our cyber security monitoring and response systems detected no data leaks, thefts, or losses during the reporting period.



CSL GROUP

[www.cslships.com](http://www.cslships.com)