



Aegean Shipping

ESG Report

2019



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Message from our Chairman

The Global Shipping Industry is currently undergoing a major transition process. Achieving "Net-Zero Emissions" and climate neutrality, along with the necessity for improving the overall Environmental, Social and Governance performance, has become the next big challenge that every company in the maritime sector has to face. Under these circumstances it is critical to adapt and implement all the necessary actions and policies in order to continuously improve our ESG performance.

2019 was a successful year for Aegean Shipping with strong commercial and economic results, in line with our vision and focus on sustainable growth and operational excellence.

We are unequivocally committed to the IMO 2050 strategy and fully support the achievement of the United Nations Sustainable Development Goals directing our efforts to measures and initiatives which have the highest impact for the protection of the marine environment and the improvement of social prosperity. Our efforts focus in the proactive implementation of regulations whilst remaining at the forefront of the evolving and complex maritime industry developments.

Environmental stewardship is on the top of our strategic priorities and our commitment is evidenced by the continuous Eco-investments in our "Green Fleet", which utilizes cutting-edge technologies to continuously reduce its environmental footprint.

We are proud of the commitment and professionalism of our seafarers, shore employees and executives as we are always striving to ensure a safe, secure and fair working environment and promote diversity and professional development. In this, first ESG report of Aegean Shipping, we present our approach, actual performance and future targets on material Environmental, Social and Governance issues. We make this report publicly available in order to increase transparency and meet the expectations of our stakeholders. In the near future we plan to increase our ESG disclosures and to undertake additional targets, in the context of our commitment for continuous improvement and sustainable growth over the long term.

Chairman of Aegean Shipping

George Melissanidis

2019 was a successful year for Aegean Shipping with strong commercial and economic results...





About this Report

This is our first ESG report and refers to the period 01.01.2019 – 31.12.2019. Through this report we aim to communicate our approach on sustainability and Environmental, Social and Governance ("ESG") issues, report our performance compared to previous years and industry benchmarks and disclose target regarding our future sustainability performance.

The report focuses on the environmental impact of our operations and presents our approach towards achieving the 2050 objectives of the International Maritime Organization (IMO) and the United Nations Sustainable Development Goals (UN SDGs). The report was prepared by considering the Sustainability Accounting Standards Board (SASB) for Marine transportation.

This is our first ESG report. It has been prepared in accordance with SASB's Marine transportation material topics.



1. About Aegean Shipping

At a Glance

Aegean Shipping was established in 1995 and is built on a visionary strategy based on corporate growth reliable service and customer needs.



>25 years of presence in the shipping market



\$ 38.6 mil revenue in 2019



Presence in **2 segments, Tankers & Dry Cargo**



Operation of a **"Green Fleet"** surpassing by far regulatory requirements



11 vessels, 3 MRs 2 Aframax and 6 Bulk Carrier*, all built by our Company



3 Aframax on order to be delivered Q4 2022



>330 onshore and on-board employees



0 violations of ethical codes and policies



177 port calls in 2019



>300,000 nautical miles traveled in 2019



1,890 operating days in 2019



3.2 mil metric tonnes cargo carried in 2019

We operate a modern fleet of oil/chemical tanker ships and dry-bulk carriers, deployed internationally to transport cargo for large charterers that are active worldwide.

Our top management has undertaken a dynamic approach to ship operation to respond to the ever-changing needs and requirements of the shipping industry while confirming our commitment to high standards for environmental protection, both on land and at sea.

We operate a fleet with an average age 2.5 years, which is 75% lower compared to industry average. Moreover, **both on-board the vessel and ashore we implement green initiatives** that reduce our carbon footprint and overall environmental impact, including introduction of paperless environment, LED lighting, etc.

*Information regarding fleet, new buildings and vessels on order reflect actual data as of report issuance date (October 2020).



Our Green Fleet

Our fleet continuously grows and we anticipate a further increase in the forthcoming years.

Our actions for environmental protection and use of innovative technology by our vessels, inspired the design of the "Green Fleet" logo, signifying the fact that our vessels do not simply meet current regulatory requirements but surpass them by far. Our "Green fleet" is characterized by the following attributes:



Old vs New

It all starts at the "Green" shipyard, where new technologies, new manufacturing processes, new materials, and new techniques have transformed the newbuilding process.



