



MPC Capital



# ESG REPORT 2023

MPC Capital AG



## Contents

4	About this report	31	Economic
6	About MPC Capital	33	Environmental
14	Our commitment	36	Social
20	ESG in our units	42	Governance
25	Our sustainability strategy	46	GRI Index



### Cover photo

MPC Capital has been supporting educationally disadvantaged young people through the Elbstiftung Foundation's "Elbstation Academy" project for almost 20 years.





The head office of MPC Capital AG in Hamburg underwent comprehensive modernization in 2023.

# ESG REPORT 2023

## Dear Investors and Partners,

As a listed company our success is accurately reflected in how much we enjoy the trust of our employees, customers, shareholders, business partners and the public. That trust depends on transparency and integrity. We are therefore especially delighted to present to you our Sustainability Report 2023. This report is intended to provide our stakeholders with a comprehensive and revealing insight into our sustainability initiatives and projects.

As an investment and asset manager, we are committed to embedding environmental, social and governance (ESG) aspects firmly within our corporate and investment processes. By doing so, we accept shared responsibility for the social and environmental challenges of our age.

We have therefore been working closely with our stakeholders for many years on designing solutions that are both sustainable and future-proof. Our investments play a part in speeding up the decarbonization of the global economy and creating long-term value for our investors. On the one hand we focus on projects in the field of renewables, which are pivotal to the energy transition. On the other hand we invest in vessels with alternative propulsion technologies as a way of promoting the decarbonization of global trade.

Our responsibility does not end with our investments and services. In establishing the Elbe Foundation in 2005 we undertook to support educationally disadvantaged young people in our home city of Hamburg. Through this initiative we are able to make a vital contribution to social development and equal opportunities in our region.

We are aware of the challenges that our planet faces and are working hard to ensure that our business models and investments are fit for the future. We are convinced that especially our sustainable capacity to innovate will enable us to make a significant contribution towards tackling those challenges.

The Management Board of MPC Capital AG



**Constantin Baack**  
Chief Executive Officer (CEO)



**Dr. Philipp Lauenstein**  
Chief Financial Officer (CFO)



**Christian Schwenkenbecher**  
Chief Client Officer (CCO)

# About this Report

This ESG Report of MPC Capital AG covers the reporting period from 1 January to 31 December 2023. Strategic adjustments were made with the Interim Report 2024. This report already makes reference to them where appropriate.

The report has been prepared in accordance with the standards of the Global Reporting Initiative (GRI). The GRI Index of contents can be found at the end of this report.


The disclosures and data in this report have not been audited by a third party. The period for annual sustainability reporting is the same as for our financial reporting.

## SCOPE OF REPORTING

MPC Capital, as an investment manager and co-investor, focuses on the initiating and management of investment vehicles and on providing services related to real assets.

Its ESG reporting encompasses all companies in which the MPC Capital Group can directly or indirectly influence financial and operating policy.

Please contact us for further information about this report and its contents:

 **IR Contact**  
ir@mpc-capital.com

# ABOUT MPC CAPITAL

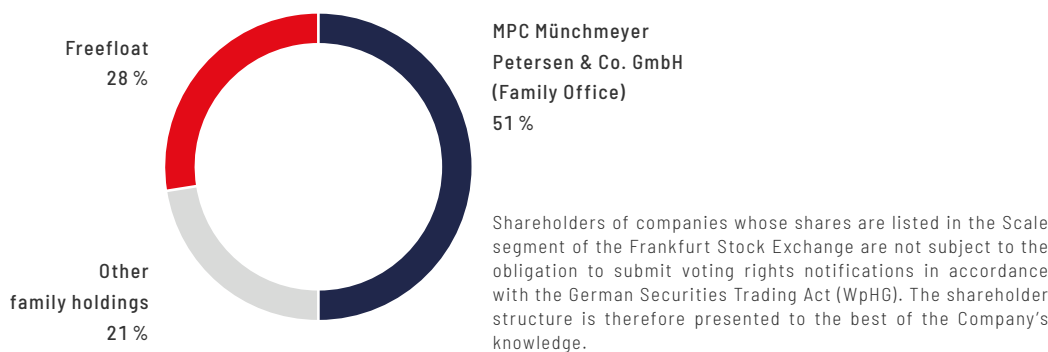
# MPC CAPITAL AT A GLANCE

“As an investment and asset manager, we embed environmental, social, and governance aspects in all our processes, taking on shared responsibility for today's challenges. We collaborate with stakeholders to create sustainable, future-proof solutions, aiming to accelerate global decarbonization and deliver long-term value. We focus on energy and maritime infrastructure projects to promote energy transition and the decarbonization of trade. Our commitment goes beyond investments, reflected in initiatives like our Elbstiftung.”

The MPC Capital Group is a global investment and asset manager for infrastructure projects. MPC Capital AG is the Group parent. It has been quoted on the stock market since 2000 and listed in the “Scale” segment of Deutsche Börse in Frankfurt since March 2017 (open market).

The shareholder structure as of August 2024 is as follows:

## SHAREHOLDER STRUCTURE



## LOCATIONS

The head office of the MPC Capital Group is in Hamburg, Germany. In addition there are nine more locations worldwide.



## INVESTMENT AND ASSET MANAGER FOR INFRASTRUCTURE PROJECTS

The range of products and services offered by the MPC Capital Group comprises the structuring and placement of investment solutions for institutional and professional investors as well as the provision of commercial and technical management services throughout the entire investment cycle. The MPC Capital Group is also regularly involved in investment projects in the capacity of co-investor. MPC Capital specializes in the alternative asset segments Energy and Maritime Infrastructure.

The MPC Capital Group receives recurring management fees from managing investment projects and assets. In addition, MPC Capital realizes one-off and to some extent performance-based transaction fees from the acquisition and sale of assets. MPC Capital generates other operating income or income from equity investments through co-investments.

The future development of the maritime and energy infrastructure will depend substantially on the global push for a successful energy transition towards sustainability and efficiency. This megatrend and the associated need for investment in the requisite infrastructure offer huge opportunities for the MPC Capital Group to develop and grow.



## ECONOMIC POSITION OF THE MPC CAPITAL GROUP

### MPC Capital Group in figures

EUR'000	2023	2022	H1 2024	H1 2023
<b>Income Statement</b>				
Revenues	37,948	36,492	21,248	17,151
Earnings before tax (EBT)	19,301	31,222	16,542	9,213
Consolidated net profit	16,860	28,157	13,576	7,914
<b>Assets under management / Statement of Financial Position</b>				
	31 December 2023	31 December 2022	30 June 2024	
Assets under management (EUR billion)	4.1	4.2	4.8	
Total assets	152,077	150,792	147,364	
Financial assets	56,022	54,923	77,546	
Liquidity <sup>1</sup>	61,140	69,068	31,432	
Equity	129,522	123,189	123,948	
Equity ratio	85.2%	81.7%	84.1%	
<b>Shares</b>				
Earnings per share, EUR	0.37	0.74	0.28	0.16
Dividend per share, EUR	0.27	0.20	-	-
<b>Employees</b>				
	2023	2022	H1 2024	H1 2023
Employees (average total) <sup>2</sup>	169	154	211	157
Personnel Expenses	19,779	19,751	13,189	9,418

1) Cash in hand and bank balances

2) At 31 December 2023 an average of 40 employees (previous year: 43) are attributed to MPC Capital from the equity investment in joint ventures (30 June 2024: 71; 30 June 2023: 47).

**EUR 4.8 bn**  
assets under management

**over EUR 20 bn**  
investment volume

**over 200**  
assets



**MPC Capital Annual Reports**

[www.mpc-capital.com/shareholders/financial-reports](http://www.mpc-capital.com/shareholders/financial-reports)

# VISION & PURPOSE



## Our role in the energy transition and decarbonization

The energy transition, a broad-based change in the way we generate energy that focuses on renewable and sustainable sources, is absolutely vital if greenhouse gas emissions are to be cut. In this context, the renewable energy sources of wind and solar farms contribute significantly to decarbonization. They help reduce carbon emissions and pave the way for clean, environment-friendly ways of generating energy in the future.

Meanwhile vessels that use efficient, environment-friendly technologies are helping to decarbonize the maritime infrastructure. Energy-efficient vessels equipped with low-emission propulsion technologies or with the capacity to run on alternative fuels are just some examples of how the maritime infrastructure is shrinking its environmental footprint.

The level of investment needed to achieve global climate targets is enormous. It will take substantial funding to achieve the goals of the Paris Agreement and other international climate commitments. Investing in real assets is an excellent way to participate in this important development. Investments in maritime infrastructure, wind farms and solar farms enable us and our partners and investors to profit from potential value gains and regular returns.



## Our vision

Leading entrepreneurial partner for real asset investments – with respect for the world we live in.

As a global investment manager and operator of maritime and energy infrastructure we initiate and manage innovative investment solutions with strong returns. Our aim is to be the best possible partner for our investors. We want to use our entrepreneurial mindset in order to seize opportunities and market chances. In this way, we want to create the opportunity for our investors not only to achieve outstanding returns, but also to participate in the megatrends of the future and to play an active role in shaping them.

