

SUSTAINABILITY REPORT

2020

Contents

Published August 2021

	PAGE		PAGE
Addressing the United Nations Sustainable Development Goals	3	3. Our sustainability focus areas	13
Stakeholders' letter	4	a. Environment	14
1. Our business and stakeholders	5	b. Governance	22
At a glance	6	c. Operational excellence	27
Our modern eco fleet	7	d. People	31
Our stakeholders	8	e. Partnerships	40
Our partners	9	ESG Performance Data	43
2. Our corporate approach to sustainability	10	Sustainability Assurance Statement	44
Materiality Analysis	11	Appendix A - Stakeholder's engagement	45
Sustainability strategy and focus areas	12		

Addressing the United Nations Sustainable Development Goals

The United Nations has adopted the [Sustainable Development Goals \(SDGs\)](#) to achieve significant progress on global economic, social and environmental challenges by 2030. Although directed at governments, the private sector and civil society play an important role in support of governments' national plans.

LEMISSOLER contributes to certain aspects of all 17 SDGs. In this report, we feature twelve (12) SDGs to which we are making significant contributions.



Stakeholders' letter

If any year demonstrated that forecasting is difficult, it was 2020. Over the past 12 months, our world has experienced unprecedented challenges. Everything about how we work, learn, travel, and live was examined, revalued, and, to a large extent, overturned in 2020.

Our concern was firstly to protect our workforce and their families, which we did by taking an early decision to enable strict protocols both at sea and onshore and sent all our office employees to work remotely from home before it became mandatory. Secondly, we kept our company running, meeting stakeholders' needs and supporting our global operations in times of unprecedented demand volatility. Thirdly, we did not allow anything to distract us from continuing to deliver on our strategic goals, and most importantly, on our purpose.

All this occurred in a year where discussions on decarbonization intensified, and the global pandemic accelerated many trends related to the interest in environmental issues and threat of climate change.

This past year, we saw a significant increase in ESG awareness and interest within the maritime industry, which we at LEMISSOLER very much welcome as we continue our ESG journey. Sustainability has long been a core value at our Group, and I believe our culture, values, and policies create a strong foundation for the work that lies ahead.

As the world decarbonizes, how we achieve these results is as important as the results themselves. That is why we are committed to operating our businesses in a responsible and sustainable manner, supplying our renewed fleet with only high-quality top-tier eco vessels, working to minimize environmental impact and supporting the communities where we live and work.

Lastly, we believe that strong ESG commitments and transparency of our performance is critical to maintaining the trust of our stakeholders. To further our commitments, this past year, we have decided to formulate our targets by drawing inspiration and guidance from the United Nations' Sustainable Development Goals (SDGs) and its principles. We are also further increasing transparency by aligning this first sustainability report and our ongoing sustainability reporting with globally recognized reporting frameworks.

We sincerely thank you for your interest and we look forward to working with you on our sustainability journey.



Philippos Philis
Chairman and CEO





Our business and **stakeholders**

At a glance

LEMISOLER is a vertically integrated shipping group, established in 1996 with 4 activities ranging from shipowning and shipmanagement to commercial operations and corporate management.

“Our purpose is to create value.”

Philippos Philis, CEO

Our Values



Transparency



Integrity



Excellence



Respect

1

Shipmanagement

- Technical & Purchasing
- Crewing & Training
- Naval Architecture & Engineering
- Insurance and Claims

2

Commercial Operation

- Vessel Chartering
- Dry Cargo Operation
- Contracts of Affreightment

3

Corporate Management

- Project Origination
- Project Funding (Equity & Debt)
- Market Research & Analysis
- Risk Management

4

Research & Development

- LEM Bulkcarrier Designs
- Green Shipping Solutions
- Technology Projects
- Newbuilding Supervision

Our Ultramax
LEM 65 design



12 vessels

Owned as of Dec. 2020

421

Crew employed

>6.5 mil.

MTPA cargo carried

5 offices

Around the world

59

Office employees

>\$677 mil.

US\$ Investment value in assets between 1997 - 2020

>\$300 mil.

US\$ Investment value in assets as of Dec. 2020

25 years

Of presence in the shipping market

Our modern eco fleet promotes a greener future today

Our fleet contains modern, fuel-efficient and high-quality vessels, with a strong emphasis on our in-house technical expertise.

We design our vessels to be top of the line in their respective categories; this is an important step in our common pursuit to create a more sustainable shipping concept combined with a flexible design to offer our customers better business solutions at competitive freight per ton-mile.

As of December 2020, our company owns a fleet consisting of 12 vessels with a total carrying capacity of 727,842 DWT.

>8.9%

Increase in fleet size since 2017

>24.0%

Time Charter Equivalent (TCE) above the Baltic Supramax Index (BSI) for our **LEM 65 vessels**

3.8 years

Average age of our fleet

>12.0%

Time Charter Equivalent (TCE) above the Baltic Supramax Index (BSI) for our **LEM 59 vessels**

- Propulsion Optimization
- Energy Saving Devices
- Aero – design
- Electric Cranes
- Max. grab size
- Max. cargo capacity vs. piers
- Hull Optimization



Our Ultramax
LEM 65 design

4 vessels

In compliance with EEDI **Phase 3**



Our Supramax
LEM 59 design









8 vessels

In compliance with EEDI **Phase 2**

Our stakeholders

At LEMISSOLER we appreciate the role and significance of our stakeholders when it comes to defining our sustainability strategy.

Their insight enriches our understanding of their needs which assists our decision-making process and ensures that our sustainability actions and reporting is relevant and responsive to their expectations and concerns.

Stakeholder Group	Stakeholder Type	Stakeholder Group	Stakeholder Type
 Customers	<ul style="list-style-type: none"> • Vessel Owners • Charterers • Cargo Owners 	 Authorities	<ul style="list-style-type: none"> • IMO • EU • Governments • Flag Administrations • Port Authorities
 Seafarers & Office employees	<ul style="list-style-type: none"> • Crew on board • Office Employees • Manning Agents 	 Suppliers	<ul style="list-style-type: none"> • Manufacturers • Ship-Yards • General Suppliers • Port Agents
 Shareholders / Investors	<ul style="list-style-type: none"> • Private Educated Investors • Institutional investors • Funds / Private Equities 	 Community & Society	<ul style="list-style-type: none"> • Academic Institutions • Local Communities • NGO's • Media
 Financial Institutions	<ul style="list-style-type: none"> • Banks • Leasing Financial Institutions 	 Industry Organizations	<ul style="list-style-type: none"> • Classification Societies • P&I Clubs • Insurers/Underwriters • Vetting Companies • Industry Associations

For more details regarding the engagement process followed for each stakeholder group, please refer to "Appendix A - Stakeholder's engagement" on page 45

Our partners

In 2020, our Group was a member of - or partnered with - the following associations and organizations:





Our
corporate
**approach to
sustainability**

Materiality Analysis

Engaging with our Stakeholders

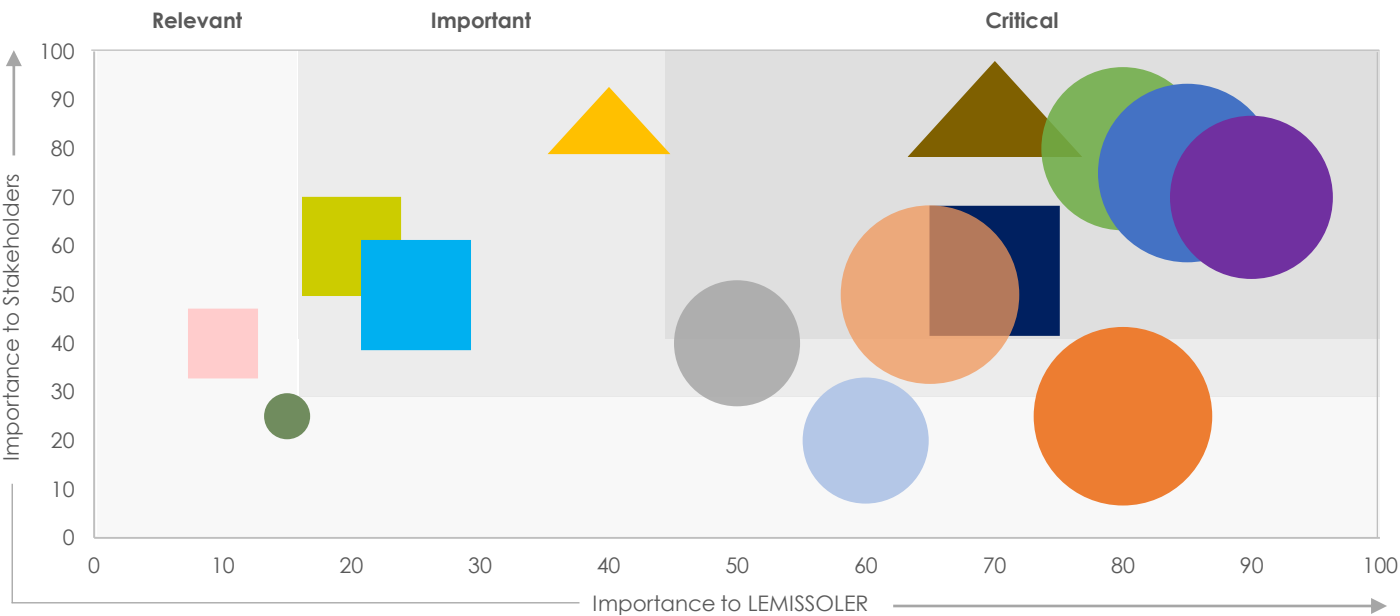
A materiality assessment was carried out in 2020, representing a reality check of our sustainability focus as well as the allocation of our efforts and resources.

The topics for this report were selected through management prioritization by considering the importance to Stakeholders in the topic and the likelihood of the topic affecting our business objectives. Our assessment and selection of material topics is also informed by our Risk Management process, which assesses the top risks that may impede LEMISSOLER from achieving its strategic objectives.

We have selected a specific focus area to emphasize and improve upon within each of these five overall areas:

- a. Environment
- b. Governance
- c. Operational Excellence
- d. People
- e. Partnerships

Our ambitions for material issues are outlined below our materiality matrix on the right, and actions and progress towards achieving our ambitions are described throughout the report.



Key topics:

- | | |
|---|---------------------------------|
| ▲ Accountability and Transparency | ● Marine Environment Protection |
| ▲ Anti-Corruption | ■ Partnerships |
| ■ Diversity and Inclusion | ● Research and Innovation |
| ● Efficiency and Performance Monitoring | ● Safety |
| ● Emissions and Energy Reduction | ● Ship Recycling |
| ■ Employees | ● Transport work |
| ■ Labor and Human Rights | ● Waste |

Note: The size of the shapes indicates the ability of LEMISSOLER to control.

- Environment
- Social
- △ Governance

Sustainability strategy and focus areas



These 5 areas direct LEMISSOLER's efforts, ongoing improvements and overall aims within sustainability and are furthermore used to map each of the United Nations Sustainable Development Goals (SDGs) of relevance to LEMISSOLER's business activities.

ENVIRONMENT



Focus area Decarbonization

Decarbonization and energy efficiency are part of LEMISSOLER's agenda to curb emissions gradually, while working towards carbon neutrality in 2050. It is LEMISSOLER's responsibility to manage its vessels in the most energy efficient way possible.

Read more in the section
Environment on page 14

Targets

Carbon neutral by 2050

Yearly improvements in CO₂
Emissions per transport work for each
vessel size, aligned to IMO CO₂ targets

GOVERNANCE



Focus area Bribery and facilitation payments

Corruption obstructs the development of fair market structures, distorts competition and threatens development of societies. LEMISSOLER has zero tolerance towards bribery, and our policy is to refuse facilitation payments.

Read more in the section
Governance on page 22

Targets

Zero tolerance towards bribery and
refusal of facilitation payments

OPERATIONAL EXCELLENCE



Focus area Safety and transport work

We will continue to promote a strong safety culture and adherence to our safety commitments. Also, we continue to invest in increasing the efficiency of our vessels and have been a leader in developing innovative vessel designs to reduce environmental impacts..

Read more in the section
Operational Excellence on page 27

Targets

Operate our existing fleets as safely and
efficiently as possible

PEOPLE



Focus area Diversity, well-being & engagement

All our employees will be treated fairly in a safe and healthy working environment, and we are committed to creating a working environment where each employee feels valued and can prosper.