Onboard

The operation of the Green fleet vessels is all about savings – to operators and to our environment. Fuel costs are 30% less with the associated CO₂ emissions savings as well as onboard energy costs, from lighting to air conditioning.



Triple R in action – Reduce, Reuse, Recycle

New technologies allow us to build ships that use less material (and smarter material). Intentional design means that 9% of all materials can be recycled or reused. Waste is out—Triple R is in.

We operate a modern, high-tech fleet of:

five (5) tankers and six (6) dry bulk carriers, as of report issuance date (October 2020).*

The total carrying capacity of our vessels

for the year ended December 31, 2019 is 458,723 tonnes and the average age is 2.5 years.

2.5 years

Average age of our fleet

458,723

Total fleet capacity

Sale and purchasing activities

Within 2019 we purchased two vessels, M/T Green Aura and M/V Green K-Max 1. In May 2019 we sold vessel M/T Green Hellas.

*Information regarding fleet, new buildings and vessels on order reflect actual data as of report issuance date (October 2020).

Vessel name	Type	Deadweight (T)	Age built
M/T Green Hellas	Oil / Chemical tanker	50,885	2014
M/T Green Planet	Oil / Chemical tanker	50,844	2014
M/T Green Sea	Oil / Chemical tanker	50,926	2014
M/T Green Sky	Oil / Chemical tanker	50,880	2014
M/T Green Attitude	Crude / Product carrier	112,532	2018
M/T Green Aura	Crude / Product carrier	112,684	2019
M/V Green K-Max 1	Bulk Carrier	80,857	2019
M/V Green K-Max 2	Bulk Carrier	80,840	2020
M/V Green K-Max 3	Bulk Carrier	80,883	2020
M/V Green K-Max 4	Bulk Carrier	80,892	2020
M/V Green K-Max 5	Bulk Carrier	80,883	2020
M/V Green K-Max 6	Bulk Carrier	80,891	2020



Strong Commercial and Operational Performance

Increased profitability

Our objective is to create long lasting relationships with reputable and reliable charters. We always strive to go the extra mile to ensure customer expectations are met through our value adding services. By applying a robust commercial strategy, we managed to increase the value for our shareholders and demonstrate a continuously improved financial performance. More specifically, during 2019 we increased our revenues by 31% and decreased our daily operating expenses by 6.3% compared to 2018.

+31%

Increase in revenue

-6.3%

Decrease in daily OPEX

Efficient operations

In 2019, we carried 136% more cargo and travelled 26% more distance in relation to 2018, indicating our ever-increasing capacity to deliver superior services and demonstrate operational excellence. Our vessels utilization rate remained high (above 90%) and we had more than 1,700 operating days. Evidencing our global nature of operations, our ships travelled to 137 countries and made 169 port calls. Throughout our 2019 operations, we had zero (0) complaints or claims for cargo related matters from our charterers. The utilization rate remains in high vessels, provided that almost all vessels had idle time related to scheduled maintenance (3 MR had planned Special Surveys) and scrubbers installation (2 Aframax).

> 92%

Vessels utilization rate

0

Cargo complaints

0

Vessel detentions

Description	2018	2019
Vessels in operations	5	6
Operating days	1,816	1,890
Utilization rate	99.53%	92.44%
Distance travelled (nm)	247,835	313,401
Cargo carried (mt)	1,351,069	3,191,766
Port Calls	133	177
Countries visited	100	143
Cargo complaints and claims	0	0



High Quality Services

Our Quality Policy

As a global shipping operations company with more than 20 years of experience, we are committed to provide high quality services that meet the requirements of our customers, stakeholders and employees. This is achieved by establishing and discharging managerial and operational processes, which have emerged from the combination of sound managerial principles and long-lasting experience in the shipping industry. We also aim to consider the following:

