



ESG 2021

LEMISSOLER NAVIGATION CO. LTD
SUSTAINABILITY REPORT

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About this report

Published September 2022

This is our second Environmental, Social and Governance (“ESG”) report, which communicates our efforts in integrating sustainability into our broader business strategy, and long-term vision.

The main purpose of this report is to provide the key highlights of our business and sustainability progress on the ESG matters that are critical for us and our stakeholders. Through this report, we present the actions and initiatives we undertake to support our employees, business partners, and the community.

This report refers to the period 01.01.2021 – 31.12.2021 and is prepared in accordance with the **Global Reporting Initiatives (GRI) Standards** Core option and the **Sustainability Accounting Standards Board (SASB) for Marine transportation**.

All the photos in this report come from seafarers on board LEMISSOLER vessels. The stories they tell are varied, thoughtful, colorful and poignant. We proudly reproduce them here to honor our seafarers for their professionalism, loyalty, strength, compassion, team spirit and good humor at sea during the year.

American Bureau of Shipping (ABS) has assured this report. Their statement is on page 54.

Message from our Chairman & CEO

2021 was another year of challenges and uncertainty, that we managed to overcome successfully, proving our resilience and ability to adapt even to the most difficult circumstances, confirming our robust foundations, but mainly the continuous and always valuable trust of our stakeholders.

As I write this message, our thoughts remain with everyone affected by in the war in Ukraine. Most of our crew is sourced from Ukraine and as such, we've managed to accommodate our seafarers' requests, in terms of increased communication access enabling the uninterrupted connection with their families and early (or extended) relief. We are deeply concerned about the well-being of our seafarers and their families and have implemented an initiative to support them, and their families, by relocating them in Cyprus, providing accommodation, offering new working opportunities and by other means necessary to overcome this difficult period.

In 2021, the Covid-19 pandemic also continued to affect societies and economies around the world. Seafarers were unnecessarily burdened as authorities and nations failed to properly recognize their role as essential workers – essential for global trade and the transportation of finished goods and raw materials. We continued to emphasize the safety and well-being of all our employees: Our main priority has been to ensure that our seafarers can return home safely after service.

Despite the challenges caused by the pandemic, the decade of action and change is not just beginning – it is well under way. There is unprecedented agreement among the world's governments, industry and civil society stakeholders that we as a global community are operating on a strictly limited carbon footprint, and that we cannot wait until 2030 to take action to reach the ambitious target of zero GHG emission by mid-century.

The regulatory landscape related to sustainability is constantly evolving and the EU and IMO are increasingly committing to improved targets and policy actions. This relates not only to climate change, but to human rights and transparency in the supply chain. We welcome the regulations, and we believe our business is well placed to comply with these changes. Our desire is that the EU regulations will not affect the competitiveness of the European Shipping and maintain a level playing field.

At MEPC 76 last year, the IMO adopted new requirements for the Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Indicator (CII). The introduction of the EEXI will challenge the shipping industry, but for LEMISSOLER this may be considered a competitive advantage, as we are compliant without additional investments, reaffirming our belief in operating a modern and efficient fleet.

Sustainability has always been and will be at the heart of LEMISSOLER and the profile and management of the fleet is integral to this. We are committed to achieving our long-term target of zero GHG emissions by 2050 and combining the industry efforts to promote and achieve that target with a comprehensive program to improve existing vessels' energy efficiency. More investment is being directed to vessel modifications, primarily retrofits during regular maintenance periods, and we are in dialogue with major stakeholders so that they can proactively contribute towards their operating instructions and decisions to maintain the highest possible CII grade and environmental metrics of our fleet.

We remain grateful for the continued commitment and passion for sustainability that LEMISSOLERS' employees around the globe have shown this past year.

We encourage you to read more about our achievements in this year's report and look forward to what lies ahead for LEMISSOLER and our industry work to enable sustainable global trade.

Thank you.





About LEMISSOLER

At a glance

LEMISSOLER 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



Shipmanagement

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



Commercial Operation

- Vessel Chartering
- Dry Cargo Operation
- Contracts of Affreightment



Corporate Management

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



Research & Development

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

12 vessels

Owned as of Dec. 2021

480

Crew employed

>3.6 mil.

MTPA cargo carried

5 offices

Around the world

63

Office employees

>\$300 mil.

US\$ Net Assets Value as of
Sept. 2022

Our fleet surpasses
regulatory requirements

Our competitive advantage: a modern eco fleet promoting 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 2021, our company owns a fleet consisting of 12 vessels with a total carrying capacity of 727,760 DWT.

12 vessels > 24.0%

Designed in-house by LEMISSOLER and surpass regulatory requirements.

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

5.0 years > 12.0%

Average age of our fleet

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

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 cyclical 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.

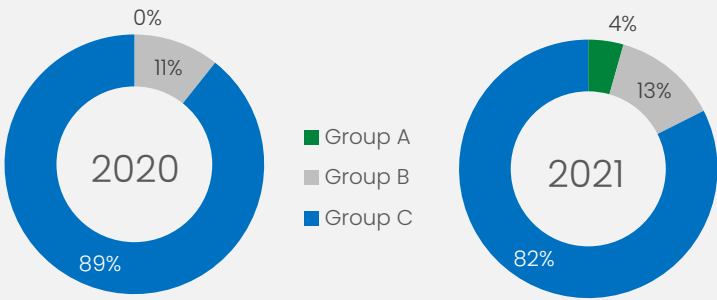
0 zero

Cargo complaints in 2021

100%

Of our charterers passed our quality evaluation benchmark

Cargo IMSBC Classification

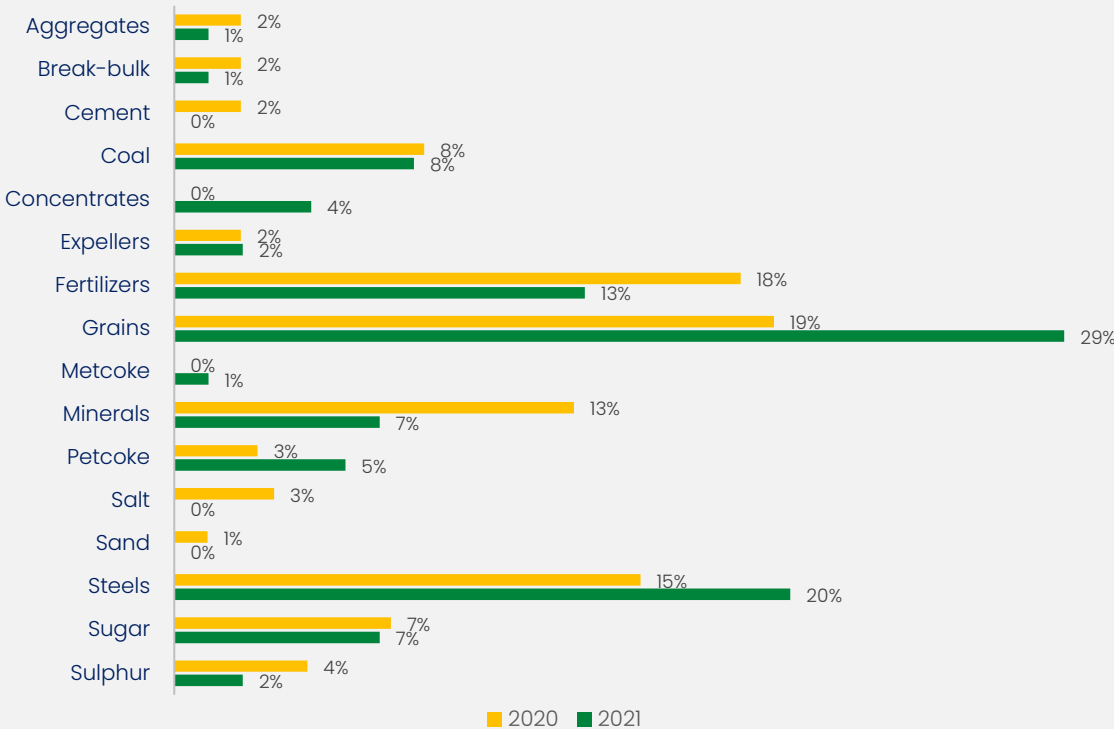


Group A: Cargoes which may liquify if shipped at a moisture content exceeding their transportable moisture limit.

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 3.6 million metric tons transported across the globe

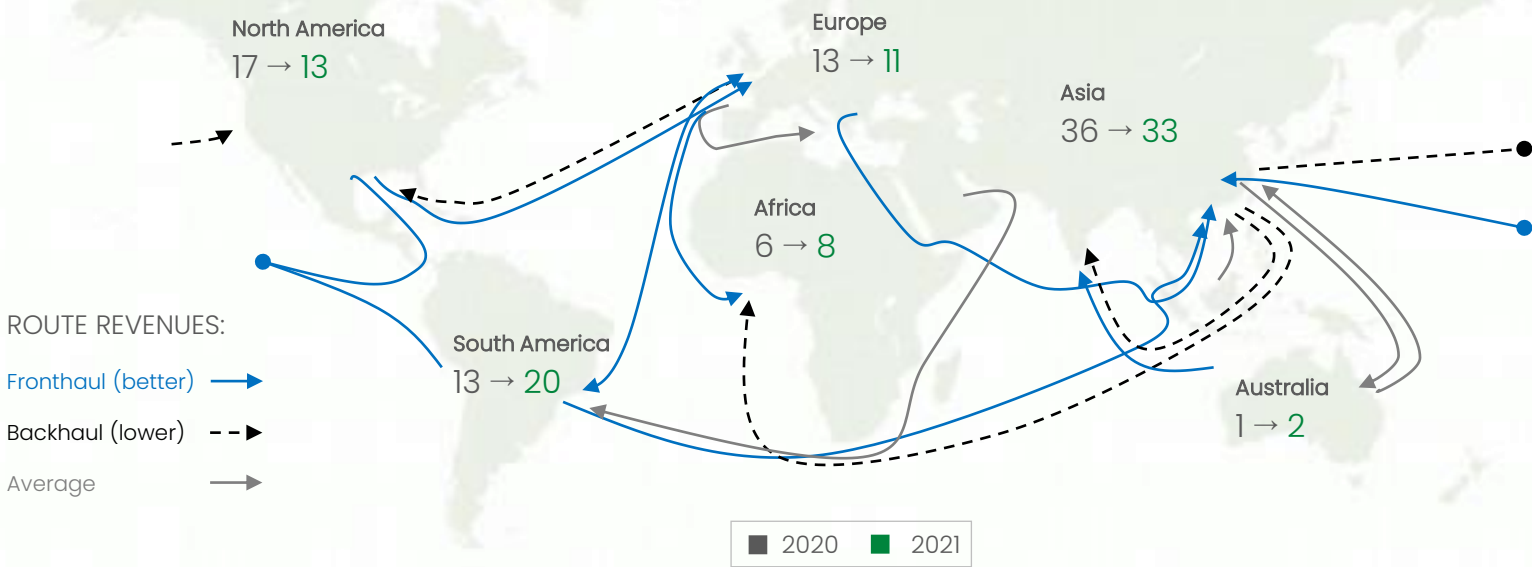
We calculate the fleet utilization by dividing available days (including charter-in days) by ownership days.