Read more in the section
People on page 31

Targets

Female share of on-shore employees

38%

In 2021 (2020: 35%)

PARTNERSHIPS



Focus area Society

To be an active community participant, creating value for society. Our community investment activities focus on supporting vulnerable groups and youth education, among others.

Read more in the section
Partnerships on page 40

Targets

Support causes and non-profit,
non-governmental organizations.



Our sustainability **focus areas**

- a. Environment
- b. Governance
- c. Operational Excellence
- d. People
- e. Partnerships

a. Environment



We are committed to, and effectively comply with all maritime environmental regulations

Spills and releases to the environment

Spills of fuel and lubricants into the marine environment constitute one of the major environmental risks in the Shipping industry. We consider ourselves conscious of the impact such spill incidents have on maritime ecosystems and our aim is to protect life below water to the maximum extent possible.

We therefore follow strict operating procedures, conduct regular risk assessments and apply high level safety standards in compliance with the current relevant legislation and our strong Health, Safety and Environmental management system in order to ensure that no harmful substances are disposed to the marine environment as a result of our operations.

Ballast Water Treatment

Ballast water is taken on board by ships for stability and can contain thousands of aquatic or marine microbes, plants and species. Untreated ballast water could potentially allow introduction of these organisms to coastal waters causing severe damages to local biodiversity. The IMO BWM Convention (entered into force on 8 September 2017) requires all ships in international traffic to manage their ballast water.

In response to the latest D-2 performance standard of the Convention, we have fitted 41.6% of our fleet with Ballast Water Treatment Systems (BWTS) and have scheduled to have 100% of the fleet fitted by 2022.

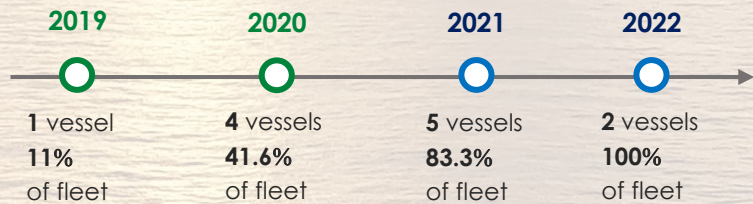
0 zero

Spills to the marine environment

41.6%

Of fleet equipped with BWTSs as of 31st Dec 2020

Ballast Water Treatment Installation Schedule



We are committed to and effectively comply with all maritime environmental regulations (cont'd)

Safe Ship Recycling

We took early action within 2019 to be fully compliant with EU regulation 1257/2013 on Ship Recycling that entered in force on 31 December 2020. The regulation refers to vessel recycling activities and the monitoring the inventory of hazardous materials on board, including:

- Asbestos
- PCBs
- Ozone depleting substances
- PFOS
- Anti-fouling systems

Our early actions led to us updating our Inventory of Hazardous Materials (IHM) and receiving Certification for both the EU SRR and HK Convention within 2020 for all our Vessels.

100%

of our fleet complies with EU SRR and HK convention related to IHM

Refrigerants and Stern tube seals

Our fleet consists of new modern vessels equipped with approved refrigerants with reduced Global Warming Potential (GWP). Additionally, during maintenance activities both in offices and on vessels, eco friendly refrigerants that do not affect the ozone layer are used.

Furthermore, all vessels are equipped with eco friendly stern tube seal system (air seals), which introduce an additional barrier between oil and sea water surfaces – hence eliminating the possibility of oil leaking into sea.

Environmental compliance

Compliance with all applicable environmental laws and regulations is foundational to how we do business. During 2020 there were no incidents of non-compliance and no class recommendations.

0 zero

Non-compliance incidents

0 zero

Class conditions / recommendations

EU MRV and IMO DCS

We are fully compliant with the EU MRV and IMO DCS regulations. We have established a standardized and structured process to ensure completeness, consistency and accuracy in our emissions monitoring and reporting process.

Emissions reporting for both EU MRV and IMO DCS purposes are audited and verified by an independent recognized organization.

We improved the carbon intensity (AER) of our fleet by 12.0%

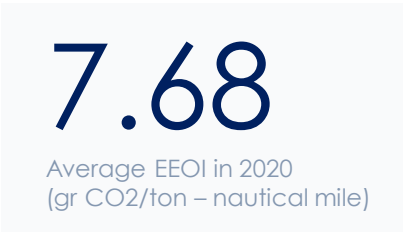
We measure transport energy efficiency of our fleet using the two main *Carbon Intensity Indicators (CIIs), the Energy Efficiency Operating Index (EEOI) and the Annual Efficiency Ratio (AER):

- **EEOI method (also used for EU MRV reporting):** Calculated by dividing the total CO₂ emissions for the reporting period, with the summary of the transport work which is the laden sailed distance times the cargo carried for each transport leg.
- **AER method (also used for IMO DCS reporting):** Calculated by dividing the annual CO₂ emissions with the total sailed distance times the deadweight of the ship.

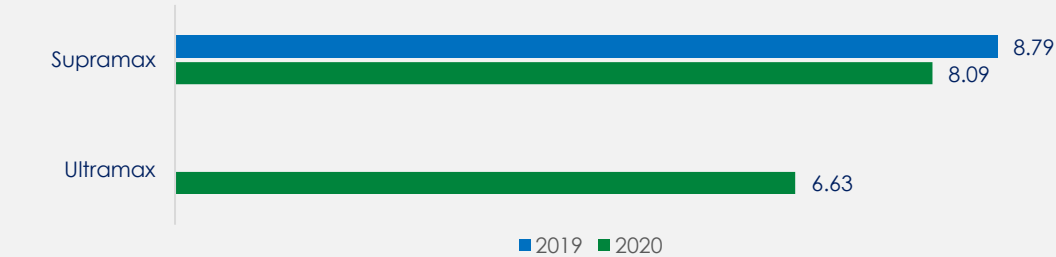
In 2020, we decreased the **Average AER and EEOI of our fleet. The below actions will contribute to further decrease the Carbon Intensity metrics:

- Optimizing hull cleaning frequency (for reduced drag) using detailed analysis of vessels' speed and fuel consumption performance over time.
- Weather routing guidance based on hourly updated weather forecasts.
- Real-time onboard system monitoring (KeelX Analytics systems).
- AI route optimization for ongoing route efficiency adjustments (KeelX Analytics systems).

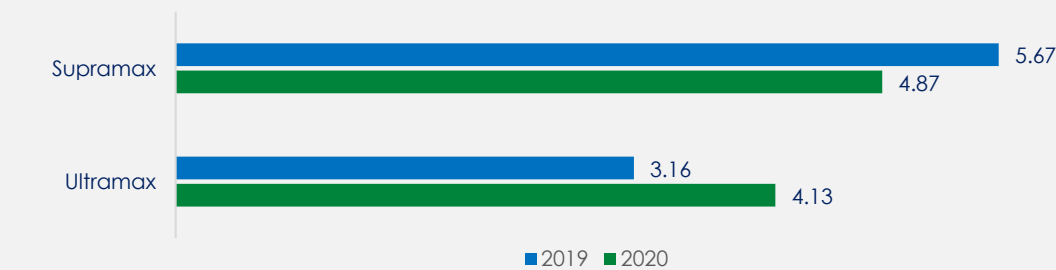
The average AER of our fleet was reduced by 12.0% compared to 2019.



Carbon Intensity Indicator (CII) per vessel size – EEOI method (EU MRV)
(gr CO₂ / Transport Ton - mile)



Carbon Intensity Indicator (CII) per vessel size - AER method (IMO DCS)
(gr CO₂ / DWT – mile)



* We report on Carbon Intensity Indicators using EEOI (Energy Efficiency Operational Indicator) and Annual Efficiency Rate (AER) methodologies. EEOI is defined by IMO in MEPC.1/Circ.684 and AER is defined by IMO MEPC. 336(76).

** Average EEOI and AER figures are calculated by the total fleet Ton - mile or DWT - mile respectively and divided by total fleet CO₂ emissions.



Delivering a 6.3% reduction in our fleet's carbon footprint and our sustained operations

In 2020, the average total fuel consumption for our fleet was 24.14 tons per day, a reduction of 0.2% in relation to 2019.

Our fleet emitted 166,803 tons of CO₂ in 2020. Emissions from our fleet have been reduced by 6.3% in relation to 2019.

The total decline in CO₂ emissions can be attributed

to the deliveries of our newbuilding vessels combined with the removal of some of the older vessels from our fleet, reducing the average age of our fleet from 4.8 years old at the end of 2019 to 3.3 years old at the end of 2020.

Finally, the total energy consumption for our fleet was reduced to 2,289 GJ in 2020 from 2,442 GJ consumed in 2019.

166,803 tons

Of CO₂, emitted in 2020 by our fleet

↓ 6.3%

Total CO₂ reduction of our fleet in 2020

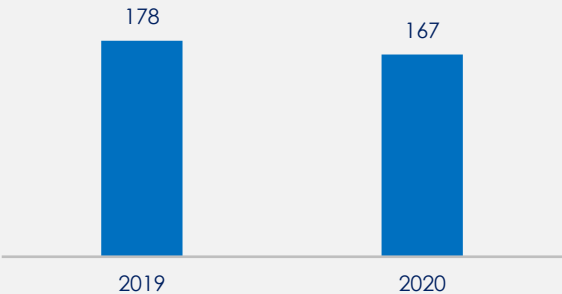
2,289 GJ

Energy consumption in 2020 of our fleet

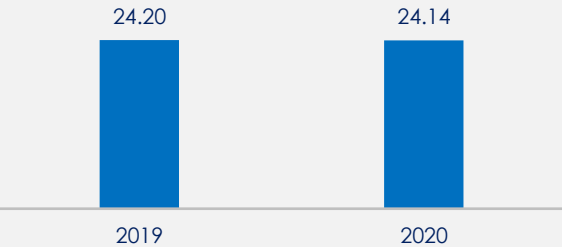
↓ 0.2%

Fuel consumption reduction per *sailing day of our fleet in 2020

CO₂ Emissions ('000 tons)

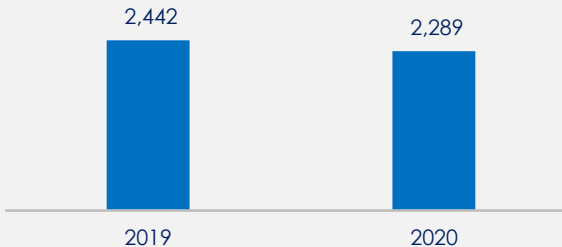


Average fuel consumption per *sailing day (tons)



*Sailing days are derived from the total hours where the Vessel is underway with Main Engine running.

Total energy consumption (GJ)



We effectively managed to reduce our SOx and NOx emissions

Sulphur Emissions

- The amount of *Sulphur Oxides (SOx) emitted to the atmosphere is almost directly proportional to the amount of Sulphur in the fuel % mass/mass (m/m) burnt.
- In 2020, total SOx emissions of our fleet were 418 tons, reduced by 82.6% in relation to 2,408 tons in 2019.
- The significant decline can be attributed to new global SOx emissions regulations, IMO 2020, which came into force on 1 January 2020.
- LEMISSOLER complied with the new regulations by using low Sulphur fuels (<0.5%) and by pre-installing exhaust gas scrubbers on 2 newbuild owned vessels delivered in 2020.