- Meet our customers' requirements and simultaneously adopt a proactive approach considering their needs.
- Ensure that the risks and opportunities that can have an impact on the conformity of our services are identified, addressed and effectively managed.
- Ensure that quality policy and quality objectives are established for the Shipping Management System (SMS) and are in compliance with the context and strategic direction of the company. Quality objectives have been set and are maintained as part of the SMS internal auditing, monitoring and management review process in order to enhance customer satisfaction.
- Comply with all the applicable statutory requirements, legislation as well as certifications related to our services, such as ISO 9001, ISO 14001, ISO 50001, ISO 22301, ISO 45001, ISM Code and MLC2006.
- Reduce any kind of accident or incident that could harm our assets, employees and the external environment.
- Ensure that the resources needed for the effective (SMS) implementation are available; aiming to develop our employees' skills and provide with effective training opportunities.
- Engage, direct and support employees to contribute to the effectiveness of the SMS as well as communicate the importance of an effective SMS and the compliance with the SMS requirements.

ISO Certifications

Our company is accredited with the following certifications:

ISO 9001:2015 for Quality Management:

We are fully committed in providing world-class ship management services that meet or exceed our customers' requirements.

ISO 14001:2015 for Environmental Management:

Our target is to maintain zero oil spills and zero pollution atmospheric incidents. We are committed to conduct our operations in compliance with the strictest international standards.

ISO 50001:2011 for Energy Management:

We develop best practice operational management processes designed to continuously improve vessels' energy performance, energy efficiency, energy use and consumption.

ISO 22301 for Business continuity:

We strive to protect the safety of our staff, our reputation, together with continuous & reliable delivery of service to customers whilst maintaining contractual, legal & regulatory compliance.

ISO 45001 for Occupational Health and Safety:

We fully comply with all applicable requirements, guidelines and standards recommended by the IMO, and we strive to protect the health and wellbeing of our employees.



Highlights of our ESG performance

Environment	2018	2019
Average fleet EEOI (gr CO ₂ / Tonne – mile)*	20.33	10.09
Average Efficiency Ratio (AER) (gr CO ₂ / dwt– mile)**	4.06	5.09
Average fleet EEDI (gr CO ₂ / Tonne – mile)	3.86	
CO ₂ emissions ('000 tonnes)**	94.78	114.32
Fuel consumption ('000 tonnes)	30.27	36.53
SOx (Tonnes)	–	701.29
NOx (Tonnes)	–	3,234.50
Total waste (m3)	3,112	3,006
% of fleet implementing BWT	20	100
Class recommendations***	0	2
Spills to the marine environment	0	0

* Average fleet EEOI for 2018 is calculated for the vessels owned and managed during both years.

** AER and CO₂ emissions were increased in 2019 due to our fleet increase.

*** Ballast Water Treatment Systems ("BWTS") short term certificate expiry date.

Social	2018	2019
Number of seafarers	258	298
Crew promotions	13	22
Crew retention rate (%)	99.2	99.2
Lost Time Injury Frequency ratio (LTIF)	1.23	0.95
Marine casualties	0	0
On-board drills	406	473
Crew training days	444	615
On-board drug and alcohol tests	56	110
On-shore employees	27	28

Governance	2018	2019
Corruption / bribery incidents	0	0
Violations of Code of Conduct	0	0
Number of port calls in bottom CPI countries	12	14
Code of Business Conduct and Ethics	✓	✓
Whistleblowing Policy	✓	✓



Aligning our strategy with United Nations Sustainable Developments Goals



In 2015, the UN adopted 17 goals 'to transform our world, to end poverty, protect the planet, and ensure prosperity for all' agreed upon and signed by the 193 UN member states. The SDGs articulate the world's most pressing environmental, social and economic issues, and also provide a universal framework that businesses can use to improve their performance on sustainable development.

As part of the United Nations family, IMO is actively working towards the 2030 Agenda for Sustainable Development and the associated SDGs.

As a member of the international shipping community, Aegean Shipping is dedicated to aiding in the achievement of the SDGs by working with the various stakeholders of the maritime industry for the promotion of sustainable development.

