



# ESG 2023

LEMISSOLER NAVIGATION CO. LTD  
SUSTAINABILITY REPORT



LEMISSOLER



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## About this report

Published November 2024

This is our fourth 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 01.01.2023 – 31.12.2023 and is prepared in accordance with the **Global Reporting Initiatives (GRI) Standards** 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 47.

# Message from our Chairman & CEO

2023 has been a year of continued progress and introspection for Lemissoler. The ever-changing global landscape—marked by geopolitical tensions, economic uncertainties, and the escalating climate crisis—underscores the urgency for decisive action.

At Lemissoler, we remain unwavering in our dedication to sustainability, guided by a long-term vision and the shared global goal of decarbonization.

The intensifying climate crisis has only strengthened our resolve to drive meaningful change within the shipping industry. In alignment with the IMO's 1.5-degree pathway to 2030, we are proactively implementing strategies to reduce our carbon footprint. These include adopting advanced biofuels to cut emissions, utilizing green shipping corridors to improve fleet performance, and preparing for the delivery of our methanol-fueled LEM65e+ Ultramax vessels in 2026/27.

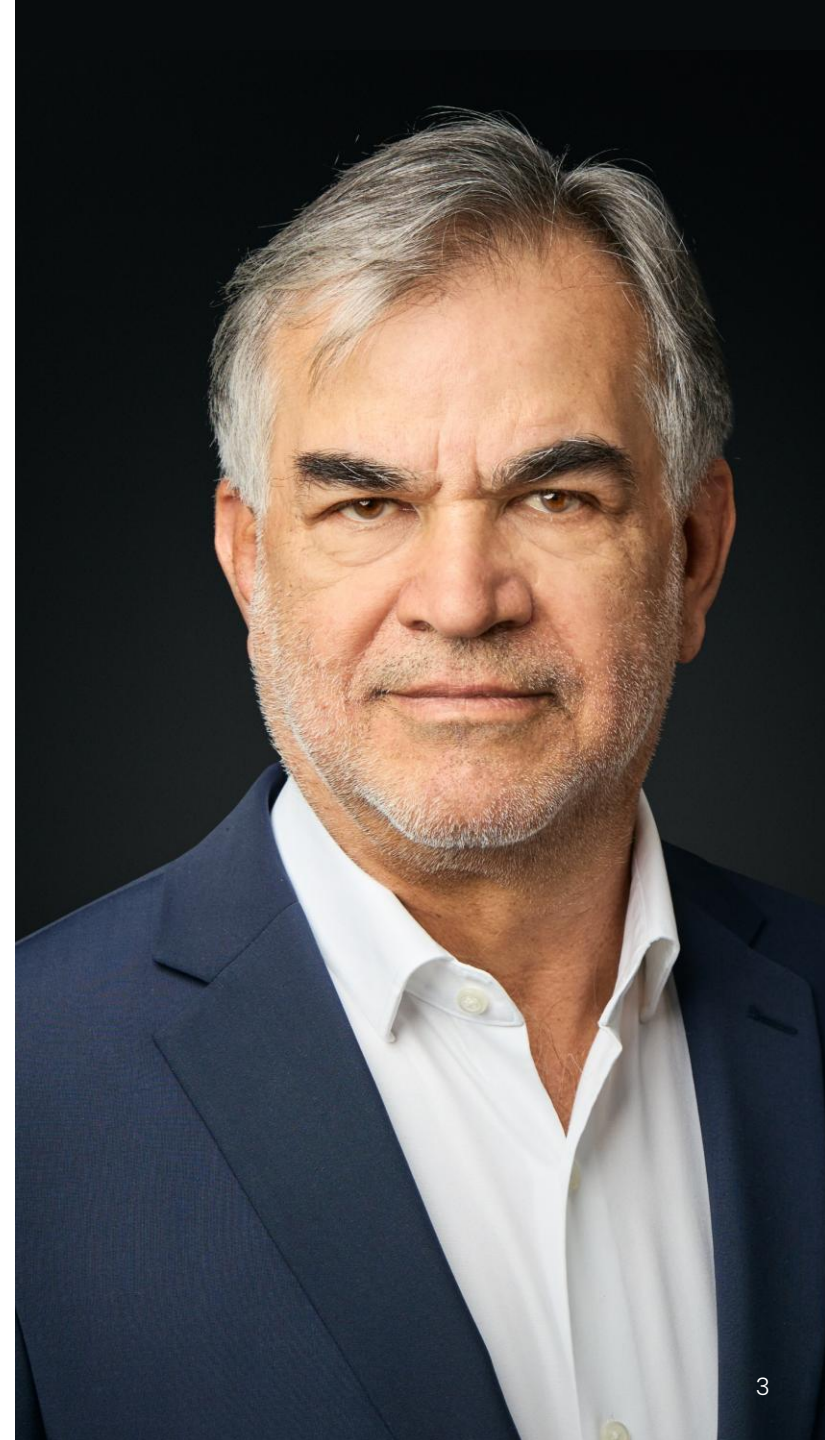
These initiatives not only underscore our commitment to sustainability but also position us as leaders in the transition to alternative fuels, setting benchmarks in the dry bulk sector.

Looking ahead, we are already charting a course to achieve net zero emissions by 2045—five years ahead of the IMO's target. Beyond 2030, our focus will remain on expanding our fleet of alternative fuel-driven vessels, futureproofing operations with zero-carbon compliance, and maintaining a competitive edge in green shipping markets.

Where possible, we will retrofit existing vessels to extend their operational life while minimizing environmental impact. For ships where retrofitting is unfeasible, we are committed to responsible practices, whether through optimized operations, sales, or sustainable phase out.

Internally, 2023 has been a year defined by collaboration, innovation, and resilience. We extend our heartfelt gratitude to all our employees, both onshore and at sea, for their dedication and hard work. Together, we are building a sustainable future, driven by clear plans and a framework that places sustainability at its core.

As we step into the future, Lemissoler is determined to lead the way in sustainable shipping—tackling today's challenges while shaping a brighter, greener tomorrow. We wish everyone a successful, safe, and prosperous year ahead.







# About LEMISSOLER

# At a glance

LEMISSOLER is a vertically integrated shipping group, established in 1996 with 4 activities ranging from ship-owning, ship management, ship commercial operations, and chartering, as well as in R&D with a focus on enhancing the ship's efficiency and decreasing the carbon footprint.

**"Our purpose is to create value."**  
Philippos Philis, CEO

## Our Values



Transparency



Integrity



Excellence



Respect

12

owned

Vessels

4+4

on order

Vessels

\$170

mil.

US\$ Net Assets Value Dec. 2023

6

offices

Around the world

66

Office employees

442


Crew employed

>4.3

mil.

MTPA cargo carried


1



Shipmanagement

- Health, Safety & Quality
- 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
- Full Reporting
- Risk Management

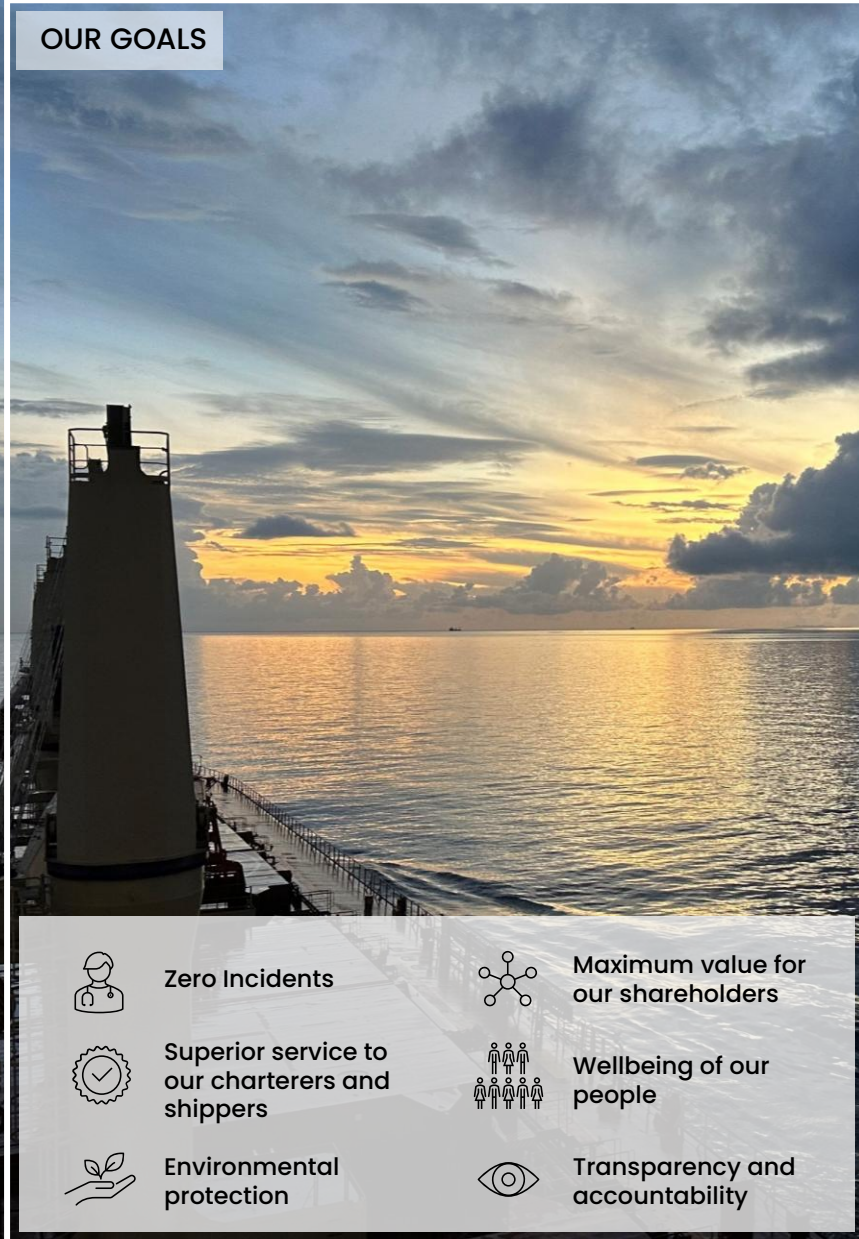
4





Research & Development


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


OUR GOALS





Zero Incidents

Superior service to our charterers and shippers

Environmental protection

Maximum value for our shareholders

Wellbeing of our people

Transparency and accountability



# 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 cyclicity 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.

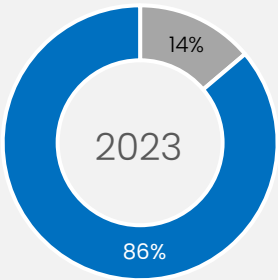
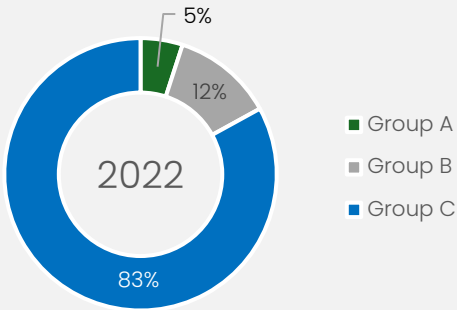
0 zero