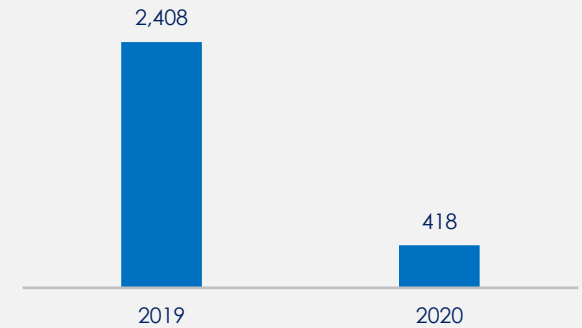
↓ **82.6%**
In SOx emissions reduction of our fleet in 2020

Nitroxide Emissions

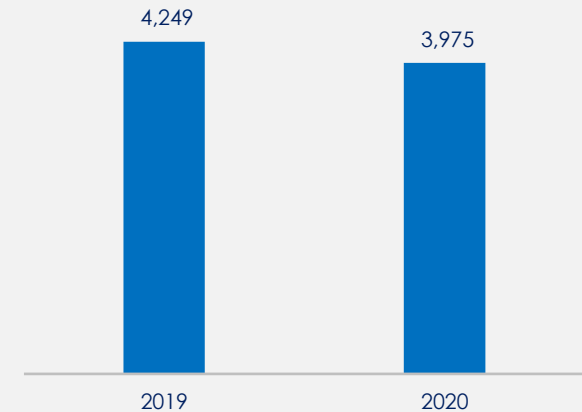
- The combustion of marine fuels generates **Nitrogen Oxides (NOx) emissions which are harmful to the environment, health, and closely correlate with CO₂ emissions and fuel consumption. The higher the combustion temperature, the greater the NOx formation.
- Control of NOx emissions is mainly achieved by reducing fuel consumption and equipping vessels with latest generation engines certified for lower NOx emissions. Our vessels are all equipped with NOx-controlled engines (Tier II) that meet the relevant IMO standards.
- In 2020 our fleet emitted 3,975 tons of NOx, reduced by 6.4% in relation to 4,249 tons in 2019.

↓ **6.4%**
In NOx emissions reduction of our fleet in 2020

SOx emissions (tons)



NOx emissions (tons)



*SOx emissions are calculated using the average Sulphur content in the Bunker Delivery Notes (BDNs) for HFO and 0.1% for MDO/MGO. For scrubber fitted Vessels, this figure is assumed as 0.1% for all fuel types, although scrubber operational logs indicate 0% for all times and modes of operation.

**NOx emissions are calculated using a value of 75.9kg/ton for HFO fuel and 56.71kg/ton for MGO/DO fuel and derived Fourth IMO GHG Study - July 2020.

We have included proactive procedures in our management practices enabling us to further reduce our environmental impact

Water Management

Fresh consumable water on board is either produced on board by the freshwater generator (through sea water) or supplied from the shore. Being a precious resource for our on-board operations, we are committed to using it efficiently through continuous monitoring and consumption control.

For drinking water, specifically, we started testing and using an enhanced Drinking Water Filtration System at the end of 2020 on one of our vessels. Based on the positive feedback received we plan to proceed with installation on the whole fleet by 2022. Water analysis results obtained have been satisfactory and it is estimated that over 70,000 plastic bottles per year will be eliminated.

Waste Management

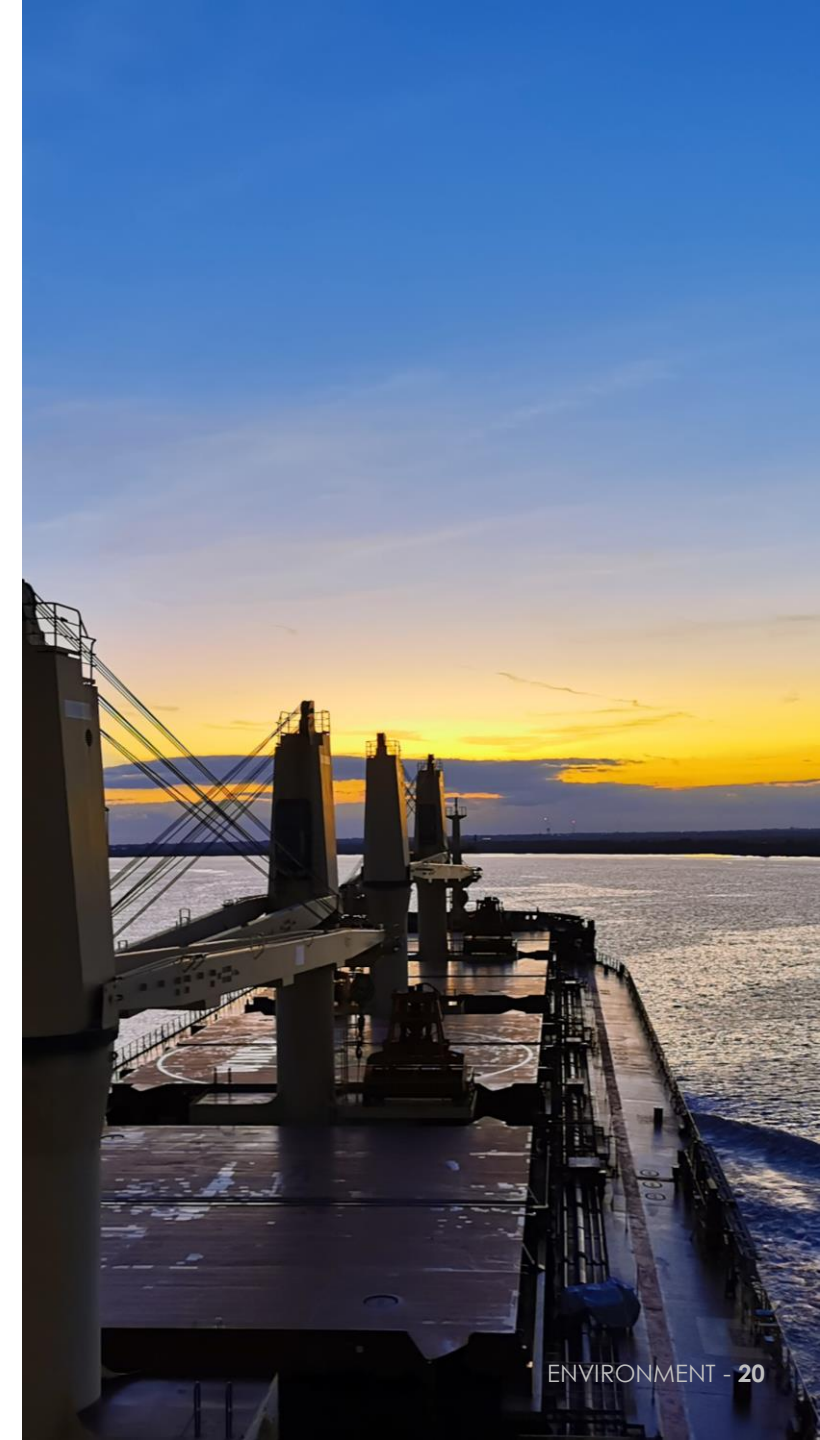
In addition to complying with MARPOL Annex V requirements, we also take the following extra steps across our fleet to reduce the amount of garbage generated:

1) In addition to normal segregation for disposal ashore, our Vessels are fitted with processing equipment for almost all types of garbage generated onboard to allow reduction and ease the recycling process once ashore.

2) Steps have been taken to reduce single-use plastics onboard, such as supply of biodegradable equivalents, advising suppliers to retrieve wrapping material and reduce their use on packaging, improve the onboard filtration systems to allow us to replace single used plastic bottles with reusable containers.

Our estimates indicate 5,800 single-use plastic bottles can be saved, per vessel per year. Another area we have focused on, is the reduction of single-use cleaning chemicals for domestic use, by utilizing a chemical mixing unit which uses large chemical drums to produce and fill re-usable bottles instead.

3) All our fleet is fitted with Incinerators complying with latest requirements of MEPC.244(66) which allow for a more environmentally friendly operation and for a greater range of garbage types.



R&D – LEMISSOLER's Innovation Engine:

Constantly questioning where we can improve and innovate

Lem59 to Lem65

Bulkcarrier Design

Experimental Development / Commercial Production

We left no stone unturned in analyzing our Lem59 design and turning it into a mega successful Lem65 super eco Ultramax. Joining forces with SDARI & ABS we utilized all means technologically available to optimize the hull lines, propulsion system, cargo intake, engine room, deck cranes and accommodation design. CFDs, model tank tests, scenario assessments, ESD combo trials and experts' opinions contributed to the development of an EEDI Phase 3 compliant fleet well ahead of its time.

Lem65 to Lem65e+

Bulkcarrier Design

Experimental Development

A new ongoing cycle of innovation starts from the moment our newbuildings sail away from the shipyard for their maiden voyage. Our entire fleet is equipped with real time sensors installed on-board so our on-shore team can perform continuous vessel performance analytics. This in addition to our ever-expanding network of emerging technology providers enables us to model potential savings in fuel and CO2 by incorporating new technologies on board our upcoming Lem65e+ design.

Zero Emission Ship

Ocean-going Ship Concept

Basic Research

An increasing amount of LEMISSOLER resources is being allocated to demonstrate the viability of our in-house zero-emission ocean-going ship concept. Our team is working closely with a selected group of specialized partners to take all necessary steps to validate the concept and taking the technology readiness level of each component a step closer to completion.

Electric Cranes

Bulkcarrier Electric Cargo Deck Cranes

Experimental Development / Commercial Production

LEMISSOLER joined forces with MASADA China and MITSUBISHI Japan to co-develop all-electric cargo deck cranes. The outcome of this extensive collaborative effort is tremendously satisfying with all our Lem65 newbuilding's featuring the cranes. We continuously collect and analyze data from operations with the aim to advance the design further along with wider industry technological advancements. Evidence shows reduced energy consumption, faster operations, zero risk of oil pollution, and easier handling vs conventional cranes.

Energy Storage System (ESS)

Hybrid Electric Bulkcarrier Equipment

Applied Research

As an early mover, LEMISSOLER has been collaborating with Energy Storage optimizers and battery makers and ran numerous simulations to determine the ideal specifications of a complementary ESS configured to the operational profile of our fleet. An ambitious aim given the most promising emerging technologies is to operate a fleet of hybrid vessels that are totally silent and emission free at ports and anchorage. Longer term, the team envisions sustainable ESS onboard fully rechargeable by renewable energy sources.

KeelX Analytics (Suite 1)

Software as a Service (SaaS)

Experimental Development / Commercial Production

LEMISSOLER has been growing its artificial intelligence and software development team to build a platform capable of hosting in one place the entire KeelX Analytics toolkit. The platform provides users with instant feedback on the performance of their fleet and features powerful AI enabled optimization tools that boost profit generation and reduce carbon emissions of ships. Resources are continuously added to the KeelX ecosystem to focus on the effective use of deep learning technologies.

KeelX Education (Series 1)

Virtual Learning Environment

Experimental Development / Commercial Production

KeelX Education represents our vision to create a Virtual Learning Environment for seafarers to access on-demand and acquire knowledge on topics we have developed substantial expertise in. It offers high-quality video courses and e-learning solutions focused on the maritime industry. We formed a diverse group of team members to share knowledge, exemplify the industry's codes and analyze real case studies on niche topics that can have considerable commercial, environmental and safety benefits.

KeelX Robotics (Project 1)

Autonomous Robotic On-board System

Experimental Development

LEMISSOLER has nurtured and spun-off its in-house venture KeelX Robotics aiming to develop high-performance low-cost robots for maritime operations. KeelX Robotics signed its first grant agreement with the RCDS Lab of the Mech. Eng. Dept. of Cyprus University of Tech. to develop a next gen autonomous robotic system for maritime operations. An emission-free robotic system able to autonomously scan in unparalleled speeds the underwater hull of a vessel, produce visuals and execute specific underwater tasks.

b. Governance



Management oversight and risk management

Board diversity and experience

The foundations for structuring our strong corporate code are set by the Board of Directors through the Senior Management. Both are involved in the daily operation of the company and committed to the implementation of the code and policies from all company staff.

The Board oversees and assesses all risks related to the business.

	Philippos Philis CEO/Chairman	Petros Monogios COO	Stelios Adoni CFO	Aristos Philis Strategic Development
Experience				
Resources	●	●	●	●
Executive directorship	●	●	●	●
C-suite	●	●	●	●
Global transactions	●	●	●	●
Technical Skills				
Leadership & Strategy	●			●
Financial Expertise	●		●	●
Ethics & Governance	●	●	●	●
Health & Safety		●		
Investor Relations	●		●	●
Communications & Reputation	●	●	●	●
Risk Management	●	●	●	●

Risk management

Within the scope of our Risk Management procedures, we continuously monitor, assess and evaluate the risks that can affect our business operations and adopt all the necessary measures for the continuity of our business activities:

Our top risks

- 1 Health and safety of our people on board and ashore due to the COVID-19 pandemic.
- 2 General dry bulk shipping market conditions (Supply & Demand).
- 3 Bunker prices and availability.
- 4 Changes in international and regional rules and regulations.
- 5 General domestic and international political conditions.
- 6 The availability of financing and refinancing.
- 7 Counterparty risk.
- 8 Market disruptive events (i.e., weather, bans, protectionism, sanctions, natural disasters, health crisis etc.).
- 9 Cyber security.
- 10 Interest rate fluctuations.

