



23

ANNUAL REPORT



# Governance and statutory bodies

## BOARD OF DIRECTORS

### Chairman

Mr. Augusto Cosulich

### Honorary Chairman

Mr. Andrea Cosulich

### Vice Chairman

Mr. Matteo Cosulich

### CEO

Mr. Augusto Cosulich

Mr. Matteo Cosulich

Mr. Tomaso Moreno

Mrs. Marta Cosulich

Mr. Timothy Cosulich

### CFO

Mr. Stefano Abate

## BOARD OF STATUTORY AUDITORS

### Chairman

Mr. Riccardo Bolla

### Statutory Auditors

Mr. Sebastiano Bolla Pittaluga

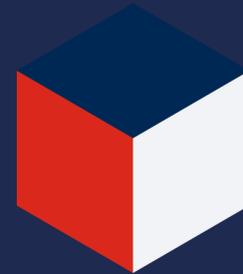
Mr. Paolo Bisio

### Independent Auditors

Baker Tilly Revisa

Mr. Davide Trincherò (partner)

*Fratelli Cosulich*®   
Since 1857



# Empowering business ideas.

"Empowering business ideas" encapsulates Fratelli Cosulich Group's commitment to innovation and growth. In our dynamic landscape, we thrive on cultivating and nurturing groundbreaking concepts, unlocking new avenues for business expansion. With our focus on acquiring companies and assets, the final goal is to propel business to new heights.

"Empowering business ideas" slogan that will be used for the 2023 Annual Report and all 2024 Corporate activities underscores our dedication to fostering creativity, seizing opportunities, and driving transformative change within the industry.

We are not just adapting to the future: we are actively shaping it. Join us on this exciting journey as we **empower business ideas**.



# Index

## 1. OUR 2023 RESULTS

Letter from the Chairman  
2023 Key results  
2023 Timeline

## 2. OUR GROUP

Global presence  
Our heritage  
Business Units composition details  
Members of the Board  
Marine Energy  
Shipowning  
Freight Forwarding  
Shipping Agency  
Trade and Manufacturing  
Trucking and Intermodal  
Yachting  
Catering and Provisioning  
IT and Digital  
Insurance Broking  
Business and Leisure Travel  
Manning and Training  
Warehousing and Depot

## 3. 2023 CONSOLIDATED FINANCIAL STATEMENT

Letter from the CFO  
Overall results  
2023 Key financial indicators  
Balance Sheet & Income statement  
Explanatory Notes  
Management report  
Auditors' report

## 4. 2023 PARENT COMPANY FINANCIAL STATEMENT

Balance Sheet & Income statement  
Explanatory Notes  
Management report  
Auditors' report

# Sustainability Report

## 5. RESPONSIBLE BUSINESS MODEL AND GOVERNANCE

Our sustainability Governance  
Our ESG journey  
Our 5 key values and our Corporate Code of Ethics

## 6. OUR MAIN ASSET: PEOPLE

Who we are  
Hiring process & Talent development  
Health & Safety

## 7. OUR ENVIRONMENTAL COMMITMENT

Our commitment in decarbonising shipping  
Our GHG emissions and mitigation initiatives

## 8. ESG APPENDIX

ESG Data  
Methodology and notes  
GRI Content index  
Auditors' report



1.

# Our 2023 Results



## Letter from the Chairman

Since I was appointed Chairman of the Fratelli Cosulich Group, writing this annual message has been one of the most significant moments of the year.

The Annual Report provides a valuable opportunity to open a public door for us to share the most meaningful news within our perimeter. The one we are sharing with you today contains more detailed information than ever before, sticking to the will of transparency to communicate more effectively and providing a deeper set of information on our ESG path, now fully integrated into the report. Open communication, integrity, and transparency are principles and strict rules that guide our actions.

For me and my family, the Fratelli Cosulich Group is not just our work; it is a legacy linking our ancestors to future generations of Cosulich family. Our mission is to serve the Group, ensuring its growth year after year. In 2023, we continued to show solid business results. Our company now encompasses 133 companies, achieving a consolidated net profit of € 30.2 million. These numbers prove the power of our strategy, which translated into investments, especially in a year marked by new geopolitical and macroeconomic challenges, such as the conflict in Eastern Europe, tensions in the Far and Middle East, and the rise of interest rates.

Our strategic focus remained on sustainable growth and customer-centric innovation. Our investments in the LNG sector and new fuels for Marine Energy, our entrance into the steel activities, and the continued expansion of our logistics sector are tangible proof of it. We are fearless of failure when we try new businesses or approaches. The solution to a fallacious

project is a better project, elaborated with all stakeholders involved and not its discontinuation.

We must sustain business ideas. We have always prioritized our customers over a battle with competitors, ensuring that our services meet their evolving needs and create deeper relationships with them. The acquisition of new assets and M&A actions in 2023, 13 in total, which translates to more than 1 per month, show that the Fratelli Cosulich Group is built on people ready to invest in ideas that can bring more business.

Looking forward, we will continue to focus on implementing assets and operations that could support the industry's environmental transition. We are committed to maintaining our high standards of transparency and communication and ensuring that our stakeholders are well-informed and engaged.

Shipping and logistics require dynamic solutions; we thrive on cultivating and nurturing groundbreaking concepts, unlocking new avenues for expansion as we have done in the last decades. With our focus on acquiring companies and assets, our ultimate goal is to propel business to new heights. We are building a powerful group that believes in its ideas and develops business incessantly.

We are already a Group that is **empowering business ideas**.

**Augusto Cosulich**

Chairman of Fratelli Cosulich Group



## 2023 Key results



# 1.9

### Turnover

Billion Euro

Our turnover data shows a slight decrease, which is related to macroeconomic factors rather than a decline in our activities, all of which yield excellent results.

# 3,000

### Group Employees

Our greatest assets are people. Considering both subsidiaries and affiliated companies, our team is growing year on year.



# 49.9

### EBITDA

Million Euro

After an exceptional year, the operational margin normalised, with a decrease that still show solid result.

# 133

### Number of companies

Our aim is to grow through external acquisitions and create new businesses based on value-added opportunities, broadening the Group's perimeter.



# 30.2

### Group Net Result

Million Euro

Following our best-ever year result, the Group companies also achieved outstanding performances, demonstrating exceptional consistency.

# 15

### Number of vessels

From the start, we focused on asset management and ownership. Our Group's fleet now includes general cargo vessels, dry bulk carriers, and bunker tankers.



## 2023 Timeline

### January

Kick off ESG journey  
Corporate

### February

**INVESTMENT** Handymax M/V Saturnia  
Shipowning

**M&A** Argenton & Soci  
IT and Digital, Yachting, Shipowning

### March

**ESTABLISHMENT** Fratelli Cosulich ShipManagement  
Shipowning

**INVESTMENT** Bulk Carrier M/V Capt. Vovchuk  
Shipowning

**M&A** ASSA  
Yachting

### April

**ESTABLISHMENT** Catalano Shipping Services Singapore  
Yachting

### June

**M&A** Lavorazione Industriale Fili - LIFI  
Trade and Manufacturing

### July

**ESTABLISHMENT** Fratelli Cosulich Restaurante  
e Treinamentos  
Catering, Manning

**ESTABLISHMENT** TPG EXPRESS Serbia  
Freight Forwarding

### September

**M&A** Ciscato & Company  
Freight Forwarding, Shipping Agency

### October

**ESTABLISHMENT** Express Global Transport  
Trucking and Intermodal

### November

**M&A** Opera Maritime  
Shipowning

**INVESTMENT** Bulk Carrier M/V Portofino

### December

**ESTABLISHMENT** Olive  
IT and Digital

### 2024 Preview

January

**M&A** Trasgo

Warehousing, Trucking and Intermodal

February

**ESTABLISHMENT** AL Steel Logistic

Trucking and Intermodal

**INVESTMENT** Bulk Carrier M/V Kherson

**ESTABLISHMENT** Vehicle Logistic Vado

Warehousing and Depot

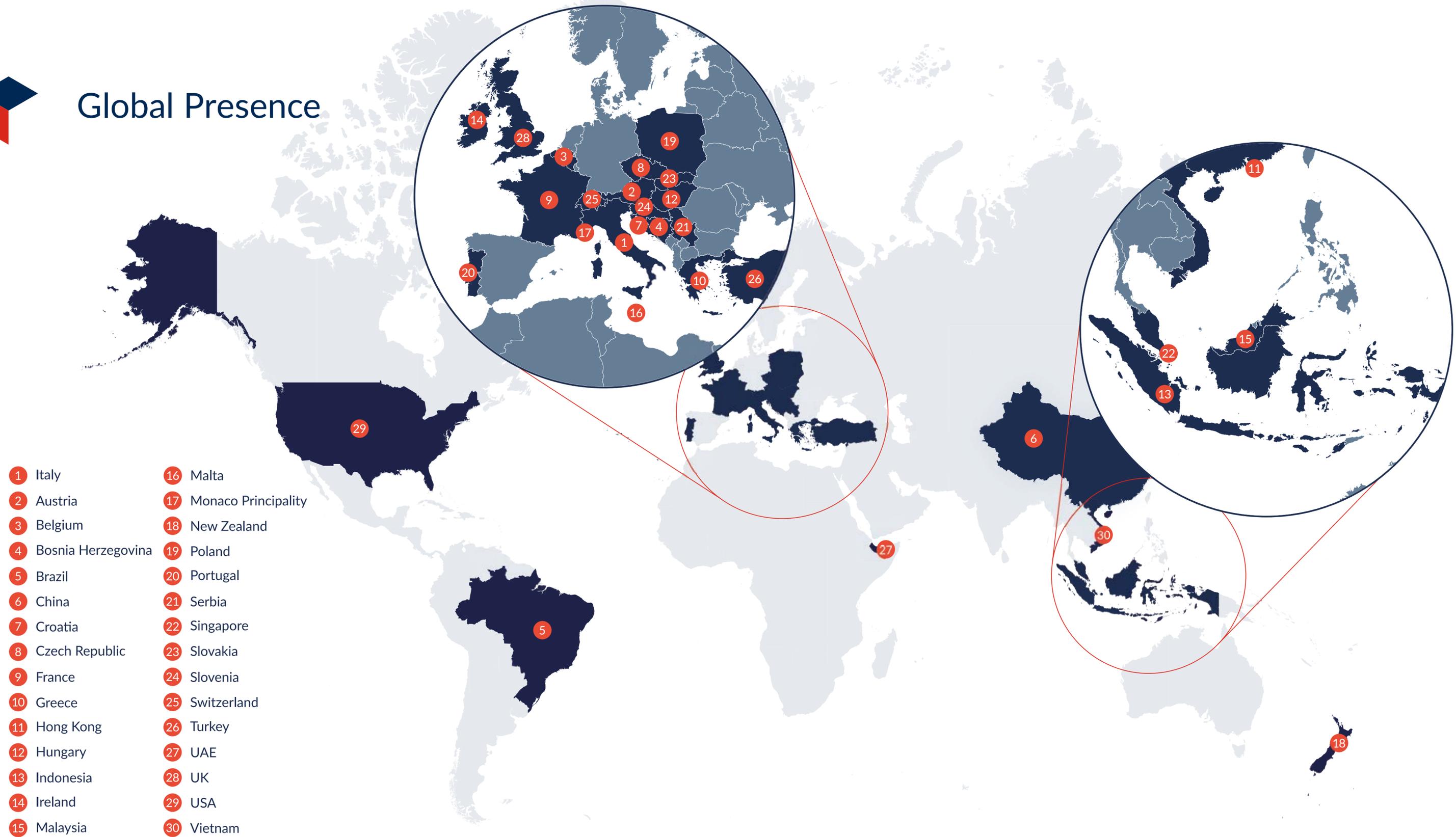


2.

## Our Group



# Global Presence





## Our heritage

**1857**  
**1900**

Captain Antonio F. Cosulich built the 500-tonne ship FIDES and launched the family's shipping business. This initial venture marked the beginning of a long and storied history in maritime activities for the Cosulich family.

**1900**  
**1930**

Callisto Cosulich established Austro-Americana for services from Trieste to North and South America, while Alberto Cosulich built a shipyard at Monfalcone. Despite World War I, the Cosulich family reopened operations as the Cosulich Line and rebuilt the shipyard. They built the transatlantics SATURNIA and VULCANIA, connecting Trieste and Naples to New York.

SISA was also founded, operating flights within Italy and expanding routes, and new shipping lines connected Trieste with Genoa and Fiume.

**1930**  
**1960**

In the 1930s, OCEANIA and NEPTUNIA ships were built for the South American route. Post World War II, SISA resumed operations, acquiring seven Douglas C-47s. The Cosulich family revived Gorizia's airport and initiated international air links. SISA merged into Avio Italian Lines, renamed ALI - Flotte Riunite. In the 50s, Fratelli Cosulich was incorporated in Trieste with branches in Genoa, Naples, and Palermo, managing fleets for oil companies and providing catering and travel services.

**1960**  
**1990**

In the 1960s, Cosulich AG was established in Zurich, expanding as general sales agents for cruise ship owners. The 70s saw further expansion with Fratelli Cosulich as the agent for Arya National Shipping Lines in Tehran and establishing ASAMAR Inc. in New York for bunkering. The 80s brought appointments as agents for major airlines in Italy, and expanded bunkering activities into Hong Kong, becoming the agent for COSCO Lines Shanghai.

**1990**  
**2020**

The 90s marked the begin of the diversification strategy: establishment of Link Industries, launching freight forwarding through Express, and IT services. The 2000s saw growth in catering and yachting, reaching Brazil. The Group entered physical bunkering supply, acquiring tankers in Singapore Bay. In the 2010s, it purchased three general cargo vessels, and the dry bulk carrier Vulcania. Then it ventured into the steel industry, with logistics activities and with the acquisition of Trasteel Group.

**2020**  
**today**

The Group aims to be a top partner across various fields, focusing on internal improvements and external collaborations. Sustainability efforts include LNG vessels Alice and Paolina Cosulich, aiding maritime decarbonization. The Group's commitment extends further with an ESG Plan addressing key sustainability issues.



### Our Captain, Antonio Cosulich.

Capt. Antonio Cosulich began with our Group in the late 60s, reshaping its trajectory with dedication and vision.

At that time, the Group operated as an agency, catering, and manning provider for shipowners. Antonio introduced Marine Energy activities, from trading broking to physical supply. His forward-thinking mindset kicked-off also our digital activities into the shipping and logistics operations, already 30 years ago, motivating us to strive for exceed the ordinary. His approach transformed the industry, he served as the second Chair of the newly body IBIA. He was a remarkable businessman, embedding our core values of teamwork, and a customer-focused approach.

The loss of Capt. Antonio Cosulich at the end of 2023 is immeasurable. His legacy is carried on by board members, including his brother, Honorary Chairman Andrea, and his daughter Marta, CEO. Matteo, Tomaso, and Stefano joined the Group and Board under his wing. Augusto, succeeding as Chairman, along with his son Timothy, Chair of IBIA in 2023, also uphold his vision.

We will honor his memory by confirming the principles he cherished. Capt. Antonio Cosulich's spirit will forever guide our organization, inspiring us to achieve greater heights as a team and a family.



## Business units composition details

BUSINESS UNIT	COMPANY	FC SHARE	ESG	BUSINESS UNIT	COMPANY	FC SHARE	ESG
Business and Leisure Travel	Fratelli Cosulich S.p.A.	100,00%	●	Freight Forwarding	Express Global BV	39,35%	
Business and Leisure Travel	Griffin Marine Travel Italy S.r.l.	50,00%		Freight Forwarding	AEGIDA D.O.O.	35,84%	
Catering and Provisioning	Fratelli Cosulich S.p.A.	100,00%	●	Freight Forwarding	Dragon Maritime D.o.o. (Koper)	35,84%	
Catering and Provisioning	Fratelli Cosulich Comercio & Serviços Ltda	100,00%	●	Freight Forwarding	TPG EXPRESS D.o.o. (Slovenia)	35,84%	
Freight Forwarding	Express Global International Ltd	100,00%	●	Freight Forwarding	TPG EXPRESS Austria Gmbh	28,24%	
Freight Forwarding	Fratelli Cosulich Tasimacilik Hizmetleri Ltd	100,00%	●	Freight Forwarding	TPG EXPRESS D.o.o. (Croatia - Koper, Rijeka)	28,24%	
Freight Forwarding	Express Adriatica S.r.l.	85,84%	●	Freight Forwarding	TPG EXPRESS s.r.o. (Czech Republic)	28,24%	
Freight Forwarding	Express S.r.l.	71,67%	●	Freight Forwarding	TPG EXPRESS s.r.o. Magyarországi Fióktelepe (Hungary)	28,24%	
Freight Forwarding	Express USA Inc.	71,67%	●	Freight Forwarding	TPG EXPRESS Sp. z o.o.	28,24%	
Freight Forwarding	Express Chita Ltd	53,76%	●	Freight Forwarding	M CON Rail D.o.o.	23,65%	
Freight Forwarding	MESCO International Forwarding Inc.	51,00%	●	Freight Forwarding	Saimare S.p.A.	20,00%	
Freight Forwarding	AGS HK Ltd	50,46%	●	Freight Forwarding	TPG EXPRESS GmbH	16,94%	
Freight Forwarding	Archimede Gruden S.r.l.	50,46%	●	Insurance	Cosulich Assicurazioni S.r.l.	100,00%	●
Freight Forwarding	Luvitrans International S.r.l.	50,46%	●	IT and Digital	Genesys Informatica S.r.l.	95,50%	●
Freight Forwarding	Arcese Cosulich Ireland Ltd	50,00%		IT and Digital	Argenton & Soci S.r.l.	53,81%	●
Freight Forwarding	Arcese Cosulich Uluslararası Tasimacilik Ve Lojistik Ltd	50,00%		IT and Digital	Comunico S.r.l.	51,00%	●
Freight Forwarding	Italmare Lojistik Servis A.Ş.	50,00%		Manning and Training	Fratelli Cosulich S.p.A.	100,00%	●
Freight Forwarding	Oc Lines Tasimacılık ve Lojistik A.S. (Turkey)	50,00%		Manning and Training	Gente Di Mare S.r.l.	90,00%	●
Freight Forwarding	Gruden USA Inc.	49,96%		Marine Energy	Fratelli Cosulich Bunkers (S) Pte Ltd	100,00%	●
Freight Forwarding	CISCATO & COMPANY S.r.l.	40,00%		Marine Energy	Fratelli Cosulich France SaS	100,00%	●

● Companies included in the ESG data collection

BUSINESS UNIT	COMPANY	FC SHARE	ESG	BUSINESS UNIT	COMPANY	FC SHARE	ESG
Marine Energy	Fratelli Cosulich Greece SMPC	100,00%	●	Trade and Manufacturing	Fematec	36,95%	
Marine Energy	Fratelli Cosulich Middle East DMCC	100,00%	●	Trade and Manufacturing	Shanghai Yilin International Trade Co. Ltd	36,95%	
Marine Energy	Fratelli Cosulich Monaco SAM (Ex Chemoil)	100,00%	●	Trade and Manufacturing	TAMAC S.r.l.	36,95%	
Marine Energy	Fratelli Cosulich S.p.A.	100,00%	●	Trade and Manufacturing	Trasteel Distribution Gmbh	36,95%	
Marine Energy	Fratelli Cosulich Unipessoal S.A.	100,00%	●	Trade and Manufacturing	Trasteel Energy Sa	36,95%	
Marine Energy	Fratelli Cosulich USA LLC	100,00%	●	Trade and Manufacturing	Trasteel International SA	36,95%	
Marine Energy	Fratelli Cosulich Bunkers (HK) Ltd.	60,00%	●	Trade and Manufacturing	Trasteel Makina ve Ticaret A.S.	36,95%	
Marine Energy	FemoBunker S.r.l.	45,00%		Trade and Manufacturing	Trasteel Refractory Co. Ltd (Asia)	36,95%	
Shipowning	Fratelli Cosulich LNG 2 S.r.l.	100,00%	●	Trade and Manufacturing	Trasteel Trading Dmcc	36,95%	
Shipowning	Fratelli Cosulich LNG S.r.l.	100,00%	●	Trade and Manufacturing	Trasteel Trading Holding	36,95%	
Shipowning	Fratelli Cosulich Shipmanagement S.r.l.	100,00%	●	Trade and Manufacturing	Trasteel Trading Holding SA	36,95%	
Shipowning	Pimlico Shipping Ltd	80,00%	●	Trade and Manufacturing	Mac Welding S.r.l.	30,00%	
Shipowning	Vulcania S.r.l.	80,00%	●	Trade and Manufacturing	Yugotub D.o.o.	27,71%	
Shipowning	Ecos S.r.l.	40,00%		Trade and Manufacturing	Trasteel S.r.l.	25,00%	
Shipping Agency	Fratelli Cosulich S.p.A.	100,00%	●	Trade and Manufacturing	C.M.P. S.r.l.	24,83%	
Shipping Agency	Arco Denizcilik Servis A.S.	100,00%	●	Trade and Manufacturing	Ispadue S.p.A.	24,83%	
Shipping Agency	Argosy S.r.l.	100,00%	●	Trade and Manufacturing	Profilmec S.p.A.	24,83%	
Shipping Agency	Calle del Mar S.r.l.	100,00%	●	Trade and Manufacturing	S.I.T. S.p.A.	24,83%	
Shipping Agency	Fratelli Cosulich Monfalcone S.r.l.	85,00%	●	Trade and Manufacturing	Officine Tecnosider S.r.l.	18,84%	
Shipping Agency	Agenzia Marittima Saidelli S.r.l.	80,00%	●	Trade and Manufacturing	R.O.L.M. S.r.l.	18,75%	
Shipping Agency	Marlines S.r.l.	80,00%	●	Trade and Manufacturing	S.I.M. S.r.l.	12,42%	
Shipping Agency	Arkas Italia S.r.l.	50,00%		Trucking and Intermodal	Lorma Logistic S.r.l.	77,25%	●
Shipping Agency	Coscos S.r.l.	50,00%		Trucking and Intermodal	Ne Logistic S.r.l. New (Ex Lorma Italc)	77,25%	●
Shipping Agency	COSCO Shipping Lines Italy S.r.l.	40,00%		Trucking and Intermodal	Roadliner International Ltd	50,00%	
Shipping Agency	Dragon Maritime Adria D.o.o. (Rijeka)	35,84%		Trucking and Intermodal	C&C Transport S.r.l.	40,00%	
Shipping Agency	Dragon Maritime SEE D.o.o. (Belgrade)	23,65%		Trucking and Intermodal	ARKO Shipping D.o.o. (Koper)	35,84%	
Trade and Manufacturing	Link Industries S.p.A.	100,00%	●	Trucking and Intermodal	ARKO Shipping D.o.o. (Rijeka)	35,84%	
Trade and Manufacturing	Link Trading (Beijing) Ltd.	88,57%	●	Warehouse and Depot	Morgan 4Ship S.r.l.	100,00%	●
Trade and Manufacturing	Link Trading (HK) Ltd.	88,57%	●	Warehouse and Depot	Sea Trend Holding S.r.l.	100,00%	●

● Companies included in the ESG data collection

BUSINESS UNIT	COMPANY	FC SHARE	ESG
Warehouse and Depot	Ambro Terminal S.r.l.	77,25%	●
Warehouse and Depot	Sultan Antrepo AS	50,00%	
Warehouse and Depot	DepoLink D.o.o. (Belgrade)	23,65%	
Warehouse and Depot	DepoLink D.o.o. (Koper)	17,92%	
Warehouse and Depot	DepoLink D.o.o. (Rijeka)	17,92%	
Yachting Agency	Catalano Shipping Services SAM	77,67%	●
Yachting Agency	Menton Service Auto Sarl	77,67%	●
Yachting Agency	Monaco Yacht Partner Sarl	77,67%	●
Yachting Agency	International Food Logistics Sarl	77,67%	
Yachting Agency	Catalano Shipping Services France Sarl	76,89%	●
Yachting Agency	Montecarlo Rent@Car SAM	76,89%	●
Yachting Agency	Coscat Cannes SCI Sarl	76,11%	●
Yachting Agency	Coscat SCIM SAM	76,11%	●
Yachting Agency	Agence Maritime Tropezienne Sarl	73,78%	●
Yachting Agency	La Route du Sud SAM	68,35%	●
Yachting Agency	Monaco Engineers Sarl	48,93%	
Yachting Agency	Pesto Sea Group S.r.l.	45,00%	
Yachting Agency	Just Provisions Sarl	38,84%	
Yachting Agency	Provence Yacht Service Sarl	38,84%	
Yachting Agency	Simmor Marine D.o.o.	38,84%	
Yachting Agency	Corsica Yacht Service Sarl	38,84%	
Yachting Agency	Marina Molo Vecchio Supply S.r.l.	31,50%	
Yachting Agency	Catalano Shipping Services Indonesia	27,18%	
Yachting Agency	Catalano Shipping Services New Zealand	27,18%	

● Companies included in the ESG data collection

NOTE: The list of companies represented here does not exclusively fall within the perimeter of consolidation for 2023.



## Organizational Chart

Scan this QR Code to discover our Group's organizational chart





## Members of the Board

Generation after generation, our family always shared and passed on the same values. Freedom of thought, cooperation, respect of the rules and dedication to work are our guiding principles.

We believe that every result can be accomplished if the path to reach it is pursued with passion and motivation.

Each member of the Group contributes to the work of all, bringing their unique talents. In the same way, every Board member continues to carry out their work demonstrating a strong sense of responsibility and ongoing commitment.

The secret of our success is hidden in our people, and we all feel very proud and grateful of being actively part of this incredible Group.



### Andrea Cosulich

Naval engineer with extensive professional experience in ship building and shipmanagement, he held responsibility for shipowning activities involving the new building ones, in addition to his responsibilities for the development of Catering and Manning. Since 2020, he has served as Honorary President with a special mandate to oversee the construction of new LNG Bunker tanker vessels.

**Joined the Group in:** 1976  
**Member of the Board since:** 1976  
**Business Unit Responsible for:** Ship Management department  
**Responsible for Corporate function:** LNG development supervision  
**Other Public roles:** Consul of Germany from 2004 to 2014



### Augusto Cosulich

With a Law degree, he began his professional experience abroad before taking on the responsibility of developing relationships with companies operating in the Far East for the Group. His contributions resulted in significant JVs with COSCO and ARKAS, as well as the re-entry into shipowning activities and internal diversification in the steel industry. As Chairman his commitment is to develop a stronger and diversified Group, able to produce more job and business opportunities.

**Joined the Group in:** 1980  
**Member of the Board since:** 1981  
**Business Unit Responsible for:** Agency, Logistics, Freight Forwarding, Trade and Manufacturing, Warehousing and Depot  
**Responsible for Corporate function:** Group Business development on commercial and strategic activities, Marketing and PR activities  
**Other Public roles:** Cavaliere del Lavoro, Honorary Consulate of Malta, Head of Consulates for Genoa City



### Matteo Cosulich

With a multifunctional background and extensive international experience, he has been in charge of the Group's innovation and technology development for nearly three decades. His contribution has helped into implementing in the Group's operations, added value digital processes. He has been working for the creation of the right corporate tools to develop a unique identity as a Group since his appointment as Vice-Chairman.

**Joined the Group in:** 1992  
**Member of the Board since:** 1995  
**Business Unit Responsible for:** Manning and Training, Business and Leisure Travel, Insurance Broking, IT and Digital, Warehousing and Depot  
**Responsible for Corporate function:** Real Estate activities



## Tomaso Moreno

With more than two decades in the yachting industry, his substantial contributions have been pivotal in the establishment, development, and expansion of the Group's activities in this sector.

Leveraging exceptional interpersonal skills and a winning strategic approach, he has enabled the Group to distinguish itself as one of the rare entities capable of encompassing nearly all continents, in the most exclusive ports and marinas.

**Joined the Group in:** 2000

**Member of the Board since:** 2012

**Business Unit Responsible for:** Yachting



## Marta Cosulich

Graduated in Mathematics, she entered the Group after a fruitful experience in companies managing big data. Thanks to her professional background, she contributed to the introduction of new tools for the collection and analysis of data within the Group.

Leveraging on her flexible skills, she has held various positions within the Group, ultimately assuming a key role in logistics activities within the Central Eastern Europe area.

**Joined the Group in:** 2007

**Member of the Board since:** 2012

**Business Unit Responsible for:** Trade and Manufacturing, Freight Forwarding, Catering and Warehousing

**Other Public roles:** CDA Member of the University of Genoa, Board Member of Banca Sella Holding, Member of AIDDA



## Timothy Cosulich

With a remarkable academic career into Business Administration at renowned universities such as INSEAD and Harvard Business School, he joined the Group, after a number of years around Europe and Asia working in strategic consulting at PwC and in logistics at AP Moller Maersk.

His exceptional leadership skills and visionary mindset have been instrumental in consolidating the Group's presence in the Far East and promoting the Group as an Employer of choice.

He recently added the leadership of the HR function to his portfolio of responsibilities.

**Joined the Group in:** 2010

**Member of the Board since:** 2012

**Business Unit Responsible for:** Marine Energy

**Responsible for Corporate function:**

Human resources

**Other Public roles:** Chair of IBIA, Member of YPO



## Stefano Abate

An academic international background with extensive experience as a Financial Auditor before joining the Group as CFO.

His dynamic way of working and thinking has helped to reach the Group's significant milestones over the last two decades. Thanks to his expertise and the team he assembled to work with, he ensured that the Group had everything it needed to compete with the best in the industry.

As the only member of the board who does not belong to the family, his contribution is well recognized.

**Joined the Group in:** 2001

**Member of the Board since:** 2017

**Business Unit Responsible for:** Shipowning

**Responsible for Corporate function:**

Corporate Finance, Accounting and Reporting, ESG, Admin & General services



# Marine Energy

Our financial performance remains strong, though economic results are lower than in 2022 due to the stabilization of bunker prices following the previous year's geopolitical spike. Nonetheless our market share has remained stable, demonstrating the strength and efficiency of our operations.

In 2023 our Marine Energy Business Unit made significant progress toward reducing emissions and increasing sustainability. Four of our bunker trading companies have obtained ISCC certification, with three more expected to complete the process by 2024. We also set up our Carbon Desk and registered to trade EU ETS carbon allowances, successfully completing our first EUA transaction in January 2024.

In 2023, our Fratelli Cosulich France office completed its first full year of operations, expanding our footprint in Europe. Furthermore, FEMO Bunker, our specialized bunker trading company in the yachting sector, began providing biofuel solutions it is planning for methanol deliveries in the near future.



During 2023 our CEO and Board Member, Timothy Cosulich, served as Chair of the International Bunker Industry Association (IBIA).

As we continue to manage our fleet of bunker tanker vessels, our internal ship-management team remains proactive in providing top-tier service to major oil companies. Our team in China has been diligently overseeing the construction of the first two Italian-flagged LNG Bunker Tanker Vessels, which were delivered in Q4 2023 and Q1 2024 respectively.

Overall, 2023 has been a year of strategic development and sustainability initiatives, reinforcing our commitment to innovation and environmental stewardship in the marine energy industry.

## KPIs

<b>EBITDA</b> Euro – Million	<b>17.1</b>	<b>Companies</b>	<b>12</b>
<b>Net Result</b> Euro – Million	<b>6.6</b>	<b>Countries</b>	<b>9</b>



# The Value Chain

## SUPPLIERS

Oil & Energy Companies

Logistic and Storage Providers

## SERVICES PROVIDED

Supply of Marine fuels

Energy management solutions

## CUSTOMERS

Shipping companies

## Our activities' perimeter

The Marine Energy team at the Fratelli Cosulich Group offers world-class solutions for marine fuel and LNG needs. With a global team and cutting-edge bunkering vessels, we supply a diverse range of fuels, while prioritizing safety and environmental responsibility. Our commitment to shaping a better future for global shipping is also reflected in our industry leadership and membership in the International Bunker Industry Association (IBIA).

## INSIGHT

## The future of marine energy, stem by stem.

As Fratelli Cosulich Group pursues a cleaner maritime future, our investment in alternative fuels not only meets regulatory requirements but also exemplifies industry leadership.



Fratelli Cosulich Group has begun a transformative journey towards more sustainable energy solutions. Our commitment to environmental responsibility and technological innovation is driven by our team's technical expertise and a fleet ready to support the transition to alternative fuels.

Our twin small-scale LNG bunker vessels, Alice Cosulich and Paolina Cosulich, are now fully operational, meeting the growing demand from LNG - fuelled vessels. However, our diversified investments clearly show we are committed to a multifuel future. Vessels like Marta Cosulich, our first IMO2 chemical bunker vessel capable of delivering biofuel and methanol, and the anticipated 2025 delivery of our second IMO2 chemical bunker vessel, and the first methanol - fuelled, demonstrate our Group's commitment to this vision.

Our journey to a more sustainable maritime industry extends to our trading business as well: most of our



companies have already obtained the International Sustainability and Carbon Certification (ISCC). This accreditation confirms our adherence to sustainable practices across all operations, ensuring transparency and accountability in our efforts to reduce carbon footprints.



As Fratelli Cosulich Group pursues a cleaner maritime future, our investment in alternative fuels not only meets regulatory requirements but also exemplifies industry leadership.



# Shipowning

In 2023, our shipowning activities continued to grow and evolve, significantly contributing to our overall success. We operate seven dry cargo vessels, including a Kamsarmax, and manage approximately six bunker tanker vessels in Singapore Bay, as well as two LNG Bunker Vessel (LNGBV).

This year, we added two new units to our fleet, bringing the total to Vulcania, Saturnia, Stellina, Portofino, Tzarevna, and Cap Vovchuk. We pursued and capitalized on all market opportunities to expand our fleet while maintaining adequate compensation.

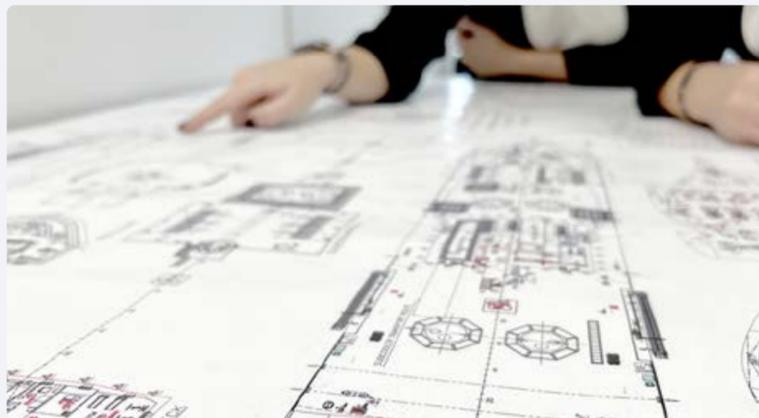
Our units are chartered with consistent profits over the previous year, making this activity one of the Group's largest EBITDA contributors.

Alice Cosulich, our first LNGBV, was delivered from the CIMC SOE yard on October 2023 and is now operational in ARA. Paolina Cosulich, our second LNGBV, completed sea trials at the

end of 2023 and was successfully delivered in February 2024; she is currently operating in Malaysia.

To meet our emission reduction goals in October 2023 we sold Cecilia Cosulich, one of our traditional bunker barges operating in Singapore. We replaced her with Marta Cosulich, our first IMO II bunker barge capable of carrying biofuel up to B100 and methanol. Construction is underway for another IMO II bunker barge, Maya Cosulich, which will be delivered at the end of 2025.

Furthermore, we established Fratelli Cosulich Shipmanagement, a company that will play a critical role in improving efficiency and synergy across all ship-owning activities within the Group. Fratelli Cosulich Shipmanagement's focus on technical support, management, manning, catering, and onboard technologies demonstrates our commitment to operational excellence and maritime industry growth.

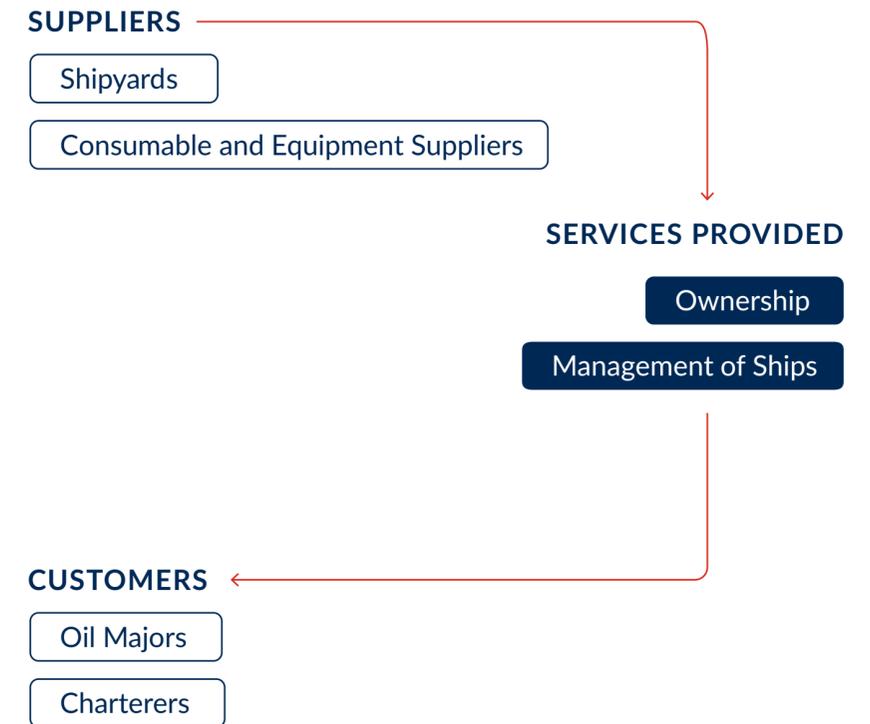


## KPIs

<b>EBITDA</b> Euro - Million	<b>14.9</b>	<b>Companies</b>	<b>6</b>
<b>Net Result</b> Euro - Million	<b>4.9</b>	<b>Countries</b>	<b>2</b>



# The Value Chain



## Our activities' perimeter

With over 160 years of shipowning expertise, Fratelli Cosulich Group boasts a diverse fleet of bunker tankers, dry bulk carriers, and LNG bunker tankers. Our vessels, chartered to major oil companies and serving the steel industry, operate on a global level with a commitment to excellence, safety, and sustainability. Offering customized ship management services and investing in fuel efficiency, we are a trusted partner for meeting the evolving needs of the shipping industry.