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

During the three years ended December 31, 2021, our average annual fleet utilization days rate was 97.9%.

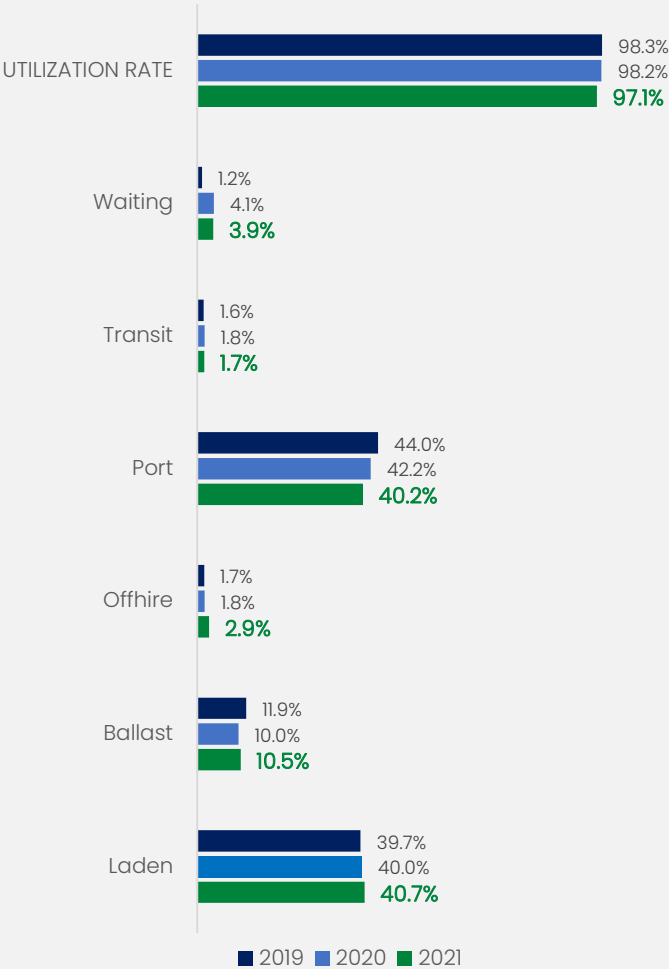
In 2021, we achieved a 97.1% utilization rate, which is slightly reduced compared to 2020 due to 4 scheduled Dry Docks (1/3 of our fleet).

NUMBER OF OUR PORT CALLS IN THESE REGIONS



97.1%

Vessel utilization rate in 2021



Key clients and their feedback

5/5 survey
feedback
score.

Cargill

“Charterers appreciate owners'
long cooperation and
flexibility.”

Bunge

“Looking forward to future
fixtures with your good
company.”

Trafigura



Our partners for advancing sustainability

LEMISSOLER is continuously seeking ways to improve the operational efficiency of our vessels in the short-term, while investigating new technologies and entering strategic partnerships for the long-term.

In 2021, our Group was a member of – or partnered with – the following associations and organizations:





ESG at LEMISSOLER

Sustainability at LEMISSOLER

Our purpose is reimagining shipping for people and our planet. Our sustainability frame underpins our strategy to be an integrated shipping company and translate our purpose into action. It sets out aims in the areas where we believe we can make the biggest difference for LEMISSOLER, our stakeholders and society.

Our aims and objectives

Sustainability at LEMISSOLER is about creating value by connecting the business opportunities of the shipping transition with our aims and objectives for people, our planet and getting to net zero.

The aims are targeted but interconnected, so delivering one aim can help us deliver others.

Our foundations

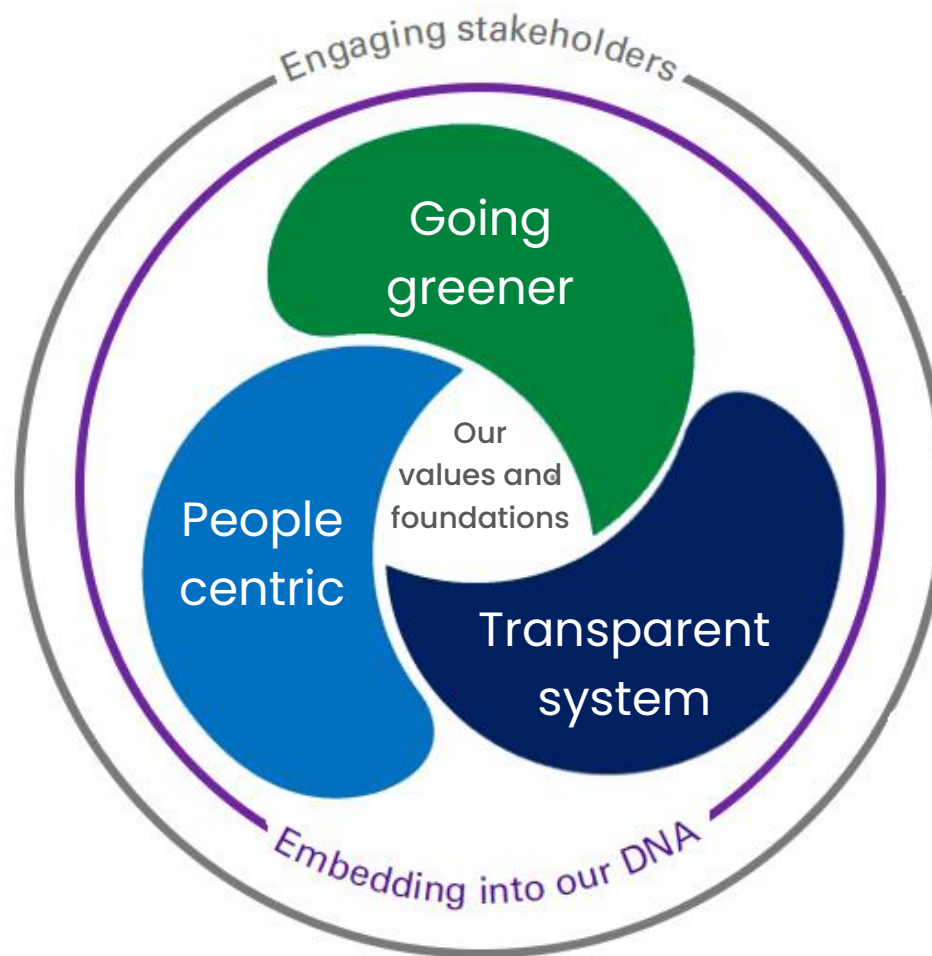
Sustainability is not new to LEMISSOLER. Over many decades we have built strong foundations to help us do the right thing on safety, greenhouse gas emissions, human rights, biodiversity, and other social and environmental factors. Delivering our aims requires us to build on and strengthen these foundations.

Engaging stakeholders

We learn through ongoing engagement with our many different stakeholders and collaborate with them to deliver our aims.

Embedding into our DNA

We are constantly working to embed sustainability more deeply into our culture and mindset, decision making, systems and processes, and governance.



ENVIRONMENT

Improving our fleet's consumption of fuel and other inputs and the resulting impacts of emissions, use of resources and climate change.

Focus areas - Greenhouse gas emissions, energy consumption, SOx, NOx, waste, biodiversity.

SOCIAL

Rewarding the skills, experience, behavior and loyalty of our staff and enhancing with fair remuneration and a commitment to health and safety, development and training, equal opportunity and a comfortable and fulfilling workplace.

Focus areas - Health & safety, human rights, diversity & equal opportunity, training & development.

GOVERNANCE

Evolving management and governance practices for best in-class risk management, transparency and stakeholder confidence.

Focus areas - Anti-corruption, Risk Management, Transparency, Cyber Security,

Materiality Analysis

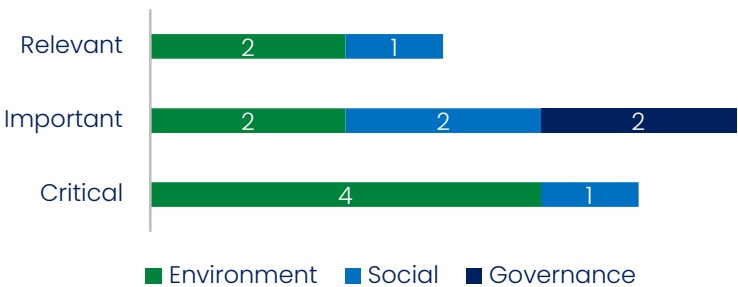
ENGAGING WITH OUR STAKEHOLDERS

Our goal is to embed sustainability into our business strategy and processes. To achieve this, we need to understand the most relevant and important sustainability issues for our business and our stakeholders. The ways in which we engage with our key stakeholders, the key issues and our response is described in Appendix A & B.

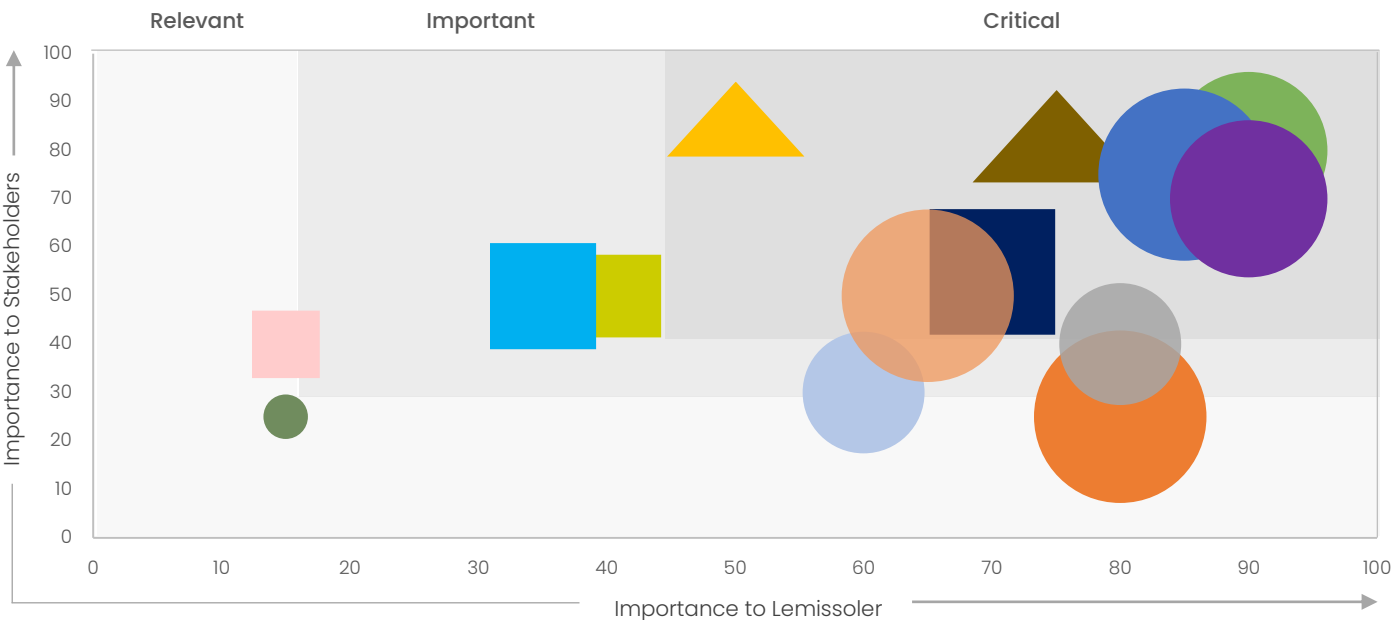
The topics for this report were selected through management prioritization by considering the importance to Stakeholders in the topic and the likelihood of the topic affecting our business objectives.

