



CAPITAL

PRODUCT PARTNERS L.P.

2022
ESG
REPORT

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Letter from the CEO



2022

was a fundamentally constructive year for our organization. Notwithstanding the Russian-Ukrainian war, which together with the tragic loss of human life and critical infrastructure, had an adverse effect on gas pricing dynamics and supply chains, we managed to further grow our fleet with modern, fuel efficient vessels, while disposing of older less efficient ships. We committed to acquire three Tier III, Phase III hybrid scrubber fitted 13,000 TEU container vessels and one two stoke latest generation LNG carrier, which were delivered to us during 2022 and 2023. Overall, these latest acquisitions together with the disposal of older vessels continue to propel our fleet forward in our effort to reduce the environmental footprint of our fleet.

We have embraced LNG as a fuel, recognizing its significance in the energy transition puzzle. LNG stands out for its versatility, alignment with market demand, support for decarbonization goals, job creation, and contribution to infrastructure development. As such, it plays a pivotal role as a transitional fuel in advancing toward a sustainable energy future.

As the world grapples with pressing environmental challenges, we are committed to our approach towards a more sustainable future and we continue to pursue new business opportunities that increase our cash flow, and cash flow visibility, while continuing to replenish the average age of our fleet and reducing its carbon intensity.

Our 2022 report, which is prepared in accordance with the Global Reporting Initiatives (GRI) Standards and the Sustainability Accounting Standards Board (SASB), presents recent action and underlines progress through further improvement of our existing operations, as we remain committed to growing responsibly and profitably in the long term.

Since our previous sustainability report, we have continued aligning corporate responsibility with our business efforts. This year we are pleased to introduce our stakeholder's engagement analysis and our in-house developed performance monitoring system. These strategic initiatives underscore our ongoing commitment to transparency, continuous effort to improve our operational workflows, enhancing efficiency, and bolstering our decision-making processes.

This report reflects our ESG performance on maritime sustainability issues, related to the environment, as well as our operational practices and our contribution to the community, referring to the period from January 1st, 2022, to December 31st, 2022.

We are particularly proud of the operational track record we achieved this year, as well as, the continued high level of engagement amongst our managers' employees working in this dynamic environment and the attention that is placed on providing safe and healthy working conditions.

Our growing portfolio of assets this year sets us on a pathway to accelerate our pace towards the energy transition and further improve our ESG.

We realize that much more remains to be done and we look forward to advancing our efforts at speed and scale for a more sustainable future.

Jerry Kalogiratos
Jerry Kalogiratos

Director and Chief Executive Officer

About this report

Capital Product Partners L.P.* ESG Report for 2022, sets out the impacts of our operations on the Environment, our People and the Society. This is done in conjunction with our managers, Capital Executive Ship Management Corp. and Capital Gas Ship Management Corp.

In this report, the data and information included, demonstrate the 2022 full year performance of our 22 operated vessels reflecting the actual operating days of our fleet. As of December 31st, 2022 and following the sale of two older container vessels and the delivery of one new container vessel, the fleet consisted of 20 vessels.

This report presents our approach and actual ESG performance on maritime sustainability issues, related to the marine environment, our operational practices and our contribution to the community for the period from January 1st, 2022, to December 31st, 2022. Capital Product Partners is continuously working toward its commitments to meet industry's goals to reduce Greenhouse Gas emissions by 2050, and to adhere to the United Nations Sustainable Development Goals (UN SDGs).



This report is prepared in accordance with the Global Reporting Initiatives (GRI) 2021 Standards, and the Sustainability Accounting Standards Board (SASB) for Marine Transportation and with the Guidance of PwC Greece.



**For the purpose of this report, the "Partnership", "CPLP", "we", "us" or "our" refer to Capital Product Partners L.P. and, unless the context otherwise requires, its consolidated subsidiaries*



2022 Performance Highlights



Environment

	2022	2021	D %
Number of Spills	0	0	-
Operating Days	7,412	6,413	+15.6
Traveled Miles	1,762,677	1,692,996	+4.1
Fuel consumption in metric tones	353,637	362,238	-2.4
CO ₂ emissions in metric tones	1,085,849	1,119,392	-3.0
CO ₂ equivalent Carbon intensity (gr CO ₂ e/MJ)	73.8	75.0	-1.6



Social

Serious marine incidents	0	0	-
Lost time injury (LTIF) rate per 1.000.000 manhours	0.0	0.53	-100
PSC detentions	0	0	-



Corporate Governance

Violations of our ethical principles & anti-corruption policy	0	0	-
Cyber security incidents	0	0	-



Capital Product Partners L.P. at a glance

Listed Company: **Nasdaq** | Stock Ticker: **CPLP** | Ship Management Headquarters: **Athens, Greece**

ABOUT CPLP



\$299.1 m ↑ **62%**
Revenue (Fiscal year 2022)



\$125.4 m ↑ **27%**
Net income (Fiscal year 2022)



>16 years
Presence in the Shipping industry

OPERATIONAL PERFORMANCE



2,082,024 (DWT*)
of Deadweight Tonnage
(for operated year 2022)

109,376 (TEU)
Twenty-foot equivalent unit capacity
(for operated year 2022)

1,044,000 (CBM of LNGs)
Cubic Meters Capacity
(for operated year 2022)

7,412
Operating days

797
Port calls

86
Countries visited

1,762,677
Distance traveled
in nautical miles

OUR PEOPLE



54
Total employees**

1,010
Total seafarers

65%
Male**

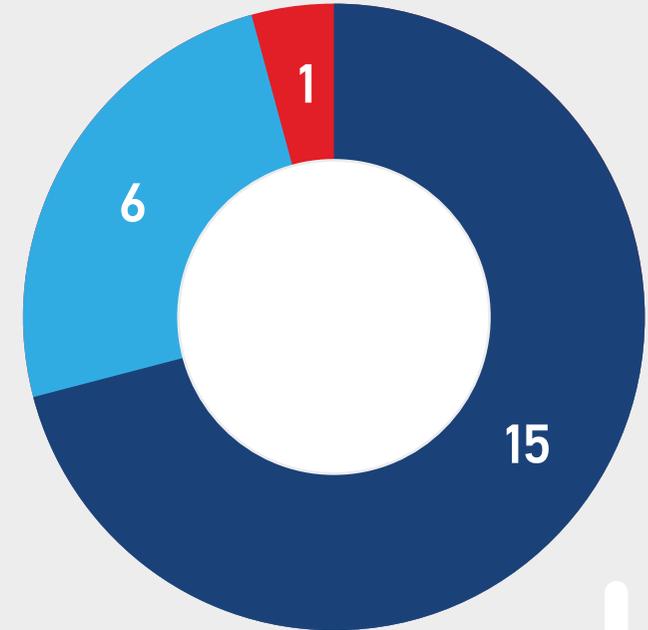
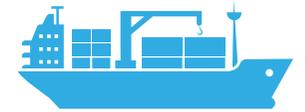
35%
Female**

17
Nationalities

* DWT calculation based on scantling draft

** Estimate of the employees of Capital Executive Ship Management Corp. & Capital Ship Management Corp and Capital Gas Ship Management Corp. involved in the management of our vessels.

22 VESSELS IN OPERATION DURING 2022



● Container Carrier ● LNG Tankers ● Capesize Bulk Carrier

7.6 years
DWT* weighted
Average fleet Age as of December 31, 2022

The Partnership

We are an international owner of ocean-going vessels. During 2022 we have operated on average 22 vessels. At the end of 2022 our fleet consisted of 20 vessels including, 10 Neo-Panamax container carrier vessels (0.9 million DWT and total TEU capacity of 77,577), three Panamax container carrier vessels (0.2 million DWT and total TEU capacity of 15,267), one Capesize bulk carrier vessel (0.2 million DWT) and six latest generation LNG carrier vessels (0.6 million DWT and total capacity of 1.0 million CBM), with a DWT weighted average fleet age of approximately 7.6 years as at December 31, 2022.

Our container carrier vessels are typically chartered under medium to long term charters to reputable charterers, such as CMA CGM, HMM and Hapag-Lloyd, while our LNG carrier vessels are chartered to energy companies and commodity traders such as BP, Cheniere, Engie and Hartree.

Our fleet is managed by our Managers, which are private companies.

Our reputable Customers



Our Business Strategy



Our primary business objective is to increase cash available for distributions to our unitholders, while maintaining a strong financial position. We aim to realize our business objectives through the following strategies:

Maintain medium - to long-term fixed - rate charters.

We seek to enter into medium- to long-term, fixed-rate charters for a majority of our fleet in an effort to provide visibility of revenues and cash flows. As our vessels come up for re-chartering, we aim to redeploy them under period contracts that reflect our expectations of prevailing market conditions. In the pursuit of our strategies, we evaluate growth opportunities across all shipping sectors.

Expand our fleet through accretive acquisitions.

Subject to available required financing, we intend to evaluate potential acquisitions of both newbuilds and second-hand vessels across the shipping markets. We also intend to take advantage of opportunities afforded to us by our relationship with our sponsor, Capital Maritime. In June 2022 we agreed to acquire one LNG carrier vessel which was delivered to us in February 2023, and three 13,312 TEU container carrier vessels, which we took delivery in October 2022, January 2023 and June 2023.

Maintain and build on our ability to meet rigorous industry and regulatory safety standards.

We believe that in order for us to be successful in growing our business, we need to maintain our vessel safety record and further build on our high level of customer service and support. We believe that our Managers, have strong records of vessel safety and compliance with rigorous health, safety and environmental protection standards, and are committed to providing our charterers with a high level of customer service and support.

Our Fleet

As of end of 2022, our fleet comprised of 20 vessels: 6 LNG Carriers with total capacity 1,044,000 cubic meters, 13 Container vessels with per vessel TEU capacity that varies between 5,023 and 13,312 TEU, and 1 Capesize Bulk Carrier of 179,221 DWT. All of our vessels were built at reputable shipyards worldwide.

While many of our vessels boast latest energy efficient designs, we continuously upgrade our fleet in an effort to comply with regulations and decrease the environmental footprint of our vessels including their carbon intensity.

On June 6, 2022, we agreed to acquire, one LNG/C and three Neo-Panamax container carrier vessels, which were delivered to us throughout 2022 – 2023. On July 2022 we also completed the sale of two older 8,000 TEU container carriers. This strategic fleet renewal and expansion marked a significant milestone in our company’s development, underscoring our commitment to reducing the environmental impact of our fleet.

These transactions are in line with our goal of moving towards carbon-neutral shipping, as we replace older vessels with brand new, energy efficient vessels that are equipped with the latest in energy efficient propulsion arrangements and energy saving design and devices. While many of our existing vessels already feature highly efficient designs, we continuously invest in upgrading our fleet to reduce the environmental footprint of our vessels, including reducing the carbon intensity of our overall fleet.

It is noteworthy that throughout the reported year, we achieved an exemplary operational track record throughout a number of metrics, reflecting our unwavering commitment to operational excellence and customer satisfaction.

2022 Operated fleet

1 Dual Fuel Ready Eco Container Carrier

Manzanillo Express (2022) acquired October '22

1 Capesize Bulk Carrier

Cape Agamemnon (2010)

6 LNG Carrier

Aristos I (2020)
Aristidis I (2021)
Aristarchos (2021)
Attalos (2021)
Adamastos (2021)
Asklipios (2021)

8 Container Carrier

Athenian (2011)
Athos (2011)
Aristomenis (2011)
Long Beach Express (2008)
Seattle Express (2008)
Fos Express (2008)
Agamemnon (2007) sold July '22
Archimidis (2006) sold July '22

6 Wide beam Eco Design Container

Akadimos (2015)
Hyundai Prestige (2013)
Hyundai Priviledge (2013)
Hyundai Platinum (2013)
Hyundai Premium (2013)
Hyundai Paramount (2013)



Our Operational Performance

	2022	2021
Dry-docking days	0	120
Operating days	7,412	6,413
Port calls	797	1,286
Countries visited	86	117
Nautical miles travelled	1,762,676	1,692,996

Worldwide operations



2022 ESG Performance

* The reported KPIs for 2022 refer to 22 vessels.

** The reported KPIs for 2021 refer to 23 vessels.

*** 2021 revised figures through application of new calculation methodology for NOx and PM10 emissions.

**** Waste generated refer to the total amount of garbage.

The war in Ukraine affected LNG transportation in many different ways. On the one hand, the increased trade between the US and Europe led to demand for faster voyages, while other vessels sat idle in the EU in laden condition as they were utilized as floating storage. Natural gas prices soared to unprecedented levels, prompting charterers to reduce the use of LNG as propulsion fuel. The change of the LNG fleet's operational profile had a discernible adverse effect on both our AER and EEOI indices.

The overall fuel consumption decreased by 2.4% due to our fleet renewal program involving the sale of less energy efficient vessels and their replacement with more efficient dual fuel vessels. The use of LNG as a percentage of total consumption increased from 13% in 2021 to 17% as a result of dual fuel vessels operating throughout the entire year. In terms of CO2 emissions, the rise in LNG consumption had two positive effects: a further reduction in CO2 emissions amounting to 3.0% and an improvement in CO2e intensity by 1.7% due to LNG's higher energy content.

KPI	2022*	2021**	
Environment	Weighted Average Energy Efficiency Operation Index (EEOI) (gr CO ₂ / tonnes-mile)	14.91	10.64
	Average fleet Annual Efficiency Ratio (AER) (gr CO ₂ / DWT-mile)	7.19	6.54
	CO ₂ emissions (tn)	1,085,849	1,119,392
	CO ₂ e Carbon intensity (gr CO ₂ /MJ)	73.8	75.0
	Fuel consumption (tn)	353,637	362,238
	SOx emissions (tn)	2,658	2,783
	NOx emissions (tn)***	46,463	50,259
	PM10 emissions (tn)***	1,657	1,863
	Waste generated (m ³)****	1,176	1,193
	Fleet implemented ballast water exchange / system (%)	100%	87%
Number and volume of spills and releases to the environment	0	0	
Social	Number of seafarers	1,010	1,051
	Seafarers' retention rate (%)	96%	96%
	Employees ashore	54	54
	Gender diversity (%)	35% women / 65% men	33% women / 67% men
	% of employees with seagoing experience	31%	31%
	Port state control detentions	0	0
	Port state control deficiencies/inspection	1.44	0.9
	Lost time injury (LTIF) rate per 1.000.000 manhours	0	0.53
Total Recordable Cases Frequencies (TRCF) per 1.000.000 manhours	0.47	1.55	
Governance	Port calls in countries that have the 20 lowest rankings in the CPI (%)	6%	7%
	Amount of legal and regulatory fines associated with bribery or corruption	0	0
	Number of controls tests conducted	243	259
	Number of material weaknesses or deficiencies	0	0

2 Approach to ESG

The Partnership recognizes that sustainable transport is a major challenge during these times. Shipping, while relatively safer compared to other types of commercial transport, imposes still a significant impact on the environment and society at large. Since our Company has a global presence, we have placed a strong focus on incorporating ESG practices within our broader business strategy and objectives.

FOCUS AREAS



Protect the environment, the marine ecosystem & take action on climate change.



Protect the health & safety of our people & operations & support the community.



Maintain highest ethical business conduct & corporate governance standards.

The U.N. Sustainable Development Goals

We understand the significance of these ambitious goals and we are committed to promoting our sustainable development, while we closely cooperate with other stakeholders in the maritime industry.

The agenda of 2030 includes 17 Sustainable Development Goals which were introduced and were adopted by the United Nations in 2015. All these goals have the aspect of protecting the environment and ending the poverty in the world. As a result, the United Nations based on these goals propose to all companies to adapt their business behavior and their strategy according to these sustainable development goals and improve their performance contributing to a better tomorrow.



The regulations and recommendations of the International Maritime Organization (IMO), which maritime companies follow, are in line with the United Nations' Sustainable Development Goals (SDGs), which aim to conserve and sustainably use the oceans, seas and marine resources.



We meet the IMO's GHG emission reduction targets and the United Nations Sustainable Development Goals, by:

Increasing energy efficiency and reducing our carbon footprint, promoting marine environmental protection and sustainability.



Encouraging long-term and loyal relationships with our employees, clients and stakeholders, supporting the social prosperity.



Ensuring transparent communications with our key stakeholders, identifying opportunities and risks in the maritime market to create long term value.



Materiality analysis

Our approach to material ESG issues is based on the identification of the needs and interests of our key stakeholders. We carefully analyze and prioritize material issues and related risks communicated by our stakeholders.

Stakeholder Engagement

The engagement with our stakeholders, both internal and external, helps us to identify and prioritize key ESG topics that play a critical role in our business strategies, and operations and have the capability to create value in the long term. Through our Stakeholder engagement we can evaluate and highly understand the impact of our activities in the economy, the environment, and the community.

In order to identify and evaluate the significant impacts related to our company's operations and formulate our sustainable ESG strategy each year we engage and carry out an online survey and we distribute electronic questionnaires to sample groups of external and internal stakeholders.

Our key stakeholder groups are:

- Charterers
- Shipbrokers
- Shareholders
- Financial institution
- Classification Society
- Flag State
- Port Authority
- International / Industry organization
- Insurer / P&I Club
- Supplier / Business Partner
- Manning Agent
- Academic institution

More precisely, certain steps are being followed in order to identify the ESG topics that are material to our company.



Through extensive research we validate and identify the related ESG topics and impacts.

The questionnaires circulated to our internal and external stakeholders included 15 topics. The final step was to carefully review, analyze and prioritize the material topics communicated by our stakeholders, in order to ensure that our business strategy remains aligned with their requirements and expectations.

The results from the impact materiality assessment were mapped into the following matrix.