We are committed to managing all our business activities with integrity and to doing what is right

Our Code of Business

We have adopted and communicated our Code of Business to all our employees (shore-based personnel), which governs our business activities and cover the following key areas:

- Conflicts of Interest
- Corporate Opportunities
- Related Party Transactions
- Confidentiality and Privacy
- Honest and Fair Dealing
- Protection and Proper Use of Company Assets
- Compliance with Laws, Rules and Regulations
- Disclosure
- Reporting

All our employees are obliged to follow our Code of Business. Any non-compliance with these principles is treated as a serious violation and may lead to termination of contracts or even legal actions.

Reporting Violations of the Code

LEMISOLER is committed to providing an environment where the high LEMISOLER standards and best practices are encouraged and safeguarded. In support of this, Employees shall take all appropriate actions to stop any known misconduct by associated Employees or other Company personnel that violate this Code.

Employees have access to raise workplace and operational concerns directly with their manager or with the HR Department. If the matter cannot be managed effectively through these channels, employees may use LEMISOLER's feedback scheme to report anonymously. The reports are directed to the Chairman and Head of Human Resources as well as the Head of Legal. In 2020, no reports were received.

0 zero

Violations of our Ethical principles
& Anti Corruption Policy

Anti-Corruption

LEMISOLER is committed to act in an honest, ethical and professional manner in all its business dealings and relationships. It is our responsibility to implement and enforce effective systems to counter bribery and corruption in all the places we currently operate in or propose to develop within. We commit to upholding all anticorruption and anti-bribery laws enforced by various jurisdictions. We abide by the Anti-Corruption Legislation, comprised of the UK Bribery Act 2010 (Bribery Act) and the United States Foreign Corrupt Practices Act of 1977 (FCPA).

0 zero

Tolerance for bribery and
other corrupt practices

0 zero

Incidents of corrupt
practices

Well positioned to protect the security of our seafarers, ships, and digital assets

Protection

We manage cybersecurity risk by focusing on People, Processes and Technologies, and the application of best practices of each. These pillars define the core of our cybersecurity program.

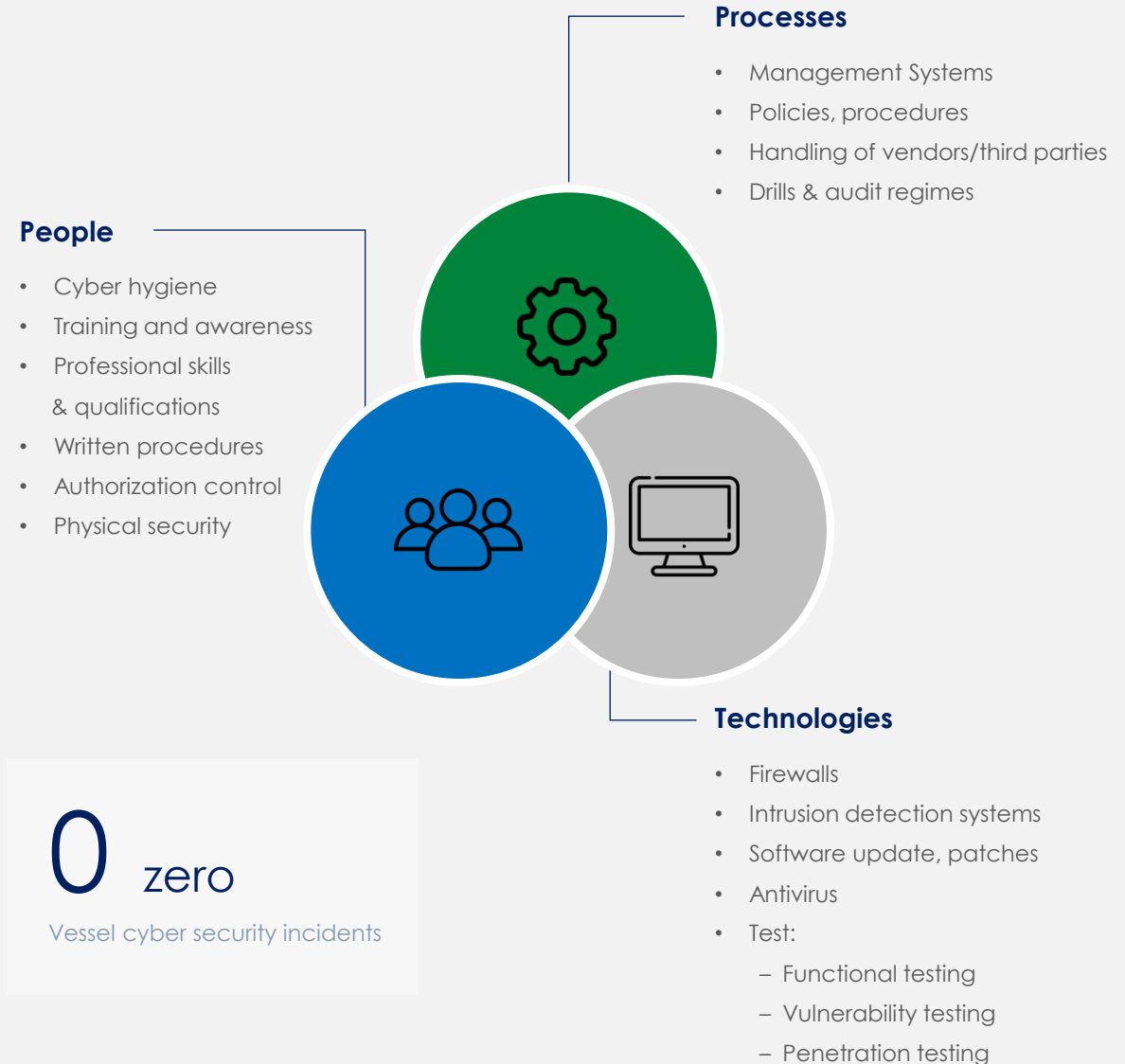
In 2020, we continued our organization-wide rollout of our Cybersecurity Awareness program (physically and remotely) to reduce risks, through education and awareness, which includes regular phishing exercises, penetration tests, awareness posters, and Cyber101 live-streams. In addition, we have a) blocked all USB device inputs onboard our vessels, and b) engaged a third-party to conduct a comprehensive advanced cyber risk assessment, penetration testing, and cyber response exercises' for both shore and vessels.

In 2021, we intend to further enhance our cybersecurity awareness program and implement the recommendations from the most recent cybersecurity assessment.

Recovery

We have a formal Business Continuity Plan (BCP) in place that sets out fallback arrangements in the event of a communications or IT systems blackout. Company-wide BCP drills are carried out regularly to ensure that our teams are familiar with the relevant procedures and to seek improvements in our contingency plans and processes. We select reputable IT service providers and regularly evaluate our cloud-service providers' internal controls and independent assurance reports.

Pillars of our Cybersecurity Program



Our response to COVID-19 pandemic

On-board measures

Crew screening prior to pre-joining: Health screening and travel declaration measures has been imposed to all crew prior joining.

Prevention: All vessels have been provided with a COVID-19 Management Plan, company's guidelines against infection and specific personal protective equipment (e.g., one-use facemasks, rapid-tests, one-use gloves etc.)

Port call: Shore leaves were suspended. When calling a port, crew members are taking precautions to protect themselves.

Crew change and shore leave: During the pandemic, we suspended shore leaves and used any possible option for crew changes on all vessels.

Delivery of provisions and spares: We ensured that our ships were not exposed to the risk of spares and provisions shortages.

Crew mental health: We implemented initiatives to enable our seafarers to communicate more with their families.

Office measures

Implementation of enhanced hygiene, disinfecting and cleaning measures.

Frequent internal communication regarding COVID-19 and updates; development and continuous updates of COVID 19 Management Plans and Guidelines.

Systematically identifying higher risk groups and taking the appropriate steps to protect them, as necessary.

Face to face meetings and in-house employee trainings suspended. Social distancing was applied within premises.

Business travel was banned unless special permission granted.

A plan providing flexible working hours, including rotational and remote working has been implemented.

Enhanced our capital structure through the optimization of the group's liquidity at operational, financing and investment activities.

c. Operational Excellence



We seek to and evidently do effectively manage the risks inherent to our operations

On Board Inspections, Audits and Port State Controls

- Internal and external audits take place in order to ensure that we comply with all international and legal requirements related to the safety and integrity of our operations.
- We aim to physically inspect each vessel at least 2 times a year, once per year by our Technical Department and once per year by our Marine & Safety Departments.
- On board inspections and attendances decreased by 32% compared to 2019 due to COVID-19 global travel restrictions.
- *Port State Controls (PSC) deficiency ratio was reduced by 26.9% compared to 2019.
- Our zero detentions performance continues into 2020.

Quality Recognitions



We maintain ISO 9001 quality certification and all our Vessels have received a quality accreditation through the Qualship21 program by USCG.

Incidents within our Fleet ↓

All related incidents are documented and taken into consideration when reassessing our safety management system. In 2020, 15 incidents were reported, a decrease of 6.3% in relation to 2019 but due to slight fleet reduction in 2020, the incidents per ship metric increased by 2.2%. This metric includes the number of incidents which are attributed to 3rd parties, such as an allision case.

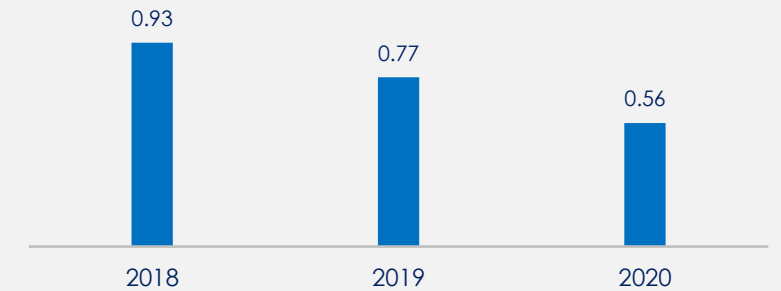
↓ **26.9%**
PSC deficiency ratio reduction in 2020

0 zero
PSC Detentions in 2020

↓ **32.0%**
On board attendances reduction in 2020

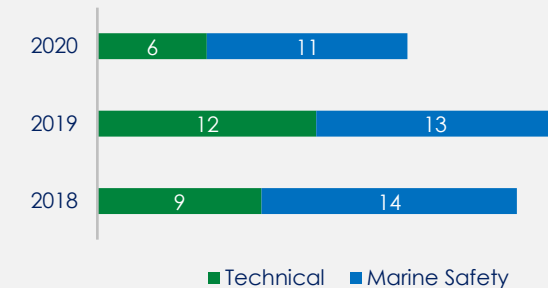
↑ **2.2%**
Incidents per ship increase in 2020

Port State Control Deficiency Ratio

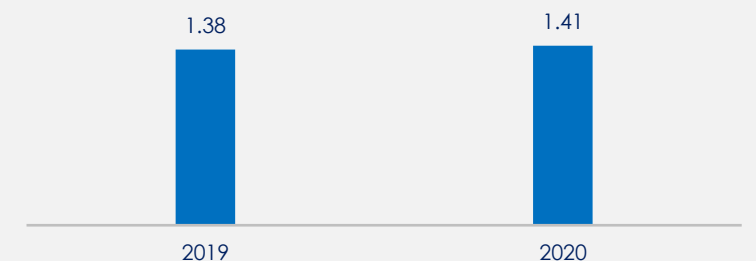


*PSC Deficiency ratio is derived by dividing total deficiencies with the total PSC inspections for the whole fleet each year.

On Board Inspections



Incidents per ship



Well diversified network of clients across geographies and commodities

We carefully select our business partners based on their beliefs, diligence, transparent business practices, operational conduct and long-term focus.

