



23

ANNUAL REPORT

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 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.



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 the suppression of it.

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. The acquisition of new assets and M&A actions in 2023, 16 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



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 2021 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 in four vessels, including two Dry Cargo vessels and two new Bunker Tankers Vessels, totaling almost €50 million in assets. Additionally, we concluded six 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



2023 Key results



1.9

Turnover

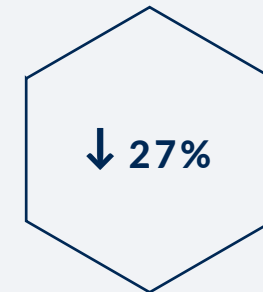
Billion Euro

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

The smaller decline when compared to the Group Net Result illustrates the degree to which investments and macroeconomic factors have affected the outcome, while also highlighting the effectiveness of our strategy.

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

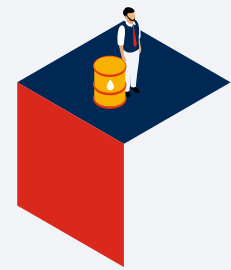
Million Euro

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.



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 plan-

ning 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 Q3 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.

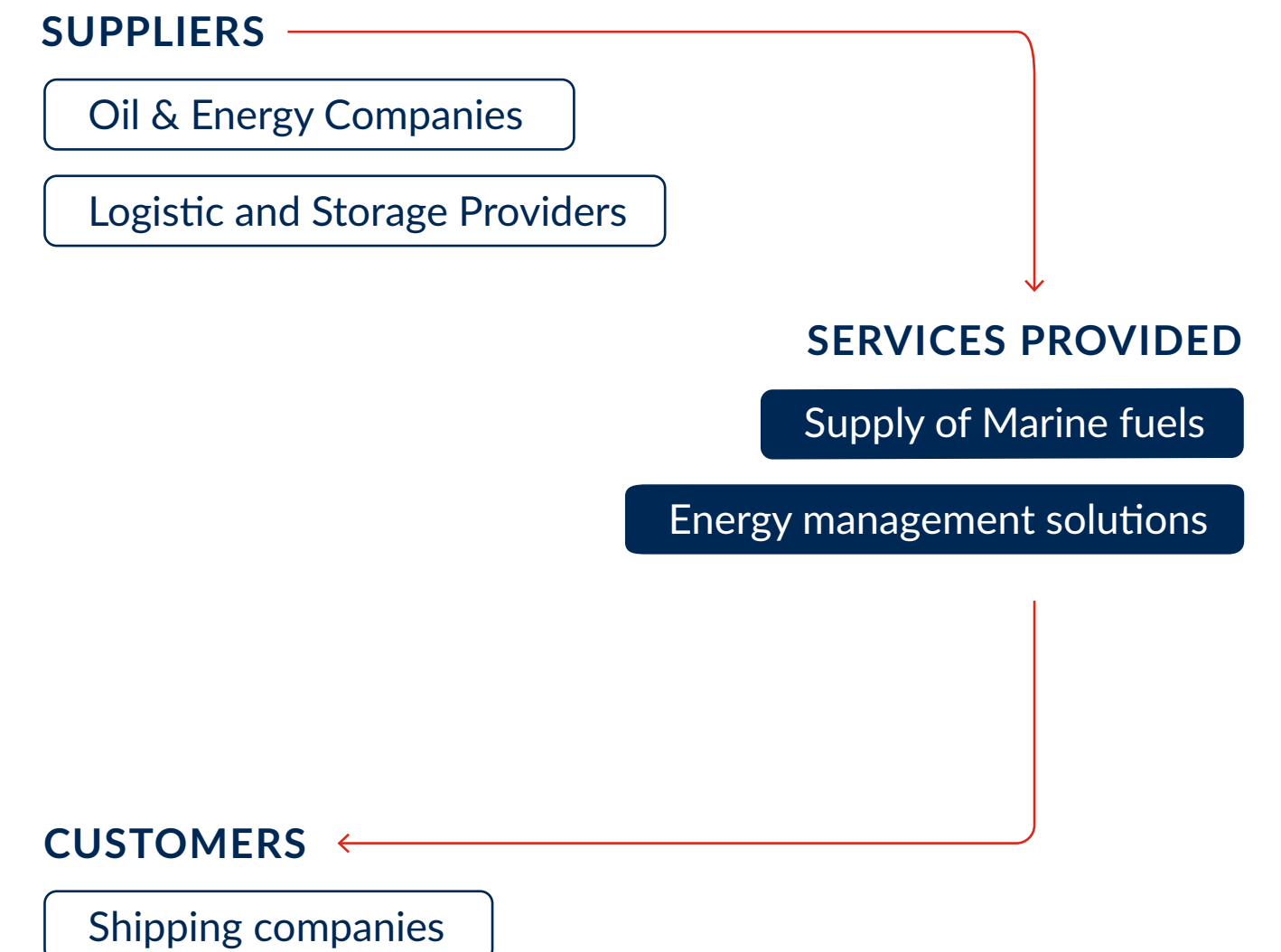


KPI

EBITDA Euro – Million	17.1	Companies	12
Net Result Euro – Million	6.6	Countries	9

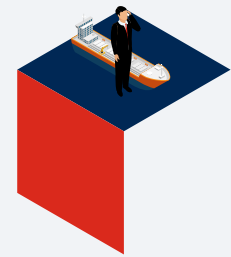


The Value Chain



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).