	Material Topics	Impacts	Nature of impact	Link to UN SDGs
Environment	Atmospheric pollution and energy efficiency	Increased energy and carbon efficiency through the implementation of advanced ecofriendly technologies and technical measures across the fleet.	Positive Actual	
		Air pollution and emission of greenhouse gases due to the use of marine gas oil and heavy fuel oil in vessels.	Negative Actual	
	Aquatic contamination prevention	Aquatic habitat protection through the implementation of a ballast water management plan and use of antifouling paints.	Positive Actual	
		Destruction of the aquatic ecosystem due to incidents of oily bilge water or oil residue spills.	Negative Potential	
Green Innovation	Advancement of the industry's decarbonization efforts through the participation in R&D programs and alternative fuels partnerships.	Positive Actual		
Social	Occupational Health, Safety and Wellbeing	Promotion of safety and establishment of appropriate working conditions both onboard and ashore through the adoption of high safety standards and protocols.	Positive Actual	
		Enhanced employee engagement and satisfaction through the design of wellbeing measures targeting at improving work-life balance.	Positive Actual	
		Increased risk of accidents and safety incidents due to limited crew awareness on health & safety policies and the absence of related trainings.	Negative Potential	
	Human Rights and Labor Practices	Safeguarding of human rights through the establishment of fair employment practices and policies with zero tolerance towards any labor rights violations.	Positive Actual	
Violation of human rights across the value chain due to limited monitoring and influence of business partners' working conditions.		Negative Potential		



	Material Topics	Impacts	Nature of impact	Link to UN SDGs
Governance	Corporate governance and business ethics	Zero incidents of corruption through the establishment and implementation of a code of Business Conduct & Ethics in the day-today transactions.	Positive Actual	 
		Instances of ethics-related violations due to the lack of transparency in business relationships with the company's stakeholders.	Negative Potential	
	Risk management and regulatory compliance	Enhanced business resilience and maintenance of a trustworthy working environment through the adoption of risk management controls and proactive stance on regulatory updates.	Positive Actual	
		Environmental effects and social consequences due to non-compliance with the regulatory and legal provisions	Negative Potential	
	Cyber security and data protection	Zero incidents of cyber security through the development of IT security systems and procedures for monitoring and addressing potential cyber-attacks.	Positive Actual	
		Increased risk of data breaches due to limited trainings onboard and ashore to enhance awareness on best practices with regards to data protection.	Negative Potential	

The following list of topics, although not meeting the aggregate significance thresholds, are considered important to the achievement of the Company's business objectives:

Environment

- Waste management and recycling
- Vessel Recycling & Lifecycle Optimization

Social

- Diversity and Inclusion
- Human Capital Development
- Sustainable Procurement Practices
- Community investments and volunteering

Governance

- Business strategy and performance

3 Environment

RELATED SUSTAINABLE DEVELOPMENTS GOALS



Environmental Protection



We conduct our business in a manner that is environmentally responsible and consistent with our goals:

- aspiring to cause no damage to the environment,
- participating in reducing global emissions and
- providing safe and sustainable marine transportation.

We recognize our responsibility to reduce our carbon intensity footprint and our fleet's greenhouse gas emissions, improve our ESG impact on the ecosystem and comply with all environmental regulations and industry's requirements.

During 2022, we had no cases of non-compliance with applicable environmental laws and regulations.

Our energy and environmental policy

We follow an ESG approach fully aligned with the existing environmental regulations in industry's best practices, aiming to monitor and minimize our emissions to the environment. We have an established energy and environmental policy, depicting the way we operate with a focus on increasing energy efficiency and minimizing our environmental footprint.

Environmental Policies

- An Environmental Management Systems (EMS) in accordance with ISO Standards 14001:2015, 50001:2018, and 45001:2018 and all other applicable requirements by interested parties and rules.
- Reduction of the environmental impact of our operations through the maximization of energy efficiency, minimization of GHG emissions, waste discharge and set of specific targets.
- Implementation of control mechanisms aiming at pollution prevention, shown in our comprehensive Environmental Management System.
- Incorporation of methods for reducing waste and decrease the utilization of natural resources, which are part of our SEEMP.
- Implementation of Waste Management Initiatives.

Quality certifications

We are accredited with the following ISO standards:

- ISO 9001: 2015 Quality Management Systems
- ISO 14001: 2015 Environmental Management Systems
- ISO 45001: 2018 Health and Safety Management
- ISO 50001: 2018 Energy management systems



Our environmental measures

Onboard

We apply a series of technical and operational improvements both onboard our vessels and at shore, to improve our energy performance and reduce our environmental footprint. We are closely monitoring our performance and have set specific environmental and energy objectives. We are committed to comply with specific environmental related targets, both for our onboard and ashore operations

Reduction of fuel oil consumption

- Monitoring of main & auxiliary engines performance
- Monitoring of electric loads
- Monitoring of speed & daily fuel consumption
- Speed / Trim / Ballast Optimization
- Voyage Planning & Weather Routing
- Monitoring of hull and propeller condition and cleaning

Increase of energy efficiency and reduction of energy consumption

- Use of energy saving devices that enhance the propulsion efficiency
- High efficiency coatings, silicone coated propellers
- Use of Air Lubrication System
- Use of VFD for sea water / scrubber pumps, engine room fans, mooring winches
- Use of LED lighting systems
- Waste heat recovery through exhaust gas economizers
- Improvement to water inflow through propeller ducts, nozzles, rudder bulbs and bow modifications
- Operation & Maintenance of all Machinery as per Makers' Recommendations
- Software and use of high frequency data and data analytics for performance monitoring

Reduction of SOx, NOx and PM emissions

- Scrubbers usage to reduce SOx emissions
- Selective Catalytic Reduction Systems for NOx reductions and TIER III compliance
- Adopt LNG-as-fuel

Protection of the marine life

- Installation of ballast water systems
- Air-sealed vessels modification

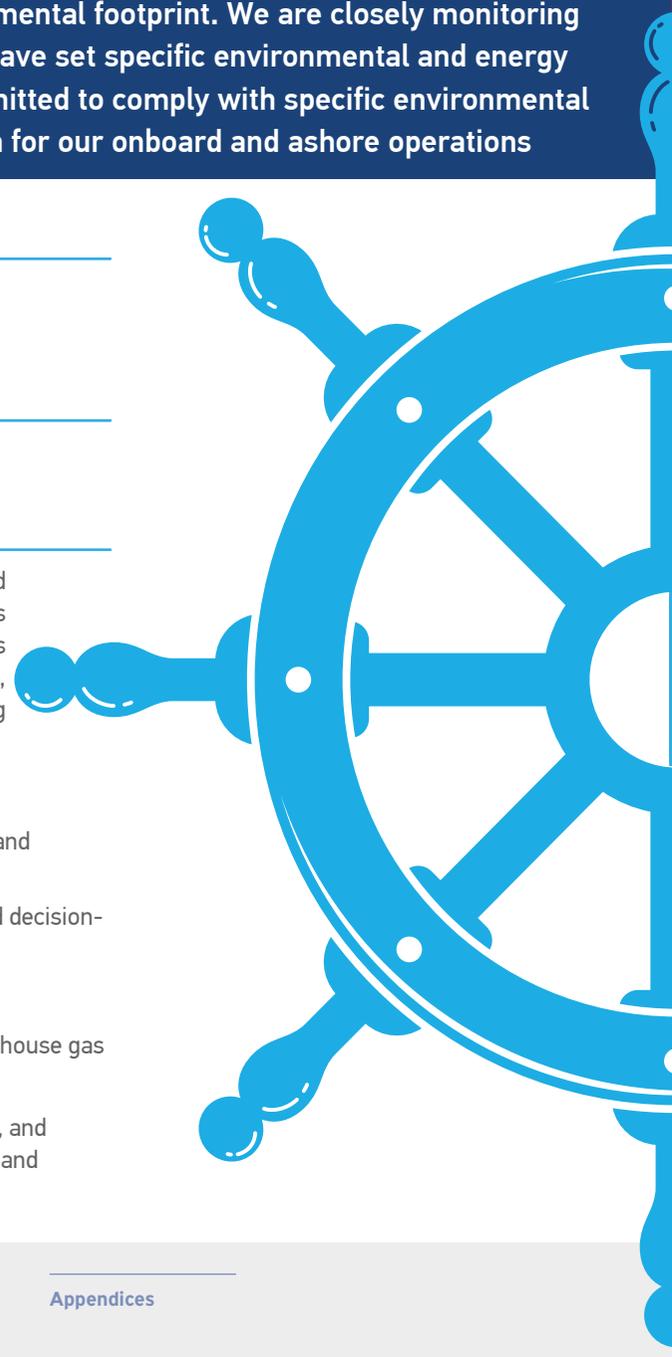
Control of hazardous materials

- Implementing IHM maintenance procedures

Digitilization

During 2022 we rolled out our new in-house developed performance monitoring system. This strategic initiative aligns with our ongoing commitment to digitalization, a continuous effort targeting to improve our operational workflows, enhancing efficiency, and bolstering our decision-making processes. The primary objectives of this initiative:

- Enhancing and refining our existing business processes.
- Strengthening our reporting capabilities to ensure accuracy and comprehensiveness.
- Leveraging the full potential of vessel telemetry for informed decision-making.
- Enabling real-time monitoring of our operational activities.
- Establishing a comprehensive platform for monitoring greenhouse gas (GHG) emissions and performance metrics.
- Providing our esteemed customers with automated, reliable, and timely information, thereby ensuring a seamless experience and fostering transparency in our operations.



Ashore



Reduction of energy consumption

- Replacement of conventional bulbs with corresponding LED bulbs
- Reduction of the power consumption of computers, information systems and their peripheral subsystems.
- Installation of motion sensors
- Use of energy efficient equipment
- Reduction of travel requirements by further utilizing online tools

Reduction of paper consumption

- Application of a fully paperless system, providing high class electronic services to users, vendors, suppliers and seamen

Recycling of materials

- Recycling paper
- Recycling batteries
- Use of recyclable materials



Green Innovation

R&D Programs, Green Technology, Alternative fuels initiatives & partnerships

Our vessels remain at the forefront of technical research and regulatory developments. We collaborate with classification societies, academic organizations, industry groups, innovative and startup companies to:

- advance environmentally friendly technology
- work on methane slip reduction (Methane Abatement MAMII Project, Improved Main & Generating Engines Selection with Methane Slip reduction as main criterion)
- study on Rotors Sails application
- evaluate and execute means to reduce daily fuel oil consumption by retrofitting ships' bow, installing ESD, and low friction antifoulings
- focus on environmental footprint
- developing plans to retrofit Tier II vessels to achieve Tier III standards
- reduction of NOx emissions.
- research on ammonia and methanol as a fuel
- research on ammonia storage
- research on CO₂ liquefaction and storage
- research on ammonia and CO₂ as transportation commodity
- research on CCS, Carbon Capture and Storage on board

During 2022 we participated in research programs including:

- The ShipFC, an EU supported and funded research project. The aim of the project is to design a realistic solution which will enable the integration of an electric propulsion system powered by Ammonia Fuel Cells, on large ocean-going ships. Capital-Executive Ship Management has successfully contributed to new realistic designs and options of container vessels that could accommodate the hardware requirements of this project
- Our ship managers are members of:
 - Lloyds' Register Gas Technical Committee participating in workshops exploring the application for gas-as-fuel including LNG, Methanol, Ammonia.
 - SGMF member participating in the development of industry guidelines for the use of gas as fuel.
 - INTERTANKO & INTERCARGO technical committees.
 - MARine TEchnical Managers Association (MARTECMA), a leading international association representing the majority of managers and executives with technical background of all shipping companies sited in Greece and worldwide, aiming to improve technical ship management, ship design, operation and maintenance.
- Represent CPLP at Lloyds Register and ABS Technical Committees which purpose are to reduce vessel's carbon footprint, as well as, exploit state-of-the-art technologies for asset inspection and survey.

Other research projects

- Our ship management executives participate in scientific initiatives, programs and panels such as Safety4Sea conferences, National Technical University of Athens (NTUA), University of Piraeus, SNAME, MIT Forum, Capital Link, Marine Money conferences, Solent University, Metropolitan College, BCA College, Isalos.net, Technological Academies events and others, presenting the experience of a modern ship operator facing new challenges.
- Support educational institutes' research programs and initiatives, focusing on environmental protection, innovative technologies, and ship design optimization.
- Participate in career events and support the young graduates during their first steps in the labor market, by conducting interviews and providing them with job opportunities in our company.

Energy efficiency

The shipping industry is acknowledged as the most energy-efficient sector in transportation. Vessels are capable of transporting goods and commodities over long haul voyages with remarkably low energy consumption per tonne of cargo, made possible through: economies of scale efficient propulsion and monitoring systems, and the capacity to carry substantial cargo quantities in a single voyage, a capability unparalleled by other modes of transportation.

As we transition towards a more sustainable future, we are acutely aware of our responsibility to mitigate our carbon intensity footprint and curtail greenhouse gas emissions from our fleet.

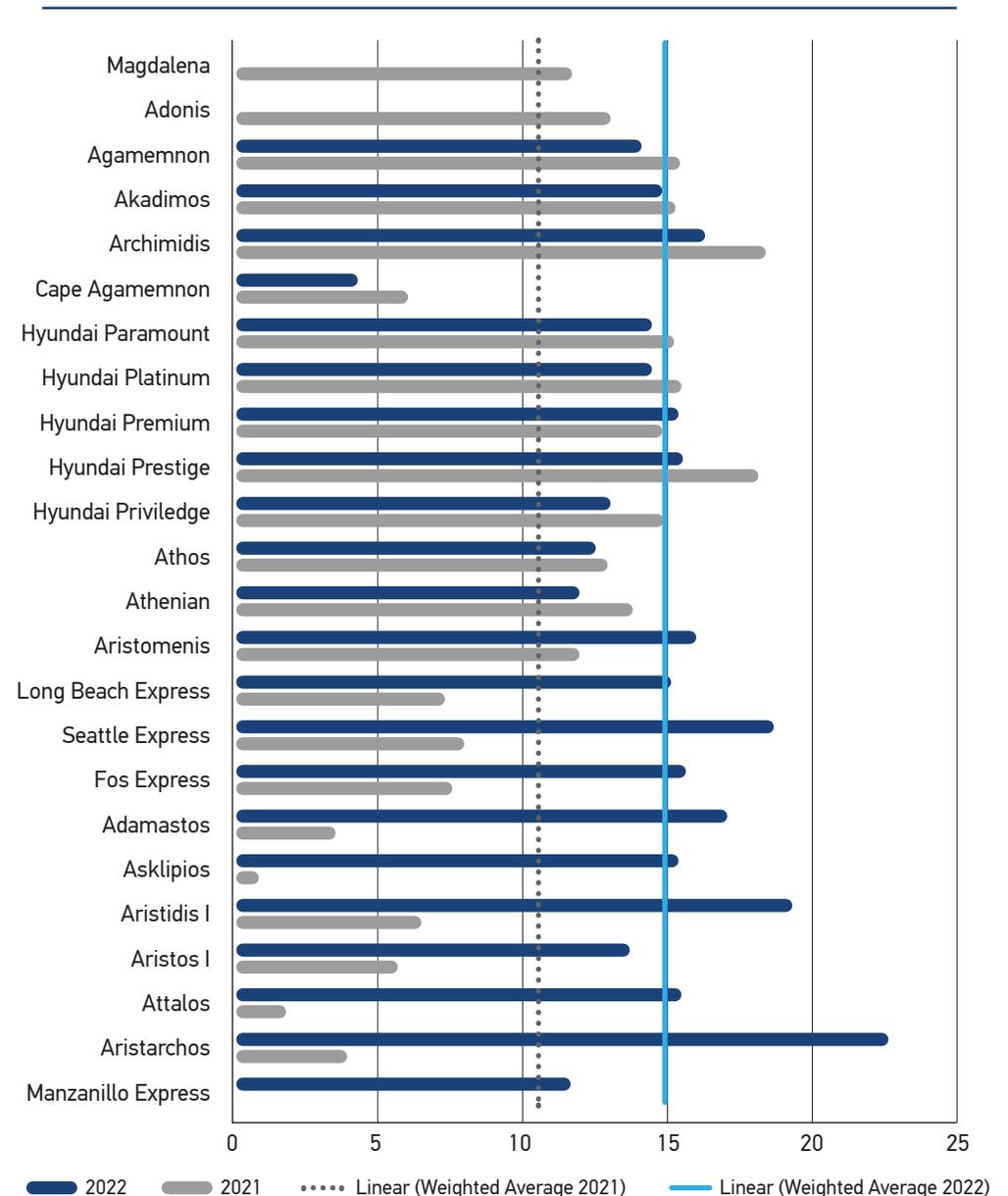
Our engagement to the supply chain is the commitment to deliver state-of-the-art vessels equipped with cutting-edge technology, enabling the consumption of fuels with low carbon emissions. It is important to recognize that the ultimate determination regarding fuel selection lies to a large extent with our charterers, contingent upon prevailing market conditions and fuel availability.

Energy Efficiency Operational Indicator (EEOI)

In our attempt to monitor and record the energy performance of our ships, separately and as a fleet, and evaluate the effectiveness of the planned energy efficiency measures, we use the IMO Energy Efficiency Operational Indicator (EEOI). EEOI is an indicator reflecting the impact of operational enhancements and technical modifications on fuel efficiency and emissions and measures the fuel efficiency of vessel operations. EEOI is most appropriately expressed as gr CO₂/Tonnes - miles.

In 2022, our average Energy Efficiency Operational Indicator (EEOI) stood at 14.91 grams of CO₂ per tonne-mile, representing an increase from the 10.64 recorded in 2021. The rise in EEOI is attributed to the performance of our LNG fleet. This increase in EEOI was a direct consequence of reduced transportation work due to vessels being utilized as floating storage by Charterers.