Sustainability is a very important issue for us in all areas and we strive to continuously review and optimise not only our investment solutions, but also our market activities and our actions as a company with regard to sustainability. In this way, we want to actively assume responsibility for the world we live in.

## Our purpose

Passionate about projects. Committed to our partners. Creating value.

The enthusiasm, long-standing expertise and commitment of our employees, as well as our enthusiasm for projects in the maritime and energy infrastructure markets drive us and distinguish our company.

Our partnership with employees, clients, service providers, shareholders and other partners is rooted in our values and in the mindful and respectful way in which we want to do business. Only together with our partners can we master the challenges of our time and create sustainable value for our investors.



## OUR VALUE CHAIN

### Sourcing

- + Unique and proven access to attractive niche asset classes with long-term partnerships
- + Strong and growing pipeline

### Structuring

- + Significant track record in providing tailor-made investment structures
- + Choice of public, private and direct structured investments

### Co-investment

- + Strong corporate balance sheet and ability to put skin in the game
- + We have co-invested over EUR 190 million since 2016
- + Excellent track record: 28% IRR realized on co-investments

### Management

- + Broad range of asset and investment management services and access to operational excellence with outstanding partners
- + Value chain from a single source with IRRs above industry average

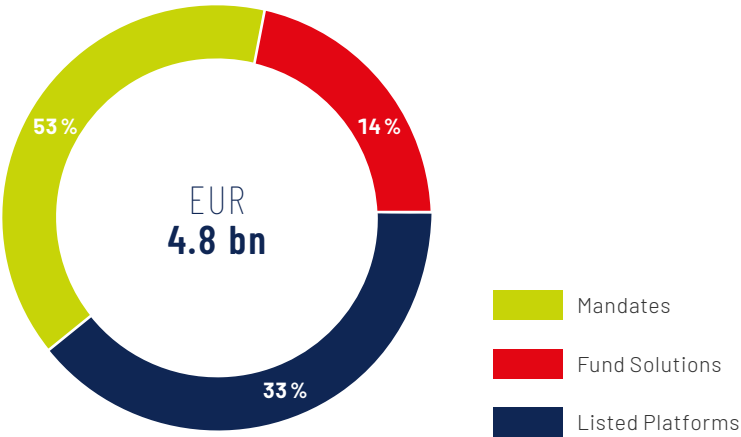
In selecting assets, we identify market requirements early on and actively seek market niches or megatrends. This approach has enabled us to identify and successfully pick up on market trends for sustainability in the feeder container ships segment in the Maritime area or renewables in emerging markets.

Our offering is primarily targeted at international institutional investors, family offices and other professional investors. The structure of the investment vehicles reflect primarily the strategy of the individual investor and underlying asset.

We offer comprehensive expertise for a broad range of structures, from fund solutions to listed platforms to mandates. To align our interests with those of our clients, we regularly co-investment.



ASSETS UNDER MANAGEMENT BY  
INVESTMENT STRUCTURE (AT 30 JUNE 2024)





# OUR COMMITMENT

# OUR ESG GOALS



## ENVIRONMENTAL

Our investments and corporate processes facilitate the energy transition and make a positive contribution to the environment.



## SOCIAL

Through our activities we aim to improve equality of opportunity for people and communities and increase the wellbeing of our employees by creating a healthy and safe working environment.



## GOVERNANCE

We seek to actively manage our Company and our investments in a manner that is consistent with our values, protects the integrity of our stakeholders and respects the world we live in.



## ESG as an integral component of our investment strategy

We want to actively promote the transition to a climate-neutral world. As part of our broad-based, sustainable strategy, we seek to fine-tune our priority environmental, social responsibility and governance activities in all our investment and decision-making processes.

### PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)

As an investment and asset manager, we have signed up to the UN Principles for Responsible Investment (UN PRI) and have committed to these principles as the basis of our processes for valuing and investing in assets. Our own ESG goals and principles are derived from the PRI and are a key component of our business performance in all segments.



### SUSTAINABLE DEVELOPMENT GOALS

In 2015, all member states of the United Nations approved 17 Sustainable Development Goals (SDGs) under the 2030 Sustainable Development Agenda. MPC Capital is mindful of the importance of these goals for the future of our planet.

We have therefore matched up our material topics with the SDGs. Our entrepreneurial activity contributes to 13 of these goals. For more information on the SDGs and how we link our activities to them, please refer to pages 30 to 45.

# COMMITTED TO CREATE VALUE

“Social, environmental, and governance factors have always been integral to our company’s core values. For many years we have embraced long-term social responsibility, starting from our headquarters in Hamburg and extending to the various regions where we are active. Our ambition is to amplify our commitments toward investments that are crucial for the energy transition, thereby playing an active role in mitigating climate change. In the coming years, we will intensify our focus on projects that advance the decarbonization of global trade and contribute to energy transition. This dedication underlines our commitment to fostering a sustainable and climate-resilient world.”

Constantin Baack, CEO

## Our commitment is worldwide

Under our ESG strategy we or our vehicles are members of or partners in various organizations in each of our business units. This membership give us access to valuable networks and information that help us pursue our ESG goals more effectively. They also give us a platform to work on global sustainability goals hand in hand with other market players and to develop our business profitably.

Our membership of sustainability bodies constitutes support especially for SDG 17 “Partnerships for the goals”. This goal focuses on the importance of reinforcing global partnerships for sustainable development.



## ESG organizations and networks

### Group

#### PRI Principles for Responsible Investment

The PRI is the world's leading initiative for responsible investment.



#### BVAI Bundesverband Alternative Investment e.V.

The Bundesverband Alternative Investments e.V. (BAI) is the asset-class and product-spanning representation of interests for alternative investments in Germany.



### Maritime Infrastructure

#### Clean Shipping Alliance

The Clean Shipping Alliance (CSA) represents a group of leading companies from the commercial shipping and cruise industries that have been leaders in emission control efforts and have made significant investments in research and analysis, funding and committing resources to comply with 2020 fuel requirements through the development and use of Exhaust Gas Cleaning Systems (EGCS).



#### Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping

The Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping is a not-for-profit, independent research and development centre looking to accelerate the transition towards a net-zero future for the maritime industry.



#### Maritime Anti Corruption Network

MACN is the leading anti-corruption initiative in the maritime industry



#### Getting to Zero Coalition

The Getting to Zero Coalition is a powerful alliance of more than 200 organizations that is committed to getting commercially viable deep sea zero emission vessels powered by zero emission fuels into operation by 2030 towards full decarbonization by 2050.



#### Container Ship Safety Forum

The Container Ship Safety Forum (CSSF) is a global business-to-business network that is aiming to improve safety performance and management practices in the container shipping industry.



#### Neptune Declaration

The Neptune Declaration, signed by more than 300 businesses, outlines the main actions that need to be taken to resolve the crew change crisis especially during the COVID-19 pandemic.



#### The Silk Alliance

The Silk Alliance is a Green Corridor and first-mover initiative on zero-emissions shipping, with a fleet that operates across the Indian and Pacific Oceans and fosters partnerships with stakeholders across the maritime supply chain.





## Energy Infrastructure

### Institutional Investors Group on Climate Change (IIGCC)

The Institutional Investors Group on Climate Change (IIGCC) is a platform for European institutional investors founded in 2001. IIGCC's mission is to facilitate a low carbon future by engaging with investors, companies and policy makers on a range of task areas, including risks associated with climate change.



### Climate Action 100+

Climate Action 100+ is an investor-led initiative launched in 2017 to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.



### The Clinton Foundation

The Clinton Foundation is a not-for-profit organization established in 1997. As part of its climate initiative the Clinton Foundation works with leading global partners to advance the resilience of communities that are faced with climate change, and to develop replicable, sustainable models for others to follow.



### Solar Head of State

Solar Head of State (SHOS) is a not-for-profit organization established by a worldwide team of grass roots activists who have forged an alliance with solar energy businesses from all over the world. SHOS seeks to raise awareness globally of the potential of solar energy and to promote its broad acceptance through innovative measures to cut greenhouse gas emissions.



## EYEESEA

Eyesea is a not-for-profit organization founded in 2020 by Oliver Schwarz and Graeme Somerville-Ryan with the goal of actively promoting marine conservation. The idea stemmed from a collaboration with Chart World, a Hamburg-based company that specializes in making digital navigation maps. Together, they developed an innovative app for the digital reporting and recording of maritime pollution.

The Eyesea app uses geotagging to add location information to photos. This makes it quick and easy for users to report pollution sources that can then be visualized on a map. This collected data helps with identifying the spread of marine debris and organizing

specific, effective countermeasures such as beach clean-ups. MPC Container Ships was a partner from day one. The crews on board its ships actively use the app to report pollution and thus help to keep the seas clean.

Eyesea has now developed into a global movement that promotes marine and coastal protection. The initiative has made it its mission to inspire and motivate people to join forces in combating environmental pollution of the seas.

 **Webseite Eyesea**  
[www.eyesea.org](http://www.eyesea.org)



# ESG IN OUR UNITS

## Targeted investments in sustainable opportunities

We identify huge opportunities for sustainable growth in every area of our business model. Our investments in renewables promote the global energy transition and reinforce the regulatory environment in the countries where we invest. The decarbonization of shipping offers significant future prospects and has garnered support from many quarters.