Shipowning

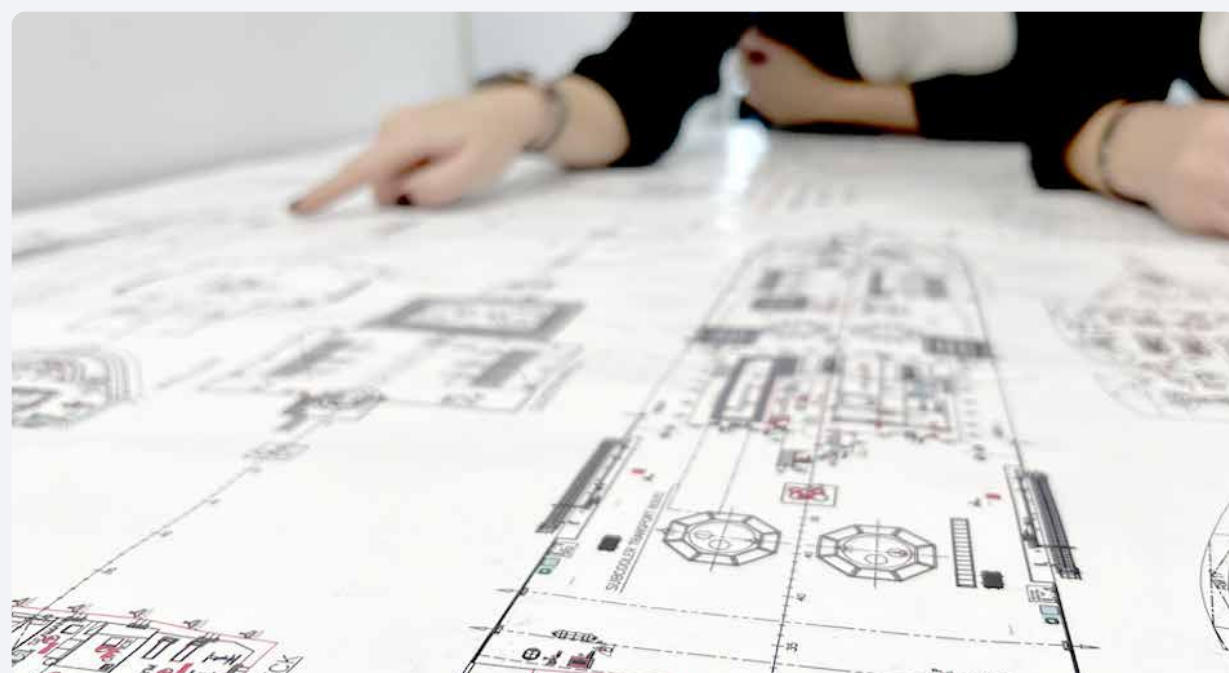
In 2023, our shipowning activities continued to grow and evolve, significantly contributing to our overall success. We operate seven dry cargo vessels, including a Kamsarmax, and manage approximately six bunker tankers in Singapore Bay, as well as two LNG Bunker Vessels (LNGBV).

We now have a fleet consisting of Vulcania, Saturnia, Stellina, Portofino, Tzarevna, and Cap Vovchuk, plus two more units that we added this year. 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 the ARA region. 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 tankers in Singapore. We replaced her with Marta Cosulich, our first IMO II bunker barge October 2023, capable of carrying biofuel up to B100 and methanol. Construction is underway for another IMO II bunker vessel 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 efficiencies and synergies across all shipowning 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.

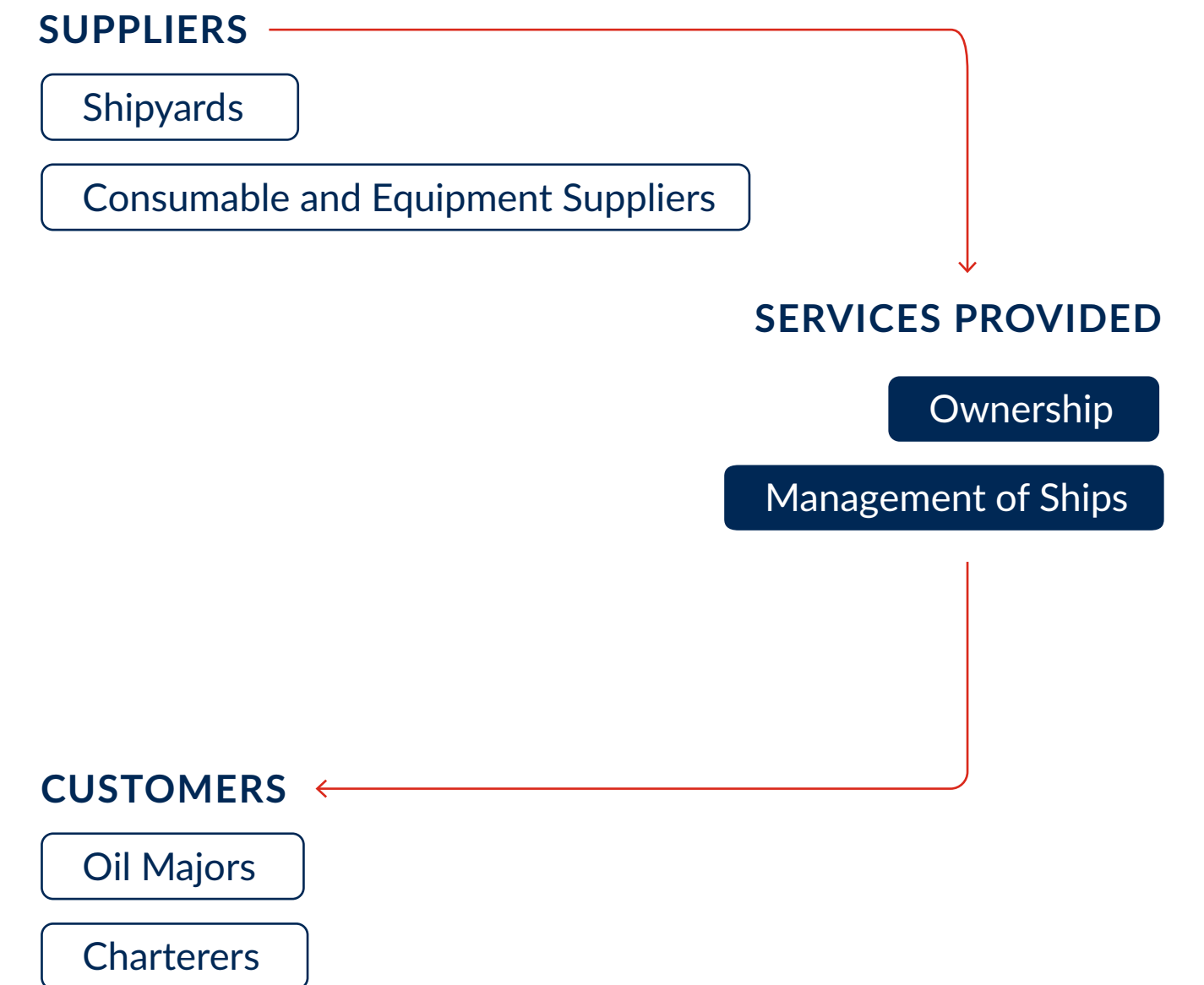


KPI

EBITDA Euro - Million	14.9	Companies	6
Net Result Euro - Million	4.8	Countries	2

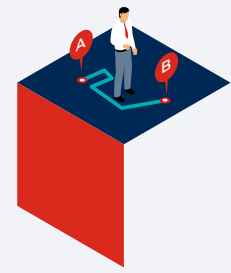


The Value Chain



Our activities' perimeter

With over 160 years of shipowning expertise, Fratelli Cosulich Group boasts a diverse fleet of bunker tankers, dry bulk carriers, and upcoming 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.

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 inception twenty years ago, diversifying 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.