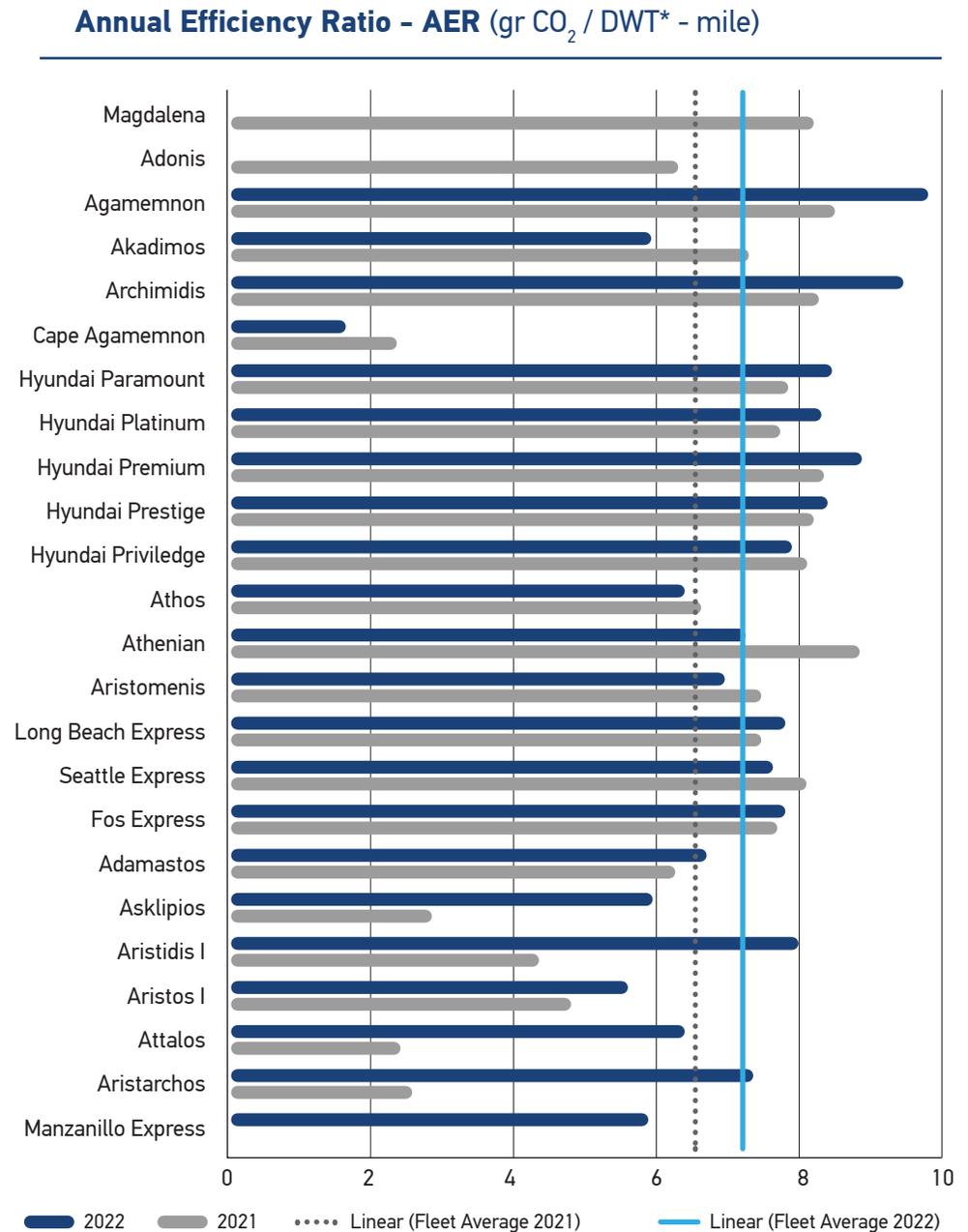
EEOI per vessel (gr CO₂ / tonnes - mile)



Annual Efficiency Ratio (AER)

Another metric which is applied for the assessment of the energy performance of our ships, is the Annual Efficiency Ratio (AER). AER is the ratio of the vessel's carbon emissions per distance travelled and design deadweight tonnage. AER is mostly reported in gr CO₂ per DWT - mile.

In 2022, our average Annual Emission Ratio (AER) of 7.19 grams of CO₂ per deadweight ton (gr CO₂ / DWT * mile), compared to 6.54 CO₂ / DWT * mile recorded in 2021. This increase of 10% is attributed to the performance of our LNG fleet. Notably, the nature of the LNG cargo trade between the US and Europe, characterized by high-speed crossings, significantly influenced this rise.



CO₂ Emissions & Carbon intensity

Provide a quality service, protecting the environment, energy conservation and reduction in our GHG emissions following industry’s goals and targets are of fundamental importance for us. Onboard our vessels, we have implemented a variety of energy efficiency measures, initiatives, systems and improvements to reduce their fuel consumption and CO₂ emissions. These measures and initiatives include:

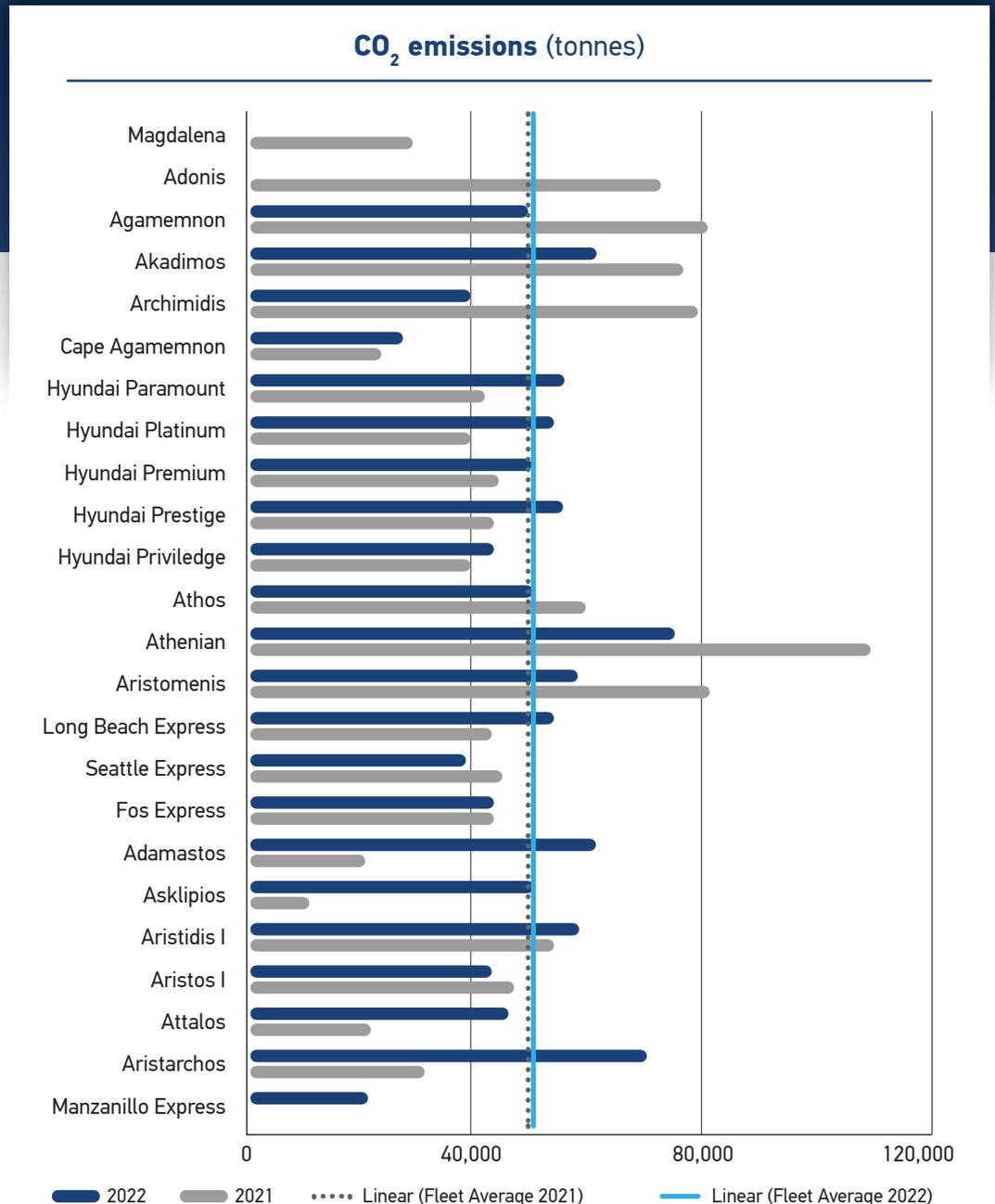
- Energy Saving by changes in ship design or installations.
- Energy Saving by vessels’ operations.
- Energy Efficiency Management Audits

CO₂ Emissions

In 2022, we reduced our total CO₂ emissions from 1,119,392 tonnes to 1,085,848 tonnes, representing a decrease of 33,543 tonnes (3.0%) compared to 2021. The CO₂ emissions reduction was primarily attributed to overall decreased fuel consumption by 2.4%. Our newbuilding LNG carriers emitted 323,065 which represents 30% of our fleet’s total emissions. The use of LNG as a fuel resulted in a saving of 63,886 tonnes of CO₂, in contrast to the potential emissions incurred had the fleet utilized conventional marine fuel oils.

Carbon Intensity

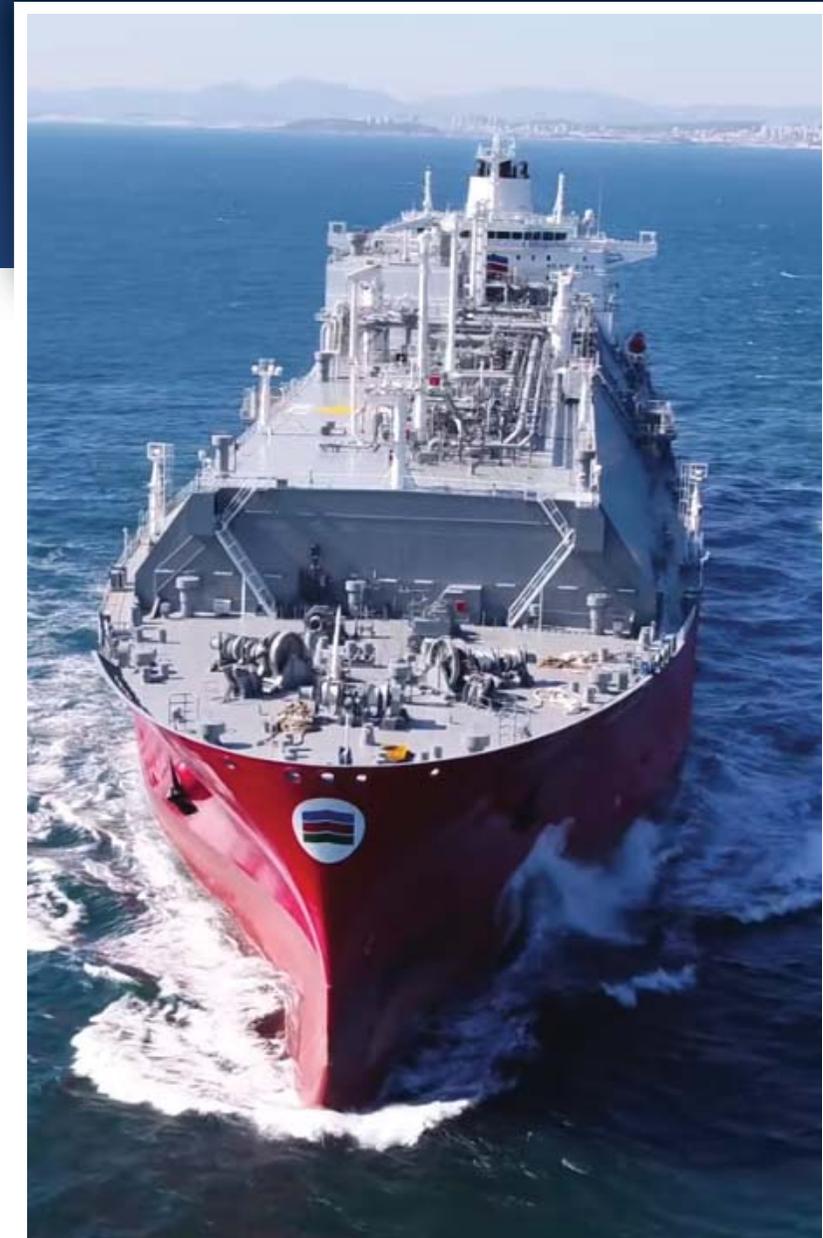
Carbon intensity is the measure of greenhouse gas (GHG) emissions associated with producing and consuming a transportation fuel, measured in grams of carbon dioxide equivalent per megajoule of energy (gCO₂e/MJ). LNG is more efficient than traditional marine fuels due to its higher energy content and cleaner combustion while it produces less GHG emissions. In 2022, our fleet achieved a carbon intensity of 73.8 grCO₂e/MJ, reflecting a 1.6% reduction compared to the 75.0 grCO₂e/MJ recorded in 2021. This positive outcome is attributed to the increased utilization of LNG, accounting for 17% in 2022 as opposed to 13% in the previous year.



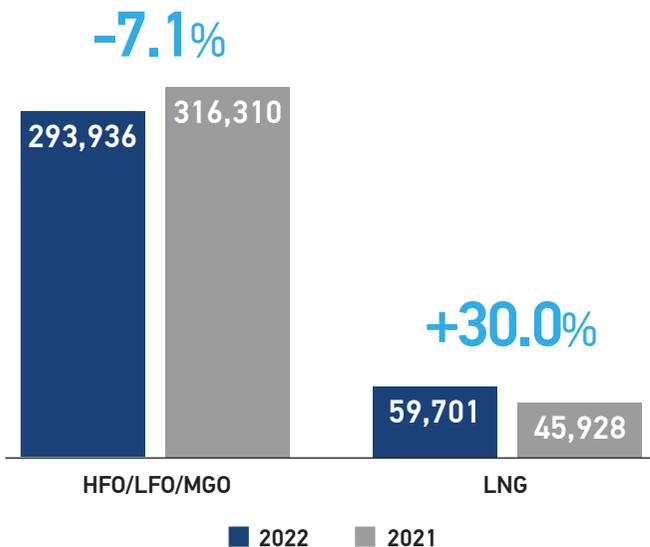
Fuel Consumption

During the reported year, our vessels consumed 293,936 tonnes of fuel oil and 59,701 tonnes of LNG, resulting to a reduction of 2.4% compared to 2021. More specifically, 54% of fuel used on LNG carriers was Natural Gas and the rest 46% was liquid fuel (MGO and HFO). We monitor the performance and the fuel consumption of our vessels, based on the best practices and internal procedures in accordance with the ISO 50001 standards.

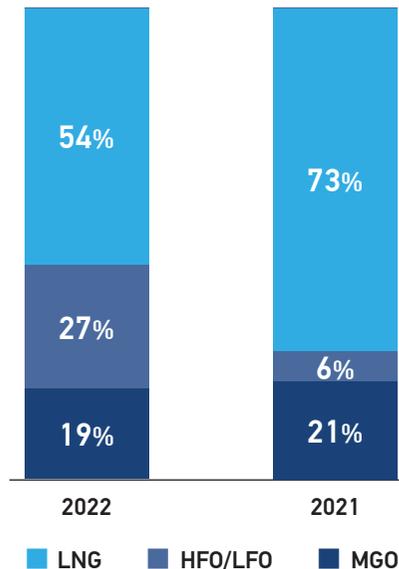
Conventional fossil fuels consumption has been decreased by 7.1%, whereas LNG usage, a fuel with significantly lower GHG impact, has been increased by 30%



Conventional vs LNG consumption (tonnes)



Fuel consumption in LNG vessels

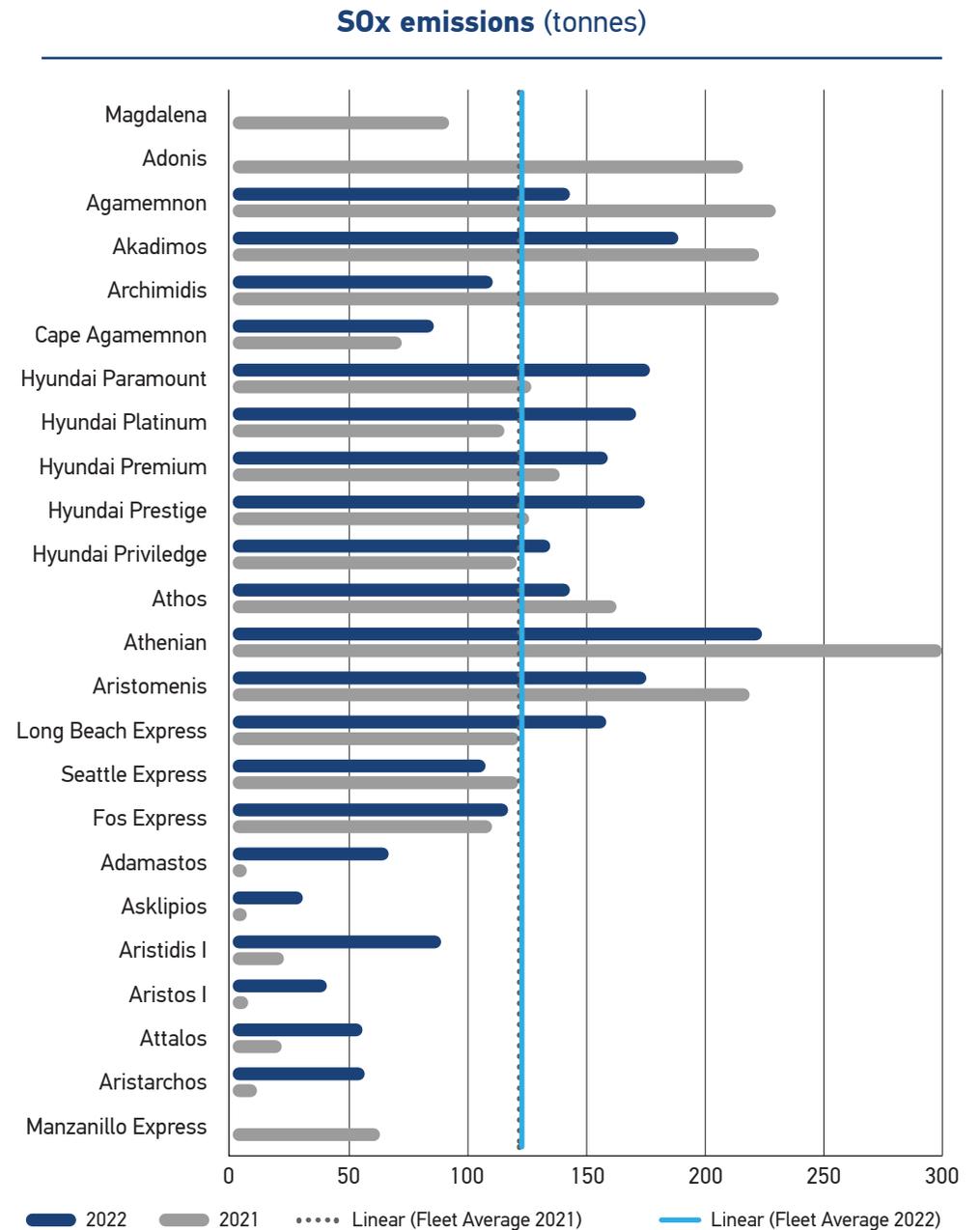


Air emissions SO_x

The main pollutants released to the atmosphere by our fleet operation are nitrogen oxides (NO_x), Sulphur Oxides (SO_x) and Particulate Matter (PM₁₀).