Cargo complaints in 2023

100%

Of our charterers passed our quality evaluation benchmark

## Cargo IMSBC Classification

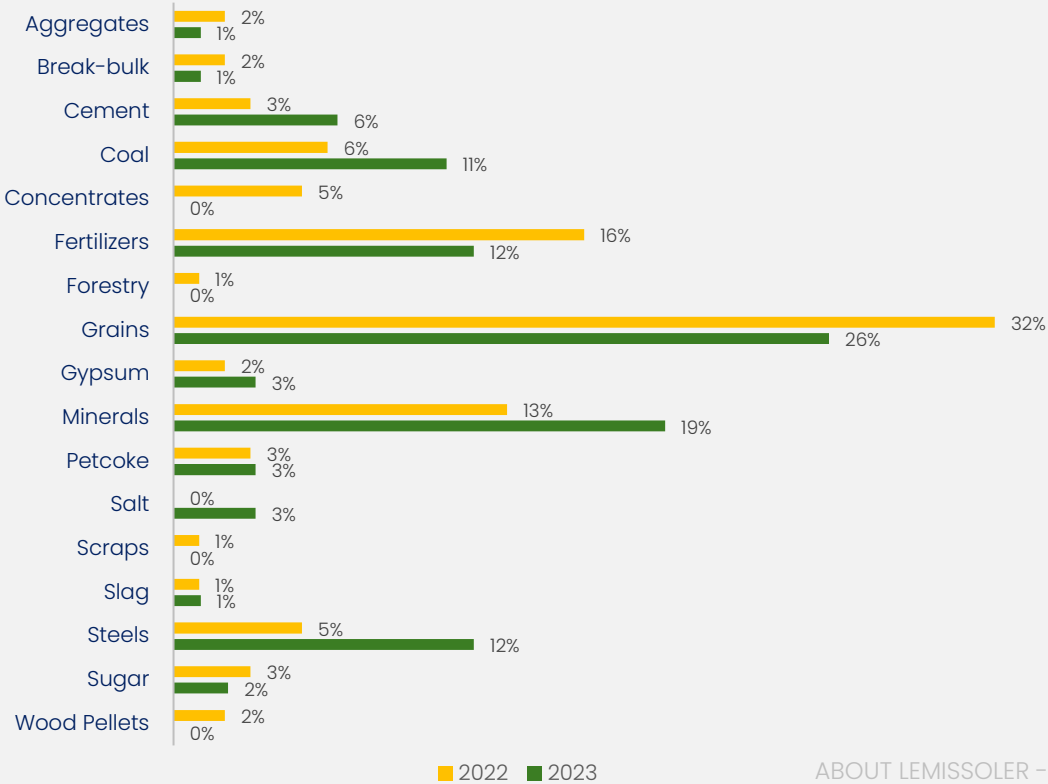


**Group A:** Cargoes which may liquify if shipped at a moisture content exceeding their transportable moisture limit.

**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 4.3 million metric tons transported across the globe

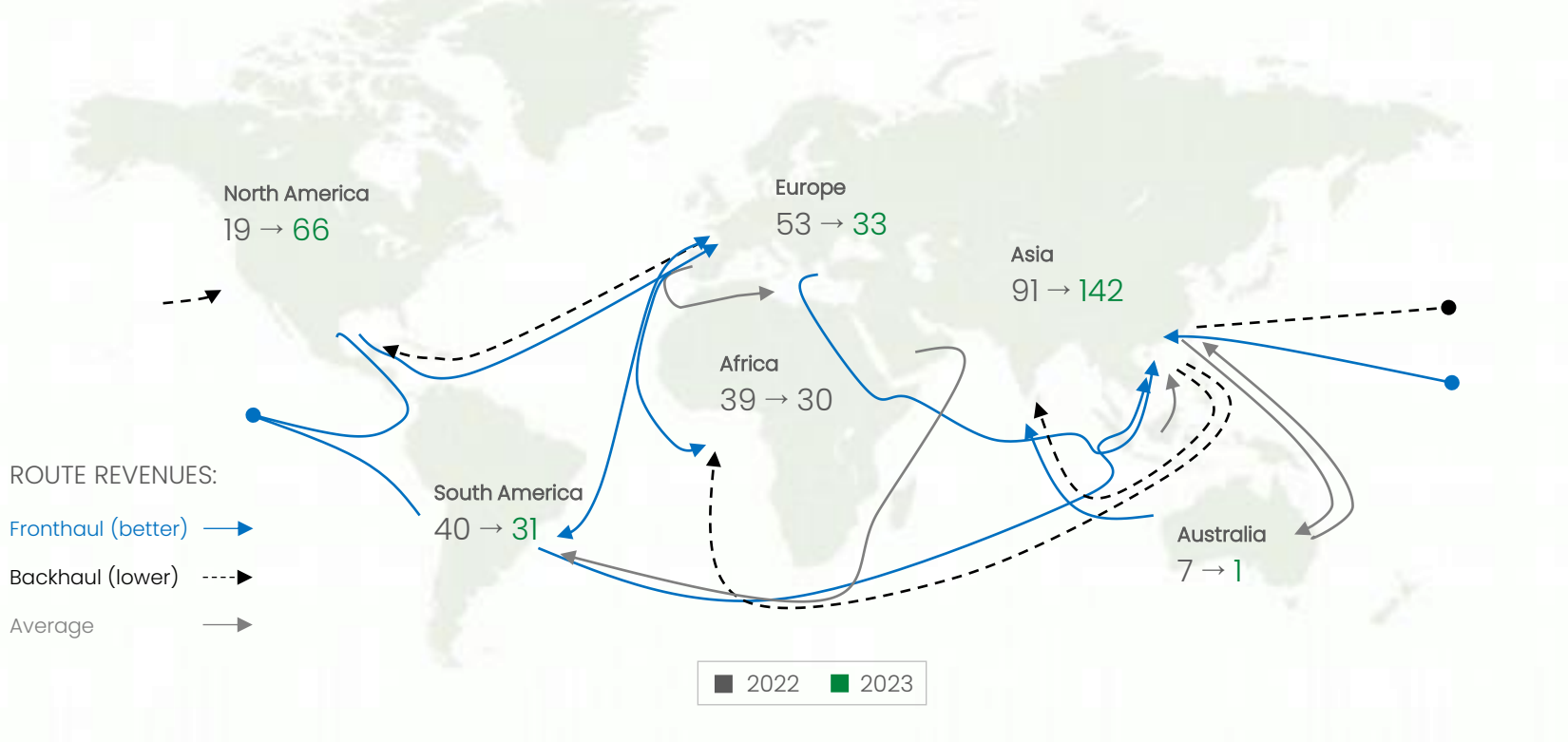
We calculate the fleet utilization by dividing available days (including charter-in days) by ownership days.

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

During the year ended December 31, 2022, our average annual fleet utilization days rate was 98.1%.

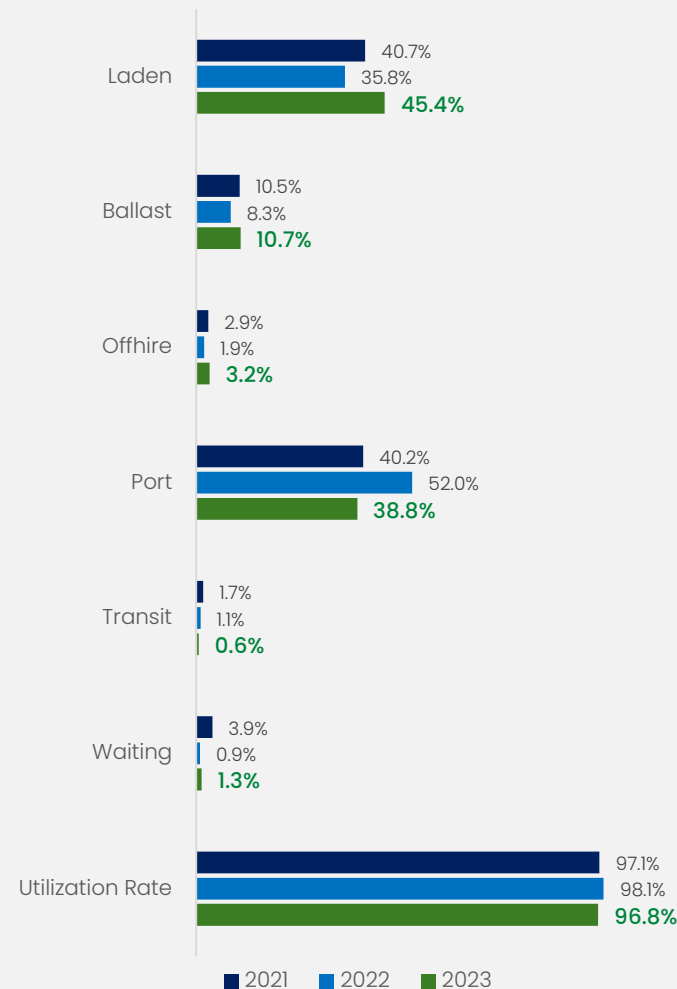
In 2023, we achieved a 96.8% utilization rate, which is slightly decreased compared to 2022 due to one (1) unscheduled dry dock.

## NUMBER OF OUR PORT CALLS IN THESE REGIONS



96.8%

Vessel utilization rate in 2023



# Key clients and their feedback

“We are happy with the relationship. Let’s keep up the good work together”

Viterra

“Lemissoler have been extremely nice counterparty to work with , they are commercial and act fast without bureaucracy.”

Western Bulk

## 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 2023 our Group was a member of – or partnered with – the following associations and organizations:





# ESG at LEMISOLER

# 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

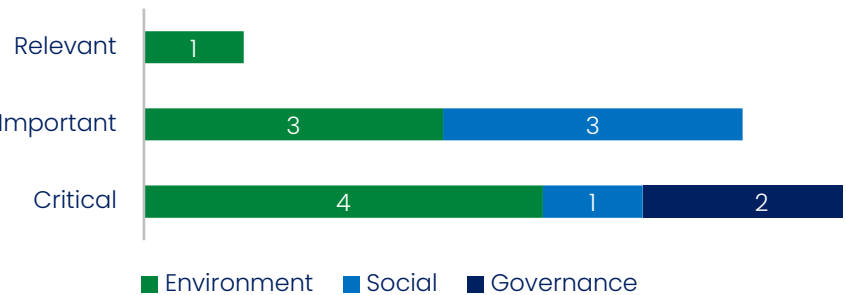
## ENGAGING WITH OUR STAKEHOLDERS

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.

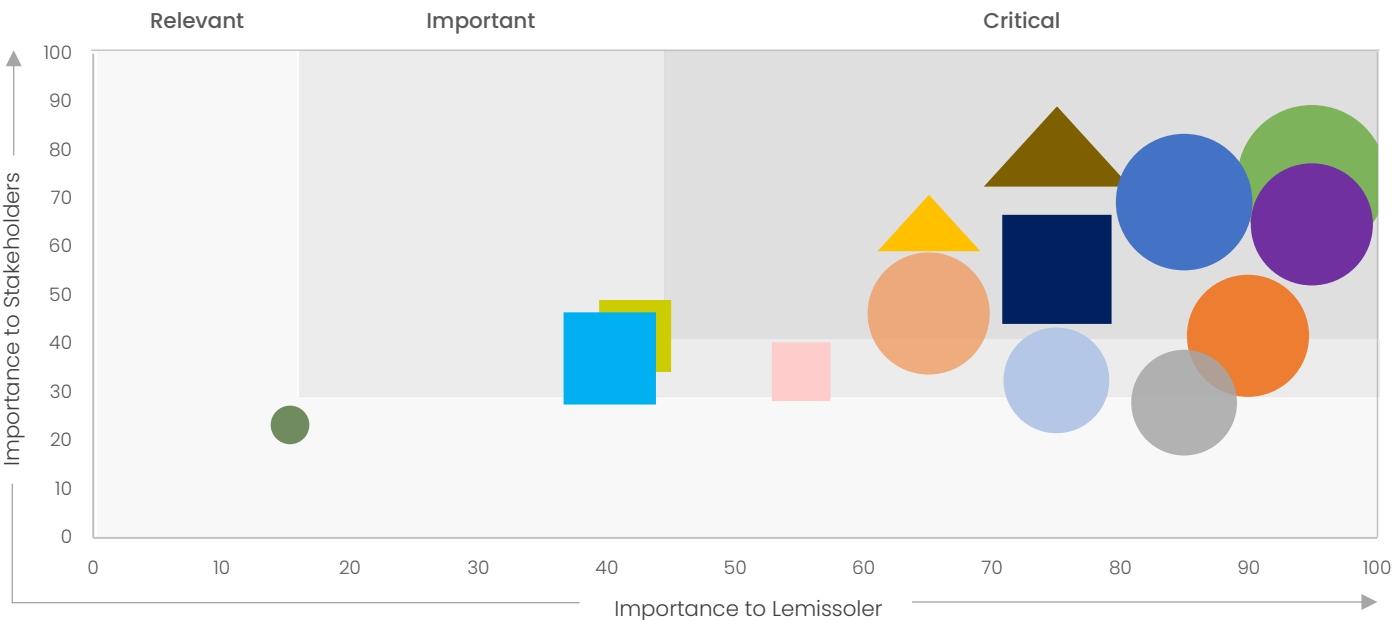
The topics for this report were selected through management prioritization by considering the importance to Stakeholders in the topic and the likelihood of the topic affecting our business objectives.

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 2045. It is LEMISSOLER's responsibility to manage its vessels in the most energy efficient way possible.