KPI

EBITDA Euro – Million	5.0	Companies	26
Net Result Euro – Million	6.2	Countries	16



The Value Chain

SUPPLIERS

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

SERVICES PROVIDED

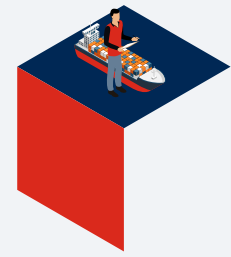
- Freight Forwarding
- Custom Brokerage
- Logistic Solutions

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 Line 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 eco-

conomic 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.



KPI

EBITDA Euro – Million	4.7	Companies	12
Net Result Euro – Million	7.3	Countries	5



The Value Chain

SUPPLIERS

- Maritime Service Providers
- Local Logistics
- Port Services

SERVICES PROVIDED

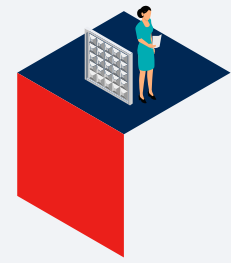
- Agency services for liner ships
- Documentation
- Customs clearance

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.

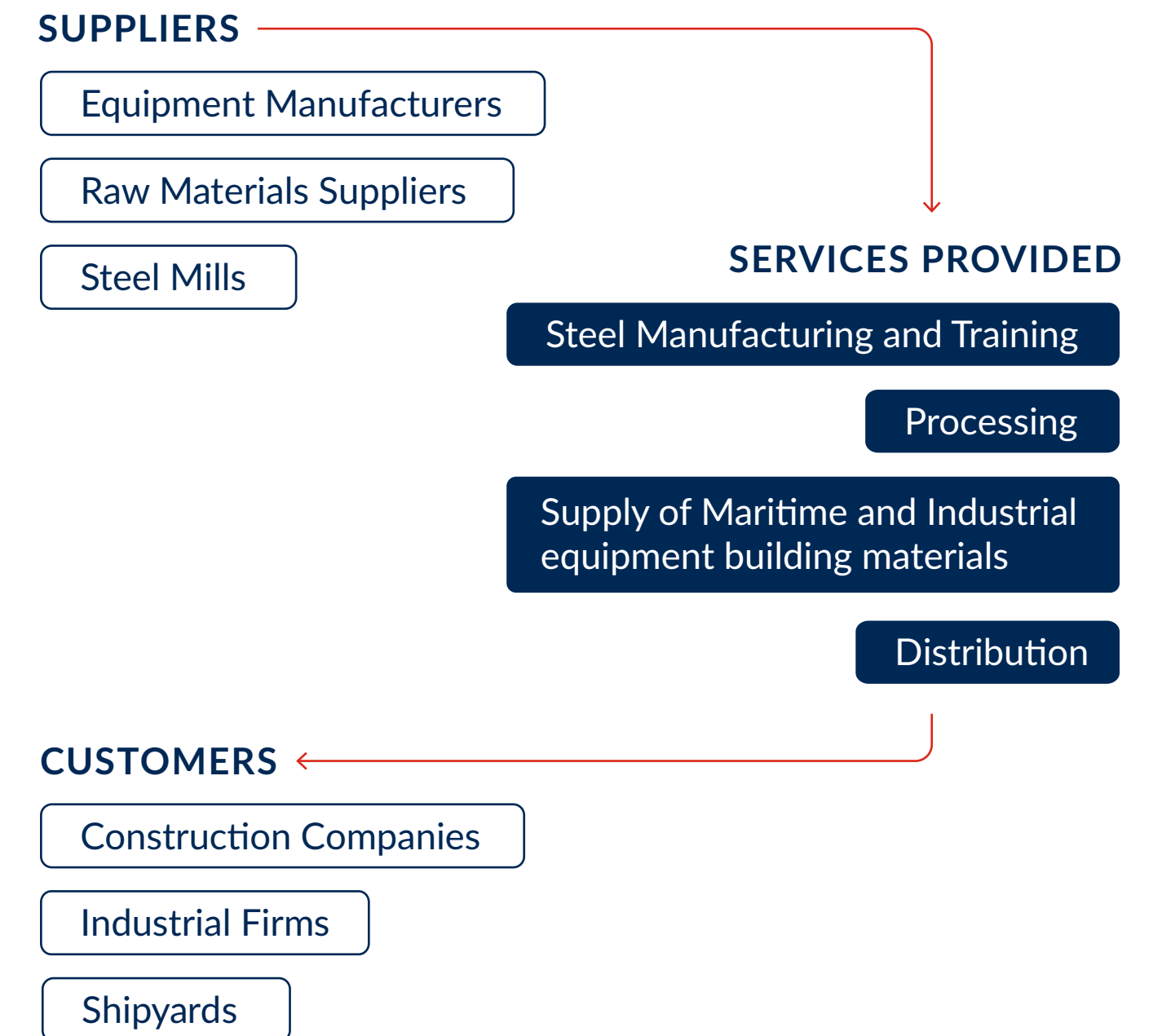
Despite global geopolitical uncertainty and disrupted trade flows, the European steel market's reforms to meet the European Green Deal objectives are driving demand for commodity trading firms. Trasteel's product and capability portfolio remained diverse and expanded in 2023. A key acquisition was LIFI 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.

KPI

EBITDA Euro – Million	4.6	Companies	12
Net Result Euro – Million	5.5	Countries	7

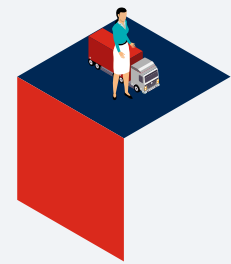


The Value Chain



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.

KPI

EBITDA Euro – Million	3.5	Companies	7
Net Result Euro – Million	1.5	Countries	5



The Value Chain

SUPPLIERS

- Logistics Providers
- Fuel Suppliers

SERVICES PROVIDED

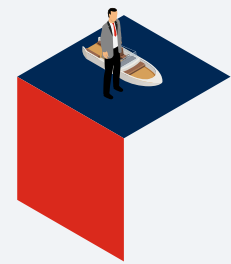
- Trucking Services
- Intermodal Transport
- Logistics Coordination

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.



KPI

EBITDA Euro – Million	1.3	Companies	25
Net Result Euro – Million	0.9	Countries	8



The Value Chain

SUPPLIERS

- Marina Facilities
- Service Suppliers

SERVICES PROVIDED

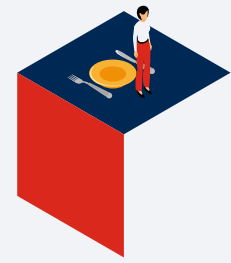
- Yacht agency services
- Food and Beverage Suppliers
- Spare parts suppliers

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 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.