SO_x emissions

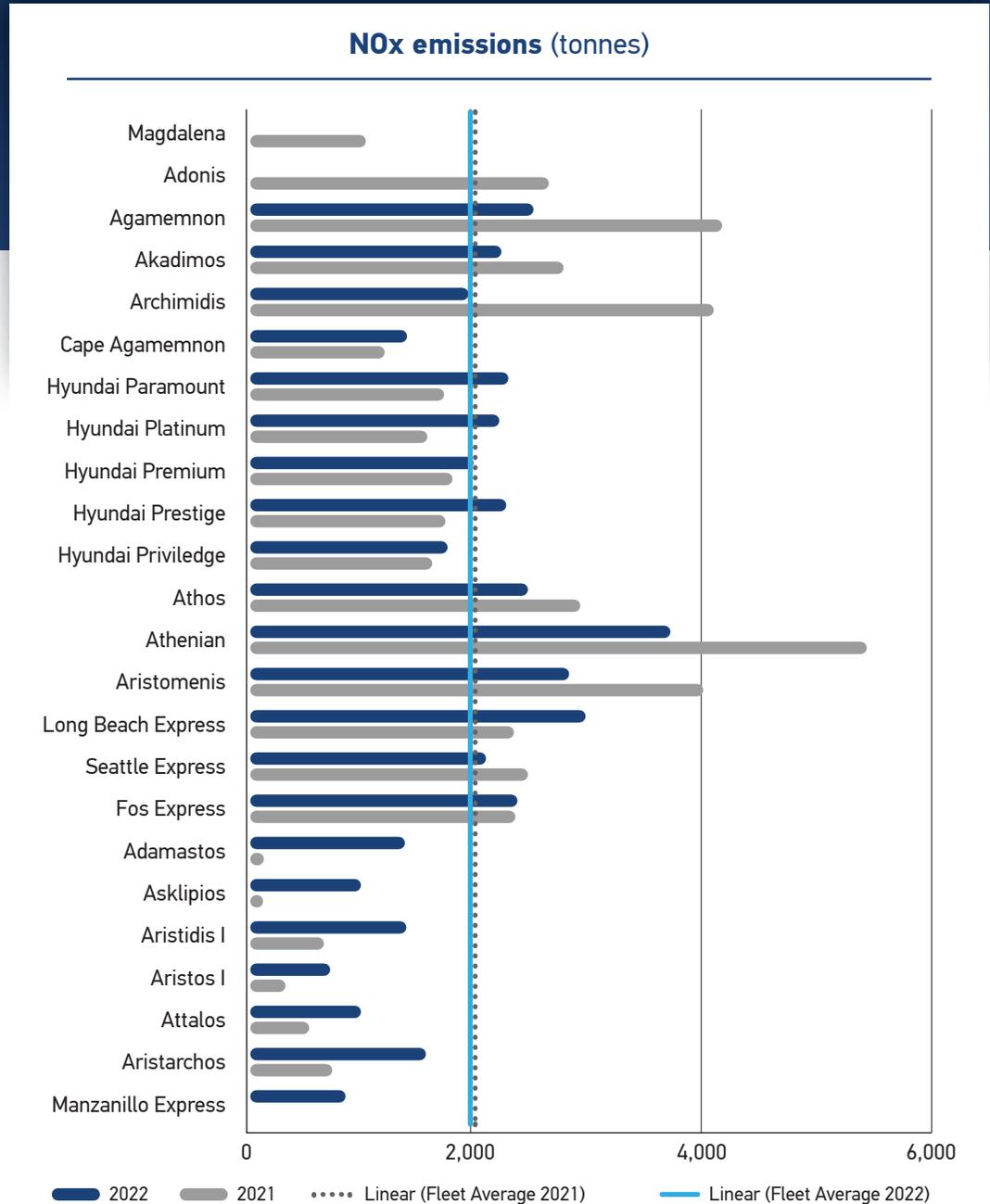
In response to global Sulphur limit, CPLP purchases Low-Sulphur fuel (0.5%) in order to reduce the Sox emissions. So far, we have installed Exhaust Gas Cleaning Systems (EGCSs) to 8 out of 16 of our vessels, since our LNG carriers, when in gas mode, do not have SO_x emissions. In 2022, our fleet emitted 2,658 tonnes SO_x recording a drop of 4.5% compared to 2021.



Air emissions NOx

NOx emissions are caused by the reaction of nitrogen and oxygen gases which take place during the fuel combustion at high temperatures in vessel's main and auxiliary engines and boilers. The Partnership continuously monitors its NOx emissions during ship and equipment upgrades and voyages in order to secure proper emission control and reducing our environmental footprint through our operations.

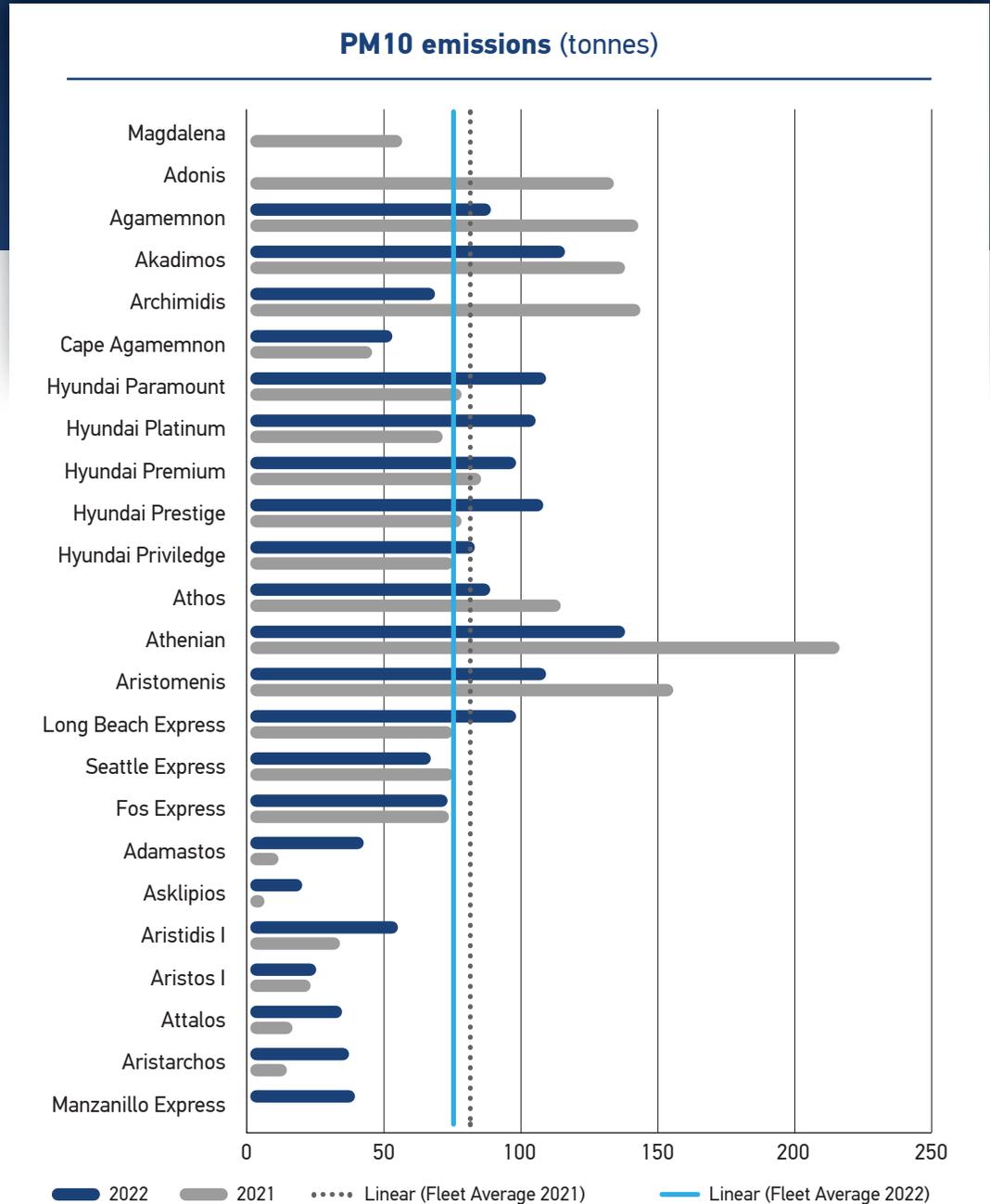
In 2022, our 22 vessels emitted a total of 46,463 tonnes of NOx recording a reduction of 7.6% in line with the overall reduction of conventional fuels. New calculation methodology has been applied for NOx emissions and as result our 2021 figure has been also revised.



Air emissions

Particulate Matter

Particulate matter (PM) emissions are related to the fuel used and its relative sulfur content. PM10 emissions are defined as particulate matter with a diameter of 10 micrometers. In 2022, our 22 vessels emitted a total of 1,657 tonnes of PM10, while in 2021, the total PM10 emission from our 23 vessels were 1,863 tonnes. The reduction is in line with the overall reduction of use of fossil fuels.

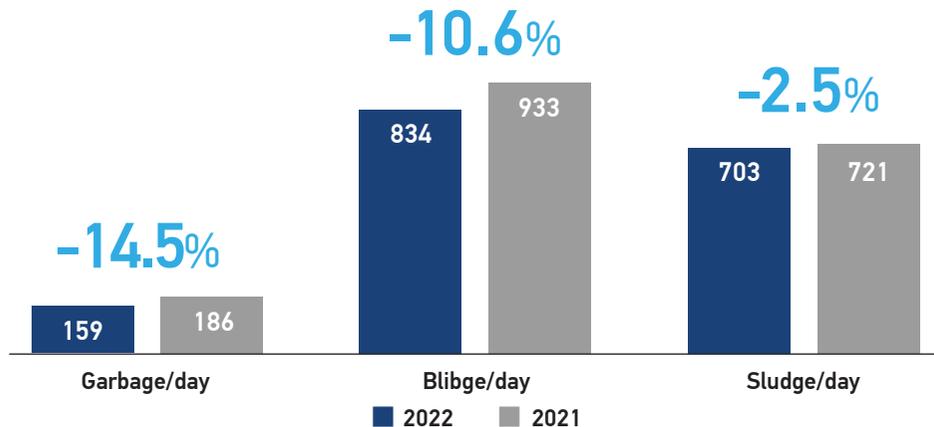


Waste Management

An essential element of our environmental management system is controlling, managing and safely disposing all types of waste generated onboard our fleet. We implement a comprehensive waste management system across our fleet, in accordance with international and local regulations, governing how all types of waste and sewage must be treated and disposed.

	2022	2021
Operating Days	7,412	6,413
Garbage m ³	1,176	1,193
Bilge m ³	6,184	5,982
Sludge m ³	5,213	4,624

Waste Management



Preservation and conservation of the environment

8

Vessels with Scrubber system

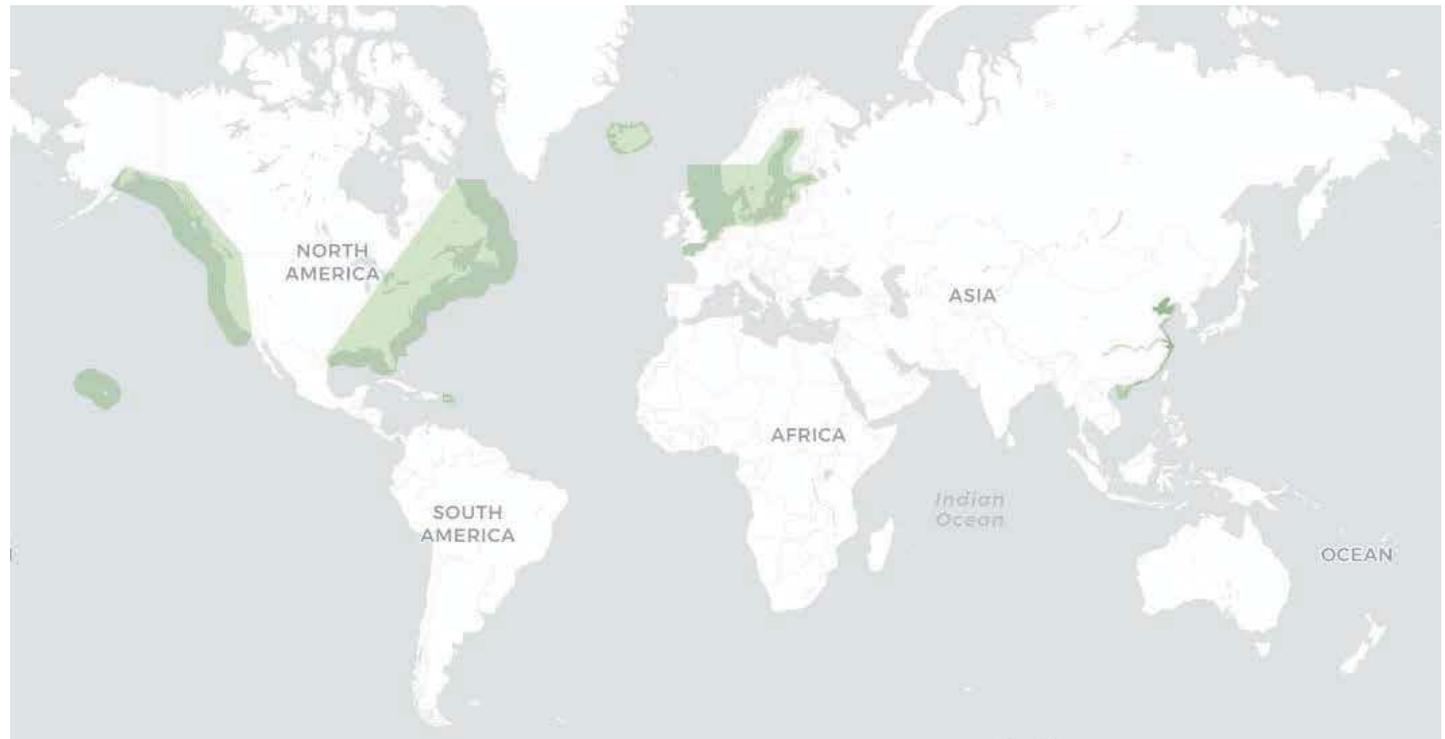
50%

Fleet percentage with scrubber system

Exhaust Gas Cleaning Systems (Scrubbers) installations

The use of exhaust gas cleaning systems, also known as scrubbers, on ships as an alternative to switching to cleaner low-sulphur fuel, has accelerated since the adoption of stricter global ship fuel sulphur regulations by the International Maritime Organization (IMO) more than ten years ago. Since 2015, all ships travelling in designated Sulphur Emission Control Areas (SECA) have to comply with a fuel sulphur limit of 0.10 per cent. The SECAs cover two northern European sea areas, the North Sea and the Baltic Sea, as well as the coastal waters (out to 200 nautical miles) of the United States and Canada. As from 1 January 2020, the global sulphur limit has been reduced from 3.5 per cent to 0.50 per cent and will apply to all ships in international trade.

We comply with these guidelines and closely monitor our vessels emissions, with the Emission Monitoring Systems installed. In addition, LNG used as fuel, has lower particulate matters, sulphur and nitrous emissions and is considerably less greenhouse gas intense than traditional heavy fuel oil and marine diesel oil.



Preservation and conservation of the environment

22

Vessels with BWTS

100%

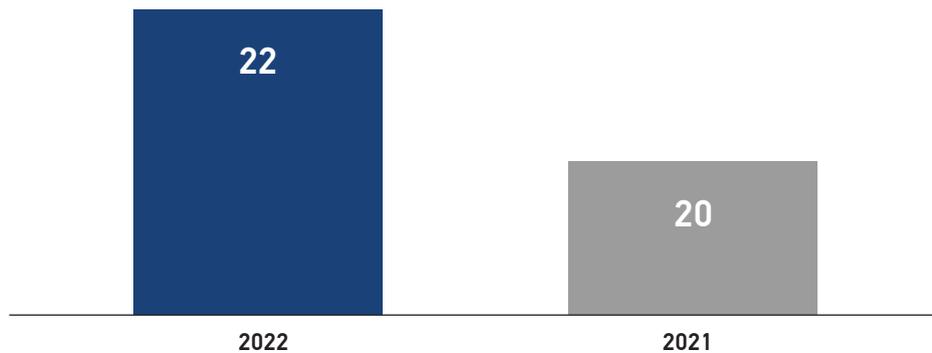
Fleet percentage with BWTS system

Ballast water management installations

According to IMO Ballast Water Management Convention, it is of high importance for the Shipping Industry to properly manage ballast water in order to protect marine biodiversity.