Strong Commercial Performance

- Our direct wide network limits our exposure to specific customers, geographies or commodities. It also provides a wide foundation for revenue generation and reduces cyclicalit and counterparty risk.
- Our close relations to such a wide range of top-rated cargo owners globally provides a high deal flow with opportunities to locate cargo that efficiently match our vessels' availability.
- Our long-lasting relationships with reputable and reliable brokers help us apply our robust commercial strategy and match every vessel when needed with the suitable cargo.

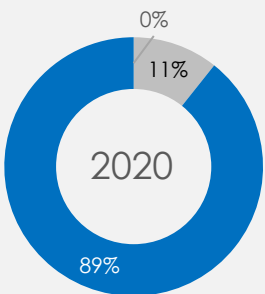
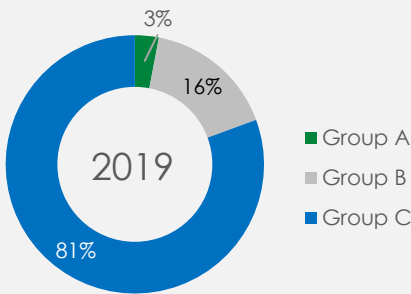
0 zero

Cargo complaints in 2020

100%

Of our charterers passed our quality evaluation benchmark

Cargo IMSBC Classification

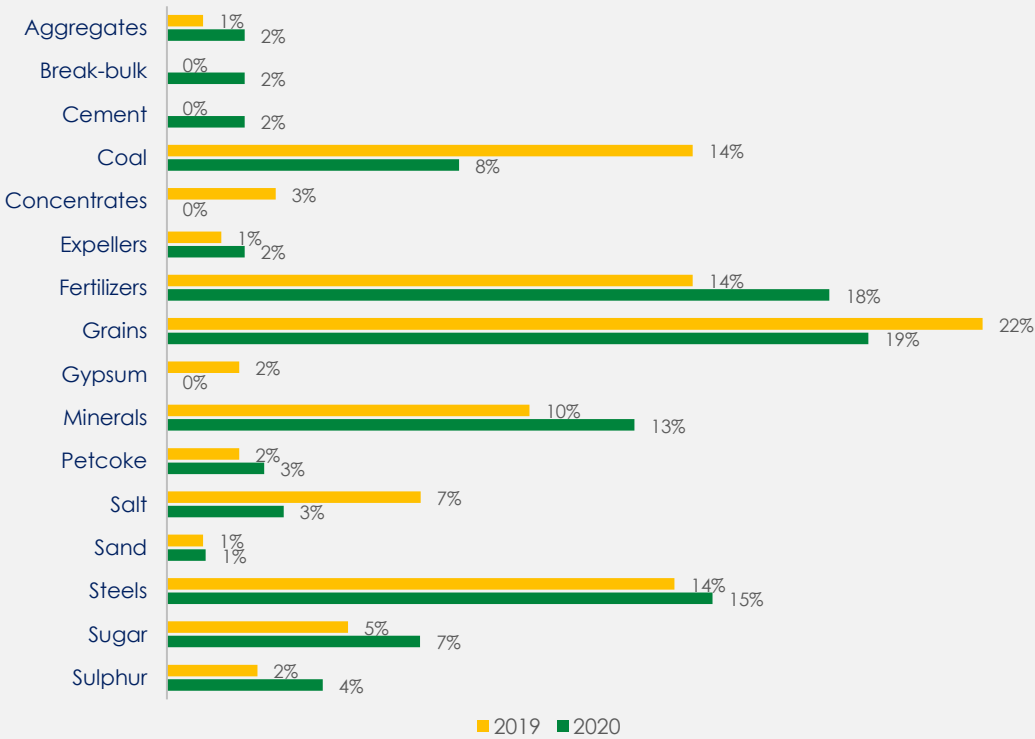


Group A: Cargoes which may liquify if shipped at a moisture content exceeding their transportable moisture limit.

Group B: Cargoes which possess a chemical hazard which could give rise to a dangerous situation on a ship.

Group C: Cargoes which are neither subject to liquify nor possess chemical hazards. Cargoes in this group can still be hazardous.

Cargo composition



High asset utilization with more than 6.5 million metric tons transported across the globe

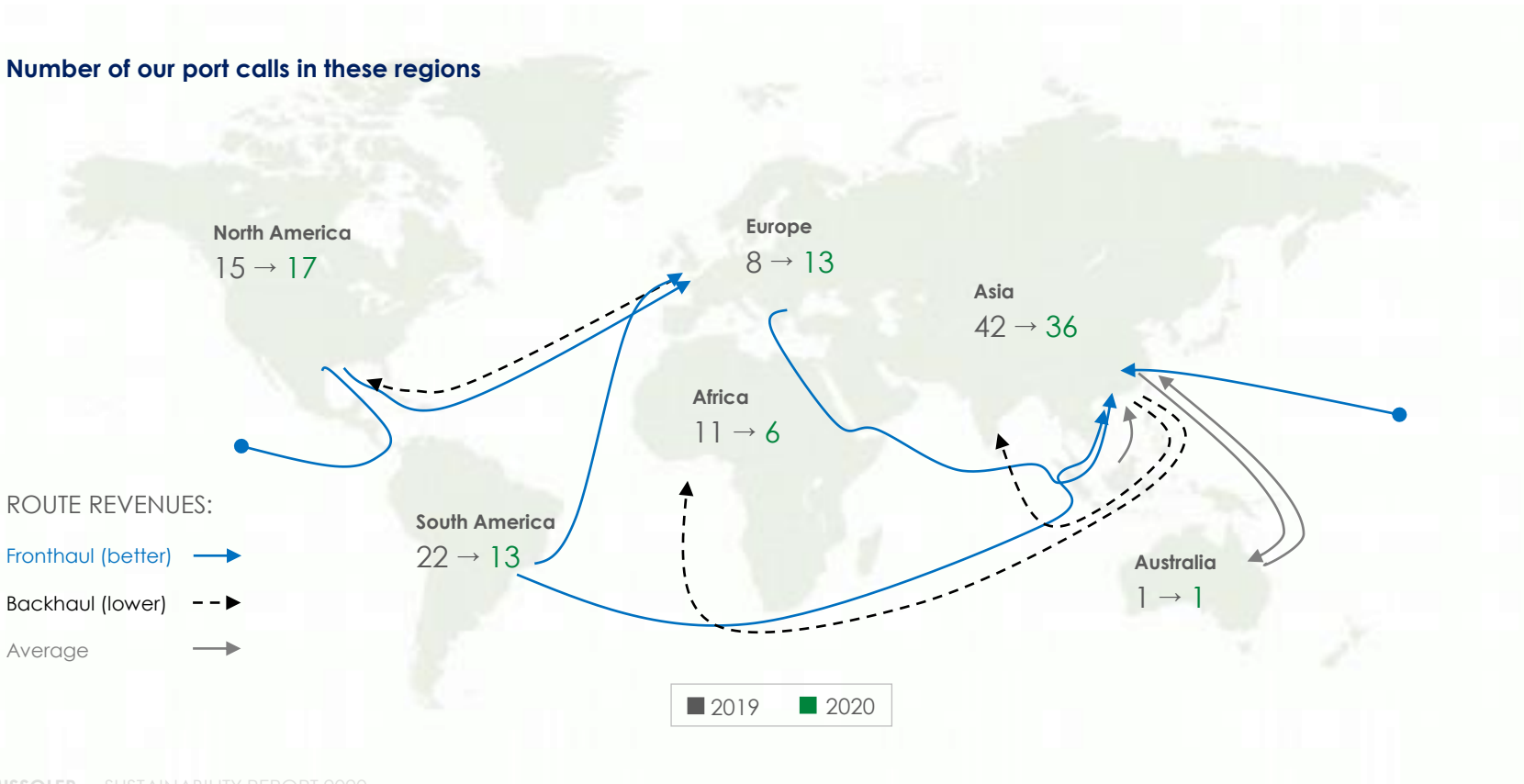
We calculate the fleet utilization by dividing available days (including charter-in days) by ownership days.

This measure demonstrates the percentage of time in the relevant period our vessels generate revenue.

During the two years ended December 31, 2020, our average annual fleet utilization days rate was 98.0%.

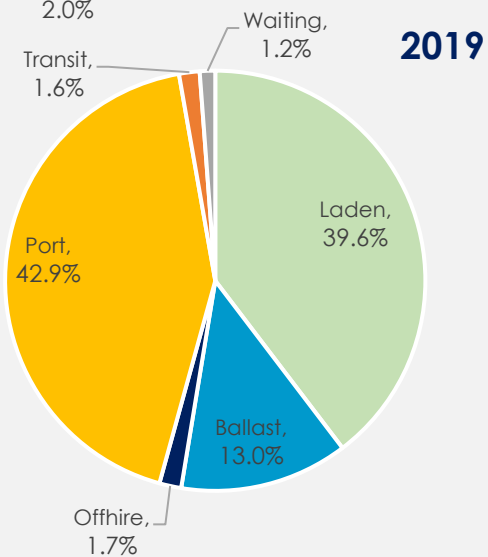
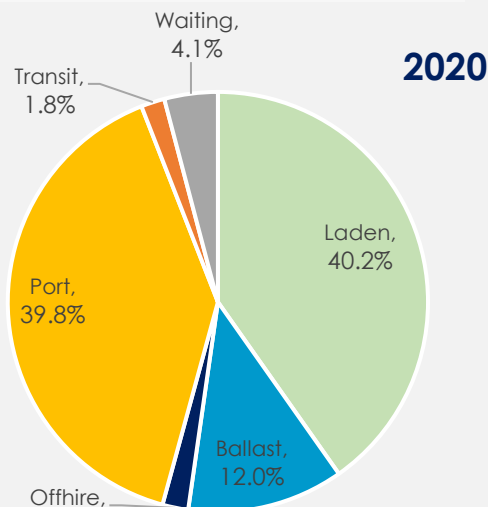
In 2020, we achieved a 98.0% utilization rate, which is slightly reduced compared to 2019 due to scheduled Dry Docks.

Number of our port calls in these regions

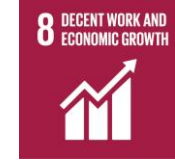


98.0%

Vessel utilization rate in 2020



d. People



Our people response to COVID-19

Throughout 2020, the shipping industry faced unique challenges related to the COVID-19 pandemic. Staying true to our values, we placed significant effort in both understanding and addressing the potential impacts to our employees and their families.

On shore and working from home

During the year, all our shore employees transitioned to a global work from home policy with skeleton staff attendance in our offices. Our priority was to ensure a safe work environment, including implementing a COVID-19 safety standard and abiding by local government protocols.

We ensured employees had the resources and support needed to work from home, including upgrading home workstations and correct ergonomic set-ups. In addition, across the organization, we accelerated our digital transformation to ensure a seamless transition to working virtually for our entire global shore-based workforce.

At sea and in the eye of the storm

At sea, we put in place robust safety protocols for crew changes and traveling, which included regular COVID-19 testing. To facilitate crew changes during this period, we identified ports along our sailing routes and chartered private jets so that crew changes could be accomplished.