# Freight Forwarding

In 2023, the Fratelli Cosulich Group's Freight Forwarding sector faced a challenging yet rewarding year, marked by expansions and operational refinements. The decline in maritime freight rates significantly impacted our business. Despite this, we experienced remarkable growth in North East Italy, increasing volumes, improving results, and expanding services by establishing a department for import and export container traffic. The Upper Adriatic System Authority granted us permission to operate under Article 16, providing auxiliary services in the ports of Monfalcone and San Giorgio di Nogaro through Marlines.

In the second half of the year, we integrated Archimede Gruden into Express Global, entailing a managerial and structural reorganization to build a stronger entity better meeting market and customer demands. This integration also included our offices in New York, Hong Kong, and China under Express Global's unified management systems.



TPG EXPRESS and MESCO which joined the Group at the end of 2022, completed their first full year of operations in 2023. Their exceptional performance demonstrated effective synergies in traffic management and network expansion. In North Eastern Italy, increased volumes and improved results were achieved by expanding services and acquiring new operational capabilities in key ports. Our operations in Turkey continued to consolidate, significantly contributing to the Group's overall success.

In the United Kingdom, Express Global's UK operations achieved their best results since its establishment twenty years ago: also, it started the diversification of activities establishing Express Global Transport, and ushering in a new phase of growth and service expansion.

By integrating new entities and harmonizing our global operations, we have laid a solid foundation for future success in the freight forwarding industry.

## KPIs

<b>EBITDA</b> Euro – Million	<b>5.0</b>	<b>Companies</b>	<b>27</b>
<b>Net Result</b> Euro – Million	<b>6.3</b>	<b>Countries</b>	<b>16</b>



## The Value Chain

### SUPPLIERS

- Ship liners Companies
- Airline Companies
- Transportation Providers
- Custom Broker

### SERVICES PROVIDED

- Freight Forwarding
- Custom Brokerage
- Logistic Solutions

### CUSTOMERS

- Importers
- Exporters

## Our activities' perimeter

Our Freight Forwarding division plays a vital role in our Group, connecting departments and serving customers directly. With a global presence and strategic partnerships, we offer top-tier forwarding services by sea, land, or air. Synergically working with other business units such as Trucking, Warehousing, and strongly supported by our IT solutions, we provide tailored solutions for all types of shipments, ensuring efficient transport management and real-time control of operations.



# Shipping Agency

In 2023, Fratelli Cosulich Group's Shipping Agency division demonstrated ongoing resilience and adaptability, including Liner Agency (representing major shipping lines), and Tramp Agency activities.

Despite a slight decrease in total contribution due to lower freight rates compared to 2022, our Liner Agency operations remained stable. Ethiopian Shipping Lines awarded us Best Agency in the World at the Global Agency Meeting. Activities in the Balkans and Central Europe under Dragon continued strong, with a commitment to expanding services.

Our proactive approach aimed to expand services in the Tramp Agency sector, particularly in steel. Despite challenges, our

economic contributions remained stable and increased from the previous year. Our joint venture, C&C Transport, handled over 115,000 tons of steel with a low carbon footprint. We increased our market share in northeast Italy by acquiring CISCATO & Company and improving service offerings by chartering vessels for steel transport to northern Europe.

Argosy's success in LNG activities highlighted our division's diverse capabilities. Capitalizing on opportunities created by geopolitical factors affecting the oil and gas sector, Argosy solidified its position as a top choice. Marlines had one of its best years in terms of operations and economic performance, showcasing our division's potential for future growth and success.



## KPIs

<b>EBITDA</b> Euro – Million	<b>4.7</b>	<b>Companies</b>	<b>12</b>
<b>Net Result</b> Euro – Million	<b>8.4</b>	<b>Countries</b>	<b>5</b>



# The Value Chain

## SUPPLIERS

- Maritime Service Providers
- Local Logistics
- Port Services

## SERVICES PROVIDED

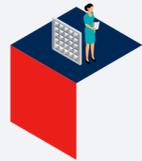
- Agency services for liner ships
- Documentation
- Customs clearance

## CUSTOMERS

- Shipping Companies
- Charterers
- Industries Actors

## Our activities' perimeter

As a Shipping Agency, we combine our Liner and Tramp teams to represent major shipping line companies and provide port operations. Serving as line agents in Italy and the Balkans, we expanded through joint ventures with Turkish and Chinese lines. The Tramp and Liner units cooperate, providing agency services for vessels and cargoes, including barge transport, dry-bulk handling and project cargo assistance. We also specialize in assisting the steel industry at major Italian ports.



# Trade and Manufacturing

In 2023, the Trade & Manufacturing business unit, including Link Industries and Trasteel Group, achieved remarkable results.

Link Industries thrived thanks to synergies and performance from 2022. The construction industry benefited from tax breaks and government incentives, maintaining an upward trend and significant profits. Increased environmental awareness boosted the insulation sector, with investments in insulation reducing emissions in line with EU legislation.

The Decree on Fire Response in Ventilation Systems and the upcoming European Standard on Industrial Energy Efficiency prompted factories to improve energy efficiency, increasing demand for Link's insulation products. As the Group's ESG policy pioneer, Link Industries aims to comply with the new EU Regulation 2023/956, establishing the Carbon Border Adjustment Mechanism (CBAM) with stringent CO2 tariffs on imported goods.



Trasteel Group's strong performance over the last three years highlights our effective vertical integration strategy started in 2020. While profit margins normalized after the 2021-2022 commodity price spike, the ongoing slab shortage in Europe, due to limited Ukrainian and Russian supply, allowed Officine Tecnosider to achieve record results in 2023.

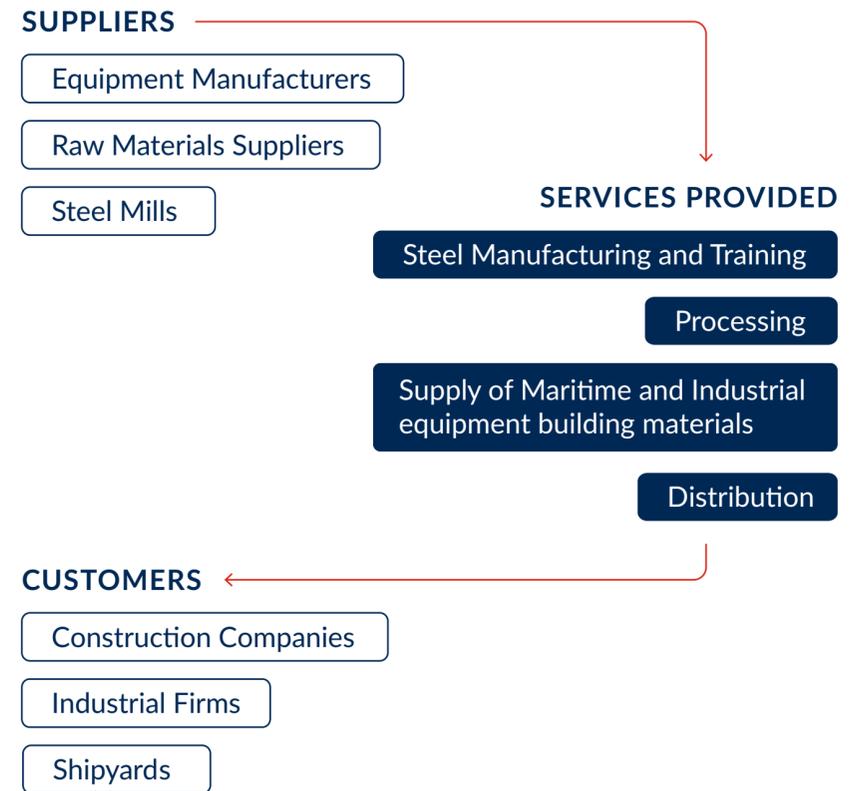
Despite global geopolitical uncertainty and disrupted trade flows, the European steel market's reforms to meet the European Green Deal objectives are driving demand for commodity trading firms. Trasteel's product and capability portfolio remained diverse and expanded in 2023. A key acquisition was LIFI S.r.l., a tube manufacturer near Turin, strengthening our position in the automotive sector. Additionally, we acquired two rebar shaping centers in Poland and Romania, enhancing Trasteel's vertical integration.

## KPIs

<b>EBITDA</b> Euro – Million	<b>4.6</b>	<b>Companies</b>	<b>24</b>
<b>Net Result</b> Euro – Million	<b>5.5</b>	<b>Countries</b>	<b>9</b>



# The Value Chain



## Our activities' perimeter

The Trade and Manufacturing business unit of Fratelli Cosulich Group specializes in insulation and steel. With over 25 years of experience, we offer customized solutions for thermo-acoustic insulation, as well as supplying manhole and gully tops, fences, and building nets. Through strategic partnerships and trading expertise, we seize global logistics opportunities in the steel industry while prioritizing sustainability and supporting the decarbonisation process.



# Trucking and Intermodal

In 2023, our trucking and intermodal companies strengthened their structures by increasing the number of owned trucks and diversifying their services. This expansion allows us better to manage extra-Italian traffic for various commodities and clients.

Our primary focus has been on expanding our market reach, with Lorma Logistic, Ne, and Arko increasingly serving third-party clients. The declining contribution of group companies to these entities' revenue is a testament to our successful client base diversification. We have invested in diversifying our services, creating dedicated logistics areas that offer a comprehensive range of options such as storage, handling, tank heating, and cross-docking.

These enhancements are a clear indication of our commitment to meeting our clients' evolving needs, reassuring our stakeholders about our customer-centric approach.

As part of our strategic growth plan, we are venturing into the steel industry, aiming to provide dedicated transportation services with specialized equipment to cater to the needs of major market players.

This strategic move not only strengthens our existing commercial relationships but also positions us favorably in a sector with high demand for reliable and well-structured carriers. These strategic investments are a clear sign of our optimism about the future prospects of the steel industry, instilling the same optimism in our stakeholders.

Our commitment to sustainability is still a top priority. Our transportation companies are significantly increasing their use of HVO (Hydrotreated Vegetable Oil), the first diesel made entirely from renewable raw materials, contributing to road transport's decarbonization.



## KPIs

<b>EBITDA</b> Euro – Million	<b>3.5</b>	<b>Companies</b>	<b>6</b>
<b>Net Result</b> Euro – Million	<b>1.5</b>	<b>Countries</b>	<b>5</b>



# The Value Chain

## SUPPLIERS

- Logistics Providers
- Fuel Suppliers

## SERVICES PROVIDED

- Trucking Services
- Intermodal Transport
- Logistics Coordination

## CUSTOMERS

- Freight Forwarders
- Importers
- Exporters

## Our activities' perimeter

The Trucking and Intermodal business unit of Fratelli Cosulich Group provides environmentally friendly road and intermodal transport services. With a focus on reducing air and noise pollution, we have invested in a fleet of over 90 trailers and 70 trucks and started a conversion to LNG. Operating from multiple offices in Northern Italy, we want to offer comprehensive coverage and are specialized in transporting tank containers for the food and chemical industry, as well as ADR cargo.



# Yachting

In 2023, Fratelli Cosulich Group's Yachting unit achieved milestones, reinforcing our industry position. Our acquisition of Monaco Yacht Partner (MYP) had a promising start, producing excellent results in its first full year.

The increase in turnover and synergies between MYP and Catalano Shipping Services led to successful cross-sales and integration of technical and supply competencies, bringing new clients to MYP.

In Croatia, we expanded significantly as a result of the merger and acquisition with Adriatic ASSA, providing comprehensive ship handling services in this growing region, holding immense potential for our future growth and success.

CSS Singapore, our venture in Asia, is not only thriving but also profitable despite the country's small yachting industry. Under

the leadership of our local management, the company is actively exploring new growth opportunities, further solidifying our presence in the region.

The launch of VERITAX and LOGNAV yielded positive results. VERITAX has a growing client base, but competition is fierce. LOGNAV has built a solid reputation and a growing clientele. We're looking into new markets like shipping and cruising and separating LOGNAV from VERITAX to improve lead conversion.

Operations in the Mediterranean and Pacific regions have rebounded following COVID-19, with positive overall results varying by agency. These developments highlight our Yachting division's strong financial impact and strategic growth, ensuring its position as a critical contributor to the Group's success.



## KPIs

<b>EBITDA</b> Euro – Million	<b>1.3</b>	<b>Companies</b>	<b>16</b>
<b>Net Result</b> Euro – Million	<b>0.9</b>	<b>Countries</b>	<b>8</b>



## The Value Chain

### SUPPLIERS

Marina Facilities

Service Suppliers

### SERVICES PROVIDED

Yacht agency services

Food and Beverage Suppliers

Spare parts suppliers

### CUSTOMERS

Yacht Owners

Captains

Crew members

## Our activities' perimeter

The Yachting and Cruise Agency of the Fratelli Cosulich Group provides tailored services for yachts of all sizes, including additional assistance as needed. With a strong market share and a worldwide presence across three continents, we set the industry standard. Our skilled staff, strategic locations, and comprehensive range of services ensure accurate and customized support for technical, logistical, and agency needs of affluent customers and their representatives.



## Catering and Provisioning

In 2023, the Catering and Provisioning division of Fratelli Cosulich Group saw continued growth and positive developments. We acquired several new contracts in Italy and Brazil, ensuring consistency in the turnover level.

In Italy, a new contract signed towards the end of the year resulted in a 20% increase in vessels served by a prominent player in the ferry sector.

However, the operational increase did not fully translate into the net result due to a significant rise in the cost of primary goods, which presented a considerable challenge. Despite this, our Catering division demonstrated its adaptability by maintaining the same level of service quality, absorbing these costs, and therefore generating a decrease in net profit.

In Brazil, we made a strategic move by establishing a new company aimed at investing in a multifunctional asset in the Macaé area. This new facility, offering restaurant services to local workers and providing training opportunities for our staff, is a significant step towards enhancing our service offerings and strengthening our market presence in Brazil, instilling optimism for the future growth of our Catering division.

Despite these challenges, our ability to secure new contracts and expand our operations in Italy and Brazil underscores our resilience and adaptability. These developments highlight the solid financial impact and strategic growth within our Catering division, securing its role as a crucial contributor to the Group's performances.

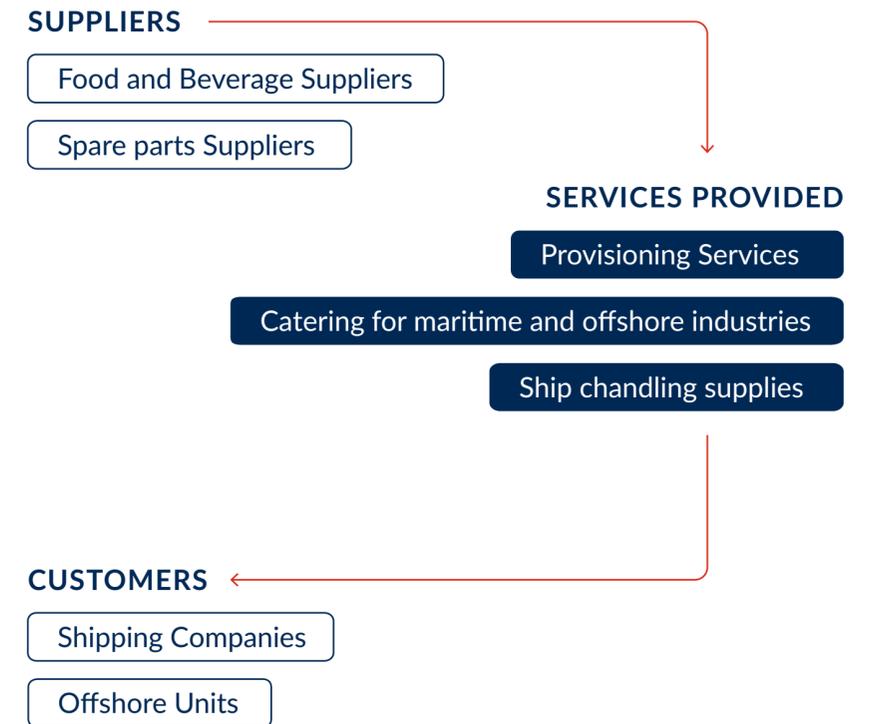


### KPIs

<b>EBITDA</b> Euro – Million	<b>0.6</b>	<b>Companies</b>	<b>2</b>
<b>Net Result</b> Euro – Million	<b>0.4</b>	<b>Countries</b>	<b>2</b>



## The Value Chain



### Our activities' perimeter

The Catering business unit of the Fratelli Cosulich Group manages comprehensive catering and victualling operations since 1946. We provide high-level services, delivering provisions 24/7 on board and offshore. With expertise in serving various types of ships worldwide, we create a homely atmosphere for crew and guests, collaborating closely with other Group units for a seamless experience.

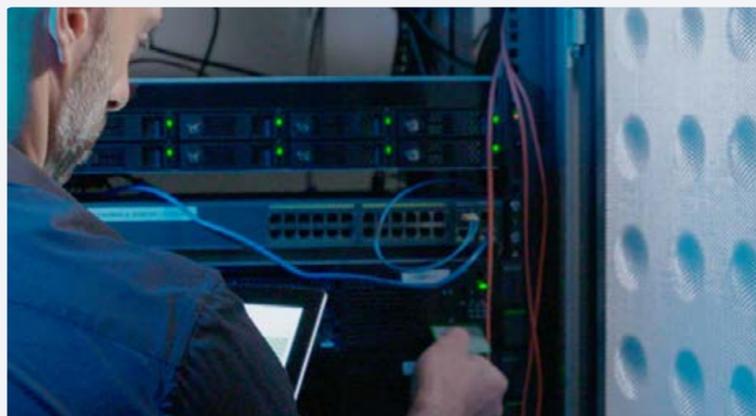


# IT and Digital

In 2023, the Information Technologies unit strengthened its position as a pillar in the Fratelli Cosulich Group by driving innovation and expanding capabilities. The acquisition of Argenton & Soci, specializing in satellite telecommunications for cargo fleets and megayachts, added expertise and synergies with our shipowning and yachting operations. Another notable development was the launch of the communication agency OLIVE at the end of the year, formed with three experienced professionals, broadening our operations.

GeneSYS continued supporting all Group companies in IT, Software Development, Business Intelligence, and Marketing. In 2023, GeneSYS grew its workforce by 40% and opened trainee positions for young talent. Despite nearing 30 years of operation, the company's average age remains 39.8 years, maintaining youthful innovation.

Comunico expanded its business analyst team to aid in business intelligence, making significant progress in project ma-



nagement and collaborating with major engineering and construction players.

Argenton & Soci focused on service margins, achieving success despite a decrease in managed ships. The business model anticipates lower revenue while maintaining or improving margins with higher volumes. Argenton relocated to the Genoa HQ to enhance collaborative strategy development.

OLIVE combines GeneSYS's B2B marketing expertise with B2C communication, offering new services to Group clients and positioning itself as a unique player in logistics, digital services, and communication. The announcement of OLIVE has sparked significant interest, and the company has already begun operations.

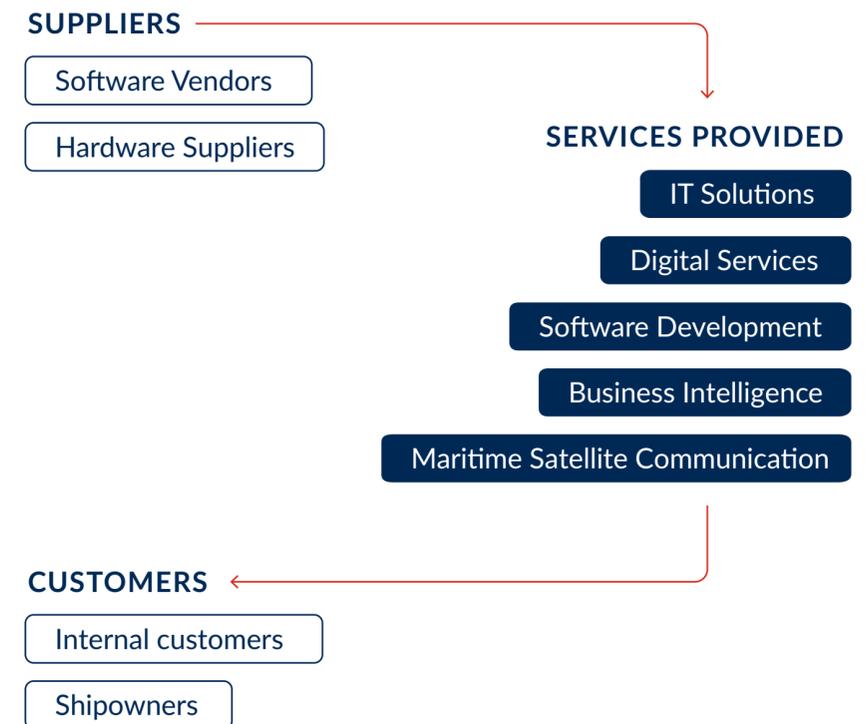
These ventures elevate GeneSYS to a small holding company within the Group, known as "Cosulich Digital," with nearly 5 million euros in revenue and plans for significant growth over the next five years.

## KPIs

<b>EBITDA</b> Euro – Million	<b>0.4</b>	<b>Companies</b>	<b>3</b>
<b>Net Result</b> Euro – Million	<b>0.4</b>	<b>Country</b>	<b>1</b>



# The Value Chain



## Our activities' perimeter

Fratelli Cosulich Group's IT division provides innovative services using cutting-edge technology. We provide tailored solutions and seamless connectivity through our areas of expertise in Information Technologies, Business Intelligence, Software Development, Marketing, Project Management, and Maritime Satellite Communication. This unit is critical in providing reliable technology, web, and software solutions to improve efficiency, knowledge sharing, and cost reduction across our business units.

## INSIGHT

## Using technologies to create connections among operations

The acquisition was concluded by GeneSYS Informatica, the corporate IT entity within the Fratelli Cosulich Group. GeneSYS is a company with 30 years of experience in corporate technologies solutions.



With the acquisition of Argenton & Soci, Fratelli Cosulich Group has taken a significant step forward, providing now also satellite telecommunications capabilities, creating immediate synergies with its IT, shipowning and yachting activities.

The company was founded in Genoa in 1986 and has since grown to become a major Italian player in the maritime satellite communications industry, providing services specifically tailored to commercial ships and superyachts worldwide.

With extensive experience and key partnerships with industry leaders such as KVH, Navarino, Speedcast and others, Argenton & Soci provides a comprehensive suite of certified technical assistance and commercial support for satellite communication hardware and software.

This extensive service portfolio ensures seamless connectivity and operational efficiency for high-demanding customers trading worldwide.



The acquisition was concluded by GeneSYS Informatica, the corporate IT entity within the Fratelli Cosulich Group. GeneSYS is a company with 30 years of experience in corporate technologies solutions, that operates in IT Infrastructure, Software development, Business Intelligence solutions and Digital communication.

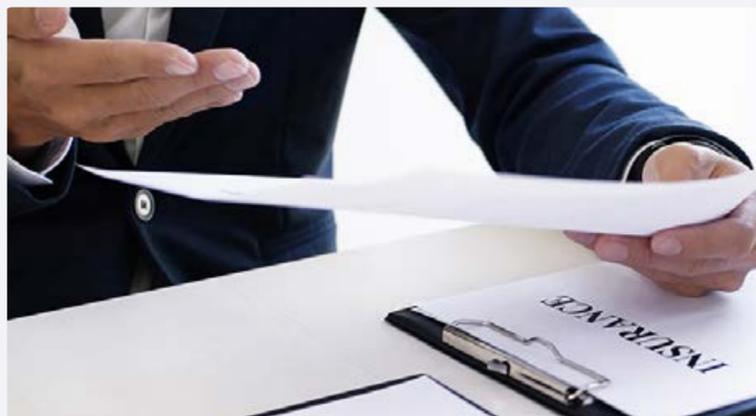
Now with a strategic alignment aimed at bolstering market presence and fostering new avenues of growth, Matteo Cosulich, Vice-Chairman of the Group, President GeneSYS Informatica and CEO of Fratelli Cosulich Group, underscores that it follows the first acquisition of Comunico S.r.l. in 2020, this move further solidifies their commitment to growth through mergers and acquisitions, enhancing service offerings and diversifying the portfolio offer.



# Insurance Broking

In 2023, our Insurance Broking Business Unit met significant milestones, expanding our service portfolio and market reach. We completed the General & Product Liability Master Program for the Group's Trade and Manufacturing businesses and the Cargo Insurance Master Program for the Freight Forwarding business. This strengthened our ability to provide comprehensive coverage and risk management solutions that are tailored to our clients' needs.

We also launched a comprehensive Trade Credit Master Program, which expanded on the existing Bunker Oil Trade Credit Insurance coverage. This initiative, along with the implementation of a dedicated Marine Claims Handling team, ensures that we are there for our clients in every situation, even in situations that are not strictly insurance-related. This reinforces our commitment to comprehensive support and excellence, instilling a sense of security and trust in our clients.



Our team has grown with new professionals to support the expansion of our activities, reflecting our ongoing pursuit of excellence. These strategic enhancements have improved our operational efficiency and strengthened our market position, allowing us to provide superior value to our clients and stakeholders.

Overall, 2023 was a year of strategic growth and enhanced capabilities for our Insurance Broking Business Unit. It has established itself as a market leader, reaffirming our commitment to providing tailored, high-quality solutions. This should reassure our stakeholders and instill confidence in our ability to meet their needs.

## KPIs

<b>EBITDA</b> Euro – Million	<b>0.2</b>	<b>Company</b>	<b>1</b>
<b>Net Result</b> Euro – Million	<b>0.2</b>	<b>Country</b>	<b>1</b>



# The Value Chain

## SUPPLIERS

- Reinsurance Companies
- Risk Assessment Firms

## SERVICES PROVIDED

- Insurance Brokerage
- Risk Management
- Claims handling

## CUSTOMERS

- Shipping Companies
- Logistic operators
- Public Entities

## Our activities' perimeter

Cosulich Assicurazioni S.r.l., established in 2011, is the dedicated insurance department of our Group, with offices located in Genoa. Initially focused on serving our maritime clients, we now provide comprehensive consultancy and analysis, specializing in risk management, policy drafting, claims handling, and employee assistance. Our goal is to support both our Group companies and their clients, particularly in the logistics sector.



## Business & Leisure Travel

In 2023, our Business and Leisure Travel Unit, which included Fratelli Cosulich S.p.A. and Griffin Marine Travel Italy, delivered outstanding results. Fratelli Cosulich S.p.A. achieved its best economic performance in 20 years, outpacing pre-pandemic revenue. We strengthened collaborations with public and private sector companies, including Trasteel, to improve internal Group synergies.

To meet the changing needs of business travellers, we partnered with innovative startups to provide team-building and workshop activities. These initiatives foster a positive and inclusive workplace culture, transforming traditional business travel into enriching experiences. Our commitment to sustainability has led us to adopt eco-friendly practices and assist clients with green travel policies.

We increased our workforce in Trieste and Naples to handle increased workloads. Our consolidation services expanded, forming a network of agencies throughout Italy that rely on Fratelli Cosulich for their air ticketing needs. In the Leisure segment, we provided one-of-a-kind travel solutions by leveraging our Welcome Travel network, cementing our position as a leader.

Griffin Marine Travel Italy maintained a stable performance, compensating for lost work with new contracts and recovering key accounts. Despite challenges, we delivered consistent revenue and successfully managed unfavourable exchange rates. Looking ahead, our primary goal remains maintaining high service levels and maximising profit while navigating a competitive sector in collaboration with our shareholders.

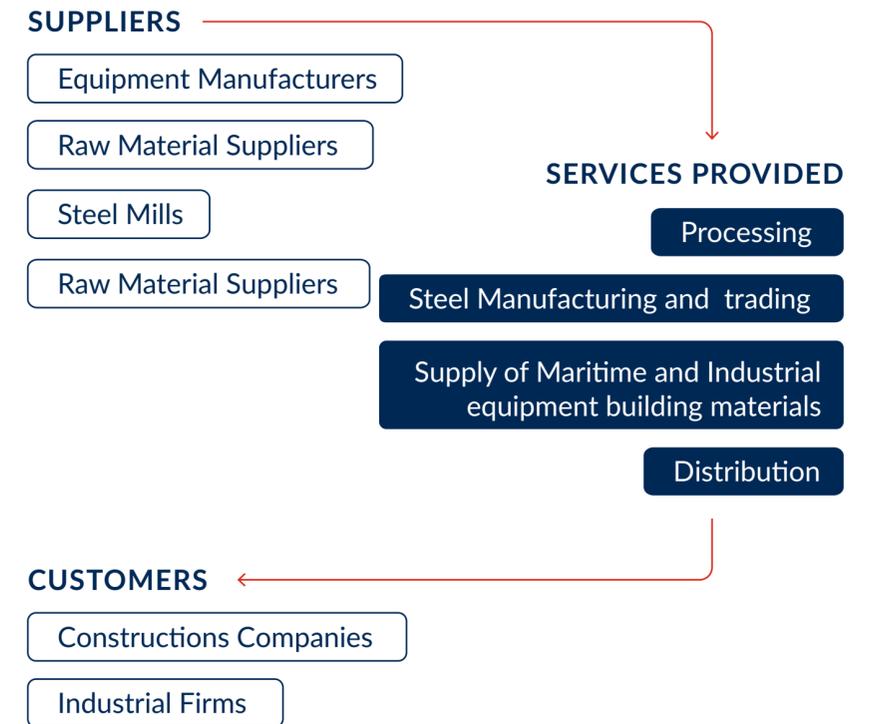


### KPIs

<b>EBITDA</b> Euro – Million	<b>0.1</b>	<b>Companies</b>	<b>2</b>
<b>Net Result</b> Euro – Million	<b>0.2</b>	<b>Countries</b>	<b>1</b>



## The Value Chain



## Our activities' perimeter

Our Business and Leisure Travel unit, active since 1922, offers comprehensive travel solutions for corporate clients, maritime personnel, B2B clients, and final customers. With a focus on personalized experiences, our professional team creates tailored itineraries that exceed expectations. This department is a key part of our business, and whether it's business travel, specialized services for seafarers, travel management solutions, or bespoke travel experiences, we always deliver integrated solutions that meet diverse needs.



# Manning and Training

In 2023, our Manning and Training business unit, which includes Fratelli Cosulich S.p.A. and Gente di Mare, experienced significant growth. New customers and expanded contracts caused a substantial increase in our activities. Fratelli Cosulich SpA worked to increase its market share in the oil and gas sector, drawing on its extensive experience to remain a reliable partner. With increased shipowning activity, the Manning office effectively managed crews worldwide.

Our strategic acquisition of Gente di Mare was a significant step in enhancing our training capabilities. As a certified centre, Gente di Mare provides tailored courses that address specific needs at its Leghorn location. In 2023, Gente di Mare expanded its focus beyond cargo and ferry crews, entering into agreements for yacht crew training.



The addition of new offices in Genoa and Trieste further strengthens our ability to serve major Italian ports, demonstrating our strategic vision and commitment to growth. Our maritime training strategy focuses on resource optimization and professional development, reinforcing our industry leadership. Improving training and recruitment processes has strengthened our market position and added value to stakeholders.

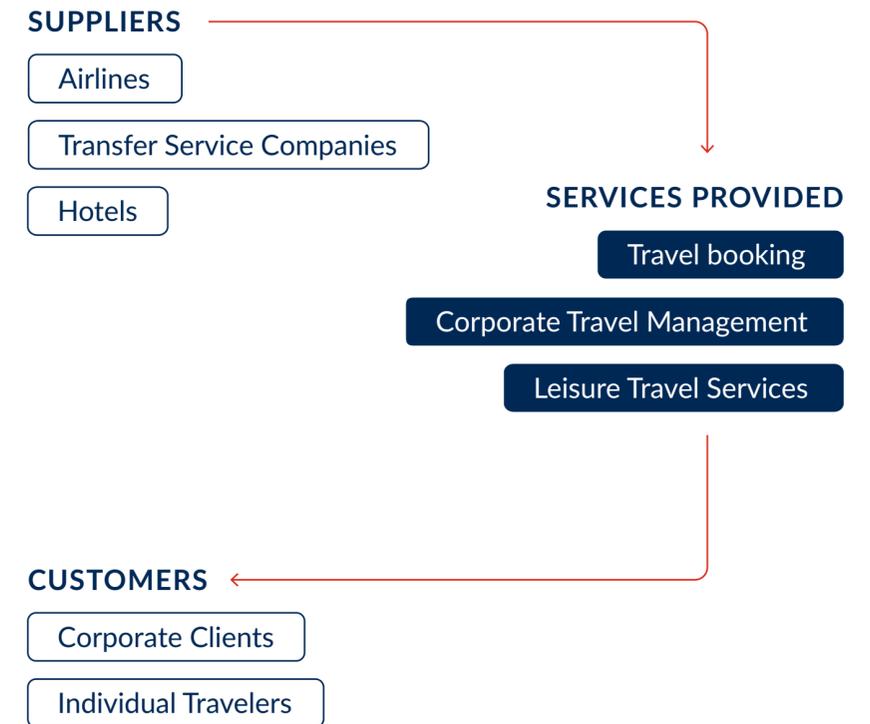
Overall, 2023 represented measurable progress for our Manning and Training business unit, with a continued commitment to high-quality service and operational excellence.

## KPIs

<b>EBITDA</b> Euro – Million	<b>0.0</b>	<b>Companies</b>	<b>2</b>
<b>Net Result</b> Euro – Million	<b>0.0</b>	<b>Country</b>	<b>1</b>



## The Value Chain



## Our activities' perimeter

The Manning and Training unit of Fratelli Cosulich Group offers staffing and crewing services to industries such as Oil & Energy and maritime. With our expertise in crew management, we provide effective solutions for filling all ranks and meeting diverse personnel requirements. Our Italian Training center offers a wide range of certifications for the different personell required onboard and onshore.



# Warehousing and Depot

The Fratelli Cosulich Group's warehousing sector is a diverse and important part of our logistics operations, combining strengths from various regions to provide tailored global solutions, improving service offerings and operational efficiency.

In 2023, our Turkish operations produced satisfactory results, broadening our client base and diversifying commodities through customs services, picking, and distribution. This expanded our portfolio and solidified our position in the Turkish market.

We plan significant investments in Italy, Slovenia, and Croatia to improve facilities and assets, thereby expanding this synergistic sector and supporting our shipping and logistics operations. In Milan, we expanded beyond warehousing to include distribution to final customers and groupage container services for various European destinations, cementing Milan as a key logistics hub.



At the Ambro Terminal in Marghera, we expanded our customers' base and container repair activity, doubling our space for more efficient logistics, cross-docking, and container storage, significantly increasing operational capacity and services.

Our warehouse and depot services, under Morgan 4Ship and Fratelli Cosulich do Brasil (FCdB), provide tailored global solutions. Since acquiring Morgan 4Ship's bonded warehouse in Le-ghorn in 2018, we expanded maritime capabilities with flexible fiscal handling and storage solutions. Our 6,000-square-meter Macaè office and warehouse in Brazil continue to play an im-portant role in our global logistics network. In 2023, we began food and beverage groupage and storage operations, incorpo-rating a photovoltaic plant for power needs. Additionally, we partnered with a major Italian eCommerce distributor, opening new development opportunities.

## KPIs

<b>EBITDA</b> Euro – Million	<b>-0.1</b>	<b>Companies</b>	<b>8</b>
<b>Net Result</b> Euro – Million	<b>0.1</b>	<b>Countries</b>	<b>4</b>



# The Value Chain

## SUPPLIERS

- Storage Equipment Providers
- IT Systems Providers
- Port Services

## SERVICES PROVIDED

- Warehousing services
- Depot Management
- Inventory Control

## CUSTOMERS

- Retailers
- Manufacturers

## Our activities' perimeter

Our Warehousing and Depot unit offers diversified and tailored so-lutions to meet customer needs. With multiple facilities across Italy and international locations, we provide storage for various goods, including foodstuffs, and specialize in container handling, mainte-nance, and cleaning. Our strategic locations near ports and airports ensure efficient connections, while promoting synergic cooperation with other business units within the Fratelli Cosulich Group for hi-gh-quality and well-timed services to our customers.