These 14 topics are ranked by importance in the three broad categories (E, S, G) as presented in the following graph:

NUMBER OF TOPICS PER MATERIALITY LEVEL



Our ambitions on all these material topics 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

▲ Anti-Corruption

■ Diversity and Inclusion

● Efficiency and Performance Monitoring

● Emissions and Energy Reduction

■ Employees

■ Labor and Human Rights

● Marine Environment Protection

■ Partnerships

● Research and Innovation

● Safety

● Ship Recycling

● Transport work

● Waste

Note: Topics mapped on 5-dimensional graph and the size of the shapes indicates the ability of LEMISSOLER to control.

○ Environment

□ Social

△ Governance

Sustainability strategy and focus areas

In developing our people and planet aims, we used the UN sustainable development goals (SDGs) to inform our thinking. Although our business activity touches most of the SDGs, we are focusing our efforts on those that align with our aims in order to make the most impactful contribution to sustainable development and for people over the next decade.

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

SOCIAL



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% at least

In 2022 (2021: 38%)

GOVERNANCE



Focus area Bribery and facilitation payments

Corruption obstructs the development of fair market structures, distorts competition and threatens the normal 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.

All eligible employees to take and pass anti-corruption training as well as sanctions and trading restrictions training



Addressing the United Nations Sustainable Development Goals

Our sustainability focus areas, strategy and targets are consistent with several of the United Nations Sustainable Development Goals (UN SDGs) designed to achieve a better and more sustainable future for all. As a responsible corporate citizen, we are committed to taking steps to tackle the environmental and social challenges we face in our industry.

Our sustainability initiatives and targets are aligned with the 2030 Agenda for Sustainable Development of the United Nations and with several UN SDGs as shown on the left.

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



We proactively prepare for developments in regulation

IMO STRATEGY: In 2018, the International Maritime Organization (IMO) in its attempt to combat climate change, adopted a strategy including a series of mandatory measures to reduce the GHG emissions and carbon intensity from international shipping, compared to 2008 levels.

by 2030	Reduction of carbon intensity by at least 40%	by 2050	Reduction of carbon intensity by 70%. Reduction of GHG emission by 50%
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IMO AMENDMENTS TO THE MARPOL CONVENTION: Requires ships to combine a technical and an operational approach to reduce their carbon intensity.

1) TECHNICAL APPROACH

Vessels must calculate the **Energy Efficiency Existing Ship Index (EEXI)**, meet a specific required EEXI and have on-board a New International Energy Efficiency Certificate approved by ship's flag administration or Recognized Organization, at the first annual survey **on or after 1 January 2023**, at the latest.

Required EEDI level was set to be reduced 10% every 5 years starting from 2015 (Phase 1) until 2025 (Phase 3). Since the ICCE certificate is to be reissued in 2023, all Vessels at that time should comply with at least EEDI Phase 2 (2020-2025).

We have proactively calculated the EEXI values for our vessels, based on the guidelines by IMO that were adopted in June 2021 (MEPC 76), and initiated a cooperation with a classification society for the verification of the EEXI value per vessel.

- Currently the Company's vessels **meet the requirements of EEDI Phase 2**. All our fleet is constituted by Bulk Carriers therefore on EEXI introduction date (January 2023) they will only have to meet EEDI Phase 2.
- Based on current EEDI value of our Vessels, no technical alterations are required until 2025 when EEDI Phase 3 will be implemented. At that point part of our fleet will require a technical alteration, most likely with the purpose of speed reduction and therefore a reduction in fuel consumption and emissions.

Our Fleet EEDI/EEXI Evaluation

Vessel	DWT	EEDI reference	Attained EEDI	% from reference	Phase 2 (20% from Ref)	Phase 2 % from attained	Phase 3 (30% from Ref)	Phase 3 % from attained
Anya	58,593	5.115	4.078	-20.3%	4.092	-0.3%	3.580	13.9%
Brigitte	58,624	5.113	4.027	-21.2%	4.091	-1.6%	3.579	12.5%
Elisa	58,623	5.113	4.030	-21.2%	4.091	-1.5%	3.579	12.6%
Elsabeth C	58,648	5.112	4.030	-21.2%	4.090	-1.5%	3.579	12.6%
Menomonee	58,595	5.115	4.058	-20.7%	4.092	-0.8%	3.580	13.3%
Mirela	58,721	5.109	4.010	-21.5%	4.087	-1.9%	3.577	12.1%
Sheila	58,608	5.114	4.020	-21.4%	4.091	-1.7%	3.580	12.3%
Victoria May	58,634	5.113	4.010	-21.6%	4.090	-2.0%	3.579	12.0%
Lem Geranium	64,712	4.878	3.37	-30.91%	3.902	-13.64%	3.415	-1.31%
Lem Gladiolus	64,651	4.880	3.33	-31.76%	3.904	-14.71%	3.416	-2.52%
Lem Marigold	64,663	4.880	3.327	-31.82%	3.904	-14.78%	3.416	-2.60%
Lem Verbena	64,688	4.879	3.305	-32.26%	3.903	-15.32%	3.415	-3.23%
In effect:					2020 - 2025		2026 - 2030	

We proactively prepare for developments in regulation (cont'd)

2) OPERATIONAL APPROACH

Vessels must calculate and report their annual **Carbon Intensity Indicator (CII)** and rating, provide a description of the methodology used for the calculation and report to the ship's flag administration the required annual operational CII for the next 3 years, through SEEMP by 1 January 2023.

The CIIs are given a rating from A to E. For ships that achieve a rating A to C no further actions are needed.

The CIIs are given a rating from A to E. For ships that achieve a rating A to C no further actions are needed. The ships that achieve a score D for 3 consecutive years or a score E for 1 year, are required to implement an approved corrective action plan through their SEEMP.

We are proactively monitoring our CII score for all Vessels since 2019, when IMO DCS emissions reporting started, and we have demonstrated capability of operational compliance until 2026, which is until when the CII score parameters are currently known.

Our Fleet Carbon Intensity Indicator (CII) Scores

Vessel	Year	% reduction	DWT	CII-Reference	CII-Required	2019					2020					2021				
						AER	Score	Total CO2 (mt)	Total Distance (nm)	CO2 / Distance	AER	Score	Total CO2 (mt)	Total Distance (nm)	CO2 / Distance	AER	Score	Total CO2 (mt)	Total Distance (nm)	CO2 / Distance
Anya	2023	5	58,593	5.136	4.879	4.327	B	16,123	63,597	0.253516	4.890	C	15,177	52,970	0.28653	5.146	C	19,788	65,627	0.301528
	2024	7			4.777		B					C					D			
	2025	9			4.674		B					C					D			
	2026	11			4.571		C					D					D			
Brigitte	2023	5	58,524	5.140	4.883	4.929	C	14,453	50,099	0.288491	5.065	C	16,638	56,130	0.296419	5.319	D	14,628	46,991	0.311303
	2024	7			4.780		C					C					D			
	2025	9			4.677		C					D					D			
	2026	11			4.574		D					D					D			
Elisa	2023	5	58,623	5.134	4.878	5.194	D	15,740	51,693	0.304499	4.821	C	14,609	51,693	0.282605	5.186	D	13,982	45,987	0.304047
	2024	7			4.775		D					C					D			
	2025	9			4.672		D					C					D			
	2026	11			4.570		D					C					D			
Elsabeth C	2023	5	58,648	5.133	4.876	4.741	C	16,261	58,488	0.278023	4.817	C	16,225	57,428	0.282524	5.288	D	14,237	45,911	0.310108
	2024	7			4.774		C					C					D			
	2025	9			4.671		C					C					D			
	2026	11			4.569		C					C					D			
Menomonee	2023	5	58,595	5.136	4.879	5.759	E	16,890	50,048	0.337479	4.746	C	13,918	50,048	0.278085	5.187	D	19,424	63,908	0.303939
	2024	7			4.776		E					C					D			
	2025	9			4.674		E					C					D			
	2026	11			4.571		E					C					D			

We proactively prepare for developments in regulation (cont'd)

Our Fleet Carbon Intensity Indicator (CII) Scores

Vessel	Year	% reduction	DWT	CII-Reference	CII-Required	2019					2020					2021				
						AER	Score	Total CO2 (mt)	Total Distance (nm)	CO2 / Distance	AER	Score	Total CO2 (mt)	Total Distance (nm)	CO2 / Distance	AER	Score	Total CO2 (mt)	Total Distance (nm)	CO2 / Distance
Mirela	2023	5	58,721	5.129	4.873	5.097	C	16,558	55,318	0.29933	5.457	D	12,207	38,095	0.320432	5.485	D	14,782	45,897	0.322068
	2024	7			4.770		D					D					D			
	2025	9			4.668		D					D					D			
	2026	11			4.565		D					E					E			
	2023	5			4.879		C					C					D			
Sheila	2024	7	58,608	5.135	4.776	4.617	C	17,495	64,654	0.270588	4.665	C	17,675	64,654	0.273382	5.279	D	14,447	46,700	0.309365
	2025	9			4.673		C					C					D			
	2026	11			4.570		C					C					D			
	2023	5			4.877		D					C					D			
Victoria May	2024	7	58,634	5.134	4.775	5.489	D	16,475	51,190	0.321832	4.714	C	19,473	70,446	0.27642	5.219	D	16,016	52,343	0.305988
	2025	9			4.672		D					C					D			
	2026	11			4.569		E					C					D			
	2023	5			4.587		A	1111.67	5,445	0.204178	3.967	B	14,063	54,781	0.256706	3.788	A	16,760	68,364	0.245159
MV LEM Geranium	2024	7	64,711.8	4.828	4.490	3.155	A					B					A			
	2025	9			4.394		A					B					B			
	2026	11			4.297		A					B					B			
	2023	5			4.590							C	7,142	25,348	0.281763	4.196	B	14,451	53,270	0.271281
	2024	7			4.493							C					B			
MV LEM Gladiolus	2025	9		4.831	4.396							C					C			
	2026	11			4.300							C					C			
MV LEM Marigold	2023	5	64,663.3	4.831	4.589	4.286					4.286	B	12,637	45,598.6	0.277134	4.428	C	16,964	59,247	0.286328
	2024	7			4.493							C					C			
	2025	9			4.396							C					C			
	2026	11			4.299							C					C			
	2023	5			4.588							B	7,041	27,295	0.257942	4.020	B	14,229	52,343	0.27183
MV LEM Verbena	2024	7	64,688	4.830	4.491							B					B			
	2025	9			4.395							B					B			
	2026	11			4.298							B					B			

We proactively prepare for developments in regulation (cont'd)

FUTURE CHANGES IN REGULATION

We continue to monitor and engage actively with state and regulatory authorities to ensure future compliance with all applicable standards and regulation.