To support our colleagues when on board, we introduced measures to boost morale and provided financial

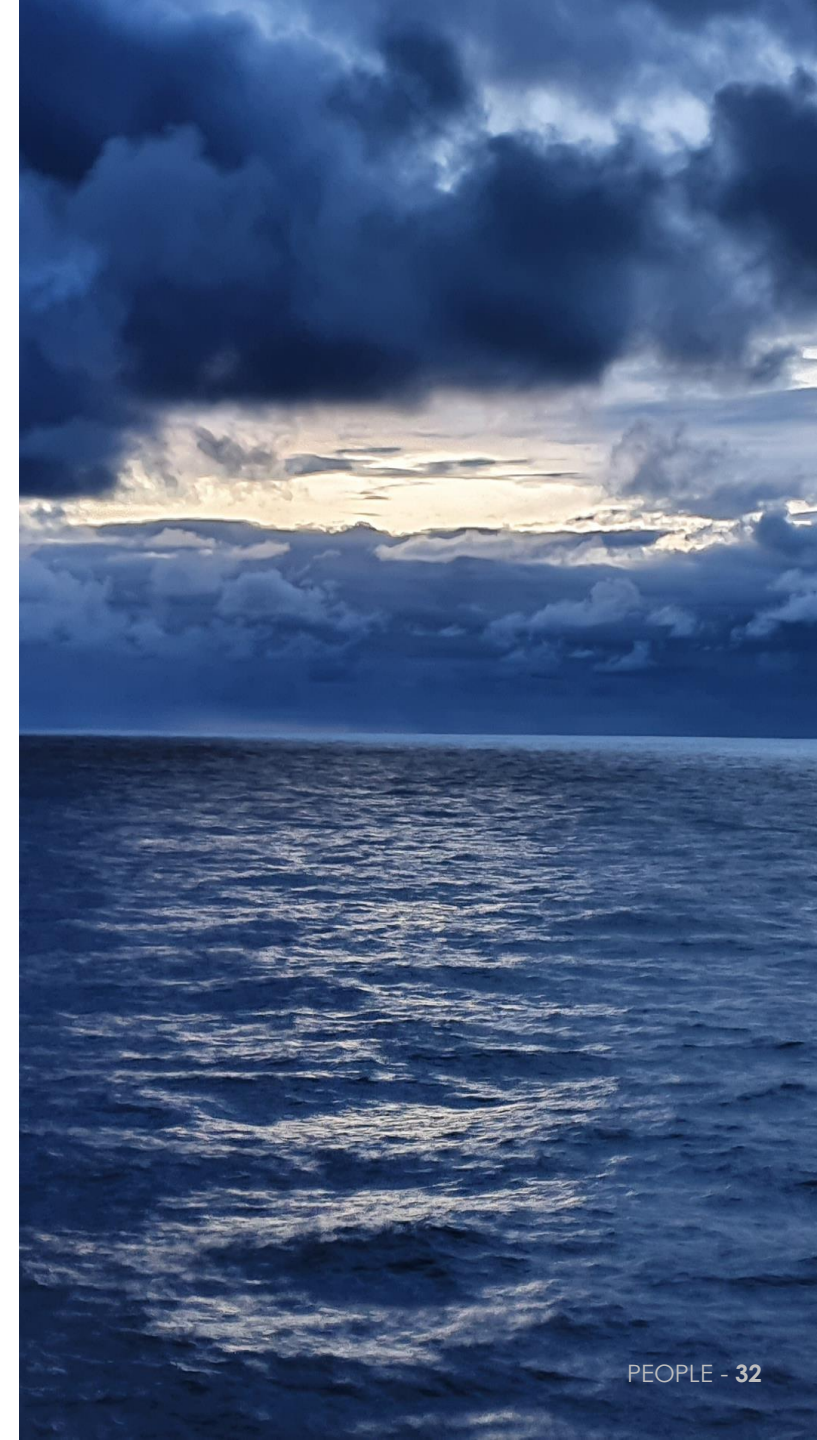
support for those unable to join vessels. We also provided increased internet service onboard, extended service payments and more flexible food budgets. Thankfully, we have managed without any material impact our vessel operations, and as of the end of September 2020, our Crewing Department had successfully completed 100% the overdue crew changes.

However, the challenges for our sea staff are not over. The situation is improving, but the travel difficulties for seafarers continue. We still face challenges related to visa applications, quarantine requirements, testing availability, flight availability and travel restrictions. This is an international concern, and we are committed to working with the industry to ensure that crew changes are given the worldwide attention they deserve - to recognize seafarers as key and essential workers by all governments.

Thank you for your continued support

We would like to deeply thank our colleagues for their commitment, dedication and the truly extraordinary efforts to keep trade moving under all these challenging conditions.

We remain optimistic about society's ability to recover and committed to building on the strong business momentum and foundation that has now been established as we enter another transformative year.



d. People - Our Crew



We maintain a unique mix of experienced and skilled seafarers

Our pool of seafarers:

- We have a pool of 421 seafarers out of which 228 are on board our vessels at any given time.
- Approximately 87% of our seafarers are manned by our exclusive Ukrainian manning agent, LEMISSOLER Ukraine SC, which supply our vessels with high-skilled crew. The remaining are sourced by other third-party manning agents.
- The agency is dedicated to recruiting, selecting, training and developing seafarers, and fostering positive crew relations.

Crew demographics:

Some of the key characteristics of our seafarer pool are the following:

- We employ seafarers from seven (7) different countries.
- Most of our seafarers are from the Ukraine (87%).
- The average age of our seafarers is 37.8 years old, which is reduced by 0.4 years compared to 2019.

↓ 0.4 years

Reduction in average crew age in 2020

37.8 years old

Average age of our crew in 2020

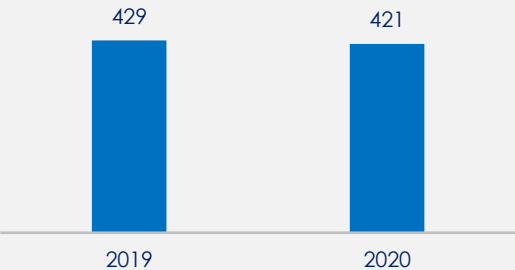
421

Pool of seafarers

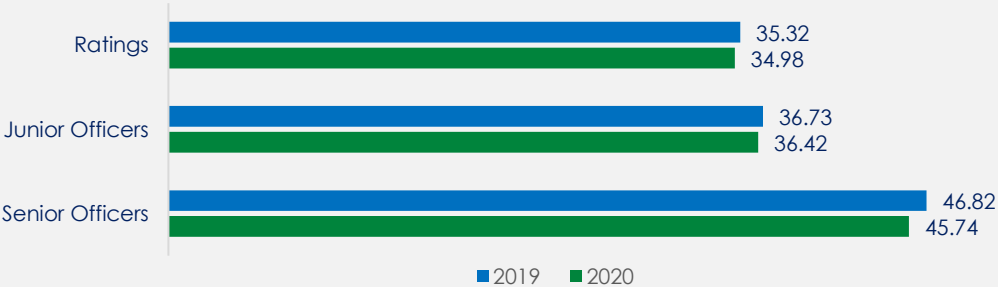
228

Seafarers on board

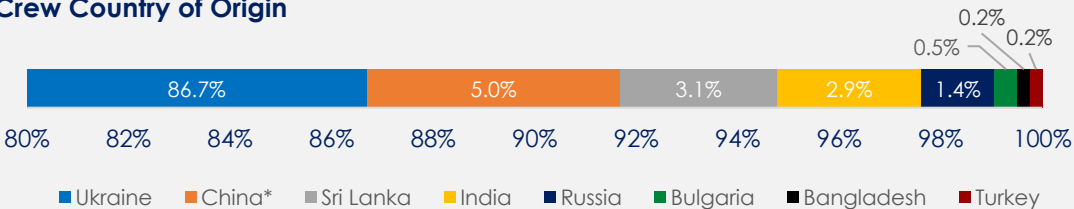
Number of seafarers in our available seafarers pool



Crew Average Age



Crew Country of Origin



*Chinese "emergency crew" was employed to take delivery of our 2020 newbuilding vessels due to local Chinese COVID-19 restrictions

We offer safe and healthy working conditions that promote well-being for our crew

Health and safety of our people is of key importance and essential for the efficient operation of our activities. In 2020 we:

- Reduced both Lost Time Incident Rate (LTIR) and the Total Recordable Incident Rate (TRIR) ratios by 100% compared to 2019.
- Decreased the number of accidents classified as serious to zero (0) from two (2) in 2019.

Seafarers' remuneration is essential to the welfare of our crew:

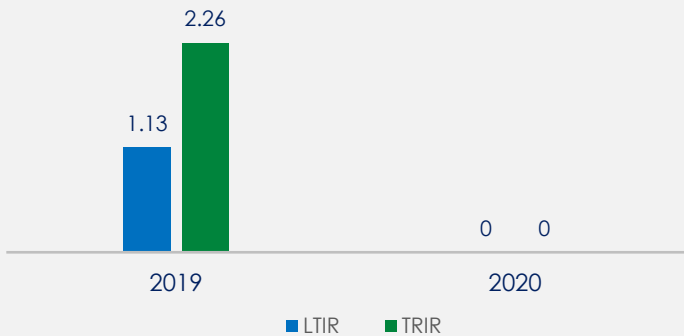
- We remunerate and provide benefits to our crew fairly, based on the competency requirements of each position.
- In 2020 we paid just over \$8.1 million in wages, bonuses and social security payments to our seafarers.
- The average salary of our crew is 9.4 times higher than the local GDP per capita (considering the Ukraine which is where most of our crew is from).
- Specifically for cash advances we are open to relevant requests for the coverage of medical emergencies, personal needs, relief from natural disasters, etc.

↓ 100%
In LTIR ratio in 2020

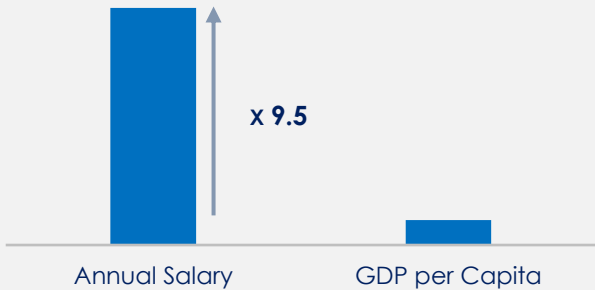
0 zero
Serious accidents in 2020

9.5 times
Proportion of seafarer salary in relation to local (Ukraine) GDP per capital

Lost Time Incident Rate (LTIR) and Total Recordable Incident Rate (TRIR)



Proportion of seafarer salary in relation to local (Ukraine) GDP per capital



>\$8.1 mil.
In crew salaries and bonuses in 2020

We attract and retain the right talents with career development opportunities

Retention and Career Development

We are passionate about our people and do what we can to provide a safe, supportive, enjoyable and fulfilling working environment:

- In 2020 we maintained a high *average crew retention rate of 91.5%.
- We provide long-term career development prospects to our crew. We have in place internal promotion programs through which position demands are covered internally by our crew members. In 2020 we decreased promotions by 24% mainly due to reduced crew changes.

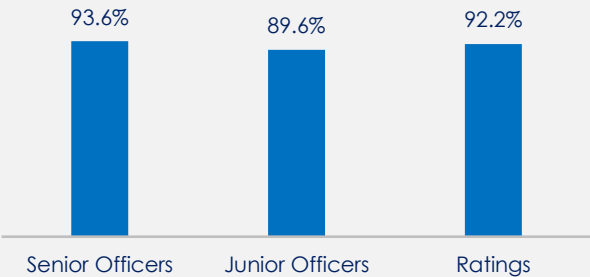
Crew Familiarization and Training

We appreciate the significance of investing in the development of the skills of our people and we maintain an ongoing development program:

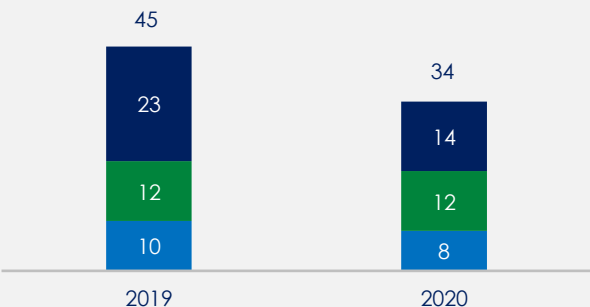
- Prior to embarkation seafarers acquire detailed familiarization through in-house training sessions.
- Our seafarers periodically participate in seminars and forums, where a wide range of issues are presented.
- On board training sessions are organized through the collaboration of our Technical Department and Marine Safety Department (MSD).
- We collaborate with external training centers to conduct some of our online trainings.
- The amount spent on trainings was decreased by 8.9% in 2020 compared to 2019 due to COVID-19 restrictions.