We again initiated and developed sustainable projects in the 2023 financial year.

Some of our investment highlights involve investments in renewable energy, such as solar and wind farms. In the maritime infrastructure segment, we also have been able to realize investment projects that promote the long-term decarbonization of the maritime infrastructure.

**Responsible investment and asset management is at the heart of our Company and in all our business units.**





The onshore wind farm “Tilawind” in Costa Rica has been generating around 80 gigawatt-hours of clean energy annually since 2015.





The PV project "Santa Rosa and Villa Sol" in El Salvador generates about 46 gigawatt-hours of solar energy per year.

## Expansion of renewables for disadvantaged regions

Switching to renewable energy is a crucial part of global decarbonization and achieving emission targets. As well as helping to tackle climate change, such measures promote the prosperity of societies especially in the developing world.

In 2023, we concentrated on the expansion of renewables in the LAC region (Latin America and Caribbean). Some 3 % of the region's population have no access to electricity and 11 % no access to hygienic cooking facilities.

Affordable energy remains a challenge, but also means there is very high potential for renewable energy sources.

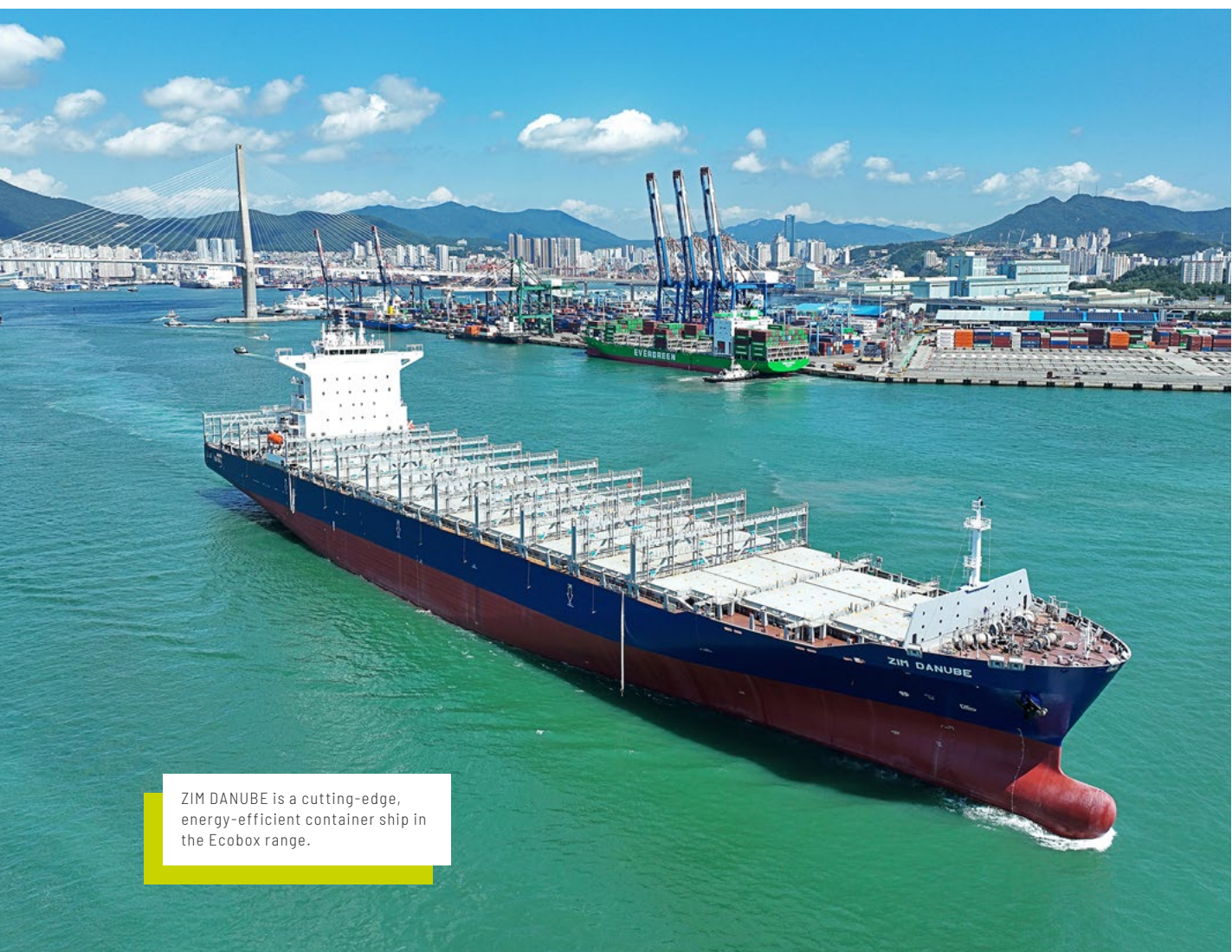
Our projects in that region have also had other benefits on the ground, over and above the power generated, have created employment jobs and have increased prosperity.



## Decarbonizing the global economy

Shipping is a major component of global trade, but also a significant cause of greenhouse gas emissions. Decarbonizing this industry is therefore pivotal to achieving global climate targets and reducing environmental pollution. Very promising solutions are available in the form of alternative propulsion technologies such as LNG, hydrogen and advanced biofuels, along with the integration of wind and solar energy. Investments in the development of low-emission technologies and the modernization of existing fleets promote sustainability and are a stepping stone to long-term competitiveness.

In the maritime infrastructure segment, we made further significant progress with decarbonization in 2023 with the delivery of the first of a total of six cutting-edge, efficient container ships. Further “ECOBBOX” ships were delivered at the start of 2024. In addition, three more new container ships with modern propulsion technology based on green methanol are set to go into service between 2024 and 2026. These developments highlight our commitment to building a sustainable, low-emission maritime industry.



ZIM DANUBE is a cutting-edge, energy-efficient container ship in the Ecobox range.

# OUR SUSTAINABILITY STRATEGY

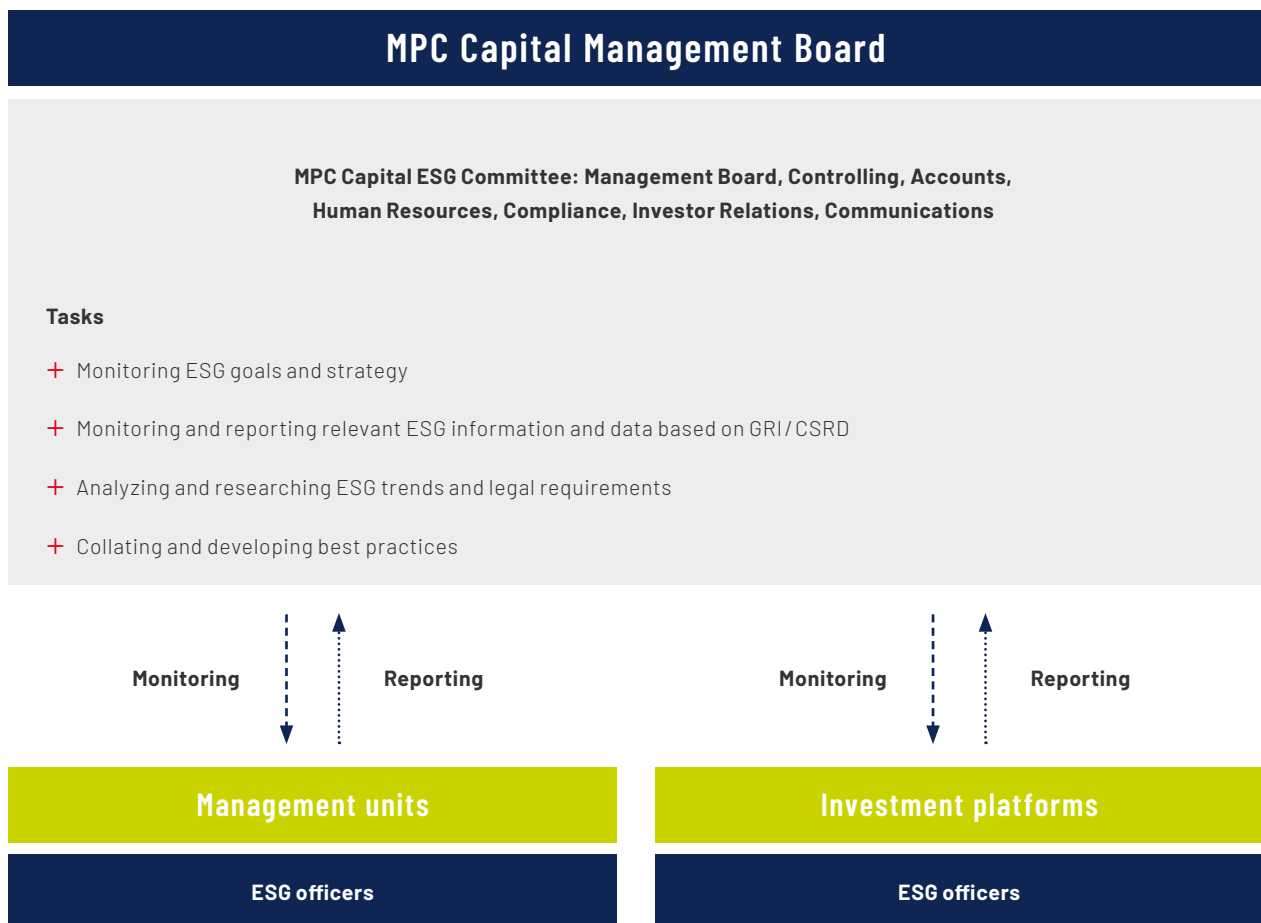
# ESG integrated into every business unit

Overall responsibility for the development of and compliance with the ESG strategy in our company lies with the Management Board of MPC Capital AG.