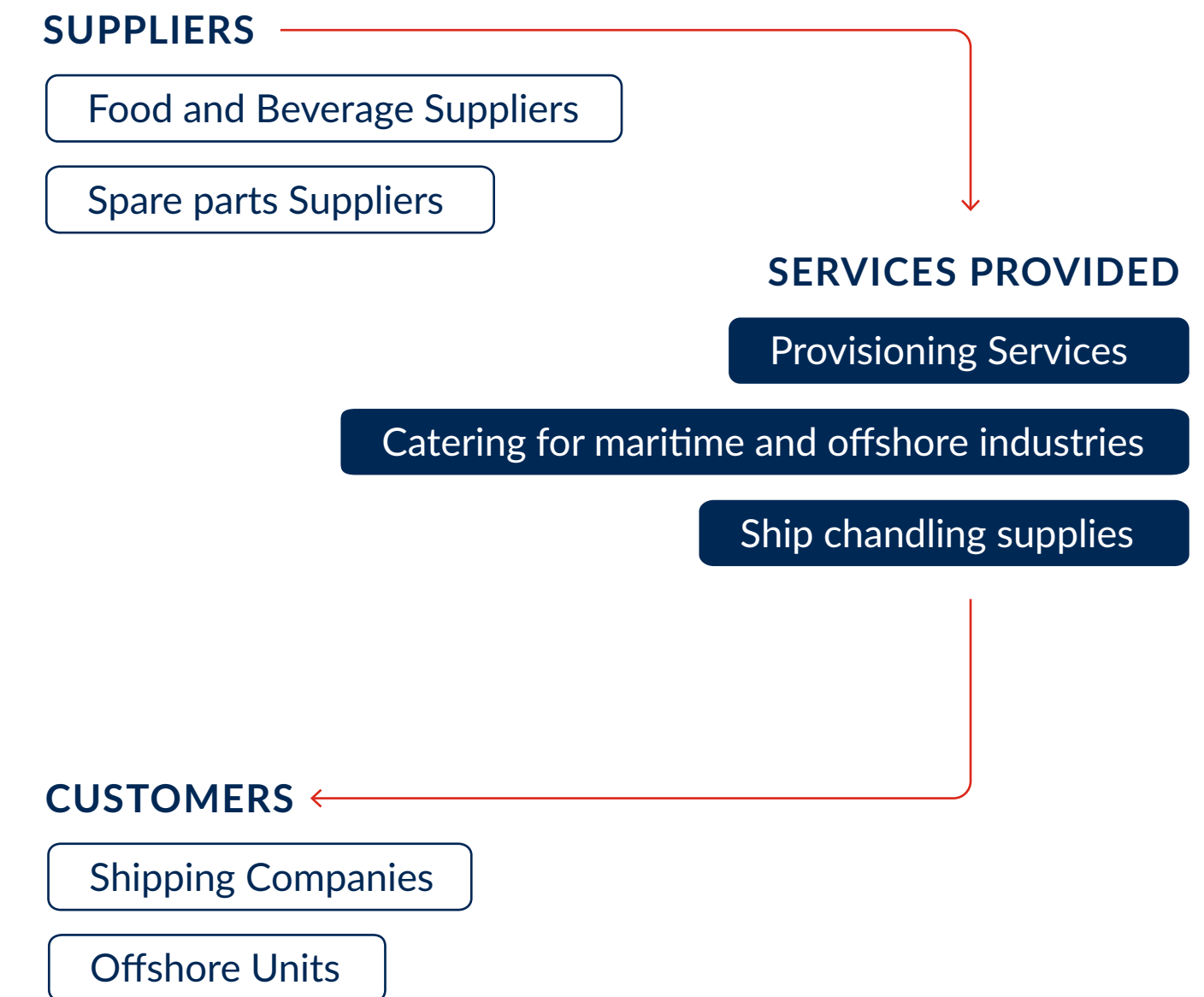


KPI

EBITDA Euro – Million	0.6	Companies	2
Net Result Euro – Million	0.4	Countries	2

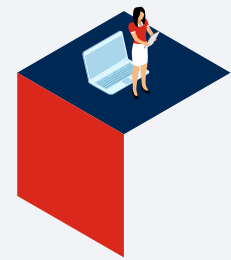


The Value Chain



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.

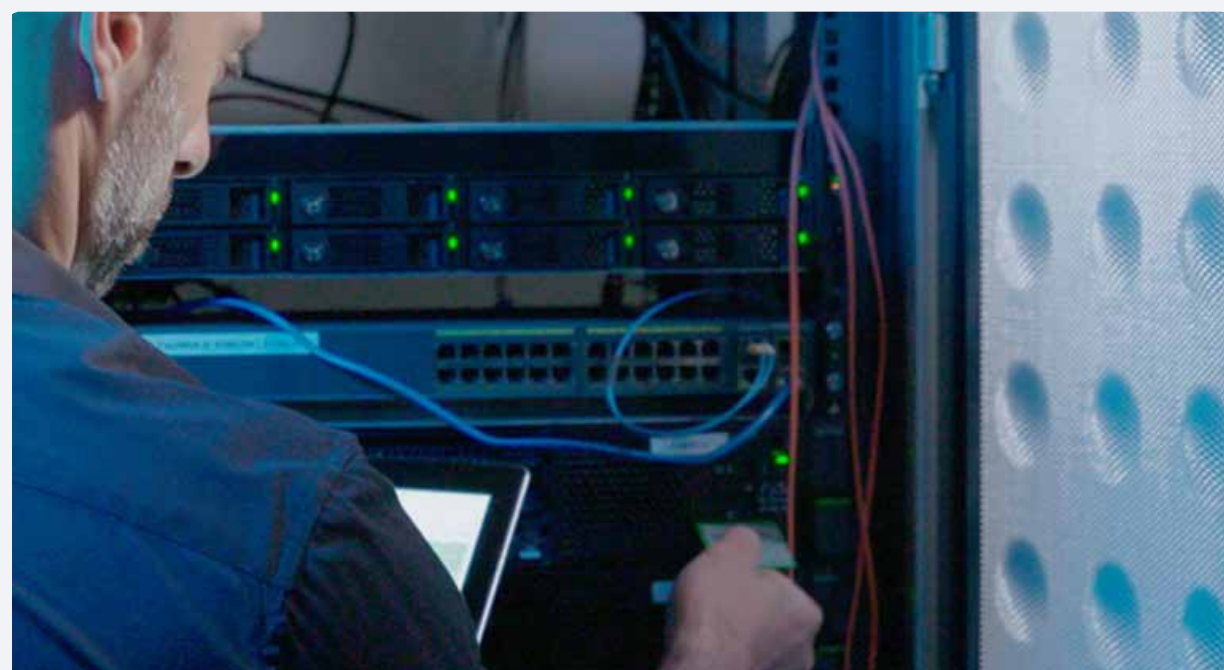
Comunico expanded its business analyst team to aid in busi-

ness intelligence, making significant progress in project management 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