## INSIGHT

## TRASGO vertical logistics comprehensive solutions

TRASGO provides a robust response to the changing logistical needs, and innovation is enabling us to provide our customers with real solutions. However, what really matters is showing that, just like in life, finding the right partners to create the conditions for joint investment is crucial.



 **320**  
UNITS

 **310K**  
SQM



Thanks to the efforts made last year, Fratelli Cosulich Group has announced in the first days of 2024 the acquisition of TRASGO, a leader in integrated logistics in Italy. A significant financial investment made together with COSCO Europe, through the affiliated company COSCOS, marks a pivotal expansion in the group's logistics capabilities.

Founded in 1981 in Novara, Italy, TRASGO has steadily evolved into a powerhouse in the logistics sector. The company offers a broad spectrum of services, including transport, warehousing, customs operations, cargo handling, but also trade fair logistics, and direct warehouse management. With 14 warehouse facilities spanning nearly 300,000 square meters and a fleet exceeding 320 trucks and handling units, TRASGO's infrastructure positions it as a key player in the industry.

By integrating TRASGO's extensive network and expertise, the Group aims to deliver seamless logisti-

cs solutions across various sectors, highlighting the importance of forging international partnerships and creating synergies that add significant value to all stakeholders.

Chairman Augusto Cosulich emphasized the acquisition's strategic importance, stating, "A significant milestone for the Fratelli Cosulich Group. TRASGO provides a robust response to the changing logistical needs, and innovation is enabling us to provide our customers with real solutions. However, what really matters to me is showing that, just like in life, finding the right partners to create the conditions for joint investment is crucial. It's time to underline that it is possible to grow together".

As TRASGO embarks on its new chapter under the Fratelli Cosulich Group, we are confident that combining strengths and shared vision promise to drive innovation and deliver unparalleled logistics solutions.



3.

## 2023 Consolidated Financial Statement



## Letter from the CFO

2023 has concluded, and I would like to use classical music to describe our journey in the last 365 days. Suppose music and companies are similar, where the first is the culmination of meticulously scored notes played together by musicians, and the latter is the harmony of operational numbers and accounting teams' efforts under the genius of its management.

Well, as already shared, 2022 was exceptional due to a series of macroeconomic factors that we managed to exploit positively at our convenience. And it followed our best year ever in 2021, which seemed unbeatable. After such extraordinary years, 2023 could be seen as a significant downturn. However, just like some classical music that can show beauty from the change of the tone, 2023 will be recorded as our second-best year ever. As you see, an actual fall but a continuous growth, cleansed of extraordinary events.

Despite the challenges of higher interest rates and stable low freight rates, bunker fuel and steel prices, our financial performance for 2023 remained robust. Our turnover, at €1.9 billion, saw a 14% decrease, primarily due to these macroeconomic factors. However, this was not a decline in our activities, but a testament to our ability to navigate through adverse conditions. Our EBITDA, at €49.9 million, showed a 27% decrease, reflecting the impact of investments and macroeconomic factors on the outcome. Yet, it also underscored the effectiveness of our strategy. The Group Net Result was €30.2 million, a 42% decrease from our best-ever year result, but resulting in our second-best year ever yet. Our Consolidated Net Equity, which includes third-party shares, has continued to rise, approaching now

€250 million. Our equity ratios involving both EBITDA and Net Equity remain those of an investment-grade company, very far from the covenants imposed by Financial institutions.

The independent external Creditreform, a leading European provider of business information and credit ratings, will, once again, assess our financial results. Our Group rating "BB stable" obtained through 2022 performances demonstrates transparency and operational excellence, putting us on par with other vital players in the global competitive landscape.

Being the Chief Financial Officer is not only about inspection of numbers, but mostly about creating human relationships with the top management and stakeholders, building a common ground of trust. I am pleased by the human and professional relationship we built with the international bank system who recognized and supported our Group' strategy: thanks to their assistance, we were able to turn several of our business ideas into reality. They helped us to increase our financial strength, concluding better investments, targeting a growth in business and job opportunities rather than just short-term gains.

In 2023, we made significant investments, securing four vessels, including two Dry Cargo vessels and two new Bunker Tankers Vessels, totaling almost €50 million in assets. Additionally, we concluded five M&A operations across all business units and established six new companies to expand our market presence.

The Group is very powerful because we are determining our tomorrow



with a 360° approach, including our ESG initiatives that reflect our commitment to sustainability and responsible business practices. Our Corporate ESG plan has now gained momentum and you will find more information in this Annual Report: our target is to be fully compliant in advance compared to the 2025 regulations impacting all companies. Thanks to Giulia Cosulich, our ESG Corporate Director, and her team for the extraordinary work conducted so far. We hope to inspire others and positively contribute to the environment and society by setting a virtuous example in our industry.

In conclusion, my tribute goes to the Cosulich family's steady management, which has built a Group I am proud to represent for over 20 years now. Their greatest qualities are the combination of their simplicity and wisdom, transforming teams' ideas into actions and providing power and strength to value-added business flows. This means one thing, we are a Group with a goal: **Empowering Business Ideas.**

**Stefano Abate**

CFO of Fratelli Cosulich Group



# Overall results

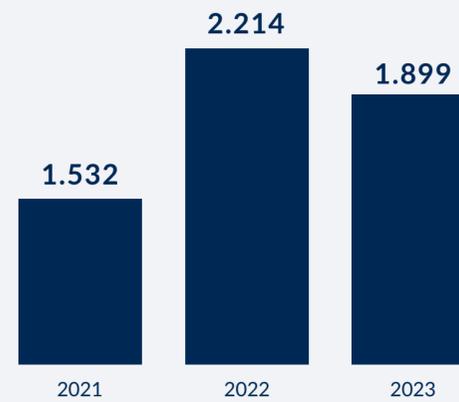
Fratelli Cosulich Group's EBITDA for 2023 was Euro 49.933 thousand, reflecting a 27% decrease compared to 2022. This reduction underscores the impact of significant investments and macroeconomic factors, yet also highlights the effectiveness of our strategic approach. The net profit attributable to Fratelli Cosulich Group's shareholders was Euro 23.007 thousand in 2023, marking a 42% decrease from the previous year. Nevertheless, this still represents our second-best year ever, emphasizing our ability to navigate challenging conditions.

The total net equity, including third-party shares, reached Euro 249.874 thousand in 2023. This steady growth in equity demonstrates our commitment to reinvesting earnings and creating strong foundations for future growth. Notably, third-party net equity accounted for Euro 23.200 thousand of this total, reflecting our collaborative approach and stakeholder confidence.

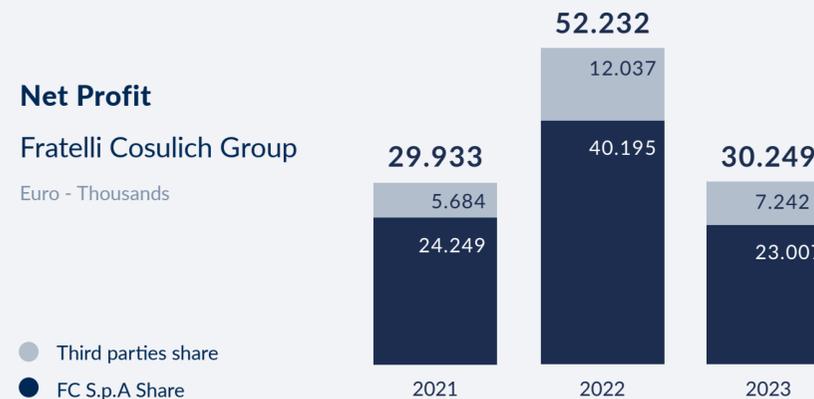
Throughout 2023, we continued to invest strategically. Our capital expenditure included the acquisition of four vessels, totaling nearly Euro 50 million in assets. Additionally, we completed six M&A operations and established six new companies, further expanding our market presence and enhancing our competitive edge. Despite higher interest rates and decreasing freight rates, our companies delivered remarkable results.

In conclusion, the Group's ability to navigate through adverse conditions, make strategic investments, and maintain a stable equity growth highlights our resilience and forward-looking vision.

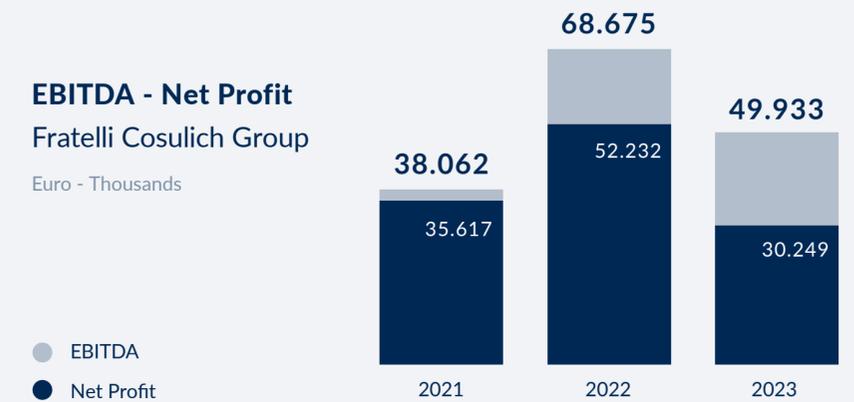
**Turnover**  
Fratelli Cosulich Group  
Euro - Millions



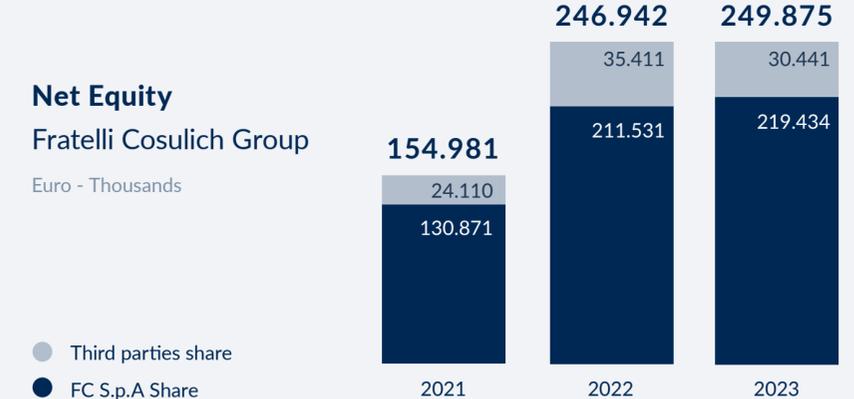
**Net Profit**  
Fratelli Cosulich Group  
Euro - Thousands



**EBITDA - Net Profit**  
Fratelli Cosulich Group  
Euro - Thousands



**Net Equity**  
Fratelli Cosulich Group  
Euro - Thousands





## 2023 Key financial indicators

	31/12/2023	31/12/2022
<b>A. OPERATING CASH FLOW</b>		
1. Profit (loss) before tax, interest, dividends and Asset disposal	35.964.347	64.377.982
2. Cash Flow before Working Capital movements	52.910.820	74.449.209
3. Cash Flow after Working Capital movements	70.963.896	50.766.191
<b>A. Operating Cash Flow</b>	<b>72.840.538</b>	<b>48.868.097</b>
<b>B. INVESTMENT CASH FLOW</b>		
Tangible Assets investments	-69.707.226	-21.425.491
Intangible Assets investments	-3.890.925	-5.519.899
Financial Assets investments	4.485.742	-34.245.692
<b>B. Investment Cash Flow</b>	<b>-69.112.409</b>	<b>-61.191.082</b>
<b>C. FINANCIAL CASH FLOW</b>		
<b>C. Financial Cash Flow</b>	<b>8.408.159</b>	<b>38.721.501</b>
<b>D. INCREASE/DECREASE OF CASH (A+B+C)</b>		
Cash as at 01/01	109.029.435	82.630.919
Cash as at 31/12	121.165.723	109.029.435

RATIOS, THOUSANDS EURO	2023		2022	
E.B.I.T./Net Invested	30.684	3,9%	46.701	12,7%
	783.208		0,0%	
E.B.I.T./Turnover	30.684	1,6%	46.701	2,1%
	1.899.952		0,0%	
E.B.I.T.D.A./Turnover	49.933	2,6%	68.675	3,1%
	1.899.952		0,0%	
N.F.P./E.B.I.T.D.A.	-100.333	-2,0	-79.824	-1,2
	49.933		0,0	
N.F.P./Net equity	-100.333	-40%	-79.824	-32%
	249.875		0%	
N.F.P./Non-current fixed assets	-100.333	-33%	-79.824	-32%
	304.809		0%	



# Balance sheet & Income statement

ASSETS	31/12/2023	31/12/2022	LIABILITIES	31/12/2023	31/12/2022
<b>B. FIXED ASSETS</b>			<b>A. NET EQUITY</b>		
I INTANGIBLE ASSETS			I Share Capital	2.000.000	2.000.000
1) Incorporation procedure cost	4.282	6.336	IV Legal reserve	400.000	400.000
4) Concessions, licences and similar	558.182	488.626	VII Re-evaluation reserves	4.866.433	4.866.433
7) Consolidation differences	10.795.516	9.588.732	4) Free reserve	2.115.213	2.115.213
8) Other	1.587.129	1.708.367	VIII Group retained earnings carry forwards	193.805.182	168.713.913
<b>TOTAL INTANGIBLE ASSETS</b>	<b>12.945.109</b>	<b>11.792.061</b>	IX Group Net profit of the year	23.006.958	40.195.226
II TANGIBLE ASSETS			X Negative Reserve for own shares	-6.760.000	-6.760.000
1) Land and buildings	21.839.152	22.012.908	<b>TOTAL GROUP NET EQUITY</b>	<b>219.433.786</b>	<b>211.530.785</b>
2) Plant and machinery	5.054.654	5.097.005	XI Third parties Net Equity	23.199.091	23.374.665
2 bis) Ships	133.510.083	74.419.923	XII Third parties Net profit of the year	7.241.877	12.036.589
3) Fixtures, fitting, tools and equipment	697.895	1.040.097	<b>TOTAL CONSOLIDATED NET EQUITY A.</b>	<b>249.874.754</b>	<b>246.942.039</b>
4) Other tangible assets	5.297.612	4.021.002	<b>B. PROVISION FOR LIABILITIES AND CHARGES</b>		
5) Other fixed assets in progress	17.955.671	20.442.521	1) Provision for pensions and similar obligations	555.607	469.406
<b>TOTAL TANGIBLE ASSETS</b>	<b>184.355.067</b>	<b>127.033.456</b>	2) Provision for deferred income taxes	932.896	641.274
III INVESTMENTS			3) Negative financial derivatives instruments	-	-
1) Shares in:			4) Other provisions	11.552.561	10.590.513
a) Subsidiaries	472.027	603.713	<b>TOTAL PROVISION FOR LIABILITIES AND CHARGE B.</b>	<b>13.041.064</b>	<b>11.701.193</b>
b) Affiliated Companies	84.922.238	84.154.854	<b>C. TOTAL STAFF SEVERANCE FUND</b>	<b>3.957.646</b>	<b>3.609.695</b>
d bis) Other shares	46.331	99.141	<b>D. ACCOUNTS PAYABLE</b>		
2) Receivables			4) Accounts payable to banks		
b) From affiliated companies			<i>Receivable within next year</i>	123.855.975	132.189.183
<i>Receivable within next year</i>	15.875.927	16.531.864	<i>Not Receivable within next year</i>	107.046.687	62.390.993
c) From parent companies			5) Accounts payable to third party lenders		
<i>Receivable within next year</i>	1.400.000	1.400.000	<i>Receivable within next year</i>	1.390.896	1.104.785
d bis) From Others			<i>Not Receivable within next year</i>	4.092.933	4.977.251
<i>Receivable within next year</i>	66.461	44.290	7) Accounts payable to suppliers		
<i>Not Receivable within next year</i>	4.725.495	4.795.494	<i>Receivable within next year</i>	225.349.220	174.565.661
3) Other Investments	-	58.657	10) Accounts payable to affiliated companies		
<b>TOTAL INVESTMENTS</b>	<b>107.508.479</b>	<b>107.688.013</b>	<i>Receivable within next year</i>	3.736.228	3.826.518
<b>TOTAL FIXED ASSETS B.</b>	<b>304.808.655</b>	<b>246.513.530</b>	11) Accounts payable to parent companies		
<b>C. CURRENT ASSETS</b>			12) Taxes payable		
I STOCKS			<i>Receivable within next year</i>	2.253.239	7.866.474
4) Finished goods for resale	7.476.133	9.784.105	13) Social security		
<b>TOTAL STOCK</b>	<b>7.476.133</b>	<b>9.784.105</b>	<i>Receivable within next year</i>	3.275.221	2.490.935
II ACCOUNTS RECEIVABLE			14) Other accounts payable		
1) From debtors			<i>Receivable within next year</i>	35.958.910	11.128.824
<i>Receivable within next year</i>	308.737.879	263.234.071	<b>TOTAL ACCOUNTS PAYABLE D.</b>	<b>506.959.309</b>	<b>400.540.624</b>
3) From Affiliated Companies			<b>E. TOTAL ACCRUALS AND DEFERRED INCOME</b>	<b>9.375.067</b>	<b>4.282.594</b>
<i>Receivable within next year</i>	2.268.104	8.393.074	<b>TOTAL ASSETS (A+B+C+D)</b>	<b>783.207.840</b>	<b>667.076.145</b>
5) From Companies subject to control of Parent Companies			<b>TOTAL LIABILITIES (A+B+C+D+E)</b>	<b>783.207.840</b>	<b>667.076.145</b>
5 bis) Taxes receivable					
<i>Receivable within next year</i>	7.385.456	4.124.122			
5 ter) Taxes advance payment					
<i>Receivable within next year</i>	3.553.554	2.461.506			
5 quater) From Others					
<i>Receivable within next year</i>	8.972.417	7.820.547			
<b>TOTAL ACCOUNTS RECEIVABLE</b>	<b>330.917.410</b>	<b>286.033.320</b>			
III NOT FIXED INVESTMENTS					
6) Other investments	14.887.657	11.808.890			
<b>TOTAL NOT FIXED ASSETS</b>	<b>14.887.657</b>	<b>11.808.890</b>			
IV LIQUID ASSETS					
1) Bank and postal deposits	120.410.175	108.048.450			
2) Cheques	313.164	488.833			
3) Cash and cash equivalents	442.384	492.152			
<b>TOTAL LIQUID ASSETS</b>	<b>121.165.723</b>	<b>109.029.435</b>			
<b>TOTAL CURRENT ASSETS C.</b>	<b>474.446.923</b>	<b>416.655.750</b>			
<b>D. TOTAL PREPAYMENTS AND ACCRUED INCOME</b>	<b>3.952.262</b>	<b>3.906.865</b>			

<b>INCOME STATEMENT</b>		<b>31/12/2023</b>	<b>31/12/2022</b>
<b>A. REVENUES</b>			
1) Turnover		1.887.324.690	2.206.881.361
2) Inventory change (finished and semi-finis.prod.)		-72.834	205.258
5) Other income		12.700.034	7.099.696
<b>TOTAL REVENUES A.</b>		<b>1.899.951.890</b>	<b>2.214.186.315</b>
<b>B. COST OF SALE</b>			
6) Raw materials and consumables		-1.582.813.358	-1.852.326.482
7) Rendering of services		-198.824.025	-243.150.754
8) Enjoyments of third parties property		-3.641.311	-3.367.281
9) Wages			
a) Salaries and wages		-46.323.229	-36.785.516
b) Social security		-8.728.174	-7.187.287
c) Staff severance fund		-1.477.294	-1.510.241
d) Provident fund		-525.656	-438.875
e) Other costs for employees		-844.935	-668.187
10) Depreciation and amortisation			
a) Amortisation on intangible assets		-2.737.877	-1.842.233
b) Amortisation on tangible assets		-12.385.615	-10.557.207
c) Other write-downs of assets			-
d) Write-downs of receivable (current assets)		-4.038.197	-4.829.341
11) Inventory change, raw materials and consumables		-2.189.074	2.668.073
12) Risk reserve		-88.042	-4.744.982
13) Other provisions		-	-
14) Other expenses		-4.651.557	-2.744.908
<b>TOTAL COST OF SALE B.</b>		<b>-1.869.268.344</b>	<b>-2.167.485.221</b>
<b>DIFFERENCE BETWEEN REVENUES AND EXPENSES (A-B)</b>		<b>30.683.546</b>	<b>46.701.094</b>
<b>C. FINANCIAL INCOME AND COSTS</b>			
15) Income from share in:			
a) Controlling companies		-	-
b) Affiliated companies		6.303.878	4.335.707
e) Other companies		14.131	-
16) Other financial income			
c) of current assets		-	-
d) Other financial income		3.962.921	1.702.204
17) Interest payable and similar costs		-13.970.698	-8.597.949
17 Bis) Profit/Loss on exchange rate		974.593	3.825.236
<b>TOTAL FINANCIAL INCOME AND COSTS C.</b>		<b>-2.715.175</b>	<b>1.265.198</b>
<b>D. OFFSETTING ADJUSTMENTS OF FINANCIAL ASSETS</b>			
18) Write-ups:			
a) of shareholdings		20.560.927	23.168.116
19) Write downs:			
a) of shareholdings		-16.254.719	-9.316.464
<b>TOTAL OFFSETTING ADJUSTMENTS OF FINANCIAL ASSETS D.</b>		<b>4.306.208</b>	<b>13.851.652</b>
<b>RESULT BEFORE TAXES (A-B+-C+-D+-E)</b>		<b>32.274.579</b>	<b>61.817.944</b>
20) Taxes on income for the year		-2.025.744	-9.586.129
21 bis) Third parties net profit		7.241.877	12.036.589
<b>GROUP NET PROFIT OF THE YEAR</b>		<b>30.248.835</b>	<b>52.231.815</b>
<b>FRATELLI COSULICH S.p.A. SHARE NET PROFIT OF THE YEAR</b>		<b>23.006.958</b>	<b>40.195.226</b>



## Explanatory notes

### GROUP'S PROFILE

The Fratelli Cosulich S.p.A. Group carries out its business in the maritime services sector through almost all the companies in the Group.

In addition to carrying out the ordinary holding activity, the parent company operates as a shipping agent and general agent for major international shipping companies.

As far as the Group is concerned, the main activities are identifiable in bunker trading, shipping and shipping agency activities, and shipping and road transport.

Always through the parent company, Fratelli Cosulich S.p.A. and its subsidiaries provide crew management services, brokerage services on bunkering, maritime agency services for important shipowners and mega yachts, to finish with services relating to air and tourist transport.

Through the subsidiary Genesys Informatica S.r.l., Comunico S.r.l., and the newly acquired Argenton & Soci S.r.l., service activities are carried out in the IT sector, with particular reference to the trade and installation of hardware and software products, consultancy and design activities in the industries mentioned above and customized business intelligence and data management solutions as well as satellite telecommunications services for naval equipment.

Finally, through Link Industries S.p.A. and its related companies, the Group operates as a trader in the market for insulating materials and iron products.

Through the shareholding in the Trasteel Group, an international trader operating in the steel sector, the distribution of electrodes and refractories, non-ferrous metals, and the controlling interests held by the latter, the Cosulich Group is strengthened in the industrial sector of transformation of steel.

On a consolidated basis, at the above indicated date, the Group is formed by following companies:

- Fratelli Cosulich S.p.A.
- Agence Maritime Tropezienne Sarl
- Agenzia Marittima Saidelli S.r.l.
- Ambro Terminal S.r.l.
- Archimede Gruden S.r.l.
- Arco Denizcilik Servis A.Ş.

- Argosy S.r.l.
- Calle de Mar S.r.l.
- Catalano & Cosulich Shipping Services Cannes Sarl
- Catalano & Cosulich Shipping Services SAM
- Comunico S.r.l.
- Coscat Cannes SCI
- Coscat SCIM
- Cosulich Assicurazioni S.r.l.
- Express Adriatica S.r.l.
- Express Chita Co. Ltd
- Express Global International Ltd
- Express S.r.l.
- Express Usa Inc.
- Fratelli Cosulich (HK) Ltd
- Fratelli Cosulich Bunkers (HK) Ltd
- Fratelli Cosulich Bunkers (S) PTE Ltd
- Fratelli Cosulich Comercio e Servicos Ltda
- Fratelli Cosulich Europe Cons. Econ. E Part. Lda
- Fratelli Cosulich France Sas
- Fratelli Cosulich Greece SMPC
- Fratelli Cosulich LNG 2 S.r.l.
- Fratelli Cosulich LNG S.r.l.
- Fratelli Cosulich Middle East DMCC
- Fratelli Cosulich Monaco SAM
- Fratelli Cosulich Monfalcone S.r.l.
- Fratelli Cosulich Turkey Ltd
- Fratelli Cosulich Unipessoal S.A.
- Fratelli Cosulich USA LLC
- Genesys Informatica S.r.l.
- Gente di Mare S.r.l.
- Gruden Usa Inc.
- La Route du Sud SAM
- Link Industries S.p.A.
- Link Trading (HK) Ltd
- Link Trading Beijing Ltd
- Lorma Logistic S.r.l.
- Luvitrans International S.r.l.
- Marlines S.r.l. Shipping Agency
- Menton Service Auto Sarl
- MESCO International Forwarding Inc.
- Monaco Engineers Sarl
- Monaco Yacht Partner Sarl
- Monte-Carlo Rent@Car Sarl
- Morgan 4Ship S.r.l.
- NE Logistic S.r.l.
- Pimlico Shipping Ltd
- Sea Trend Holding S.r.l.
- Vulcania S.r.l.

The subject statement of accounts ends with a Group's profit equal to Euro 23.006.958 and a profit equal to Euro 7.241.877 in favour of third parties for a total equal to Euro 30.248.835.

## STRUCTURE AND CONTENT OF THE CONSOLIDATION STATEMENTS OF ACCOUNT

The consolidation statements of account have been edited in conformity with the rules provided for the para III (articles going from n. 25 to 43) of the Italian Law Decree n.127/91 completed and interpreted according to the accounting principles recommended by the Commission for the definition of the accounting principles of the National Councils of the Business Consultants and the Certified Public Accountants. In particular, the schemes and the contents of the consolidated balance sheet and of the consolidated profit and loss account are the ones foreseen by the Italian Civil Code, duly modified as required by the art. 32 of the LD n. 127/91. The explanatory notes have the function to provide with the portraying, the analysis and sometimes the integration of the balance sheet's data and it contains the information required by the art. n. 38 of the L.D. 127/91. Furthermore, it provides with all needed supplementary information to give a true and correct portraying, even if not specifically required by law.

The consolidation balance sheet is made in comparison with previous year's one.

The balance sheets used for the consolidation are formed by balance sheets as at 31st December 2022 approved by the shareholders' meetings or, missing these latter, on the base of balance sheets' projects approved by the Boards of Directors closed as at 31st December. Closing dates of the balance sheets of the Group's companies are all equal.

## SCOPE OF CONSOLIDATION

As far as the just ended financial year is concerned, we remark the following changes in comparison with the situation recorded at the end of 2022

SUBSIDIARY COMPANY	HEAD OFFICE	SHARE CAPITAL	DIRECT	INDIRECT	BUSINESS ACTIVITY
Fratelli Cosulich S.p.A.	Trieste	Euro 2.000.000			Air and Sea services
Agence Maritime Tropezienne Sarl	Monaco	Euro 13.000		59,420%	Shipping services
Agenzia Marittima Saidelli S.r.l.	Savona	Euro 208.000	80,00%		Shipping services
Ambro Terminal	Milan	Euro 50.000		60,080%	Shipping services
Archimede Gruden S.r.l.	Marghera	Euro 97.381		43,00%	Shipping services
Archimede Gruden USA Inc	New York	USD 1.000		43,00%	Shipping services
Arco Denizcilik	Istanbul	TRY 75.000		100,000%	Shipping services and transports
Argenton & Soci S.r.l.	Genoa	Euro 10.000		52,520%	IT services
Argosy S.r.l.	Leghorn	Euro 22.000	100,00%		Shipping services
Calle de Mar S.r.l.	Venice	Euro 10.000	100,00%		Shipping services
Catalano & Cosulich France Sarl	Cannes	Euro 25.000		69,201%	Shipping services
Catalano & Cosulich SAM	Monaco	Euro 153.000		69,900%	Shipping services
Comunico S.r.l.	Genoa	Euro 20.150		51,00%	IT services
Coscat Cannes SCI	Cannes	Euro 1.000		68,502%	Shipping services
Coscat SCIM	Monaco	Euro 1.000		68,502%	Shipping services
Cosulich Assicurazioni S.r.l.	Genoa	Euro 10.000	100,00%		Insurance Broking
Express Adriatica S.r.l.	Venice	Euro 10.000	50,00%	25,835%	Shipping services

SUBSIDIARY COMPANY	HEAD OFFICE	SHARE CAPITAL	DIRECT	INDIRECT	BUSINESS ACTIVITY
Express Global Int. Ltd	Felixstowe	Lst 50.000		100,000%	Shipping services and transports
Express Chita Ltd	Shangai	CNY 5.949.085		71,67%	Shipping services
Express S.r.l.	Naples	Euro 99.000	71,67%		Shipping services
Express USA Inc	New York	Usd 1.000		71,67%	Shipping services
Fratelli Cosulich (HK) Ltd	Hong Kong	Usd 69.231	19,998%	68,574%	Bunker trading, catering
Fratelli Cosulich Bunkers (HK) Ltd	Hong Kong	Usd 12.820		53,143%	Bunker trading
Fratelli Cosulich Bunkers Pte Ltd	Singapore	Usd 13.816.228		88,572%	Bunker trading e Shipowning
Fratelli Cosulich Com. e Serv. Ltda	Macaé	Real 444.350		99,990%	Shipping services and catering
Fratelli Cosulich Europe Lda	Madeira	Euro 5.000	100,00%		Holding
Fratelli Cosulich Greece SMPC	Athens	Euro 100.000		100,00%	Broker di bunker
Fratelli Cosulich LNG 2 S.r.l.	Genoa	Euro 10.000	100,00%		Shipowning
Fratelli Cosulich LNG S.r.l.	Genoa	Euro 10.000	100,00%		Shipowning
Fratelli Cosulich Middle East DMCC	Dubai	AED 50.000	100,00%		Bunker trading
Fratelli Cosulich Monaco SAM	Monaco	Euro 225.000		100,00%	Bunker trading
Fratelli Cosulich Shipmanagement	Genoa	Euro 10.000	100,00%		Shipowning
Fratelli Cosulich Turkey Ltd	Istanbul	TRY 500.000		100,000%	Shipping services and transports
Fratelli Cosulich Unipessoal S.A.	Madeira	Euro 1.000.000	100,00%		Bunker trading
Fratelli Cosulich USA LLC	New York	Usd 20.000		100,000%	Bunker trading
Genesys Informatica S.r.l.	Genoa	Euro 78.000	95,50%		IT services
Gente di Mare S.r.l.	Leghorn	Euro 10.000	90,00%		Seafarers training
La Route du Sud SAM	Monaco	Euro 150.000		68,500%	Inland transportation
Link Industries S.p.A.	Genoa	Euro 500.000	100,00%		Trading of raw materials
Link Trading (Beijing) Ltd	Beijing	Rmb 1.168.755		88,572%	Trading of raw materials
Link Trading (HK) Ltd	Hong Kong	Usd 1.282		88,572%	Trading of raw materials
Lorma Logistic S.r.l.	Venice	Euro 50.000		60,080%	Inland transportation
Luvitrans International S.r.l.	Milan	Euro 110.000		43,00%	Shipping services
Marlines S.r.l. Shipping Agency	S. Giorgio Nogaro	Euro 104.000	80,00%		Shipping services
Menton Service Auto Sarl	Menton	Euro 45.00		69,900%	Shipping services and transports
Mesco International Forwarding Inc.	Izmir	TRY 8.000.000		51,00%	Shipping services and transports
Monaco Yacht Partner Sarl	Monaco	Euro 15.000		100,00%	Shipping services
Monte-Carlo Rent@Car	Monaco	Euro 120.000		69,200%	Shipping services and transports
Morgan 4Ship S.r.l.	Leghorn	Euro 10.000		83,250%	Catering and warehouse
NE Logistic S.r.l.	Venice	Euro 20.000		60,080%	Inland transportation
Pimlico Shipping Ltd	Malta	USD 1350		0,00%	Shipowning
Sea Trend Holding S.r.l.	Leghorn	Euro 1.553.000	83,25%		Catering and warehouse
Vulcania S.r.l.	Genoa	Euro 10.000	80,00%		Holding ed Shipowning

Concerning the year just ended, it should be noted that the companies Takoradi Catering Company Ltd, Officine Elettro Meccaniche S.r.l., Geos S.r.l., Catalano Shipping Services Indonesia PMA, Catalano Shipping Services NZ Ltd, Fratelli Cosulich France Sas, and Fratelli Cosulich Monfalcone S.r.l. are not included in the consolidation area as they have been liquidated or are in the of liquidation, inactive or not yet considered relevant for the corporate purpose and/or non-material balance sheet values, compared to the consolidated data. Argenton & Soci S.r.l., Fratelli Cosulich Shipmanagement S.r.l., and Calle de Mar S.r.l. all entered the scope of full consolidation during the year just ended.

There are no companies included in the consolidation with the proportional method.

Investments constituting fixed assets in associated companies, the size of which was considered relevant for the purposes of the consolidation, are valued using the equity method.

While equity investments in associated companies and other companies whose size can be considered irrelevant are valued at cost.

Associated companies are those companies of which Fratelli Cosulich S.p.A. controls, directly or indirectly, at least one fifth of the votes that can be exercised in the ordinary shareholders' meeting.

The list of associated companies valued using the equity method is shown here:

AFFILIATED COMPANY	HEAD OFFICE	SHARE CAPITAL	DIRECT	INDIRECT	BUSINESS ACTIVITY
AEGIDA D.O.O.	Rijeka	Euro 100.000		35,84%	Holding
Arcese Cosulich Ireland Ltd	Dublino	Euro 100.000		50,00%	Shipping services
Arcese Cosulich Lojistik Ltd Şti	Istanbul	TRY 14.517.950		50,00%	Shipping services
Arkas Italia S.r.l.	Genoa	Euro 20.000	50,00%		Shipping services
Arko Shipping d.o.o.	Koper	Euro 20.000		35,84%	Shipping services
Arko Shipping d.o.o.	Rijeka	Euro 5.309		35,84%	Shipping services
C&C Transport	Monfalcone	Euro 50.000		50,00%	Shipping services
CISCATO & COMPANY S.r.l.	Vicenza	Euro 100.000	40,00%		Shipping services
CMP S.r.l.	Turin	Euro 20.000		24,83%	Industrial activity
Cosco Shipping Lines (Italy) S.r.l.	Genoa	Euro 100.000	40,00%		Shipping services
Coscos S.r.l.	Genoa	Euro 400.000	50,00%		Shipping services
Depolink d.o.o Belgrade	Belgrade	RSD 5.868.780		23,65%	Shipping services
Depolink d.o.o. Koper	Koper	Euro 7.500		17,92%	Shipping services
Depolink Rijeka	Rijeka	Euro 2.654		25,23%	Shipping services
Dragon Maritime Adria d.o.o.	Rijeka	HRK 4.000.000		35,84%	Shipping services
Dragon Maritime d.o.o.	Koper	Euro 100.000		35,84%	Shipping services
Dragon Maritime SEE d.o.o.	Belgrade	RSD 17.754.900		23,65%	Shipping services
Ecos S.r.l.	Genoa	Euro 10.000	40,00%		Shipping services
Express Global BV	Antwerp	Euro 20.000		35,84%	Shipping services
Femo Bunker S.r.l.	Genoa	Euro 25.500	45,00%		Shipping services
Griffin Marine Travel S.r.l.	Genoa	Euro 10.200	50,00%		Business Travel
Ispadue S.p.a.	Pordenone	Euro 2.064.000		24,83%	Industrial activity
Italmare Lojistik Servis AS	Istanbul	TRY 500.000		50,00%	Shipping services
Marina Molo Vecchio S.r.l.	Genoa	Euro 50.000		31,50%	Shipping services
Marina Molo Vecchio Supply S.r.l.	Genoa	Euro 50.000		49,31%	Shipping services
OC Lines	Istanbul	TRY 440.000		50,00%	Shipping services
Officine Tecnosider S.r.l.	Udine	Euro 10.000.000		18,84%	Industrial activity
Opera Maritime Sarl	Monaco	Euro 19.950		24,81%	Shipping services
Pesto Sea Group La Spezia S.r.l.	La Spezia	Euro 20.000		22,50%	Shipping services
Pesto Sea Group S.r.l.	Genoa	Euro 26.000	45,00%		Shipping services
Profilmec S.p.A.	Turin	Euro 4.810.000		24,83%	Industrial activity
Rolm S.r.l.	Cuneo	Euro 300.000		18,75%	Industrial activity

AFFILIATED COMPANY	HEAD OFFICE	SHARE CAPITAL	DIRECT	INDIRECT	BUSINESS ACTIVITY
Saimare S.p.A.	Genoa	Euro 2.000.000	20,00%		Shipping services
SIM S.r.l.	Teramo	Euro 780.000		12,42%	Industrial activity
Simmor D.O.O.	Rijeka	Euro 20.000		38,84%	Shipping services
Sultan Antrepo SA	Istanbul	TRY 8.000.000		50,00%	Shipping services
Tamac S.r.l.	Massa	Euro 10.000		36,95%	Industrial activity
TPG Express d.o.o.	Koper	Euro 77.086		25,08%	Shipping services
TPG Express d.o.o.	Rijeka	Euro 99.250		28,24%	Shipping services
Trasteel International SA	Lugano	Euro 560.802		36,95%	Trading of raw materials
Trasteel Trading DMCC	Dubai	UAE 200.000		36,95%	Trading of raw materials
Viale S.r.l.	Imperia	Euro 20.000		22,95%	Shipping services
Yugotub D.o.o.	Nova Pazova	Euro 3.255.959		27,71%	Industrial activity

## CONSOLIDATION PRINCIPLES

The criteria and methods used for the editing of the consolidation balance sheet are the following:

a) the balance sheets used for the consolidation are the financial statements of each company. These financial statements are duly reclassified and modified in order to uniform them to the accounting principles and the evaluation criteria of the Parent company, which principles are in line with the ones foreseen by the art. 2423 and following ones of the Italian Civil Code and with the ones recommended by CONSOB.

b) In the editing of the consolidated balance sheet, the credit and the debit balances as well as the proceeds and the duties of the companies included into the consolidation are fully considered. While the credit and the debit balances as well as the proceeds and the duties, the profits and the losses originated by operations made among companies included in the consolidation are not taken into account.

c) The book value of investments in companies included in the consolidation is eliminated against their corresponding fractions of the net equity pertaining to the controlled companies.