EU GREEN DEAL: In 2019, the European Commission formulated the Green Deal, which is an action plan, aiming to make the European Union “the first climate neutral bloc” by 2050. The principal objective of the Deal affecting the shipping industry, is to cut CO₂ emissions from transport by 90% until 2050. All regulations included within the Green Deal will demand extensive transparency on ESG data across all business sectors, including shipping.

EU “FIT FOR 55”: In 2021, the European Commission published its update to the green deal, in reference to the 55% reduction in carbon emissions targeted for 2030, known as “Fit for 55”. “Fit for 55” will impact the shipping industry in several ways and shipping companies will have to explore their involvement in the emissions trading scheme in the coming years. The proposals intend to:

- Include shipping in the **EU Emissions Trading System (ETS)** for emissions resulting from 100% intra-EU voyages or from 50% international voyages which start or end in the EU.
- Set a maximum limit on the GHG intensity of energy used on-board and certain obligations to use on-shore power supply or zero-emission technology – **The FuelEU Maritime Initiative**.
- Introduce a minimum tax rate on the relevant fuels used for intra-EU ferry, fishing and freight vessels – **The Energy Taxation Directive (ETD)**.





ENVIRONMENT



Fleets' CII scores vary according to the charterers' operating profile

CLOSE MONITORING OF OUR FLEET

The table below categorizes our fleets **2023 Carbon Intensity Indicator (CII)** scores according to the scores they obtain based on their 2021 Annual Efficiency Ratio (AER).

Within each category sister vessels have been grouped and the weighting of the parameters that contribute to methodology used for the CII calculation displayed below:



	VESSEL NAME	AER	EEOI	DISTANCE (n.m.)	AVG. SPEED (knots)	A			B			C			D		
LEM 65	LEM Geranium	3.79	9.02	68,364	12.35	36%	27%	37%									
	LEM Gladiolus	4.02	6.74	53,270	11.81				44%	7%	49%						
	LEM Verbena	4.19	5.66	54,715	12.16				47%	4%	49%						
	LEM Marigold	4.43	7.59	59,247	12.32							46%	9%	45%			
LEM 59	Anya	5.15	7.67	65,627	12.13							55%	7%	38%			
	Elisa	5.18	7.73	45,987	12.05										41%	3%	56%
	Menomonee	5.19	8.01	63,908	12.12										52%	9%	40%
	Victoria May	5.22	7.81	52,343	11.82										43%	8%	49%
	Elsabeth C	5.28	7.91	45,911	11.81										35%	9%	56%
	Sheila	5.28	8.84	46,700	11.99										35%	9%	56%
	Brigitte	5.31	10.68	46,991	11.90										32%	13%	55%
	Mirella	5.48	9.15	45,897	12.15										38%	6%	57%

MORE WORK NEEDED ON A GLOBAL SCALE

Energy Efficiency Operating Index (EEOI) score has been added for comparison with the obtained AER score.

Comparing AER and EEOI, we can clearly see that the best performing AER vessel, can have the worst EEOI score. Knowing that EEOI is the measure of the real transport work efficiency, this raises some questions on the effectiveness of AER.

Feedback to improve vessels scorings based on operating profile

VESSEL NAME	LEM GERANIUM	LEM GLADIOLUS	LEM VERBENA	LEM MARIGOLD
Idle Time (%)	37 %	49 %	49 %	45 %
Sailing Distance (nm)	68,364	53,270	54,715	59,247
Speed (knots/hr)	12.34	11.80	12.15	12.31
Cargo carried / laden distance (mt/nm)	10.67	9.82	11.98	11.81
Idle consumption as % of total consumption (%)	7.11 %	10.32 %	9.47 %	10.63 %
Average distance per voyage (nm)	4,021	2,664	2,487	2,469
 ADVANTAGES	Reduced idle time %	Reduced sailing speed	Moderately low idle consumption	Moderately low idle time
	High total sailing distance	Lower cargo weight per laden distance		Moderately total high sailing distance
	Reduced idle consumption			
	Lower cargo weight per laden distance			
	High sailing distance per voyage			
 DISADVANTAGES	High sailing speed	Lower total sailing distance	Moderately low total sailing distance	High sailing speed
		High idle time %	High idle time %	Heavier cargo carried per laden distance
		High idle consumption	Heavier cargo carried per laden distance	High idle consumption
			Lower sailing distance per voyage	Lower sailing distance per voyage
 REMARKS	Very high ballast % of total voyages contributed to lower emissions			

Feedback to improve vessels scorings based on operating profile (cont'd)

VESSEL NAME	ANYA	ELISA	MENOMONEE	VICTORIA MAY
Idle Time (%)	38.3 %	56.4 %	38.3 %	49.4 %
Sailing Distance (nm)	65,627	45,987	65,627	52,343
Speed (knots/hr)	12.13	12.04	12.13	11.81
Cargo carried / laden distance (mt/nm)	10.49	9.53	10.49	12.99
Idle consumption as % of total consumption (%)	6.62 %	9.80 %	6.62 %	17.99 %
Average distance per voyage (nm)	2, 734	2, 420	2,734	2,379
 ADVANTAGES	Low idle time %	Low cargo tonnage per laden distance	Reduced idle time %	Reduced speed
	High total sailing distance	Good distance per voyage	High total sailing distance	Good total sailing distance
	Long distance per voyage	Low idle consumption	Reduced idle consumption	Below average idle time
			Lower cargo weight per laden distance	
			High sailing distance per voyage	
 DISADVANTAGES	High speed	High idle time %	High sailing speed	High idle consumption
		High speed		Moderately heavy cargoes per laden distance
		Low total sailing distance		
 REMARKS		Vessel spent 26 days in drydock in 2021.	Very high ballast % of total voyages contributed to lower emissions	Vessel spent 21 days in drydock this year

Feedback to improve vessels scorings based on operating profile (cont'd)

VESSEL NAME	ELSABETH C	SHEILA	BRIGITTE	MIRELLA
Idle Time (%)	55.6 %	55.5 %	54.9 %	56.9 %
Sailing Distance (nm)	45,911	46,700	46,991	45,897
Speed (knots/hr)	11.80	11.98	11.90	12.14
Cargo carried / laden distance (mt/nm)	18.61	13.66	9.58	13.63
Idle consumption as % of total consumption (%)	22.05%	10.73 %	11.76 %	11.80 %
Average distance per voyage (nm)	1,700	1,946	2,937	1,836
 ADVANTAGES	Reduced speed	Reduced idle time %	Lighter cargo carried per laden distance	
		High total sailing distance	High sailing distance per voyage	
		Reduced idle consumption		
		Lower cargo weight per laden distance		
		High sailing distance per voyage		
 DISADVANTAGES	Low total sailing distance	High sailing speed	Low total sailing distance	Low total sailing distance
	Heavier cargo per voyage		High idle time %	High idle time %
	High idle consumption			High speed
	Low sailing distance per voyage			Heavier cargo carried per laden distance
				Lower sailing distance per voyage
 REMARKS	Multiple short voyages means that the vessel spent more time outside the optimum SFOC range for the Main Engine. Vessel had 18 days of off-hire during 2021.	Very high ballast % of total voyages contributed to lower emissions		Vessel spent 19 days in drydock this year

We continuously track and assess our fleet's carbon intensity

We measure transport energy efficiency of our fleet using the two main *Carbon Intensity Indicators (CIIs):

1. ENERGY EFFICIENCY OPERATING INDEX (EEOI)

EEOI (also used for EU MRV reporting) is the ratio of annual total CO₂ emissions per transport work (actual cargo transported X distance sailed) in grams of CO₂/Transport ton-mile.

We apply an array of diverse operational measures, including the application of weather routing systems and speed management optimization practices for achieving in-time arrival at port and minimum time spent at anchorage.

In 2021 the average EEOI of our fleet increased by 2.8%, due to charterers' operating profile (more on slide 20).

7.89

Average EEOI in 2021
(gr CO₂/Transport ton-mile)

↑ 2.8%

Average EEOI increase
of our fleet in 2021

4.81

Average AER in 2021
(gr CO₂/DWT ton-mile)

↑ 3.1%

Average AER increase
of our fleet in 2021

2. ANNUAL EFFICIENCY RATIO (AER)

AER (also used for IMO DCS reporting) is a metric used for the assessment of the energy performance of ships and has been adopted by the Poseidon Principles. AER is the ratio of annual total CO₂ emissions divided by the deadweight capacity X distance sailed, expressed in grams of CO₂/DWT ton-mile. In 2021, the average AER of our fleet increased by approximately 3.1%, due to charterers' operating profile (more on slide 20).

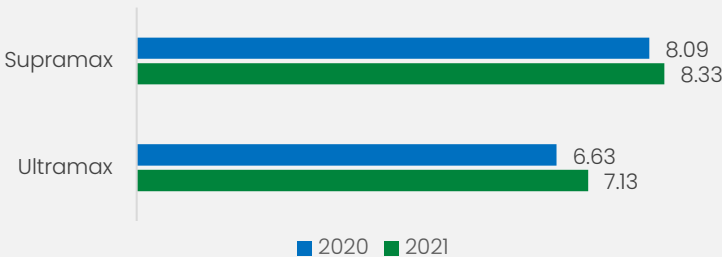
ENHANCING VOYAGE OPTIMIZATION

The below voyage optimization initiatives that we apply contribute to offset the increase in our Carbon Intensity metrics:

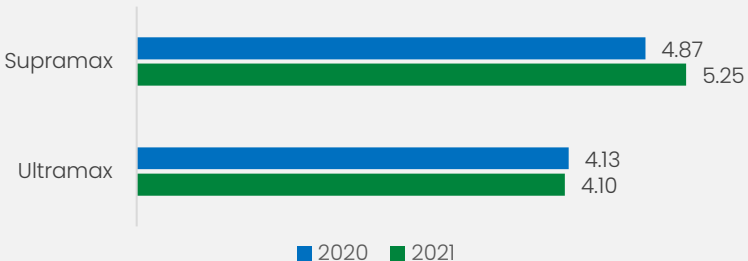
- Optimizing hull cleaning frequency (for reduced drag) using detailed analysis of vessels' speed and fuel consumption performance over time.
- Weather routing guidance based on hourly updated weather forecasts.
- Real-time onboard system monitoring (KeelX Analytics systems).
- AI route optimization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

Without these initiatives the knock-on effect on the metrics on this page would have been even larger.