	<p>No Poverty IMO regulations ensure shipping is safe, secure and clean – creating prosperity and sustainable growth in a green and blue economy</p>		<p>Zero Hunger IMO works with UN partners to safeguard a major source of nutrition by tackling illegal, unreported and unregulated fishing</p>		<p>Good Health & Well-Being IMO's treaties contribute to the reduction of shipping related pollution in oceans, ports and coastal regions</p>
	<p>Quality Education Safety, security and environment protection at sea depend on seafarer education and training. IMO sets the global standards</p>		<p>Gender Equality IMO supports gender equality and empowers women in the maritime sector through a global program and targeted activities</p>		<p>Clean Water & Sanitation IMO treaties regulate dumping and waste disposal at sea, a key component of the overall waste-management cycle</p>
	<p>Affordable & Clean Energy IMO actively promotes funding, research and development of clean energy technology for the maritime sector</p>		<p>Decent work & Economic Growth Seafaring is an important source of work, especially in developing countries. Issues surrounding seafarers' health and welfare are a central theme of IMO's work</p>		<p>Industry, Innovation and Infrastructure More efficient shipping, working in a partnership with ports, will be a major driver towards global stability and sustainable development</p>
	<p>Reduced Inequalities IMO's technical program enhances capacity in countries which lack the knowledge and resources to operate a safe and efficient shipping industry</p>		<p>Sustainable cities & communities Sustainable cities & communities rely on secure supply chain. IMO's work to enhance maritime safety and security helps protect the global logistical infrastructure</p>		<p>Responsible Consumption & Production IMO Treaties set rules for the reduction of waste generation, both operational waste from ships and dumping of wastes at sea</p>
	<p>Climate Action IMO has developed measures to control emissions from the shipping sector & solutions to minimize contribution to air pollution & impact on climate</p>		<p>Life Below Water IMO is responsible for global measures to prevent pollution from integral to the SDG 14 targets</p>		<p>Life on Land IMO strengthens security in ports and is part of global efforts to halt illegal wildlife trafficking</p>
	<p>Peace Justice & Strong Institutions IMO Promotes effective institutions to ensure safe, secure and environmentally protective flow of maritime commerce</p>		<p>Partnership for the Goals IMO has partnerships with more than 60 IGOs & NGOs, including major environmental organizations and bodies</p>		



2. Environment

Related SDGs



Our approach towards environmental protection

We place great value to the protection of the environment and take measures to minimize our environmental footprint. Towards this direction, we recently renewed our fleet with new high-tech/ high-spec vessels that offer more efficient services to our clients, better operational performance at sea and more positive impacts on the environment. Our green fleet vessels are built with environmentally friendly materials, ensuring safe and eco-friendly construction as well as improved environmental performance and reduced CO₂ emissions. All vessels hold an Inventory of Hazardous Materials certificate approved by our classification society.

With respect to environmental protection our vessels are assigned to the following class notations:

- ECO (EEDI, IHM, P, VEC-L, DIST, EAL, GW, OW)
- ShipRight ((BWMP (T, S, F)) VECS)
- Cleanship (Prevention of sea and air pollution)
- GREEN PASSPORT (IHM, BWE, BWT).

Our energy and environmental policy

We have an established energy and environmental policy, depicting the way we operate with focus in increasing energy efficiency and minimizing environmental footprint. The key elements of our policy are:

- The establishment of an energy conservation through a comprehensive Shipboard Energy Efficiency Management Plan (SEEMP).
- The implementation of control mechanisms aiming at pollution prevention, depicted through our comprehensive Environmental Management System.
- Incorporation of methods for reducing waste and decrease utilization of natural resources, which are part of our SEEMP.
- Establishment of procedures for the anonymous environmental incidents reporting.
- Waste management implementation - reduce of Single Use Plastics.
- Implementation of food waste management initiative.

Our environmental targets

We are committed to specific environmental related targets, both for our on-board and on-shore operations:

On-board targets:

- Reduce CO₂ emissions: Our modern and green fleet contributes significantly to the reduction of our carbon footprint. Fuel consumption and CO₂ emissions are significant lower from previous generation vessels.
- Use of Environmental friendly materials: We purchase and use eco friendly/energy efficient products. This includes purchases related to paints, lubricants, chemicals and spare parts. Moreover, we try to continuously reduce our footprint by minimizing relevant forwarding activities and increasing our forwarding consolidation ratio.
- Increase energy efficiency: We apply several operational initiatives in order to improve energy consumption on-board our vessels, including use of energy saving devices that enhance the propulsion and new technology led lighting systems.
- Waste Management - Single Use Plastics: Following the global movement to reduce the use of single use plastics, we are eliminating all non essential single use items on-board such as single-use plastic cups, plates and cutlery, food and beverage containers, food packing films, microwave dishes and replace with sustainable alternatives such as tetra pack, glass or biodegradable plastics. Our target is to reduce the use of "single-use plastics" on-board by 80% by the end of 2024.
- Food Waste: We have developed new practices such as extensive Food Management training for our Catering person-nel and Food Waste Management campaigns to promote crew awareness on the reduction of food waste. Apart from reducing our carbon footprint, considerable savings are expected that will be used to support the crew welfare.

On-shore targets:

- Reduce electricity consumption: We apply measures to continuously reduce the power consumption of computers, information systems and their peripheral subsystems.
- Increase recycling: We fully recycle unwanted used computers and other electronic waste by IT vendors using their "take back" policy in order to take responsibility for the full lifecycle of products they produce.
- Reduce paper consumption: We applied a fully paperless system at the Office, providing high class electronic services to users, vendors, suppliers and seamen.



Environmental regulation compliance

We ensure compliance with all applicable environmental regulations of the shipping industry.

REGULATION/ INITIATIVE	DESCRIPTION	OUR RESPONSE
<p>1. Inventory of Hazardous Materials (IHM) requirements for a structured system to control hazardous materials</p>	<p>A system to control hazardous materials onboard ships for the Safe and Environmentally Sound Recycling of Ships.</p> <p>Entry into force: 31 December 2020</p>	<p>All vessels are certified and in compliance with IHM requirements.</p>
<p>2. MARPOL Annex VI 0,50% Sulphur limit</p>	<p>Reduction of the amount of Sulphur oxide emanating from ships. The global limit for Sulphur in fuel oil used on-board ships of 0.50% m/m (mass by mass).</p> <p>Entry into force: 1 January 2020</p>	<p>All vessels are in full compliance.</p>
<p>3. IMO Strategy on reduction of GHG emissions from ships</p>	<p>Reduction in total GHG emissions from international shipping by at least 50% by 2050 compared to 2008.</p> <p>Entry into force: October 2018.</p>	<p>This is an ongoing process. We will implement all necessary changes to ensure compliance with IMO requirements.</p>
<p>4. IMO Ballast Water Management Convention</p>	<p>Sets standards for proper management of ballast water and sediments to prevent the spread of harmful marine species.</p> <p>Entry into force: 8 Sep 2017.</p>	<p>All vessels are equipped with approved Ballast water treatment systems.</p>
<p>5. IMO Data Collection System (DCS)</p>	<p>Requires collection of fuel consumption data for ships 5,000 GT or over as part of the mandatory Ship Energy Efficiency Management Plan.</p> <p>Entry into force: 1 Mar 2019.</p>	<p>We comply with IMO DCS.</p>



Energy efficiency and GHG emissions

The key indicator for measuring our energy and emissions efficiency is EEOI while EEDI is the technical measure indicating the energy efficiency design of our vessels.

The average EEOI of our fleet is 10.09 g/CO₂/nm, which is 16% lower, compared to industry average (11.67 g/CO₂/nm based on the fourth IMO GHG Study 2020, published on July 29th 2020).

Energy Efficiency Operational Indicator (EEOI) is calculated as the ratio of mass of CO₂ emitted per unit of transport work (gr CO₂ / TEUs carried * miles travelled). The average EEOI of our fleet is 10.09 gr CO₂ per ton – mile. During 2019 we reduced the EEOI of our fleet by 26%, compared to 2018. The respective comparison is performed between vessels owned and managed both during the whole 2018 and 2019. The vessels Green Aura and Green K-Max 1 were acquired in 2019 and no comparison data exist for 2018. Regarding vessels Green Attitude, it was acquired late 2018 and had only laden voyages (i.e. no cargo was carried). The vessel Green Hellas was sold in May 2019.