We adhere to these guidelines and monitor our vessels closely. Ballast Water Treatments Systems (BWTS) are installed to remove and destroy any non-native and inactive biological organisms (zooplankton, algae, bacteria) that can be present in ballast water and could potentially harm the marine environment. In order to contribute to the protection of the environment, we have installed BWTS on 22 vessels. During 2022, we concluded our BWTS retrofit programme and fully implemented measurements in order to improve our performance.

Number of vessels with BWTS



Preservation and conservation of the environment

0

Number of spills to the environment

100%

Fleet compliance with IHM

We follow and comply with all specific laws and regulations and use technology systems to monitor our operations in the designated marine protected areas so as to protect these unique ecosystems.

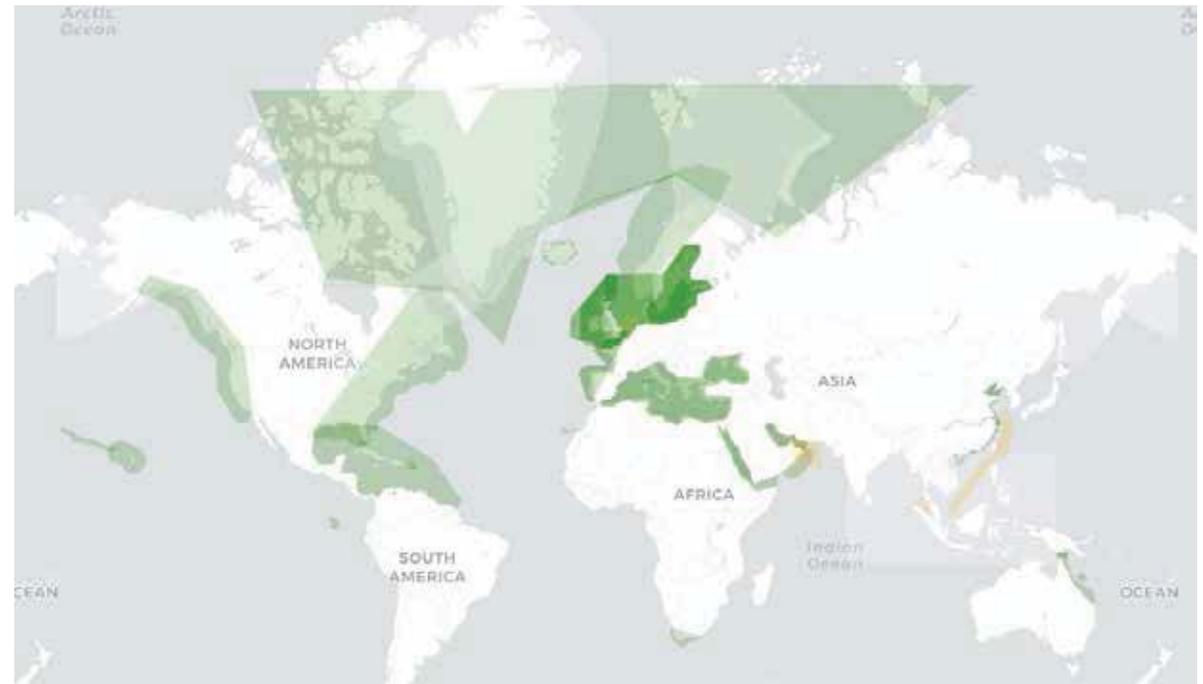
Fuel spills release to marine environment

Oil and lubricant spills release at the oceans or harbors render into extreme risk marine life. We strictly follow and comply with local, national and international regulations, as well as procedures and safety and environmental standards with regards to the ISO 14001. We achieved zero spills to marine ecosystem in 2022, in continuation of the excellent performance of the past years. We are responsible and committed to the environment and the continuation of the marine biodiversity and we have an obligation to prevent the release of harmful substances and garbage into our oceans and seas. We strive to protect both our people as well as our environment by achieving zero spills and incidents. We are aware of the impact of oil and lubricants spills on the marine environment. We apply strict policies and set specific targets of zero spills to the environment, that comply with the international standards and legislations to protect the marine ecosystem.

Ship recycling

All our vessels comply with the Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships (HKC) and hold an Inventory of Hazardous Materials certificate approved by our classification society.

- The HKC was adopted in 2009 in China and was further developed with input from IMO member states and other non-government organizations.
- The aim of the HKC is to ensure that the recycling of ships at the end of their operational life does not jeopardize human health and safety of the environment



Ashore environmental impact

In our attempt to minimize our operation's ecological impacts, we are also closely monitoring the emissions of our head office operations. The estimation of our carbon footprint enables us to handle our environmental performance and monitor the effect of our day-to-day business activities. During 2022, our head office CO₂ emissions were estimated at 827 tonnes CO₂.

- We launched an internal energy saving awareness campaign.
- We replaced conventional lighting equipment with LED.
- From 2nd half of 2022, the company has switched from hybrid teleworking operations to full presence at the office, increasing mobility emissions.
- No dry-dockings were executed during the year, and so emissions related to air travels and parts shipments were significantly decreased.

Type of emissions (kg CO ₂)	2022	2021*
Electricity*	54,880	63,534
Mobility	93,777	63,606
Air Travel	531,961	540,766
Shipments	146,394	270,372
Total CO₂ emissions (kg CO₂)	827,012	938,278

* 2021 revised figures.

** CO₂ kgr/kWh conversion for 2021 at 0.40735, for 2022 at 0.3852 source:(<https://www.dapeep.gr/>)

4 Social

RELATED SUSTAINABLE DEVELOPMENTS GOALS



Health & Safety

We have a strong commitment to ensure the health and safety of the people and the protection of the marine environment. We comply with the national and international laws, rules, regulations and industry standards and apply policies to ensure the health and safety of all people associated with our operations. We consider health and safety an integral part of our operations. We have established a Health and Safety, Environment, and Energy Efficiency (HSEE) System, with specific policies, procedures and controls. We continuously review and monitor the effectiveness of the established procedures and guidelines, as well as the continuity of the policies suitability and apply additional measures and proceed with necessary adjustments when deemed necessary, in order to ensure that our goals are achieved. Our system's responsibilities extend throughout the organization from the highest level of Management downwards. All our personnel both ashore and onboard, implement and follow the Company's HSEE detailed procedures and instructions.

We aim to:

- Prevent unsafe acts, personal injury, damage to property and the environment.
- Recognize that health, safety, quality, energy efficiency and environment protection are essential to achieve the Company's goals.
- Increase the sense of personal responsibility and raise awareness for health, safety, energy efficiency and environment protection.
- Ensure that personnel assigned to the various tasks are experienced and have received adequate training.

HSEE Management Team / Occupational Health & Safety Committee

We have established an HSEE Management Team / OHS Committee to be responsible for the effective implementation of the current HSEE policies and activities and HSEE performance improvement initiatives and actions. The Committee consists of the HSEE Representative, the Managing Director, the Chief Technical Officer (acting also as the personnel representative) and the DPA.

Employees' Consultation and Participation

Our employees' opinion is important to us. We provide to our employees clear, comprehensive and relevant information about the HSEE System, adequate training and required resources, while we also encourage them to propose initiatives or submit their complaints. We have adopted a HSSE suggestion and complaint mechanism, through which all employees are able to express a complaint or suggest an idea. Complaints and cases of non-conformity can be reported either anonymously or personally. The HSEE Representative and the HSEE Management Team / OHS Committee investigates the root cause of the complaint / nonconformity /suggestion and proceeds with necessary correction and corrective actions, when deemed necessary.

Health and safety trainings

We are committed in continuously improving the safety management skills of our staff by organizing safety-related trainings on a regular basis. In order to ensure that all our employees, both ashore and on-board, are aware of our occupational health and safety management system and the possible risks, we conduct a variety of health and safety related trainings, which cover the following areas:

- Workplace health-hygiene-safety
- Risk assessment
- Incident investigation and root cause analysis
- Internal auditor ISM, ISPS, MLC and ISO systems awareness

All our seafarers and the shore-based personnel attend at least annually and even on a monthly basis, dedicated trainings such as Serious Disaster Punishment Act, Health and safety management, Management supervisor, Health and Safety Risk Assessment and Occupational safety and health education.

Additionally, we have implemented a set of voluntary Health Programs aiming to reduce non-work-related health risks.

Health & Safety

Drug & Alcohol policy

We are highly committed to providing a safe work environment for our crew, protecting their safety and well-being. Alcohol and drug abuse can impair a person's ability to perform properly and could thus, have serious adverse effects on safety. Management has established a strict Drug & Alcohol Policy adhered by all persons onboard our vessels.

We constantly monitor and make sure that the Drug & Alcohol Policy restrictions and policies are followed. Our crew members undertake drug and alcohol testing prior to employment, while at the same time our vessels are provided with approved alcohol testing devices and collection kits for drug testing purposes. We schedule unannounced drug and alcohol testing two or three times per year, with the help of approved shore medical services. Masters, Officers and crew are obliged to provide samples as and when required by shore laboratories and to undergo all testing when requested.

0

Number of Drug & Alcohol incidents in 2022



Health & Safety

0

Lost time injury frequency

0.47

Recordable cases frequency

Health and Safety onboard our vessel is a fundamental part of our long-term success and a core value for us. We are dedicated to providing a safe and healthy workplace onboard for our employees and visitors, through the implementation of our Health and Safety, Environment, and Energy Efficiency System (HSEE). We aim to enhance occupational safety, reduce factors that contribute to the occurrence of accidents, and prevent human injuries for all seafarers, ashore personnel and visitors onboard our vessels. Our health and safety performance is driven by our policies, guidance, equipment and training programs. All of our staff, both seafarers and shore-based personnel are covered by our occupational health and safety management system.

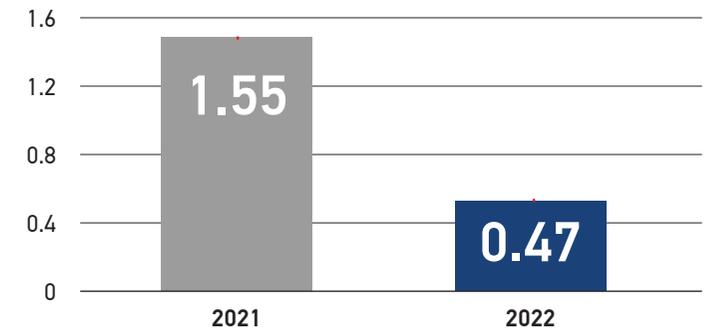
	2022	2021	D%
Injuries	2	5	-60%
Fatalities	0	0	
Lost Time Injury Frequency (LTIF)	0	0.53	
Total Recordable Cases Frequency (TRCF)	0.47	1.55	-70%
Serious Marine Incidents	0	0	

In 2022, we recorded two injuries. The Lost Time Injury Frequency (LTIF) rate was reduced by 100% from 0.53 in 2021 to 0 in 2022. Despite the increased exposure hours of our seafarers during the reporting period, the Total Recordable Cases Frequency (TRCF) rate reduced, from 1.55 in 2021 to 0.47 in 2022. Additionally, in 2022 we recorded zero cases of recordable work-related ill health and zero fatalities.

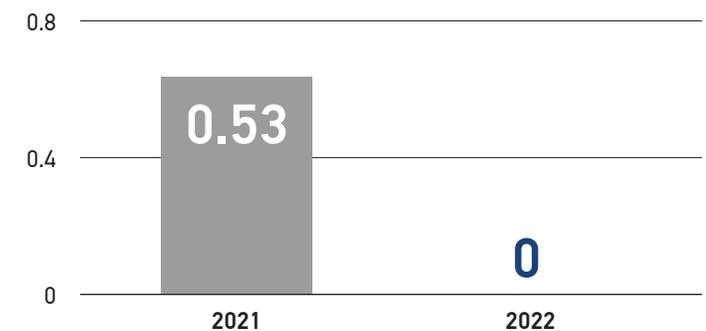
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Serious marine incidents

Total Recordable Cases Frequency (TRCF)



Lost Time Injury Frequency (LTIF)



Health & Safety

On Board Audits and Port State Controls (PSC)

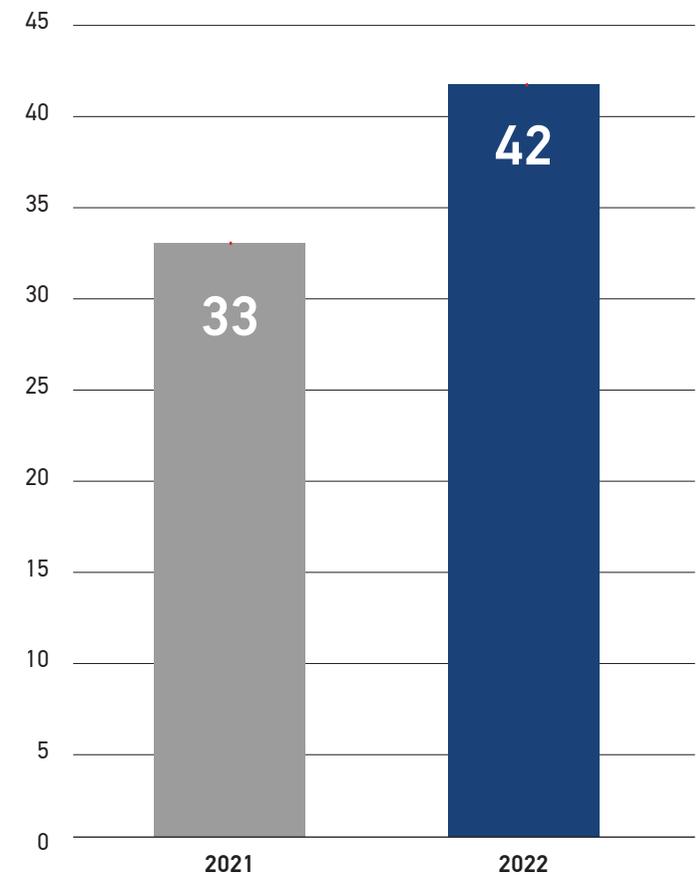
Our operations are regulated by numerous international conventions, port state and flag state requirements. The effective implementation of our policies, procedures and the guidance provided to our personnel is evident through our records in PSC (port state control) inspection’s deficiencies. During the reported year, we recorded zero detentions and 23 conditions of class or recommendations across our fleet.

	2022	2021
PSC Inspections	29	36
PSC Deficiencies	42	33
PSC Detentions	0	0
Ship visits by Superintendents	63	31
Ship visits by Top Management	19	11

Internal and external audits are performed onboard our vessels to safeguard that we comply with all regulatory requirements. During 2022, 30 internal audits were performed.

We are close to our seafarers; we physically attend our vessels to support our crew members and ensure that all Company’s policies are followed. In 2022, our visits to our vessels were significantly increased. We performed 82 visits onboard, 63 of which were performed by our ashore Superintendents and 19 by Top Management.

PSC Total Deficiencies per Year



82

Visits onboard

+95%

Increase in ships visits by headquarters officers

29

PSC Inspections

0

PSC Detentions

Our seafarers

Our seafarers are the driving force of our operations, ensuring the smooth and safe operation of our fleet. Their safety, welfare and professional development are a priority for us.

Pool of seafarers

The total number of seafarers onboard our vessels for 2022, was 1,010.

Diversity and inclusion onboard our vessels is an integral part of our operations. We prioritize creating an environment where seafarers from different backgrounds, cultures and experiences work together harmoniously. We are committed to ensuring that all our seafarers are treated with respect and fairness. In 2022, three of our seafarers were women and we aim to increase this number in the coming years. We also employ seafarers from different cultural backgrounds. From a total of 17 nationalities, the majority of our seafarers are Filipinos and Romanians.

Remuneration and benefits

At Capital, we offer fair and competitive compensation that not only enables us to retain skilled professionals, but also safeguards their welfare. Remuneration is based on experience, skills, background, rank, and overall contribution. During 2022, we provided increased bonuses and flexible contracts to our seamen and the total amount for crew salaries and bonuses was \$32.5 million.

Learning and Development

We invest in our people and promote their development. We are committed to providing equal opportunities to our crew members for career and skills development. Our philosophy is based on keeping our seafarers satisfied at their workplace and maintaining a high retention rate. Trainings are an integral part of our business strategy. We provide our employees with learning and development opportunities that enable them to enrich their capabilities and implement training programs that aim to assist our staff to achieve their personal goals.

At Capital, the continuous development and upskilling of our crew is of fundamental importance. A total number of 2,089 training sessions were conducted during the year totaling 22,207 training hours at a cost of \$840,000. From the total number of trainings, the majority aimed at developing the skills of our crew and familiarizing them with the procedures of our new vessels. Specifically, training was provided to our masters, senior officers and junior officers according to their responsibilities.