Read more in the section  
Environment on page 15

### Targets

1. Net zero by 2045.
2. Yearly improvements in CO<sub>2</sub> reductions.
3. Emissions per transport work for each vessel size, aligned to IMO CO<sub>2</sub> targets.
4. Elimination of food waste onboard.
5. Reduction of paper and electricity consumption annually.

## 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 23

### Targets

1. Limit accidents onboard our fleet.
2. Maintain at least 35% female share of on-shore employees.
3. Increase % of management positions held by female employees.
4. Maintain an average retention rate of min. 90%.

## 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 33

### Targets

1. Zero tolerance towards bribery and refusal of facilitation payments.
2. All employees to take and pass anti-corruption and data ethics training.
3. Evaluation process of suppliers selected based on ESG criteria by 2026.



## 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.

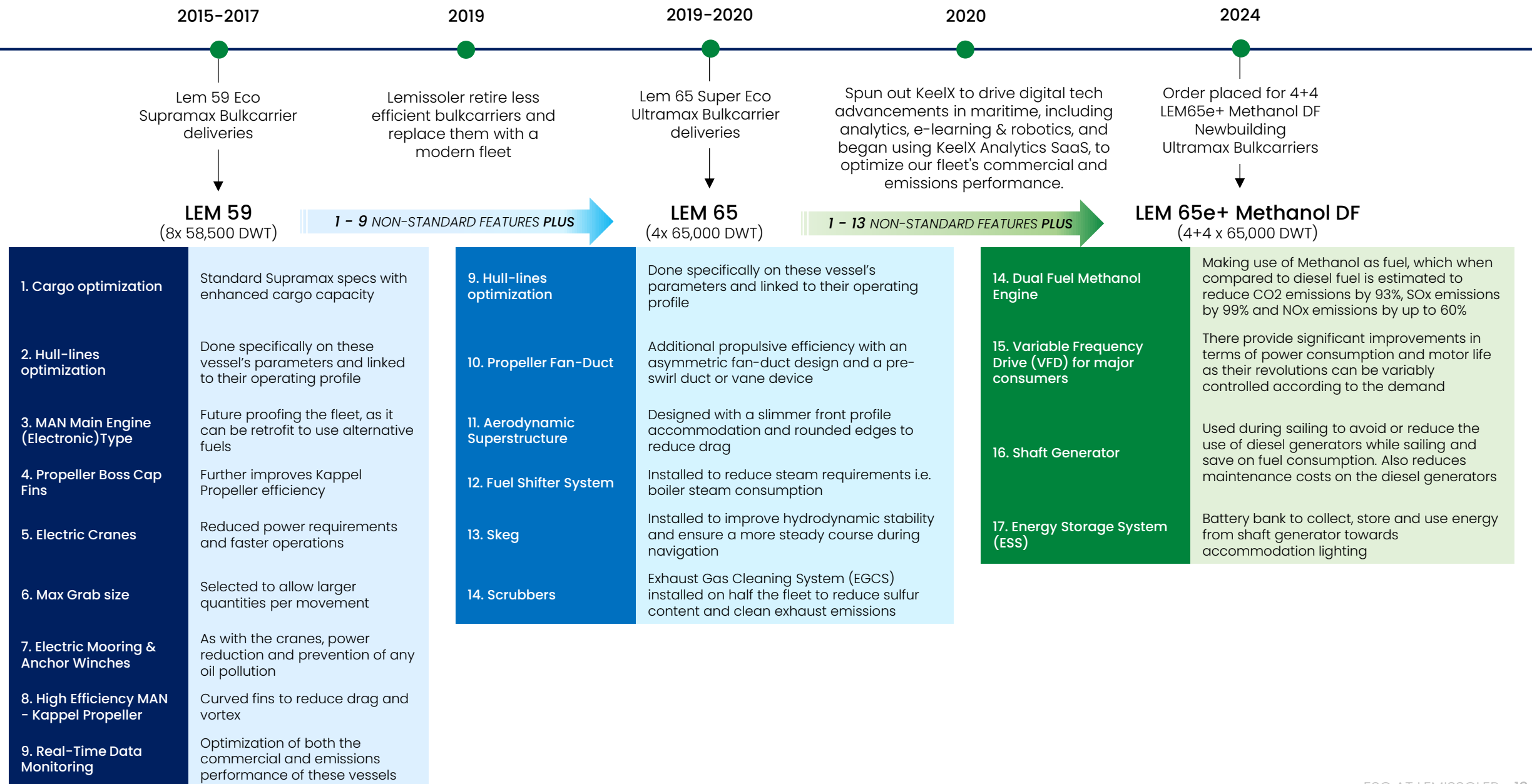
Our sustainability initiatives and targets are aligned with the 2030 Agenda for Sustainable Development of the United Nations and with several UN SDGs as shown on the left.

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

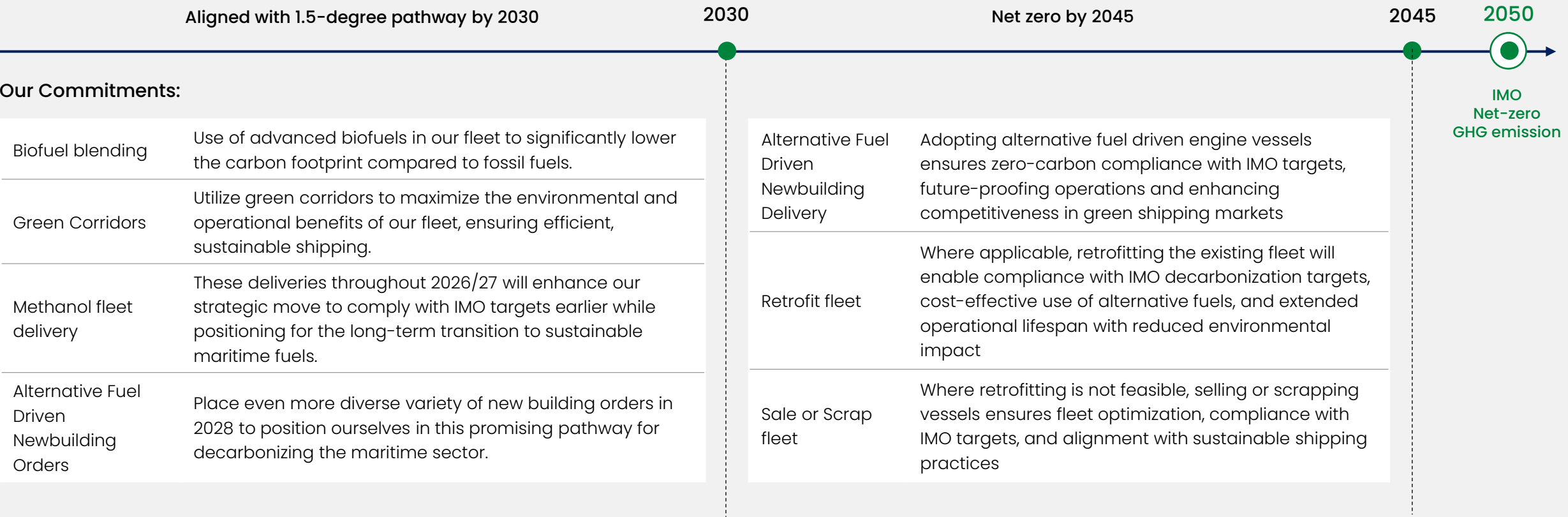




# Our roadmap to be net zero by 2045



# Our roadmap to be net zero by 2045 (cont'd)







# ENVIRONMENT



# We continuously strive to improve the energy efficiency of our fleet

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 CO<sub>2</sub> emissions per transport work (actual cargo transported X distance sailed) in grams of CO<sub>2</sub>/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 2023 the average EEOI of our fleet decreased by 7.4% which shows an improvement when transport work is considered.

7.25

Average EEOI in 2023  
(gr CO<sub>2</sub>/Transport ton-mile)

↓ 7.4%

Average EEOI decrease  
of our fleet in 2023

4.57

Average AER in 2023  
(gr CO<sub>2</sub>/DWT ton-mile)

↓ 7.2%

Average AER decrease  
of our fleet in 2023

## 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 CO<sub>2</sub> emissions divided by the deadweight capacity X distance sailed, expressed in grams of CO<sub>2</sub>/DWT ton-mile. In 2023, the average AER of our fleet decreased by approximately 7.2%, due to route optimization and alternative fuel use.

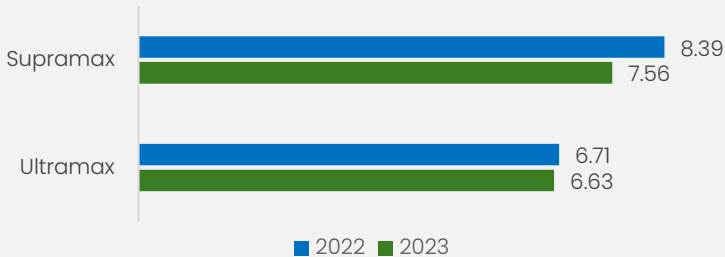
### ENHANCING VOYAGE OPTIMIZATION

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

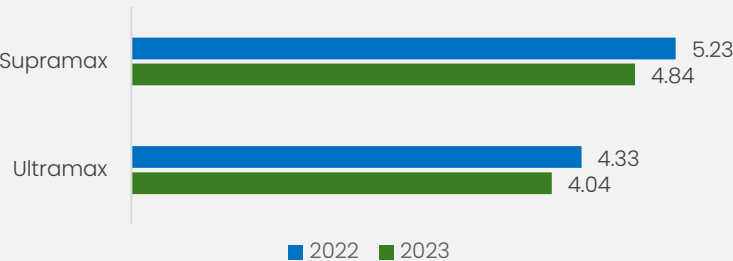
- Optimizing hull cleaning frequency (for reduced drag) using detailed analysis of vessels' speed and fuel consumption performance over time.
- Weather routing guidance based on hourly updated weather forecasts.
- Real-time onboard system monitoring (KeelX Analytics systems).
- AI route optimization 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 CO<sub>2</sub>/Transport ton-mile)



Carbon Intensity Indicator (CII) per vessel size  
AER method (IMO DCS) (gr CO<sub>2</sub>/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 CO<sub>2</sub> emissions.

### Carbon Intensity Indicators (CIIs) - Our fleet



# Continuous monitoring and transparent reporting of our fleet's emissions

In 2023, we reduced our fleets CO<sub>2</sub>-equivalent (Scope 1 & 2) emissions per transport work through the adoption of effective operational and technical measures.

## SCOPE 1 EMISSIONS

- In 2023, our vessels travelled **629,618 nautical miles**, emitted **172,960 tons of CO<sub>2</sub> (Scope 1)**, and consumed **55,480 tons of fuel**.
- The total fleet CO<sub>2</sub> emissions increased by 7.4% in 2023.
- The average fuel consumption per day per vessel totaled 20.1 mt/day, decreased by 10.5% compared to the 2022 levels (from 22.4 mt/ day in 2022).
- The total fleet's fuel consumption by fuel type breaks down to **51,204 mt of LSFO (including 7,900 mt of HSFO and 351 mt of Biodiesel B24)**, and **4,276 mt of MGO**.
- The total energy consumption of our fleet which is directly related to the fuel consumption on board, was 2,256 TJ in 2023, an increase of approximately 7.7% compared to 2022, when the total energy consumption was 2,094 TJ.
- The substantial drop of **7.4%** to **7.15** of CO<sub>2</sub> per transport work compared to 2022 is attributed to the big difference in transport work and idle time between the two years, with 16% more transport work and 20% less idle time for 2023.

## SCOPE 2 EMISSIONS

- Our Scope 2 CO<sub>2</sub>e indirect emission for 2023 were **42.7 mt**. Our Scope 2 CO<sub>2</sub>e include Offices consumption and vessel Drydock consumption during periods where power is provided by the Shipyards. Comparing to 2022 we observe a ~21% reduction due to very small shore power use during drydock within 2023.
- The CO<sub>2</sub>e due to Office consumption was 41.95 mt in 2023 and is an increase of 2.2% compared to 2022 due to the opening of our additional Office in Romania..