One Management Board member also chairs the ESG Committee, which comprises ESG officers from MPC Capital, the management units and the investment platforms. The committee is supported by MPC Capital employees from the Controlling, Accounts, Human Resources, Compliance, Investor Relations and Communications departments.

The ESG Committee met twice in 2023; its deliberations focused mainly on how to develop a consistent sustainability strategy and the corresponding processes across every business unit.

## ESG MANAGEMENT STRUCTURE

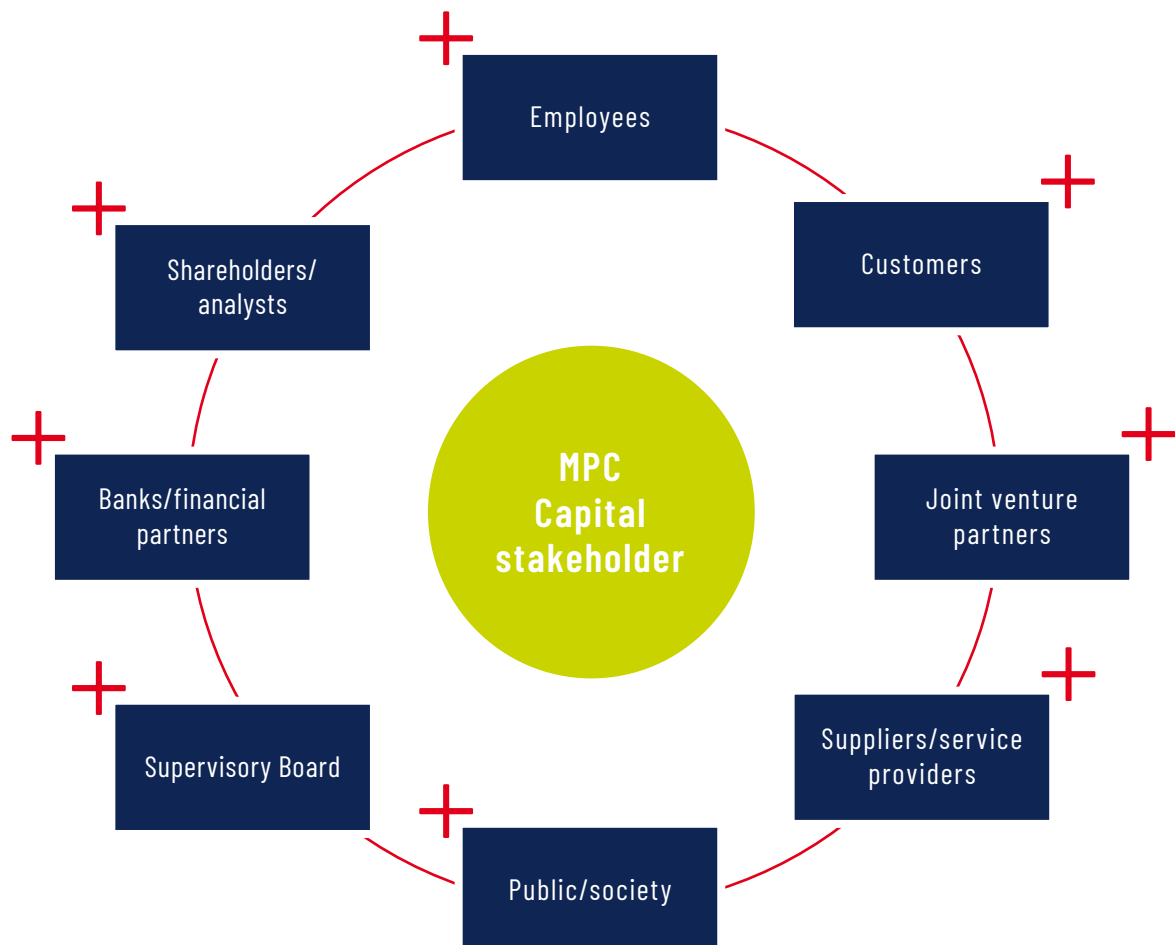


## Our stakeholder dialogue

We firmly believe that engaging actively with our stakeholders strengthens our relationships and business activities. Doing so is also beneficial to our company because it enables us to identify, investigate and manage potential risks in our sphere of activity. The stakeholder dialogue is both a means and an objective, because ongoing systematic stakeholder dialogue is a core objective of the GRI standards.

At our internal ESG workshop in 2022 we identified the following eight stakeholder groups: employees, customers, joint venture partners, suppliers/service providers, the public/society, Supervisory Board, banks/finance partners, shareholders/analysts. ESG topics were discussed with the stakeholders through a variety of dialogue formats in the 2023 financial year. For 2024, we have set ourselves the goal of stepping up the stakeholder dialogue on ESG topics.

### MPC CAPITAL STAKEHOLDER GROUP



# Our material topics

Our material topics have not changed compared to the topics that we presented in our ESG Report 2022. Some of them take shape through ongoing engagement and dialogue with our stakeholders in the course of our day-to-day work. We also identify them through specific internal workshops involving our management, where we reconcile our sustainability strategy with internal and external expectations.

## SUSTAINABLE CORPORATE STRATEGY

Ethically oriented corporate governance and the related policy at MPC Capital of assuming economic, social and environmental responsibility create added value for the environment and our society. As part of a thoroughly sustainable corporate strategy, we want to define, quantify and fine-tune our general fields of activity in the environmental, social responsibility and governance areas in every investment and decision-making process.

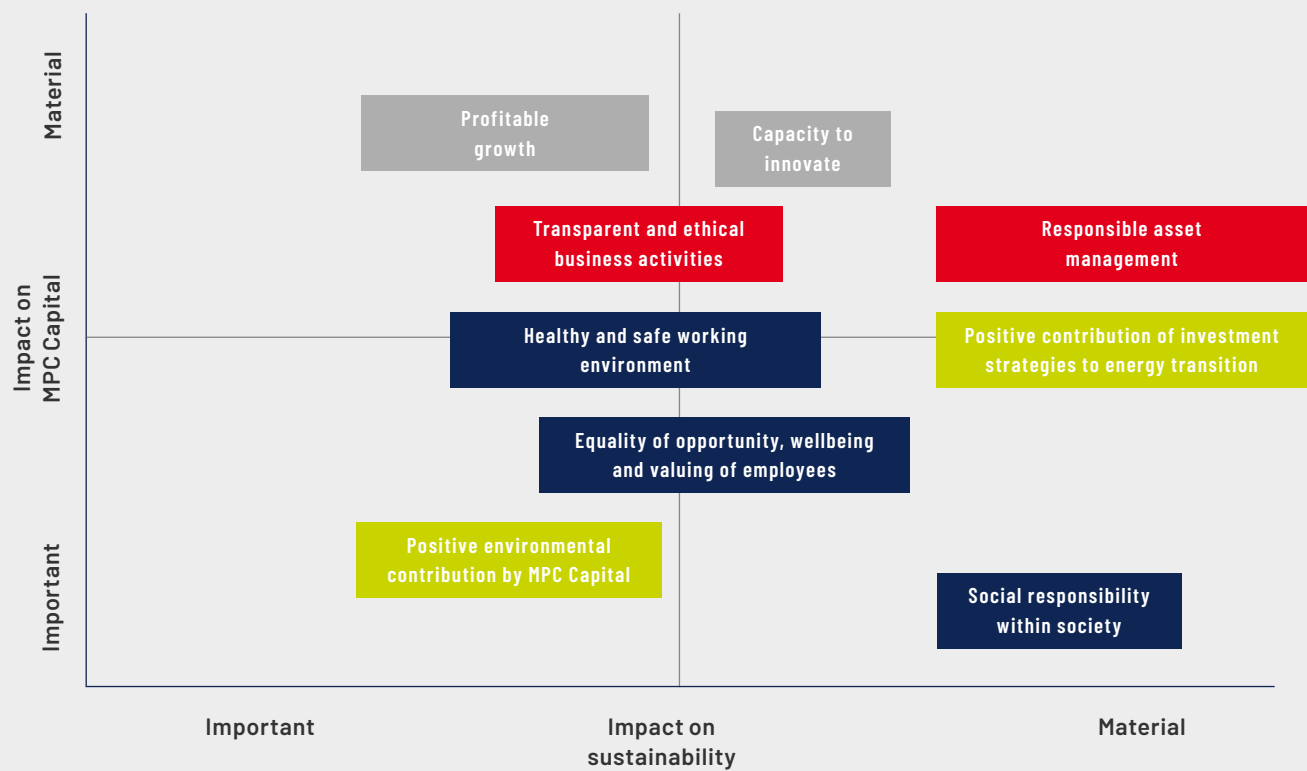
<b>Environmental</b> Through our investments and corporate processes, we undertake to facilitate the energy transition and make a positive contribution to the environment.	<b>Social</b> Through our activities we aim to improve equality of opportunity for people and communities and increase the wellbeing of our employees by creating a healthy and safe working environment.	<b>Governance</b> We seek to actively manage our Company and investments in a manner that is consistent with our values, protects the integrity of our stakeholders and respects the world in which we live.
+ <b>Positive contribution to investment strategies for the energy transition</b> By investing in and brokering environmentally sustainable financial products, MPC Capital helps to cut GHG emissions through its activities.	+ <b>Social responsibility within society</b> As an opportunity to share social responsibility, the MPC Capital Foundation was established in 2005 to support educationally disadvantaged young people in Hamburg through the Elbstation initiative.	+ <b>Responsible asset management</b> MPC Capital commits to invest in line with its ESG principles so that it has a lastingly positive impact on the environment and communities.
+ <b>Positive environmental contribution by MPC Capital</b> MPC Capital makes a positive environmental contribution by optimising the environmental impact of its primary activities (e.g. by i) reducing the emissions that are within its (in)direct sphere of influence, ii) integrating environmental criteria into its meetings policy and business travel, and iii) implementing waste management and cutting its consumption of paper and waste).	+ <b>Equality of opportunity, wellbeing and valuing of employees</b> Well-qualified, content employees are essential to the corporate success of MPC Capital; equality of opportunity is an integral part of the corporate culture; diversity promotes MPC Capital's capacity to innovate and future-proofs it.	+ <b>Transparent and ethical business activities</b> MPC Capital is committed to fair, transparent and ethical business and investment activities.
<b>Economic</b>		
+ <b>Profitable growth</b> Shareholder value	+ <b>Capacity to innovate</b> Trend analyses for existing and new markets	