These sessions were focused on:

- On boarding familiarization: duties, responsibilities
- Seamanship: navigation, ship handling, anchoring
- Safety and emergency: firefighting, emergency response, risk management and incident investigation
- Cargo operations: loading and discharging
- Engine room: maintenance of engines and machinery
- Electronic Chart Display and Information System (ECDIS): familiarization with new electronic navigation devices

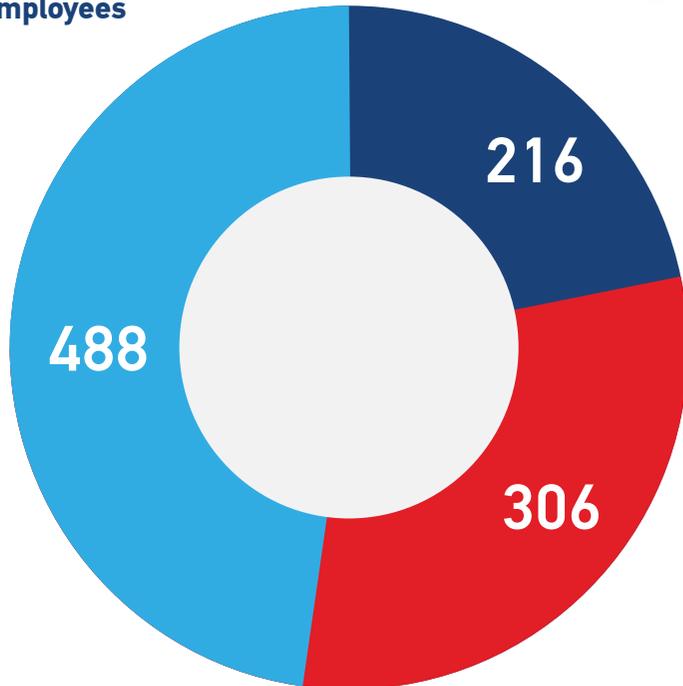
In addition, a number of other specific training sessions were conducted to ensure that our seafarers are well prepared to deal with any challenges that may arise at sea. Specifically, we provided training on piracy in high-risk areas and emergency protocols to be followed to ensure the safety of our personnel and on-board workshops as recommended by international standards, regulations, laws and flag states for safe voyage procedures. All our seafarers are aware of our Code of Ethics and Anti-Corruption Policy as part of the specific training they receive. Furthermore, as our modern fleet relies on interconnected systems and digital technology, cyber security sessions were held to address cyber threats on board and protect sensitive information.



\$32.5 millions
seafarers' bonuses and salaries

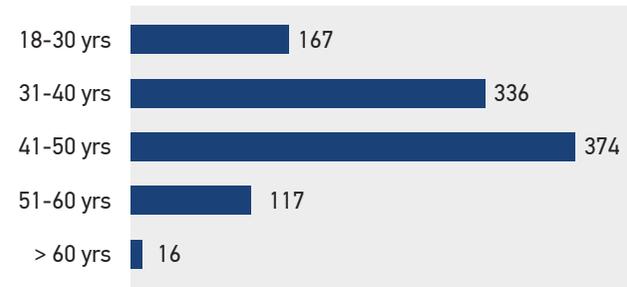


Number of employees per rank

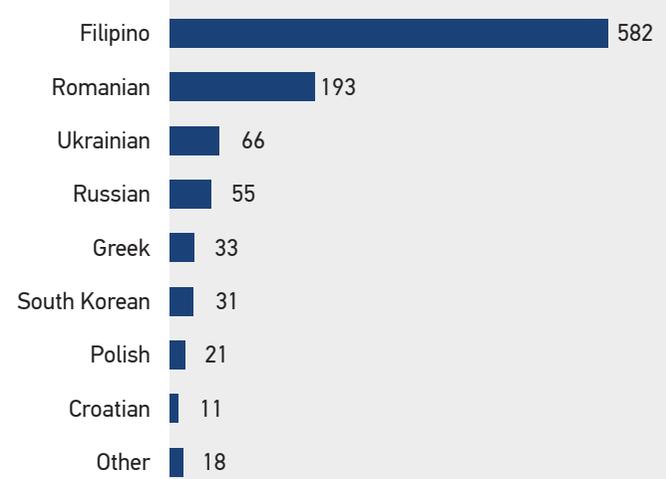


- Senior officers
- Junior officers
- Ratings

Seafarers per age group



Seafarers per nationality



1,010

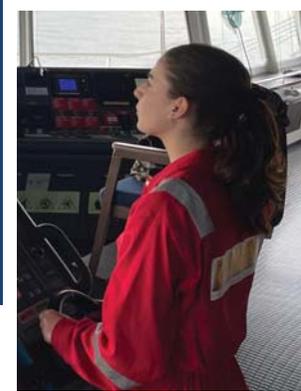
seafarers onboard

17

seafarers' nationalities



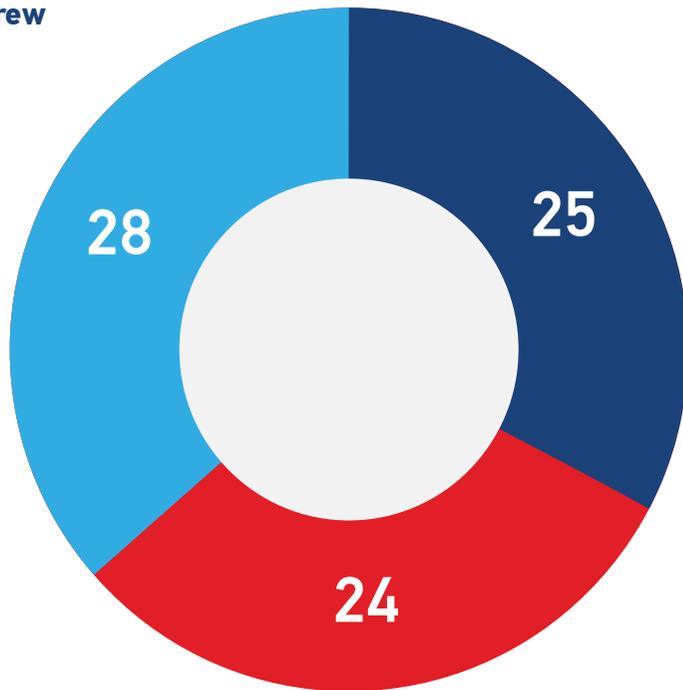
\$840,000
on Crew Training Expenses



Evaluation and promotions

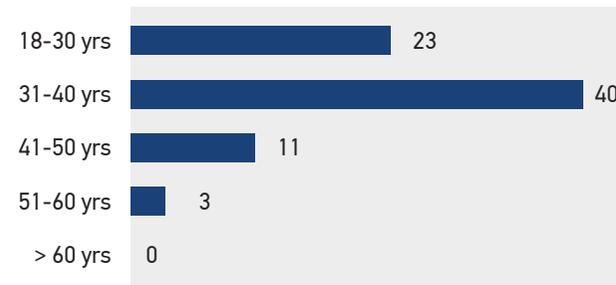
All our seafarers participated in the annual performance review process and received feedback. As a result of the annual review process, we made 77 promotions in 2022, 40 of which were in the 31-40 age group. We also have a high retention rate of 96%, demonstrating our commitment to retaining and developing our seafarers.

Number of crew promotions per rank

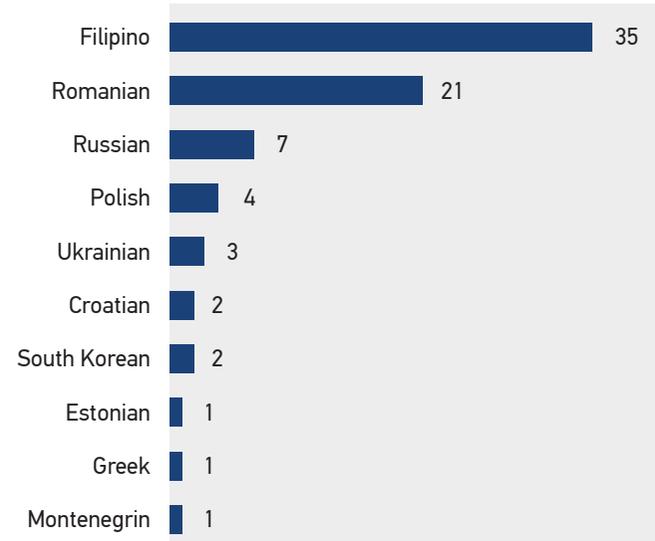


- Senior officers
- Junior officers
- Ratings

Number of crew promotions per age



Number of crew promotions per nationality



77
crew promotions

96%
crew retention rate

Well-being initiatives for our seafarers

One of our company's priorities is to improve the wellbeing of our seafarers, both physically and mentally. During the year we implemented a number of initiatives to support our holistic wellbeing strategy. A quarterly health promotion bulletin is distributed to all our vessels, while in case of an emergency, our seafarers can seek personal advice from experts through access to the National Emergency Management Agency, which provides guidelines for emergency treatment and medical advice in case of illness or accident at sea. In addition, health insurance programs are provided for all personnel on our vessels.

The mental health of our seafarers is crucial, so we maintain a regular interaction between office, vessels, seafarers stranded in transit and expanded our helpline to include families and children. We also support our seafarers ashore, who are unable to re-join the vessels of assignment, by establishing a cash advance system, available upon request, guarantee of reemployment provided through our Crew managers and supporting to their families.

Other initiatives embedded to support our seafarer's wellbeing onboard vessels include:

- The Marine Medical Solutions, Psychometric Tests and support from a dedicated helpline to assist seafarers in case of excessive stress, due to the war outbreak.
- Free internet access for communication purposes with families and friends
- Fitness machines, TVs, DVD players, videogame consoles on our vessels
- Karaoke and other events
- A partnership with a specialized chef committed to offering our crew access to wholesome and nourishing meals, while also fostering camaraderie and a sense of community among our team members. The fleet cooks enjoyed direct communication with the Chef via chat, where they received recipes, tips, and photos of prepared meals. Various contests, including those focused on reducing food wastage, engaging in the pasta challenge, and others, were regularly organized.

Initiatives for seafarers affected by the war

We have taken a number of measures to help our seafarers affected by the war and to support their families. To date, we have provided financial assistance to all our Ukrainian seafarers to help their families and we are covering their overseas expenses such as rent to help them resettle and start a new life. Through our Crew Managers, we are actively helping families to evacuate promptly from conflict zones and coordinating their accommodation in Poland, Romania and other EU countries. We are also offering our Ukrainian and Russian seafarers maximum flexibility to extend their current employment on board or transfer to other vessels. We are also replenishing cash accounts on our vessels so that seafarers can receive their final wage in cash.



The Neptune Declaration
on Seafarer Wellbeing
and Crew Change



GLOBAL
MARITIME
FORUM

Neptune Declaration on Seafarer Wellbeing and Crew Change

Covid-19 has impacted the daily lives and wellbeing of seafarers in unprecedented ways, causing a humanitarian crisis at sea. Hundreds of thousands of seafarers have been stranded working aboard ships beyond the expiry of their contracts. As the frontline workers of the maritime industry carrying 90% of global trade, seafarers play a vital role in ensuring the global flow of goods that the world depends on.

We are signatories to the Neptune Declaration on Seafarer Wellbeing and Crew Change by the Global Maritime Forum.

Recognizing that they have a shared responsibility to resolve the crew change crisis, Capital-Executive, Capital Ship and Capital Gas and more than 850 companies and organizations have signed the Neptune Declaration on Seafarer Wellbeing and Crew Change.

The Neptune Declaration urges the implementation of four main actions to address the crisis:

- Recognize seafarers as key workers and give them priority access to Covid-19 vaccines
- Establish and implement gold standard health protocols based on existing best practice
- Increase collaboration between ship operators and charterers to facilitate crew changes
- Ensure air connectivity between key maritime hubs for seafarers

We proceed with crew changes whenever possible to maintain the highest standards for safe embarkation, disembarkation and travel arrangements and take all necessary steps to enhance seafarers' well-being onboard, maintaining contact with their significant others ashore and obtaining mental and medical assistance 24/7 amongst others.

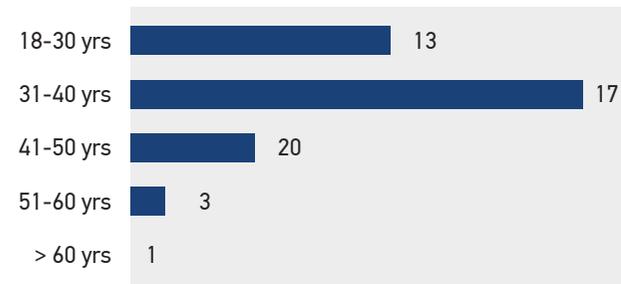
Our employees ashore

Our people strengthen our operations and are at the forefront of our business philosophy. Our team ashore consists of highly skilled individuals with extensive experience in shipping and industry. We are committed to provide an attractive, rewarding and safe work environment that promotes equality and diversity, cooperation and career development.

In 2022, we employed 54 individuals under full-time contracts. Regarding the characteristics of our ashore workforce, 35% of our employees represent women, while 68% of our employees belong to the age group of 31-50 years old. Our team ashore has a diverse educational background and skillset with 31% of them also having a seagoing experience which contributes tier I operational performance. We recognize the significance of upholding equal work and salary benefits without any form of gender discrimination. We commit ourselves to work towards promoting workplace equality, establishing fair and inclusive policies and practices.

Our company's retention rate for this year was 89% and the turnover rate was 11%. Compared to the previous year's percentages, there was a significant increase in the retention rate of 19%, which is an achievement for our company as we strive to retain our team by being close to our employees and providing them with development opportunities.

Employee age distribution



54

Employees ashore

New hires

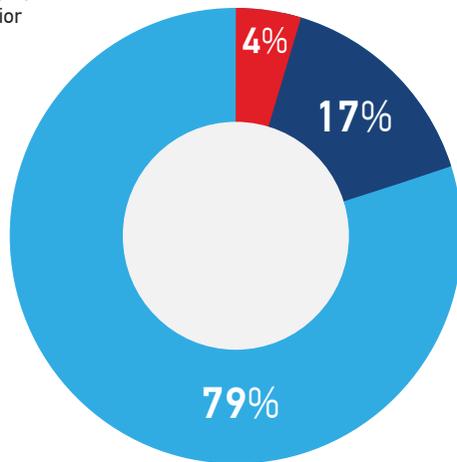


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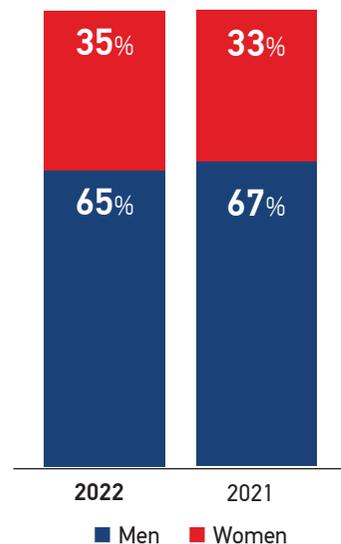
New hires

Diversity of governance bodies & employees

- Percentage of employees in Leadership & Senior Management
- Percentage of employees in Middle Management
- Percentage of general employees



Gender Breakdown



Learning and Development

We offer equal career growth opportunities and support the educational development of our employees and their constant up-skilling. To motivate our personnel to enhance their skills, we invest in training and development programs which include but are not limited to Leadership, Coaching, Mentoring and other important soft skills. Additionally, we have established an annual performance feedback process, which sets some short-term and long-term goals. In 2022, all employees received a regular performance feedback and conducted a career development discussion with their manager.

1,315
Total training hours

Training is of high significance within our organization. We believe that it plays a crucial role in maintaining the proficiency and adaptability of our team in a dynamic and evolving maritime industry. Our employees undergo various training programs covering aspects such as safety protocols, vessel operations and management, soft skills, logistics management and others. This steadfast commitment to continuous learning not only enhances the individual competencies of our team members but also strengthens our company's ability to deliver safe and efficient ship management. In addition, we ensure that new recruits have a thorough understanding of our organizational rules and ethical standards through dedicated workshops focusing on the Code of Business Conduct and Ethics.

Training sessions:

- Qualified Marine Assessors
- Leadership & soft skills
- ISM ISPS Internal Auditor
- Media Training & Communication
- O'BRIENS Ship Shore Drill
- Operation Advance Course WiCE Controlled Engines
- Class & STAT
- General Overview on Service and maintenance procedures of fire, rescue & safety equipment
- Company Security Officer
- TMSA & Vetting Awareness

Initiatives for our employees ashore

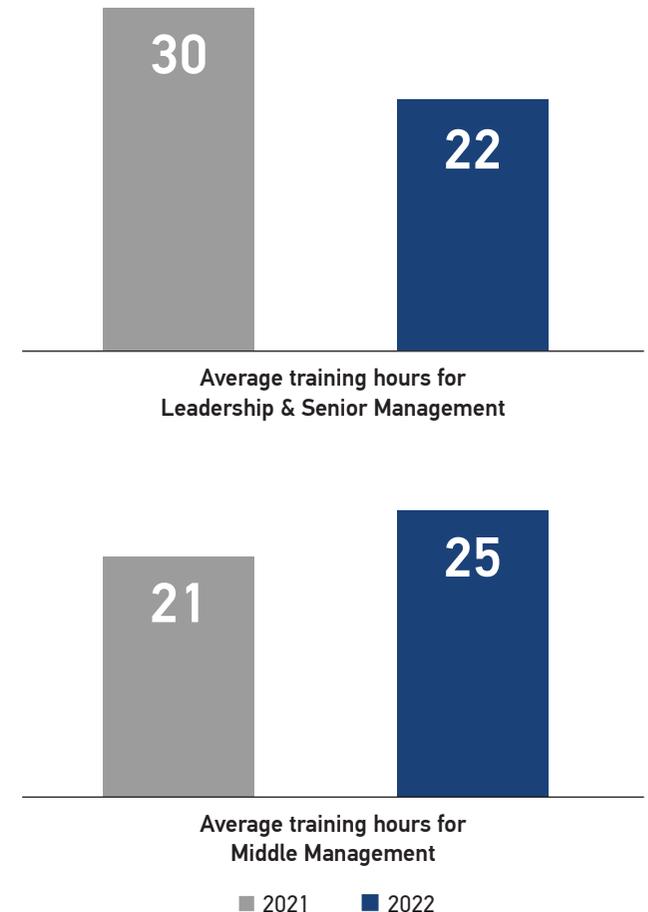
We invest in our employees' holistic wellbeing, to improve productivity, and increase job satisfaction. During 2022 we actively supported our shore-based employees welfare by offering:

- Medical examinations or health assessments
- COVID-19 rapid testing, conducted at least once per week
- Daily meals following the Mediterranean diet
- Car parking discounts
- Tickets for football matches
- Medical Consultation
- Pharmaceutical rebates

Furthermore, we endeavored to implement a distinguished health insurance plan by the conclusion of 2023. This program will encompass various beneficial components, including coverage for hospital care, outpatient care, surgical and hospital allowances, along with maternity benefits.