\*The location-based carbon footprint is based on March 2023 report "Carbon Footprint Country Specific Electricity Grid Greenhouse Gas Emission Factors" at [www.carbonfootprint.com](http://www.carbonfootprint.com)

# 173k tons

Total Scope 1 direct emissions (CO<sub>2</sub>e) of our fleet in 2023

# 43 tons

Total Scope 2 indirect emissions (CO<sub>2</sub>e) in 2023

# ↓ 7.4 %

CO<sub>2</sub> emissions per transport work decrease of our fleet in 2023

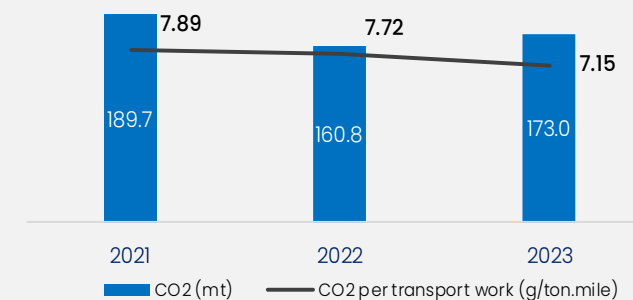
# ↓ 10.5%

Decrease in 2023, of our average fuel consumption per day per vessel

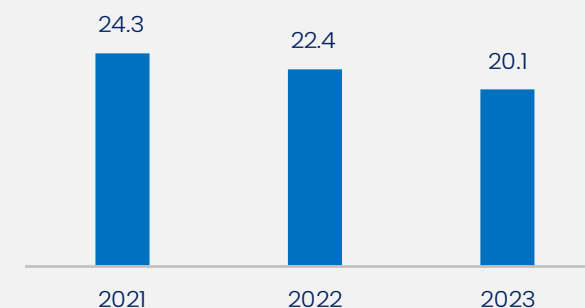
# 2,256 TJ

Energy consumption in 2023 of our fleet

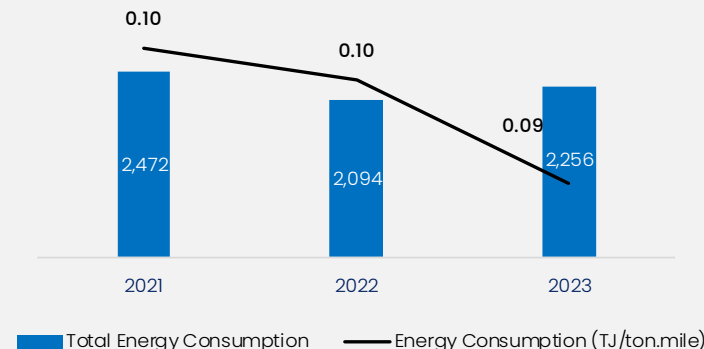
## Scope 1 GHG emissions ('000 CO<sub>2</sub>e)\*\*



## Average fuel consumption per day (mt) \*\*\*



## Total Energy Consumption (TJ)



\*\* The GWPs used for CH<sub>4</sub> and N<sub>2</sub>O are 25 and 298 times respectively of the CO<sub>2</sub> GWP in 100 years period, also reported by European Commission on Eurostat. For CH<sub>4</sub> and N<sub>2</sub>O fuel emission factors we have used EPA's 2014 paper "Emission Factors for Greenhouse Gas Inventories and used MDO/MGO density at 900kg/m<sup>3</sup> and HFO density at 991kg/m<sup>3</sup> as per MEPC.365(79).

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



# Our SOx and NOx emissions decreased by 8.9% and 7.7% respectively

At Lemissoler we aim to minimize the negative environmental impacts related to our operations. This commitment includes a reduction on a per transport work basis of Nitrogen Oxides (NOx) and Sulfur Oxides (SOx) to the atmosphere.

## SULPHUR EMISSIONS (SOx)

- On January 1<sup>st</sup>, 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 Sulphur Oxides produced through the combustion process 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 2023, total \*Sulphur Oxides (SOx ) emissions of our fleet were 419 MT, increased by 5.7% in relation to 2022, which is in line with the fuel consumption increase due to more transport work.
- Total SOx may have increased in 2023, but more importantly on a per transport work or per distance basis (gr/ton-mile), this is reduced by 8.9% compared to 2022 due to approximately 17% more transport work and 15% more distance in 2023.

## NITROXIDE EMISSIONS (NOx)

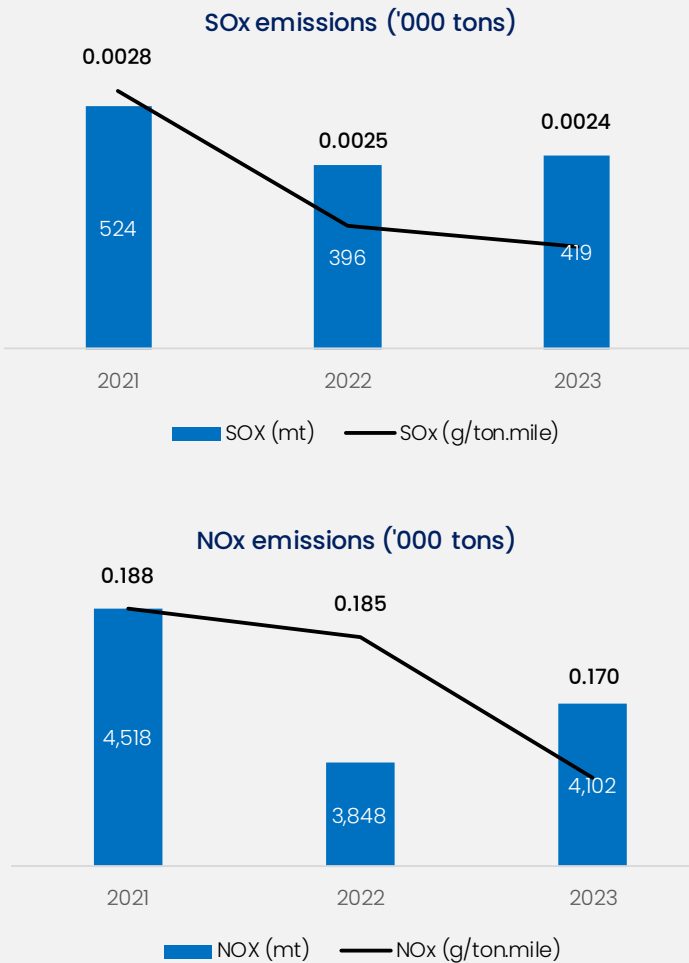
- The combustion of marine fuels generates \*\*Nitrogen Oxides (NOx) emissions which are harmful to the environment, health, and closely correlate with CO<sub>2</sub> emissions and fuel consumption. The higher the combustion temperature, the greater the NOx formation.
- Control of NOx emissions is mainly 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 2023 our fleet emitted 4,102 MT of NOx, an increase of 6.6% in relation to 2022, which is in line with the fuel consumption increase due to more transport work.
- Total NOx may have increased in 2023, but more importantly on a per transport work or per distance basis (gr/ton-mile), this is reduced by 7.7% compared to 2022 due to approximately 17% more transport work and 15% more distance in 2023.

↓ 8.9%

SOx emissions per transport work decrease of our fleet in 2023

↓ 7.7%

NOx emissions per transport work decrease of our fleet in 2023



\* 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.

# We continuously improve our on-board practices, to 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, after testing and receiving positive feedback at the end of 2020 on one of our vessels, within 2021 and 2022 we proceeded and installed on the whole fleet an enhanced Drinking Water Filtration System. It is estimated that over 70,000 plastic bottles per year are been eliminated from Fleet's supply and garbage management.

## WASTE MANAGEMENT

In addition to complying with MARPOL Annex V requirements, our fleet takes additional steps to reduce garbage generation:

- 1) Onboard Garbage Processing: Vessels are equipped with equipment to process various garbage types, easing recycling ashore.
- 2) Reducing Single-Use Plastics: Measures include biodegradable alternatives, suppliers retrieving packaging, enhanced onboard filtration systems, and reusable containers, saving an estimated 5,800 plastic bottles per vessel annually.

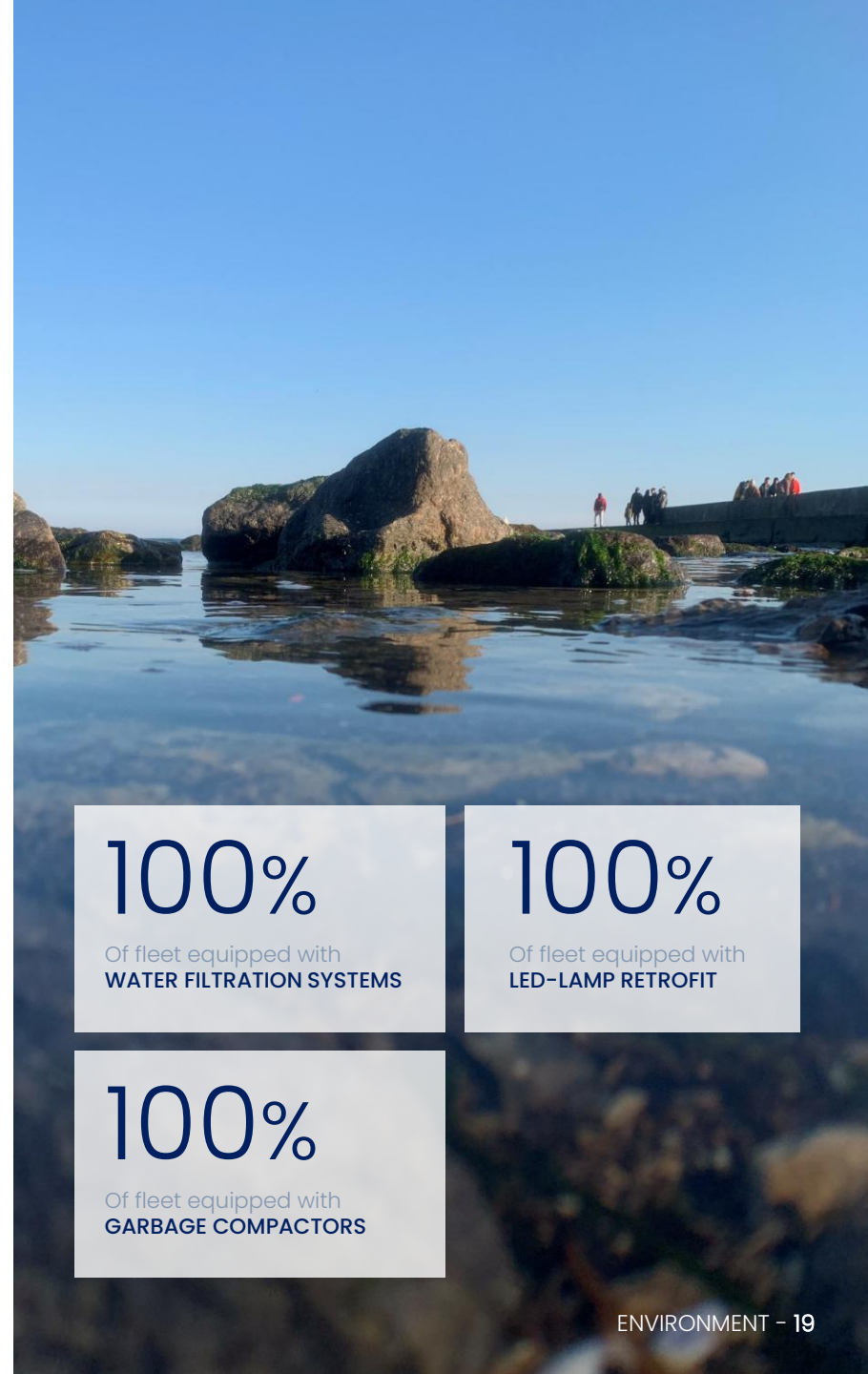
- 3) Cleaning chemicals are minimized by using refillable bottles via a chemical mixing unit. Modern Incinerators: Fleet-wide installation of MEPC.244(66)-compliant incinerators supports environmentally friendly disposal.
- 4) All vessels are fitted with garbage compactors, reducing waste volume and storage needs. This minimizes port disposal frequency, lowering emissions from waste transport.

Environmental Benefits:

- Reduced waste volume: Less storage and transport space.
- Fewer disposal operations: Lower emissions and fuel use.
- Reduced marine pollution risk: Cleaner oceans and marine protection.
- Improved waste management: Enhanced recycling and handling efficiency.

## 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. Since 2021 we have installed LED lamps in all areas where technically applicable (not possible for some systems).



100%

Of fleet equipped with  
WATER FILTRATION SYSTEMS

100%

Of fleet equipped with  
LED-LAMP RETROFIT

100%

Of fleet equipped with  
GARBAGE COMPACTORS

# We act proactively to ensure timely and efficient compliance with all applicable regulations

## BALLAST WATER TREATMENT

Following the requirement of the IMO Ballast Water Management Convention, that entered into force on September 8th, 2017, we have fitted 100% of our fleet with Ballast Water Treatment Systems (BWTS).