# Materiality analysis

The materiality analysis performed in 2022 on the basis of the GRI Standard crystallized the core reporting topics for MPC Capital and reflects the risks and opportunities associated with our Company’s business activities. There have been no changes to date to our materiality analysis. In the course of preparing to adopt the Corporate Sustainability Reporting Directive (CSRD), we plan to revisit our evaluation of material topics.

## CLASSIFICATION OF TOPICS IN THE MATERIALITY MATRIX



## Goals and measures

In the following chapters, we present in detail each headline sustainability topic and its relevance for MPC Capital and indicate which Sustainable Development Goals (SDGs) it supports. We explain the materiality of the topic, its direct and indirect impact and the importance of our business impact on the Company and on stakeholder assessments and decisions.

	Material topics	GRI Standards	SDGs
<b>Economical</b>	<ul style="list-style-type: none"> <li>+ Profitable corporate growth</li> <li>+ Capacity to innovate</li> </ul>	GRI-201-1  Separate KPI	-
<b>Environmental</b>	<ul style="list-style-type: none"> <li>+ Positive contribution by investment strategies for the energy transition</li> <li>+ Positive environmental contribution by MPC Capital</li> </ul>	Own KPI  305-1 305-2 305-3	SDG 7 SDG 9 SDG 11 SDG 13 SDG 14 SDG 15
<b>Social</b>	<ul style="list-style-type: none"> <li>+ Social responsibility within society</li> <li>+ Equality of opportunity, wellbeing and valuing of employees</li> <li>+ Healthy and safe</li> </ul>	Own KPI 401-2  401-3 403-1 403-4 405-1 406-1	SDG 4 SDG 5 SDG 8 SDG 9 SDG 10
<b>Governance</b>	<ul style="list-style-type: none"> <li>+ Responsible asset management</li> <li>+ Transparent and ethical business activities</li> </ul>	  205-2	SDG 16  SDG 17

# ECONOMIC

Sustainable corporate governance is becoming increasingly significant, not merely so that businesses can take on responsibility but so that they can actually remain viable as we head into the future. In the long term, a company’s viability will also determine how profitably and efficiently it is run – conversely, a sustainable strategy is impossible without profitable corporate growth. This growth and the underlying capacity to innovate have always been the bedrock of our entrepreneurial activity.

## PROFITABLE GROWTH

In a volatile overall economic environment MPC Capital was able to continue developing its business successfully. The steady expansion of the management platforms that underline the investment strategies led to a rise in recurring revenues. 2023 again saw the launch of a range of projects connected to global sustainability topics of energy transition and decarbonization.

We succeeded in increasing the value of the enterprise in 2023 and distributed a regular dividend.

For the 2023 financial year, the Annual General Meeting of MPC Capital AG in June 2024 resolved a dividend of EUR 0.27 per share. We paid out a dividend of EUR 0.20 per share last year. The dividend thus increased by 35 %. Based on an average share price of EUR 3.14 in 2023, that equates to an attractive return in excess of 8 %.

The payout ratio is 73 % and therefore above the Company’s target policy of distributing up to 50 % in dividends, subject to opportunities for growth. However, the level also reflects Group’s level of financial resources.

The EBT margin for the MPC Capital Group reached 51 % in the 2023 financial year and was therefore well above the target level of 30 %.

## GOALS ACHIEVED IN 2023

Profitable growth
+ Increasing enterprise value and distributing a regular dividend
+ Platform profitability: EBT margin > 30 %

## CAPACITY TO INNOVATE

In a constantly changing world, the capacity to innovate is an essential driver of lasting success. For MPC Capital, innovation is about developing investments and using real assets responsibly. Innovative investments that reduce the impact of climate change enable us to shrink our environmental footprint, use resources more efficiently and therefore make a meaningful contribution to protecting the environment.

A strong culture of innovation boosts our competitiveness, promotes sustained growth and supports long-term value creation for our stakeholders. Through this approach, MPC Capital therefore satisfies both current and future requirements of responsible corporate governance.

In the 2023 financial year MPC Capital onboarded new assets to the value of EUR 0.6 billion. The majority of projects were connected to the energy transition and the modernization of the maritime infrastructure. Conversely there were disposals from sales in the amount of EUR 0.5 billion. The transaction volume therefore came to EUR 1.1 billion, as against EUR 0.9 billion in the previous year. Against the market trend, we were even able to significantly increase our transaction business. At the end of 2023 MPC Capital had assets under management with a total volume of some EUR 4.1 billion.

Financial assets, which substantially comprise our co-investment portfolio, amounted to EUR 56 million at 31 December 2023. The return on our exits realized represented around 23 % and was consequently well above our target level of 15 %.

## GOALS ACHIEVED IN 2023

Capacity to innovate
+ Onboarding new assets under management of EUR 0.5 to EUR 1.0 billion annually
+ Return on co-investments > 15 %

## ECONOMIC GOALS AND MEASURES FOR 2024



EBT margin of > 30 %



Onboarding new assets under management of EUR 0.5 to EUR 1.0 billion annually

# ENVIRONMENTAL

## POSITIVE CONTRIBUTION OF INVESTMENT STRATEGIES TO ENERGY TRANSITION

As an investment manager and co-investor in real assets, our aim is to make a positive contribution to the energy transition. Reducing carbon emissions and handling all materials sustainably is an important basis for all our activities.

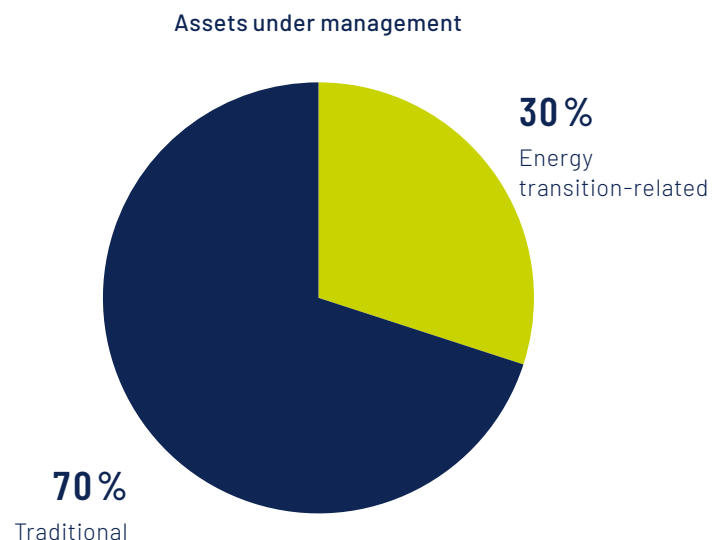
To make sure ESG-related topics are reflected in our investment strategy, we added this category to our investment process in 2021. In 2023 we then refined our investment policy in an effort to fine-tune the ESG framework for co-investments and the way we initiate new investment strategies.

### Assets under management (AUM) that contribute to energy transition

The 2023 financial year saw us conduct an in-depth analysis of the assets that we manage on behalf of institutional investors. This involved investigating the energy efficiency of all assets across segments that we manage for institutional customers and classifying how much they contribute to the energy transition. We looked at factors such as the energy efficiency classes of buildings and the Carbon Intensity Indicator (CII) of ships. We also considered to

what extent the projects behind the AUM contribute towards society as a whole. We assessed regional community engagement, for example, or the extent to which projects were embedded in industry-specific initiatives such as the "Neptune Declaration on Seafarer Wellbeing".