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 ton-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.

Carbon Intensity Indicators (CIIs) - Our fleet



Our carbon footprint increased by 14%, driven by higher fleet availability & higher demand for dry bulk cargoes

From their construction phase we have implemented on board our vessels a variety of energy efficiency measures, initiatives and systems to accurately monitor fuel consumption and CO₂ emissions. In 2021, our vessels travelled 648,960 nautical miles, and emitted 189,734 tons of CO₂. The total fuel consumption during the same period was 60,783 tons.

The overall increase of 13.74% in 2021, can be attributed to the increase in the number of the vessels' available days and an increase in vessels' average speed as instructed by charterers.

In 2021 our vessels recorded 4,380 available days while in 2020, our vessels recorded 3,884 available days, the less available days (and by extent, less carbon emissions) are due to the Dry Docks and new building deliveries that took place during 2020.

The average fuel consumption per day per vessel (sailing days only) totaled 24.15 mt/day, increased by approximately 0.1% compared to the 2020 levels (from 24.14 mt/ day in 2020) due to the increase in vessels' average speed.

Finally, the total energy consumption of our fleet which is directly related to the fuel consumption on board, was 2,604 GJ in 2021, an increase of approximately 13.8% compared to 2020, when the total energy consumption was 2,289 GJ.

190k tons

Of CO₂, emitted in 2021 by our fleet

↑ 13.75%

Total CO₂ increase of our fleet in 2021

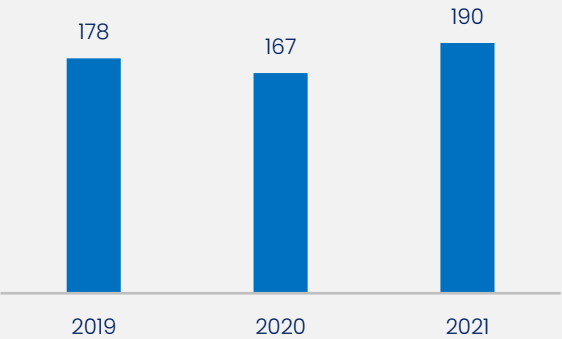
↑ 0.1%

Fuel consumption increase per *sailing day of our fleet in 2021

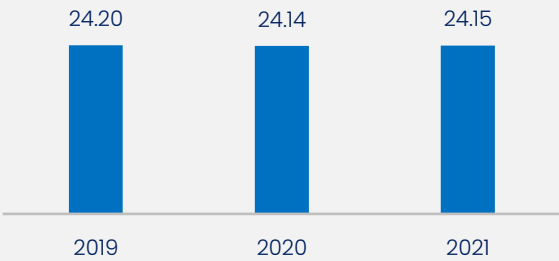
2,604 GJ

Energy consumption in 2021 of our fleet

CO₂ Emissions ('000 tons)

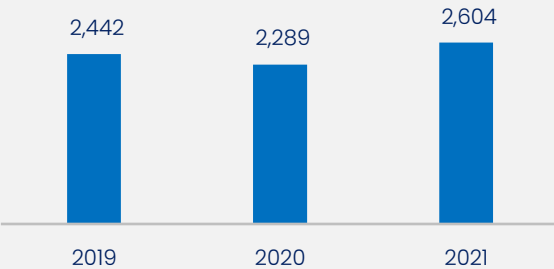


Average fuel consumption per day (mt)



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

Total energy consumption (GJ)



We strictly monitor and assess our emissions to reduce our environmental impact

Our fleet significant pollutants to the atmosphere are Nitrogen Oxides (NOx) and Sulfur Oxides (SOx).

During 2021 our vessels' emissions were higher, due to the increase in vessels' available days and an increase in vessels' average speed (as instructed by charterers) compared to 2020.

SULPHUR EMISSIONS (SOx)

- On January 1st, 2020, the IMO introduced regulations to reduce the sulfur limit in the fuels used by ships from 3.50% to 0.50%. The amount of sulfur oxides emitted to the atmosphere is almost directly proportional to the amount of sulfur in the fuel (% m/m) burnt and the total amount of fuel used in vessel engines.
- In 2021, total *Sulphur Oxides (SOx) emissions of our fleet were 457 tons, increased by 9.3% in relation to 2020.
- Our Fleet total DWT increased 13.74% but our SOx emissions increased only by 9.33%.

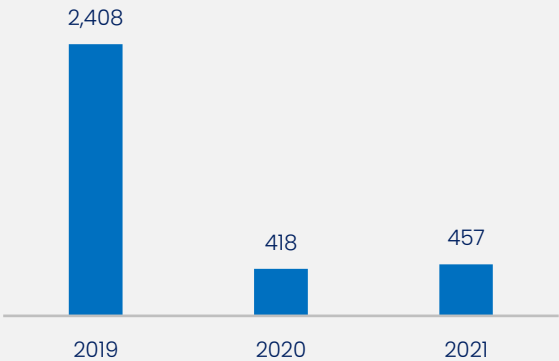
NITROXIDE EMISSIONS (NOx)

- 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 2021 our fleet emitted 4,518 tons of NOx, an increase of 13.7% in relation to 2020.
- Our Fleet total DWT increased 13.74% but our NOx emissions increased only by 13.66%.**

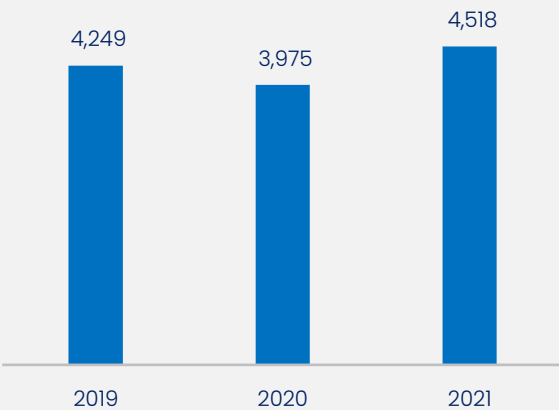
↑ **9.3%**
In total SOx emissions increase of our fleet in 2021,

↑ **13.7%**
In total NOx emissions increase of our fleet in 2021,

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 56.7kg/ton for MGO/DO fuel and derived Fourth IMO GHG Study - July 2020.

Onboard initiatives to further reduce our environmental impact

WATER MANAGEMENT

Fresh consumable water on board is either produced on board by the freshwater generator (sea water desalination process) 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 (50% as of 31st December 2021). 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 reusable 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.

LED-LAMP RETROFIT

In 2020 we have initiated the installation of LED lights on board to reduce emission and fuel oil consumption and improve our Carbon Intensity Indicator (CII), bunker cost and OPEX. Within 2021 we have installed LED lamps in all areas where technically applicable (not possible for some systems).

50%

Of fleet equipped with
WATER FILTRATION SYSTEMS
as of 31st Dec 2021

100%

Of fleet equipped with
LED-LAMP RETROFIT
as of 31st Dec 2021

We comply timely and effectively with all environmental regulations

MRV (EU & UK) and IMO DCS

We are fully compliant with the MRV (EU & UK) 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 MRV and IMO DCS purposes are audited and verified by an independent recognized organization.

SPILLS AND RELEASES TO THE ENVIRONMENT

We 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.

0 zero

Spills to the marine environment

75%

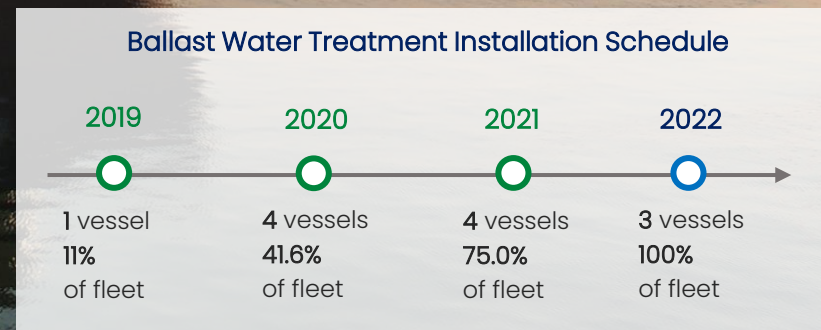
Of fleet equipped with BWTs as of 31st Dec 2021

ENERGY EFFICIENCY EXISTING SHIP INDEX (EEXI)

We have proactively calculated the EEXI values for our vessels, based on the guidelines by IMO that were adopted in June 2021 (MEPC 76), and in cooperation with each respective classification society have received verification of the EEXI value per vessel.

BALLAST WATER TREATMENT

On September 8th, 2017, the IMO Ballast Water Management Convention was entered into force and requires all shipping companies to manage and prevent the spread of potentially harmful aquatic or marine microbes, plants and animals in ships' ballast water. In response to the IMO Ballast Water Management Convention, we have already fitted 75% of our fleet with Ballast Water Treatment Systems (BWTs) and have scheduled to have 100% of the fleet fitted by 2022.



We comply timely and effectively with all 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
- Organotin Compounds

Our early actions led to 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 supplies are monitored for hazardous materials and are tracked through their lifetime onboard accordingly.

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 being used.

Furthermore, all vessels are equipped with eco-friendly stern tube seal systems (air seals), which introduce an additional barrier between oil and sea water surfaces and maintain a lower pressure than the sea-side – 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 2021 there were no incidents of non-compliance and no class recommendations.

0 zero

Non-compliance incidents

0 zero

Class conditions / recommendations



Increased our 2021 funding and active participation in green tech programs under development by KeelX

Program Title

Brief Description



KeelX Analytics (Live in Production)

Web-based Software-as-a-Service

- Real-time fleet performance monitoring enabling high frequency information flow from vessels to office
- AI weather routing and continuous optimization for cost and emissions reduction
- Real-time CII analytics
- Proactive management of commercial operation incidents
- Mobile application release to monitor and optimize fleet operations from anywhere
- Automated data collection and feed to AI & ML vessel performance models



KeelX Education (Live in Production)

Learning Management System (LMS) development

- Online and offline access for onboard and onshore personnel to their training material

e-Courses production

- Continuous development of e-Courses on the Safe Handling & Transportation of Dry Bulk Cargoes
- Available on third party training portals and on the KeelX LMS
- The courses promote safety, efficient operations, claims mitigation, and career advancement



KeelX Robotics (Prototype Testing)

Autonomous Underwater Vehicle

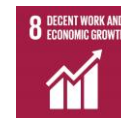
- Autonomous, emission-free, wireless & speedy underwater hull inspection
- Proactive technical management of vessel
- Hull fouling monitoring and quantification
- Hull visual inspection for safety matters
- Claims mitigation
- Integration with KeelX Analytics for holistic fleet performance monitoring
- Supplementary data collection and feed to KeelX Analytics AI & ML vessel performance models



For more info
KeelX.com



SOCIAL



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 increased by 47% compared to 2020 as COVID-19 global travel restrictions were gradually lifted.
- *Port State Controls (PSC) deficiency ratio was reduced by 64.4% compared to 2020.
- Our zero detentions performance continues into 2021.

