

DECARBONISATION STRATEGY



INTRODUCTION

Ocean transportation is the most energy efficient method of transportation, annually transporting more than 80 percent of the world's goods. Despite this, Shipping still contributes with 3 percent of global total GHG emissions, and Clipper recognizes the pressing obligation of the shipping industry to support the transition to a climate neutral economy. Clipper will actively and transparently contribute to the Paris agreement's target to limiting global warming to 1.5C.

We believe it is vital for the transition that it is backed up by relevant international legislation and are pleased with the increased level of involvement from EU and IMO.

COMMITMENT

Our commitment is based on the IMO stepping stones as laid out in the revised Greenhouse Gas Strategy adopted in July 2023. The IMO goals are addressed to the international society and will need to be reflected in local and regional legislation. We have translated the IMO goals to the following company specific targets:

- The uptake of zero or near zero GHG emissions technologies, fuels and/or energy sources to represent at least 5 percent, of the energy used by our ships by 2030.
- To reduce net GHG emissions per ton mile as an average, with minimum 20 percent in 2030, compared to 2008.
- To reduce net GHG emissions per ton mile as an average, with minimum 70 percent in 2040, compared to 2008.
- GHG emissions from our ships to reach net-zero at the latest in 2050.

HOW WILL WE ACHIEVE IT

Our fleet consists of owned, short term chartered, long term chartered and managed vessels. To achieve the above goals, we will constantly evaluate the composition of our fleet to make sure that we will be able to meet the goals. We wish to reach the targets on our own merits and do not intend to meet the goals by voluntarily relying on carbon offsetting outside the shipping sector.

Furthermore, we will continue to improve fuel efficiency, increase the use of biofuels, and prepare for e-fuels.

Our efforts will follow the three steps below:

STEP 1

Operational measures

We will use of high-quality tools for both ocean routing supporting a fuel-efficient route and vessel performance monitoring enabling us to swiftly act in case the performance of a vessel drops.

Technical measures

We will constantly look out for and use energy saving devices to improve our vessels technical capability for reducing fuel consumption.

STEP 2

Biofuel

We will increase the use of biofuel on our vessels and will offer our clients transportation based on biofuel.

STEP 3

Full Transitioning

To reach the end goal of net-zero GHG emissions in 2050, we will need to transition fully to sustainable fuels, such as e-fuels and bio fuels. Availability of these fuels is currently a challenge for vessels used in tramp shipping, but we will constantly monitor the developments and prepare for transitioning when durable.

The by far biggest part of our emissions are linked to our fuel consumption. We will, however, in parallel with the above initiatives work on reducing emissions from our offices and travel activities. We will also throughout the period be in dialogue with our main suppliers, clients, vessel crew and business partners to promote emission saving initiatives.

We will monitor the developments of our levels of emissions and make it available in our annual sustainability report in a transparent way.

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This strategy is adopted by the Board of Directors of Clipper Group Ltd on 30 August 2024. The Senior Management Team will review the Policy annually.