Of the EUR 4.1 billion assets under management of the MPC Capital Group as of 31 December 2023, around 30 % were assets that make an environmental contribution to the energy transition and/or contribute to society. MPC Capital classifies these assets as "energy transition-related".



## GOALS ACHIEVED IN 2023

### Positive contribution to investment strategies for the energy transition

- + Determining the proportion of AUM that contribute to the energy transition by end of 2023



## POSITIVE ENVIRONMENTAL CONTRIBUTION BY MPC CAPITAL

The MPC Capital Group has its head office in Hamburg, which is where the overwhelming majority of our employees are based. For our goal of optimizing the environmental impact of our primary activities, we therefore intend to focus primarily on the head office. We will then gradually proceed to include all other locations.

### Scope 1

Scope 1 emissions are direct emissions from in-house and controlled resources. They are released into the atmosphere as a direct consequence of our entrepreneurial activities.

We embarked on calculating our Scope 1 emissions in 2023.

### Scope 2

Scope 2 emissions are indirect emissions from the consumption of power, steam, heat and refrigeration purchased from a utility company. At our head office in Hamburg, our Scope 2 emissions comprise the electricity and district heating that we use.

Consumption	2023	2022
Electricity (kWh)	199,250	198,883
District heating (kWh)	313,348	404,340

Scope 2 emissions	2023	2022
	138 tonnes	144 tonnes

### Scope 3

Scope 3 emissions are all indirect emissions that arise within the enterprise, including upstream and downstream emissions that arise through the enterprise’s business activity.

For evaluating Scope 3 emissions, we collated initial data on our business travel in 2023. For the first time it covers travel by employees of MPC Capital AG and the GmbH.

It revealed that our employees flew around 272,000 miles on business in 2023, equivalent to CO<sub>2</sub> consumption of approximately 100,000 kg.

### Other consumption

We measured our water consumption for the first time in 2023 and arrived at the figure of 1,131 m<sup>3</sup>.

## GOALS ACHIEVED IN 2023

Positive Environmental Contribution by MPC Capital
+ Determining the Scope 2 carbon footprint by end of 2023
+ Calculating water consumption by end of 2023

## OTHER WAYS OF IMPROVING OUR ENVIRONMENTAL FOOTPRINT AT THE LOCATION

### Low-emission commuting

To enable our employees to minimize their emissions when commuting to and from the workplace, we offer a contribution towards a Deutschlandticket monthly pass, continue to expand our fleet of electric vehicles and provide charging stations in the underground car park.

### Energy-efficient office facilities

We embarked on a thorough refurbishment of our office facilities in 2023. For this process, we have prioritized energy efficiency and the use of natural materials. All lamps have been fitted with LED bulbs and we have installed desk lamps with motion sensors in our offices, for example; these go out after a few minutes if an employee leaves their desk. We have also taken a large number of smaller steps to reduce carbon emissions, for instance by providing water fountains that render bottled water unnecessary or by adopting a greenery concept for the office premises.

We already embarked on a drive towards the paperless office in 2021 and optimized it further in 2023 in our new office facilities.

## ENVIRONMENTAL GOALS AND MEASURES FOR 2024



**Expansion of AuM that contribute to the energy transition**



**Continuously improving CO<sub>2</sub> emissions**

### Supported SDGs

Our investment strategies in the field of renewables, our decarbonization strategy in shipping and our sustainable approach to our real estate investments are contributing to the energy transition and to reducing CO<sub>2</sub> emissions. Through this approach, we are contributing to the following SDGs:

- + Goal 7: Affordable and clean energy
- + Goal 9: Industry, innovation and infrastructure
- + Goal 11: Sustainable cities and communities
- + Goal 13: Climate action
- + Goal 14: Life below water
- + Goal 15: Life on land





# SOCIAL

## SOCIAL RESPONSIBILITY WITHIN SOCIETY

### AuM that contribute to society

As an investment manager, one of the ways we gauge our economic success is by considering our assets under management. As with our environmental goals, we want to keep increasing the proportion of our AuM that make a sustainable contribution to society and the environment. For 2023, we therefore set ourselves the goal of assessing the social and environmental impact of our AuM portfolio and defining a sustainability spectrum.

We fed the findings of the analysis into the assessment of assets under management (AuM) that contribute to the energy transition and of projects that contribute towards society, and have commented on these on page 33.

### Social responsibility where we already are: the Elbstiftung Foundation

Education is a vital foundation for a career. Many children in Hamburg from socially vulnerable, low-income and/or migrant families start school with a disadvantage.

Throughout the project's 19 years, some 890 young people have attended Elbstation and produced 42 plays, 53 films and 79 radio reports (such as radio plays and features). Participants remain actively involved in the project for an average of up to six years. Elbstation thus improves the young people's self-esteem and motivation to succeed and eases their way to a better education.

The feeling of having achieved something together boosts their confidence in their own skills and develops their communication skills. As well as teaching young people to perform on stage, Elbstation above all enables them to get more out of life. School students can attend the Elbstation Academy for free thanks to donations.

## Association between the Elbstiftung Foundation and MPC Capital

The involvement of and close collaboration with MPC Capital has also played an important part in the project's implementation and enduring success. Because by providing the foundation with premises of its own, appointing permanent employees and providing support with internal tasks, it has enabled the foundation to concentrate entirely on its core project. This has made sure donations have been invested directly and efficiently in the project.

MPC Capital employees can get involved in Elbstation as coaches or tutors, for instance. The proximity between the project and the Company and close collaboration between the Company and the foundation have helped employees to identify with it. In recognition of this, MPC Capital was included in the Bertelsmann Foundation's "regional engagiert" ("regionally active") platform.

 **regional engagiert**  
[www.regional-engagiert.de/inspirieren/beispiel/417.html](http://www.regional-engagiert.de/inspirieren/beispiel/417.html)


For 2023 we set ourselves the goal of taking our collaboration with Elbstation to another level. We achieved this via a variety of means, including stepping up publicity about Elbstation e.g. over the internet and with flyers, and arranging a lunch to present the foundation to interested employees. Employees are also given the opportunity to attend the final presentation and have increasingly been doing so. We plan to step up our collaboration again in 2024.

## Community engagement

The target region for our business unit that deals with renewables is primarily Latin America and the Caribbean. That region is extremely diverse and very varied in terms of history, politics, culture, language, food, customs, religion and traditions. Against this complex backdrop, our understanding of local factors and our commitment to local stakeholders are crucial. We are convinced that good relations with the local communities have a positive effect for all concerned – whether stakeholders, partners or employees. We aim to interact respectfully in order to build long-term relationships with local communities. We always consider how our activities will impact the communities in which we are active and exercise great care and responsibility wherever livelihoods, history and culture might be affected.

## Crew welfare

In the shipping sector, the welfare of crews is one of the biggest social challenges to have come to light especially during the COVID-19 pandemic. Within our shipping activities, we therefore treat this topic as especially important. For example, Wilhelmsen Ahrenkiel Ship Management and MPC Container Ships have signed the Neptune Declaration on crew welfare and crew changes.

 **Neptune Declaration**  
[www.globalmaritimeforum.org](http://www.globalmaritimeforum.org)

## GOALS ACHIEVED IN 2023

### Social Responsibility within society

+ Determining initiatives by the AUM that contribute to society

+ Stepping up collaboration with Elbstiftung

## EQUALITY OF OPPORTUNITY, WELLBEING AND VALUING OF EMPLOYEES

Diversity and equality of opportunity in the working environment are topics where progressively greater transparency and entrepreneurial action are now taken as givens. We bear direct responsibility for the diversity of our Company in a wide range of respects and for offering equal opportunities to all employees regardless of gender, nationality, background or age. We commit to offering every employee the same opportunities and strive to create a professional, positive and inclusive working environment. All employees contribute to a working atmosphere that is free from discrimination and sexual harassment and we do not tolerate any behaviour that could be experienced as humiliating or threatening.

We respect and value the contribution of colleagues of all genders, ages and nationalities in equal measure and undertake to promote equal treatment in all activities of our Company and across our entire portfolio. Rather than set ourselves quotas, we focus on advancement and promotion of the individual.

### Our employees

On 31 December 2023 our Company had 178 permanent employees.

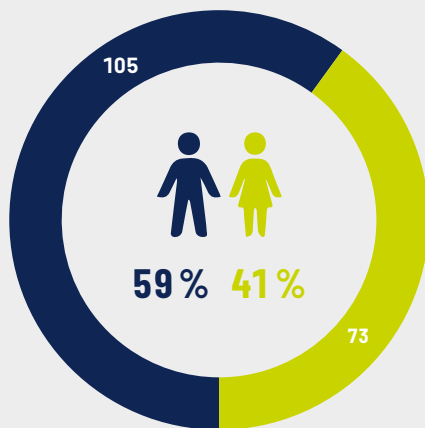
### Share by gender

In 2023 the share of male employees was 59 %, with female employees accounting for the remaining 41 %.