The difference between the book value of shareholding investments, which is eliminated, and the corresponding share of equity, which is assumed, is put as an adjustment of the consolidated net equity. In case of acquisitions, the above said difference is attributed to the elements of the credit and debit balances of the companies included in the consolidation. Any eventual residual, if negative, is indicated in a specific item called consolidation reserve, i.e., when it is attributable to forecasts of economical adverse results, it is put under an item called "consolidation fund for future risks and duties"; if it is positive, it is indicated under an asset of the profit account named "consolidation difference".

The capital amount and the reserves amounts of the controlled companies corresponding to shares owned by third

parties is booked in the item relevant to the net equity called “third parties’ capital and reserves”, the consolidated economical result corresponding to third parties’ shareholdings is booked in the item “profit (loss) of the financial year pertaining to third parties”.

d) Leasing operations have been calculated according to IAS 17 dispositions.

## ASSESSMENT CRITERIA

The assessment criteria employed for the editing of the consolidated balance sheet as at 31/12/2023 are the following:

### Intangible assets

The intangible assets are registered at their purchase’ cost and they are exclusively constituted by expenses for multi-year use like installation and broadening costs, research costs for development and advertising, concessions, licenses, trademarks and rights, other assets.

The amounts are net of amortization rates, which have been calculated on regular basis and in relation to the last possibility to use the assets.

The assets, which economic value at financial year’s ending results to be over time lower to their cost, written off according to the above said criteria, are devalued up to their economic value. If the reasons for this write-down cease to exist, the cost is reinstated.

### Tangible assets

The tangible assets are booked in the balance sheet at their purchase cost, including the relevant ancillary charges and adjusted in their respective amortization rates and relevant accrued devaluation.

Broadening, modernization and transformation costs, together with maintenance costs with incremental nature, are capitalized and amortized according to the source of income’ business life to which they refer. Maintenance and repair costs, without increasing nature, are booked in the profit and loss account referred to the period during which they are burdened. If any, the capital gains and the capital losses following alienations and source of income transfers combine to the formation of the result of the financial year in which they occurred. The amount shown on the balance sheet came out through the adjustment of the historic cost of the relevant ordinary amortization fund, calculated on the base of the rates deemed suitable for the representation of the residual business life of the asset.

The applied amortization rates meet the conservative criteria and they follow the amortization plan already established in line with the estimated residual possibility of utilization of each asset.

The rates are the following:

• Lands and buildings	3%	• Switchboards	20%
• Unspecific machineries and plants	15%	• Mobile phones and accessories	20%
• Owned vessels	5%	• Furniture and fittings	12%
• Vehicles and motorbikes	25%	• Ordinary office machines	12%
• Electronic machinery	20%		

### Leased assets

The parent company and the subsidiaries hold the following buildings and plants under financial lease:

DESCRIPTION	COST	EXPIRING YEAR	CASH SURRENDER VALUE	COMPANY
Buildings	765.000	2027	7.650	Fratelli Cosulich S.p.A.
Buildings	770.100	2028	77.010	Fratelli Cosulich S.p.A.
Buildings	937.041	2032	9.370	Fratelli Cosulich S.p.A.
Buildings	3.389.718	2031	169.486	Fratelli Cosulich S.p.A.
Buildings	3.623.266	2025	365.000	Link Trading Co. S.p.A.
Buildings	2.506.400	2036	250.640	Sea Trend Holding S.r.l.
Tractors	78.000	2024	3.900	Lorma Logistic S.r.l.
Tractors	78.000	2024	3.900	Lorma Logistic S.r.l.
Tractors	79.400	2024	3.900	Lorma Logistic S.r.l.
Tractors	79.400	2024	3.900	Lorma Logistic S.r.l.
Tractors	78.000	2025	3.900	Lorma Logistic S.r.l.
Tractors	119.000	2023	23.000	Lorma Logistic S.r.l.
Tractors	79.178	2025	792	Lorma Logistic S.r.l.
Tractors	79.178	2025	792	Lorma Logistic S.r.l.
Tractors	79.178	2025	792	Lorma Logistic S.r.l.
Tractors	96.500	2029	965	Lorma Logistic S.r.l.
Tractors	96.500	2029	965	Lorma Logistic S.r.l.
Tractors	96.500	2029	965	Lorma Logistic S.r.l.
Tractors	96.500	2029	965	Lorma Logistic S.r.l.
Tractors	96.500	2029	965	Lorma Logistic S.r.l.
Tractors	96.500	2029	965	Lorma Logistic S.r.l.
Tractors	128.000	2024	6.400	Lorma Logistic S.r.l.
Tractors	128.000	2024	6.400	Lorma Logistic S.r.l.
Tractors	81.000	2026	810	Lorma Logistic S.r.l.
Tractors	81.000	2026	810	Lorma Logistic S.r.l.
Tractors	81.000	2026	810	Lorma Logistic S.r.l.
Tractors	81.000	2026	810	Lorma Logistic S.r.l.
Tractors	126.000	2024	6.300	Ne Logistic S.r.l.
Tractors	126.000	2024	6.300	Ne Logistic S.r.l.
Tractors	126.000	2024	26.000	Ne Logistic S.r.l.
Tractors	126.000	2024	26.000	Ne Logistic S.r.l.
Tractors	126.000	2024	26.000	Ne Logistic S.r.l.

DESCRIPTION	COST	EXPIRING YEAR	CASH SURRENDER VALUE	COMPANY
Tractors	77.000	2024	770	Ne Logistic S.r.l.
Tractors	77.000	2024	770	Ne Logistic S.r.l.
Tractors	77.000	2024	770	Ne Logistic S.r.l.
Tractors	80.000	2024	800	Ne Logistic S.r.l.
Tractors	80.000	2024	800	Ne Logistic S.r.l.

Properties on lease have been accounted using the financial method, as foreseen by the international accounting principle n.17, because it better highlights the economic aspect of the financial leasing operation, in order to obtain an economic-financial situation of the Group reflecting the actual nature of the leasing contracts in force and not simply their legal nature. We wish to specify, in fact, that the legal form of the leasing contract establishes that the tenant does not buy up the ownership of the property on lease. Anyway, in the financial leasing the tangible and financial reality is such that the tenant buys up the economic benefits of the property on lease, during the most of its economic life, in exchange for the commitment to pay an amount due rounding the current value and the relevant financial charges.

This methodology, in few words, as far as the profit and loss account is concerned, provides for:

- Overriding of the leasing rents accounted
- Accounting of interests over the financed capital
- Accounting of amortization rates over the value of acquired properties
- Accounting of financial year's taxes and deferred taxes in relation to the above said fluctuations

As far as the statement of assets and liabilities is concerned:

- The registration of the properties in the assets
- The registration of the residual debt in the liabilities
- The registration of the deferred taxes

#### Financial assets

All shareholdings in subsidiaries and other companies, not evaluated through the equity method, are registered at purchase or signing cost. This value is not very far from the one resulting from their evaluation through the net equity method. The credits registered in this item have been evaluated at their nominal value, being partly interest-bearing credits and partly credits collectable within the following financial year.

#### Inventory

The evaluation of inventories has been made at average cost, calculated according to the purchase costs of each single property, in respect of the lower amount between cost and possible bargain value. It deals with finished products and goods (insulating materials and iron products) purchased by Link Industries S.p.A., by Link Trading Beijing Ltd., and stored c/o third parties' warehouses under delivering to the final consignee, as well as finished

products purchased by Fratelli Cosulich S.p.A., by Fratelli Cosulich Do Brazil Ltda and by Morgan 4Ship S.r.l., stored c/o owned warehouses or vessels' store rooms on which catering and victualling services are carried out; finally, we report about the residual portion of materials held in the warehouse for the maintenance of the vehicle fleet of the logistics companies headed by Lorma Logistic S.r.l.

#### Receivables not being assets

The sales' credits are registered in the balance sheet at their presumed bargain value. These amounts result from the difference between the nominal values of the credits and the adjustments registered in the amending item called "fund on credit risks", shown on the balance and which directly decreases the positive value of the item it is referring to; the amounting of this fund reasonably corresponds to the entity of the risk for the missing collection of credits. Other credits are registered at their nominal value which, moreover, is equal to the presumed bargain value. We underline that – as per Law rules and regulations – we have provided to override the credits/debits among the consolidated companies.

#### Cash assets

The cash assets are represented by the currency deposited c/o the bank accounts' and the social funds.

The cash assets in foreign currency have been converted in Euro on the base of rates of exchange referred to the period of financial year's end.

#### Accruals and deferrals

In this item you will find amounts relevant to costs and proceeds common to two or more financial years, with the aim of putting in practice the accrual basis.

#### Net Equity

The Net Equity are the owned means of the Group, i.e. the assets brought by the shareholders, the following capital increases and the profits not shared. Under this item they are included but shown separately under ad-hoc sub-items, the capital and the reserves pertinent to third parties as well as the amount concerning the financial year's result pertinent to third parties.

#### Provisions for risks and charges

Provisions are made to cover probable or definite losses or debts which amounts or due dates were not definable at the closing of the accounting period.

The deferred taxes are allocated per competence on the base of the current rate at the balance sheet's date. The item "Deferred taxes" is mainly referred to the cancellation of fiscal entries (ex: advance amortizations) as well as balance sheet's entries which taxation is postponed according to the fiscal laws in force.

#### Severance pay provisions

The severance pay provisions relevant to the employees is allocated in order to cover the whole debit accrued against them by the companies of the Group in conformity with the law in force and the national labor contracts and company's addendums. As far as the parent company is concerned, we point out that – following the changes

taken to the institution of the Severance Pay by the Law 27/12/2006 n. 296 and relevant enforcing decrees - the severance pay accrued by the single employees starting from 1st January 2007, is periodically remitted by the companies to the supplementary social security fund chosen by the single employee or, missing this latter choice, to the INPS Treasury Fund.

### Debts

Debts are registered at their nominal value.

As done for credits among companies of the Group, also for the debts among companies of the Group we have provided for their cancellation in conformity with the laws in force.

### Costs and profits

The costs and profits have been calculated on accrual basis and prudence basis.

Profits and revenues, costs and charges are registered net of returns, discounts, allowances and bonuses.

### Criteria for the conversion of foreign currencies

The balance sheet's data originally expressed in foreign currency, have been converted in Euro at exchange rates at year's end for the balance sheet entries, while the average rate of exchange of the year has been applied to the income statements.

Hereunder we indicate the composition of the consolidated assets and liabilities, and of the consolidated income statement. We underline that the single items do not result to be always comparable with ones of the previous year. This is due to the effect caused by the increasing of consolidation area.

### INTANGIBLE FIXED ASSETS

START-UP AND EXPANDING COSTS	2023	2022	DELTA
Final Value	4.282	6.336	-2.054

The start-up and expanding costs mainly refer to expenses burdened for the establishment of the companies of the Group.

PERMISSIONS, LICENSES, TRADE MARKS AND SIMILAR RIGHTS	2023	2022	DELTA
Final Value	558.182	488.626	69.556

With reference to the above item, we notice purchases of software licenses made by the companies of the Group.

CONSOLIDATION DIFFERENCES	2023	2022	DELTA
Final Value	10.795.516	9.588.732	1.206.784

The balance indicated refers to the goodwill paid for the purchase of the control package of the company Agenzia Marittima Saidelli S.r.l., of Fratelli Cosulich Monaco SAM, of Lorma Logistic S.r.l., of NE Logistic S.r.l., of Argosy S.r.l., of Comunico S.r.l., of Archimede Gruden S.r.l., Marlines S.r.l. Shipping Agency, MESCO International Forwarding Inc. and Monaco Yacht Partner Sarl to which was added the acquisition of Calle de Mar S.r.l. and Argenton & Soci S.r.l.

This difference emerges from comparing the book value of the equity investments and the related net equity on the dates on which the purchase and sale transactions were completed. The consolidation difference is amortized over ten years, based on the expected recovery of the higher price paid with future profits. The movements of this item are attributable to acquisitions and depreciation for the year.

OTHER INTANGIBLE ASSETS	2023	2022	DELTA
Final Value	1.587.129	1.708.367	-121.238

Among other intangible assets, we notice the expenses burdened and capitalized for operations on third parties' assets.

### TANGIBLE ASSETS

LAND AND BUILDINGS	2023	2022	DELTA
Final Value	21.839.152	22.012.908	-173.756

The amount is relevant to buildings owned by companies of the Group, or held by the same, thanks to reclassified lease contracts according to IAS 17.

PLANTS AND MACHINERIES	2023	2022	DELTA
Final Value	5.054.654	5.097.005	-42.351

They are related mainly to the trucks of Lorma Logistic S.r.l. and generic plants used by the companies of the Group.

VESSELS	2023	2022	DELTA
Final Value	133.510.083	74.419.923	59.090.160

Regarding the group's fleet, the following should be noted:

The only significant change to report among the naval assets of the subsidiary Fratelli Cosulich Bunkers (S) Pte Ltd is the sale of the M/V Cecilia Cosulich.

The M/V Vulcania has been joined by the M/V Stellina, M/V Saturnia, and M/V Capt. Vovchuk. The first three are

leased on a Time Charter basis, while the Capt. Vovchuk is on a Bare Boat Charter, from the Maltese subsidiary Pimlico Shipping Ltd.

The river ships Hoverla A, Mont Blanc A, and Monte Rosa A were sold at the end of 2023 and replaced by the M/V Portofino and, in January 2024, the M/V Kherson. These two vessels join the bulk carrier M/V Tzarevna, all of which are leased on a Bare Boat Charter from the subsidiary Vulcania S.r.l.

Finally, it should be noted that in October 2023, the M/V Alice Cosulich, the group's first Small Scale LNG Bunker Vessel, was delivered to Fratelli Cosulich LNG S.r.l. by the Chinese CIMC SOE shipyard. It has been chartered on a Time Charter basis for seven years to Titan Supply BV.

INDUSTRIAL EQUIPMENT	2023	2022	DELTA
Final Value	697.895	1.040.097	-342.202

It deals with equipment used by Fratelli Cosulich Do Brazil for storing the provisions needed to perform the catering activity.

OTHER TANGIBLE ASSETS	2023	2022	DELTA
Final Value	5.297.612	4.021.002	1.276.610

The amount is relevant to the purchase of vehicles, furniture and fixtures, electrical and electronic machines, needed to perform the ordinary performance of the companies of the Group. Furthermore, with regard to vehicles held under lease agreements, we have provided to make the reclassification as per IAS 17.

OTHER FIXED ASSETS AND ADVANCES	2023	2022	DELTA
Final Value	17.955.671	20.442.521	-2.486.850

The amounts recorded in this item represent the advances paid to the Chinese shipyard CIMC SOE for the construction of the second LNG barge M/V Paolina Cosulich, two LNG barges ordered by the subsidiaries Fratelli Cosulich LNG 2 S.r.l., with delivery scheduled for March 2024.

The aggregate figure of the tangible assets includes the capital goods owned by the Group.

For information relevant to investments made during the financial year 2023, by consolidation companies and relevant financial movements, please see the management Report and the singular company's financial statements.

## FIXED FINANCIAL ASSETS

INVESTMENTS IN SUBSIDIARIES	2023	2022	DELTA
Final Value	472.027	603.713	-131.686

We remark that the detected amounts are referred to the book value of the unconsolidated subsidiaries by full consolidation method.

INVESTMENTS IN AFFILIATED	2023	2022	DELTA
Final Value	84.922.238	84.154.854	767.384

It deals with investments in affiliated, directly or indirectly held by Fratelli Cosulich S.p.A. The same have been evaluated through the equity method and the result of such evaluation is shown in the equity' reconciliation prospect and in the Group's result. For further details please see the list reported in the paragraph relevant to the scope of consolidation.

INVESTMENTS IN OTHER COMPANIES	2023	2022	DELTA
Final Value	46.331	99.141	-52.810

This item refers to minority interests held by consolidated companies and evaluated – in their balance sheets – on the basis of the cost method.

RECEIVABLES FROM AFFILIATED	2023	2022	DELTA
Final Value	15.875.927	16.531.864	- 655.937

The credit in question represents financial positions with affiliated companies with an annual or interim maturity, automatically renewable based on their operational needs. The main position relates to receivables from the associate Trasteel.

RECEIVABLES FROM PARENT COMPANIES	2023	2022	DELTA
Final Value	1.400.000	1.400.000	-

The credit in question represents the loan granted by Fratelli Cosulich S.p.A. to the parent company Cosulich International S.r.l., funds necessary for the acquisition of the shares previously held by the Vespa family or by other minority shareholders in Fratelli Cosulich S.p.A.

OTHER ACCOUNTS RECEIVABLES	2023	2022	DELTA
Final Value	4.791.956	4.839.784	-47.828

The item in question summarizes the medium / long-term receivables generated by the payment of security deposits and loans granted to third parties and other financing operations functional to the business.

## CURRENT ASSETS

FINISHED PRODUCTS AND COMMODITIES	2023	2022	DELTA
Final Value	7.476.133	9.784.105	-2.307.972

The above item includes the values of the inventory registered at the end of the financial year in the balance sheets of following companies:

- Fratelli Cosulich S.p.A.
- Link Industries S.p.A.
- Genesys Informatica S.r.l.
- Argenton & Soci S.r.l.
- Fratelli Cosulich Comercio e Servicos Ltda
- Morgan 4Ship S.r.l.
- Lorma Logistic S.r.l.
- Monaco Yacht Partner Sarl
- Fratelli Cosulich Shipmanagement S.r.l.

The evaluation of these inventory has been made at average costs, based on purchase cost of every single product, in respect of the lower between cost and presumable realizable value.

ACCOUNTS RECEIVABLES	2023	2022	DELTA
Final Value	308.737.879	263.234.071	45.503.808

Accounts' receivables are formed by the sales credits claimed by the Group towards third parties. Those amounts are recorded net of the relevant statutory bad debt provision accrued. During the fiscal year, as no particular issues arose, no significant provisions were made by any company within the consolidation area.

AFFILIATED COMPANIES RECEIVABLES	2023	2022	DELTA
Final Value	2.268.104	8.393.074	-6.124.970

The affiliated companies' receivables operating in complementary activities' fields, are formed by sales credits claimed mainly by the Parent company Fratelli Cosulich S.p.A.

TAX RECEIVABLES	2023	2022	DELTA
Final Value	7.385.456	4.124.122	3.261.334

Among the tax credits the most significant amounts are relevant to VAT credits originating from the business activity and from the tax credits for advance payments paid by the companies.

RECEIVABLES FOR ADVANCE TAX PAYMENTS	2023	2022	DELTA
Final Value	3.553.554	2.461.506	1.092.048

The advance tax payments are relevant to inferable time differences. Their description is indicated in the explanatory notes of each consolidated company.

OTHER ACCOUNTS RECEIVABLES	2023	2022	DELTA
Final Value	8.972.417	7.820.547	1.151.870

The most significant amounts are relevant to credits claimed by the parent company towards represented companies, for advanced amounts in the name and on behalf of the same companies; furthermore, in this item they are included also miscellaneous receivables due to advance payments made on behalf of suppliers and non-trade receivables.

FINANCIAL OPERATIONS NOT BEING FIXED ASSETS	2023	2022	DELTA
Final Value	14.887.657	11.808.890	3.078.767

The item in question is attributable to financial investments made over the years by the group's companies. The main investments were made by Fratelli Cosulich S.p.A. as well as the subsidiaries Fratelli Cosulich (HK) Ltd, Catalano & Cosulich Shipping Services SAM, and Comunico S.r.l.

LIQUID ASSETS	2023	2022	DELTA
Final Value	121.165.723	109.029.435	12.136.288

The balance represents the liquid assets and the existence of cash and assets as at the date of the financial year's end. The real amount relevant to the cash at banks has been checked on the base of ad-hoc reconciliation statements.

## ACCRUALS AND DEFERRALS

ACCRUALS AND DEFERRALS	2023	2022	DELTA
Final Value	3.952.262	3.906.865	45.397

They measure income and charges which competence is made in advance or postponed compared to the cash collection and expenditure. Therefore, regardless of the date of payment, they correctly reflect the accrual basis of the costs and revenues.

**NET EQUITY**

SHARE CAPITAL	2023	2022	DELTA
Final Value	2.000.000	2.000.000	-

The item "Share Capital" registered in the liabilities for an amount equal to Euro 2.000.000 includes the Net Equity of the parent company. The capital results to be fully undersigned and paid-up. The value of Net Equity of other consolidated companies, together with other Net Equity accounting entries, has been cancelled in the consolidation report against the values of the relevant shareholdings.

REVALUATION RESERVE	2023	2022	DELTA
Final Value	4.866.433	4.866.433	-

The item includes the value of the revaluation reserve set aside on the basis of the provisions of Legislative Decree 104/2020 which allowed the possibility of revaluing one's tangible fixed assets.

The parent company Fratelli Cosulich S.p.A., following the preparation of a specific appraisal by a third party, has chosen to revalue some assets belonging to the buildings category, recording a specific equity reserve, and also means to opt for obtaining the recognition of the revaluation in question also for tax purposes, thus subjecting the revaluation to the substitute tax.

LEGAL RESERVE	2023	2022	DELTA
Final Value	400.000	400.000	-

The item includes the value of the legal reserve of the holding company.

FREE RESERVE	2023	2022	DELTA
Final Value	2.115.213	2.115.213	-

The item includes the value of free reserves of the holding company.

EARNINGS CARRIED FORWARD	2023	2022	DELTA
Final value	193.805.182	168.713.913	25.091.269

The noticed increase, compared with the retained earnings registered in the statutory financial statements 2022 of the parent company, refers to the equity effect of the cancellation accounts of subsidiaries' shareholdings, of consolidation accounts relevant to the assets held on lease, of the consolidation accounts generated by the equity evaluations of associated shareholdings.

NEGATIVE RESERVE FOR TREASURY SHARES (HELD IN PORTFOLIO)	2023	2022	DELTA
Final Value	-6.760.000	-6.760.000	-

The negative reserve for treasury shares held in the portfolio was set aside following the finalization of the acquisition of 16,900 treasury shares.

OPERATING PROFIT (LOSS)	2023	2022	DELTA
Final Value	23.006.958	40.195.226	-17.188.268

Effects on the fiscal year result of the parent company, coming from consolidation reports, is summarized in the attached reconciliation statement. The reduction in net result is mainly attributable to the normalization of operating margins across all business sectors. It remains, however, one of the highest results historically achieved by the Group.

THIRD PARTIES' CAPITAL AND RESERVES	2023	2022	DELTA
Final Value	23.199.091	23.374.665	-175.574

Under this item it is indicated the share of Companies' equity belonging to third parties.

THIRD PARTIES OPERATING PROFIT (LOSS)	2023	2022	DELTA
Final Value	7.241.877	12.036.589	-4.794.712

Similarly, to the above, under this item it is indicated the profit share obtained by the consolidated companies, belonging to third parties.

**PROVISION FOR RISKS AND CHARGES**

PROVISION FOR PENSION LIABILITIES	2023	2022	DELTA
Final Value	555.607	469.406	86.201

The item indicates the total provision set aside on yearly basis by the parent company in favor of the employees' net of utilizations.

TAXES FUND	2023	2022	DELTA
Final Value	932.896	641.274	291.622

Above fund refers to the accrued accounting treatment of the tax relief relevant to the adjustments aimed to cancel the liabilities exclusively of fiscal nature.

OTHER PROVISIONS FOR RISKS AND CHARGES	2023	2022	DELTA
Final Value	11.552.561	10.590.513	962.048

The balance represents the sum of the funds set aside by the companies of the Group, which are congruous and consistent with the risks assessed at the balance sheet date. For details on the individual funds, please refer to the statutory financial statements of the individual Group companies. The most significant amount was set aside by Fratelli Cosulich S.p.A. in order to cover the risk of potential liabilities arising from the Tecnoservice transaction. The increase recognized during the year was estimated on the basis of generic country risk to cover possible unforeseeable circumstances of political and economic nature which could translate into risks for the Group.

#### RESERVE FOR SEVERANCE INDEMNITIES

SEVERANCE INDEMNITIES	2023	2022	DELTA
Final Value	3.957.646	3.609.695	347.951

The set aside amount represents the real debt of the companies of the Group towards the employees working at that date, net of advances paid.

The total for the group is divided as follows:

• Fratelli Cosulich S.p.A.	Euro 338.949
• Fratelli Cosulich Shipmanagement S.r.l.	Euro 9.319
• Link Industries S.p.A.	Euro 621.467
• Express Adriatica S.r.l.	Euro 67.507
• Lorma Logistic S.r.l.	Euro 688.957
• Ambro Terminal S.r.l.	Euro 80.119
• Express S.r.l.	Euro 535.463
• Archimede Gruden S.r.l.	Euro 455.823
• Luvitrans S.r.l.	Euro 201.786
• Morgan 4Ship S.r.l.	Euro 88.310
• Genesys Informatica S.r.l.	Euro 295.096
• Comunico S.r.l.	Euro 33.626
• Argenton & Soci S.r.l.	Euro 165.696
• Agenzia Marittima Saidelli S.r.l.	Euro 91.161
• Cosulich Assicurazioni S.r.l.	Euro 8.026

• Argosy S.r.l.	Euro 21.193
• Marlines S.r.l. Shipping Agency	Euro 239.827
• Gente di Mare S.r.l.	Euro 1.557
• Catalano & Cosulich France Sarl	Euro 13.765

#### LIABILITIES

LIABILITIES DUE TO BANKS	2023	2022	DELTA
Final Value	230.902.662	194.580.176	36.322.486

This amount is payable beyond the next fiscal year for EUR 107,046,687, and the remaining balance is entirely payable within the fiscal year. Against a decrease in short-term debts of approximately EUR 8 million, there is an increase of about EUR 44 million due to investments in naval assets made during the fiscal year.

The short-term bank debts mainly refer to the following positions:

• Fratelli Cosulich S.p.A.	Euro 44.507.090
• Fratelli Cosulich S.A.	Euro 39.407.992
• Express Global International Ltd	Euro 26.914
• Fratelli Cosulich U.S.A. Inc.	Euro 10.103.291
• Fratelli Cosulich LNG S.r.l.	Euro 2.093.829
• Link Industries S.p.A.	Euro 4.920.297
• Lorma Logistic S.r.l.	Euro 1.052.863
• Ambro Terminal S.r.l.	Euro 52.683
• NE Logistic S.r.l.	Euro 95.743
• Express S.r.l.	Euro 778.947
• Morgan 4Ship S.r.l.	Euro 170.144
• Comunico S.r.l.	Euro 469
• Vulcania S.r.l.	Euro 3.973.275
• Pimlico Shipping Ltd	Euro 2.843.892
• Marlines S.r.l. Shipping Agency	Euro 971.950
• Fratelli Cosulich Bunkers Sing. Pte Ltd	Euro 12.760.181
• Monaco Yacht Partner Sarl	Euro 96.415

LIABILITIES DUE TO OTHER LENDERS	2023	2022	DELTA
Final Value	5.483.829	6.082.036	-598.207

This balance is determined by the liabilities claimed by the banks, for finance lease operations in force with the companies of the Group.

PAYABLES TO SUPPLIERS	2023	2022	DELTA
Final Value	225.349.220	174.565.661	50.783.559

The item "Payables" includes the payables to suppliers of the Group and they result to be registered at their nominal value.

LIABILITIES DUE TO AFFILIATED COMPANIES	2023	2022	DELTA
Final Value	3.736.228	3.826.518	-90.290

The debts, due to affiliates, are mainly trade payables of the parent company owed to companies operating in complementary business fields.

TAX LIABILITIES	2023	2022	DELTA
Final Value	2.253.239	7.866.474	-5.613.235

The item is including the payables of the Group owed to the Financial Administration for the income taxes relevant to the financial year of the consolidation companies, for the withholdings made on allowances paid to employees and other staff and other payables owed to the National Treasury.

LIABILITIES DUE TO SOCIAL SECURITY INSTITUTIONS	2023	2022	DELTA
Final Value	3.275.221	2.490.935	784.286

This item refers to payables due at the end of the year to the institutions for the amounts due by the companies of the Group.

OTHER PAYABLES	2023	2022	DELTA
Final Value	35.958.910	11.128.824	24.830.086

The debts of this account, payable within twelve months, are mainly represented by the parent company's debts for collections made on behalf of the represented shipowners, the debts of companies acting as customs agents who collect taxes to be paid to Customs in January of the following fiscal year, as well as the liabilities of all consolidated companies to employees for salaries accrued in the fiscal year but paid in the following year. Additionally, there are debts to shareholders for dividends declared but not yet distributed by Vulcania S.r.l. and Fratelli Cosulich do Brazil, as well as a debt of approximately EUR 2.2 million by Fratelli Cosulich LNG S.r.l. for the deposit received from Titan at the time of chartering the M/V Alice Cosulich.

## ACCRUALS AND DEFERRALS

ACCRUALS AND DEFERRALS	2023	2022	DELTA
Final Value	9.375.067	4.282.594	5.092.473

They measure incomes and charges which appropriate accounting period is respectively advanced and postponed in respect to the cash collection and expenditure; they are therefore, regardless of the date of payment, correctly reflecting on an accrual basis the costs and profits.

## PAYABLES AND RECEIVABLES WITH DURATION OF MORE THAN 5 YEARS

There are no receivables with a duration of more than 5 years, but there are debts with a duration of more than 5 years. These include the remaining lease payments on three financial leasing operations undertaken in recent years by the Group's companies, as well as the portion of a 12-year naval financing provided by the Bper - Banca Popolare di Sondrio and Cassa Depositi e Prestiti (SACE guarantee) to the subsidiary Fratelli Cosulich LNG S.r.l. for the purchase of the M/V Alice Cosulich, the first Small Scale LNG Bunker Vessel in the Group's fleet.

DESCRIPTION	DUE DATE	OVER 5 YEARS
Fratelli Cosulich S.p.A.	2032	179.124
Fratelli Cosulich S.p.A.	2031	678.514
Sea Trend Holding S.r.l.- Morgan 4Ship S.r.l.	2036	1.131.236
Fratelli Cosulich LNG S.r.l.	2033	18.439.976
<b>Total Debts over 5 years</b>		<b>20.428.850</b>

## TURNOVER AND REVENUES BREAKDOWN

The revenues coming from sales and services of the group amount in total to Euro 1.887.324.690 and they are divided in the following business services' typologies:

TURNOVER AND SERVICES	2023	2022	DELTA
Tourism industry	4.441.324	3.302.209	1.139.115
Manning And Catering	27.096.354	21.930.354	5.166.000
Trading And Bunker Commission	1.569.970.621	1.831.268.232	-261.297.611
Shipping Agency And Shipowning	93.679.816	72.738.713	20.941.104
Freight Forwarding and Logistics	151.278.371	230.368.113	-79.089.742
Trading In Insulating Materials And Iron Derivatives	35.528.876	45.033.642	-9.504.766
Information Technologies	5.329.328	2.240.098	3.089.230
<b>Total Turnover And Services</b>	<b>1.887.324.690</b>	<b>2.206.881.361</b>	<b>-319.556.671</b>

## OTHER REVENUE AND EXTRAORDINARY INCOME

Regarding the item under examination, the most significant amounts are recorded in the financial statements of the parent company, the subsidiaries Fratelli Cosulich Unipessoal SA, Fratelli Cosulich Bunkers (S) Pte Ltd, and other subsidiaries for amounts less than one million.

For the parent company, this includes corporate services and rent invoiced to affiliated companies, compensation received by the Holding's directors and returned by them, active contingencies recorded for amounts unclaimed by represented shipowners and expired, or non-existent liabilities released in the financial statements of the subsidiary Fratelli Cosulich Unipessoal SA. Not to be overlooked are insurance reimbursements for damages to armed ships collected by the Singapore company, as well as a substantial capital gain recorded by the same company on the sale of the M/V Cecilia Cosulich.

## CLASSIFICATION OF FINANCIAL INCOME AND CHARGES

The income is classified in banks interest' receivables, other financial income, exchange gain, dividends from other holdings.

FINANCIAL INCOME	2023	2022	DELTA
Final Value	11.255.523	9.863.147	1.392.376

FINANCIAL INCOME	2023	2022	DELTA
Dividends	6.318.009	4.335.707	1.982.302
Other Financial income:			
- Other Financial Income	3.962.921	1.702.204	2.260.717
- Profits On Foreign Exchange	974.593	3.825.236	-2.850.643
<b>Total Financial income</b>	<b>11.255.523</b>	<b>9.863.147</b>	<b>1.392.376</b>

FINANCIAL COSTS	2023	2022	DELTA
Interest payable and similar costs	-13.970.698	-8.597.949	-5.372.749
<b>Total Financial Costs</b>	<b>-13.970.698</b>	<b>-8.597.949</b>	<b>-5.372.749</b>

The above indicated item is composed by banks' payable interests, bank commissions and exchange differences noticed on currency entries and on derivatives contracts undersigned by subsidiaries, and, finally, by financial payables linked to lease contracts following the international accounting principle n.17 stated by IASC.

## VALUE ADJUSTMENTS TO FINANCIAL ASSETS

VALUE ADJUSTMENTS TO FINANCIAL ASSETS	2023	2022	DELTA
Revaluations	20.560.927	23.168.116	-2.607.189
Devaluations	-16.254.719	-9.316.464	-6.938.255

Main adjustments relate to write-downs and revaluations of investments in unconsolidated subsidiaries and affiliates companies determined by applying equity valuation.

## AVERAGE NUMBER OF EMPLOYEES

In the following prospect it is indicated the average employees' number of the Group:

GROUP'S EMPLOYEES	2023
Managers	29
Middle Managers	84
Office Employees	622
Seafarers	869
<b>Total Employees</b>	<b>1.604</b>

## DIRECTORS AND STATUTORY AUDITORS' FEES

The fees paid to directors of the companies of the group are divided as follows:

- Fratelli Cosulich S.p.A. Euro 412.224
- Link Industries S.p.A. Euro 110.000
- Genesys Informatica S.r.l. Euro 170.000
- Comunico S.r.l. Euro 45.000
- Express S.r.l. Euro 73.696
- Archimede Gruden S.r.l. Euro 285.720
- Express Adriatica S.r.l. Euro 20.800
- Agenzia Marittima Saidelli S.r.l. Euro 26.000
- Lorma Logistic S.r.l. Euro 30.000
- Ne Logistic S.r.l. Euro 41.000
- Ambro Terminal S.r.l. Euro 12.000
- Cosulich Assicurazioni S.r.l. Euro 141.022

- Marlines S.r.l. Shipping Agency Euro 349.011
- Fratelli Cosulich LNG S.r.l. Euro 121.693
- Calle de Mar S.r.l. Euro 9.745
- Fratelli Cosulich Monaco SAM Euro 585.000
- Fratelli Cosulich Bunkers (S) Pte Ltd USD 114.512

The fees paid to the Statutory Auditors Committee of the companies of the Group are divided as follows:

- Fratelli Cosulich S.p.A. Euro 15.000
- Link Industries S.p.A. Euro 20.027
- Express S.r.l. Euro 14.560
- Archimede Gruden S.r.l. Euro 22.500
- Lorma Logistic S.r.l. Euro 12.668

#### DIVIDEND-RIGHT SHARES AND BONDS ISSUED BY THE COMPANY

No company of the group has issued dividend-right shares and bonds convertible in shares, securities or similar values.