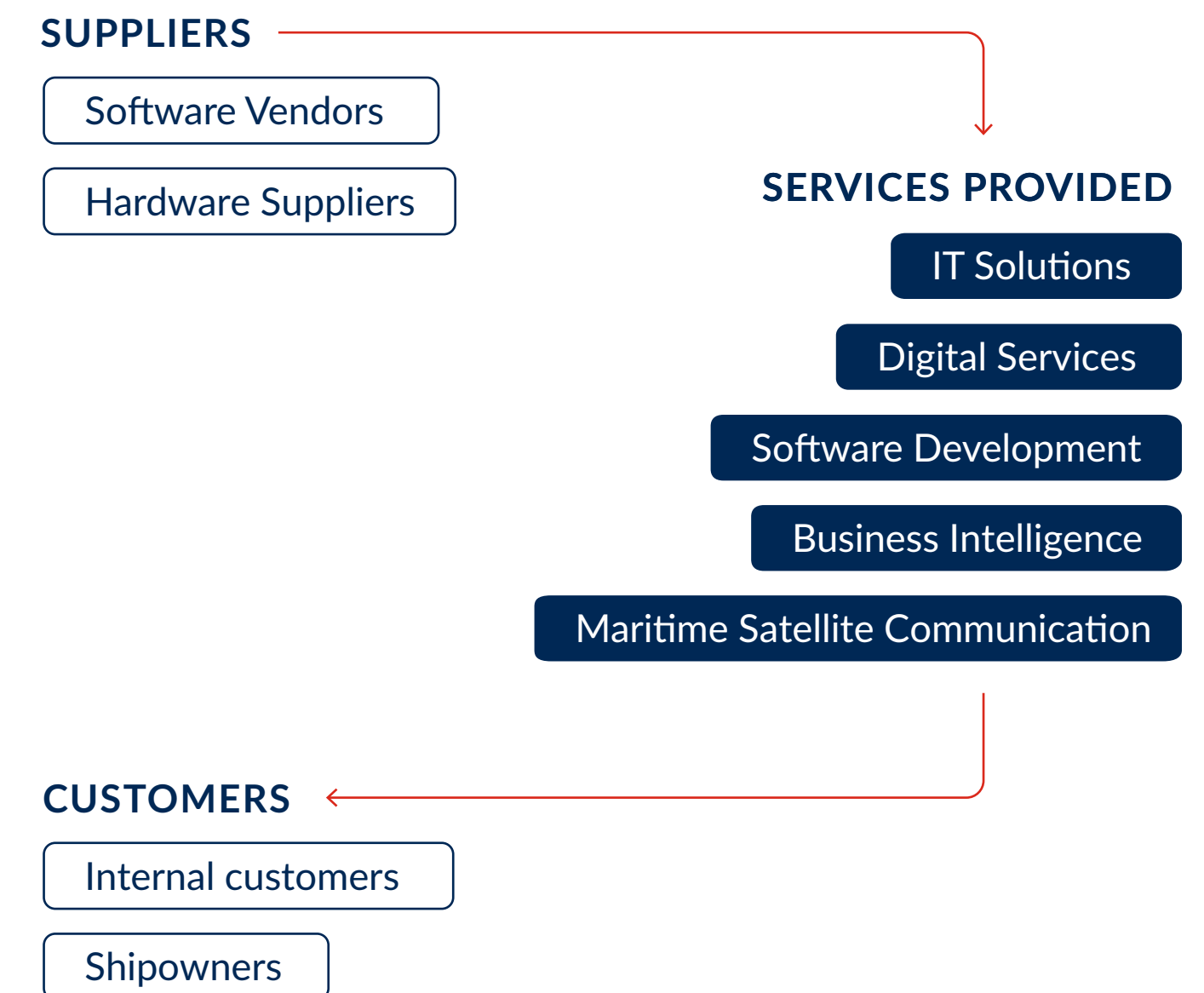


KPI

EBITDA Euro – Million	0.4	Companies	3
Net Result Euro – Million	0.4	Countries	1

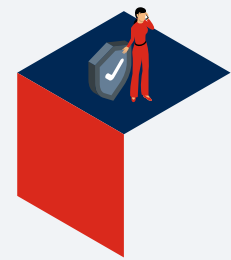


The Value Chain



Our activities' perimeter

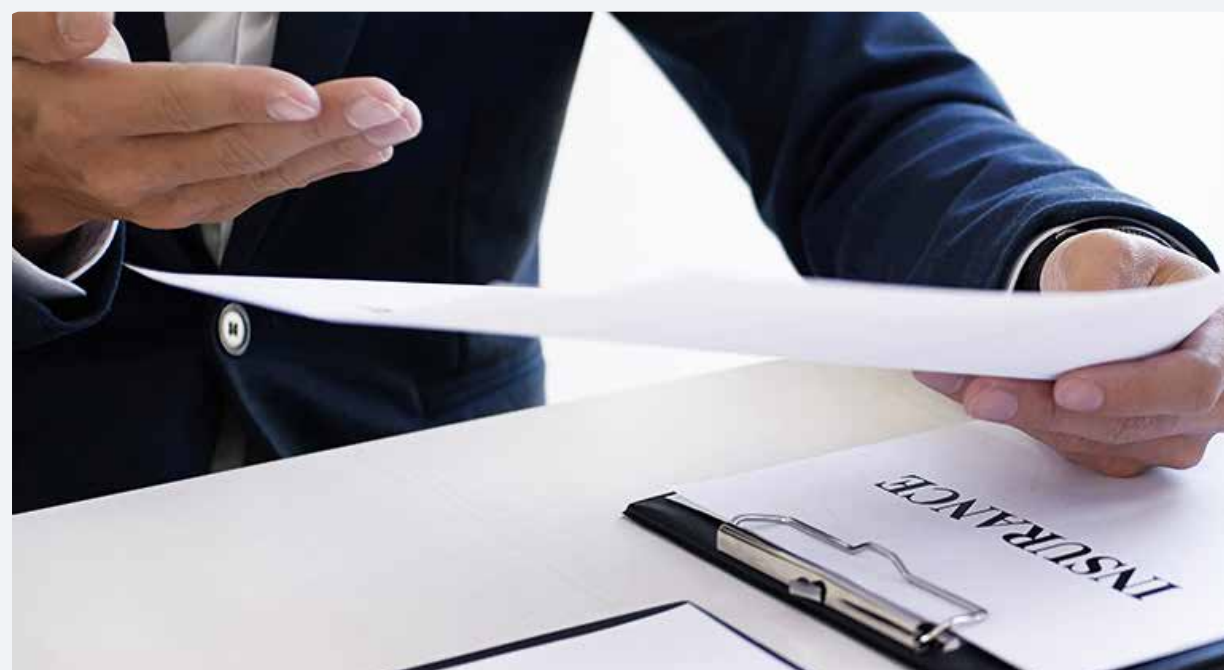
Fratelli Cosulich Group's IT division provides innovative services using cutting-edge technology. We provide tailored solutions and seamless connectivity through our areas of expertise in Information Technologies, Business Intelligence, Software Development, Commercial Intelligence, Project Management, 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.