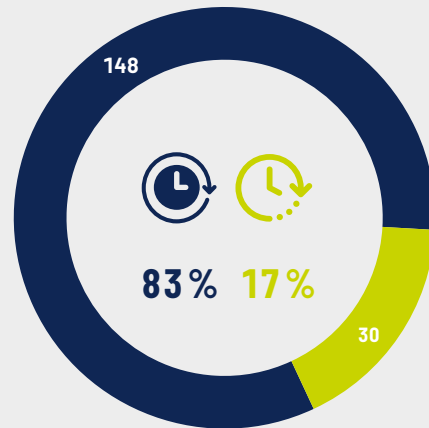
Our Company's Management Board comprised three male and no female members in 2023. The Supervisory Board equally comprised three male and no female members. There were three female managers in second-tier management.

83 % of employees were on full-time contracts and 17 % were engaged part-time.

Share of employees,  
male / female



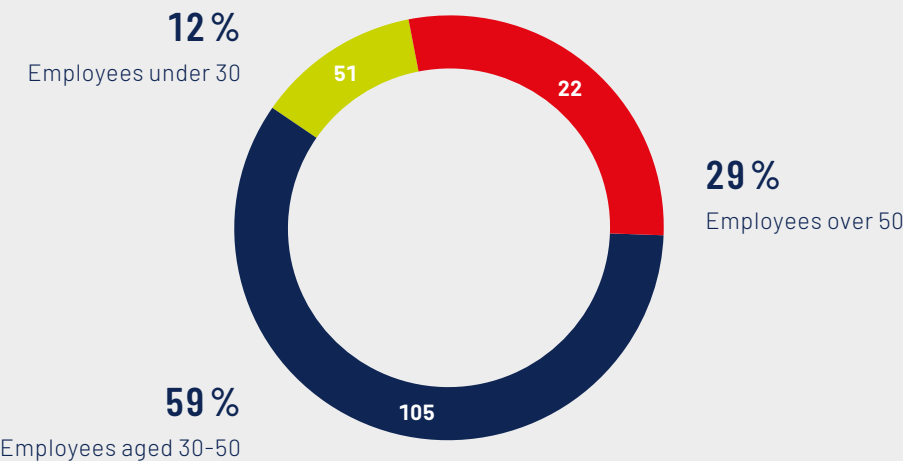
Share of employees,  
full-time / part-time





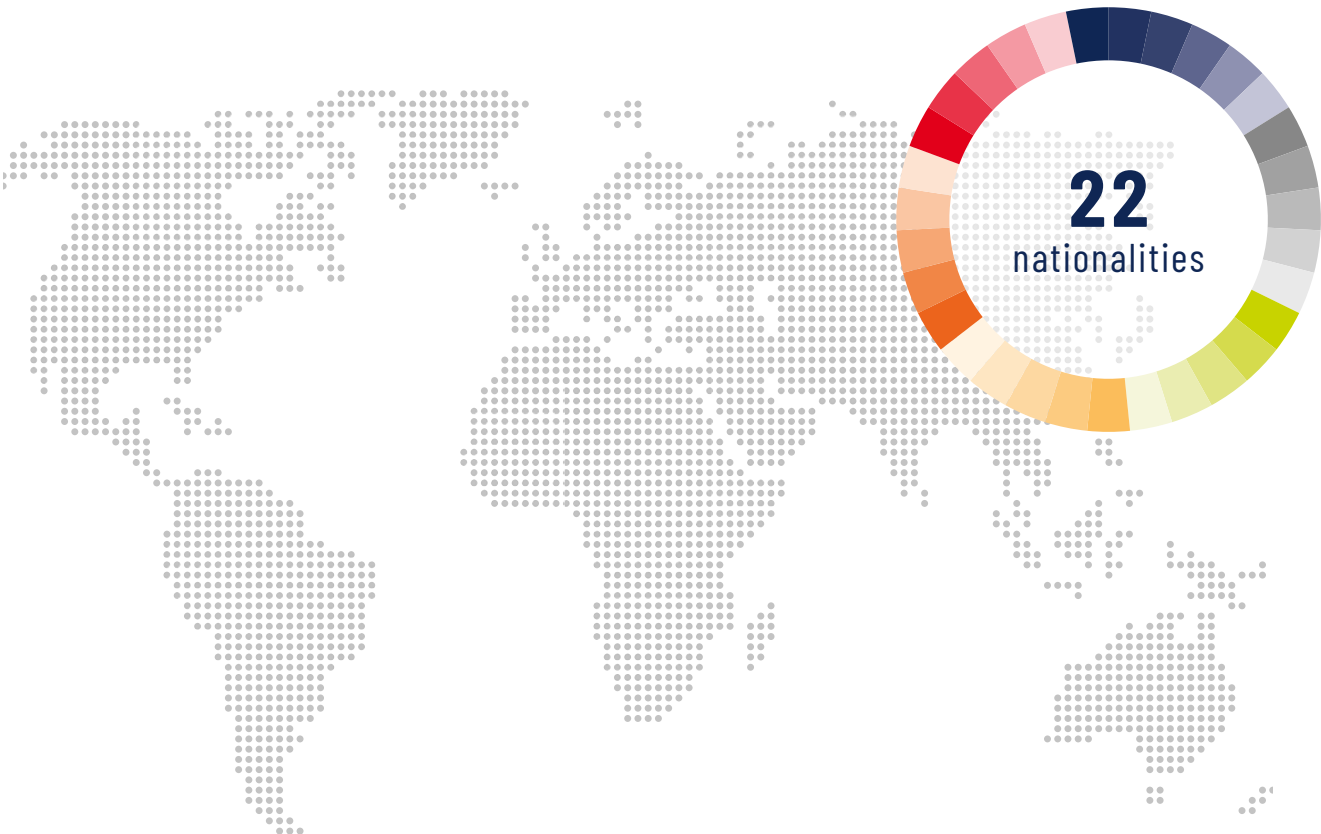
## Share by age

In 2023 the Company had 22 employees aged under 30 (12 %), 105 employees in the 30-50 age range (59 %) and 51 employees older than 50 (29 %).



## Nationalities of our employees

In 2023 the Company had employees of 22 different nationalities.



## Valuing and advancing our employees

Our employees and our corporate culture are at the core of our success. The long-term engagement of highly qualified employees is the basis for the sustained development of the MPC Capital Group. We endeavour to retain our employees and keep them performing at a high level by offering both performance-based remuneration and non-financial incentives.

The non-monetary incentives include flexible working hours, mobile working and a wide range of options to promote a work-life balance.

To promote our employees' personal and professional development, we support them specifically with personalized training opportunities. Our goal is to be an attractive employer and partner for life-long learning throughout their entire career.

MPC Capital made increasing use of direct communication channels and regular feedback sessions in 2023. These arrangements promoted an ongoing dialogue between managers and employees. This approach has proved an effective solution to responding swiftly to employee concerns and suggestions. The restructuring of the HR department meant we did not conduct a comprehensive employee survey. For 2024 we are planning to adopt a pulse check format that is designed to provide regular insights into the prevailing mood among employees.



### Daycare arrangement

Daycare places are hard to come by, so we have an arrangement with a nearby daycare centre for the mothers and fathers among our employees.



### Time out

Our employees are entitled to a six-week "time out" every five years. After six weeks off, our colleagues return refreshed and inspired.



### Mobile work

Employees can routinely spend part of their working week working from wherever they choose.

## GOALS ACHIEVED IN 2023

### Equal opportunities, well-being and appreciation of employees

+ Expansion of internal communication

+ Regular feedback sessions

## HEALTHY AND SAFE WORKING ENVIRONMENT

### Modern working environment

Along with the extensive remodelling of our offices in 2023, we again optimized the working conditions for our employees. With a clear focus on employee wellbeing and sustainability, various steps were taken to improve the working atmosphere and promote our employees' wellbeing.

We deliberately selected natural materials for desks and cupboards. We provided height-adjustable desks for all employees to improve ergonomics and reduce the risk of physical ailments. We introduced plants into the offices to improve air quality.

During the renovation project we also took care to use sustainable and environment-friendly materials and technologies. Energy-efficient lighting systems, recyclable materials and improved waste management are just some of the concepts that we implemented or initiated in order to minimize our environmental footprint.

## Occupational safety measures

We take the statutory requirements of the German Occupational Safety Act as our starting point for occupational safety. The MPC Group organises occupational safety at MPC Capital for all Hamburg-based Group companies. Employee training is held on a regular basis.

Occupational safety measures are discussed and approved by an internal occupational safety committee. The executive management, external specialists in occupational safety, medical officer and safety officers are involved in this committee.

We of course comply with the relevant statutory requirements on occupational safety at all international locations.

We further refined our management system for occupational health and safety in 2023; it now includes mandatory online training for employees on our compliance platform, for instance.

## GOALS ACHIEVED IN 2023

### Healthy and safe working environment

- + Enhancing the management system for occupational health and safety

## SOCIAL GOALS AND MEASURES FOR 2024



**Further expansion of internal communication and development of new dialogue formats**

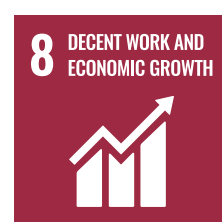


**Promotion of employee health and well-being**

## Supported SDGs

The Elbstiftung Foundation that we set up to support educationally disadvantaged young people is therefore consistent with development goals 4, 5 and 10. We moreover believe in equality of opportunity and dignity, maintain good and equitable working conditions and actively monitor health, safety and environmental aspects (HSE). This reflects SDGs 5 and 8.