Quality Recognitions



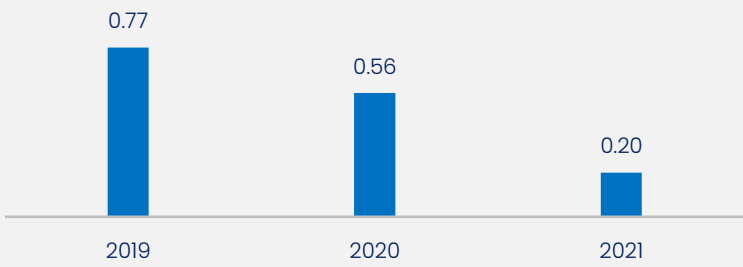
We maintain ISO 9001 quality certification and all our Vessels have received a quality accreditation through the Qualship21 program by USCG.

Incidents within our Fleet

All related incidents are documented and taken into consideration when reassessing our safety management system. In 2021, 18 incidents were reported, an increase of 6.4% in relation to 2020 due to encouragement of ships and departments to record more cases as significant incidents with the aim to expand Fleet knowledge through lessons learned material. For example, minor weather damages due to normal navigation are accounting for more than 20% of the reported incidents. Mooring line damages at berth are accounting for another 33% of these incidents.

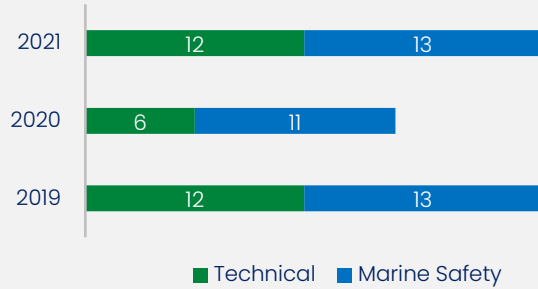


Port State Control Deficiency Ratio

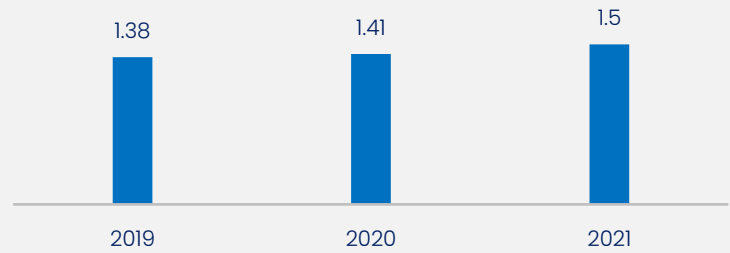


*PSC Deficiency ratio is derived by dividing total deficiencies with the total PSC inspections for the whole fleet each year.

On Board Inspections

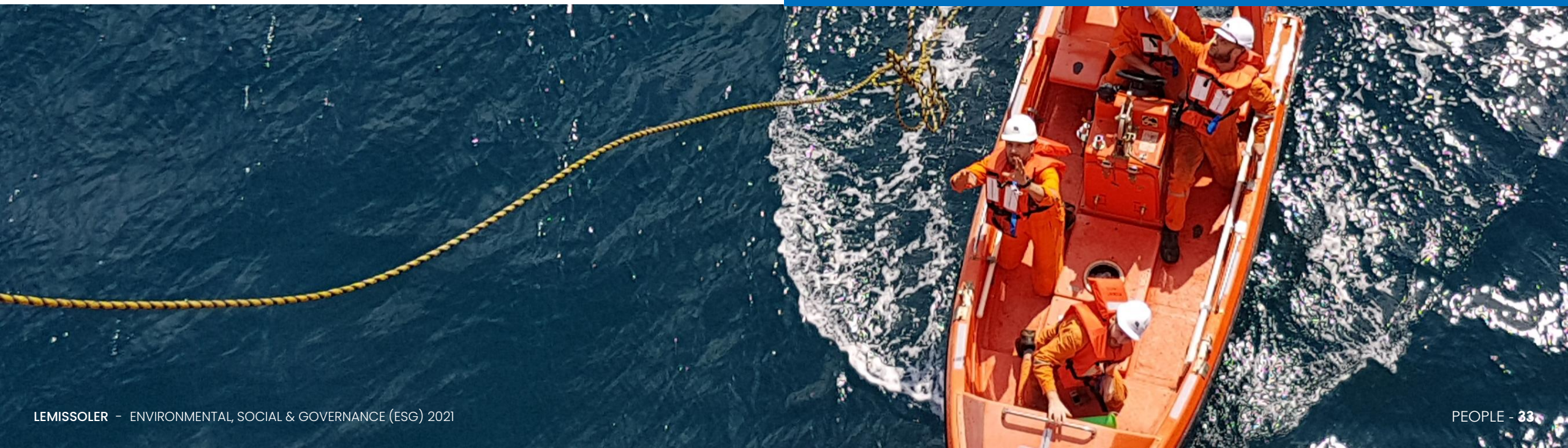


Incidents per ship



4. SOCIAL

Our Crew



We maintain a unique mix of experienced and skilled seafarers

Our pool of seafarers:

- We have a pool of about 480 seafarers out of which around 230 are on board our vessels at any given time.
- Approximately 91% 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 (8) different countries.
- Most of our seafarers are from the Ukraine (91%).
- The average age of our seafarers is 38.1 years old, which is increased by 0.3 years compared to 2020.

↑ 0.3 years

Increase in average crew age in 2021

38.1 years old

Average age of our crew in 2021

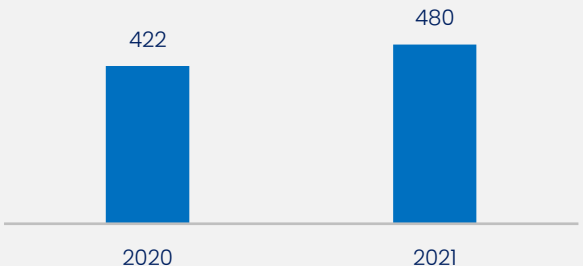
480

Pool of seafarers

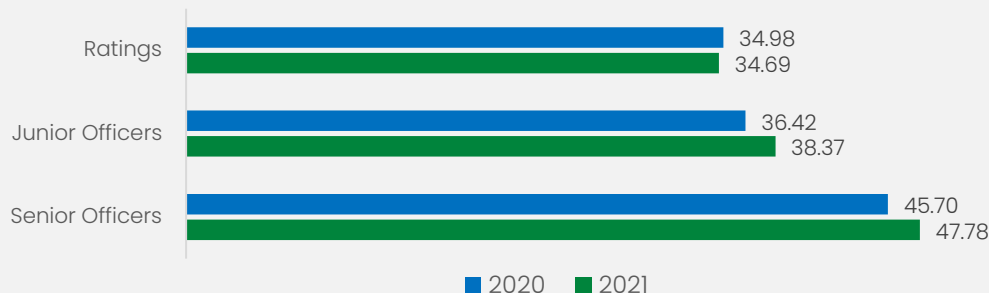
228

Seafarers on board

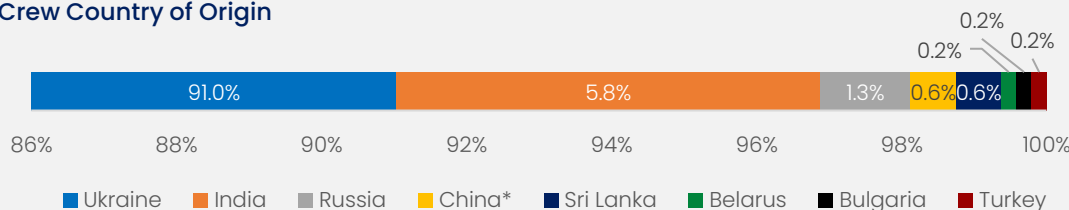
Number of seafarers in our available seafarers pool



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. Last Chinese crew onboard (3 seafarers) disembarked in Q1 2021.

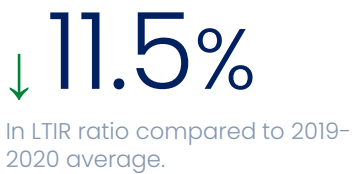
Management of health & safety risks is a core priority of our strategy

Health and safety of our people is of key importance and essential for the efficient operation of our activities. In 2021 we:

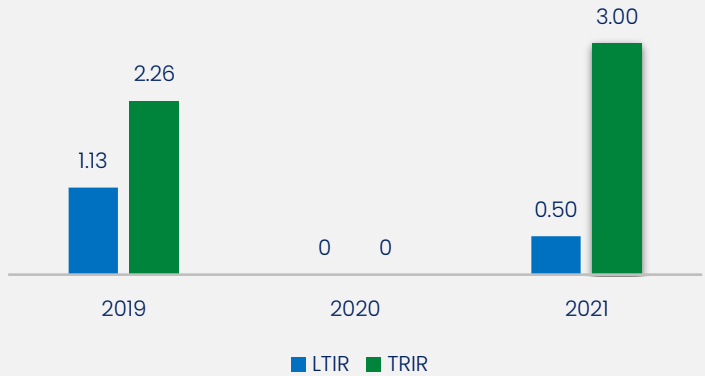
- Had only 1 Lost Workday Case (LWC), and 6 cases of lesser severity including first aid, restricted work and medical treatment cases.
- Our LTIR is 11.5% lower than the average LTIR of the previous two years.
- An increase in cases is observed from 2021 due to continued encouragement of the Vessels to report all incidents, even minor cases.

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

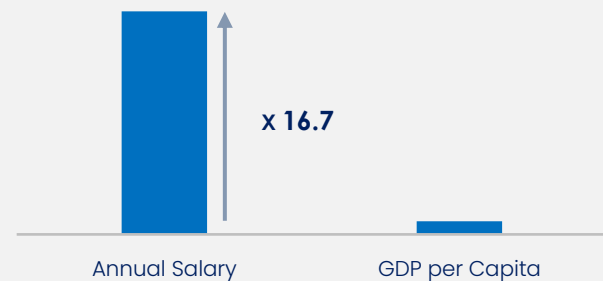
- We remunerate and provide benefits to our crew fairly, based on the competency requirements of each position.
- In 2021 we paid just over \$9.4 million in wages, bonuses and social security payments to our seafarers.
- The average salary of our crew is 16.7 times higher than the local GDP per capita (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.



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



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



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 2021 we maintained a high *average crew retention rate of 91.2%.
- 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 2021 we increased promotions by 91%.

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 and discussed.
- On board training sessions are organized through the collaboration of our Technical Department and Marine Safety Department (MSD).
- We encourage and invite crew input into definition of work procedures.
- We collaborate with external training centers to conduct some of our online trainings.
- The amount spent on trainings was decreased by 3.8% in 2021 compared to 2020 due to ongoing COVID-19 restrictions.