## 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.

## 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.

## SAFE SHIP RECYCLING

We are fully compliant with the EU regulation (1257/2013 on Ship Recycling) that came into force on December 31st, 2020, and refers to vessel recycling activities and the identification and monitoring of hazardous materials. All our vessels hold a valid IHM certificate.

## 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 to ensure that no harmful substances are disposed to the marine environment because of our operations.

100%

Of fleet equipped with BWTSs as of 31<sup>st</sup> Dec 2023

0 zero

Spills or releases to the environment

0 zero

Spills to the marine environment

0 zero

\* Class conditions / recommendations

## 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.

Our vessels are equipped with eco-friendly stern tube seal systems of air seal design, which eliminate the risk of oil leaking into the sea.

## ENVIRONMENTAL COMPLIANCE

Compliance with all applicable environmental laws and regulations is foundational to how we do business.

\* During 2023, there were no incidents of noncompliance, and no class recommendations related to environmental pollution incidents.

## CYBER SECURITY

We monitor and assess cyber risks and implement measures across all our operations to eliminate all significant threats. We implement an appropriate scheme of cyber security governance and controls to protect our information assets.



# Our strategic decisions and milestones ahead of the CII and EU ETS regulations

## 1. Fleet Performance Department was officially formed

- Daily interaction with vessels, collecting/monitoring/analyzing commercial, technical and emissions performance data.
- Proactively taking action to assist fleet to comply with emission related regulations and reporting.
- Fleet Department provides training to the crew in regards of updated GHG emissions regulations and data reporting

## 2. Two-way Performance Monitoring started in 2022

- Combined real time auto-log digital monitoring and manual daily noon report monitoring, to cross check data validity with the target of achieving full automation.
- This was achieved by investing heavily in real time CII monitoring, CII simulation, CII optimization via **KeelX Analytics**; while in parallel monitoring emission performance using manual daily reports submitted from vessels.
- Both real time auto-log digital monitoring and manual daily noon report monitoring was introduced, to cross check data validity with the target of achieving full automation

## 3. Adapted our Chartering Operations Strategy

- Constantly simulating the expected CII impact of chartering decisions; e.g., simulating the expected CII (and estimated EUAs) of a vessel at next TCT, voyage, period and adapting the fixtures accordingly if necessary
- Started and maintained an open dialogue with charterers to ensure compliance and to avoid bad CII performance in a timely manner.

## 4. Deep dived into Data Analysis

Analyzed CII performance and patterns to understand the Carbon Intensity Indicator's behavior, to know which factors affect it the most, what to monitor more extensively and what measures to take to ensure compliance e.g., speed, idle time, critical months of calendar year.

2023							
Vessel	AER vessel	Scores 2023-2026	Total CO2 (mt)	Total Distance (nm)	Total Sailing Time	Speed (Calculated)	CO2 / Distance
Anya	4.883	C	17,033	59,528	5,482	10.86	0.286
		C					
		C					
		D					
Brigitte	4.518	B	14,447	54,550	4,846	11.26	0.264
		C					
		C					
		C					
Elisa	5.117	C	14,447	40,577	4,388	9.24	0.356
		D					
		D					
		D					
Elsabeth C	4.982	C	15,896	54,405	5,078	10.71	0.292
		C					
		D					
		D					
Menomonee	4.765	C	13,624	48,798	4,283	11.39	0.279
		C					
		C					
		C					
Mirela	5.005	C	15,169	51,613	4,901	10.53	0.293
		C					
		D					
		D					
Sheila	4.891	C	11,740	40,955	3,943	10.39	0.286
		C					
		C					
		D					
Victoria May	4.567	B	16,044	59,917	5,578	10.74	0.267
		C					
		C					
		C					
Lem Geranium	3.649	A	15,119	64,029	5,887	10.88	0.236
		A					
		A					
		A					
Lem Gladiolus	4.427	C	13,458	47,016	4,707	9.99	0.286
		C					
		C					
		C					
Lem Marigold	3.958	B	14,761	57,674	5,392	10.7	0.255
		B					
		B					
		B					
Lem Verbena	4.128	B	13,504	50,574	4,448	11.37	0.267
		B					
		B					
		C					

# In 2023, we broadened our support and increased our active involvement in green technology and social welfare initiatives developed by KeelX.

We markedly increased our support and operational engagement, reaffirming our commitment to promoting sustainable technology solutions.



- At the beginning of 2023, the **CII simulator** and calculator were introduced on the KeelX Analytics platform. This tool aids in regulatory compliance for vessels by tracking their Carbon Intensity Indicator (CII) and analyzing various operational parameters to enhance efficiency. Additionally, it promotes environmentally responsible practices by contributing to the reduction of vessels' carbon footprints.
- In mid-2023, an **automated emission tracker** and a proactive **voyage optimization** module were developed to prepare for the upcoming EU ETS obligations set to take effect in January 2024.



- KeelX Education released five courses on Safe Handling and Transportation for Dry Bulk Cargoes, three of which are currently available on the leading maritime learning management systems, **Mintra** and **Ocean Technologies Group**, ensuring broad accessibility and industry-wide impact.
- The safe transportation of soybeans has been **endorsed** by **West P&I**, a leading insurance provider to the global maritime industry, marking a significant milestone and achievement for KeelX Education
- Rolled out the proprietary **KeelX Education LMS website** and **e-shop**, fully accessible online.



- Building on our investment in cutting-edge technologies and research in the maritime industry that foster innovation and sustainability, **collaboration** and **funding** efforts with the **Cyprus University of Technology (TEIIAK)** have continued.
- The collaborative project, focusing on a maritime robot, has achieved **Technology Readiness Level (TRL) 7**, indicating that the robot prototype has been successfully tested in an operational environment.



- At the start of 2023, we officially launched the **KeelX Talk messenger application**, providing secure and private communication for seafarers to directly connect with the Shipmanagement office while allowing for the **option of anonymity** and incorporating all the advanced features expected from a messaging app.
- By the end of 2023, the application has been widely adopted by Lemissoler seafarers, demonstrating its significant impact on **crew wellbeing** and **retention**.
- Throughout 2023, the application became available on both **iOS** and **Android** operating systems.



# SOCIAL





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

## On Board Supt. Inspections, Audits and Port State Control Inspections

- Internal and external audits take place to ensure that we comply with all international and legal requirements related to the safety and integrity of our operations.
- Our onboard inspections and attendances decreased by -13% compared to 2022 but remain above the minimum required attendances per ship per year as per our Company's policies. One reason for the higher number of attendances in 2022 is also the higher number of vessel Drydock repairs.
- Port State Control (PSC) deficiency ratio decreased to 0.36 compared to 0.44 in 2022.

## Quality Recognitions



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

## Maintaining a Safe Workplace

We are committed to maintain our Health and Safety Management System at a high performing level, always in compliance with the requirements of the ISM code, Flag state and national requirements.

Our crew and office personnel participate in digital training programs which are continuously amended and updated according to ongoing trends, fleet experience, fleet incidents, etc.

A big part of this ongoing effort for overall safety of ship, cargo, and crew is our Risk Assessment process which includes a permit to work system, a right to stop work for our crew, and a comprehensive reporting system with root cause analysis and preventive actions.

In 2023, 15 incidents were reported, a decrease of 35% in relation to 2022. From those, 9 were deemed as significant, which is a decrease of -40% compared to 2022, where 15 significant incidents have been reported.

0.36

PSC deficiency ratio in 2023 (2022: 0.44)

0 zero

PSC Detentions in 2023

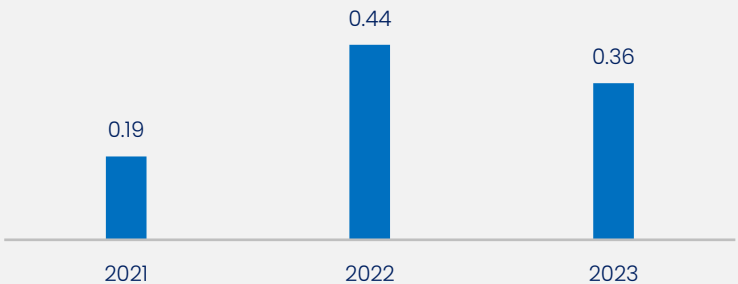
↓ 13.0%

On board attendances decrease in 2023

1.25

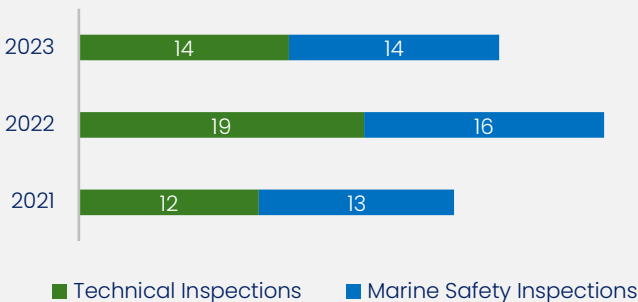
Incidents per ship in 2023 (2022: 1.92)

## Port State Control Deficiency Ratio

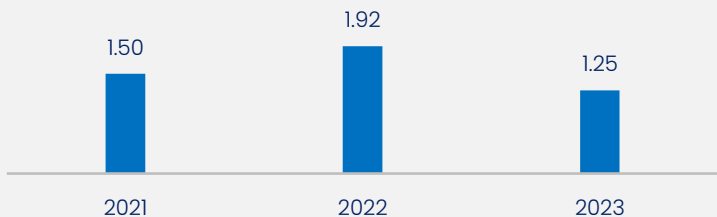


\*PSC Deficiency ratio is derived by dividing total deficiencies with the total PSC inspections for the whole fleet each year.

## 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 395 seafarers out of which around 228 are on board our vessels at any given time.
- Approximately 74% 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 affiliated manning agents.
- Our primary crewing agency is based in Ukraine, with affiliated crewing agencies in India and Vietnam operating as subsidiary partners.
- All crewing agencies are 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 employee seafarers from ten (10) different countries.
- Most of our seafarers are from the Ukraine (74%).
- The average age of our seafarers is 38.2 years old, which is increased by 0.4 years compared to 2023.

↑ 0.4 years  
Increase in average crew age in 2024

38.2 years old  
Average age of our crew in 2024

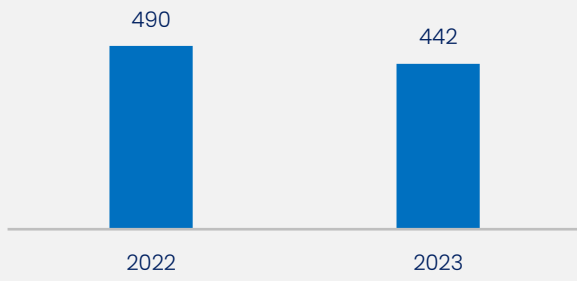
395

Pool of seafarers

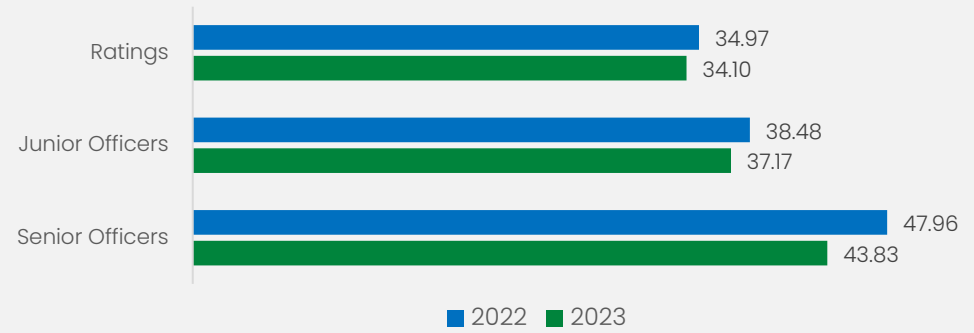
228

Seafarers on board

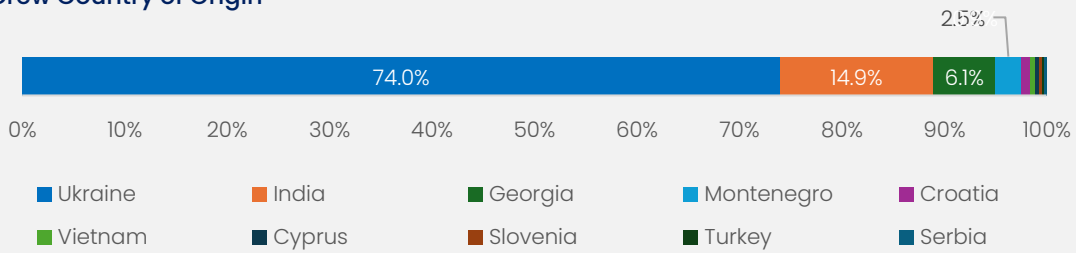
Number of seafarers in our available seafarers pool



Crew Average Age



Crew Country of Origin





# Seafarers' well-being is one of the Company's top priorities

Health and safety of our people is of key importance and essential for the efficient operation of our activities. In 2023 we:

- Our total accidents decreased 34.8% compared to 2022, of which 3 Lost Workday Cases (LWC), and 4 cases of lesser severity including first aid, restricted work and medical treatment cases.
- We continued to align our daily operations with our strong commitment to improving our health and safety performance. Our team of experienced professionals employs advanced tools and systems to carefully monitor and manage potential risks, and we remain agile in incorporating additional measures when required.
- During 2023 we had zero (0) permanent disability cases and zero (0) fatalities.
- We strive to create a safe working environment and take action to foster a culture of safety on board. Additionally, we raise awareness among our employees on potential risks and hazards and expect them to operate in accordance with the safety standards and regulations.