#### GROUPING OF ITEMS

We underline that the company has not made any grouping of items preceded by Arabic numerals, as, instead, optionally foreseen by art. 2423 ter. of the Italian Civil Code.

#### BELONGING TO VARIOUS ITEMS

We underline that there is no element in receivables and payables belonging to more than one item of the balance sheet scheme.

#### ADDITIONAL INFORMATION

This consolidated balance sheet, formed by statement of assets and liabilities, income statement and explanatory notes, represents in a real and correct way the shareholders equity and the financial statement as well as the net profit of the financial year referred to the consolidated companies. It complies with accounting books and records of the subsidiaries and with the financial statements edited by the companies included in the scope of consolidation.

We attach to the explanatory notes the following documents:

- reconciliation statement between the net profit and net equity of the holding company and the values of the consolidated balance sheet
- the statement of assets and liabilities
- consolidated reclassified income statement

**The Chairman of the Board of Directors**

Cav. Lav. Augusto Cosulich

Genoa, 29th May 2024

#### NET PROFIT AND NET EQUITY OF FRATELLI COSULICH S.P.A. AND THE GROUP

The Reconciliation statement, for the financial year closed as at 31st December 2023, between net equity and net profit registered in the Statutory Financial Statements of the holding company Fratelli Cosulich S.p.A. and the equal balance data, is the following:

#### Reconciliation statement between net profit and net equity of Fratelli Cosulich S.p.A. and the Group

DESCRIPTION	NET ASSETS 2023	RESULT 2023
Financial statement Fratelli Cosulich S.p.A.	37.318.553	7.613.246
Subsidiaries' equity cancellation	117.956.096	11.058.352
Affiliates equity evaluation and other shares	76.119.778	3.561.794
Leasing indexation as per law 17	4.185.279	298.195
Intercompany elisions	-786.297	-239.690
Provision for credit and other risks	-13.729.101	1.247.582
Other changes	-1.630.522	-532.522
<b>Net equity and Group's profit</b>	<b>219.433.786</b>	<b>23.006.958</b>
<b>Net equity and third parties' profit</b>	<b>23.199.091</b>	<b>7.241.977</b>
<b>Net equity and total profits</b>	<b>242.632.877</b>	<b>30.248.835</b>

**FRATELLI COSULICH GROUP CONSOLIDATED FINANCIAL STATEMENT  
RECLASSIFIED AT 31ST DECEMBER 2023**

ASSET AND LIABILITY STATEMENT (data in thousands of Euro)	31.12.2023	31.12.2022
Intangible fixed assets	12.945	11.792
Tangible fixed assets	184.355	127.033
Shareholdings and other financial fixed assets	107.508	107.688
<b>Fixed capital</b>	<b>304.809</b>	<b>246.514</b>
Stocks	7.476	9.784
Receivables	330.917	286.033
Accruals and deferrals	3.952	3.907
<b>Short term current assets</b>	<b>342.346</b>	<b>299.724</b>
Liabilities	-270.573	-199.878
Accruals and deferrals	-9.375	-4.283
<b>Short term current assets</b>	<b>-279.948</b>	<b>-204.161</b>
<b>Net capital</b>	<b>62.398</b>	<b>95.563</b>
Employees severance fund	-3.958	-3.610
Other medium-long term liabilities (risk fund)	-13.041	-11.701
<b>Net invested capital</b>	<b>350.208</b>	<b>326.766</b>
Group's net equity	219.434	211.531
Third parties net equity	30.441	35.411
Shareholders funding	-	-
Medium/Long term financial borrowing	111.140	67.368
Short term financial net position	-10.807	12.456
<b>Own equity and financial debts</b>	<b>350.208</b>	<b>326.766</b>

**FRATELLI COSULICH GROUP CONSOLIDATED FINANCIAL STATEMENT  
RECLASSIFIED AT 31ST DECEMBER 2023**

INCOME STATEMENT (data in thousands of Euro)	31.12.2023	31.12.2022
Turnover and services	1.887.325	2.206.881
Other income and revenues	12.627	7.305
<b>Value of production</b>	<b>1.899.952</b>	<b>2.214.186</b>
Consumption of raw materials and consumable stores	-1.585.002	-1.849.658
Services	-198.824	-243.151
Other management and operating expenses	-8.293	-6.112
<b>Added value</b>	<b>107.833</b>	<b>115.265</b>
Personnel costs	-57.899	-46.590
<b>EBITDA</b>	<b>49.933</b>	<b>68.675</b>
Amortization, depreciation and impairment	-19.162	-17.229
Provisions	-88	-4.745
<b>EBIT</b>	<b>30.684</b>	<b>46.701</b>
Financial income and charges	1.591	15.117
<b>Profit or loss before taxes</b>	<b>32.275</b>	<b>61.818</b>
Income taxes	-2.026	-9.586
<b>Profit or loss before interests of shareholding third parties</b>	<b>30.249</b>	<b>52.232</b>
Profit or loss due to shareholding third parties	7.242	12.037
<b>Group's share of net profit</b>	<b>23.007</b>	<b>40.195</b>



# Management report

Messrs. Shareholders,

We submit herewith for your approval, the Financial Statements of your Company as at 31st December 2023. The financial year has closed with a positive outcome, before the tax allowance equal to Euro 32.274.579 and decreasing to Euro 23.006.958 after the tax allowance of the business year equal to Euro 2.025.744 and due to the profit of third parties equal to Euro 7.241.877.

## THE GROUP

As at this Balance Sheet reference date the Group is formed by the following subsidiaries:

- Fratelli Cosulich S.p.A.
- Agence Maritime Tropezienne Sarl
- Agenzia Marittima Saidelli S.r.l.
- Ambro Terminal S.r.l.
- Archimede Gruden HK
- Archimede Gruden S.r.l.
- Arco Denizcilik Servis A.Ş.
- Argenton & Soci S.r.l.
- Argosy S.r.l.
- Calle de Mar S.r.l.
- Catalano & Cosulich Shipping Services Cannes Sarl
- Catalano & Cosulich Shipping Services SAM
- Comunico S.r.l.
- Coscat Cannes SCI
- Coscat SCIM
- Cosulich Assicurazioni S.r.l.
- Express Adriatica S.r.l.
- Express Chita Co. Ltd
- Express Global International Ltd
- Express S.r.l.
- Express Usa Inc.
- Fratelli Cosulich (HK) Ltd
- Fratelli Cosulich Bunkers (HK) Ltd
- Fratelli Cosulich Bunkers (S) PTE Ltd
- Fratelli Cosulich Comercio e Servicos Ltda
- Fratelli Cosulich Europe Cons. Econ. E Part. Lda
- Fratelli Cosulich France Sas
- Fratelli Cosulich Greece SMPC
- Fratelli Cosulich LNG 2 S.r.l.
- Fratelli Cosulich LNG S.r.l.
- Fratelli Cosulich Middle East DMCC
- Fratelli Cosulich Monaco SAM

- Fratelli Cosulich Shipmanagement S.r.l.
- Fratelli Cosulich Turkey Ltd
- Fratelli Cosulich Unipessoal S.A.
- Fratelli Cosulich USA LLC
- Genesys Informatica S.r.l.
- Gente di Mare S.r.l.
- Gruden Usa Inc.
- La Route du Sud SAM
- Link Industries S.p.A.
- Link Trading (HK) Ltd
- Link Trading Beijing Ltd
- Lorma Logistic S.r.l.
- Luvitrans International S.r.l.
- Marlines S.r.l. Shipping Agency
- Menton Service Auto Sarl
- MESCO International Forwarding Inc.
- Monaco Engineers Sarl
- Monaco Yacht Partner Sarl
- Monte-Carlo Rent@Car Sarl
- Morgan 4Ship S.r.l.
- NE Logistic S.r.l.
- Pimlico Shipping Ltd
- Vulcania S.r.l.

In relation to the financial year just concluded, it should be noted that the companies Takoradi Catering Company Ltd, Officine Elettro Meccaniche S.r.l., Geos S.r.l., Catalano Shipping Services Indonesia PMA, Catalano Shipping Services NZ Ltd, Fratelli Cosulich France Sas, Fratelli Cosulich Monfalcone S.r.l. are not included in the consolidation area as they are not yet considered relevant due to their corporate purpose and/or immaterial balance sheet values compared to the consolidated data, inactive or liquidated/under liquidation.

During the financial year just ended, the companies Argenton & Soci S.r.l., Fratelli Cosulich Shipmanagement S.r.l. entered the scope of full consolidation. and Calle de Mar S.r.l.

As you know, the Group's main activity, in terms of turnover, is linked to bunker trading. Considering the effect on Ebitda, in the last three financial years, activities related to logistics and armament have also assumed considerable importance.

With regard to the latter, it should be noted that during 2023 the construction of the first Small Scale LNG Bunker Vessel owned by the Group, M/V Alice Cosulich, was completed, chartered starting from September 2023. The delivery and related charter of the sister ship M/V Paolina Cosulich will follow in March 2024.

During 2023, the weight of industrial activity remains significant, thanks to the excellent result obtained by the subsidiary Link Industries S.p.A. and the expansion of the Trasteel group which, also during the financial year just concluded, continued its growth policy through acquisition with the finalization of the LIFI S.r.l., Trasteel Engineering Polska Sp. Zo.o. operations, and Trasteel Ingerie S.r.l.

Wanting to make a brief summary of the activities carried out by the companies included in the consolidation area, they can be summarized as follows:

- Bunker trading/broking activity carried out by the companies Fratelli Cosulich Unipessoal SA, Fratelli Cosulich Bunkers (HK) Ltd, Fratelli Cosulich S.p.A, Fratelli Cosulich Bunkers (S) PTE Ltd, Fratelli Cosulich Monaco SAM, Fratelli Cosulich Middle East DMCC, Fratelli Cosulich USA LLC, Fratelli Cosulich Greece SMPC and Fratelli Cosulich France.
- Shipping activity, carried out by Fratelli Cosulich Bunkers (S) Pte Ltd through the management of owned ships rented on a time charter basis in the port of Singapore to the main oil majors, by Pimlico Shipping Ltd and by Vulcania S.r.l. through time charter and bareboat contracts of the bulk carriers acquired between September 2015 and December 2023.
- Activities related to maritime services, from maritime recommendation to the management of scheduled services provided by represented shipping companies, to national and international shipments, to the management of container road transport, to the management of crews, to the intermediation service on bunkering, to the catering and on-board provision service, and finally to the activity relating to air, passenger and tourist transport, carried out by the parent company Fratelli Cosulich S.p.A. and by the subsidiaries Fratelli Cosulich Comercio e Servicos Ltda, Agenzia Marittima Saidelli S.r.l., Express Global International Ltd, Catalano & Cosulich Shipping Services SAM and its subsidiaries, Fratelli Cosulich Turkey Ltd, Arco Denizcilik Servis A.Ş, MESCO International Forwarding Inc., Express S.r.l., Express Adriatica S.r.l., Lorma Logistic S.r.l., NE Logistic S.r.l., Ambro Terminal S.r.l., Archimede Gruden S.r.l. and its subsidiaries and finally through Marlines S.r.l. Shipping Agency.
- Trading activities of raw materials including insulating materials and iron derivatives, carried out by Link Industries S.p.A. and Link Trading (Beijing) Ltd.
- Insurance brokerage activity carried out by Cosulich Assicurazioni S.r.l.
- Activities in the IT sector carried out by Genesys Informatica S.r.l., Comunico S.r.l. and Argenton & Soci S.r.l. In particular, they deal with the trade and installation of hardware and software products, consultancy and design activities, creation of customized business intelligence and data management solutions, as well as the supply and assistance of satellite communication services for cargo vessels and Mega Yachts.

### Operating Results Table (period 1<sup>st</sup> January – 31<sup>st</sup> December)

DESCRIPTION	2023	2022	CHANGE %
<b>A. REVENUES</b>	<b>1.887.324.690</b>	<b>2.206.881.361</b>	<b>-14%</b>
Other revenues	12.627.200	7.304.954	73%
<b>B. VALUE OF PRODUCTION</b>	<b>1.899.951.890</b>	<b>2.214.186.315</b>	<b>-14%</b>
Costs for services and purchase of raw materials	-1.582.813.358	-852.326.482	-15%
Costs for services and performance of services by third parties	-198.824.025	-243.150.754	-18%
<b>C. VALUE ADDED</b>	<b>118.314.507</b>	<b>118.709.079</b>	<b>0%</b>
Labor Cost	-57.899.288	-46.590.106	24%
Costs for leased assets	-3.641.311	-3.367.281	8%
Other operating expenses	-6.840.631	-76.835	8803%
<b>D. GROSS OPERATING MARGIN (M.O.L.)</b>	<b>49.933.277</b>	<b>68.674.857</b>	<b>-27%</b>
Depreciation and amortization	-19.249.731	-21.973.763	-12%
<b>E. OPERATING RESULT (M.O.)</b>	<b>30.683.546</b>	<b>46.701.094</b>	<b>-34%</b>
Financial income and expenses	-2.715.175	1.265.198	-315%
Value adjustments of financial assets	4.306.208	13.851.652	-69%
<b>F. RESULT BEFORE TAXES</b>	<b>32.274.579</b>	<b>61.817.944</b>	<b>-48%</b>
Income tax for the year	-2.025.744	-9.586.129	-79%
<b>G. NET RESULT OF THE FINANCIAL YEAR</b>	<b>30.248.835</b>	<b>52.231.815</b>	<b>-42%</b>

### GENERAL TREND

The performance of the financial year just ended recorded a 14% decrease in the value of production, which went from Euro 2,214,186,315 to Euro 1,899,951,890. With the same volumes, the contraction in turnover is mainly attributable, for all business areas, to the generalized decrease in the market price of bunkers, as well as in intermediated maritime freight, which led to a transversal contraction in invoiced revenues.

The costs for the purchase of goods and raw materials for the year amount to Euro 1,582,813,358 and record a decrease of 15% compared to the values at the end of 2022.

The costs for services and supplies for the year amount to Euro 198,824,025 and record a decrease of 18% compared to the values recorded in the previous year.

Both of these contractions are explained by the same reasons described for the value of production.

The added value remains substantially identical compared to the same period in 2022, and this is explained by the proportional change in revenues and direct costs, maintaining the record profitability recorded in 2022.

Labor costs recorded an increase of 24% compared to the same period in 2022.

Other management costs, including the item relating to the change in inventories of raw materials and goods,

recorded a significant increase compared to 2022 due to the movement recorded during the year by the group companies.

The gross operating margin went from 68,674,857 Euros in the previous year to 49,933,277 Euros in 2023, with a decrease of 27%.

The net operating margin goes from a value of 46,701,094 Euros in the previous year to a positive result of 30,683,546 Euros in 2023.

The overall result of financial management shows a significant decline, going from a profit of Euro 15,116,850 in 2022 to a profit of Euro 1,591,033 for the financial year just concluded.

Financial charges were heavily impacted by the significant increase in the cost of money during the year, which generated financial charges of 13,970,698 Euros compared to 8,597,949 Euros in the previous year.

The associated companies generated an overall positive effect of 10,610,086 Euros (18,187,359 Euros in the previous year), as a result of the dividends collected in the period (6,303,878 Euros against 4,335,707 Euros in the previous period) and of the equity valuation net of the same (with a surplus value of Euro 4,306,208 compared to Euro 13,851,652 in the previous period).

As happened in 2022, thanks to the trend of the Euro/USD exchange rate on currency positions at the end of the year, a positive effect of approximately 974,593 was recorded (3,825,236 Euros in 2022).

The pre-tax result is equal to Euro 32,274,579 compared to Euro 61,817,944 in 2022.

The consolidated result (group + third parties) goes from Euro 52,231,815 in 2022 to Euro 30,248,835 in 2023.

The group result goes from Euro 40,195,226 in 2022 to Euro 23,006,958 in 2023.

The group's net assets increase from Euro 211,530,785 in 2022 to Euro 219,433,786 this year. Consolidated net equity (group + third parties) goes from Euro 246,942,039 in 2022 to Euro 249,874,754 this year. The change in net equity, in addition to the allocation of the 2022 result to reserves, is attributable to investments made in shareholdings, which determine a positive effect on the assets and consequently on the equity, due to the application of the principles of full consolidation and evaluation to Equity of the same.

At the end of 2023, the Group had 1,604 employees.

The summary of the main values of the last two financial years allows us to compare the most significant data of the 2023 financial year, appropriately reclassified for management purposes.

After several years of growth in margins in all the Group's business areas, a contraction was recorded, following the normalization of market prices. Therefore, despite the stability of the volumes and traffic managed, there was a worsening of the group's operating result, mainly caused by the increase in personnel and warehouse management costs.

The maintenance of high rental levels in the bulk carriers sector has made it possible to maintain high margins, once again generating an excellent result in the economic accounts of the Vulcania S.r.l. subsidiaries. and Pimlico Shipping Ltd.

Free from the residual effects of the pandemic, even the sectors most affected in the past linked to the tourism sector, business travel, cruises and catering, carried out for passenger ferries and the related logistics and warehouse activities dedicated to them, recorded a performance positive generated an excellent operating result.

Regarding the performance of the bunker trading activity, which during 2022 had recorded an extraordinarily high margin compared to the historical market trend, in 2023 the return normalized, repositioning itself on values consistent with the average of past financial years.

The "Bunker Trading" turnover, the group's main activity, at the end of the financial year stood at approximately 1,579 million Euros compared to approximately 1,831 million in 2022.

The tons of trading processed during 2023 are in line with those of the previous year but, as mentioned, with a normalized margin compared to the peak reached in 2022. They are spread across all geographical areas and all the main world markets and ports, thanks to the coverage guaranteed by the corporate structure.

During 2023 the EUR/USD exchange rate went from a price of 1.0666 on 31/12/2022 to 1.105 on 31/12/2023. The average exchange rate, most relevant in determining the effect on an economic level, went from 1.0530 in 2022 to 1.0813 in 2023.

Analyzing the result of financial management, we note, despite the increase in dividends from associated companies, an overall worsening mainly due to a significant increase in interest expense and a decrease in other financial income which, despite a good return performance of investment funds The investment held recorded a significant contraction in the item exchange gains. The main value adjustments to financial assets relate to the revaluation and devaluation of investments in associated companies, effects determined by the equity valuation of the same. From the equity valuation of associated companies, a positive effect of 4.3 million is recorded, as a result of the difference between the devaluation resulting from the distribution of dividends and the revaluation calculated pro-rata on the profits achieved in 2023. The significant decrease compared to the previous year is attributable to the normalization of the results of all associated companies, especially in the industrial sector linked to the steel market.

Income taxes for the year recorded in 2023 amount to Euro 2,025,744, a clear decrease compared to the amount recorded in 2022 equal to Euro 9,586,129.

Finally, it is always necessary to remember the economic effect generated on management costs by existing leasing contracts, for an evaluation of which please refer to the specific tables included in the explanatory notes.

For further details, please refer to the statutory financial statements of the companies included in the scope of consolidation.

## ANALYSIS OF ASSETS AND LIABILITIES

We have prepared some reclassification prospects to supply a complete informative report on the financial and economical position of the Group Fratelli Cosulich S.p.A.

Here below you will find the report covering the economical trend of financial year 2023, and relevant comparison with year 2022:

DESCRIPTION	2023	2022	DELTA %
<b>VALUE of PRODUCTION</b>	<b>1.899.951.890</b>	<b>2.214.186.315</b>	<b>-14%</b>
Costs for purchases and personnel	-1.839.536.671	-2.142.067.342)	-14%
Depreciation	-15.123.492	-12.399.440)	22%
Write-downs	-4.126.239	-9.574.323)	-57%
Other net operating costs	-10.481.942	-3.444.116)	204%
<b>Operating Margin</b>	<b>30.683.546</b>	<b>46.701.094</b>	<b>-34%</b>
Financial net income (loss)	1.591.033	15.116.850	-89%
Income Taxes	-2.025.744	-9.586.129)	-79%
<b>NET RESULT</b>	<b>30.248.835</b>	<b>52.231.815</b>	<b>-42%</b>

## PROFITABILITY INDEXES

DESCRIPTION	2023	2022
R.O.E. (return on equity)	12,1%	20,6%
R.O.I. (return on investment)	9,9%	21,2%
R.O.S. (return on sales)	1,6%	2,4%

Profitability indexes supply information on the Company's income performance.

Return on equity (R.O.E.) obtained by comparing net result to owners' equity, shows the profitability referred to the invested capital as risk capital.

Return on Investment (R.O.I.), obtained by comparing EBITDA to the invested capital, shows the profitability deriving from activities employment in the company.

The Return on Sales (R.O.S.) is obtained by comparing operating margin and the turnover.

The table below highlights the capital structure in the perspective of revenues and expenditures and the percentage of coverage of the invested capital by Shareholders' equity.

## FINANCIAL POSITION

The net debt load at 31 December 2023, which consistency is compared, for due info, to the corresponding data at 31 December 2022, is showed hereunder.

DESCRIPTION	2023	2022	DELTA %
Short-term financial liabilities	125.246.871	133.293.968	-6,04%
Financial debt in the medium to long term	111.139.620	67.368.244	64,97%
<b>Cash or equivalent</b>	<b>136.053.380</b>	<b>120.838.325</b>	<b>12,59%</b>
<b>DEBTS AGAINST BANKS AND SHAREHOLDERS</b>	<b>100.333.111</b>	<b>79.823.887</b>	<b>25,69%</b>
Other loans	1.400.000	1.400.000	0,00%
FINANCIAL LOANS AND SECURITIES	4.725.495	4.795.494	-1,46%
<b>Financial debts to related parties</b>	<b>6.125.495</b>	<b>6.195.494</b>	<b>-1,13%</b>
<b>NET DEBT</b>	<b>94.207.616</b>	<b>73.628.393</b>	<b>27,95%</b>

## MAIN RISKS AND UNCERTAINTIES

We do not remark, by present knowledge of management and on the basis of business trend, any risk situation for the business continuity.

In the current financial year, the available indicators, thanks to a mechanical, balanced and exhaustive analysis of the Company's situation, allow forecasting that she will maintain a satisfactory success on the reference markets.

## CREDIT RISK

Credit risk represents the Group's exposure to potential losses resulting from the non-fulfillment of the obligations, both commercial and financial, assumed by the counterparties. To mitigate this risk, the Group has put in place various internal procedures. Extensions of payment are granted only to customers of proved solvency, dunning letters are punctually sent, also for the purpose to ascertain in good time possible financial straits of the customers. Finally, measures for the coercive credit collection are promptly taken, in case of failures to pay.

## MARKET RISK AND EXCHANGE-RATE RISK

Market risk represents the risk deriving from the use of financial instruments and/or fluctuations of future financial flows, for prices or exchange-rates or interest rates variations.

The Company is exposed to the risk of fluctuation of exchange-rates and especially of exchange rate US Dollar/Euro. This risk is attenuated by a careful management of treasury.

## LIQUIDITY RISK

We report that:

- There are debt instruments or other lines of credit for facing the needs of liquidity;
- The Group owns deposits c/o banks for satisfying the need of liquidity;
- There is not significant concentration of liquidity risk both from the financial activities' point of view and from the financing sources.

The liquidity risk, in short, is monitored by a careful management policy on treasury and by an appropriate availability of lines of credit put at our disposal by the banks.

## RISK ON INTEREST RATES

The risk on interest rate to which the Company is exposed is exclusively produced by short and long-term bank financings that for the most provide with a variable rate application.

The Directors punctually monitor rates trend with the aim of adopting the most suitable financial strategies.

## INFORMATION ON STAFF AND WORK ENVIRONMENT

In consideration of the social role played by the company, as highlighted also by the document of the National Council of Chartered Accountants and Accounting Experts relating to the management report, it is considered appropriate to provide the following information relating to the working environment and personnel.

The Group carries out its business in compliance with current legislation on labor and the environment.

For some years now, the company has set itself the goal of outlining the directives for setting up a model aimed at safeguarding and growing a culture of safety in the workplace, also from the point of view of prevention a culture

aimed at respecting the environment, defending against pollution in all its forms and managing the environmental impacts deriving from its activities.

In particular, we point out that during the year there were no deaths at work of the personnel registered in the matriculation register, nor were there any serious accidents at work that resulted in serious or very serious injuries to the personnel registered in the employee register for which it was ascertained a corporate responsibility.

Furthermore, during the year, no charges were recorded in relation to occupational diseases on employees or former employees and legal actions due to "mobbing" for which the company was declared responsible.

Finally, we specify that no damage has ever been caused to the environment in carrying out the corporate purpose.

## CODE FOR PERSONAL DATA PROTECTION

As far as the Italian and European subsidiaries are concerned, the Group has undertaken a series of actions to comply with the European Regulation on the "protection of personal data" GDPR (679/2016), starting from the operating model adopted in the field of privacy based on Legislative Decree 196/2003, with the ultimate goal of compliance with regulatory requirements.

After a survey and mapping of personal data processing and risk level assessments, the following activities were carried out:

- Adoption of a "Manual on the protection of personal data" defined by the Parent Company;
- Analysis and assessment of the impacts of the New Regulation on the current organizational and operational model (also in terms of existing IT systems) adopted in the field of privacy and definition of an Organizational Structure regarding personal data;
- Creation and adoption of information for all interested parties;
- Implementation of a Risk Assessment, DPIA and adoption of registers for any possible Data Breach;
- Action plan and implementation of IT control and security systems (e.g. policies for information security, access control to systems and applications, development and maintenance of infrastructure systems, detection and management of vulnerabilities, management of accidents etc).

## CONSOLIDATED ACT FOR SAFETY AND PREVENTION OF WORK ACCIDENTS

The Group of companies, as far as Italian activities are concerned, has met all obligations set in the new Consolidated Act n. 81/08 for safety and prevention of accidents at work.

With this aim, we have identified the empowered person as delegated party for the coordination of the safety matters. This person has been adequately empowered for all needed actions in compliance to the regulations in force and the maintenance of prescribed safety standards.

The proxy has been regularly recorded at Genoa Public Register of Companies.

The Company has also appointed the Prevention and Protection Service Managers of the various branches and updating of the Risk Evaluation Document within the terms stated by the above mentioned Consolidated Act has been performed.

### UNI EN ISO 9001:2015 QUALITY MANAGEMENT SYSTEM CERTIFICATION

With the visit of RINA carried out on 24 and 28 November 2023 at the Genoa offices and on the same date, in videoconference mode, on the activity carried out at the Trieste offices, Fratelli Cosulich S.p.A. obtained the certification to the new ISO 9001 2015 standard with the confirmation of its certificate in January 2027.

### INVESTMENTS AND RESEARCH AND DEVELOPMENT ACTIVITIES

As per art. 2428, comma 2, number 1 of the Italian Civil Code, we state that there are no research and development activities to be reported, being significant for the Group's performance.

### COSTS AND REVENUES

The value of production at 31st December 2023 has been equal to Euro 1.899.951.890 and it is splitted as follows:

VALUE OF PRODUCTION	2023	2022	DELTA %
Revenues from touristic business	4.441.324	3.302.209	1.139.115
Catering and Manning revenues	27.096.354	21.930.354	5.166.000
Bunker trading revenues and bunker fees	1.569.970.621	1.831.268.232	-261.297.611
Ship-owning and shipping agency revenues	93.679.816	72.738.713	20.941.104
Revenues from freight forwarding and logistics activities	151.278.371	230.368.113	-79.089.742
Insulated materials and iron products trading revenues	35.528.876	45.033.642	-9.504.766
IT revenues	5.329.328	2.240.098	3.089.230
Stock changes	-72.834	205.258	-278.092
<b>Other revenues</b>	<b>12.700.034</b>	<b>7.099.696</b>	<b>5.600.338</b>
<b>Total value of production</b>	<b>1.899.951.890</b>	<b>2.214.186.315</b>	<b>-314.234.424</b>

The total costs recorded during the financial year 2022 have been Euro 1.869.268.344 as per below detail:

COSTS OF PRODUCTION	2023	2022	DELTA %
For the purchase of services and raw materials	1.582.813.358	1.852.326.482	-269.513.124
For third parties' services	198.824.025	243.150.754	-44.326.729
For leasing of assets	3.641.311	3.367.281	274.030
Wages and salaries	46.323.229	36.785.516	9.537.713
Social security contributions	8.728.174	7.187.287	1.540.887
Staff leaving indemnity	1.477.294	1.510.241	(32.947)
Pension liabilities and similar	525.656	438.875	86.781
Other personnel costs	844.935	668.187	176.748
Amortization for intangible assets	2.737.877	1.842.233	895.644
Amortization for tangible assets	12.385.615	10.557.207	1.828.408
Other assets' write-down			
Bad debts provision	4.038.197	4.829.341	-791.144
Change of raw materials and goods stock	2.189.074	-2.668.073	4.857.147
Provisions for risks	88.042	4.744.982	-4.656.940
Other provisions			
Other management charges	4.651.557	2.744.908	1.906.649
<b>Total costs of production</b>	<b>1.869.268.344</b>	<b>2.167.485.221</b>	<b>-298.216.877</b>

### Employees

In the following scheme you will find the average number of employees of the Group, divided into categories:

GROUP'S EMPLOYEES	2023
Executives	29
Managerial staff	84
Staff employees	662
Crew	869
<b>Total manpower</b>	<b>1.604</b>

### Amortization and staff leaving indemnity

As far as amortizations are concerned, they are calculated on the base of tax rates representing the economic-technical life of incomes.

The staff leaving indemnity fund represents the Group's debt as such on the base of actual laws and contracts in force.

## RELATIONSHIP WITH SUBSIDIARIES AND AFFILIATES

Commercial dealings with subsidiaries and affiliates, if existent, are made at normal cost values or at market conditions.

Please see explanatory note for economic/financial dealings with subsidiaries and affiliates.

During the Business year, the Company has maintained commercial relations with subsidiaries and affiliates. Such relations, not including non-standard and/or unusual operations, are ruled by average market conditions.

## INVESTMENTS

As regards logistics linked to the bulk sector, the M/V Vulcania and the M/V Stellina were joined by the M/V Saturnia and M/V Capt. Vovchuk the first three chartered to Time Charter, while the Capt Vovchuk to Bare Boat, by the Maltese subsidiary Pimlico Shipping Ltd.

During the exercise, the river ships Hoverla A, Mont Blanc A and Monte Rosa A were sold to be replaced by the M/V Portofino at the end of 2023 and by the M/V Kherson in January 2024. The latter two thus join the bulk carrier M/V Tzarevna and all are rented to Bare Boat by the subsidiary Vulcania S.r.l.

In October 2023, the Chinese CIMC SOE shipyard delivered the M/V Alice Cosulich, the group's first Small Scale LNG Bunker Vessel, to Fratelli Cosulich LNG S.r.l., and was chartered by the latter to Time Charter for 7 years to the Titan company Supply BV.

The fleet renewal policy in Singapore continues, which currently has 5 barges, to guarantee ships that are technically suitable for the rental requests of the oil majors.

In September 2023, the agreement was reached for the sale of the M/V Cecilia Cosulich which will be replaced in May 2024 by the M/V Marta Cosulich (methanol ready vessel).

In relation to activities linked to the steel market, we highlight the acquisition by the Trasteel Group, 36.95% controlled by Fratelli Cosulich S.p.A., of the majority stake in Lifi S.r.l., a company based in Turin specialized in the production of electrowelded steel tubes. precision for automotive sector use, as well as the acquisition of the control package of two previous commercial partners, Trasteel Engineering Polska Sp. Zo.o. and Trasteel Ingerie S.r.l., with offices in Poland and Romania respectively.

Finally, it is worth highlighting the acquisition or establishment of new shareholdings operating in the Group's strategic sectors:

- Establishment of the subsidiary Fratelli Cosulich Shipmanagement S.r.l. operating in the technical sector of Small Scale LNG bunker vessels delivered and rented on a time charter basis.
- Establishment of Argo Cosulich Shipmanagement, a naval management company established in Malaysia for the

future management of the second Small Scale LNG Bunker Vessel due for delivery in March 2024 M/V Paolina Cosulich.

- Establishment of Olive S.r.l. creative agency that provides corporate communication services at group level and for the external market.
- Establishment of Catalano Shipping Services Singapore Pte Ltd, operating as shipping agent for Mega Yachts.
- Acquisition of a majority share in the company Argenton & Soci S.r.l., operating in the satellite communications sector for cargo vessels and Mega Yachts.
- Acquisition of a majority share in the company Adriatic Ship Supply Agency d.o.o. operating as shipchandling and catering provision for Mega Yachts.
- Acquisition of the controlling stake of Ciscato & Company S.r.l. operating in the conventional cargo shipping sector.
- Acquisition of 24,81% of Opera Maritime S.a.r.l. company operating in the naval rental sector and in the managerial and commercial operational management of cargo ships.

## TREASURY SHARES/SHARES OF PARENT COMPANIES

No new treasury share purchase transactions were finalized in 2023. Only the transaction carried out in 2020 remains today, with the purchase of treasury shares for a total amount of 6.760.000 Euro.

## NOTABLE EVENTS OCCURRED AFTER FINANCIAL YEAR'S CLOSURE

As regards the 2024 financial year, an operational performance is expected in line with the 2023 data in terms of volumes. The margins recorded during the 2023 financial year should be confirmed during 2024, without therefore generating significant improvement effects compared to the year just ended.

In January 2024, a strategic operation in the logistics field was finalized by the associated company Coscos S.r.l. with the acquisition of the company TRASGO S.r.l., a company operating in the integrated logistics sector and provider of transport, warehousing, goods handling, customs operations and direct management of warehouses.

As indicated previously, we would like to point out that in January 2024 the M/V Kherson was delivered to the subsidiary Vulcania S.r.l. (regularly chartered to Bare Boat) and that in March 2024 the second Small Scale LNG Bunker Vessel of the fleet, M/V Paolina Cosulich, regularly chartered to Time Charter to an important Oil Major, was delivered.

**OPERATIONAL/BUSINESS/MANAGEMENT OUTLOOK**

While we push you to look at the Explanatory Notes and Financial Statement of the single consolidated companies for getting more accurate analysis, we herewith grant and ensure that we will continue to work in order to improve the management, through the rationalization of the operative structure, the costs and the investments, by motivating and sensitizing the personnel and the staff, essential for getting our objectives.

Dear Shareholders,

we suggest then to approve the consolidated balance sheet for the financial year 2023, closing with a net Group's profit equal to Euro 23.006.958.

Genoa, 29th May 2024

**The Chairman of the Board of Directors**  
Cav. Lav. Augusto Cosulich



# Auditors' report



**Fratelli Cosulich S.p.A.**  
 - - -  
 Independent auditors' report  
 on the consolidated financial statements for the year  
 ended at December 31<sup>st</sup>, 2023



**Independent auditor's report  
 in accordance with article 14 of Legislative  
 Decree No. 39 of January 27, 2010**

**Baker Tilly Revisa S.p.A.**  
 Società di Revisione e  
 Organizzazione Contabile  
 16121 Genova - Italy  
 Piazza della Vittoria 9/4  
 T: +39 010 584089  
 PEC: [bakertillyrevisa@pec.it](mailto:bakertillyrevisa@pec.it)  
[www.bakertilly.it](http://www.bakertilly.it)

To the shareholders of Fratelli Cosulich S.p.A.

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**Opinion**

We have audited the consolidated financial statements of Fratelli Cosulich S.p.A. Group (the Group), which comprise the balance sheet as of December 31<sup>st</sup>, 2023, the income statement and statement of cash flows for the year then ended and related notes.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company as of December 31<sup>st</sup>, 2023, and of the result of its operations and cash flows for the year then ended in compliance with the Italian laws governing the criteria for their preparation.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA Italia).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements**

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the Italian laws governing the criteria for their preparation and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the holding company Fratelli Cosulich S.p.A. or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we



designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- we have obtained sufficient and appropriate audit evidence on the financial information of the companies or of the various economic activities carried out within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit engagement. We are solely responsible for the audit opinion on the consolidated financial statement.



We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

**REPORT ON COMPLIANCE WITH OTHER LAWS AND REGULATIONS**

**Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree No. 39/10**

The directors of Fratelli Cosulich S.p.A. are responsible for preparing a report on operations of Fratelli Cosulich S.p.A. as of December 31<sup>st</sup>, 2023, including its consistency with the relevant consolidated financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to express an opinion on the consistency of the report on operations with the consolidated financial statements of Fratelli Cosulich Group as of December 31<sup>st</sup>, 2023 and on its compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations is consistent with the consolidated financial statements of Fratelli Cosulich Group as of December 31<sup>st</sup>, 2023 and is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Genova, June 13, 2024

Baker Tilly Revisa S.p.A.  
  
 Davide Turchiero  
 Partner

*This report has been translated into English from the Italian original solely for the convenience of international readers*



4.