- + Goal 4: Quality education
- + Goal 5: Gender equality
- + Goal 8: Decent work and economic growth
- + Goal 10: Reduced inequalities



# GOVERNANCE

## RESPONSIBLE ASSET MANAGEMENT

Reliable corporate governance is a key factor of integrity and efficiency for an asset and investment manager. We want to build trust, add value, minimise business risks and create Name First appointed Appointed until AGM for the financial year transparency for our shareholders, employees and other stakeholders.

Trust is the basis of all business activity and the starting point for sustained business success. The shares of MPC Capital AG have been traded on the Frankfurt Stock Exchange since 2000. MPC Capital therefore meets all the related admission and consequential obligations.

Our Company is run by our governing bodies: the Annual General Meeting, the Supervisory Board and the Management Board. The Supervisory Board approves the Company's corporate governance principles. The Articles of Association of MPC Capital along with other guidelines and frameworks are available on our website.

The Management Board supervises all business activities and reports to the Supervisory Board. It also bears management responsibility for the impact that MPC Capital has on the economy, the environment and society.

The Supervisory Board holds four routine meetings per year, plus ad hoc meetings as required. A total of four scheduled Supervisory Board meetings were held in the presence of the Management Board in the period under review. Matters pertaining to sustainable development were also addressed at those meetings.

The members of the Supervisory Board are elected by the Annual General Meeting. Term of office of Supervisory Board members:

Name	First appointed	Appointed until AGM for the financial year
Dr. Axel Schroeder, Chairman	2015	2027
Joachim Ludwig	2015	2027
Dr. Ottmar Gast*	2015	2024
Ulf Holländer	2024	2027

\*Dr Ottmar Gast also served on the Supervisory Board from 9 June 2004 to 25 March 2009

The profiles of Supervisory Board members are published on the Company's websites, including the number of other positions and commitments that each member has taken on, along with the nature of those commitments.

MPC Capital has drawn up and introduced a Code of Conduct that sets out our ethical guidelines. The Code of Conduct is published on our website under the Corporate Governance heading:



**MPC Capital | Corporate Governance**

[www.mpc-capital.com/shareholders/corporate-governance](http://www.mpc-capital.com/shareholders/corporate-governance)

## GOALS ACHIEVED IN 2023

### Responsible asset management

- + Embedding ESG aspects in the investment policy by 2023

## Our corporate culture and values

Determination, mindfulness and enthusiasm – these are the values we demonstrate in how we cooperate and in our daily interaction with partners and clients alike.

These values are firmly embedded in our corporate culture and therefore form the basis of our sustained corporate success. We involve employees from every area of the MPC Capital Group in shaping this corporate culture.



### Determination

... comes from our passion and commitment for what we do.



### Mindfulness

... because we show respect and awareness in how we



### Enthusiasm

... is our definition of inspiring motivation.

## Training

14 training sessions were held in 2023, six of them in-person (in some cases via Teams) and eight in the form of online courses using the MetaCompliance tool. Employee training covered the topics of data protection, compliance, tax, money laundering, cyber crime and occupational safety. A special training session on anti-money laundering and the prevention of terrorist financing was held for the Real Estate unit.

In total, 110 employees received training in 2023 (2022: 101).

## Whistleblower system

An internal register of reports was introduced in the 2023 reporting year in the Compliance area. This makes it easier to identify where certain occurrences or individuals are repeatedly brought to our attention so that appropriate steps can be taken. There were no abnormalities in that respect in 2023.

## TRANSPARENT AND ETHICAL BUSINESS ACTIVITIES

### Code of Conduct

The MPC Capital Code of Conduct serves as a shared basis for MPC Capital to achieve its business goals at all companies that are part of the MPC Capital Group. A business strategy guided by ethical standards and ethical personal behaviour by every employee are vital ingredients of MPC Capital's credibility and reputation.

MPC Capital employees are obliged to know and observe all the relevant laws and regulations, including the MPC Capital Code of Conduct. By doing so they will always and everywhere operate within the law, respect fundamental ethical principles and act sustainably.

We again refined the Code of Conduct in 2023. New employees must confirm in writing that they have read the Code of Conduct.





## Anti-corruption

Our Company does not tolerate any practices that stand in the way of free and fair competition, such as corruption, price fixing or market sharing. We also vehemently oppose money laundering and take the necessary steps to prevent financial transactions from being used by others as a means of money laundering.

Our Company does not tolerate corruption, whether actively in the form of offering bribes or passively in taking them, and never accepts demands for kickbacks, in other words payment of money to government officials. Nor do we make any financial contributions to political campaigns or similar.

As a company that is active on the capital market, we have developed an insider information policy that contains rules and processes for identifying confidential or inside information and for preventing impermissible insider trading and abuse of confidential information.

No cases of corruption were reported in 2023. No employees were dismissed or disciplined for corruption and there were no instances of contracts with business partners being terminated or not extended due to corruption. MPC Capital is not aware that any legal proceedings have been initiated against the Company or our employees involving corruption.

- + The Management Board and Supervisory Board receive a compliance report on topical issues and developments once a quarter.
- + The Management Board receives the comprehensive Annual Compliance Report once a year; this presents and documents the developments in all compliance-related areas.
- + A compliance audit report on asset management is issued quarterly to the management of the investment platforms as well as to the Risk Management and Internal Audit officers.

## GOALS ACHIEVED IN 2023

Transparent and ethical business activities
+ Training (compliance, cyber security, prevention of money laundering, etc.)
+ Keeping the number of confirmed cases of corruption at zero
+ Setting up a whistleblower system by end of 2023

## CORPORATE GOVERNANCE GOALS AND MEASURES FOR 2024



Developing best practice recommendations for the management units and investment platforms by end of 2024



Keeping the number of confirmed cases of corruption at zero

## Supported SDGs

With our responsible asset management approach and transparent, ethical business activities, we contribute to development goals 16 and 17.

- + Goal 16: Peace, justice and strong institutions
- + Goal 17: Partnerships for the goals



# GRI INDEX

GRI Standard	Disclosure	Page
GRI 2: General Disclosures	2-1 Organizational details	P. 7 ff.
	2-2 Entities included in the organization's sustainability reporting	P. 5
	2-3 Reporting period, frequency and contact point	P. 5
	2-4 Restatements of information	n/a
	2-5 External assurance	n/a
	2-6 Activities, value chain and other business relationships	P. 12
	2-7 Employees	P. 38 ff.
	2-8 Workers who are not employees	n/a
	2-9 Governance structure and composition	P. 38
	2-10 Nomination and selection of the highest governance body	P. 42
	2-11 Chair of the highest governance body	P. 42
	2-12 Role of the highest governance body in overseeing the management of impacts	P. 42
	2-13 Delegation of responsibility for managing impacts	P. 42 ff.
	2-14 Role of the highest governance body in sustainability reporting	P. 42 ff.
	2-15 Conflicts of interest	P. 42
	2-16 Communication of critical concerns	n/a
	2-17 Collective knowledge of the highest governance body	P. 42
	2-18 Evaluation of the performance of the highest governance body	n/a
	2-19 Remuneration policies	n/a
	2-20 Process to determine remuneration	n/a
	2-21 Annual total compensation ratio	n/a
	2-22 Statement on sustainable development strategy	P. 4
	2-23 Policy commitments	P. 5
	2-24 Embedding policy commitments	P. 5
	2-25 Processes to remediate negative impacts	n/a
	2-26 Mechanisms for seeking advice and raising concerns	n/a
	2-27 Compliance with laws and regulations	P. 42 ff
	2-28 Membership associations	P. 18 ff
	2-29 Approach to stakeholder engagement	P. 27
	2-30 Collective bargaining agreements	n/a
GRI 3: Material Topics	3-1 Process to determine material topics	P. 28
	3-2 List of material topics	P. 28
GRI 201: Economic Performance	Economic Performance	
	3-3 Management of material topics	P. 31
	201-1 Direct economic value generated and distributed	P. 9, 31
GRI 205: Anti-corruption	Anti-corruption	
	3-3 Management of material topics	P. 44
	205-2 Communication and training about anti-corruption policies and procedures	P. 44

GRI Standard	Disclosure	Page
GRI 305: Emissions	Emissions	
	3-3 Management of material topics	P. 33-35
	305-1 Direct (Scope 1) GHG emissions	P. 34
	305-2 Energy indirect (Scope 2) GHG emissions	P. 34
	305-3 Other indirect (Scope 3) GHG emissions	P. 34
GRI 401: Employment	Employment	
	3-3 Management of material topics	P. 38 ff.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P. 38
GRI 403: Occupational Health and Safety	Occupational Health and Safety	
	3-3 Management of material topics	P. 40 ff.
	403-1 Occupational health and safety management system	P. 41
	403-5 Worker training on occupational health and safety	P. 41
GRI 405: Diversity and Equal Opportunity	Diversity and Equal Opportunity	
	3-3 Management of material topics	P. 38
	405-1 Diversity of governance bodies and employees	P. 38
GRI 406: Non-discrimination	Non-discrimination	
	3-3 Management of material topics	P. 38





**MPC Capital**