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.

KPI

EBITDA Euro – Million	0.2	Companies	1
Net Result Euro – Million	0.2	Countries	1



The Value Chain

SUPPLIERS

- Reinsurance Companies
- Risk Assessment Firms

SERVICES PROVIDED

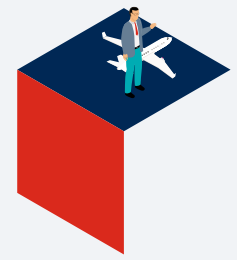
- Insurance Brokerage
- Risk Management
- Claims handling

CUSTOMERS

- Shipping Companies
- Logistic operators
- Public Entities

Our activities' perimeter

Insurance Broking: 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 & Leisure Travel Unit, which included Fratelli Cosulich SpA and Griffin Marine Travel Italy, delivered outstanding results. Fratelli Cosulich SpA 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.

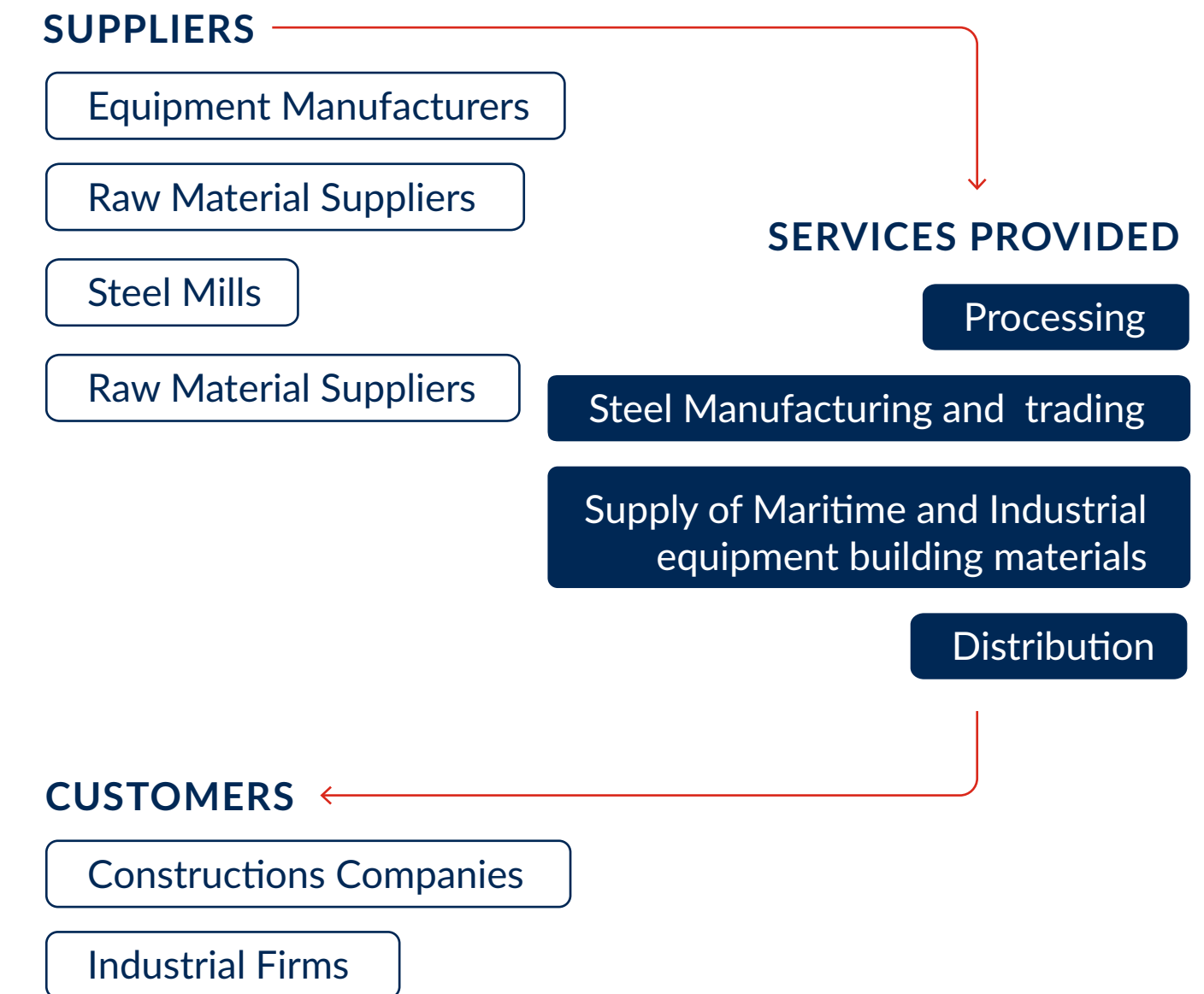


KPI

EBITDA Euro – Million	0.1	Companies	2
Net Result Euro – Million	0.2	Countries	1

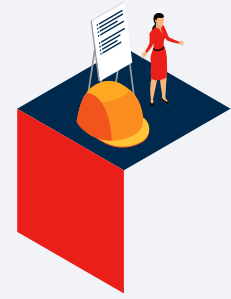


The Value Chain



Our activities' perimeter

Our Business & 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 Business Unit, which includes Fratelli Cosulich SpA 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 Business Unit, with a continued commitment to high-quality service and operational excellence.