## 2023 Parent Company Financial Statement



# Balance Sheet & Income statement

ASSETS	31/12/2023	31/12/2022	LIABILITIES	31/12/2023	31/12/2022
<b>B. FIXED ASSETS</b>			<b>A. NET EQUITY</b>		
I INTANGIBLE ASSETS			I Share capital	2.000.000	2.000.000
4) Concessions, licences and similar	46.204	38.866	III Re-evaluation reserves	4.866.433	4.866.433
6) Assets under construction and payments on account	5.000	0	IV Legal reserve	400.000	400.000
8) Other intangible assets	629.094	663.634	VII Free reserve	2.115.213	2.115.213
<b>TOTAL INTANGIBLE ASSETS</b>	<b>680.298</b>	<b>702.500</b>	VIII Retained earnings carry forwards	27.083.660	20.530.621
II TANGIBLE ASSETS			IX Net profit of the year	7.613.246	6.553.039
1) Land and buildings	8.807.106	8.980.274	X Negative Reserve for own shares	-6.760.000	-6.760.000
2) Plant and machinery	184.357	209.368	<b>TOTAL NET EQUITY A.</b>	<b>37.318.552</b>	<b>29.705.306</b>
4) Other tangible assets	573.060	645.734	<b>B. PROVISION FOR LIABILITIES AND CHARGES</b>		
5) Assets under construction and payments on account	34.641	0	1) Provision for pensions and similar obligations	70.443	55.677
<b>TOTAL TANGIBLE ASSETS</b>	<b>9.599.164</b>	<b>9.835.376</b>	2) Provision for deferred income taxes	47.710	81.166
III INVESTMENTS			3) Other provisions	6.056.926	6.056.926
1) Shares in:			<b>TOTAL PROVISION FOR LIABILITIES AND CHARGES B.</b>	<b>6.175.079</b>	<b>6.193.769</b>
a) Subsidiaries	39.835.500	33.605.201	<b>C. TOTAL STAFF SEVERANCE FUND</b>	<b>338.949</b>	<b>451.736</b>
b) Affiliated Companies	7.962.299	7.557.645	<b>D. ACCOUNTS PAYABLE</b>		
e) Other shares	40.327	40.327	4) Accounts payable to banks		
2) Receivables:			Receivable within next year	44.507.090	36.473.534
a) From subsidiaries companies			Not Receivable within next year	39.770.388	20.129.065
Receivable within next year	39.147.863	23.449.068	7) Accounts payable to third party lenders		
b) From affiliated companies			Receivable within next year	5.701.636	6.437.130
Receivable within next year	15.875.927	16.229.431	Not Receivable within next year	0	0
c) From parent companies			9) Accounts payable to suppliers		
Not receivable within next year	1.400.000	1.400.000	Receivable within next year	3.509.253	6.591.595
d bis) From others			Not Receivable within next year	7.804.801	7.977.664
Not receivable within next year	21.558	21.558	10) Accounts payable to affiliated companies		
<b>TOTAL INVESTMENTS</b>	<b>104.283.474</b>	<b>82.303.230</b>	Receivable within next year	3.715.473	3.816.796
<b>TOTAL ASSETS B.</b>	<b>114.562.936</b>	<b>92.841.106</b>	Not Receivable within next year	0	0
<b>C. CURRENT ASSETS</b>			12) Taxes payable		
I STOCKS			Receivable within next year	515.477	849.127
4) Finished goods for resale	541.593	567.682	Not Receivable within next year	0	0
<b>TOTAL STOCKS</b>	<b>541.593</b>	<b>567.682</b>	13) Social security		
II ACCOUNTS RECEIVABLE			Receivable within next year	349.009	333.803
1) From debtors			Not Receivable within next year	0	0
Receivable within next year	11.136.302	11.847.595	14) Other accounts payable		
2) From subsidiaries companies			Receivable within next year	4.438.087	6.152.969
Receivable within next year	2.153.617	2.049.337	Not Receivable within next year	0	0
3) From affiliated companies			<b>TOTAL ACCOUNTS PAYABLE D.</b>	<b>110.311.214</b>	<b>88.761.683</b>
Receivable within next year	678.799	686.710	<b>E. TOTAL ACCRUALS AND DEFERRED INCOME</b>		
4) From parent companies			1) Accrued liabilities	1.952.651	721.782
Receivable within next year	1.220	0	2) Deferred Income	46.917	18.198
5 bis) Taxes receivable			<b>TOTAL ACCRUALS AND DEFERRED INCOME E.</b>	<b>1.999.568</b>	<b>739.980</b>
Receivable within next year	1.400.538	453.003			
5-ter) Taxes advance payment					
Receivable within next year	263.660	0			
5-quater) From Others					
Receivable within next year	6.147.308	5.280.268			
<b>TOTAL ACCOUNTS RECEIVABLE</b>	<b>21.781.444</b>	<b>20.316.913</b>			
III NOT FIXED ASSETS					
Other investments	4.398.436	1.000.000			
<b>TOTAL NOT FIXED ASSETS</b>	<b>4.398.436</b>	<b>1.000.000</b>			
IV LIQUID ASSETS					
1) Bank and postal deposits	13.474.125	10.017.274			
3) Cash and cash equivalents	150.923	143.372			
<b>TOTAL LIQUID ASSETS</b>	<b>13.625.048</b>	<b>10.160.646</b>			
<b>TOTAL CURRENT ASSETS C.</b>	<b>40.346.521</b>	<b>32.045.241</b>			
<b>D. TOTAL PREPAYMENTS AND ACCRUED INCOME</b>		<b>966.127</b>			
Accrued income	161.978	130.543			
Prepayments	1.071.927	835.584			
<b>TOTAL PREPAYMENTS AND ACCRUED INCOME D.</b>	<b>1.233.905</b>	<b>966.127</b>			
<b>TOTAL ASSETS (A+B+C+D)</b>	<b>156.143.362</b>	<b>125.852.474</b>	<b>TOTAL LIABILITIES (A+B+C+D+E)</b>	<b>156.143.362</b>	<b>125.852.474</b>

INCOME STATEMENT	31/12/2023	31/12/2022
<b>A. REVENUES</b>		
1) Turnover	81.431.676	92.009.183
2) Inventory change (finished and semi-finis.prod.)	-21.402	164.653
5) Other income	4.807.473	3.814.499
<b>TOTAL REVENUES A.</b>	<b>86.217.747</b>	<b>95.988.335</b>
<b>B. COST OF SALES</b>		
6) Raw materials and consumables	-57.683.780	-65.916.361
7) Rendering of services	-16.836.397	-17.700.558
8) Enjoyments of third parties property	-706.399	-656.564
9) Wages		
a) Salaries and wages	-8.109.253	-6.637.591
b) Social security	-2.277.443	-1.911.373
c) Staff severance fund	-503.173	-440.840
d) Provident fund	-20.194	-20.464
e) Other costs for employees	-26.552	-28.732
10) Depreciation and amortisation		
a) Amortisation on intangible assets	-83.703	-78.765
b) Amortisation on tangible assets	-593.992	-544.404
12) Risk reserve	0	-806.926
14) Other expenses	-1.182.731	-1.104.495
<b>TOTAL COST OF SALES B.</b>	<b>-88.023.617</b>	<b>-95.847.073</b>
<b>DIFFERENCE BETWEEN REVENUES AND EXPENSES (A-B)</b>	<b>-1.805.870</b>	<b>141.262</b>
<b>C. FINANCIAL INCOME AND COSTS</b>		
15) Income from share in:		
a) Subsidiaries companies	6.273.230	3.315.050
b) Affiliated companies	5.320.736	3.391.796
16) Other financial income:		
d) Others	2.159.283	844.049
17) Interest payable and similar costs	-4.051.739	-1.066.444
17 Bis) Profit/Loss on exchange rate	-1.132.284	374.067
<b>TOTAL FINANCIAL INCOME AND COSTS C.</b>	<b>8.569.226</b>	<b>6.858.518</b>
<b>RESULT BEFORE TAXES (A-B+-C+-D+-E)</b>	<b>6.763.356</b>	<b>6.999.780</b>
22) Taxes:		
a) Income taxes	552.774	-501.395
b) Deferred taxes	297.116	55.579
c) Other taxes	0	-925
<b>NET PROFIT OF THE YEAR</b>	<b>7.613.246</b>	<b>6.553.039</b>



Please find enclosed all additional financial information for Fratelli Cosulich S.p.A.





23

SUSTAINABILITY  
REPORT



5.

## Responsible Business Model and Governance

## ESG Plan



### ESG AREA Governance

ESG SUB-AREA	ESG TOPIC	ESG TARGETS FY 2023 *	ESG COMMITTEE OWNER	WHAT WE HAVE FURTHER ACHIEVED IN FY 2023	ESG TARGETS FY 2024
Responsible Business Model and Governance	Ethical Business & Transparent Communication to stakeholder	Key values sharing with internal and external stakeholders	ESG Team Group Finance Manager	<ul style="list-style-type: none"> <li>Corporate Code of Ethics aligned with key values</li> <li>Whistleblowing system</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability policy implementation</li> </ul>
	Responsible Governance	<ul style="list-style-type: none"> <li>Corporate-wide e-Portal to assess ESG activities and performance</li> <li>ESG Committee</li> <li>ESG training and knowledge sharing for affiliated companies</li> </ul>	ESG Team Group Finance Manager	<ul style="list-style-type: none"> <li>Definition of governance rules for Cosulich family</li> <li>Analisis of ESG performance of subsidiaries on e-portal</li> </ul>	<ul style="list-style-type: none"> <li>Appointment of two Independent Board Members</li> <li>Definition of a governance system for sustainability</li> </ul>
e-Governance	e-Governance	Extend Genesys Group coverage of all four interest areas (IT Infrastructure, Email management, Software Development of tailor-made application, Internal development of Business Intelligence)	Energy and IT Manager		<ul style="list-style-type: none"> <li>Training on cybersecurity</li> </ul>

#### ADDITIONAL COMMENTS

- Definition of governance rules for Cosulich family

Throughout its 165-year history, the business has always been managed by family members, and common rules have been passed down from generation to generation, ensuring that the Company's long-term success remains the guiding principle. All family members involved and working in the Group over the years have been guided by common values and rules, which have now been written on a shared document for the first time since Fratelli Cosulich's founding.

- Appointment of two Independent Board Members

As a preview of our Plan, we anticipate that the Fratelli Cosulich Board of Directors will appoint two additional independent Board Members in H2 2024 to ensure external expertise on the Group's strategy to help sustain future developments. The two independent members are highly esteemed professionals with extensive operational and financial experience.

\* as reported in annual report 2022 and achieved in 2023





## Our sustainability Governance

The Group governance system is built on a variety of systems and bodies that can monitor the impacts, risks, and opportunities that arise from our businesses and operations.

Our structure has been designed to implement an effective sustainability system that combines top-down and bottom-up approaches, involving every colleague, department, and company in the Group. We want to create a shared governance system that will translate into widespread participation in sustainability for all people across bodies, departments, and companies. At all levels of our operations, we prioritize sustainability.

The Fratelli Cosulich Board of Directors is ultimately responsible for sustainability topics as well as the integration of sustainability into our overall corporate strategy: any updates to Group standards, materiality assessments, and targets must be approved by the Group Board.

Our Chief Financial Officer has been appointed by the Board of Directors to be responsible for sustainability, and the ESG Team reports directly to the CFO. This role ensures the integration of topics and impacts within an overall risk management approach: it ensures the best possible response to current and future regulatory reporting requirements, as well as proper responsiveness to financial stakeholders' information needs.

Given the long-standing experience of family members over the last six generations, our Board of Directors has well-proven experience across all Group business units; the ESG Corporate Director has a solid background

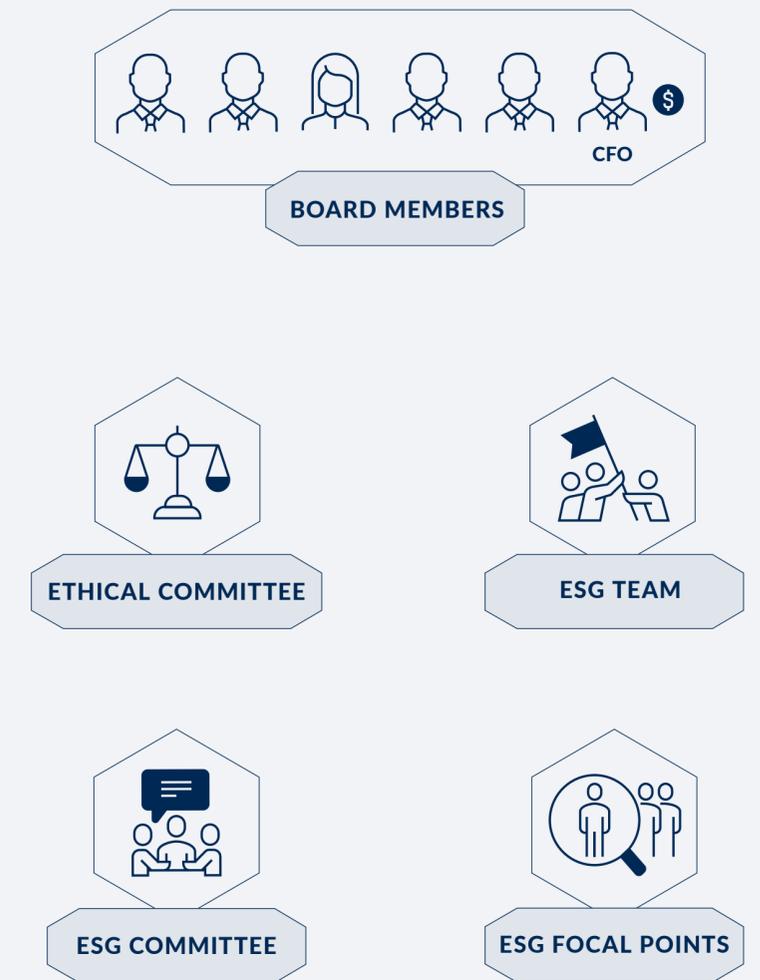
in implementing sustainability in many different sectors; and at least two specific Board meetings are held each year to update the Board on the development of sustainability-related activities and to obtain approval for future ESG plans and developments.

Materiality analysis, its results, and the consequent impacts, risks, and opportunities are presented to the Board for further consideration and the development of a plan to best manage them. Furthermore, during Board meetings, critical issues are addressed and evaluated. These concerns are among the 32 potential and actual negative impacts identified through materiality analysis and related to material topics covered in the ESG Plan.

The ESG Team manages daily operations and acts as a facilitator to promote the incorporation of sustainability into our activities. The ESG Team is also in charge of monitoring developments, informing and developing action plans for the Board, and coordinating and managing data collection.

### ESG COMMITTEE

We consider materiality analysis not just a base for reporting, but a management tool: we have established the ESG Committee, with a structure aligned with material topics. Colleagues chosen as components of the Committee are "owner" of one or more specific material topics to ensure a proper management and monitoring of the topic itself and of the related targets.



The Committee is a body that provides both consultation and implementation of actions aimed at achieving the targets outlined in our ESG plan.

Committee meetings are held at least quarterly. Furthermore, the Board of Directors and the Committee closely monitor the progress we make toward our objectives.

The ESG Committee components have been selected among different companies and department. Their diversified expertise will contribute in the understanding of required elements to achieve our targets:

 <p><b>Giulia Cosulich</b> ESG Corporate Director</p>	 <p><b>Andrea Cabella</b> Ship Manager</p>
 <p><b>Francesco Becchi</b> Group Financial Manager</p>	 <p><b>Emanuela Franchini</b> Head of New Fuels</p>
 <p><b>Antonietta Di Buono</b> Group Legal Counsel</p>	 <p><b>Andrea Simonini</b> Health and Safety Manager</p>
 <p><b>Glenda Badano</b> Group HR Manager</p>	 <p><b>Lorenzo Battistella</b> ESG Analyst</p>
 <p><b>Eugenio De Vena</b> Energy Manager</p>	

To ensure a growing awareness of sustainability within the Group, we have appointed over thirty **ESG Focal Points** in fourteen countries, who serve as points of contact for each Business Unit or single Company: they are critical in providing insights and inputs, implementing all sustainability-related initiatives, and assisting with data collection.

The Group is committed to providing all necessary professional updates and training to the ESG Team and members of the ESG Committee. Furthermore, individual sessions with the Focal Points, appointed among the companies of the Group, are held each year to update their sustainability skills and maintain a high level of awareness on relevant topics. This is strictly tied to our main objective of an increase accountability among all our members.

**ETHICAL COMMITTEE**

Between 2023 and 2024 we have established an Ethical Committee, with the aim of:

- checking application and respect of the Code of Ethics by means of analysis and evaluation of the internal control system;
- monitoring corporate processes having significant impacts on corporate ethics;
- monitoring initiatives to raise awareness and understanding of the Code of Ethics;
- receiving and analysing reports of violations of the Code of Ethics.

Components of the Ethical Committee are:

- Group Legal Counsel
- Group HR Manager
- ESG Corporate Director
- One/two independent and external legal Advisors

Since the implementation of the Ethical Committee in December 2023, no reports were made in the platform.

In 2023, we launched a Corporate-wide e-Portal to assess ESG activities and performance across all of our subsidiaries. We've implemented SupplHI, a vendor management SaaS for industrial equipment and services. The platform enables all Group companies to receive a comprehensive ESG assessment/rating based on a methodology developed in collaboration with key sustainability stakeholders. The platform enables all companies to identify areas for improvement and provides Corporate functions with the opportunity to understand common priorities for implementing a strong ESG strategy.

In 2023, we also assisted affiliated companies, particularly those of the Trasteel Group of Companies, in implementing an ESG data collection process in order to be consistent in terms of reporting journeys across the entire perimeter.

As a starting point, we have focused our efforts and attention on understanding our impact on the environment and society as a whole.

We will constantly update an effective materiality analysis (refer to paragraph 5.2), leveraging Group interactions and synergies and engaging all Business Units and departments. This process served as the foundation for the development of an ESG Plan, in which we defined our targets and KPIs as a result of collaboration and alignment among the Board of Directors, the ESG Committee, and the ESG Team.

Negative impacts, both actual and potential, are analyzed and addressed in order to be avoided or minimized. We modified and updated the ESG plan based on the results of the materiality analysis.

The integral version of our ESG plan is available here after. We focus our attention and our actions on those topics we identified as material.



# Our ESG journey

## OUR REPORTING JOURNEY

We disclosed our first sustainability information in the Fratelli Cosulich Annual Report 2022.

2023 is the second year in which we publish the document integrated with sustainability data, following the steps of the ESG journey as we defined it from the beginning to be fully prepared and compliant when CSRD will come into force.

The reporting journey we defined last year is available below.

This is the first edition published in accordance with GRI, a significant milestone to approach the European Sustainability Reporting Standards (ESRS), especially in consideration of the high level of interoperability achieved between the ESRS and the GRI Standards. In addition, we have conducted the materiality analysis taking into consideration the ESRS topic list and its link with our ESG Plan in order to take a further step towards the application of the CSRD.

In FY 2023 we accomplished all activities and targets we defined and we overcame the main outcomes set for the year. In fact, we succeeded in being audited since this version of the Annual Report, two years ahead of what we planned initially.

	FY 2022	FY 2023	FY 2024	FY 2025
<b>ANNUAL REPORT EVOLUTIONS</b>	Annual Report GRI referenced on the subsidiaries' perimeter.	Annual Report GRI in accordance.	Annual Report GRI in accordance	Annual Report fully respondent to CSRD with third party assurance.
<b>ESG ACTIVITIES</b>	<ul style="list-style-type: none"> <li>Creation of ESG internal awareness training sessions for all ESG Focal Points.</li> <li>Identification of reporting perimeter and progress.</li> <li>Collection of basic ESG data.</li> <li>Implementation of an online tool to support the assessment of ESG performances.</li> </ul>	<ul style="list-style-type: none"> <li>Materiality analysis and subsequent definition of an ESG plan.</li> <li>Creation of an ESG Committee to support the implementation of the ESG Plan.</li> <li>Support and advice for affiliated Companies on creating an ESG Reporting Roadmap.</li> </ul>	<ul style="list-style-type: none"> <li>Double materiality analysis to further define financial impacts on (and of) all material topics.</li> <li>Stakeholder engagement activities to further inform Materiality Analysis and to assess the relevance of different topics for our stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Adoption of ESRS standards</li> <li>Monitoring ESG targets and actions</li> </ul>
<b>ESG MAIN OUTCOME</b>	ESG internal awareness.	ESG first comprehensive info for stakeholders.	ESG Management of targets.	Annual Report with ESG data assurance.

## MATERIALITY ANALYSIS

Materiality analysis has been performed starting from impact materiality, following GRI's guidelines and as the first step for the identification of those risks and opportunities necessary for the preparation of financial materiality.

### 1. Identification of impacts

The identified impacts are the final result of a process that took into consideration the Company's distinctive features and different distinguished sources in regard to the many fields in which our Group operates.

In fact, in the first phase we gather all the topics and impacts under assessment, considering our peculiarities and we considered GRI Oil and Gas sector standard, sustainability matters covered in topical ESRS, MSCI materiality map, SASB standards, SASB Materiality Finder, benchmarking with organizations, and other sectors specific guidelines with the aim of understanding sustainability macro-trends and identify potentially material themes.

### 2. Evaluation of impacts

The second phase has been the evaluation through a dedicated tool that follows the criteria described in GRI 3: Material Topics 2021.

In particular, the significance of negative impacts is assessed based on their severity and, if potential, likelihood. In the same way, the significance of positive impacts is determined by the scale and scope and, if potential, likelihood. *probability, scale, scope, and remediability* are evaluated through a four-step scale and subsequently weighed, obtaining a final score. If this score overcomes the set threshold the impact is deemed as material. The evaluation takes into account not only the internal business operations, but the entire value chain, including upstream and downstream activities.

### 3. Stakeholder engagement: validation of impacts

In the third phase, we shared the impacts' identification and evaluation with different departments and bodies (including Board of Directors, ESG Committee and Finance Department). We have involved those internal stakeholders that, in carrying out their business activities, have a closer relationship with key external stakeholders, consequently holding a comprehensive view of actual and potential impacts within the context in which Fratelli Cosulich Group operates.

Feedback and further evaluations gathered in the third phase are integrated in the final results published in this report.

We have identified the categories of stakeholders that are relevant in our value chains. Every category is significant for all the Business Units in which we operate, but some of them have peculiarities represented in the description th Value Chain of the single Business Units (Cap. 2).

- Shareholders
- Governance Bodies
- People
- Customers
- Suppliers
- Financial Institutions
- Authorities
- Communities

### 4. Impacts in the ESG PLAN

In the fourth and final phase, once the material impacts were defined, they were grouped into broader thematic topics embedded in our ESG Plan, which in turn are linked to ESRS topics. To cover the entire spectrum of particular cases we have articulated topics into three categories (business and governance, social and environmental) divided in three levels (area, sub-area, ESG topic).

AREA	TOPIC	IMPACT (EXAMPLES)	CHARACTER OF THE IMPACT	TYPE
Decarbonisation	Decarbonisation in Ship Building and Management	Construction of barges to foster new fuels adoption	Positive	Actual
	Scope 1 and 2 GHG Emissions & Energy efficiency initiatives	Emissions coming from our vehicles	Negative	Actual
	Supply chain collaboration and Scope 3 reporting	Emissions coming from bunker sold	Negative	Actual
Employees development	Talent Attraction & Retention	Turnover increase	Negative	Potential
	People Development	Deployment of training programme	Positive	Potential
	Health and Safety	Accidents in our operations	Negative	Potential
Employees responsibility	Diversity, Equity & Inclusion	Introduction of policies to promote inclusion and equity	Positive	Potential
	Supply Chain Management	Suppliers evaluation	Positive	Potential
Sustainable Supply Chain	Ethical Business & Trasparent Communication to stakeholder	Correct conduct and respect of Our Code of Ethics	Positive	Actual
Responsible business model and governance	Responsible Governance	Creation of sustainable economic value	Positive	Actual
E-Governance	E-Governance	Cyber attack	Negative	Potential



## Our 5 key values and our Corporate Code of Ethics

In 2020, our Board of Directors was engaged in a 360° assessment process involving over 100 managers and colleagues. During this assessment, team members and peers were consulted for feedback on leadership performance. This "leading by example" process provided insights into behaviors, challenges, and skills, which Board members chose to convey to their teams. As a result, five fundamental values were identified:

### Behavior Role Model, Customer Focus, Teamwork, Learning Mindset, Accountability

These values are seen as timeless foundations, transmitted across generations and pivotal to their future direction. Tangible and measurable behaviors are their natural application.

In 2022, a communication campaign was launched to internally promote and share our values, ensuring that they are thoroughly understood and embraced by all colleagues.

Each Board member published a video per value in the "in.cosulich" internal communication platform: the highest Governance body is fully committed to being an ambassador of our key values. As they have always distinguished us since our foundation and still do in our present, we expect that our five key values will also guide our future work

In 2023 we have continued this process, making some further steps forward in a path towards an all-embracing and ever more sustainable Corporate culture.

In fact, starting from our five key values we published our first Corporate Code of Ethics that represents a set of guidelines that will frame the way we do business, interact with each other, and contribute to the world around us.

Fratelli Cosulich Group is committed to conducting its business in an ethical, responsible, and sustainable manner. In order to ensure a robust governance of the Group's key values, the Corporate Code of Ethics sets forth the principles and standards that guide our conduct, decision-making, and relationships with all stakeholders, including shareholders, governance bodies, employees, customers, suppliers, financial institutions, authorities, consultants and the communities in which we operate.

This Code of Ethics is not merely a document; it is a living embodiment of our dedication to all these stakeholders.

In defining our Code of Ethics, we have assumed these guiding principles:

- Alignment with UN and EU International Convention on all relevant topics such as Human and Labour Rights, Bribery and Corruption;
- Compliance with all applicable laws and regulations in every jurisdiction in which Companies of the Group operate;
- Promotion, towards all our stakeholders, of actions to contribute to the achievement of UN Development Goals;
- The OECD Guidelines for Multinational Enterprises;
- Achievement - where possible - of all relevant certifications (ISO and others) to promote an internal culture of continuous improvement.

As mentioned in paragraph "Our sustainability governance", we have established an Ethical Committee that oversees the application and respect of the Code of Ethics and analyzes potential reports of its violation. In this regard, we have established a confidential reporting mechanism (to be accessed also anonymously) to ensure that employees and stakeholders can report any violations or concerns without fear of reprisal. This mechanism allows us to address issues promptly and appropriately.

In 2024 we will adopt a Corporate-wide Learning Management Platform in order to have easy access to a set of contents that will ensure a coherent training and communication for all our colleagues around the globe. One of the priorities will be developing a program based on our new Code of Ethics in order to ensure that all employees have the knowledge to understand what it means to apply our key values to our behaviors.

In 2024 we have developed a Corporate-wide sustainability policy to define sustainability guidelines and guiding principles that steer the Group's activities as well as enhancing and promoting an holistic approach to sustainability in business strategy and operations. The policy will be shared amongst all subsidiaries Companies and will be the foundation for the development of Corporate-wide policies and procedures.



CODE OF ETHICS



SUSTAINABILITY POLICY



6.

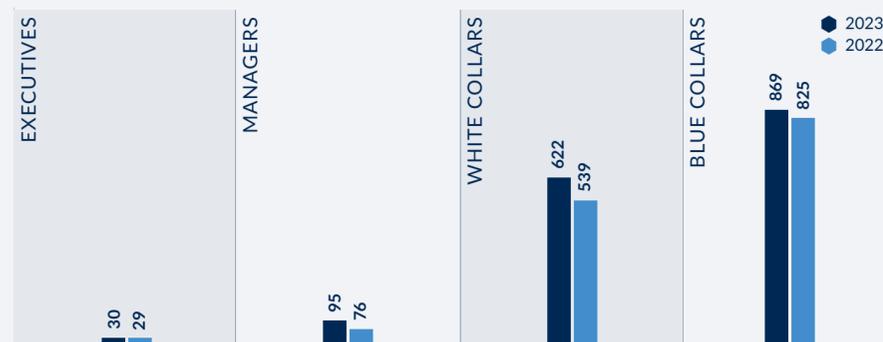
Our main asset: People

# Who we are

Even though Fratelli Cosulich Group has a long-lasting tradition of more than 167 years, we have experienced a significant expansion in recent years. This led to the necessity and the will to combine our roots and peculiarities, that steered us through three centuries, with a modern structure that allows us to grow and thrive in a global competitive environment. To succeed in this path it is essential the contribution of the most valuable resource of the Group: our people.

The increasing trend that has distinguished our Group in the last years continued even in 2023, with an higher number of companies included in the analyzed perimeter<sup>[1]</sup>, that has contributed to a growth in the overall number of our personnel.

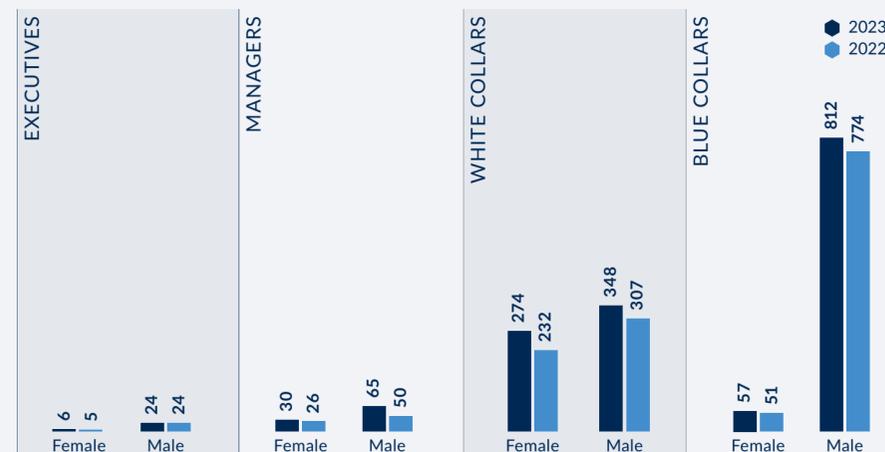
In fact, during this year we experienced a rise of more than 10% in the final number of our people. However this increase has not been caused only by our acquisitions, but, even under the assumption that the perimeters of 2022 and 2023 are the same, we registered an increase of 7,8%.



This generalized trend has been registered in all the job categories (blue collars, white collars, managers, and executives).

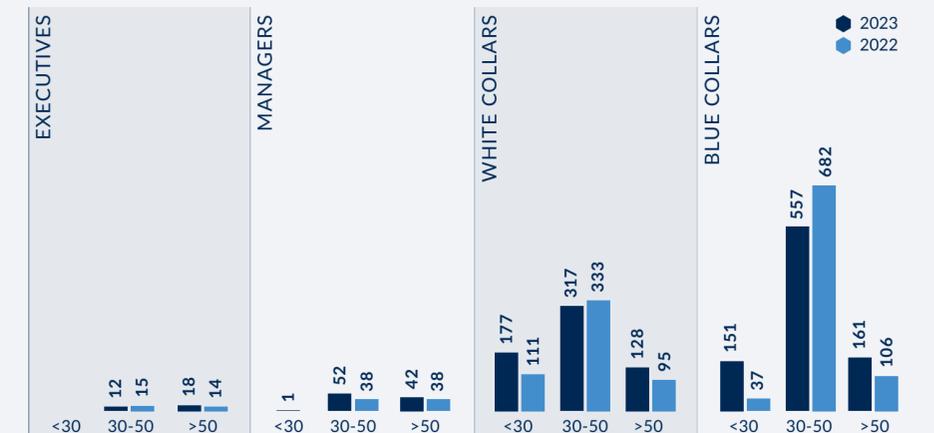
## GENDER AND RANGE COMPOSITION

In 2023 the percentage of women in the Group has slightly increased, passing from 21,4% in 2022 to 22,7% in 2023, while the number of women has increased from 314 to 367 with a generalized rise in every job category.



As in 2022 percentages are relatively stable year on year in every analyzed category. It is worth noticing that women in executives and managers' positions have increased but there is still a gap to be filled to achieve equality in the position.

The table below shows the evolution of age ranges weights.



We strongly believe that stabilizing employees' contracts is a key aspect in their working life and wellbeing and for this reason in 2023 94,4% of our personnel has a permanent contract, in line with the figures we registered in 2022.

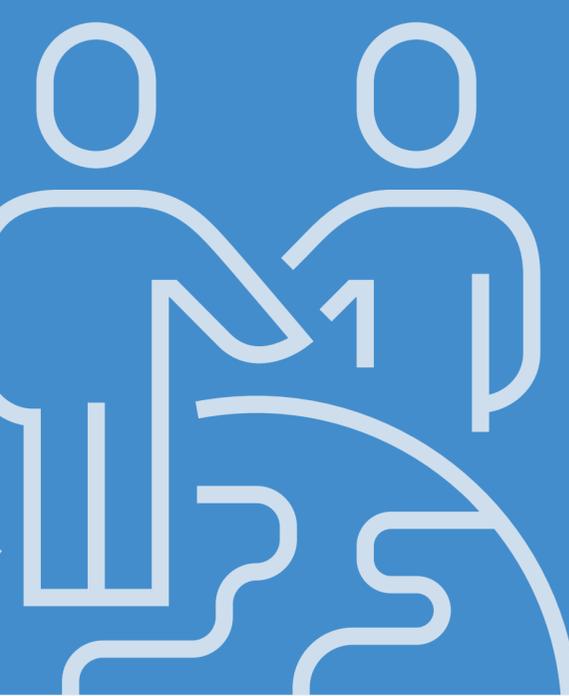
The large majority of our employees have a full-time job (97,7%), while only the 2,3% has a part-time contract.

In 2023 we experienced a rate of new employee hires of 29,3% (versus 38,1% in 2022) and a turnover rate of 20,5% (versus 16,0% in 2022). The figures regarding turnover are significantly impacted by the peculiar kind of job and contract of the vessel's personnel.

ESG Plan



ESG AREA  
Social Responsibility



ESG SUB-AREA	ESG TOPIC	ESG TARGETS FY 2023 *	ESG COMMITTEE OWNER	WHAT WE HAVE FURTHER ACHIEVED IN FY 2023	ESG TARGETS FY 2024
Employees Development	→ Talent Attraction & Retention	<ul style="list-style-type: none"> <li>• Job posting intercompany</li> <li>• Career portal embedded in FC Website and access to HR functions abroad</li> <li>• Launch of Youth Committee</li> <li>• Kick-off exit interviews to collect feedbacks</li> </ul>	→ HR Manager	→ Empowering Minds - development of an academy for attracting and retaining young talents	→ <ul style="list-style-type: none"> <li>• Development and kick-off of the Empowering Minds</li> <li>• Youth Committee: Development of Topic-based Working Groups</li> <li>• Training program for managers to enhance attraction and retention of talents</li> </ul>
	→ People Development	<ul style="list-style-type: none"> <li>• Pilot annual appraisal and evaluation program based on key values and their connected behaviors</li> <li>• Evaluation tool assessment to be carried out in some pilot Companies within the Group</li> <li>• Internal workshops to define behaviours linked to key values for Executives, Managers and all employees</li> </ul>	→ HR Manager		→ <ul style="list-style-type: none"> <li>• Deployment of employee evaluation tool</li> <li>• Comprehensive training program and adoption of e-learning platform</li> <li>• Training on Compliance and Code of Ethics</li> <li>• Training for managers on feedback and setting goals</li> <li>• Training on soft skills, languages and for specific job roles</li> </ul>
Employees Responsibility	→ Health and Safety	→ ISO 22000 in Fratelli Cosulich Comércio e Serviços	→ Health and Safety Manager	<ul style="list-style-type: none"> <li>• Full assessment of Italian Subsidiaries Companies to ensure compliance with all H&amp;S best practises</li> <li>• Implementation of an H&amp;S Management tool to best monitor activities within the Italian perimeter</li> <li>• Shipmanagement certifications ISO45001</li> </ul>	→ <ul style="list-style-type: none"> <li>• Training for Directors and Middle Managers on specific HS Responsibility</li> <li>• Implementation of improvement actions subsequent to 2023 assessment</li> </ul>
	→ Welfare	<ul style="list-style-type: none"> <li>• Agreement with an online training provider to support employees' physical and mental wellbeing</li> <li>• In Brasil extension of Health insurance to employees' family members</li> </ul>	→ ESG Team HR Manager		→ <ul style="list-style-type: none"> <li>• Data collection and monitoring on utilisation of welfare insurance</li> <li>• Mapping of Welfare needs amongst employees</li> <li>• Extension of insurance coverage for Italian employees</li> </ul>
	→ Diversity, Equity & Inclusion	→ Additional data collection to understand the current status of diversity KPIs;	→ ESG Team HR Manager		→ <p>Analysis of data collected on parental leave; incidents of discrimination and corrective actions taken; Diversity of governance bodies and employees; Ratio of basic salary and remuneration</p>
Sustainable Supply Chain	→ Supply Chain Management	→ Pilot Suppliers evaluation based on ESG Criteria	→ ESG Team ESG Focal Points		→ Mapping Marine Energy suppliers to define a pilot program to assess sustainability performance
	→ Customer Satisfaction	→ No target for 2023	→ ESG Team ESG Focal Points		→ No target for 2024
Social Responsibility	→ Community Support	→ First identification of the impacts of our activities on communities	→ ESG Team ESG Focal Points		→ 2023 target still ongoing
	→ Human Rights Protection	→ No target for 2023	→ ESG Team ESG Focal Points		→ No target for 2024

\* as reported in annual report 2022 and achieved in 2023



## Hiring process & Talent development

*"Real change, enduring change, happens one step at a time."*

Ruth Bader Ginsburg

(former Associate Justice of the Supreme Court of the United States)

In our HR journey within the Group we embrace this ethos, understanding that meaningful progress is achieved through incremental steps. We prioritise continuous improvement, nurturing a culture where every small action contributes to lasting transformation and growth.