91.2%

*Average crew retention rate in 2021s

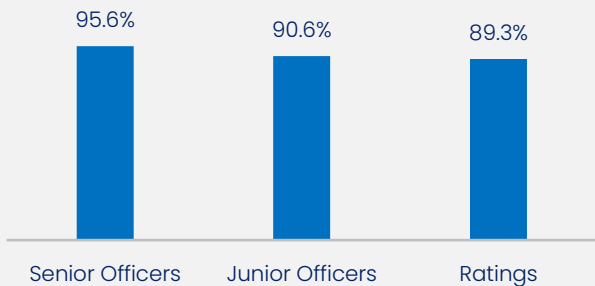
↑ 91.0%

Crew promotions' increase in 2021

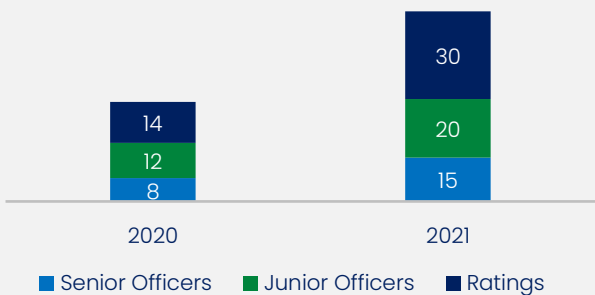
↓ 3.8%

Crew training spending reduction in 2021

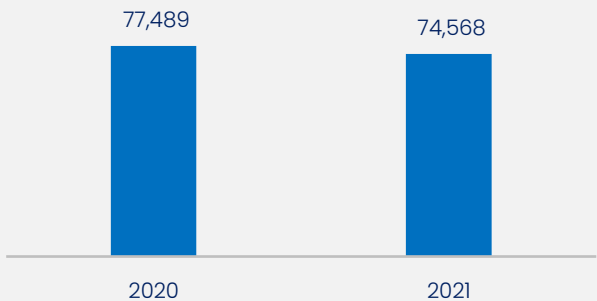
2021 Crew Retention Rates



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.

4. SOCIAL

Our Onshore 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 2021 is 63 on-shore employees under full-time contracts, an 8.6% increase in relation to 2020.
- Our on-shore team comes from a diverse cultural, age, educational and professional background.
- We maintain a 5.3 employee / vessel ratio to better support our vertically integrated Business Units from ashore.
- We promote equal opportunities between men and women employees – Around 38% of our employees are women and 16% 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.

↑ 8.6%

Shore employees' increase in 2021

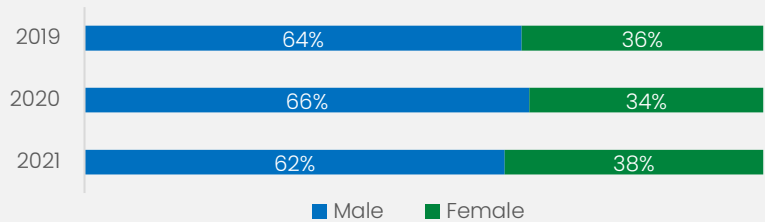
16.0%

Women in management and senior management positions

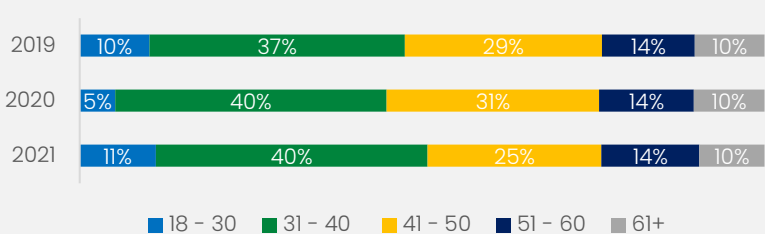
0 zero

Redundancies in 2021

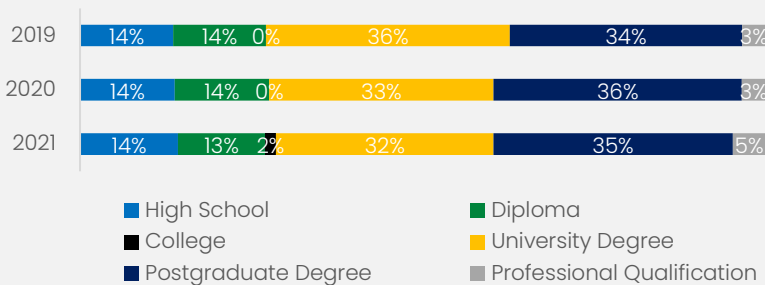
On Shore Employee Gender Composition



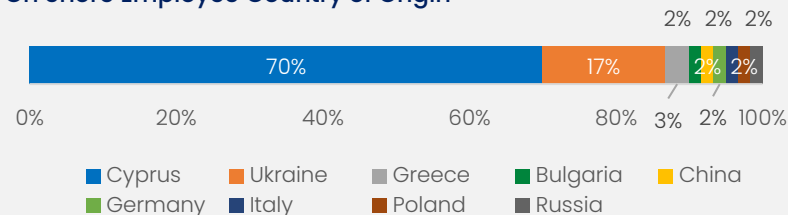
On Shore Employee Age Composition



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

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

As part of this, LEMISSOLER 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 20 headquarter employees.

92.3%

Retention rate of shore employees in 2021

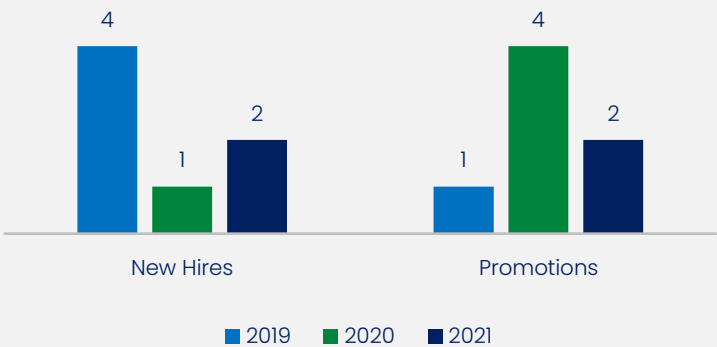
100%

Of our shore employees receive annual performance feedback

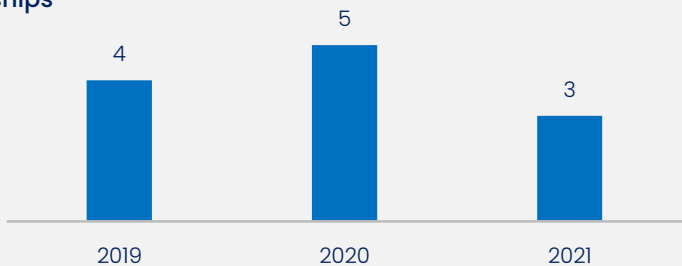
3

Internships in 2021

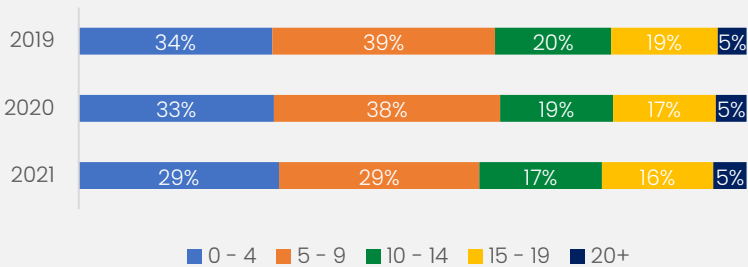
New Hires, Promotions and Internal Job Transfers





Internships



On Shore Employee Years at Lemissoler



Strengthening our community with tangible contributions

	<p>Money donation for support to the non-profit organization "Karaïskakio Foundation".</p> <p>Money donation for support to the non-profit organization "Karaïskakio Foundation".</p>		<p>Nea Salamina Volleyball Academy</p> <p>Silver Sponsorship to Nea Salamina Volleyball Academy.</p>
	<p>Cultural Movement "Epilogi"</p> <p>Financial support to the non-profit organization 'Epilogi Cultural Movement' of Limassol for the interactive, musical fairy tale 'Mr. Beethoven's magic pencil' was held in November 2021 at the Rialto Theatre in Limassol.</p>		<p>Money Awards for post-graduate students of the Cyprus University of Technology</p> <p>Money awards to the post-graduate students who had concentrated the highest score in their Coursework Assignments. In addition, a money award was handed to the post-graduate student who achieved the highest score among the three Master's degrees.</p>
	<p>Charity to "Limassol Child Welfare Association"</p> <p>Donation for baby hygiene items, milk, baby food and equipment as well as financial sponsorships.</p>		<p>Migrant Information Center</p> <p>Donation in goods for the refugees at Pournara Asylum Service in Kokkinotrimithia, Nicosia. The goods were delivered at the miHUB Migrant Information Center in Limassol in December 2021.</p>
	<p>Fires in Cyprus</p> <p>Money donation to those affected by the wildfires in Cyprus.</p>		<p>Fires in Greece</p> <p>Donations (in the form of supplies, goods, and essential items) to the affected by the catastrophic wildfires in Greece.</p>
	<p>Charity to "Popular Social Solidarity Network"</p> <p>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.</p>		<p>Summer Interns, 2021</p> <p>We accommodated three students who had to attend summer internship programs as part of their studies curriculum for the year 2021. With this opportunity, the students can further develop their knowledge and skills through this procedure.</p>



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:

KEY RISK AREAS:

- 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 operate ethically and transparently

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.

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).

TRANSPARENCY INTERNATIONAL CORRUPTION PERCEPTION INDEX

Our vessels operate globally and thus, geography plays a highly significant role to our exposure to corruption risks.

0 zero

Violations of our Ethical principles & Anti Corruption Policy

0 zero

Tolerance for bribery and other corrupt practices

0 zero

Incidents of corrupt practices

0 zero

Port calls in countries with the 20 lowest rankings in Transparency International's Corruption Perception Index

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

Protection

Information Technology (IT) security has become increasingly important in shipping as maritime cyber-attacks, phishing emails, malicious websites and other fraudulent activities across electronic channels become more common place. Our business processes rely heavily on IT systems (including cloud-based applications and data storage) and daily communications ashore and at sea. Failure of a key IT system or successful attacks on our systems could result in communications breakdowns and business disruption.

Our IT Department, chaired by our Chief Information Officer (CIO), oversees the Group's IT policies and procedures and ensures that our IT strategies meet our business needs. We have developed an internal Information Security Policy to protect the interests of our staff, our business and our information assets from threats. Our IT team works closely with all business departments to tailor appropriate and effective IT solutions, support, and preventive and contingency measures. Tips and reminders on anti-spoofing and phishing emails are circulated to our employees regularly to enhance their cyber security awareness.

IMO's Maritime Cyber Risk Management resolution came into effect in January 2021. Accordingly, we have updated our Safety Management System to enhance our cyber security risk management, to better safeguard our on-board operations from existing and emerging cyber threats and vulnerabilities. Vessel hardware and systems are reviewed periodically to maximize system efficiency and security.