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 2024, we paid our seafarers more than \$10.9 million in wages, remittances, bonuses, social security payments and cash advances.
- The average salary of our crew is approximately 21 times higher than the local GDP per capita (considering Ukraine where most of our crew is coming from).
- All our seafarers are offered free private medical insurance, and from their second contract also for their spouses and dependent children.

3 three

Lost workday cases in 2023

0 zero

Permanent disability cases in 2023

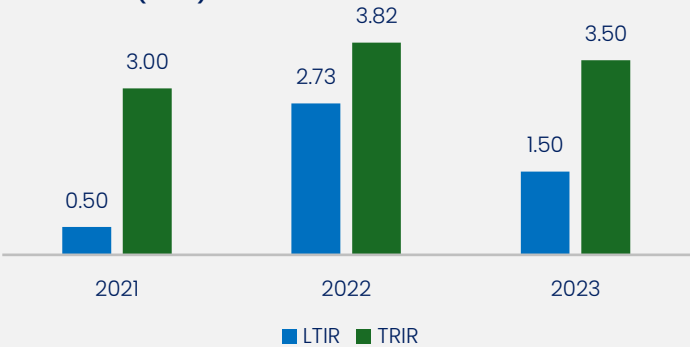
21.0 times

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

> \$10.9mil.

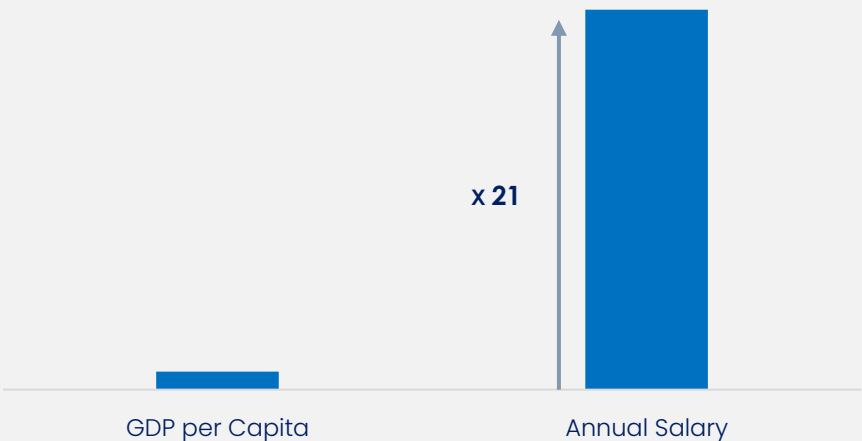
In crew salaries and bonuses in 2024

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



\* LTIR and TRIR are calculation using the million working hours methodology.

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



# 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:

- 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 2023 promotions decreased by 29.1% compared to 2022 saturation of higher ranks.
- We maintained high retention rates across all crew rankings, with an average crew retention rate of 93% compared to 91% 2022.

## Crew Familiarization and Training

Lemissoler is committed to continuous improvement of crew’s knowledge and to the reduction of incidents and accidents onboard through ongoing and comprehensive training. Company provides a user-friendly training platform (Mintra) with over 40 training courses which include generic training, such as planned maintenance, security, pollution but also training for work-related hazards, such as enclosed space entry, hazard identification, occupational safety, human factors, PPE, hazardous substances.

- All our seafarers participate in comprehensive and rank specific online training programs which are provided free of charge.
- The library of training courses is continuously updated based on crew feedback, ongoing trends, Department suggestions and experience with past incidents and accidents.
- 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 continuously develop online training courses via KeelX Education that promote safety, efficient operations, claims mitigation, and career advancement.
- The amount spent on trainings increased by 41.4% in 2023 compared to 2022.

93.0%

\*Average crew retention rate in 2023

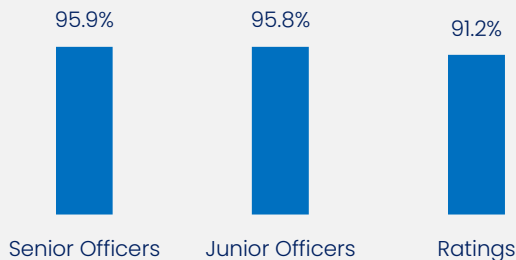
↓ 29.1%

Crew promotions’ decrease in 2023

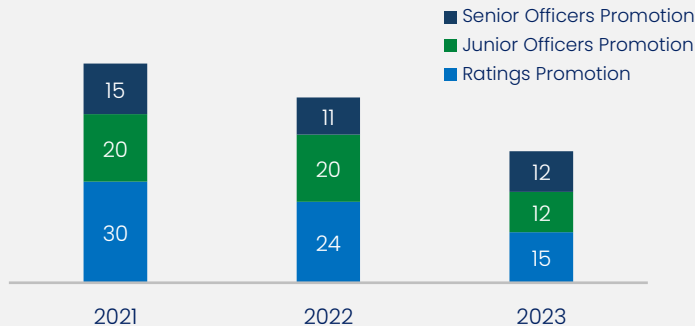
↑ 41.4%

Crew training spending reduction in 2023

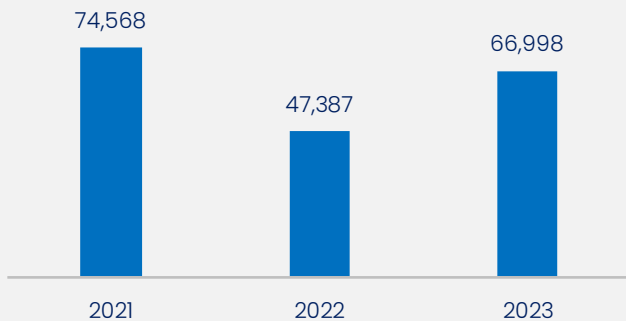
## 2023 Crew Retention Rates



## 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 2023 is 66 on-shore employees under full-time contracts, an 4.8 % increase in relation to 2022.
- Our on-shore team comes from a diverse cultural, age, educational and professional background.
- We maintain a 5.5 employee / vessel ratio to better support our vertically integrated Business Units from ashore.
- We promote equal opportunities between men and women employees – Around 37.9% of our employees are women and 15.4% 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.

↑ 4.8%

Shore employees' increase in 2023

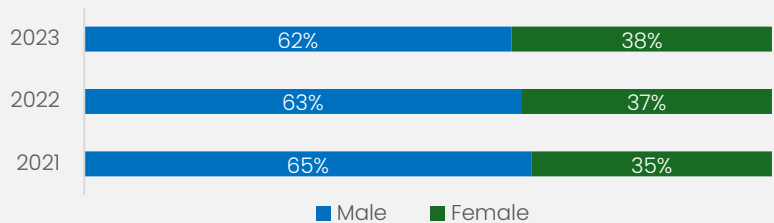
15.4%

Women in management and senior management positions

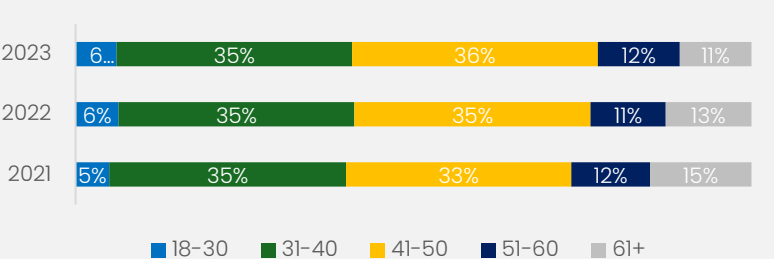
0 zero

Redundancies in 2023

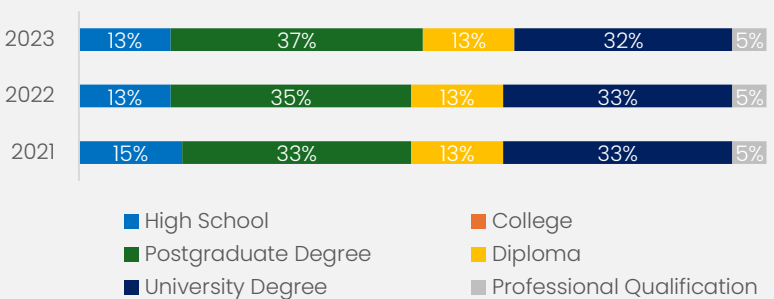
## On Shore Employee Gender Composition



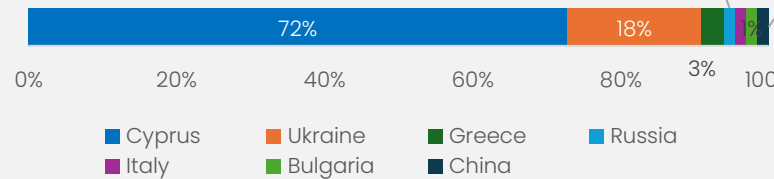
## On Shore Employee Age Composition



## 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 – 98.4% in 2023.

## 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.

98.4%

Retention rate of shore employees in 2023

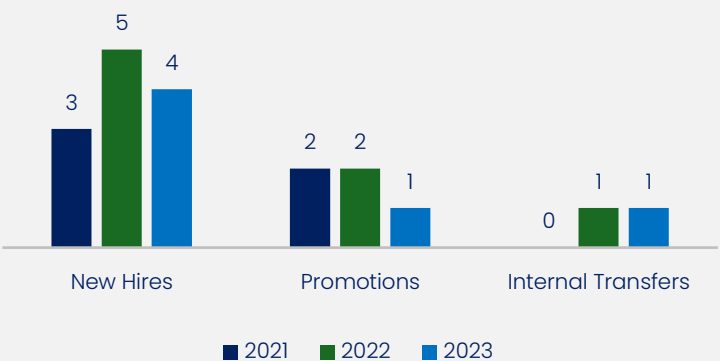
100%

Of our shore employees receive annual performance feedback

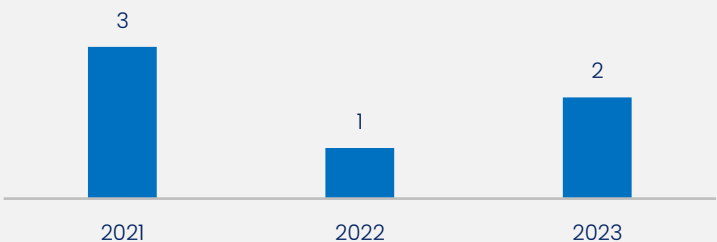
2

Internships in 2023

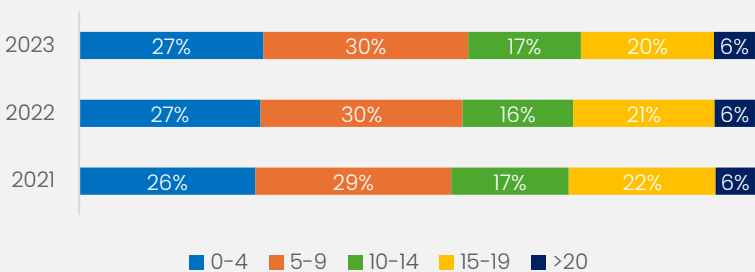
New Hires, Promotions and Internal Job Transfers



Internships



On Shore Employee Years at Lemissoler



# Strengthening our community with tangible contributions



## Charity football & fun day "Rare Leon"

Money donation for patients with rare disease and particularly to a 9year old boy suffering from a rare disease called Niemann Pick.