**Selecting talent and fostering a culture of development** are vital for our organizational success, being a family business, which operates as a Group of companies. Beyond filling positions, talent acquisition involves identifying individuals who are aligned with our values and show potential for growth. We have embedded our career portal within the website to ensure we have proper employer exposure and all candidates are screened with a common process. However, the journey doesn't end with recruitment; it extends to talent development. Creating a culture of development means encouraging continuous learning and investing in comprehensive training programs for employees at all levels. This lays the foundation for skill enhancement and ensures that learning and growth become integral to the identity of our Group.

We celebrate our strengths: a culture steeped in **respect**, a bedrock of

trust among colleagues, and a commitment to fostering open dialogue and collaboration. These pillars form the foundation upon which we build our workplace environment. However, as with any endeavor, there are areas ripe for improvement. We have collected structured feedback within the context of exit interviews for Italian subsidiaries.

We've identified key areas where targeted interventions can catalyse positive change:

- clearer communication of targets;
- more robust evaluation mechanisms;
- structured training and development programs;
- enhanced integration among departments.

During 2023 we have started to address these aspects, not only to shore up our weaknesses but also fortify our organisational structure, enabling smoother operations and greater employee satisfaction.

We have developed a pilot annual appraisal and evaluation program based on key values and their connected behaviors and we have started with 55 evaluations based on this approach, adding to those already in place in several companies of **the Group that in 2023 covered 52% of our personnel**<sup>[2]</sup>. Beginning with the imperative to share specific targets, we emphasize the need for clarity and alignment at all levels of the organization. Direct managers play a pivotal role in this endeavor, serving as conduits for information flow and guardians of performance expectations. By equipping them

with the tools and resources necessary to articulate and communicate targets effectively, we lay the groundwork for enhanced productivity and goal attainment. Indeed we have developed a specific training program for our managers that will enhance attraction and retention of talents.

Concurrently, we recognize the importance of regular and constructive evaluation in nurturing employee growth and development. Through consistent feedback mechanisms and performance assessments, managers can identify strengths, address weaknesses, and provide guidance tailored to individual needs.

**Investing in structured training and development programs** further underscores our commitment to employee empowerment for year.

In 2023 we have provided an average of 23 (17 female, 25 male) hours of training per employee.

Below are the details for gender and job category.

- Average training hours per female 17
- Average training hours per male 25
- Average training hours per blue collar 34
- Average training hours per white collar 12
- Average training hours per manager 12
- Average training hours per executive 7



By allocating budgets and resources, we ensure that learning opportunities are accessible to all, fostering a culture of continuous improvement and skill enhancement.

In 2024 we plan to adopt at **Corporate level an e-learning platform** in order to enhance training sessions specifically on compliance matters such as GDPR, cybersecurity but also to promote our recently published Corporate Code of Ethics to support our colleagues understand the real impacts on our behaviours and everyday life.

In order to **build a training catalogue**, focused on cross functional soft skills and language learning, we will provide colleagues with a set of “training shorts” to evaluate the quality of contents of the training provided. On of the projects promoted to develop integration among departments and companies is the **Youth Committee** that emerges as a pivotal initiative within the Group, strategically positioned to drive transformative change and cultivate a culture of innovation and collaboration. By bridging the gap between the emerging generation and the Board, it serves as a conduit for fresh perspectives and novel ideas, injecting vitality into the organization's strategic endeavor.

Through its focus on transversal projects, the Committee not only enhances intra-group synergies but also fosters a dynamic environment conducive to personal and professional growth. With its diverse and international composition, the Committee harnesses the collective wisdom of talents from various regions, fostering a culture of inclusivity and cross-cultural exchange. Moreover, its thematic areas of focus, ranging from business innovation to employee well-being, underscore its holistic approach to driving sustainable growth and development. In essence, the Youth Committee stands as a beacon of progress, symbolizing the Group's commitment to nurturing the next generation of leaders and fostering a legacy of excellence. During 2023 the first project developed by the **Youth Committee** was approved by our Board of Directors: Empowering Minds - an internal Academy focused on attracting and retaining young talents.





## Health and Safety

The safety of our people is a top priority in every field of our operations and in every Country where we are present. Also, due to the heterogeneous nature of our Group, managing risks has different meanings, involves distinct aspects and is delegated to single companies that must minimize, prevent and oversee the different risks they face.

We strictly act in accordance with local laws and regulations and we strive to minimize risks for people, encouraging the engagement and participation of workers. Figures testify our commitment to promote safety: in fact, both in 2022 and 2023, **we did not experience neither any fatalities nor high-consequence work-related injuries or illnesses cases**, and our rate of recordable work-related injuries was 2,19 in 2022 and 2,36 in 2023.

Paying attention to health and safety is fundamental not only for our staff but for our overall operations. For example, we conducted several audits to verify that the shipyard appointed to build our LNG tanker vessels had adopted adequate safety measures.

For the same reason, we participated in the Global Centre for Maritime Decarbonisation project to investigate the safety of using ammonia as a marine fuel. Investing in health and safety training is crucial to preserve the well-being of our people. Besides the mandatory training provided to every colleague, a particular focus is put on our crews, involved in the riskiest operations.

### Fratelli Cosulich Bunkers (S) Pte Ltd

**BUSINESS UNIT:** MARINE ENERGY

Fratelli Cosulich Singapore has an induction program for newly hired shore-based employees that foresees: training on the Company Policy, introduction to HSEQ Management System; customer's requirements and Safety & Health practices and Regulations.

Shore-based personnel are also responsible for monitoring the practical implementation and continuous improvement of HSSE.

A monthly Shipboard Safety Committee meeting is held to analyze performances, discuss relevant events, and implement potential improvements.

Fratelli Cosulich Singapore has adopted a formal risk management system to evaluate and avert all possible hazards and threats and is committed to improving the H&S training of the entire staff ashore and onboard. In this regard, **through prevention, the aim is to reach zero oil spills and zero accidents. These two objectives were achieved in both 2022 and 2023.**

### Fratelli Cosulich Shipmanagement S.r.l.

**BUSINESS UNIT:** SHIPOWNING

Our newly established Fratelli Cosulich Shipmanagement has a department dedicated to HSEQ and **succeeded in getting ISO 45001 besides other certifications such as ISO 9001, 14001, and 29001.** In fact, FCSM provides a

wide range of services within a strict regulatory framework and has structured its organization to ensure compliance with the ISM Code.

The satisfaction and protection of all the subjects involved in its operations is of primary importance for the company and for this purpose is mentioned in the HSEQ policies of the Integrated Management System document.

The HSEQ department coordinates the procedures required by various maritime stakeholders, ensuring strict adherence to risk-based thinking, moving beyond the traditional corrective action approach and focuses on identifying, assessing, and mitigating risks proactively in any activities undertaken by each member of the Company.

This approach aims to produce the set objective: **a mature safety culture rather than the mere repetitive application of procedures.**

HSEQ's target is to provide safe work in a safe technical environment ensuring tools (KPI, procedure and training, both ashore and on-board) for continuous improvement. In light of the above, the Company and its HSEQ department will ensure the achievement of personnel and customers safety and satisfaction with a **commitment to pursue zero accidents in every activity, while never forgetting the well-being, including the mental well-being, of its employees.**

**Fratelli Cosulich Comércio e Serviços and Morgan 4Ship**

**BUSINESS UNIT:** CATERING AND PROVISIONING – WAREHOUSING AND DEPOT

Fratelli Cosulich Comércio e Serviços provides specific H&S training to prevent work-related injuries and diseases.

Since 2021 our Brazilian subsidiary has been preparing and implementing an annual operational development plan to provide its employees with training opportunities. This results from an employee engagement process made through an internal satisfaction survey carried out in 2020. Given the satisfactory result, the operational development plan was successfully integrated into the already existing training procedure. In Brazil, there is also a dedicated and responsible staff for Health & Safety. **KPIs are defined to obtain information for an agile decision-making process and to monitor the performance on safety, environment and health.**

In Morgan 4Ship and Fratelli Cosulich Comércio e Serviços, given the specific catering business, we fully comply with food safety regulations to ensure the highest level of attention to customers' expectations. Morgan 4Ship S.r.l. holds ISO UNI 45001:2018 certification for occupational health and safety.

In 2023 Fratelli Cosulich Comércio e Serviços has obtained ISO 22000 certification. ISO's food safety management standards help organizations identify and control food safety hazards in synergy with other ISO management standards, such as ISO 9001. On top of this, a traceability and recall procedure for food products has been implemented, allowing the Company to identify and manage potentially unsafe products.

All the companies where Health and Safety risks are higher have specific procedures. In every of these procedures the importance of workers participation and consultation is emphasized even beyond legal requirements.

55% of our employees, in particular those who have to face the most risky

6. OUR MAIN ASSET: PEOPLE

operations above mentioned, are covered by a health and safety management system.

Furthermore, in 2023 we appointed a Corporate Health and Safety Manager for the Italian perimeter to oversee and have a full picture of all activities related to this topic. In 2024 we set the objective of specific training sessions for managers to update their knowledge in this fundamental field.

**WELFARE AND WELLBEING**

Since 2021, we have established health insurance in Italy to support our employees' medical needs.

In 2022 the insurance policy covered 249 people in our Group. From 2024 we have broadened the services provided, including also the possibility to have a check-up. A similar health insurance has been provided to our people in Brazil since our operations in the country began: in this reporting year we have extended its coverage to our employees and their families.

In 2023, we have sign a Company-wide agreement with an online training provider focused on fitness and well-being classes. In the first eight months from the adoption we have registered a constant increase in the usage and the total number of users has overcome the amount of 400.





7.

## Our environmental commitment

ESG Plan



ESG AREA

Environmental action



ESG SUB-AREA	ESG TOPIC	ESG TARGETS FY 2023 *	ESG COMMITTEE OWNER	WHAT WE HAVE FURTHER ACHIEVED IN FY 2023	ESG TARGETS FY 2024
Decarbonization	→ Decarbonization in Ship Building and Ship Management	→ <ul style="list-style-type: none"> <li>• Fratelli Cosulich Shipmanagement establishment to best control ESG impacts in Ship management</li> <li>• Action plan and KPIs for levers to be adopted on ship owned/managed</li> </ul>	→ Ship Managers	→ <ul style="list-style-type: none"> <li>• Fratelli Cosulich Shipmanagement established with overall control on activities such as manning, technical management</li> <li>• First order of a methanol dual-fueled bunker tanker</li> <li>• Shipmanagement Integrated Management System (IMS) certification in (ISO 9001, ISO 14001, ISO 29001, and ISO 45001)</li> </ul>	→ <ul style="list-style-type: none"> <li>• KPIs, targets and timeline to improve environmental performance of Singapore Barges</li> <li>• Definition with RINA of criteria for assessment of environmental performance for ships given in charter</li> <li>• Both LNG bunker tankers in full operation</li> <li>• Additional order of a methanol dual-fueled bunker tanker</li> </ul>
	→ Transition towards new fuels	→ <ul style="list-style-type: none"> <li>• Define Head of New Fuels to accelerate and enhance our role in the transition to alternative fuels</li> <li>• ISCC certification for Biofuels</li> </ul>	→ Head of New Fuels	→ <ul style="list-style-type: none"> <li>• ISCC Certification for our subsidiaries in Italy, Hong Kong and Singapore</li> <li>• First biofuel delivery (Hapag Lloyd)</li> <li>• Physical Supplies of biofuels in "hubs" (Genoa, Hong kong)</li> <li>• MoU with Chinese yard for an Ammonia Bunker tanker</li> <li>• RINA Approval-in-Principle (AiP) for the design of ammonia bunker tanker</li> <li>• Partecipation in GCMD Ammonia bunkering pilot safety study</li> </ul>	→ ISCC certification extended to other Bunker office worldwide (Monaco, USA, Unipessoal, and Middle East)
	→ Scope 1 and 2 GHG Emissions & Energy efficiency initiatives	→ <ul style="list-style-type: none"> <li>• Appointment of Energy Manager to implement energy efficiency initiatives</li> <li>• Electricity for Italian perimeter fully supplied with renewable sources</li> </ul>	→ Energy and IT Manager	→ <ul style="list-style-type: none"> <li>• Energy efficiency initiatives on our facilities</li> <li>• Energy data collection process improvements with AI technology</li> </ul>	→ <ul style="list-style-type: none"> <li>• Assessment of foreign subsidiaries to evaluate switch to renewable electricity for the full perimeter</li> <li>• Further efficiency improvements initiatives in some offices/warehouses in Italy</li> <li>• Fratelli Cosulich Singapore ISO 14001</li> <li>• First introduction of electric vehicles in the company's fleet to substitute old ones</li> </ul>
	→ Supply chain collaboration and Scope 3 reporting	→ Monitoring Emissions coming from bunker tanker vessels	→ ESG Team ESG Focal Points	→ First scope 3 calculation (Categories 1,3,8,11 in 2023)	→ <ul style="list-style-type: none"> <li>• Scope 3 calculation extension to further categories</li> <li>• Improvement in reporting of scope 3 emissions from freight forwarding activities</li> <li>• Adoption of HVO for part of Lorma's truck fleet</li> <li>• ETS allowances management for customers</li> </ul>
Resources management	→ Waste & Water Management	→ No target for 2023	→ ESG Team ESG Focal Points	→ Waste data collection	→ Action plan to improve waste disposal in all subsidiaries premises (including training on new policies, supply of waste sorting bins, water dispensers etc)
Environmental risk management	→ Pollution	→ New topic for 2024	→ ESG Team Ship Managers ESG Focal Points	→ Disclosure of Sox, NOx and PM emissions	→ Reduction of air pollutants produced within or supply chain thanks to the adoption of HVO for part of the truck fleet and functioning of LNG barges

\* as reported in annual report 2022 and achieved in 2023



## Our commitment in decarbonising shipping

Nowadays decarbonisation and environmental transition are key elements to define business strategy as they deeply affect economic activities and their influence will grow over time on all value chains. Fratelli Cosulich strives to play an important role and have a positive impact in the fields where we operate with the goal of protecting the environment, and exploiting business opportunities to contribute to these global objectives and to grow as a Group.

In this backdrop, new regulations, especially those coming from the EU and IMO (International Maritime Organisation), are at the same time challenges and opportunities for business development. As an example, in 2024 we will start our activity in the European Union Emissions Trading System (ETS) market for shipping and we will assist our customers selling allowances, hedging emission exposures, and holding customer allowances.

Our strategy towards a more sustainable and greener world is based on several different pillars.

### OUR ENGAGEMENT WITH SHIPPING ASSOCIATIONS

We believe that being involved in sector organizations is fundamental to exert a positive influence and a real impact in the entire value chain. For this reason we reaffirm our role and commitment in several shipping associations<sup>[3]</sup>: our Group is currently involved in numerous organizations leading the way in various environmental matters.

### IBIA

#### International Bunker Industry Association

IBIA is actively engaged in consultations and negotiations with policy makers. In 2005 the association achieved a consultative status in the IMO with consequent right to attend meetings, representing the industry's points of view and interests and providing its expertise. IBIA is particularly active in the field of alternative fuels and plays an important role in the energy transition. Our commitment in the association is testified by our CEO Timothy Cosulich who held the office of IBIA Chairman from 2022 to 2024.



### SSA

#### Singapore Shipping Association

Within SSA our Group is present in the Marine Fuels Committee and in the Alternative Marine Fuels Sub-Committee, with the aim of studying the use and feasibility of different types of alternative marine fuels, evaluating and making recommendations on the use of different types of alternative marine fuels available, promoting awareness and understanding among the maritime and related industries on the development and research within the area of alternative marine fuel.



In addition, we are part of the **Italian Committee for Decarbonisation** (launched by RINA) and the focus group on Fuel EU Maritime & ETS is overseen by Andrea Cosulich, our Honorary President.

### TRANSITION TOWARDS NEW FUELS

Our commitment to fuel progress in the shipping industry is testified by the path we undertook with regard to alternative fuels: contributing to decarbonization is a paramount objective of our Group.

In 2023, we appointed a Head of New Fuels with the aim of enhancing our position in the energy transition. Our objective is to spread innovative, sustainable, and economically viable energy solutions that can drive our Society into a cleaner and more efficient future.

Our sustainability approach is constructed upon pillars such as our sense of responsibility, compliance with environmental regulations, and the urgent need to decrease greenhouse gas emissions. Additionally, we foster the sector to adopt alternative fuels like biofuels, LNG (Liquefied Natural Gas), methanol, and ammonia.

It is likely that the path toward decarbonisation will not see just one fuel or solution, but a mix of them. Each of these fuels, with their own characteristics and challenges will play a role into this process.

### Bio Fuels

During 2023 we achieved the International Sustainability and Carbon Certification (ISCC) in several branches, with the objective, in 2024, to further increase the number in other locations.

In February 2023, Fratelli Cosulich completed the first Biofuel supply on a container vessel in Genoa, becoming the first supplier in Italy and one of the first in Europe to deliver Bio VLSFO from biorefinery ISCC certified.

Our Marine Energy business unit is now able to deliver biofuels at different global locations.

Biofuels are derived from renewable sources, such as crops, algae and organic waste and represent a promising solution to reduce GHG emissions. Biofuels have the capability to act as direct replacements for traditional marine fuels, easing the transition for vessels towards a more sustainable option. This allows vessel owners and charterers to respect regulations, protect the environment and, for those in the scope of EU ETS, lower the quantity of EU Allowances to be surrendered with the consequent economic saving.

## Liquefied Natural Gas (LNG)

Despite being categorized as a fossil fuel, LNG presents several benefits compared to conventional marine fuels. Specifically, it virtually eliminates Sulphur oxides (SOx) and particulate matter (PM) emissions, and it can reduce Nitrogen oxides (NOx) by up to 80%. Simultaneously, it holds the potential to lower greenhouse gas (GHG) emissions by up to 23%<sup>[4]</sup>.

LNG also has the potential to address regulatory standards and improve competitiveness, especially in relation to EEDI ratings and the Carbon Intensity Indicator, with potential reductions of up to 20%<sup>[5]</sup>.

For these reasons, in the last years LNG has emerged as a key element in the decarbonization process, gaining increasing relevance and leading to a significant growth in LNG bunker infrastructure.

We therefore decided to do our part and invest in the transition: in the last three years we have been building two LNG bunker tanker vessels, named Alice and Paolina Cosulich.

These vessels were both christened in 2023 and delivered between the last quarter of 2023 and the first of 2024 and will be in 2024 at their full operational capacity and chartered.

The sister ships, each with a capacity of 5,300 DWT and the capability to

transport 8,200 m<sup>3</sup> of LNG and 500 m<sup>3</sup> of MGO, are equipped with Wärtsilä's Dual Fuel technology, widely utilized in various marine propulsion and power generation systems.

Incorporating an LNG subcooling plant that employs highly efficient 'boil off' treatment techniques, these ships reduce environmental impacts and cargo losses. Furthermore, they feature azimuth-type propulsion and maneuvering systems, complete with a double bow thruster, ensuring outstanding maneuverability within port areas.

To ensure the best possible management of our bunkering operations, we have established Fratelli Cosulich Ship Management, equipped with several ISO certifications: 9001, 29001, 45001, and 14001 to indicate our attention towards every management topic, such as Health and Safety and environmental issues.

## Ammonia

Even though obstacles persist, ongoing researches and developments are showing that ammonia has a significant potential as a zero-carbon fuel if produced through renewable energy sources (green ammonia) or low carbon fuel if carbon capture and storage (CCS) technologies are used to capture and store the CO<sub>2</sub> emissions produced during the production process (blue ammonia).

With the growth of ammonia-fueled vessel order and the consequent need of related bunkering facilities, in the last years we escalated our commitment in this particular fuel.

In 2021 our Group signed a Joint Development Project (JDP) Agreement with RINA and SeaTech Solutions aimed to develop the design for an ammonia bunker tanker.

In September 2022, we signed a Memorandum of Understanding (MOU) for the construction of an ammonia bunker tanker with Nantong CIMC Sinopacific Offshore & Engineering, the same shipyard wherewith we cooperate in the realization of the two LNG Bunker Tanker Vessels. This

barge will be based on RINA Approval-in-Principle (AiP) for the design of a 21,000 cubic meters ammonia bunker tanker to be jointly developed by SeaTech Solutions and Fratelli Cosulich Bunkers Singapore.

In addition, we participated in the Global Centre for Maritime Decarbonisation project to investigate the safety of using ammonia as a marine fuel.

## Methanol

Major shipping companies have begun investing in methanol powered ships due to the relevant environmental benefits it can lead to. Methanol is crucial to aid in meeting the IMO's 2030 carbon emission reduction goal and offers a feasible route to achieving carbon-neutral operations.

In addition, Methanol has a positive impact also in terms of pollution, allowing relevant decreases of PM, NOx and SOx.

In our effort to tackle climate change and support transition in shipping, at the end of 2023 we ordered our first methanol dual-fuelled chemical bunker tanker. The vessel, named Marta Cosulich, was built by Zhejiang Shenzhou Sunshine Heavy Industry Co. Ltd yard in China and has been delivered in May 2024.

The 7,990 DWT vessel is an IMO Type II chemical bunkering tanker, with a capacity of over 8,000 cubic meters, and with coating suitable for both biofuel up to B100 and methanol carriage. It is equipped with two main engines supplied by Yanmar, which can burn both diesel and biodiesel up to B100.

For 2025 the delivery is set for the second methanol bunker tanker vessel that will operate in Singapore. This is also an IMO Type II chemical bunkering tanker with a capacity of over 8,000 cubic meters. It has electric propulsion and it is equipped with three dual-fuelled generator sets supplied by MAN Energy Solutions, able to burn both diesel (or biodiesel) and methanol.

In July 2024, the Group placed another order for two 7,999 DWT IMO2 chemical bunkering tankers at Taizhou Maple Leaf Shipbuilding Co., Ltd., with options to build two more units later on. The first of these methanol-ready vessels will be delivered in the first half of 2026.



## Our GHG emissions and mitigation initiatives

In the second reporting year where we integrated sustainability information, we appointed an Energy Manager to support energy efficiency initiatives. We have also further improved our data collection processes to have a clear picture of our direct GHG emissions (scope 1 and scope 2) and we have identified a (non-exhaustive) list of several goals that a complete GHG disclosure can help to achieve, in particular:

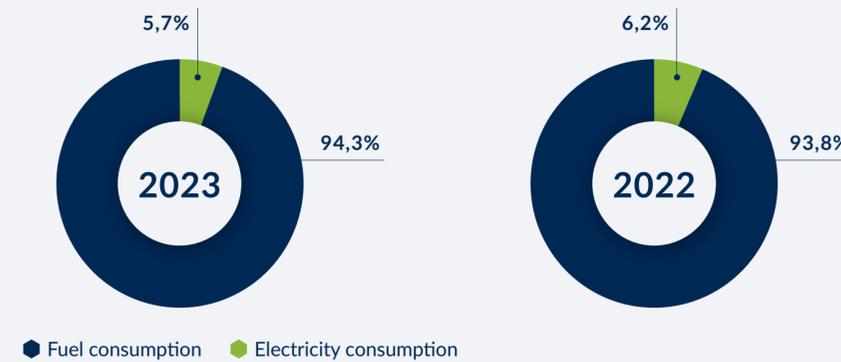
- having an overall GHG emissions' framework;
- preparing a solid base for the implementation of the Decarbonisation plan;
- identifying areas of potential emissions' reduction;
- compliance with CSRD and other reporting frameworks;
- providing innovative information services to customers;
- managing risks related to GHG emissions;
- participating in GHG markets (e.g. ETS).

For these reasons, starting from this reporting year we started to collect and calculate not only Scope 1 and 2, but defined a pilot program to calculate Scope 3 emissions.

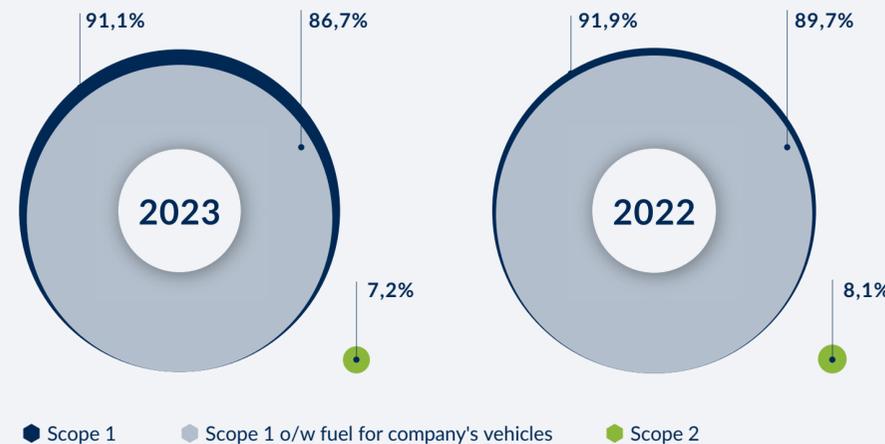
In 2023 the total Energy Consumption within the Group has slightly increased due to a higher level of activity and larger perimeter included in the analysis<sup>[6]</sup>.

Despite this, the energy intensity ratio slightly decreased in 2023 compared to 2022, going from 69.6 to 68.6.

The composition of our overall energy consumption and emissions has not significantly changed between 2023 and 2022.



In fact the largest part of consumption and emissions is always made up of fuel used by the company, and in particular, considering the specific nature of its operations in trucking transportation services (Lorma Logistics).



In order to tackle the main source of energy consumption and GHG emissions, thanks to an agreement made with Eni at the beginning of 2024, 30% of the company's industrial vehicles will be fueled with Hydrotreated Vegetable Oil (HVO) biofuel.

HVO represents the first diesel entirely derived from renewable raw materials, specifically waste biomass that, instead of being disposed of, is used to produce biofuels, reducing environmental impact and promoting a model that ensures ever more complete sustainability.

This fuel reduces CO2 emissions "from well to wheel" by an amount between 60% and 90%, allows a lower fuel and urea consumption and a significant reduction in vehicle maintenance costs. Moreover, during 2023 Lorma has renewed significantly its fleet, guaranteeing more efficiency, a reduced consumption and consequent diminished emissions. To reduce our carbon footprint, the Company has adopted advanced fleet management technology, enabling precise vehicle tracking, monitoring of travel distances, fuel consumption, and expenses, along with generating customized reports. In this regard, we have set a target for reducing deviation kilometers, optimizing travels and allowing a reduction in costs and emissions. In this regard, kg of CO2e per kilometer has decreased from 0,73 in 2022 to 0,70 in 2023<sup>[7]</sup>.

To increase environmental performances of our assets, we defined a set of general environmental goals for our bunker tanker barges operating in Singapore regarding different topics (such as waste reduction, resource conservation and usage, and fuel consumption).

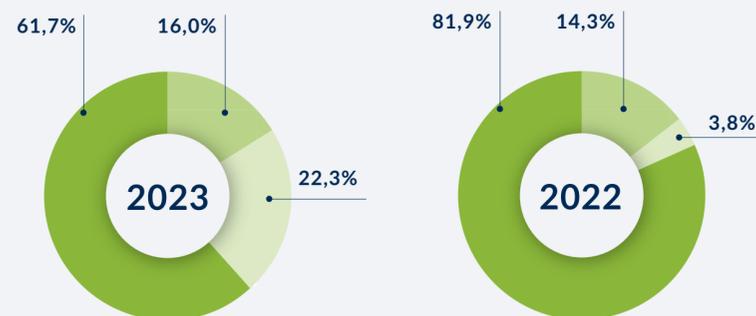


We have implemented the relamping in our office in Trieste (25% of the consumption saved on the same period of the former year) and collocation and the installation of the heat pump in Link Industries warehouse in Spinetta Marengo (56 GJ and 6 tonnes of CO<sub>2</sub>e saved in the last three months of 2023, using market based criteria). The potential energy savings calculated over a year should be around 15%.

In addition, during this reporting year we made the transition to a single electricity provider for Italian subsidiaries that supplies us with certified electricity from renewable sources (190 tonnes of CO<sub>2</sub>e saved using market based criteria) <sup>[8]</sup>.

In 2023, through photovoltaic systems present in our headquarter in Genoa, in our Brazilian subsidiary's building in Macaé, in Morgan 4Ship warehouse in Navacchio (Pisa, Italy), and in Lorma Logistic facility, we self-produced 19% of our total electricity requirement.

2023 was the first year in which the Lorma and Morgan 4Ship plants were operational for all 12 months, having been fully activated during 2022. This resulted in a savings of 587 tons of CO<sub>2</sub> compared to the previous year using market based criteria <sup>[9]</sup>.



- Electricity purchased from national grid from NOT renewable energy sources
- Electricity purchased from national grid from renewable energy sources
- Electricity self-produced

For 2024 we set several additional goals:

- Assessment of foreign subsidiaries to evaluate switch to renewable electricity for the full perimeter;
- Further efficiency improvements initiatives in some offices/warehouses in Italy. In particular: we will deliver relamping in Ravenna and Naples and we will implement several measures in Genoa (expansion of solar power system and transition to a more efficient HVAC system).
- Fratelli Cosulich Singapore ISO 14001;
- First introduction of electric vehicles in the company's fleet to substitute old ones.

From this version of the Annual Report we report Scope 3, with particular reference to the following categories <sup>[10]</sup>:

● **Category 1 - Purchased goods and services.**

This category includes the up-stream GHG emissions related to bunker acquired and, subsequently, sold. In this first inventory, we are focusing our efforts on this kind of goods that constitutes by far the largest part of the emissions produced by the Group in this category.

● **Category 3 - Fuel and energy related activities.**

In this category we disclose: upstream emissions of purchased fuels, upstream emissions of purchased electricity and transmission and distribution (T&D) losses.

● **Category 11 - Use of sold products.**

In this category we report emissions from combustion of bunker fuel sold to our customers.

● **Category 13 - Downstream leased assets.**

The category encompasses our chartered vessels <sup>[11]</sup>.

Our estimation amounts to 12.504.713 tCO<sub>2</sub>eq for 2023 and 11.099.225 tCO<sub>2</sub>eq for 2022.



8.

## ESG Appendix



# ESG Data

## 2 General disclosure <sup>[15]</sup>

### 2-7 Employees

COUNTRY	EMPLOYEES 2023	COUNTRY	EMPLOYEES 2022
Brazil	729	Brazil	652
Italy	466	Italy	433
Singapore	132	Singapore	142
Turkey	105	Turkey	99
Malta	57	Malta	36
Monaco	41	Monaco	27
China	19	China	19
UK	17	UK	15
France	15	France	15
Hong Kong	13	Hong Kong	11
USA	11	USA	9
Portugal	5	Portugal	6
Greece	3	Greece	3
UAE	3	UAE	2

GENDER	EMPLOYEES 2023	GENDER	EMPLOYEES 2022
Female	367	Female	314
Male	1249	Male	1155
<b>Total</b>	<b>1616</b>	<b>Total</b>	<b>1469</b>

COUNTRY	TYPE OF CONTRACT	EMPLOYEES 2023	COUNTRY	TYPE OF CONTRACT	EMPLOYEES 2022
Brazil	Permanent	729	Brazil	Permanent	652
Italy	Permanent	434	Italy	Permanent	408
Singapore	Permanent	132	Singapore	Permanent	142
Turkey	Permanent	105	Turkey	Permanent	98
Monaco	Permanent	38	Monaco	Permanent	27
China	Permanent	19	China	Permanent	19
UK	Permanent	17	UK	Permanent	15

COUNTRY	TYPE OF CONTRACT	EMPLOYEES 2023	COUNTRY	TYPE OF CONTRACT	EMPLOYEES 2022
France	Permanent	15	France	Permanent	14
Hong Kong	Permanent	13	Hong kong	Permanent	11
USA	Permanent	11	USA	Permanent	9
Portugal	Permanent	5	Portugal	Permanent	5
Greece	Permanent	3	Greece	Permanent	3
UAE	Permanent	3	Malta	Permanent	2
Malta	Permanent	2	Portugal	Permanent	2
Malta	Temporary	55	Malta	Temporary	34
Italy	Temporary	32	Italy	Temporary	25
Monaco	Temporary	3	Portugal	Temporary	1
			France	Temporary	1
			Turkey	Temporary	1

GENDER	TYPE OF CONTRACT	EMPLOYEES 2023	EMPLOYEES 2022
Female	Permanent	349	296
Female	Temporary	18	18
Male	Permanent	1177	1111
Male	Temporary	72	44

TYPE OF CONTRACT	TOTAL 2023	TOTAL 2022
Permanent	1526	1407
Temporary	90	62

COUNTRY	FULL-TIME/PART-TIME	EMPLOYEES 2023	EMPLOYEES 2022
Brazil	Full-Time	729	652
Italy	Full-Time	433	405
Singapore	Full-Time	132	142
Turkey	Full-Time	105	99
Malta	Full-Time	57	36
Monaco	Full-Time	37	25
China	Full-Time	19	19
France	Full-Time	15	15
UK	Full-Time	17	15
Hong Kong	Full-Time	13	11
USA	Full-Time	11	9
Portugal	Full-Time	5	6
Greece	Full-Time	3	3
UAE	Full-Time	3	2
Italy	Part-Time	33	28
Monaco	Part-Time	4	2

GENDER	FULL-TIME/PART-TIME	EMPLOYEES 2023	EMPLOYEES 2022
Female	Full-Time	336	289
Female	Part-Time	31	25
Male	Full-Time	1243	1150
Male	Part-Time	6	5

FULL-TIME/PART-TIME	TOTAL 2023	FULL-TIME/PART-TIME	TOTAL 2022
Full-Time	1579	Full-Time	1439
Part-Time	37	Part-Time	30

c. All data refer to the end of the reporting year and are in headcount.

#### 2-8 Workers who are not employees

Workers who are not employees as required by GRI 2-8 are not present in Group perimeter.

#### 2-9 Governance structure and composition

a.	See Our Governance paragraph
b.	See Our Governance paragraph
c. I.	With the only exception of Andrea Cosulich, all the other Board members are executives;
II.	In 2023 independent board members were not present.
III.	Tenure duration is three years. Current Board tenure expired in June 2024. The new board composition will remain in place until the approval of the 2026 financial statement.
IV.	See Our Governance paragraph
V.	See Our Governance paragraph
VI.	Not present
VII.	See Our Governance paragraph
VIII.	Not present

#### 2-21 Annual total compensation ratio

a.	34
b. c.	are not present due to the fact that we started to collect these kind of data starting from 2023

#### 2-18 Evaluation of the performance of the highest governance body

#### 2-19 Remuneration policies

#### 2-20 Process to determine remuneration

Requirements included in GRI 2-18, 2-19, 2-20 are not present in the Group at the moment.

#### 2-30 Collective bargaining agreements

- a. 95%
- b. for employees not covered by collective bargaining agreements, condition established in accordance with local laws and regulations. Working conditions and terms of employment of these employees are not influenced or determined based on other collective bargaining agreements.

## 201 Economic Performance

The economic performance is the only topic that we did not include in the ESG Plan, since that it is embedded in the economic activity itself of the Group, described in the management report.

#### 201-1 Direct economic value generated and distributed

	2023	2022
a.		
i.	1.899.951.890	2.214.186.315
ii.	1.582.813.358	1.852.326.482
	198.824.025	243.150.754
	3.641.311	3.367.281
	46.323.229	36.785.516
	8.728.714	7.187.287
	1.477.294	1.510.241
	525.656	438.875
	844.935	668.187
	13.970.698	8.597.949
		9.586.129
	1.857.149.220	2.163.618.701
iii.	42.802.670	50.567.614

#### 201-2 Financial implications and other risks and opportunities due to climate change

Opportunities arisen from decarbonisation process are related to new fuels and described in paragraph 5.1 "Our commitment in decarbonising shipping", risks will be deeply analyzed in preparation of financial materiality. From a first level of analysis the Group should not be exposed in a significant way to physical risks, but potential risks could result from regulatory scenario such as a potential reduction of the Group economic activities in shipping as well as increasing costs for transition of our truck fleet.

#### 201-3 Defined benefit plan obligations and other retirement plans

The Group participate in pension plans when established by collective bargaining agreements.

#### 201-4 Financial assistance received from government

Not present in the reporting year.