The Energy Efficiency Design Index (EEDI) per vessel, formulated for new ships, evaluates the energy efficiency of the vessel by design. Required EEDI is the maximum value of EEDI for the ship, while attained EEDI is the actual value of EEDI attained for the ship. Attained EEDI should be less than or equal to required EEDI. All of our vessels attain lower EEDI than minimum requirements, with the difference being 25% on average.

10.09 gr CO₂ / tonne - mile

EEOI of our fleet for 2019

↓58% EEOI

Reduction in relation to 2018

114,894 tonnes CO₂

Emitted by our fleet in 2019

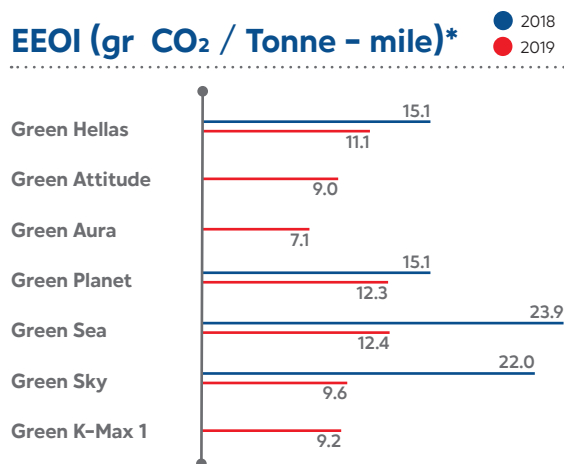
↓18% CO₂

Emitted by our fleet in relation to 2019

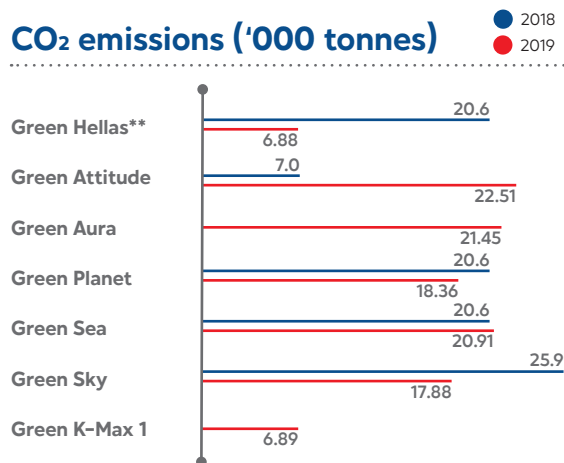
16% lower EEOI

compared to industry average

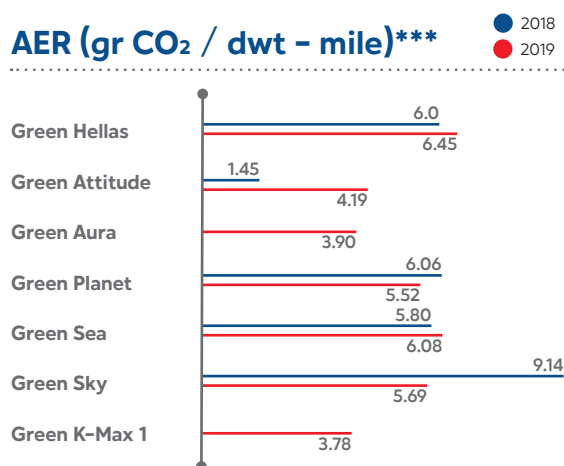
EEOI (gr CO₂ / Tonne - mile)*



CO₂ emissions ('000 tonnes)



AER (gr CO₂ / dwt - mile)***



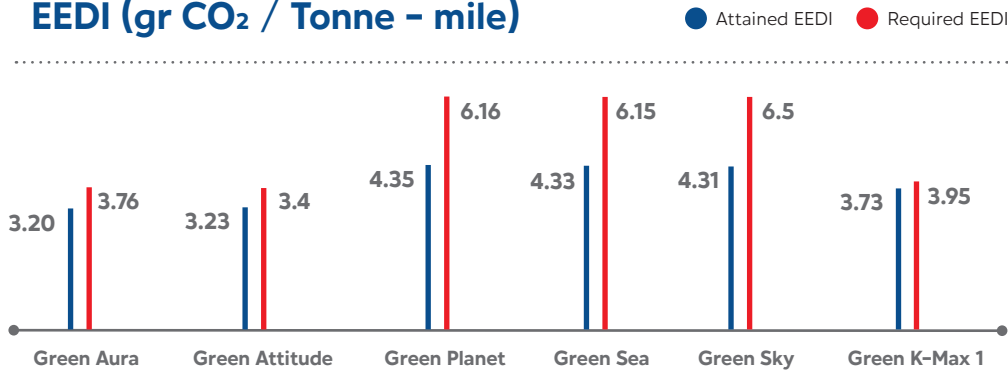
* EEOI is calculated based on actual voyages within the reporting year.