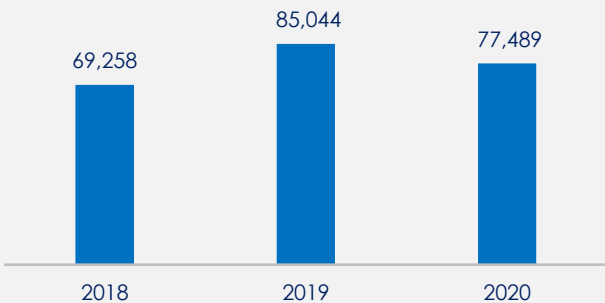
2020 Crew Retention Rates



Crew Promotions

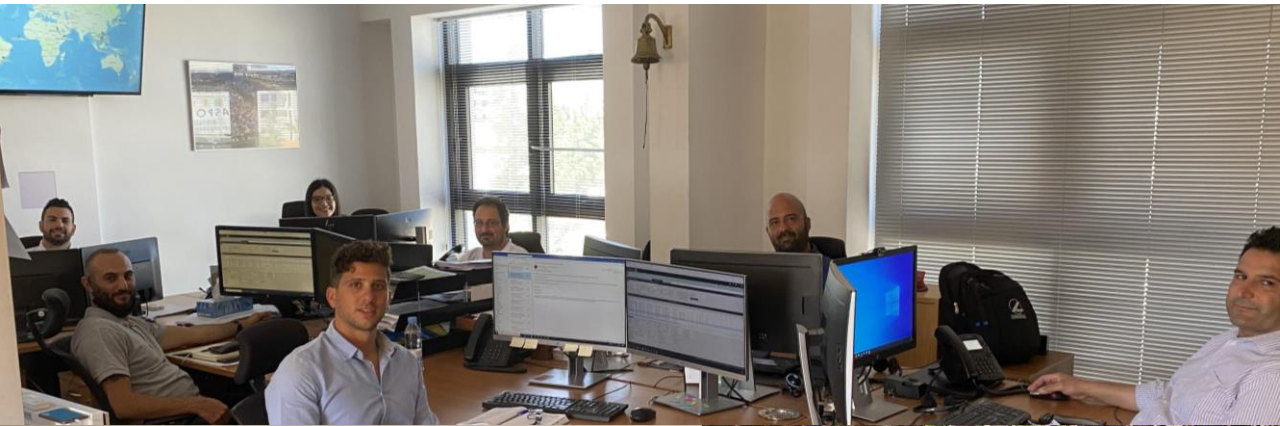


Amount Spend on Crew Training (US \$)



* The average crew retention rate has been calculated based on retention rate for the entire pool of seafarers (including 27 ranks). The unavoidable and beneficial terminations have been excluded.

d. People - Our On-Shore Employees



Driven professionals with different backgrounds and shared goals

Our on-shore employees are key to all our endeavors. They keep our vessels and our business sailing ahead. Because of their dedication, responsiveness, accountability, professionalism, and reliability, we have been able to meet our business objectives and achieve client satisfaction.

As a global company, one of our strategic advantages is the diversity of our employees. We are proud of our diversity, and we seek to provide an inclusive environment for all our employees.

We strive to offer all employees a workplace in where every great idea can be heard, and everybody belongs. More specifically:

- The total headcount for 2020 is 59 on-shore employees under full-time contracts, a 6.3% reduction in relation to 2019.
- Our on-shore team comes from a diverse cultural, age, educational and professional background.
- We maintain a 4.9 employee / vessel ratio to better support our vertically integrated Business Units from ashore.
- We promote equal opportunities between men and women employees – Around 36% of our employees are women and 19% of our management and senior management positions are held by women.
- We offer equal career advancement opportunities, tangible benefits and bonus schemes that motivate and reward high performance.
- The COVID-19 pandemic did not lead to any LEMISSOLER employees becoming redundant.

↓ 6.3%

Shore employees' reduction in 2020

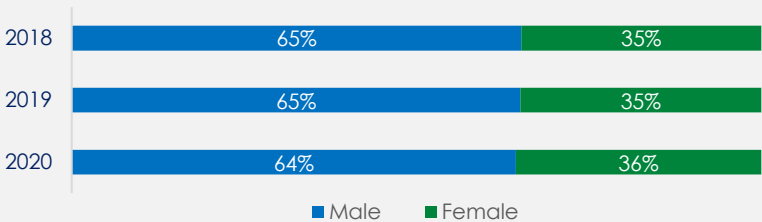
18.5%

Women in management and senior management positions

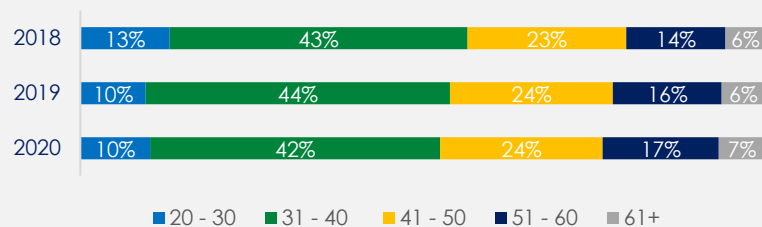
0 zero

Redundancies in 2020

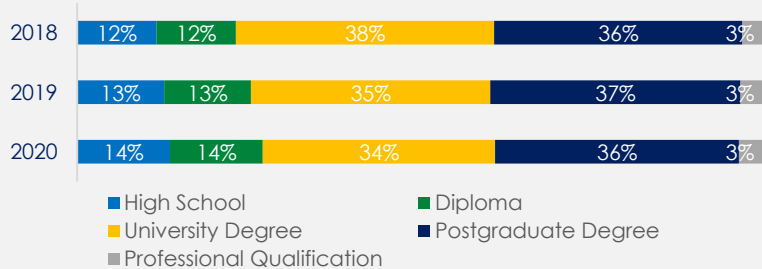
On Shore Employee Gender Composition



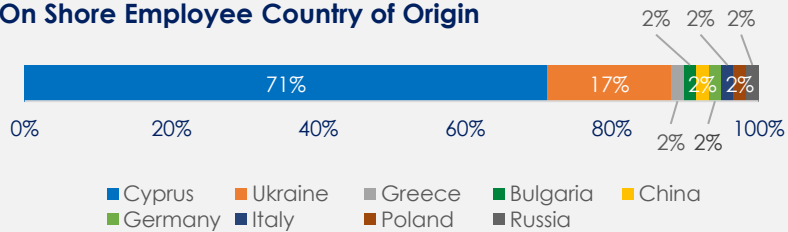
On Shore Employee Age Composition



On Shore Employee Educational Background



On Shore Employee Country of Origin



We are committed to retaining and on advancing the career of our on-shore employees

Retaining and attracting top talent

LEMISOLER continues to ensure that employee competencies support our long-term strategy. We count on them, and they count on us.

As part of this, LEMISOLER increasingly focuses on providing employees with the opportunity for continuous development in their work. All employees are appraised for their annual performance by their managers and improvement objectives are set. The annual evaluations start as a self-assessment process and ultimately are linked to the compensation and benefits of each employee.

The work environment, career prospects and benefits we offer to our employees result in high employee satisfaction, which translates into high retention rates. Our employee retention rate has been consistently above 93.7%.

Opportunities while studying

We maintain a strong focus on our strategic partnerships with relevant local academic institutions, and over the years we have been consistently offering internship opportunities to students, many of which have resulted in permanent hires. Throughout the years, we have been consistently increasing our intern intakes and aim to maintain a steady intern hiring rate of 1 intern per 15 headquarter employees.

93.7%

Retention rate of shore employees in 2020

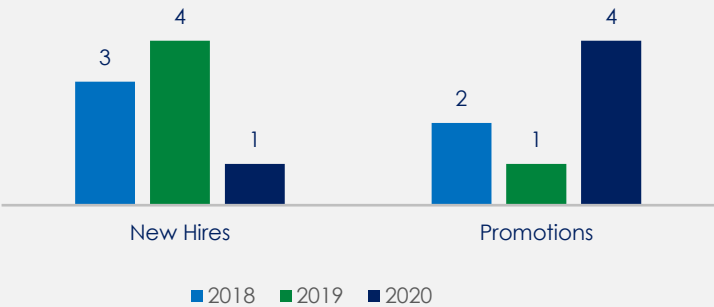
100%

Of our shore employees receive annual performance feedback

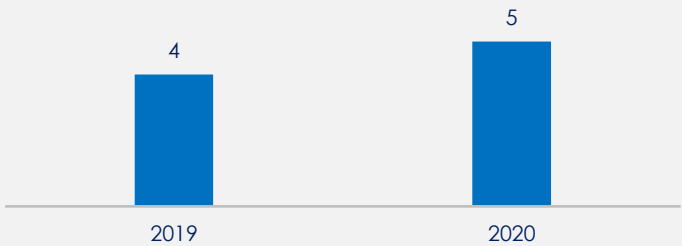
5

Internships in 2020

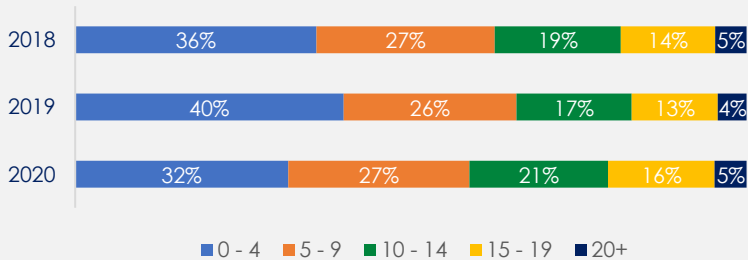
New Hires and Promotions



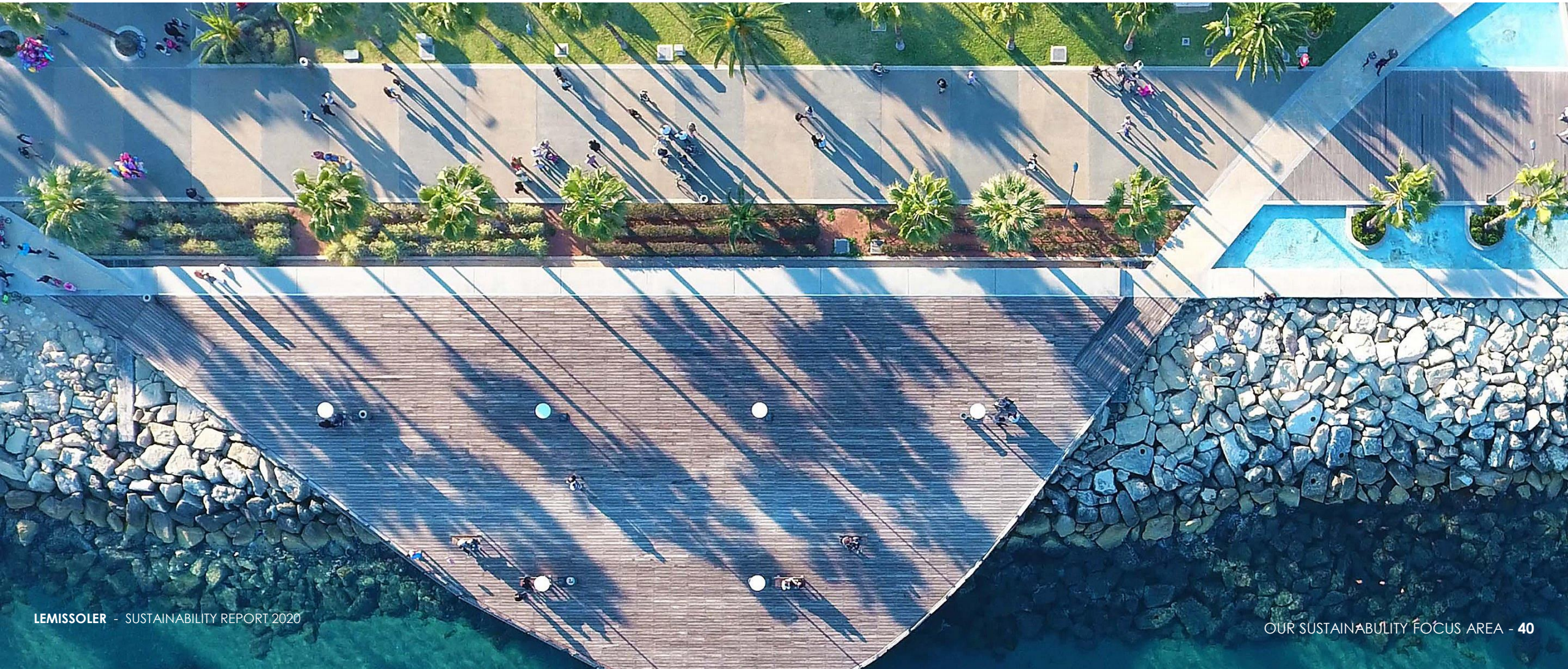
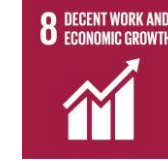
Internships



On Shore Employee Years at LEMISOLER



e. Partnerships



We work closely with the communities where we operate to identify and invest in initiatives that help support their needs



Fight against the spread of Covid-19

In an effort to support the “Fight against the spread of Covid-19” - a campaign initiated by the Cyprus Shipping Chamber, LEMISSOLER donated a substantial amount for the current and immediate needs of the Cyprus General Health System for the purchase of a complete specialized medical respiratory system to enhance the Intensive Care facilities.