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.

Our Cybersecurity Program

We implement a robust scheme of cyber security governance and controls to protect our information assets. We apply the right architecture, technology and policies to inhibit, identify, prepare for and recover from any cyber attacks promptly.

Our **Endpoint protection system** includes:

- Monitoring capabilities (process, network, registry, memory, files).
- Detection capabilities (different types of malware).
- Response capabilities (blocking, host isolation, remote investigation).
- Coverage of all systems within IT environment.
- Interoperability with other security solutions in-place.
- Bandwidth requirements and potential impact on endpoints (CPU, RAM, hard disk).
- Security controls of the End Point Detection and Response (EDR) solution itself.
- Compatibility with existing or future Security Information and Event.
- Management (SIEM) solution.

Our **Firewall upgrade** includes advanced features regarding inspection, prevention, monitoring and reporting.

Our **Hardware upgrade** on board include the installation of a server onboard to comply with Cyber Security regulation (user access management, security policies, Control Changes etc.).

0 zero

Cyber Security Incidents in 2021

>53,000 €

Invested in Cyber Security in 2021

Appendix A – ESG Performance Data





	2019	2020	2021
ENVIRONMENTAL PERFORMANCE			
Energy efficiency			
AER (gr CO ₂ / DWT – nautical mile)	5.30	4.66	4.81
EEOI (gr CO ₂ /ton – nautical mile)	8.56	7.68	7.89
Energy consumption			
Heavy fuel oils (1,000 tons)	52.86	49.23	55.83
Marine gas oils (1,000 tons)	3.34	4.21	4.95
Energy consumption (total, GJ)	2,442	2,289	2,604
Transport work (million ton miles)			
Owned and operated vessels	20,782	21,724	24,041
CO₂ emissions (tons)			
Total CO ₂ emissions	177,981	166,803	189,734
Other emissions (tons)			
SO _x emissions	2,408	418	457
NO _x emissions	4,249	3,975	4,518
Spills			
Spills > 1 barrel	0	0	0





	2019	2020	2021
SOCIAL PERFORMANCE			
Employees (on shore)			
Employees (average FTE)	59	58	63
Nationalities represented (of total workforce)	10	9	9
Women in managerial positions (%)	21	19	16
Gender split			
– gender with the lowest representation ♀ (%)	36	34	38
Safety (at sea)			
Fatalities	1	0	1
Lost time injury ratio (million working hours)	1.13	0.00	1
Port state control deficiency ratio	0.77	0.56	0.20
Port state control detentions	0	0	0
GOVERNANCE PERFORMANCE			
Business ethics			
Port calls in 20 lowest ranking countries in Corruption Perception Index	3	3	0
Monetary losses as a result of legal proceedings associated with bribery or corruption	0	0	0

Appendix B – 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
 Customers	<ul style="list-style-type: none"> • Vessel Owners • Charterers • Cargo Owners
 Seafarers & Office employees	<ul style="list-style-type: none"> • Crew on board • Office Employees • Manning Agents
 Shareholders / Investors	<ul style="list-style-type: none"> • Private Educated Investors • Institutional investors • Funds / Private Equities
 Financial Institutions	<ul style="list-style-type: none"> • Banks • Leasing Financial Institutions

Stakeholder Group	Stakeholder Type
 Authorities	<ul style="list-style-type: none"> • IMO • EU • Governments • Flag Administrations • Port Authorities
 Suppliers	<ul style="list-style-type: none"> • Manufacturers • Ship-Yards • General Suppliers • Port Agents • Bunker Suppliers
 Community & Society	<ul style="list-style-type: none"> • Academic Institutions • Local Communities • NGO's • Media
 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 47

Appendix B – 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. We provide and exchange a full set of voyage related data via KeelX.
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 • Promotional Opportunities 	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"> • BoD/AGM • Quarterly Financial, Market and Technical Reporting • Bi-Annual Risk Reporting • Monthly Operational 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 • Environmental 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 Shareholders' 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 • Financial Covenants Reports 	<ul style="list-style-type: none"> • Annually • Quarterly 	<ul style="list-style-type: none"> • Financial performance • Business strategy • Governance • Reporting framework 	We provide transparent information about the performance, strategy and outlook of the company.

Appendix B – 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 • Bunker Suppliers 	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 • Regulatory compliance • Sanctions compliance • Environmental performance • Health and safety 	We participate and engage with all industry organizations regarding the various business issues that may arise.

Appendix C – SASB Marine Transportation Material Issues

Category	Disclosure topic	Code	Page Reference
GHG emissions	Gross global Scope 1 emissions	TR0301-01	21
	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TR0301-02	-
	Total energy consumed, percentage from heavy fuel oil, percentage from renewables	TR0301-03	21
	Energy Efficiency Design Index (EEDI) for new ships	TR0301-05	15
Air Quality	Air emissions for the following pollutants: NOx, SOx, and particulate matter (PM)	TR0301-04	22
Ecological Impacts	Shipping duration in marine protected areas and areas of protected conservation status	TR0301-06	-
	Percentage of fleet implementing (1) ballast water exchange and (2) ballast water treatment	TR0301-07	24
	Number and aggregate volume of spills and releases to the environment	TR0301-08	24
Employee Health and Safety	Lost time injury rate (LTIR)	TR0301-12	31
Business ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	TR0301-09	39
	Amount of legal and regulatory fines and settlements associated with bribery or corruption	TR0301-10	39
Accident & safety management	Number of serious marine incidents	TR0301-11	41
	Number of Conditions of Class or Recommendations	TR0301-13	-
	Number of port state control (1) deficiencies and (2) detentions	TR0301-14	28

Appendix D – GRI STANDARDS CONTENT INDEX (cont'd)

GRI Indicator	Description	Section References and Comments	Page
GRI 102 General Disclosures			
Organizational Profile			
102-1	Name of the organization	About Lemissoler	5
102-2	Activities, brands, products, and services	About Lemissoler	5
102-3	Location of headquarters	Limassol, Cyprus	5
102-4	Location of operations	About Lemissoler	5
102-5	Ownership and legal form	About Lemissoler	5
102-6	Markets served	About Lemissoler	5-8
102-7	Scale of the organisation	About Lemissoler	5
102-8	Information on employees and other workers	About Lemissoler	5, 29-35
102-9	Supply chain	About Lemissoler	5-8
102-10	Significant changes to the organization supply chain	No Significant changes to the organization's size, structure, ownership, or occurred in 2021.	
102-11	Precautionary principle or approach	Environment	19-30
102-12	External initiatives	Environment	30
102-13	Membership of associations	Environment	10
Strategy			
102-14	Statement from senior decision-maker	Message from our CEO/Chairman	3
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	Governance	43
102-17	Mechanisms for advice and concerns about ethics	Governance	43

Appendix D – GRI STANDARDS CONTENT INDEX (cont'd)

GRI Indicator	Description	Section References and Comments	Page
GRI 102 General Disclosures			
Governance			
102-18	Governance structure	Governance	42
Stakeholder Engagement			
102-40	List of stakeholder groups	Appendix B	46-48
102-41	Collective bargaining agreements	Our employees are not covered by collective bargaining agreements.	
102-42	The basis for identifying and selecting stakeholders with whom to engage	Appendix B	46-48
102-43	Approach to stakeholder engagement	ESG at Lemissoler	12-14 46-48
102-44	Key topics and concerns raised	ESG at Lemissoler	12-14
Reporting practice			
102-45	Entities included in the consolidated financial statements	About Lemissoler	5
102-46	Defining report content and topic boundaries	ESG at Lemissoler, Appendix B	12-14, 46-48
102-47	List of material topics	ESG at Lemissoler, Appendix B	12-14, 46-48
102-48	Restatements of information	Environment	24-26
102-49	Changes in reporting	Environment	12
102-50	Reporting period	About this Report	2
102-51	Date of most recent report	Our 2020 Sustainability Report was published in August 2021	
102-52	Reporting cycle	About this Report	2
102-53	Contact point for questions regarding the report	Contact Information	55
102-54	Claims of reporting in accordance with the GRI Standards	About this Report	2
102-55	GRI content index	Appendix D	50-53
102-56	External assurance	Independent Assurance Statement	54

Appendix D – GRI STANDARDS CONTENT INDEX (cont'd)

GRI Indicator	Description	Section References and Comments	Page
GRI 103 Management Approach			
103-1	Explanation of the material topic and its Boundary	ESG at Lemissoler, Appendix B	12-14 46-48
103-2	The management approach and its components	ESG at Lemissoler, Appendix B	5-8
103-3	Evaluation of the management approach	ESG at Lemissoler, Appendix B	5-8
GRI 200 Economic			
GRI 201 Economic Performance			
201-1	Direct economic value generated and distributed	About Lemissoler	5
GRI 205 Anti-corruption			
205-3	Confirmed incidents of corruption and actions taken	Governance	43
GRI 300 Economic			
GRI 302 Energy			
302-1	Energy consumption within the organisation	Environment	25
GRI 305 Emissions			
305-1	Direct (Scope 1) GHG emissions	Environment	25-26
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Environment	26
GRI 306 Effluents and waste			
306-3	Significant spills	Environment	29
GRI 307 Environment compliance			
307-1	"Non-compliance with environmental laws and regulations	ESG at Lemissoler, Environment	15-18, 28-29

Appendix D – GRI STANDARDS CONTENT INDEX (cont'd)

GRI Indicator	Description	Section References and Comments	Page
GRI 400 Social			
GRI 401 Employment			
401-1	New employee hires and employee turnover	Social	39
GRI 403 Occupational health and safety			
403-1	Occupational health and safety management system	Social	32
403-2	Hazard identification, risk assessment, and incident investigation	Social	32
403-3	Occupational health services	Social	32
403-4	Worker participation, consultation, and communication on occupational health and safety	Social	32
403-5	Worker training on occupational health and safety	Social	32
403-6	Promotion of worker health	Social	32
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social	32
403-8	Work-related injuries	Social	32
GRI 404 Training and education			
404-3	Percentage of employees receiving regular performance and career development reviews	Social	36, 39
GRI 405 Diversity and equal opportunities			
405-1	Diversity of governance bodies and employees	Social	34-40
GRI 406 Nondiscrimination			
406-1	Incidents of discrimination and corrective actions taken	We had no incidents of discrimination in 2021	

Independent 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 that the Metrics presented in the Report for the year ended 31 December 2021 is not properly prepared, in any material respects, in accordance with the Methodology.

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Subject to final verification [audit in process].

Thank you and please feel free to send us your feedback

We value your feedback

We welcome your feedback on this Sustainability Report and our approach to sustainability. Scan this QR code for easy access to our [Stakeholder Feedback Form](#) feedback form:



Alternatively, you can direct your questions, comments or suggestions about this report, our sustainability program or our performance to our Sustainability Team at E-mail: corporate@lemissoler.com.

Contact us

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