** The vessel Green Hellas was sold in May 2019.

*** CO₂ emissions for 2019 are calculated based on calendar days (based on IMO DCS).



EEDI (gr CO₂ / Tonne - mile)



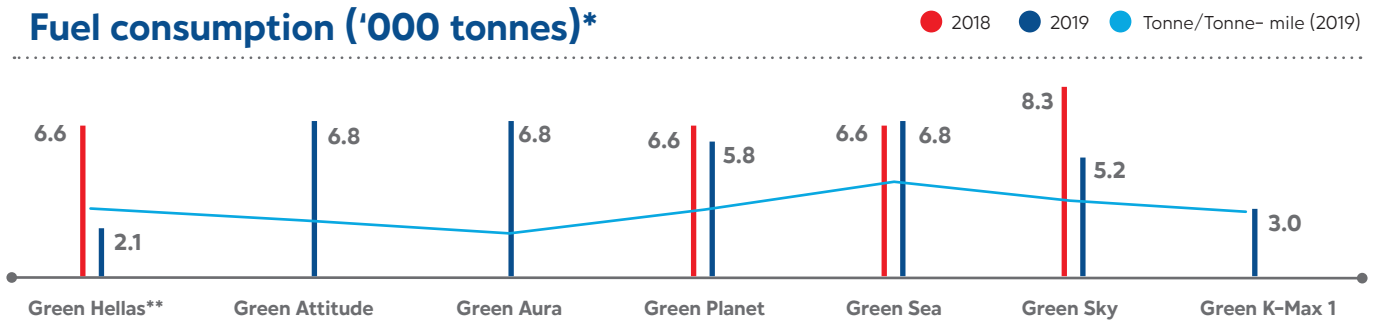
25%

Average difference between attained and required EEDI

Fuel consumption

During 2019, our fleet consumed 36,533 tonnes of fuel oil, which is 17% less, compared to 2018, for the vessels owned and operated in both years.

Fuel consumption ('000 tonnes)*



* Fuel Consumption is calculated based on voyages. ** The vessel Green Hellas was sold in May 2019.

36,533 tonnes

of fuel oil consumed by our fleet in 2019

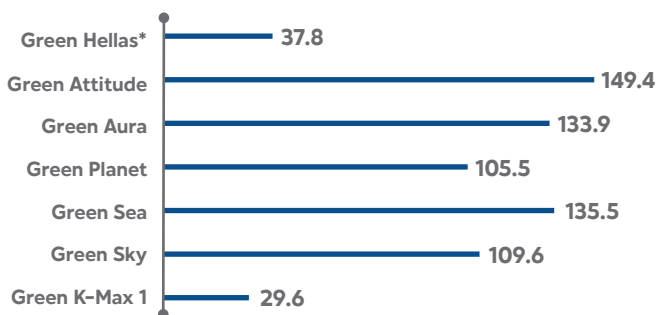
↓17%

fuel consumption in relation to 2018

Sulphur and Nitroxide emissions

The two main air pollutants resulting from our fleet's emission are nitrogen oxides (NO_x) and sulphur oxides (SO_x). In order to comply with the IMO 2020, that limits sulphur emissions from vessels, we use marine fuel oil that meets the required sulphur content. Moreover, we invested approximately €5.5 million for the installation of scrubbers to vessel Green Attitude. During the reporting period, our absolute fleet emissions were 701.29 tonnes of Sox and 3,234.5 tonnes of Nox.