## PASYKAF

Donation to 'PASYKAF', which provides professional health and home palliative care services to cancer patients, as well as prevention programs.



## Internship's annual mini football "Scoring for a Cause"

Sponsorship to the "Theotokos Foundation", which supports early childhood intervention for premature newborns and young children with mental and physical developmental impediments.



## Cyprus Shipping Chamber

Sponsorships for fundraising events like "Christmas event", "Annual Dinner Dance" supporting "Pancyprian Association of Friends of Kidney Patients" and the "Warm Nest of Love".



## The Cyprus Centre for Environmental Research and Education

Financial contribution to 'CYCERE', which aims to contribute to environmental conservation by adopting and promoting strategies in environmental education, research and information.



## One Dream One Wish

Financial contribution to 'One Dream One Wish' supporting patients suffering from cancer, leukemia, and other blood diseases.



## Pancypriot Antianemic Association

Donation to the "Pancypriot Antianemic Association," whose goal is to provide general care for those suffering from thalassemia.



## TEPAK Postgraduate Students Award

Financial prize award to five top performing TEPAK postgraduate students of the Department of Commerce, Finance and Shipping. Additionally, a donation to TEPAK welfare.



## Disabled Center Saint Lazaros

Financial contribution to Saint Lazaros Center for people with special needs.



## The Cyprus anti-cancer society

Money donation for provision of specialized support and palliative care services, education, research, and the assertion of patients' rights.





# 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	Aristos Philis Deputy CEO	Petros Monogios COO	Stelios Adoni CFO
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
- 2 General dry bulk shipping market conditions (Supply & Demand).
- 3 Bunker quality, prices and availability.
- 4 Changes in international and regional rules and regulations or actions taken by regulatory authorities.
- 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.

# Ethics and integrity are at the heart of our business

## OUR CODE OF BUSINESS

All our onshore and offshore employees, as well as all employees of our subsidiaries are informed of the Code of Business.

Our Code of Business underlies our business actions and must be followed by all employees. The Senior Management handles the day-to-day operations of the company and is also responsible for the application of the Code and policies by all LEMISSOLER staff.

Any non-compliance with the Code's principles is considered a serious infringement and may lead to termination of contracts or even legal sanctions.

## ANTI-CORRUPTION

LEMISSOLER 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).

## REPORTING VIOLATIONS OF THE CODE

Our personnel should take all necessary steps to prohibit any form of misconduct by other employees or other Company personnel that violate the Code. Employees shall report any known or suspected misconduct to the Chairman of the Audit Committee or the Company's General Counsel. At LEMISSOLER, we encourage all our employees and third parties, to raise any issues regarding among others suspicious accounting matters, audit practices, internal controls, conflicts of interest, or fraud within the Company.

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 LEMISSOLER's whistleblower scheme to report anonymously via KeelX Talk. The reports are directed to the Chairman and Head of Human Resources as well as the Head of Legal. In 2023, no reports were received.

0 zero

Violations of our Ethical principles & Anti Corruption Policy

0 zero

Whistleblowing incidents

0 zero

Incidents of corrupt practices

0 zero

Of harassment or bullying

## OUR WHISTLEBLOWING POLICY

Our staff is required to comply with all applicable laws and regulations, as well as our internal policies and procedures. We have established a whistleblowing mechanism via KeelX Talk, that allows our employees to report any violation, concealment, crime committed or likely to be committed, non-compliance incidents, actions damaging the environment, illegitimacy practices, malpractice or unethical conduct incidents, misrepresentation of material facts, breaches of legal obligation or regulatory requirements, and finally, miscarriages of justice. All complaints can be filed anonymously at any time.

## PREVENTING HARASSMENT AND BULLYING

Incidences of harassment, discrimination, hostile, insulting or degrading behavior are contrary to our values and are clear violation of our Ethics Policy. Our policy on harassment and bullying stipulates that any employee or subcontractor that experiences or witnesses such an incident (both onboard and ashore), regardless of whether it takes place within or outside the workplace (including social functions, team away days, work trips, etc.), should be reported immediately.



# We operate ethically and transparently

## TRANSPARENCY INTERNATIONAL CORRUPTION PERCEPTION INDEX

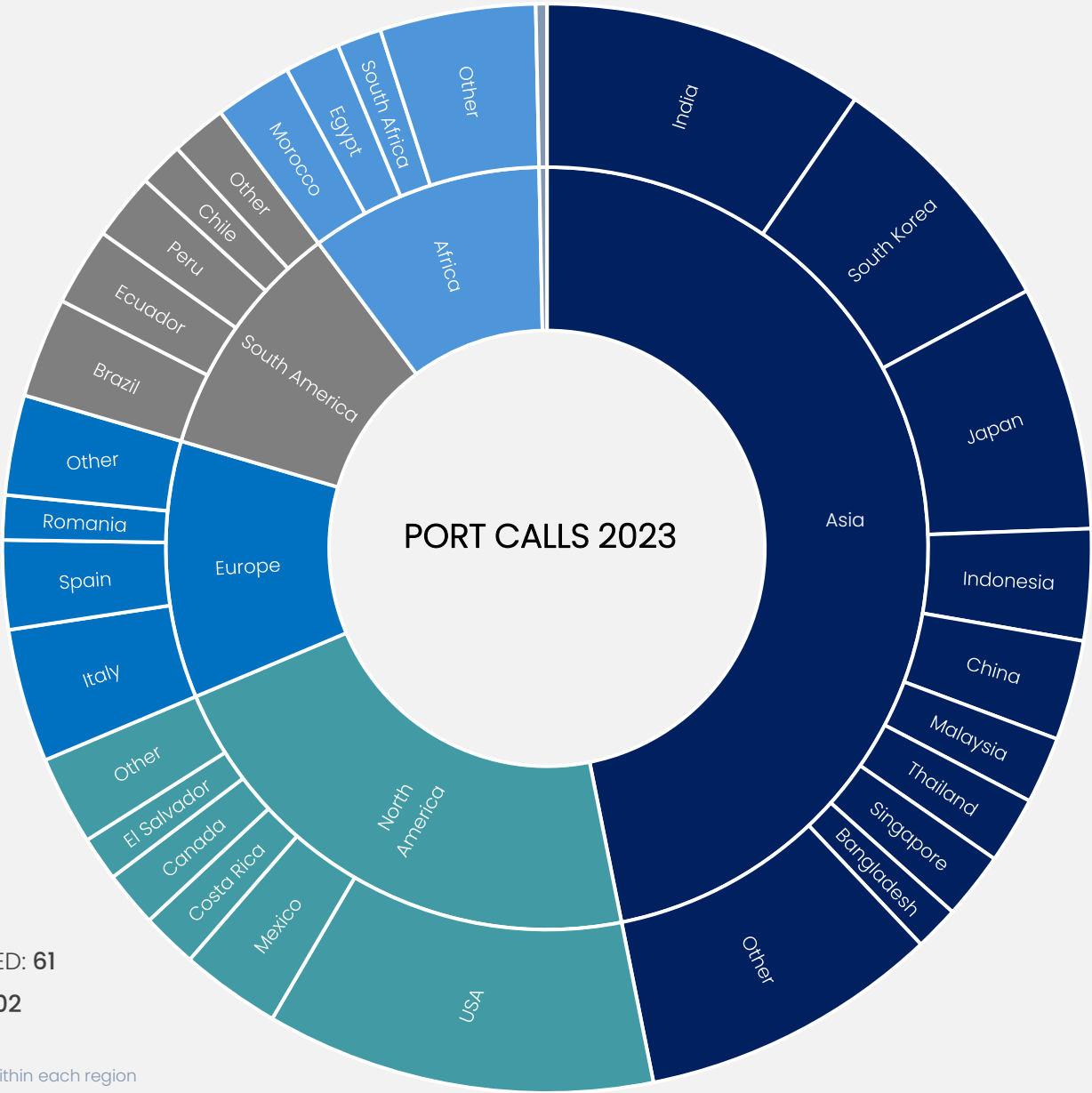
Our vessels operate globally and thus, geography plays a highly significant role to our exposure to corruption risks.

We closely monitor the degree of corruption in the countries and territories we operate in.

In 2023, the calls at ports in countries that have the 20 lowest rankings in the Transparency International’s Corruption Perception Index (CPI) for our entire fleet were zero.

0 zero

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



PORT CALLS: 303  
COUNTRIES CALLED: 61  
UNIQUE PORTS: 202

\*The "Other" category within each region includes all countries that individually represent less than 1% of total port calls.

# We use high-end digital technology and advanced cyber security systems

## Protection

The International Maritime Organization (IMO) adopted a resolution on Maritime Cyber Risk Management, that requires ship owners and managers to assess cyber risk and implement relevant measures across all functions of their safety management system, until the first Document of Compliance, effective as of 1<sup>st</sup> January 2021.

We implement an appropriate scheme of cyber security governance and controls, to protect our information assets. Our method is to ensure that we apply the right architecture, technology and policies to inhibit, identify, prepare for and recover from any cyber-attacks promptly.

## 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.

0 zero

Cyber Security Incidents  
in 2023

>\$110k

Invested in Cyber Security  
in 2023

>\$440k

Invested in Information and  
Communication Technology  
in 2023

## Our Cybersecurity Program

We implement a robust scheme of cyber security governance and controls to protect our information assets. Our approach is to implement the right architecture, technology and policies to detect, prepare for and recover from any cyber attack 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.).

# Appendix A – ESG Performance Data





	2021	2022	2023		2021	2022	2023
ENVIRONMENTAL PERFORMANCE				SOCIAL PERFORMANCE			
<b>Energy efficiency</b>				<b>Employees (on shore)</b>			
AER (gr CO <sub>2</sub> / DWT – nautical mile)	4.81	4.93	4.57	Employees (average FTE)	60	63	66
EEOI (gr CO <sub>2</sub> /ton – nautical mile)	7.89	7.83	7.25	Nationalities represented (of total workforce)	9	9	7
<b>Energy consumption</b>				Women in managerial positions (%)	21	19	15
Heavy fuel oils (1,000 tons)	55.84	48.23	50.85	Gender split			
Marine gas oils (1,000 tons)	4.94	3.30	4.28	– gender with the lowest representation ♀ (%)	35	37	38
Energy consumption (total, GJ)	2,472	2,094	2,256	<b>Safety (at sea)</b>			
<b>Transport work (million ton miles)</b>				Fatalities	0	0	0
Owned and operated vessels	24,041	20,817	24,189	Lost time injury ratio (million working hours)	0.50	2.73	1.50
<b>CO<sub>2</sub> emissions (tons)</b>				Port state control deficiency ratio	0.19	0.44	0.36
Scope 1 GHG emissions (CO <sub>2</sub> e)	189,698	160,757	172,960	Port state control detentions			
Scope 2 GHG emissions (CO <sub>2</sub> e)	59	53	42	GOVERNANCE PERFORMANCE			
<b>Other emissions (tons)</b>				<b>Business ethics</b>			
SOx emissions	524	396	419	Port calls in 20 lowest ranking countries			
NOx emissions	4,518	3,848	4,102	in Corruption Perception Index	0	0	0
<b>Spills</b>				Monetary losses as a result of legal proceedings			
Spills > 1 barrel	0	0	0	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
 <b>Customers</b>	<ul style="list-style-type: none"><li>• Vessel Owners</li><li>• Charterers</li><li>• Cargo Owners</li></ul>
 <b>Seafarers &amp; Office employees</b>	<ul style="list-style-type: none"><li>• Crew on board</li><li>• Office Employees</li><li>• Manning Agents</li></ul>
 <b>Shareholders / Investors</b>	<ul style="list-style-type: none"><li>• Private Educated Investors</li><li>• Institutional investors</li><li>• Funds / Private Equities</li></ul>
 <b>Financial Institutions</b>	<ul style="list-style-type: none"><li>• Banks</li><li>• Leasing Financial Institutions</li></ul>