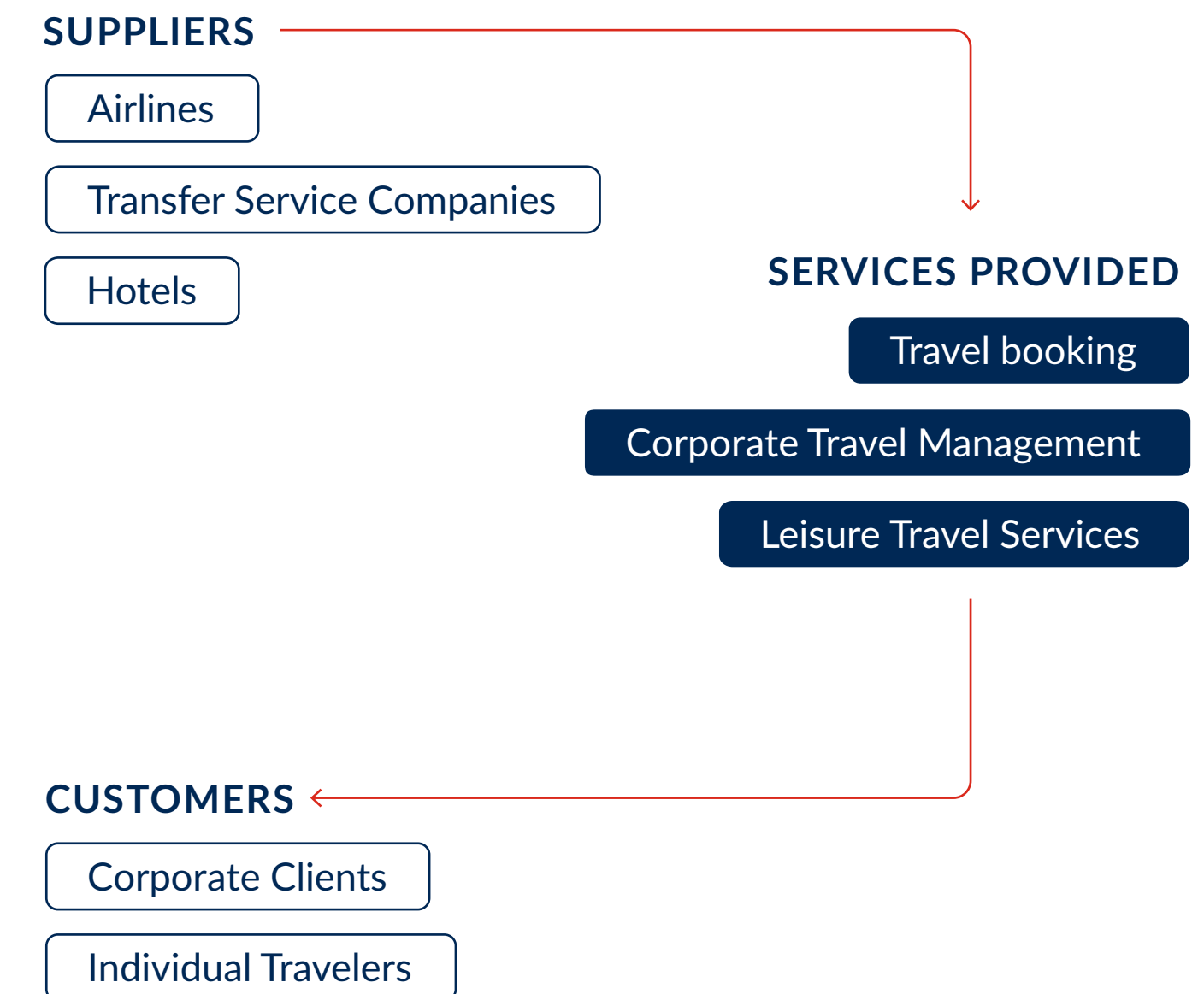


KPI

EBITDA Euro – Million	0.0	Companies	2
Net Result Euro – Million	0.1	Countries	1

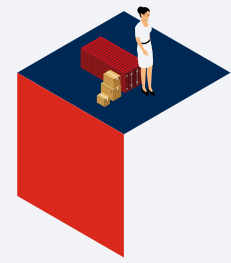


The Value Chain



Our activities' perimeter

The Manning unit of Fratelli Cosulich Group offers staffing and crewing services to industries such as Oil & Energy and maritime. With our expertise in crew management and a wide range of qualified candidates, we provide effective solutions for filling all ranks and meeting diverse personnel requirements, supporting offshore wind energy, oil exploration, pipeline construction, and more.



Warehousing

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 clientele and container repair activity, doubling our space for more efficient logistics, cross-docking, and container storage, significantly increasing operational capacity and services.

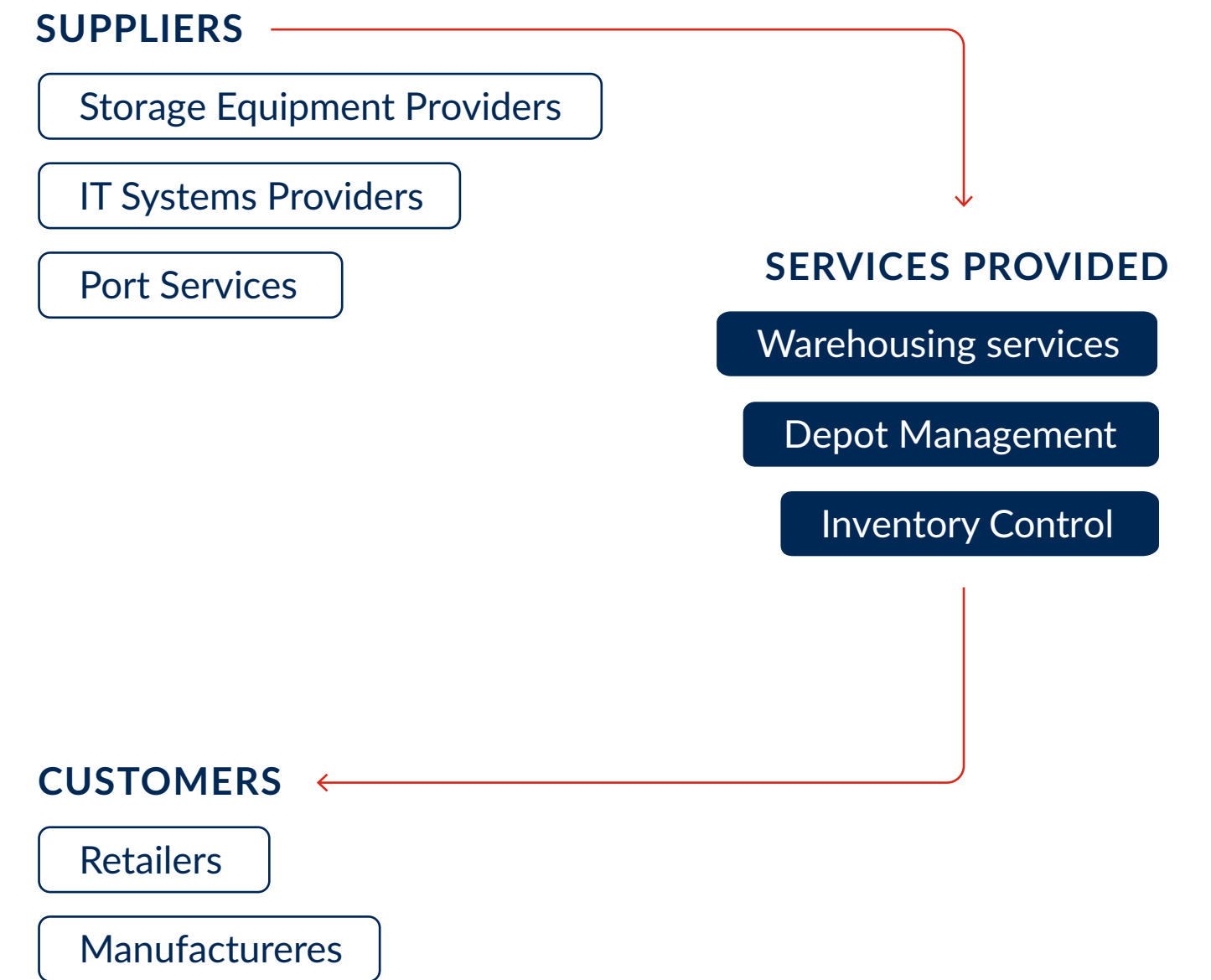
Our warehouse and depot services, under Morgan4Ship and Fratelli Cosulich do Brasil (FCdB), provide tailored global solutions. Since acquiring Morgan4Ship's bonded warehouse in Lelghorn in 2018, we expanded maritime capabilities with flexible fiscal handling and storage solutions. Our 6,000-square-meter Macaè office and warehouse in Brazil continue to play an important role in our global logistics network. In 2023, we began food and beverage groupage and storage operations, incorporating a photovoltaic plant for power needs. Additionally, we partnered with a major Italian eCommerce distributor, opening new development opportunities.