## 205 Anti-corruption

### 205-2 Communication and training about anti-corruption policies and procedures

No Board members received training on anti-corruption topics in 2023.

Below the total number and percentage of employees that have received training on anti-corruption in 2023, broken down by employee category and region.

	EMPLOYEE CATEGORY	TOTAL	PERCENTAGE
Italy	Total	188	11,6%
	Blue Collars	109	12,5%
	White Collars	73	11,7%
	Managers	5	5,3%
	Executives	1	3,3%

### 205-3 Confirmed incidents of corruption and actions taken

There were no confirmed incidents of corruption recorded in 2023 and 2022.

## 302 Energy

### 302-1 Energy consumption within the organization

#### 302-1a

		GJ 2023	GJ 2022
Fuel consumption	Diesel (for company's vehicles (owned or in long-term leasing))	99.936,6	88.022,9
Fuel consumption	LNG (Liquified Natural Gas)	3.955,8	9.332,9
Fuel consumption	Gasoline (for company's vehicles (owned or in long-term leasing))	3.555,6	2.276,5
Fuel consumption	Bunker Gas oil	1.928,5	0,0
Fuel consumption	Natural Gas	1.534,8	1.875,7
Fuel consumption	Diesel (for heating or productive process)	0,0	779,9
Fuel consumption	LPG (Liquefied Petroleum Gas)	0,0	6,3
Total		110.911,3	102.294,1

<b>302-1 b</b>	Not present	302-1 b	Not present
----------------	-------------	---------	-------------

<b>302-1 c i.</b>	Electricity consumption	6.520,1	6.865,4
-------------------	-------------------------	---------	---------

<b>302-1 d i.</b>	Electricity	35,9	0
-------------------	-------------	------	---

<b>302-1 e</b>	Total energy consumption	117.395,5	109.159,5
----------------	--------------------------	-----------	-----------

### 302-3 Energy intensity

#### 302-3 a

<b>2023</b>	68,6	<b>2022</b>	69,6
-------------	------	-------------	------

- b** As denominator we use the total number of employees  
**c** All kinds of energy are included in the calculation  
**d** Just the energy consumption within the organization is encompassed

## 305 Emissions

### 305-1 Direct (Scope 1) GHG emissions

	2023	2022
a)	7913 tCO <sub>2</sub>	7113 tCO <sub>2</sub>
b)	CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O	CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O
c)	Not present	Not present
d)	Not present	Not present

### 305-2 Energy indirect (Scope 2) GHG emissions

	2023	2022
a)	456 tCO <sub>2</sub> eq Location Based;	480 tCO <sub>2</sub> eq Location Based
b)	626 tCO <sub>2</sub> eq Market Based	629 tCO <sub>2</sub> eq Market based
c)	Not available	Not available
d)	Not available	Not available

### 305-2 Other indirect (Scope 3) GHG emissions

	2023	2022
a) Total tCO <sub>2</sub> eq	12.504.713	11.099.225
b)	CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O	CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O
c)	Not present	Not present

### 305-4 GHG emissions intensity

<b>2023</b>	5,3	<b>2022</b>	5,3
-------------	-----	-------------	-----

- b** As denominator we use the total number of employees  
**c** We consider Scope 1 and Scope 2 for the calculation  
**d** CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O

### 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

		2023	2022
a i	NOx	28,32 t	28,21 t
a ii	Sox	0,03 t	0,03 t
a iii	POP		
a iv	VOC	1,42 t	1,46 t
a v	HAP		
a vi	PM	2,71 t	2,70 t

## 306 Waste

### 306-1 Waste generation and significant waste-related impacts

We deemed as material just the waste produced by our subsidiaries with operations that imply a relevant waste stream (Link Industries, Morgan 4Ship, and Fratelli Cosulich Comercio e Servicios).

The first is active in Trade and Manufacturing, while the other two companies operate in catering and provisioning. The composition of the waste varies accordingly and none of these subsidiaries has a proper productive process. For Link Industries the main source of waste is, in fact, made up of packaging of various types of materials (paper and cardboard, plastic, wood, iron, and mixed materials) and damaged products. For the two companies of Catering Business Unit the waste resulting from the activity can include paper, plastic and cardboard, expired, damaged, altered, or contaminated food by physical, chemical, or biological agents.

### 306-2 Management of significant wasterelated impacts

a) Every analyzed company utilizes a specific policy to manage its waste stream. This policies aim to prevent waste generation and to encourage circularity measures. For example Link Industries strives to reuse packaging materials as well as Fratelli Cosulich Comercio e Servicios applies in the following order of priority in managing its waste: Reduce, Reuse, Recycle.

b) We act in full compliance with national laws in selecting third parties to manage waste.

c) Data are collected locally by every subsidiary and then gathered centrally by the ESG Team.

### 306-3 Waste generated; 306-4 Waste diverted from disposal; 306-5 Waste directed to disposal

2022			
WASTE COMPOSITION	WASTE GENERATED	WASTE DIVERTED FROM DISPOSAL	WASTE DIRECTED TO DISPOSAL
Iron and steel	2	2	0
Cardboard, Paper and Plastic	41	21	20
Mixed packaging	31	0	31
Various non-recyclable waste	8,3	0	8,3
Animal and vegetable waste	18,7	5,2	13,5
<b>Total</b>	<b>101</b>	<b>28,2</b>	<b>72,8</b>

2023			
WASTE COMPOSITION	WASTE GENERATED	WASTE DIVERTED FROM DISPOSAL	WASTE DIRECTED TO DISPOSAL
Iron and steel	0,8	0,8	0
Cardboard, Paper and Plastic	37	15	22
Mixed packaging	13	0	13
Animal and vegetable waste	25,6	5,6	20
<b>Total</b>	<b>76,4</b>	<b>21,4</b>	<b>55</b>

### 2022 - WASTE DIVERTED FROM DISPOSAL BY RECOVERY OPERATION

HAZARDOUS WASTE	ONSITE	OFFSITE	TOTAL
Preparation for reuse	0	0	0
Recycling	0	0	0
Other recovery operations	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
NON-HAZARDOUS WASTE	ONSITE	OFFSITE	TOTAL
Preparation for reuse	0	2	2
Recycling	0	26,2	26,2
Other recovery operations	0	0	0
<b>Total</b>	<b>0</b>	<b>28,2</b>	

### 2023 - WASTE DIVERTED FROM DISPOSAL BY RECOVERY OPERATION

HAZARDOUS WASTE	ONSITE	OFFSITE	TOTAL
Preparation for reuse	0	0	0
Recycling	0	0	0
Other recovery operations	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
NON-HAZARDOUS WASTE	ONSITE	OFFSITE	TOTAL
Preparation for reuse	0	0,8	0,8
Recycling	0	20,6	20,6
Other recovery operations	0	0	0
<b>Total</b>	<b>0</b>	<b>21,4</b>	

### 2022 - WASTE DIRECTED TO DISPOSAL BY DISPOSAL OPERATION

HAZARDOUS WASTE	ONSITE	OFFSITE	TOTAL
Incineration (without energy recovery)	0	0	0
Incineration (with energy recovery)	0	0	0
Landfilling	0	0	0
Other disposal operations	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	
NON-HAZARDOUS WASTE	ONSITE	OFFSITE	TOTAL
Incineration (without energy recovery)	0	0	0
Incineration (with energy recovery)	0	0	0
Landfilling	0	72,8	72,8
Other disposal operations	0	0	0
<b>Total</b>	<b>0</b>	<b>72,8</b>	

### 2023 - WASTE DIRECTED TO DISPOSAL BY DISPOSAL OPERATION

HAZARDOUS WASTE	ONSITE	OFFSITE	TOTAL
Incineration (without energy recovery)	0	0	0
Incineration (with energy recovery)	0	0	0
Landfilling	0	0	0
Other disposal operations	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	
NON-HAZARDOUS WASTE	ONSITE	OFFSITE	TOTAL
Incineration (without energy recovery)	0	0	0
Incineration (with energy recovery)	0	0	0
Landfilling	0	55	55
Other disposal operations	0	0	0
<b>Total</b>	<b>0</b>	<b>55</b>	

## 308 Supplier Environmental Assessment

### 308-1 NEW SUPPLIERS THAT WERE SCREENED USING ENVIRONMENTAL CRITERIA

### 308-2 NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

In 2023 we have introduced a first pilot evaluation integrated in our KYC forms within Marine Energy Business Units. This appraisal includes ESG questions and it is not only related to the Environmental dimension to assess the performance of our counterparts. For this reporting year, no information are available.

## 401 Employment

### 401-1 New employee hires and employee turnover

COUNTRY	NEW HIRES 2023	RATE 2023	NEW HIRES 2022	RATE 2022
Brazil	230	31,6%	283	43,4%
Italy	82	17,6%	115	26,6%
Malta	68	119,3%	35	97,2%
Singapore	29	22,0%	72	27,3%
Turkey	24	22,9%	27	27,3%
France	11	73,3%	7	46,7%
Monaco	10	24,4%	5	18,5%
UK	9	52,9%	10	66,7%
USA	5	41,7%	-	-
China	3	15,8%	1	5,3%
Hong kong	1	7,7%	1	9,1%
UAE	1	33,3%	1	150%
Portugal	-	-	2	33,3%
<b>Total</b>	<b>473</b>	<b>29,3%</b>	<b>559</b>	<b>38,1%</b>
GENDER	NEW HIRES 2023	RATE 2023	NEW HIRES 2022	RATE 2022
Female	111	30,2%	115	36,6%
Male	362	29,0%	444	38,4%
AGE RANGE	NEW HIRES 2023	RATE 2023	NEW HIRES 2022	RATE 2022
<30	202	61,4%	100	67,6%
>=30 and <50	222	23,6%	409	38,3%
>=50	49	14,0%	50	19,8%

### 401-1 New employee hires and employee turnover

COUNTRY	TERMINATION 2023	RATE 2023	TERMINATION 2022	RATE 2022
Brazil	153	21,0%	132	20,2%
Italy	56	12,0%	68	15,7%
Malta	47	82,5%	-	-
Singapore	37	28,0%	14	9,9%
Turkey	12	11,4%	6	6,1%
France	14	93,3%	1	6,7%
UK	7	41,2%	4	26,7%
Monaco	3	7,3%	4	14,8%
Portugal	2	40,0%	-	-
Hong kong	-	-	1	9,1%
UAE	-	-	2	100,0%
<b>Total</b>	<b>331</b>	<b>20,5%</b>	<b>235</b>	<b>16,0%</b>
GENDER	TERMINATION 2023	RATE 2023	TERMINATION 2022	RATE 2022
Female	56	15,2%	70	22,3%
Male	275	22,0%	165	14,3%
AGE RANGE	TERMINATION 2023	RATE 2023	TERMINATION 2022	RATE 2022
<30	113	34,3%	71	48,0%
>=30 and <50	189	20,1%	138	12,9%
>=50	29	8,3%	26	10,3%

### 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Not present

### 401-3 Parental leave

a.	ENTITLED TO PARENTAL LEAVE 2022	
	MALE	FEMALE
	1158	324
b.	TOTAL NUMBER OF EMPLOYEES THAT TOOK PARENTAL LEAVE	
	MALE	FEMALE
	14	17
c.d.e.	Not available since that data collection about this indicator has started in 2023	

## 403 Occupational Health and Safety

### 403- 4 Worker participation, consultation, and communication on occupational health and safety

Although in Italy Health & Safety activities are coordinated by a central function, every company has the duty to oversee and reduce risks and to manage the process. Within this backdrop, every company of the Group manages the process locally in compliance with laws and regulations that foresee participation of workers. In Singapore, for example, where operations make the topic sensible, meetings are held on monthly basis.

**403-8 Workers covered by an occupational health and safety management system**

	TOTAL NUMBER	PERCENTAGE
a i.	888	55,0%
ii.	27	1,7%
iii.	27	1,7%

**403-9 Work-related injuries**

	2023	2022
a i	0	0
a ii	0	0
a iii	7; 2,36;	6; 2,19;
a iv	superficial cuts and consequences of car accidents	superficial cuts and crushings
a v	2.964.176	2.741.600
b.	not present	not present
c.	Health and Safety paragraph	
d.	Health and Safety paragraph	
e.	1.000.000	1.000.000
f.	there are no workers exclusions	
d.	methodology	

**403-10 Work-related ill health**

- a. No work related ill health are registered neither in 2023 nor 2022;  
b. No work related ill health are registered neither in 2023 nor 2022;

## 404 Training and Education

**404-1 Average hours of training per year per employee**

Average training hours per employee	23
Average training hours per female	17
Average training hours per male	25
Average training hours per blue collar	34
Average training hours per white collar	12
Average training hours per manager	12
Average training hours per executive	7

**404-3 Percentage of employees receiving regular performance and career development reviews**

Percentage of employees receiving regular performance and career development reviews per employee	52%
Percentage of employees receiving regular performance and career development reviews per male	53%
Percentage of employees receiving regular performance and career development reviews per female	51%
Percentage of employees receiving regular performance and career development reviews per blue collar	62%
Percentage of employees receiving regular performance and career development reviews per white collar	44%
Percentage of employees receiving regular performance and career development reviews per manager	34%
Percentage of employees receiving regular performance and career development reviews per executive	10%

## 405 Diversity and Equal Opportunity

**405-1 Diversity of governance bodies and employees**

BOARD	2023	2022
Male	85,7%	85,7%
Female	14,3%	14,3%
Under 30	-	-
30-50	28,6%	28,6%
Over 50	71,4%	71,4%

Gender	EMPLOYEE CATEGORIES	PERCENTAGE PER EMPLOYEE CATEGORY 2023	PERCENTAGE PER EMPLOYEE CATEGORY 2022
Female	Executives	20,0%	17,2%
Male	Executives	80,0%	82,8%
Female	Managers	31,6%	34,2%
Male	Managers	68,4%	65,8%
Female	White Collars	44,1%	43,0%
Male	White Collars	55,9%	57,0%
Female	Blue Collars	6,6%	6,2%
Male	Blue Collars	93,4%	93,8%

Age Range	EMPLOYEE CATEGORIES	PERCENTAGE PER EMPLOYEE CATEGORY 2023	PERCENTAGE PER EMPLOYEE CATEGORY 2022
<30	Executives	-	-
>=30 and <50	Executives	40,0%	51,7%
>=50	Executives	60%	48,3%
<30	Managers	1,1%	-
>=30 and <50	Managers	54,7%	50,0%
>=50	Managers	44,2%	50,0%
<30	White Collars	28,5%	20,6%
>=30 and <50	White Collars	51,0%	61,8%
>=50	White Collars	20,6%	17,6%
<30	Blue Collars	17,4%	4,5%
>=30 and <50	Blue Collars	64,1%	82,7%
>=50	Blue Collars	18,5%	12,8%

**405-2 Ratio of basic salary and remuneration of women to men**

COUNTRY	EMPLOYEE CATEGORY	RATIO
Brazil	Blue Collars	226,3%
Brazil	Managers	105,6%
Brazil	White Collars	120,3%
China	White Collars	80,2%
France	Managers	129,2%
France	White Collars	96,0%
Greece	White Collars	100,0%
Hong kong	White Collars	82,4%
Italy	Blue Collars	62,9%

COUNTRY	EMPLOYEE CATEGORY	RATIO
Italy	Executives	96,0%
Italy	Managers	84,6%
Italy	White Collars	80,8%
Monaco	White Collars	187,8%
Portugal	White Collars	143,2%
Singapore	Managers	125,0%
Singapore	White Collars	104,3%
Turkey	Executives	79,8%
Turkey	Managers	59,7%
Turkey	White Collars	77,4%
UAE	White Collars	34,1%
UK	Managers	85,3%
UK	White Collars	96,3%
USA	White Collars	55,5%

## 406 Non-discrimination 2016

### 406-1 Incidents of discrimination and corrective actions taken

No incidents were recorded in 2023 and 2022.

## 414 Supplier Social Assessment

### 414-1 NEW SUPPLIERS THAT WERE SCREENED USING SOCIAL CRITERIA

### 414-2 NEGATIVE SOCIAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

In 2023 we have introduced a first pilot evaluation integrated in our KYC forms within Marine Energy Business Units. This appraisal includes ESG questions and it is not only related to the Environmental dimension to assess the performance of our counterparts. For this reporting year, no information are available.

## 415 Public Policy

### 415-1 Political contributions

No political contributions were given in 2023 and 2022.

## 418 Customer Privacy

### 418 Substantiated complaints concerning breaches of customer privacy and losses of customer data

No breaches of customer privacy and losses of customer data were recorded in 2023 and 2022.



## Methodology and Notes

### METHODOLOGY

Fratelli Cosulich Group's 2023 Annual Report is the first version in accordance with GRI and with limited assurance. The GRI Sustainability Reporting Standards mandatory and deemed as material are reported as indicated in the "GRI Content Index".

The choice to be voluntarily audited testifies our will to communicate more clearly and transparently about the Group's sustainability journey.

Sustainable data reporting covers the 12-month period from 1.1.2023 until 31.12.2023. To allow comparability 2022 data, where available, are also reported.

Unless otherwise specified, ESG data perimeter corresponds to those entities specified in the "scope of consolidation" section reported in the Financial Statement. Changes in the consolidation perimeter occurred between 2022 and 2023 are therefore visible there.

Employees figures are reported in heads count and at the end of the reporting period.

In 2023 we have included company directors (12 in total) of the Italian perimeter that have not been present in the 2022 Annual Report. In this Annual Report even 2022 have been modified accordingly, with the inclusion of company directors.

The above mentioned company directors are not included in the number of employees shown in the management report leading to some minor differences.

Changes between job role categories in 2022 data are due to a different definition of those categories adopted in 2023 data collection within the Group.

As in 2022, the calculation of hours worked, and consequently the rate of recordable work-related injuries, have

been made through an estimation of the total number of hours worked. In particular, we multiplied the average weekly working hours by the total number of employees and working weeks.

Pimlico blue collar employees are deemed as temporary due to the particular kind of contract and even 2022 data have been corrected accordingly.

Due to the unavailability of 2022 data, indicators about parental leave, training, performance reviews, and salary are present only for 2023.

Pimlico Shipping Ltd, Fratelli Cosulich USA LLC, Archimede Gruden USA Inc, Express USA Inc, and Vulcania S.r.l. are not included in the environmental data collection due to their small and not significant impact in terms of energy consumption and emissions. Any other perimeter limitations, if present, are indicated in the text. The use of estimations has been limited, as far as possible, to guarantee reliability of data. If present, these are duly reported in notes and based on the best available methods. Data about Scope 2 emissions shown in the text are calculated using the market-based method (location-based data are visible in the ESG data paragraph).

Waste data are available for those operations and companies where they are deemed material (Morgan 4Ship S.r.l., Fratelli Cosulich Comércio & Serviços Ltda, and Link Industries S.p.A.).

The reporting of emissions is implemented in accordance with GRI (Global Reporting Initiative) standard and following the guidelines provided by Greenhouse Gas Protocol.

We have adopted the control approach to identify organizational boundaries, in particular the operational control criterion: we will report on all those sources we are more able to control and on which we are able to have a greater and effective impact. In addition, this criterion is the most suitable given the extension of the Group in terms of number of Companies, geographical coverage and presence in different sectors.

This choice has been determined also by peculiarities of the shipping and logistics industry where we operate and more specifically relating to the management of owned vessels and all those assets core to the delivery of services in the logistics (warehouses, trucks etc).

Fratelli Cosulich has a rigorous procedure in place for data collection and emissions calculation. We have set a common framework for all the companies of the Group, in order to quantify and analyze effectively our impact. The Group's GHG emissions are calculated centrally through activity data that are provided by all the Companies within the data gathering scope. The data collection is coordinated and managed by the ESG Team and our ESG focal points supply data and related documentation using a web application we developed internally at Corporate level. The ESG team reviews what has been collected and another review is implemented by IT analysts that prepares data to be better analyzed rationalizing them via analytics applications and dashboards.

2022 data about electricity consumption published in 2022 Annual Report have been revised and correct due to a calculation error.

In addition, data are stored to be accessible at any moment in case of need and track record is kept to assure relevant comparisons and analysis amongst years.

**Scope 1**

- Combustion of fossil fuels in vehicles under the Company's control;
- Combustion of fuels for heating buildings;
- Combustion of fossil fuels in vessels under the Company's control;
- Refrigeration leaks - available only for 2023

The source of scope 1 emission factors is the UK Government - GHG Conversion Factors for Company Reporting (DEFRA) of the correspondent year, namely:

- 2023:<https://assets.publishing.service.gov.uk/media/649c5358bb13dc0012b2e2b7/ghg-conversion-factors-2023-full-file-update.xlsx>
- 2022:<https://assets.publishing.service.gov.uk/media/62aed8f6d3bf7f0af9463486/ghg-conversion-factors-2022-full-set.xls>

**Scope 2**

- Electricity purchased from the grid
- Electricity self-produced
- Electricity sold (as part or that self-produced)

The sources of scope 2 emission factors are:

- Market based 2023 - AIB - European Residual Mixes 2022 (Version 1.0, 2023-06-01) [https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2022/AIB\\_2022\\_Residual\\_Mix\\_Results\\_inclAnnex.pdf](https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2022/AIB_2022_Residual_Mix_Results_inclAnnex.pdf)
- Market based 2022 - AIB - European Residual Mixes 2021 (Ver. 1.0, 2022-05-31) [https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2021/AIB\\_2021\\_Residual\\_Mix\\_Results\\_1\\_1.pdf](https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2021/AIB_2021_Residual_Mix_Results_1_1.pdf)
- Location based - Terna Confronti internazionali 2019 - <https://www.terna.it/it/sistema-elettrico/statistiche/pubblicazioni-statistiche>

**Scope 3**

- **Category 1 - Purchased goods and services.** This category includes the up-stream GHG emissions related to bunker acquired and, subsequently, sold. In this first inventory, we are focusing our efforts on this kind of goods that constitutes by far the largest part of the emissions produced by the Group in this category. The scope will be enlarged starting from the next versions of the data reporting.
- **Category 3 - Fuel and energy related activities.** In this category we disclose: upstream emissions of purchased fuels, upstream emissions of purchased electricity and transmission and distribution (T&D) losses.
- **Category 11 - Use of sold products.** In this category we report emissions from combustion of bunker fuel sold to our customers.
- **Category 13 - Downstream leased assets.** The category encompasses the following chartered vessels: We report data about the following vessels: 2023 - Vulcania, Stellina, Saturnia, Maria Cosulich, Emma Cosulich, Luisella Cosulich, Grazia Cosulich, and Margherita Cosulich; 2022 - Vulcania, Stellina, Maria Cosulich, Patrizia Cosulich, Emma Cosulich, Cecilia Cosulich, Luisella Cosulich, Grazia Cosulich, and Margherita Cosulich. Remaining vessels are not included due to unavailability of the data.

The sources of scope 3 emission factors are:

**Category 1** - Upstream fuel conversion factors sources are the above mentioned DEFRA databases used for scope 1.

**Category 3** - Upstream fuel conversion factors sources are the above mentioned DEFRA databases used for scope 1. Upstream electricity factors: <https://www.iea.org/data-and-statistics/data-product/life-cycle-upstream-emission-factors-pilot-edition>

T&D rates <https://www.iea.org/data-and-statistics/data-product/life-cycle-upstream-emission-factors-pilot-edition>

**Category 11** - Combustion emission factors sources are the above mentioned DEFRA databases used for scope 1.

**Category 13** - Combustion emission factors sources are the above mentioned DEFRA databases used for scope 1.

Due to technical issues that would have reduced data quality, category 4 (upstream transportation and distribution) related to our freight forwarding activity is out of scope for this year. Starting from next reporting year we will also include this category in the calculation. The residual categories not included in this version of the GHG inventory are not deemed so significant as to undermine the relevance of the report.

GHG considered in the inventory are CO2, CH4 and N2O aggregated in CO2eq. Each of the direct and indirect emission sources is identified through an analysis of the operations of every company of the group, their business model, energy needs, vehicles fleet and every other component that can contribute to the overall GHG emissions. The perimeter is examined and updated every time a Company joins the Group and periodically via specific questionnaires, interviews and data collection applications. Therefore potential additional sources are added and included in the data collection.

For the calculation of air emissions of GRI 305-7 we utilized ISPRA emissions database <https://fetransp.isprambiente.it/#/>

**NOTES**

1. For further information see Methodology.
2. See ESG appendix for the split by gender and job category.
3. This list of organizations in which we participate is non-exhaustive. The full list is available here: <https://www.cosulich.com/membership>
4. <https://www.edison.it/en/small-scale-lng>
5. <https://www.dnv.com/maritime/insights/topics/lng-as-marine-fuel/index.htm>
6. See methodology.
7. In particular, the increase in tCO<sub>2</sub>e produced (7.029,9 in 2023 vs 6.467,2 in 2022) has been less than proportional if compared with kilometers traveled by our trucks (10.005.815 in 2023 vs 8.843.638 in 2022).
8. The transition will be complete for all the Italian subsidiaries from the beginning of 2024. Archimede Gruden Srl has been excluded due to its merger with Express S.r.l. foreseen in 2024.
9. The switch to renewable supply has been made in December for Lorma and in November for Morgan 4Ship.
10. Due to technical issues that would have reduced data quality, category 4 (Upstream transportation and distribution) related to our freight forwarding activity is out of scope for this year. Starting from next reporting year we will also include this category in the calculation.
11. We report data about the following vessels: 2023 - Vulcania, Stellina, Saturnia, Maria Cosulich, Emma Cosulich, Luisella Cosulich, Grazia Cosulich, and Margherita Cosulich; 2022 - Vulcania, Stellina, Maria Cosulich, Patrizia Cosulich, Emma Cosulich, Cecilia Cosulich, Luisella Cosulich, Grazia Cosulich, and Margherita Cosulich. Further vessels are not included due to unavailability of the data.



# GRI Content Index

<b>STATEMENT OF USE</b>	Fratelli Cosulich S.p.A. Group has reported the information cited in this GRI content index for the period 31.12.2022 - 31.12.2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION-PARAGRAPH	REQUIREMENT(S) OMITTED	OMISSION	
				REASON	EXPLANATION
<b>GENERAL DISCLOSURES</b>					
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	Explanatory notes			
	2-2 Entities included in the organization's sustainability reporting	Methodology and Notes			
	2-3 Reporting period, frequency and contact point	Methodology and notes			
	Contact point for ESG disclosure: <a href="mailto:esg@cosulich.com">esg@cosulich.com</a>				
	2-4 Restatements of information	Methodology and Notes			
	2-5 External assurance	Auditors' Report on the Sustainability Information			
	2-6 Activities, value chain and other business relationships	Business Units; Our ESG Journey			
	2-7 Employees	Who we are; ESG Data			
	2-8 Workers who are not employees	ESG Data			
	2-9 Governance structure and composition	Our Governance, ESG Data			
	2-10 Nomination and selection of the highest governance body	ESG Plan			
	2-11 Chair of the highest governance body	Our Governance			
	2-12 Role of the highest governance body in overseeing the management of impacts	Our Governance			
	2-13 Delegation of responsibility for managing impacts	Our Governance			
	2-14 Role of the highest governance body in sustainability reporting	Our Governance			
	2-15 Conflicts of interest	Our Governance; Our 5 key values and our Corporate Code of Ethics			
	2-16 Communication of critical concerns	Our Governance			
	2-17 Collective knowledge of the highest governance body	Our Governance			
	2-18 Evaluation of the performance of the highest governance body	ESG Data			
	2-19 Remuneration policies	ESG Data			
	2-20 Process to determine remuneration	ESG Data			
2-21 Annual total compensation ratio	ESG Data				

GRI STANDARD	DISCLOSURE	LOCATION-PARAGRAPH	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION
<b>GENERAL DISCLOSURES</b>					
	2-22 Statement on sustainable development strategy	Our Governance			
	2-23 Policy commitments	Our Governance			
	2-24 Embedding policy commitments	Our Governance			
	2-25 Processes to remediate negative impacts	Our Governance			
	2-26 Mechanisms for seeking advice and raising concerns	Our 5 key values and our Corporate Code of Ethics			
	2-27 Compliance with laws and regulations	ESG Data			
	2-28 Membership associations	Our commitment in decarbonising shipping; Methodology and notes			
	2-29 Approach to stakeholder engagement	Our ESG journey			
	2-30 Collective bargaining agreements	ESG Data			
<b>MATERIAL TOPICS</b>					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our ESG Journey			
	3-2 List of material topics	Our ESG Journey			
<b>Economic performance</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Management Report; ESG Data			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	ESG Data			
	201-2 Financial implications and other risks and opportunities due to climate change	ESG Data			
	201-3 Defined benefit plan obligations and other retirement plans	ESG Data			
	201-4 Financial assistance received from government	ESG Data			
<b>Anti-corruption</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Governance; Our 5 key values and our Corporate Code of Ethics			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Our Governance; Our 5 key values and our Corporate Code of Ethics; ESG Data			
	205-3 Confirmed incidents of corruption and actions taken	ESG Data			
<b>Energy</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our commitment in decarbonising shipping; Our GHG emissions and mitigation initiatives			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Our GHG emissions and mitigation initiatives; ESG Data			
	302-3 Energy intensity	ESG Data			
	302-4 Reduction of energy consumption	Our GHG emissions and mitigation initiatives			
<b>Emissions</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our GHG emissions and mitigation initiatives; ESG Data			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Our GHG emissions and mitigation initiatives; ESG Data; Methodology and Notes			
	305-2 Energy indirect (Scope 2) GHG emissions	Our GHG emissions and mitigation initiatives; ESG Data; Methodology and Notes			
	305-3 Other indirect (Scope 3) GHG emissions	Our GHG emissions and mitigation initiatives; ESG Data; Methodology and Notes			
	305-4 GHG emissions intensity	ESG Data			
	305-5 Reduction of GHG emissions	Our GHG emissions and mitigation initiatives			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	ESG Data; Methodology and Notes			
<b>Spills</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and Safety			
GRI 306: Effluents and Waste 2016	306-3 Significant spills	Health and Safety			
<b>Waste</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG Data			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	ESG Data			
	306-2 Management of significant waste-related impacts	ESG Data			
	306-3 Waste generated	ESG Data			
	306-4 Waste diverted from disposal	ESG Data			
	306-5 Waste directed to disposal	ESG Data			

GRI STANDARD	DISCLOSURE	LOCATION-PARAGRAPH	REQUIREMENT(S) OMITTED	OMISSION	
				REASON	EXPLANATION
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG Data			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	ESG Data			
	308-2 Negative environmental impacts in the supply chain and actions taken	ESG Data			
<b>EMPLOYMENT</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Who we are; Hiring Process & Talent Development; ESG Data			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Who we are; ESG Data			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG Data			
	401-3 Parental leave	ESG Data			
<b>OCCUPATIONAL HEALTH AND SAFETY</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and Safety			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety			
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety			
	403-3 Occupational health services	Health and Safety			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety; ESG Data			
	403-5 Worker training on occupational health and safety	Health and Safety			
	403-6 Promotion of worker health	Health and Safety			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety			
	403-8 Workers covered by an occupational health and safety management system	Health and Safety; ESG Data			
	403-9 Work-related injuries	Health and Safety; ESG Data			
	403-10 Work-related ill health	Health and Safety; ESG Data			
<b>TRAINING AND EDUCATION</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Hiring Process & Talent Development			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Hiring Process & Talent Development			
	404-2 Programs for upgrading employee skills and transition assistance programs	Hiring Process & Talent Development			
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Data			
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Governance; Our 5 key values and our Corporate Code of Ethics			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our Governance; Who we are; ESG Data			
	405-2 Ratio of basic salary and remuneration of women to men	ESG Data			
<b>NON-DISCRIMINATION</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Governance; Our 5 key values and our Corporate Code of Ethics			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	ESG Data			
<b>SUPPLIER SOCIAL ASSESSMENT</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Governance; Our 5 key values and our Corporate Code of Ethics			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	ESG Data			
	414-2 Negative social impacts in the supply chain and actions taken	ESG Data			
<b>CUSTOMER PRIVACY</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Governance; Our 5 key values and our Corporate Code of Ethics			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Data			



# Auditors' report



**Baker Tilly Revisa S.p.A.**  
Società di Revisione e  
Organizzazione Contabile  
16121 Genova - Italy  
Piazza della Vittoria 9/4  
T: +39 010 584089  
PEC: bakertillyrevisa@pec.it  
www.bakertilly.it

## INDEPENDENT AUDITORS' REPORT ON THE SUSTAINABILITY INFORMATION USED IN THE ANNUAL REPORT

To the Board of Directors of Fratelli Cosulich S.p.A.

We have been instructed to perform a limited assurance engagement on the sustainability information used in preparing the Annual Report at 31 December 2023 of Fratelli Cosulich S.p.A. (hereinafter "the Group").

### Director's responsibility for the sustainability information used in preparing the Annual Sustainability Report

The Directors of Fratelli Cosulich S.p.A. are responsible for the sustainability information used in preparing the Annual Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" defined by the GRI – Global Reporting Initiative ("GRI Standards"), with reference to the selection of GRI Standards.

The Directors are also responsible for that part of the internal control they deem necessary to allow the sustainability information used in preparing the Annual Report to be free from material misstatements due to fraud or unintentional behavior or events.

The Directors are also responsible for defining the Group's objectives in relation to sustainability performance, as well as for identifying stakeholders and significant aspects to be reported

### Audit firm independence and quality control

We are independent in accordance with the principles of ethics and independence of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, consequently, maintains a quality control system that includes documented guidelines and procedures on compliance with ethical principles, professional principles and applicable laws and regulations.

**Baker Tilly Revisa S.p.A.** - Cap. Soc. Euro 1.484.804,00 i.v. - Reg. Imp. TO, Cod. Fisc. e P.I. N. 01213510017 - R.E.A. TO N. 484642  
Registro dei revisori legali N. 13385, Società di Revisione già iscritta al N. 3 dell'Albo Speciale Consulori  
Sede legale: Via Carlo Alberto 22, 10123 Torino - Consociate nei principali paesi del mondo  
Uffici in: Bologna - Bolzano - Firenze - Genova - Milano - Pordenone - Roma - Torino - Verona

Baker Tilly Revisa S.p.A. trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd, the members of which are separate and independent legal entities.



### Responsibility of the audit firm

It is our responsibility to express, based on the procedures performed, a conclusion about the conformity of the sustainability information used for the preparation of the Annual Report with respect to the requirements of the GRI Standards, with reference to the selection of GRI Standards.

Our work was carried out according to the criteria indicated in the "International Standards on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter also "ISAE 3000 Revised") issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This standard requires planning and performing procedures to obtain a limited level of assurance that the sustainability information used for the preparation of the Annual Report is free from material misstatement.

Therefore, our review involved less work than that required to perform a full review in accordance with ISAE 3000 Revised ("reasonable assurance engagement") and, consequently, does not allow us to be confident that we have become aware of all the significant facts and circumstances that could be identified by performing such review.

The procedures performed on the sustainability information used to prepare the Annual Report were based on our professional judgment and included interviews, mainly with Company personnel responsible for preparing the information, as well as document analysis, recalculations and other procedures aimed at obtaining evidence deemed useful.

In particular, we performed the following procedures:

- analysis of the process of defining the relevant topics reported in the sustainability information used to prepare the Annual Report with reference to the identification methods in terms of their priority for the different categories of stakeholders and the internal validation of the results of the process;
- comparison between the economic-financial data and information reported in the "Consolidated Financial Statement" paragraph of the Annual Report and the data and information included in the Group's consolidated financial statements;
- understanding of the processes underlying the generation, detection and management of significant qualitative and quantitative information,

Baker Tilly Revisa S.p.A. trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd, the members of which are separate and independent legal entities.



included in the sustainability information used to prepare the Annual Report.

In particular, we conducted interviews and discussions with the Management staff of Fratelli Cosulich S.p.a. and we performed limited documentary checks, in order to gather information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the function responsible for preparing the sustainability information used to prepare the Annual Report.

Furthermore, for significant information, taking into account the activities and characteristics of the Group:

- at the level of the parent company and fully consolidated companies::
  - with reference to qualitative information, we conducted interviews and acquired supporting documentation to verify its consistency with the available evidence;;
  - with reference to quantitative information, we carried out both analytical procedures and limited checks to ascertain the correct aggregation of data on a sample basis.
- For the Genoa office of Fratelli Cosulich S.p.a., which we selected on the basis of the activities of the contribution to the performance indicators at a consolidated level and the location, we held remote meetings during which we discussed with the managers and acquired documentary evidence on a sample basis regarding the correct application of the procedures and calculation methods used for the indicators.

### Conclusions

Based on the work carried out, no elements have come to our attention that lead us to believe that the sustainability information used for the preparation of the Annual Report of Fratelli Cosulich S.p.a. for the financial year ended 31 December 2023 has not been prepared, in all significant aspects, in compliance with the requirements of the GRI Standards, with reference to the GRI Standards selection..

Genoa, June 13, 2024

Baker Tilly Revisa S.p.A.

Davide Trinchero  
Partner

Baker Tilly Revisa S.p.A. trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd, the members of which are separate and independent legal entities.