Stakeholder Group	Stakeholder Type
 <b>Authorities</b>	<ul style="list-style-type: none"><li>• IMO</li><li>• EU</li><li>• Governments</li><li>• Flag Administrations</li><li>• Port Authorities</li></ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"><li>• Manufacturers</li><li>• Ship-Yards</li><li>• General Suppliers</li><li>• Port Agents</li><li>• Bunker Suppliers</li></ul>
 <b>Community &amp; Society</b>	<ul style="list-style-type: none"><li>• Academic Institutions</li><li>• Local Communities</li><li>• NGO's</li><li>• Media</li></ul>
 <b>Industry Organizations</b>	<ul style="list-style-type: none"><li>• Classification Societies</li><li>• P&amp;I Clubs</li><li>• Insurers/Underwriters</li><li>• Vetting Companies</li><li>• Industry Associations</li></ul>

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
<b>Clients</b> <ul style="list-style-type: none"> <li>• Vessel Owners</li> <li>• Charterers</li> <li>• Cargo Owners</li> </ul>	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"> <li>• Charter Parties</li> <li>• Feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic</li> <li>• Spot</li> </ul>	<ul style="list-style-type: none"> <li>• Service quality</li> <li>• Business ethics</li> <li>• Financial performance</li> <li>• Vessel condition</li> </ul>	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.
<b>Seafarers &amp; Office Employees</b> <ul style="list-style-type: none"> <li>• Crew on board</li> <li>• Employees ashore</li> <li>• Manning agents</li> </ul>	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"> <li>• Performance evaluation</li> <li>• Open communication channels</li> <li>• Newsletters</li> <li>• Social Media Platforms</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Daily</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Work conditions</li> <li>• Health and safety</li> <li>• Remuneration and benefits</li> <li>• Career development</li> <li>• Promotional Opportunities</li> </ul>	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.
<b>Shareholders/Investors</b> <ul style="list-style-type: none"> <li>• Private Educated Investors</li> <li>• Institutional investors</li> <li>• Funds/Private Equities</li> </ul>	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"> <li>• BoD/AGM</li> <li>• Quarterly Financial, Market and Technical Reporting</li> <li>• Bi-Annual Risk Reporting</li> <li>• Monthly Operational Reporting</li> <li>• Investor briefings</li> <li>• Investor Roadshows</li> <li>• Web site/Press releases</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Quarterly</li> <li>• Extraordinary</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Business strategy</li> <li>• Governance</li> <li>• Regulatory compliance</li> <li>• Environmental compliance</li> </ul>	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.
<b>Financial institutions</b> <ul style="list-style-type: none"> <li>• Banks</li> <li>• Leasing financial institutions</li> </ul>	Financial institutions require information on the company's performance with a rising interest in sustainability.	<ul style="list-style-type: none"> <li>• Quarterly/Annual financial reporting</li> <li>• Liquidity Reports</li> <li>• Financial Covenants Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Business strategy</li> <li>• Governance</li> <li>• Reporting framework</li> </ul>	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
<b>Authorities</b> <ul style="list-style-type: none"> <li>• IMO</li> <li>• EU</li> <li>• Governments</li> <li>• Flag Administrations</li> <li>• Port Authorities</li> </ul>	Active engagement with state and regulatory authorities to ensure compliance with all applicable standards and regulations.	<ul style="list-style-type: none"> <li>• External Audits</li> <li>• DCS</li> <li>• MRV</li> </ul>	<ul style="list-style-type: none"> <li>• Periodical</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Health and safety</li> <li>• Environmental performance</li> <li>• Statutory</li> </ul>	We follow and comply with State and regulatory authorities' rules and regulations. We follow and implement all instructions and aim for zero non-conformities.
<b>Suppliers</b> <ul style="list-style-type: none"> <li>• Manufacturers</li> <li>• Ship-Yards</li> <li>• General Suppliers</li> <li>• Port Agents</li> <li>• Bunker Suppliers</li> </ul>	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"> <li>• Supplier evaluations</li> <li>• Agreements</li> <li>• Joint development contracts</li> </ul>	<ul style="list-style-type: none"> <li>• On going</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Business ethics</li> <li>• Evaluation criteria</li> <li>• Environmental performance</li> </ul>	We evaluate the performance of our suppliers and integrate sustainability related issues within the evaluation process.
<b>Community &amp; society</b> <ul style="list-style-type: none"> <li>• Academic Institutions</li> <li>• Local Communities</li> <li>• NGO's</li> <li>• Media</li> </ul>	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"> <li>• Financing R&amp;D programs</li> <li>• Conferences</li> <li>• Community engagement initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• On going</li> </ul>	<ul style="list-style-type: none"> <li>• Support of People</li> <li>• Community support</li> <li>• Responsible business practices</li> <li>• Social Responsibility</li> </ul>	We support the local society with community-focused initiatives and take their needs into consideration to maximize shared value.
<b>Industry organizations</b> <ul style="list-style-type: none"> <li>• Classification Societies</li> <li>• P&amp;I Clubs</li> <li>• Insurers/Underwriters</li> <li>• Vetting Companies</li> <li>• Industry Associations</li> </ul>	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"> <li>• Agreements</li> <li>• Partnerships</li> <li>• Formal meetings</li> <li>• Memberships</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic</li> </ul>	<ul style="list-style-type: none"> <li>• Prudence of conducting our business</li> <li>• Regulatory compliance</li> <li>• Sanctions compliance</li> <li>• Environmental performance</li> <li>• Health and safety</li> </ul>	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	TR-MT-110a.1	16
	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	TR-MT-110a.2	-
	(1) Total energy consumed, (2) percentage from heavy fuel oil, (3) percentage from renewables	TR-MT-110a.3	16
	Energy Efficiency Design Index (EEDI) for new ships	TR-MT-110a.4	-
Air Quality	Air emissions for the following pollutants: NOx, SOx, and particulate matter (PM)	TR-MT-120a.1	17
Ecological Impacts	Shipping duration in marine protected areas and areas of protected conservation status	TR-MT-160a.1	-
	Percentage of fleet implementing (1) ballast water exchange and (2) ballast water treatment	TR-MT-160a.2	19
	(1) Number and (2) aggregate volume of spills and releases to the environment	TR-MT-160a.3	20
Employee Health and Safety	Lost time injury rate (LTIR)	TR-MT-320a.1	27
Business ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	TR-MT-510a.1	36
	Amount of legal and regulatory fines and settlements associated with bribery or corruption	TR-MT-510a.2	35
Accident & safety management	Number of serious marine incidents	TR-MT-540a.1	38
	Number of Conditions of Class or Recommendations	TR-MT-540a.2	-
	Number of port state control (1) deficiencies and (2) detentions	TR-MT-540a.3	24

# Appendix D – GRI STANDARDS CONTENT INDEX

GRI Indicator	Description	Section References and Comments	Page
GRI 2 General Disclosures 2021			
Organizational Profile			
2-1	Organizational details	About Lemissoler	5
2-6	Activities, value chain and other business relationships	About Lemissoler	5
2-1	Organizational details	Limassol, Cyprus	5
2-1	Organizational details	About Lemissoler	5
2-1	Organizational details	About Lemissoler	5
2-6	Activities, value chain and other business relationships	About Lemissoler	5-9
2-6	Activities, value chain and other business relationships	About Lemissoler	5
2-7	Employees	About Lemissoler	5, 23-31
2-6	Activities, value chain and other business relationships	About Lemissoler	5-9
2-6	Activities, value chain and other business relationships	No Significant changes to the organization's size, structure, ownership, or occurred in 2023.	
2-23	Policy commitments	Environment	15-22
2-28	Membership of associations	Environment	8
Strategy			
2-22	Statement on sustainable development strategy	Message from our CEO/Chairman	3
Ethics and Integrity			
2-23	Policy commitments	Governance	35
2-26	Mechanisms for seeking advice and raising concerns	Governance	35

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

GRI Indicator	Description	Section References and Comments	Page
GRI 2 General Disclosures 2021			
Governance			
2-9	Governance structure and composition	Governance	34
Stakeholder Engagement			
2-29	Approach to stakeholder engagement	Appendix B	39-41
2-30	Collective bargaining agreements	Our employees are not covered by collective bargaining agreements.	
2-29	Approach to stakeholder engagement	Appendix B	39-41
2-29	Approach to stakeholder engagement	ESG at Lemissoler	10-12, 39-41
Reporting practice			
2-2	Entities included in the organization's sustainability reporting	About Lemissoler	5
3-1	Process to determine material topics	ESG at Lemissoler, Appendix B	10-12, 39-41
3-2	List of material topics	ESG at Lemissoler, Appendix B	10-12, 39-41
2-4	Restatements of information	Environment	16-18
3-2	List of material topics	Environment	10
2-3	Reporting period, frequency and contact point	About this Report	2
2-3	Reporting period, frequency and contact point	About this Report	2
2-3	Reporting period, frequency and contact point	About this Report	2
2-5	External assurance	Independent Assurance Statement	47



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

GRI Indicator	Description	Section References and Comments	Page
<b>GRI 3 Material Topics 2021</b>			
3-3	Management of material topics	ESG at Lemissoler, Appendix B	10-12, 39-41
3-3	Management of material topics	ESG at Lemissoler, Appendix B	10-12, 39-41
3-3	Management of material topics	ESG at Lemissoler, Appendix B	10-12, 39-41
<b>GRI 200 Economic</b>			
<b>GRI 201 Economic Performance</b>			
201-1	Direct economic value generated and distributed	About Lemissoler	5
<b>GRI 205 Anti-corruption</b>			
205-3	Confirmed incidents of corruption and actions taken	Governance	35
<b>GRI 300 Economic</b>			
<b>GRI 302 Energy</b>			
302-1	Energy consumption within the organisation	Environment	16
<b>GRI 305 Emissions</b>			
305-1	Direct (Scope 1) GHG emissions	Environment	17
305-2	Energy indirect (Scope 2) GHG emissions	Environment	17
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Environment	18
<b>GRI 306 Effluents and waste</b>			
306-2	Management of significant waste-related impacts	Environment	20
306-3	Significant spills	Environment	20

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

GRI Indicator	Description	Section References and Comments	Page
<b>GRI 400 Social</b>			
<b>GRI 401 Employment</b>			
401-1	New employee hires and employee turnover	Social	31
<b>GRI 403 Occupational health and safety</b>			
403-1	Occupational health and safety management system	Social	24
403-2	Hazard identification, risk assessment, and incident investigation	Social	24
403-4	Worker participation, consultation, and communication on occupational health and safety	Social	28
403-5	Worker training on occupational health and safety	Social	28
403-6	Promotion of worker health	Social	28
403-8	Work-related injuries	Social	27-28
<b>GRI 404 Training and education</b>			
404-2	Programs for upgrading employee skill and transition assistance programs	Social	28
404-3	Percentage of employees receiving regular performance and career development reviews	Social	31
<b>GRI 405 Diversity and equal opportunities</b>			
405-1	Diversity of governance bodies and employees	Social	30
<b>GRI 406 Non-discrimination</b>			
406-1	Incidents of discrimination and corrective actions taken	We had no incidents of discrimination in 2023	

# Independent Assurance Statement

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

### To the stakeholders of Lemissoler Navigation

American Bureau of Shipping was 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 2023 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 as mentioned in the signed Agreement (Document number: QUO-42089-K2M0M, signed by both sides on 9th February 2025). Our work has been undertaken so that we might provide limited assurance to Lemissoler Navigation Co. Ltd. only on those matters that we have been engaged to review in this report 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 preparation of the Report, in all material respects, in accordance with the Methodology and reference to the standards outlined in the Scope of work. We conducted our work in accordance with International Standard on Assurance Engagements (ISAE) 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

A 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:

- Reviewing the Lemissoler Navigation Co. Ltd.'s Sustainability Report for the year ending on 31st December 2023 and identifying key metrics for review.
- 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.
- 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 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.

Limited assurance engagements are based on selective testing of the information and data being examined, and there is possibility that fraud, error, discrepancy or non – compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non – adherence to the reporting standards GRI Sustainability Reporting Standards (GRI Standards) and Sustainability Accounting Standards Board (SASB), as the assurance engagement is not performed continuously throughout the year and the procedures performed are on a test basis.

The conclusion expressed in this report shall be read in conjunction with the inherent limitations stated above.

### 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 Lemissoler Navigation Co. Ltd. Sustainability Report for the year ended 31 December 2023, are not prepared, in any material respect, in accordance with the methodology.

### American Bureau of Shipping

438 Alexandra Road,  
#11-00 Alexandra Point Singapore 119958  
[sustainability@eagle.org](mailto:sustainability@eagle.org)





# 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](mailto:corporate@lemissoler.com).

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