KPI

EBITDA Euro – Million	-0.1	Companies	8
Net Result Euro – Million	0.1	Countries	3



The Value Chain



Our activities' perimeter

Our Warehousing unit offers diversified and tailored solutions 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, maintenance, 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 high-quality and well-timed services to our customers.



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"> • Fratelli Cosulich Ship Management Establishment to best control ESG impacts in Ship management • Action plan and KPIs for levers to be adopted on ship owned/managed 	→ Ship Managers	→ <ul style="list-style-type: none"> • Fratelli Cosulich Ship Management established with overall control on activities such as manning, technical management • First order of a methanol dual-fueled bunker tanker • Shipmanagement Integrated Management System (IMS) certification in (ISO 9001, ISO 14001, ISO 29001, and ISO 45001) 	→ <ul style="list-style-type: none"> • KPIs, targets and timeline to improve environmental performance of Singapore Barges • Definition with RINA of criteria for assessment of environmental performance for ships given in charter • Both LNG bunker tankers in full operation • Additional order of a methanol dual-fueled bunker tanker
	→ Transition towards new fuels	→ <ul style="list-style-type: none"> • Define Head of New Fuels to accelerate and enhance our role in the transition to alternative fuels • ISCC certification for Biofuels 	→ Head of New Fuels	→ <ul style="list-style-type: none"> • ISCC Certification for our subsidiaries in Italy, Hong Kong and Singapore • First biofuel delivery (Hapag Lloyd) • Physical Supplies of biofuels in "hubs" (Genoa, Hong kong) • MoU with Chinese yard for an Ammonia Bunker tanker • RINA Approval-in-Principle (AiP) for the design of ammonia bunker tanker • Partecipation in GCMD Ammonia bunkering pilot safety study 	→ 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"> • Appointment of Energy Manager to implement energy efficiency initiatives • Electricity for Italian perimeter fully supplied with renewable sources 	→ Energy and IT Manager	→ <ul style="list-style-type: none"> • Energy efficiency initiatives on our facilities • Energy data collection process improvements with AI technology 	→ <ul style="list-style-type: none"> • Assessment of foreign subsidiaries to evaluate switch to renewable electricity for the full perimeter • Further efficiency improvements initiatives in some offices/warehouses in Italy • Fratelli Cosulich Singapore ISO 14001 • First introduction of electric vehicles in the company's fleet to substitute old ones
	→ 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"> • Scope 3 calculation extension to further categories • Improvement in reporting of scope 3 emissions from freight forwarding activities • Adoption of HVO for part of Lorma's truck fleet • ETS allowances management for customers
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



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"> • Job posting intercompany • Career portal embedded in FC Website and access to HR functions abroad • Launch of Youth Committee • Kick-off exit interviews to collect feedbacks 	→ HR Manager	→ Empowering Minds - development of an academy for attracting and retaining young talents	→ <ul style="list-style-type: none"> • Development and kick-off of the Empowering Minds • Youth Committee: Development of Topic-based Working Groups • Training program for managers to enhance attraction and retention of talents
	→ People Development	<ul style="list-style-type: none"> • Pilot annual appraisal and evaluation program based on key values and their connected behaviors • Evaluation tool assessment to be carried out in some pilot Companies within the Group • Internal workshops to define behaviours linked to key values for Executives, Managers and all employees 	→ HR Manager		→ <ul style="list-style-type: none"> • Deployment of employee evaluation tool • Comprehensive training program and adoption of e-learning platform • Training on Compliance and Code of Ethics • Training for managers on feedback and setting goals • Training on soft skills, languages and for specific job roles
Employees Responsibility	→ Health and Safety	→ ISO 22000 in Fratelli Cosulich Comércio e Serviços	→ Health and Safety Manager	<ul style="list-style-type: none"> • Full assessment of Italian Subsidiaries Companies to ensure compliance with all H&S best practises • Implementation of an H&S Management tool to best monitor activities within the Italian perimeter • Shipmanagement certifications ISO45001 	→ <ul style="list-style-type: none"> • Training for Directors and Middle Managers on specific HS Responsibility • Implementation of improvement actions subsequent to 2023 assessment
	→ Welfare	<ul style="list-style-type: none"> • Agreement with an online training provider to support employees' physical and mental wellbeing • In Brasil extension of Health insurance to employees' family members 	→ ESG Team HR Manager		→ <ul style="list-style-type: none"> • Data collection and monitoring on utilisation of welfare insurance • Mapping of Welfare needs amongst employees • Extension of insurance coverage for Italian employees
	→ 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



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"> Corporate Code of Ethics aligned with key values Whistleblowing system 	<ul style="list-style-type: none"> Sustainability policy implementation
	Responsible Governance	<ul style="list-style-type: none"> Corporate-wide e-Portal to assess ESG activities and performance ESG Committee ESG training and knowledge sharing for affiliated companies 	ESG Team Group Finance Manager	<ul style="list-style-type: none"> Definition of governance rules for Cosulich family Analysis of ESG performance of subsidiaries on e-portal 	<ul style="list-style-type: none"> Appointment of two Independent Board Members Definition of a governance system for sustainability
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"> Training on cybersecurity

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