100%
of our employees covered by collective bargaining agreements

Average training hours



Supply chain practices

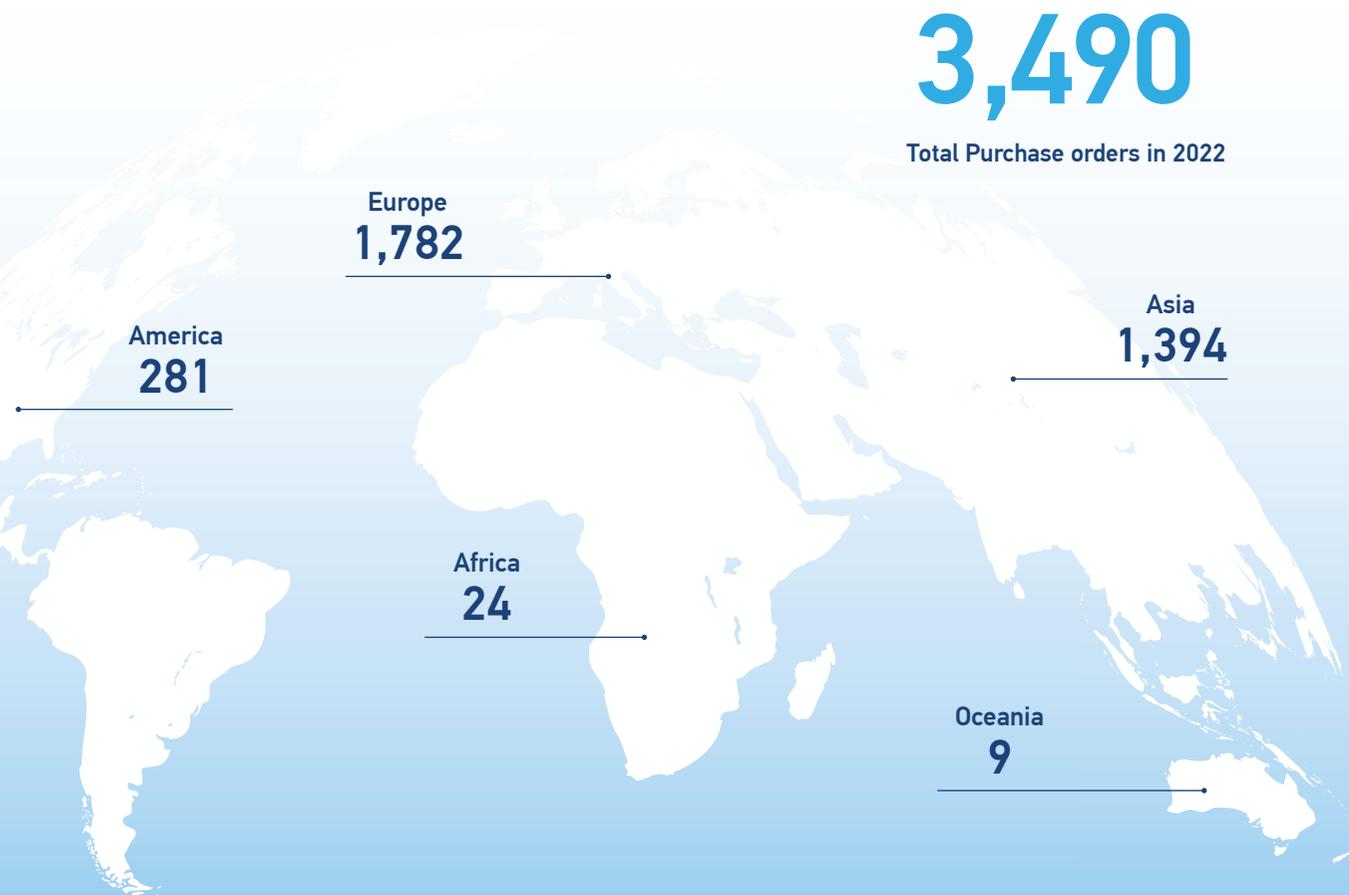
During the reporting period, approximately 33% of our supply shipments were consolidated.

We manage our supply chain in a socially and environmentally responsible manner and collaborate with suppliers that meet our requirements. We have established an evaluation system through which we evaluate and select the suppliers and/or subcontractors, who provide products or services that directly or indirectly affect the quality of services we offer to our clients. Therefore, in 2022, at least 80% of our suppliers were evaluated based on the following criteria:

- Quality of products and services delivered.
- Availability of items and delivery schedule.
- Value of products and services and payment terms.
- Legal compliance of products and services.
- Compliance of products and services to the Company's declared HSEE specifications, e.g. certification of PPEs, energy efficient equipment, certification of chemical substances, environmentally friendly products (e.g., chemicals, products with less package, etc.).
- Historical demonstrated capacity and performance.
- Compliance with HSEE industry standards and certifications such as ISO 9001, ISO 45001, ISO 14001 or ISO 50001.

We collaborate with suppliers worldwide and consider important to consolidate our spare parts shipment and forwarding activities in order to achieve high level of efficiency and minimize our supply chain carbon footprint. Moreover, we have created a dedicated platform to eliminate paper consumption.

Total Purchase orders per region in 2022



Our Contribution to the community

At Capital Product Partners, we believe that we are responsible for supporting and empowering our society. This notion is embedded in our company's philosophy and values and drives our day-to-day business. For many years, we have actively supported a significant number of charitable and cultural causes both in Greece and around the world. Our primary objective is to make a meaningful contribution to the communities in which we work and live.

HELMEPA International Coastal Cleanup Campaign 2022

The shore personnel of Capital's Management companies together with their families and friends participated in Helmepe International Coastal Cleanup Campaign 2022. The outdoor activity took place recently at Freatida Beach, Piraeus, and resulted in the collection of a significant amount of garbage, mainly consisting of plastic pieces, cigarette ends, plastic bottles, aluminum cans and paper pieces.

Collaboration with the Municipality and the Metropolis of Piraeus

In 2022, we contributed financially to social initiatives in our hometown, the port city of Piraeus, in collaboration with the Municipality and the Metropolis of Piraeus, supporting summer camps for school children of all ages summer camps and collecting food, dining room equipment and toys for 200 children.

Adopt a Ship program

In 2022 we actively support the "Adopt a Ship" program, which aims to connect students with the maritime industry, and foster an understanding of its importance to global trade and economy. The program, endorsed by the Ministry of Education, has seen significant participation from schools across Greece. Through this initiative, captains and shipping companies volunteer to communicate with students, share their knowledge and experience from the maritime world, thus enriching the students' educational journey and potentially inspiring maritime careers.

ARGO project

In 2022 we supported the Association of Naval Parents of Children with Special Needs "ARGO". The main aim of the organization is the care and education of children with special needs, mainly from families of Greek seafarers.



5 Corporate Governance

RELATED SUSTAINABLE DEVELOPMENTS GOALS



Board of Directors & Committees

Sustainability is rapidly becoming a strategic imperative for us. To maintain the trust of our stakeholders, we act responsibly, uphold the highest standards of ethical conduct, and implement a more focused and integrated approach to achieving our sustainability objectives. Our governance model is anchored in the Board of Directors and supported by additional committees that ensure alignment across the company.

Through our governance framework, we aim to foster a culture of ethical business, while also following a proper risk management system.

Pursuant to our partnership agreement, our Board of Directors has the authority to oversee and direct our operations, management and policies on an exclusive basis.

During the year ended December 31, 2022, our board of directors held 13 meetings. As part of our board meetings, our independent directors meet without the non-independent directors in attendance. In addition, the board regularly holds sessions without the CEO and executive officers present. During the year ended December 31, 2022 our independent directors held two executive sessions. Even if Board members are not able to attend a board meeting, all board members are provided information related to each of the agenda items before each meeting, and can therefore provide counsel outside regularly scheduled meetings. All directors were present at all meetings of the board of directors and all meetings of committees of the board of directors on which such director served.

Our board of directors is currently comprised of directors a majority of whom are independent and has established an audit committee, a conflicts committee and a compensation committee comprised solely of independent directors. Each of the committees operates under a written charter adopted by our board of directors which is available under “Corporate Governance” in the Investor Relations tab of our web site at www.capitalplp.com

Our Board of Directors consisted of seven members, of which five members were elected by the common unitholders during the reporting period 2022.

Directors appointed by our General Partner serve as directors for terms determined by our General Partner and directors elected by our common unitholders are divided into three classes serving staggered three-year terms (“Class I”, “Class II”, and “Class III”).

Board Members	Role	Committees
Keith Forman	Chairman of the Board Class III director	Audit committee Conflicts committee Compensation committee
Gerasimos (Jerry) Kalogiratos	Director appointed by our General Partner Chief Executive Officer	
Dimitris P. Christacopoulos	Class II director	Audit committee Conflicts committee Compensation committee
Gurpal Grewal	Director appointed by our General Partner	
Rory Hussey	Class I director	Audit committee Conflicts committee Compensation committee
Abel Rasterhoff	Class II director	Audit committee Conflicts committee Compensation committee
Eleni Tsoukala	Class III director	Audit committee Conflicts committee Compensation committee

9.5yrs
Average Directors' tenure

The Board of Directors is additionally supported by various committees which are summarized below:



Board Characteristics

We have formed a diversified governance body that encompasses a wide range of backgrounds, cultures and experience. We upload Board Diversity Matrix annually which is available under “Corporate Governance” in the Investor Relations tab of our web site at www.capitalplp.com, as all Nasdaq listing companies are required to disclose board level diversity statistics.

1 Ethnic Minority

4 Nationalities

1 Female Director

Audit Committee

Our Audit Committee of our Board of Directors is composed of three or more independent directors, each of whom must meet the independence standards of the Nasdaq Global Select Market, the SEC and any other applicable laws and regulations governing independence from time to time.

The Audit Committee, among other things,

- Reviews our external financial reporting.
- Engages our external auditors.
- Oversees our internal audit activities and procedures and the adequacy of our internal accounting controls.

5
meetings within 2022

Conflicts Committee

Our Conflicts Committee of our Board of Directors is composed of the same directors constituting the audit committee. The members of our conflicts committee may not be officers or employees of our General Partner or directors, officers or employees of its affiliates, and must meet the independence standards established by the Nasdaq Global Select Market to serve on an audit committee of a board of directors and certain other requirements.

The Conflicts Committee

- Reviews specific matters that the board believes may involve conflicts of interest
- Determines if the resolution of the conflict of interest is fair and reasonable to us

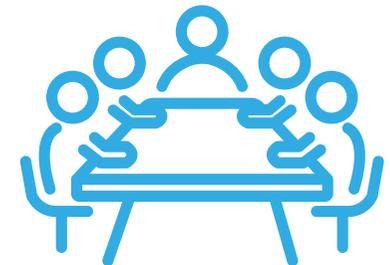
7
meetings within 2022

Compensation Committee

Our Compensation Committee of our Board of Directors is composed of the same directors constituting the audit committee and conflicts committee.

The Compensation Committee

- Reviews compensation of the members of the board of directors
- Has overall responsibility for approving and evaluating our compensation plans, policies and programs, but not the compensation of the executive officers of the General Partner of the Partnership and related executive service agreements.



Nomination and Selection process

At Capital Product Partners we believe that the nomination and selection of the board of directors is a critical process in our governance structure. The full Board of Directors considers and determines the desired experience, mix of skills and other qualities necessary to ensure the appropriate composition of the Board, taking into account the current Board members and the specific needs of the Partnership and the Board.

The criteria for selecting directors includes factors such as:

- Candidate's ability to comprehend the Partnership's strategic goals and to help guide the Partnership towards the accomplishment of those goals.
- The history of the candidate in conducting his or her personal and professional affairs with the utmost integrity and observing the highest standards of values, character and ethics.
- Candidate's time availability for participation at Board and committee meetings
- Candidate's judgment and business experience with related businesses or other organizations of comparable size.
- The knowledge and skills the candidate would add to the Board and its committees, including the candidate's knowledge of the rules and regulations of the SEC and national stock exchanges, and accounting and financial reporting requirements.
- The candidate's ability to satisfy the criteria for independence established by the SEC and national stock exchanges.
- The interplay of the candidate's experience with the experience of other Board members.



Our Ethical Principles

0

Bribery & fraud incidents

0

Violations of our ethical principles

6.17%

Port calls in countries with the 20 lowest rankings in CPI of our total port calls

The key areas covered by the Code are the following:

- Compliance with applicable government laws, Rules and Regulations
- Compliance with anti-trust laws
- Application to third parties
- Zero tolerance on retaliation
- Dissemination and amendment
- Waivers
- Operational conduct
- Personal conduct in the Company
- Personal relationships
- Confidential information
- Company property
- Anti-bribery and corruption
- Records and accounts
- Reporting and compliance procedures
- Training and review procedures

All of our employees, directors and officers, agents and persons performing similar functions, officers or directors of our manager wherever located, as well as all of our subsidiaries and other business entities, are obliged to follow our Code of Ethics. Any violation of this Code may result in disciplinary action, including suspension and/or termination of employment.

Third- Party ethics training

Our aim is to collaborate with third parties, either entities or individuals, whose principles and morals align with our business conduct. Thus, in order to ensure that all employees and third parties act in accordance with the Code, the Company regularly provides a series of appropriate trainings aiming at enhancing ethical awareness across all business parts.

Our anti-bribery and corruption policy

We are committed to carrying out our business fairly, honestly and openly. It is our policy to maintain the highest standards of ethical conduct and to comply fully with all applicable laws and regulations, including anti-bribery legislation such as the U.S. Foreign Corrupt Practices Act ("FCPA") and the UK Bribery Act 2010 ("Bribery Act"), in every jurisdiction in which we do business. We do not engage in bribery or corruption in any form, whether in the private or public sector, while compliance with anti-bribery legislation is an ongoing responsibility of each employee.

Induction and Refreshers

The Company is providing a comprehensive induction procedure for all new employees with emphasis on Ethics training while it also provides all employees with refresh courses on the Code of Ethics.

Corporate culture

We are a prominent company with global exposure and thus, we are committed to upholding the highest standard of ethical business. We aim to sustain a corporate culture that promotes fair activities, prohibits and reports any forms of conflict and/ or suspicious behavior, respects human rights and diversity, and enhances a safe and healthy working environment. subsidiaries and other business entities, are obliged to follow our Code of Ethics. Any violation of this Code may result in disciplinary action, including suspension and/or termination of employment.

Reporting violations of Business Conduct and Ethics

Company's employees should notify immediately our Independent Legal Consultant at any incident of bribe, facilitation payment or kickback that has been, or will be, paid or offered to or from an employee. Any issues reported to our Independent Legal Consultant are treated confidentially or in anonymous basis.

Transparency International Corruption Perception Index

Our fleet operates all over the world and therefore geography is highly significant to our exposure to corruption-related risks. In 2022, 6.17% of our port calls were made to the 20 lowest-ranked countries according to Transparency International's Corruption Perception Index (CPI), compared to the 7.33% during 2021, recording a drop of 16%.

Our Ethical Principles

Legal Framework

Regulatory compliance is important to us because it not only mitigates potential risks, but also promotes a culture of safety, sustainability, transparency and business continuity that reflects our dedication to the environment and the well-being of our people on board and ashore. It supports our commitment to conduct our business with respect for our customers and to ensure the best possible service in the transportation of cargo.



During 2022, we recorded:

ZERO

- Corruption incidents
- Incidents of discrimination
- Whistleblowing incidents
- Fines & Non-monetary sanctions due to noncompliance with laws and regulations
- Legal actions for anticompetitive behavior, antitrust, and monopoly practices
- Incidents of violations involving rights of indigenous peoples
- Operations assessed for risks related to corruption

Risk Management

305

Number of controls tests conducted

0

Material weaknesses or control deficiencies identified

We have established an Internal Audit department that provides independent and objective assurance to our activities and adds value to the improvement of our operations. Our Internal Audit department brings a disciplined approach to evaluate and improve the effectiveness of the organization's operations, governance, risk management and internal control mechanisms, through the establishment of more than 300 controls in place. During 2022, our Internal Audit department, assessed and evaluated whether existing practices and policies are appropriate and effective by auditing the 18 processes of our company. From these audits no material weaknesses or control deficiencies were identified.

To ensure the efficiency in our operations and the continuity of our business activities, we constantly monitor, assess and evaluate the risks associated with our operations and industry, and take immediate action and implement required measures.



Our top risks for 2022

- Partnership's business affairs to be conducted in an ethical and legal manner.
- The management structure to be adequate and efficient.
- The business risks (across all levels of the entity) are adequately considered and evaluated.
- To successfully grow the Partnership's business together with the capacity to manage its expanding business.
- To maintain and operate a high quality, modern fleet with high fleet utilization rates.
- To attract and retain qualified and competent personnel.
- To maintain a culture of honesty and opposition to fraud and corruption through adherence to entity's policies and procedures.
- To identify information technology risks and protect information technology against information security risks.
- To maintain a well-established internal controls system which is properly monitored by Management.
- To maintain our operations as the environmental and international standards become more stringent.

Cyber Security & Data Protection

0

Cyber security incidents

0

Complaints concerning customer data breaches

We recognize the risks arising from cyber security incidents and we have established a Cyber Security policy that aims to safeguard and protect the Company's information assets from any potential internal or external, deliberate or accidental threat and to ensure business continuity by reducing damages and increasing investment return and relevant industry opportunities.

Our approach to Cyber Security:

1. We have established a Policy to safeguard that information and systems identified as vulnerable to Cyber-attacks are protected from a loss of confidentiality, integrity and availability and that all regulatory and legislative requirements are met. All breaches of information security, actual or suspected, are immediately reported and investigated.
2. We have developed Cyber Security Contingency Plans and provided Cyber Security training to all staff.
3. We have drafted specific guidance and procedures to support our policy, including incident handling, information backup, system access, virus controls, passwords and encryption processes.
4. We have appointed a Security Manager who is responsible of the information security, advice and guidance on Cyber Security Policy implementation.
5. Our Managers are directly responsible for implementing the Policy within their departments.
6. Each employee and crew member is responsible to adhere to Company's Cyber Security Policy.
7. We have established Firewalls, Intrusion Prevention Systems & Web filters, email protection process, Virtual private network and Restrict access to sensitive data and systems

As part of our business continuity plan, we have fully integrated and commissioned a disaster recovery plan that aims to address significant disruptions in case of threats and risk conditions or other highly unusual events that might affect our day to day operations.