Money award for a Master Graduate of the Cyprus University

Money award for a Masters Graduate Student at the Cyprus University of Technology, who concentrated the highest - Grade Point Average (GPA) of all three Master degrees – October 2020.

Full Tuition Fees Scholarship of Academic Excellence for a Master’s degree in “Shipping and Business” at the Cyprus University of Technology for the academic year 2020-21.



Beirut Explosion Support

The tragic and deadly explosions at Beirut Port on 4 August 2020 created a humanitarian issue and a tremendous and urgent need of support and supplies for those affected by this tragedy.

In an effort to assist the Office of the Government Commissioner for Volunteerism and Non-Governmental Organisations, in cooperation with the Ministry of Foreign Affairs the Cyprus Chamber of Commerce and Industry undertook the Cyprus co-ordination to provide support to the victims in Lebanon.

To that end, LEMISSOLER as members contributed by donating canned food (of all kinds), cereals, rusks, crackers, flour and milk powder for children. The items collected were based on actual needs on the ground and in accordance with the requests of the Lebanese Government.



Seafarers deliver for us; We walk for them on 31st December 2020

With the initiative of our CEO (who also kickstarted the walk) and Members of Board of Directors of the Cyprus Shipping Chamber, made a symbolic 10km walk as a tribute to Seafarers across the world for their valuable contribution and to express solidarity against the discrimination they are facing during the pandemic, despite being key workers at the front line. The symbolic initiative “Seafarers Deliver for Us, We Walk for Them” was held on 31st December 2020. This initiative raised funds through contributions of the Chamber’s Members/Companies and other business associates, which were donated to “The Mission to Seafarers” in Cyprus, whose work is to improve seafarers’ welfare worldwide.

We work closely with the communities where we operate to identify and invest in initiatives that help support their needs (cont'd)



Charity to “Limassol Child Welfare Association”

Donation for baby hygiene items, milk, baby food and equipment as well as financial sponsorships.



Charity Flamenco Performance - Ponerse Las Pilas

Spanish performers dance to raise funds for the Makarios Pediatric Cardiology Clinic for the purchase of equipment including ECG Holters and ECG Recorders.

LEMISSOLER sponsored the event with a Bronze sponsorship.



Charity to “Popular Social Solidarity Network”

Financial support to "Popular Social Solidarity Network" that operates all year-round providing support to families who have great difficulty in meeting their elementary needs, mainly through the provision of food packages.



Summer Interns, 2020

Five trainees for the year 2020.

ESG Performance Data

	2019	2020
ENVIRONMENTAL PERFORMANCE		
Energy efficiency		
AER (gr CO ₂ / DWT – nautical mile)	5.30	4.66
EEOI (gr CO ₂ /ton – nautical mile)	8.56	7.68
Energy consumption		
Heavy fuel oils (1,000 tons)	52.86	49.23
Marine gas oils (1,000 tons)	3.34	4.21
Energy consumption (total, GJ)	2,442	2,289
Transport work (million ton miles)		
Owned and operated vessels	20,782	21,724
CO₂ emissions (tons)		
Total CO ₂ emissions	177,981	166,803
Other emissions (tons)		
SO _x emissions	2,408	418
NO _x emissions	4,249	3,975
Spills		
Spills > 1 barrel	0	0

	2019	2020
SOCIAL PERFORMANCE		
Employees (on shore)		
Employees (average FTE)	63	59
Nationalities represented (of total workforce)	10	9
Women in managerial positions (%)	21	19
Gender split		
- gender with the lowest representation ♀ (%)	35	36
Safety (at sea)		
Fatalities	1	0
Lost time injury ratio (million working hours)	1.13	0
Port state control deficiencies ratio	0.77	0.56
Port state control detentions	0	0
GOVERNANCE PERFORMANCE		
Business ethics		
Port calls in 20 lowest ranking countries in Corruption Perception Index	3	3
Monetary losses as a result of legal proceedings associated with bribery or corruption	0	0

Sustainability Assurance Statement

Independent limited assurance report of American Bureau of Shipping to LEMISSOLER NAVIGATION CO. LTD

We were engaged by Lemissoler Navigation Co. Ltd to report on the ESG data & metrics ("the Metrics") of Lemissoler Navigation Co. Ltd's Sustainability Report ("the Report") for the year ended 31 December 2020 in the form of a limited assurance conclusion about proper preparation of the metrics, in all material respects, in accordance with Lemissoler Navigation Co. Ltd's own methodology for sustainability report development ("the Methodology").

This independent limited assurance report is made solely to Lemissoler Navigation Co. Ltd in accordance with the terms of our engagement. Our work has been undertaken so that we might provide limited assurance to Lemissoler Navigation Co. Ltd on those matters that we have been engaged to consider in this report only and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than Lemissoler Navigation Co. Ltd for our work, for this independent limited assurance report, or for the conclusions we have reached.

Responsibilities of the directors

The directors of Lemissoler Navigation Co. Ltd are responsible for the proper preparation of the Report, and the Metrics, information and statements contained therein, in accordance with the Methodology.

It is the directors' responsibility to develop, operate and maintain internal systems and processes relevant to the proper preparation of a Report that is free from material misstatement, whether due to fraud or error.

Responsibilities of American Bureau of Shipping

Our responsibility is to independently express a limited assurance conclusion to Lemissoler Navigation Co. Ltd, based on the procedures performed and evidence obtained, as to the proper preparation of the Report, in all material respects, in accordance with the Methodology. We conducted our work in accordance with International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information ("Standard"), issued by the International Auditing and Assurance Standards Board. The Standard requires that we obtain sufficient and appropriate evidence related to the Metrics that is free of material misstatement on which to base our conclusion.

Scope of work

limited assurance engagement involves planning and performing procedures to obtain sufficient appropriate evidence to obtain a meaningful level of assurance over the Metrics as a basis for our limited assurance conclusion. The procedures selected depend on our judgment, on our understanding of the Report and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

The procedures performed included:

- Investigating, observing, inspecting and reporting on the processes and documents, and agreeing or reconciling with the underlying records to check errors or omissions in data analysis, consistency and reasonableness of reporting.
- Reviewing the Lemissoler Navigation Co. Ltd's Sustainability Report for 2020 and identifying key Metrics for review.
- Data collection, including limited substantive testing, on a selective basis to verify the Metrics stated in the report. Recalculations were done as required to verify the data.

The procedures performed in a limited assurance engagement vary in nature and timing from and are not as extensive as a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent limitations

In providing our limited assurance conclusion, we relied on the information and documents provided to us by Lemissoler Navigation Co. Ltd. To the best of our knowledge, there are no circumstances which would render such information or documents unreliable. Because of such reliance, there may be errors or irregularities which may not be detected.

Conclusion

Based on the procedures performed and evidence obtained, and subject to the key assumptions and inherent limitations set out above, nothing has come to our attention that causes us to believe that the Metrics presented in the Report for the year ended 31 December 2020 is not properly prepared, in any material respects, in accordance with the Methodology.



American Bureau of Shipping

438 Alexandra Road,
#11-00 Alexandra Point
Singapore, 119958
sustainability@eagle.org

Appendix A – Stakeholders' engagement

Stakeholder Group	Basis for engagement	Engagement methods	Frequency	Key areas of interest	Our Response
Clients <ul style="list-style-type: none"> • Vessel Owners • Charterers • Cargo Owners 	Customers, including charterers, cargo owners etc. are vital to the organization's success and have a direct interest in our market impact and sustainability performance.	<ul style="list-style-type: none"> • Charter Parties • Feedback 	<ul style="list-style-type: none"> • Strategic • Spot 	<ul style="list-style-type: none"> • Service quality • Business ethics • Financial performance • Vessel condition 	We constantly strive to increase our service quality in order to deliver sustainable and value adding services to all our clients.
Seafarers & office Employees <ul style="list-style-type: none"> • Crew on board • Employees ashore • Manning agents 	Our people are critical to our business, strategy and decision making. We therefore aim to maintain a safe and rewarding work environment to achieve our goals.	<ul style="list-style-type: none"> • Performance evaluation • Open communication channels • Newsletters • Social Media Platforms 	<ul style="list-style-type: none"> • Annually • Daily 	<ul style="list-style-type: none"> • Financial performance • Work conditions • Health and safety • Remuneration and benefits • Career development 	We put health and safety first and aim for an open and inclusive work environment both on board and ashore. We fairly reward and offer career advancement opportunities to our people.
Shareholders/Investors <ul style="list-style-type: none"> • Private Educated Investors • Institutional investors • Funds/Private Equities 	Shareholders are essential to the company's operations and growth and have a direct interest in the company's performance.	<ul style="list-style-type: none"> • Annual General Meetings • Quarterly/Annual financial reporting • Investor briefings • Investor Roadshows • Web site/Press releases 	<ul style="list-style-type: none"> • Annually • Quarterly • Extraordinary 	<ul style="list-style-type: none"> • Financial performance • Business strategy • Governance • Regulatory compliance 	We regularly inform our shareholders on the company's development and strategy. We conduct our business and take actions with the ultimate goal of increasing the company's value.
Financial institutions <ul style="list-style-type: none"> • Banks • Leasing financial institutions 	Financial institutions require information on the company's performance with a rising interest in sustainability.	<ul style="list-style-type: none"> • Quarterly/Annual financial reporting • Liquidity Reports 	<ul style="list-style-type: none"> • Annually • Quarterly 	<ul style="list-style-type: none"> • Financial performance • Business strategy • Governance • Regulatory compliance 	We provide transparent information about the performance, strategy and outlook of the company.

Appendix A – Stakeholders' engagement (cont'd)

Stakeholder Group	Basis for engagement	Engagement methods	Frequency	Key areas of interest	Our Response
Authorities <ul style="list-style-type: none"> • IMO • EU • Governments • Flag Administrations • Port Authorities 	Active engagement with state and regulatory authorities to ensure compliance with all applicable standards and regulations.	<ul style="list-style-type: none"> • External Audits • DCS • MRV 	<ul style="list-style-type: none"> • Periodical 	<ul style="list-style-type: none"> • Regulatory compliance • Health and safety • Environmental performance • Statutory 	We follow and comply with State and regulatory authorities' rules and regulations. We follow and implement all instructions and aim for zero non-conformities.
Suppliers <ul style="list-style-type: none"> • Manufacturers • Ship-Yards • General Suppliers • Port Agents 	We aim to understand our suppliers' concerns and develop channels of mutual support that enhance the quality of our supply chain and focus to develop long term collaboration and exploit opportunities.	<ul style="list-style-type: none"> • Supplier evaluations • Agreements • Joint development contracts 	<ul style="list-style-type: none"> • On going 	<ul style="list-style-type: none"> • Financial performance • Business ethics • Evaluation criteria • Environmental performance 	We evaluate the performance of our suppliers and integrate sustainability related issues within the evaluation process.
Community & society <ul style="list-style-type: none"> • Academic Institutions • Local Communities • NGO's • Media 	We aim to have a positive impact on society by creating strong partnerships within the communities in which we operate.	<ul style="list-style-type: none"> • Financing R&D programs • Conferences • Community engagement initiatives 	<ul style="list-style-type: none"> • On going 	<ul style="list-style-type: none"> • Support of People • Community support • Responsible business practices • Social Responsibility 	We support the local society with community-focused initiatives and take their needs into consideration to maximize shared value.
Industry organizations <ul style="list-style-type: none"> • Classification Societies • P&I Clubs • Insurers/Underwriters • Vetting Companies • Industry Associations 	Industry standards and regulations set by maritime organizations play a major role in the manner we conduct our business.	<ul style="list-style-type: none"> • Agreements • Partnerships • Formal meetings • Memberships 	<ul style="list-style-type: none"> • Strategic 	<ul style="list-style-type: none"> • Prudence of conducting our business • Environmental performance • Health and safety 	We participate and engage with all industry organizations regarding the various business issues that may arise.