Our disaster recovery plan supports the Company through the following actions:

- Identification of the requirements and needs for continuity of our operations in case of threats and risk conditions, and the development of plans against those risks.
- Planning of the resources, disaster recovery capabilities and actions, to ensure continuity of business when responding to risk conditions.
- Periodic table-top exercises that allow for revision of disaster plans, and training for new and for experienced personnel.
- Ensuring that the security architecture that protects the existing systems, facilities, personnel, and assets, is adequately implemented in all Company's functions during a disaster recovery scenario.

We have applied specific measures to mitigate all threats onboard and ashore:

- We actively promote cyber security awareness among all our employees with regular seminars conducted by a third party.
- All employees responsible for security, are adequately trained to support company's activities.
- Vessels are provided with enhanced security and monitoring equipment (established CCTV on main office and some vessels and two satellite communication systems, apart from Inmarsat-C).
- Regular penetration tests conducted by third party, accompanied by gap analysis for further cybersecurity improvement.

During the reported year, we had no complaints concerning breaches of customer privacy and losses of customer data.



6 Appendices

Appendix I: Environmental Compliance regulations

Capital Product Partner's compliance with all the applicable environmental regulations.

Regulation	Description	Our response
Inventory of Hazardous Materials (IHM)	An IMO regulation for the management of hazardous materials on ships, consisting of three parts: certification, operational waste and storage. Ships of 500 GT and above, irrespective of their flag, must be certified to the IHM when entering an EU port or shipyard. Non-EU flagged vessels may also be certified to the EU SRR by complying with the HKC IHM requirements. Entry into force: 31 December 2020.	All CPLP vessels comply with the IHM regulation and relevant certificates are issued for each vessel.
European Union Emission Trading Scheme (EU ETS)	A scheme to control greenhouse gas emissions from ships operating in EU waters. From 1 January 2024, ships over 5000 GT will be included in the EU ETS. Shipping companies will have to register with an administrative authority and surrender their emission allowances (EUAs), which represent their methane and nitrous oxide emissions for a given reporting period.	We have taken proactive measures to address upcoming ETS regulation in terms of: <ul style="list-style-type: none"> • EUAs exposure quantification and projections, • Identification of operational processes, • Revision & enhancement legal documentation, • Regulatory compliance, • Systems configuration for monitoring and reporting.
MARPOL Annex VI 0.50% sulphur limit	A regulation aimed at minimising air pollution from ships by setting limits on emissions of sulphur oxides (SOx) and nitrogen oxides (NOx) and regulating the use of ozone-depleting substances using alternative fuels (e.g. LNG) or the installation of exhaust gas cleaning systems (EGCS / scrubbers) or the use of fuel oil with a sulphur content not exceeding 0.50% m/m (mass by mass). Entry into force: 1 January 2020.	Devoted on minimizing our environmental footprint we have installed exhaust gas cleaning systems (Scrubbers) in 8 vessels. Our 6 LNG carriers comply with the relevant regulations and are not required to be equipped with scrubbers.
IMO Strategy on reduction of GHG emissions from ships	A comprehensive plan to decarbonise the maritime industry. Adopted in 2018, the strategy sets targets to reduce total greenhouse gas emissions by at least 50% by 2050 and to pursue efforts to phase out emissions completely.	We are committed to reduce our carbon intensity and meet the IMO's 2030 and 2050 target.
IMO Ballast Water Management Convention	An international agreement to address the environmental threat posed by invasive aquatic species transported in ships' ballast water, requiring the installation of ballast water treatment systems and compliance with strict discharge standards. Entry into force: 8 September 2017.	All of our vessels (100%) comply with the IMO ballast water management regulation.
Energy Efficiency Existing Ship Index - (EEXI)	The EEXI is a measure related to the technical design of a ship. The MARPOL Convention amendments under Annex VI and the calculation of the Energy Efficiency Existing Ship Index (EEXI) is required for ships above 400 GT and should comply with the existing recommendations of energy efficiency. Entry into force from 1 January 2023.	All CPLP vessels have completed all necessary preparations and comply with the Energy Efficiency Existing Ship Index (EEXI) standard.
Carbon Intensity Indicator (CII)	An operational index that measures the total carbon emissions from all ballast and laden voyages, anchorages and port calls based on the ship's deadweight and the distance travelled (in nautical miles). It is calculated in grams of CO2 per DWT mile. The CII and the CII Rating Scheme will apply to all ships above 5,000 GT, which will receive a rating from A to E. The annual operational CII achieved will have to be documented and verified against the required CII. Entry into force: 1 January 2023. Note that CII ratings are backward-looking. The first CII ratings will be assigned in 2024, based on the 2023 reference year.	<ul style="list-style-type: none"> • We are actively monitor our CII performance through our systems. • We take necessary operational & technical actions for ensuring compliance • We proactively perform simulations for future CII performance

Appendix II: Management and impact of material issues

The following table presents the stakeholder groups concerned with / affected by each material topic.

	Material issue	Boundaries / Stakeholders affected
Environment	Atmospheric pollution and energy efficiency	Seafarers and office employees, Charterers /Brokers, Financial institutions, Shareholders, States/ Regulatory Authorities, International / Industry organizations.
	Aquatic contamination prevention	Seafarers and office employees, Charterers / Brokers, Financial institutions, Shareholders, States/ Regulatory Authorities, International/ Industry organizations, Community / Academic societies.
	Waste management and recycling	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, States / Regulatory Authorities, International / Industry organizations, Community / Academic societies.
	Green Innovation	Seafarers and office employees, Charterers / Brokers, Ship Brokers, Shareholders, Suppliers / Business Partners, Financial institutions.
	Vessel Recycling & Lifecycle Optimization	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Shareholders, State / Regulatory Authorities, International / Industry organizations.
Social	Occupational Health, Safety and Wellbeing	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, State / Regulatory Authorities, International / Industry organizations, Community / Academic societies.
	Diversity and Inclusion	Seafarers and office employees, Shareholders, Community / Academic societies.
	Human Capital Development	Seafarers and office employees, International / Industry organizations, Community / Academic societies.
	Sustainable Procurement Practices	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners.
	Human Rights and Labor Practices	Seafarers and office employees, International / Industry organizations, Community / Academic societies.
Community investments and volunteering	Seafarers and office employees, Community / Academic societies.	
Governance	Business strategy and performance	Seafarers and office employees, Charterers / Brokers, Shareholders, Suppliers / Business Partners, Financial Institutions.
	Corporate governance and business ethics	Seafarers and office employees, Charterers / Brokers, Shareholders, Suppliers / Business Partners, Financial Institutions, International / Industry Organizations.
	Risk management and regulatory compliance	Seafarers and office employees, Charterers / Brokers, Shareholders, Suppliers / Business Partners, Financial Institutions, States / Regulatory Authorities.
	Cyber security and data protection	Seafarers and office employees, Charterers / Brokers, Shareholders, Suppliers / Business Partners, Financial Institutions, States / Regulatory Authorities, International / Industry Organizations, Community / Academic society.

Appendix III: Impact materiality assessment process

The identification of the pivotal ESG areas is an ongoing process that we have developed and put into practice at Capital. The aim is to optimize the alignment of our strategy with the needs and priorities of our stakeholders, best practice, industry trends and national and international regulations. The impact materiality for 2022 included 5 steps.

Step 1: Validation of ESG Topics

During the initial phase, we conducted an assessment of sustainability frameworks and industry trends. The evaluation included topics highlighted by prominent ESG standards, including the UN SDGs, GRI and SASB. In addition, we conducted a benchmarking analysis, considering practices adopted by other organizations, to gain a comprehensive understanding of our business environment. For 2022, we have utilized the ESG topics identified in the previous year's materiality analysis, with modifications to encompass current areas of interest.

Step 2: Identification of ESG Impacts

In the second step, we conducted a thorough assessment to identify the actual and potential, positive and negative impacts of our business operations, processes and value chain on the wider economy, environment and society.

Step 3: Engagement with our Stakeholders.

In step 3, we developed surveys for our internal and external stakeholders to evaluate their perspective on various potential and actual impacts according to specific criteria. The participants were asked to consider the following parameters:

For all impacts:

- Scope: The extent to which the impact is widespread in terms of the population, economy and ecosystems.
- Scale: The extent to which the impact is beneficial.

For potential impacts:

- Likelihood: The possibility of the impact occurring.

For negative impacts:

- Irremediability: Difficulty on counteract or repair the resulting damage.

All impacts were rated on a three-point scale from 1 (low significance) to 3 (high significance).

Step 4: Data evaluation and analysis

In step 4, after consolidating stakeholders' feedback, we calculated the average survey ratings for each impact. Subsequently, we ranked the material impacts relevant to our organization.

Step 5: Identification of Material ESG Topics

In the final step, we defined significance thresholds to determine the most material ESG topics to our stakeholders. We then set priorities to improve our ESG performance and initiatives to align with the findings.

Appendix IV: GRI Index



Statement of use: The following table presents the stakeholder groups concerned with / affected by each material topic.

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standard(s): Not Applicable

GRI Standard	Disclosure	Location		Omissions		
		Section	Page(s)	Requirement(s) omitted	Reason	Explanation
GENERAL DISCLOSURES						
GRI 2 General Disclosures 2021	2-1 Organizational details	Capital Product Partners at a glance	6-7			
	2-2 Entities included in the organization's sustainability reporting	About this report	10-11			
	2-3 Reporting period, frequency and contact point	About this report	4,68			
	2-4 Restatements of information		28,29,34			
	2-5 External assurance	-	-			
	2-6 Activities, value chain and other business relationships	Approach to ESG	8-11			
	2-7 Employees	Social	41,44			
	2-8 Workers who are not employees		41,44			
	2-9 Governance structure and composition					
	2-10 Nomination and selection of the highest governance body					
	2-11 Chair of the highest governance body					
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance	49-54			
	2-13 Delegation of responsibility for managing impacts					
	2-14 Role of the highest governance body in sustainability reporting					
	2-15 Conflicts of interest					
	2-16 Communication of critical concerns					

GRI Standard	Disclosure	Location		Omissions		
		Section	Page(s)	Requirement(s) omitted	Reason	Explanation
GRI 2 General Disclosures 2021	2-17 Collective knowledge of the highest governance body					
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance	49-54			
	2-19 Remuneration policies	Social	40			
	2-20 Process to determine remuneration		40			
	2-21 Annual total compensation ratio	-		Yes		CPLP currently does not monitor this KPI. The next steps for future disclosure will be subject to review
	2-22 Statement on sustainable development Strategy	Letter form the CEO	3			
	2-23 Policy commitments	Environment / Social Corporate Governance	19,33,36-38,52			
	2-24 Embedding policy commitments	Environment / Social Corporate Governance	19,33,36-38,52			
	2-25 Processes to remediate negative Impacts	Environment Corporate Governance	19-21,31-33,49-55			
	2-26 Mechanisms for seeking advice and raising concerns	Social Corporate Governance	36,52			
	2-27 Compliance with laws and regulations	Environment Corporate Governance	19,33,36,52			
	2-28 Membership associations	Environment	22			
	2-29 Approach to stakeholder engagement	Approach to ESG	15-17			
2-30 Collective bargaining agreements	Social	45				
MATERIAL TOPICS						
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Approach to ESG	15			
	3-2 List of material topics		16-17			

GRI Standard	Disclosure	Location		Omissions		
		Section	Page(s)	Requirement(s) omitted	Reason	Explanation
TOPIC DISCLOSURES						
Atmospheric pollution and energy efficiency						
GRI 3 Material Topics 2021	3-3 Management of material topics		19-29,34			
	302-1 Energy consumption within the organization		12,25,34			
GRI 302: Energy	302-3 Energy intensity		12,25			
	302-4 Reduction of energy consumption		12,25-26			
	305-1 Direct (Scope 1) GHG emissions					
	305-2 Energy indirect (Scope 2) GHG emissions					
GRI 305: Emissions	305-4 GHG emissions intensity	Environment	12,23-29,34			
	305-6 Emissions of ozone-depleting substances (ODS)					
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions					
Aquatic contamination prevention						
GRI 3 Material Topics 2021	3-3 Management of material topics	Environment	31-33			
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		12,31-33			
	304-2 Significant impacts of activities, products, and services on biodiversity					
GRI 304: Biodiversity	304-3 Habitats protected or restored			Yes	Information unavailable/incomplete	CPLP currently does not monitor this KPI. The next steps for future disclosure will be subject to review
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations					
Green Innovation						
GRI 3 Material Topics 2021	3-3 Management of material topics	Environment	22			
Internal KPI	Description of Green technology and alternative fuels initiatives		22			

GRI Standard	Disclosure	Location		Omissions		
		Section	Page(s)	Requirement(s) omitted	Reason	Explanation
Occupational Health, Safety and Wellbeing						
GRI 3 Material Topics 2021	3-3 Management of material topics					
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system		36-39			
	403-2 Hazard identification, risk assessment, and incident investigation		36-38			
	403-3 Occupational health services	Social	36-37,39			
	403-4 Worker participation, consultation, and communication on occupational health and safety		38			
	403-5 Worker training on occupational health and safety		36			
	403-6 Promotion of worker health		36-38			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		36-38			
	403-8 Workers covered by an occupational health and safety management system	Environment Social	36			
	403-9 Work-related injuries	Social	12,38			
	403-10 Work-related ill health		38			
Human Rights and Labor Practices						
GRI 3 Material Topics 2021	3-3 Management of material topics		45-16,53			
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Corporate Governance	53			
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Social		Yes	Information unavailable /incomplete	CPLP currently does not monitor this KPI. Nevertheless, we affirm our commitment to adhering to the collective bargaining standards established within the maritime sector
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	Social Corporate Governance	-	Yes	Information unavailable /incomplete	CPLP currently does not monitor this KPI. CPLP is committed to adhering to all relevant regulations and upholding internationally recognized human rights. We will consider next steps including potential disclosures, in future reporting periods.

GRI Standard	Disclosure	Location		Omissions		
		Section	Page(s)	Requirement(s) omitted	Reason	Explanation
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Social Corporate Governance	-	Yes	Information unavailable /incomplete	CPLP currently does not monitor this KPI. CPLP is committed to adhering to all relevant regulations and upholding internationally recognized human rights. We will consider next steps including potential disclosures, in future reporting periods.
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	Corporate Governance	53			
Corporate governance and business ethics						
GRI 3 Material Topics 2021	3-3 Management of material topics		40,52-53			
	205-1 Operations assessed for risks related to corruption	Corporate Governance	52-53			
GRI 205: Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	Social	40			
	205-3 Confirmed incidents of corruption and actions taken	Corporate Governance	12,53			
Risk management and regulatory compliance						
GRI 3 Material Topics 2021	3-3 Management of material topics		53-54			
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Corporate Governance	53-54			
Cyber security and data protection						
GRI 3 Material Topics 2021	3-3 Management of material topics	Corporate Governance	55			
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		55			
Waste management and recycling						
	306-1 Waste generation and significant waste-related impacts					
GRI 306: Waste	306-2 Management of significant waste-related impacts	Environment	12,30			
	306-3 Waste generated					

GRI Standard	Disclosure	Location		Omissions		
		Section	Page(s)	Requirement(s) omitted	Reason	Explanation
Diversity and Inclusion						
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Corporate Governance	49-50			
	405-2 Ratio of basic salary and remuneration of women to men	Social	44			
Human Capital Development						
GRI 401: Employment	401-1 New employee hires and employee turnover		44			
	401-2 Benefits provided to full-time employees that are not		40,45			
	401-3 Parental leave		45			
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Social	40,45			
	404-2 Programs for upgrading employee skills and transition assistance programs		36,40-45			
	404-3 Percentage of employees receiving regular performance and career development reviews		42,44			
Sustainable Procurement Practices						
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Social	46			
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria		46			
Business strategy and performance						
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Capital Product Partners at a glance	6			

Appendix V: SASB Index



Category	Disclosure topic	Code	Page reference
Greenhouse Gas emissions	Gross global Scope 1 emissions	TR0301-01	12,25
	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TR0301-02	9,19-22
	(1) Total energy consumed, (2) percentage heavy fuel oil, (3) percentage renewable	TR0301-03	12,23-26,34
Air Quality	Air emissions of the following pollutants: (1) NOx, (2) SOx, and (3) particulate matter (PM10)	TR0301-04	12,27-29
Ecological impacts	Shipping duration in marine protected areas or areas of protected conservation status	TR0301-06	33
	Percentage of fleet implementing ballast water (1) exchange and (2) treatment	TR0301-07	32
	Number and aggregate volume of spills and releases to the environment	TR0301-08	12,33
Employee health and safety	Lost time injury rate (LTIR)	TR0301-12	12,38
Business ethics	Amount of legal and regulatory fines and settlements associated with bribery or corruption	TR0301-10	12,52
	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	TR0301-09	12,52
Accident & Safety Management	Number of marine casualties, percentage classified as very serious	TR0301-11	38
	Number of Conditions of Class or Recommendations	TR0301-13	39
	Number of port state control (1) deficiencies and (2) detentions	TR0301-14	12,39
Activity Metrics	Number of shipboard employees	TR-MT-000.A	12,40-41
	Total distance travelled by vessels	TR-MT-000.B	7,10
	Operating days	TR-MT-000.C	7,10
	Deadweight tonnage	TR-MT-000.D	7,10
	Number of vessels in total shipping fleet	TR-MT-000.E	10
	Number of vessel port calls	TR-MT-000.F	10
	Twenty-foot equivalent unit (TEU) capacity	TR-MT-000.G	7



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