SO_x emissions (tonnes)



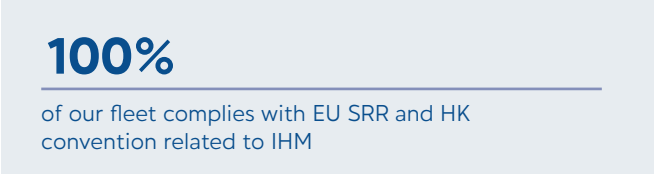
NO_x consumption (tonnes)



Minimizing our environmental footprint

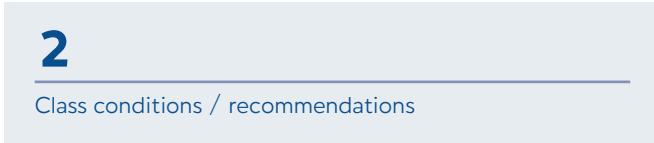
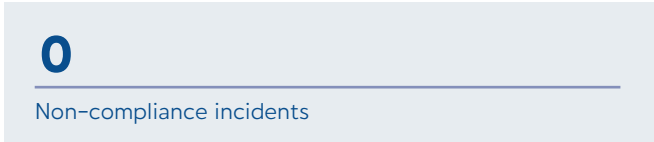
Ship recycling

Ship recycling should always be performed in compliance with stringent safety, health, and environmental standards. We ensure that our vessels comply with the International Maritime Organization's Hong Kong (HK) Convention for the Safe and Environmentally Sound Recycling of Ships as well as the EU Ship Recycling Regulation (EU SRR). All our vessels hold a Class-approved Inventory of Hazardous Materials (IHM) ensuring that at the time of their decommissioning, they will be recycled in an effective way in certified ship recycling facilities.



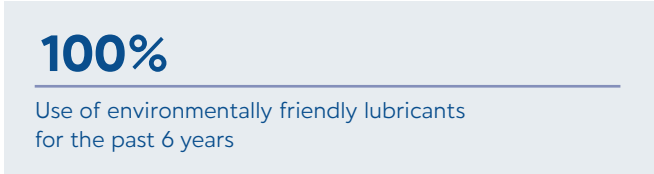
Environmental compliance

Compliance with all applicable environmental laws and regulations is always our priority. During 2019 there were no incidents of non-compliance. In terms of class recommendations, in 2019 there were two recorded conditions related to Ballast Water Treatment Systems ("BWTS") short term certificate expiry date and the Commissioning Validation testing (Water Analysis) as per IMO BWM.2/Circ. 70.



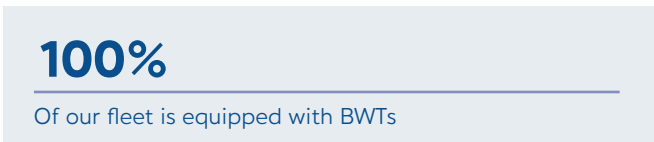
Use of eco-friendly lubricants

The last six years (since 2014) all the lubricants used by our fleet are 100% environmentally friendly chemicals in order to contribute to the effort towards the protection of the marine biodiversity.



Ballast Water Management

Ballast water reduces stresses on the vessel's hull, substituting weight lost due to consumption of potable water and fuel and changes to cargo load. The marine environment can be easily affected by the spread of invasive species when ballast water is released. In order to meet our strong commitment to the protection of the marine biodiversity and in compliance with the IMO's Ballast Water Management Convention, in 2019 we invested approximately €3 million in order to equip all our vessels with Ballast Water Treatment Systems (BWTS) aimed to remove and destroy inactive biological organisms (zooplankton, algae, bacteria) from ballast water and ensure that any discharges from our ballast operations occur in an ecologically responsible manner.



Spills and releases to the environment

Spills of fuel and lubricants into the marine environment constitute one of the major environmental risks in the shipping industry. We consider ourselves conscious of the impact such spill incidents have on maritime ecosystems and our aim is to protect life under water to the maximum extend possible. We therefore follow strict operating procedures, conduct regular risk assessments and apply high level safety standards in compliance with the current relevant legislation and our strong Health, Safety and Environmental management system in order to ensure that no harmful substances are disposed to the marine environment as a result of our operations.

During the reporting period, there were no registered oil spills or releases of harmful substances to the marine environment.

0 zero
Spills to the marine environment

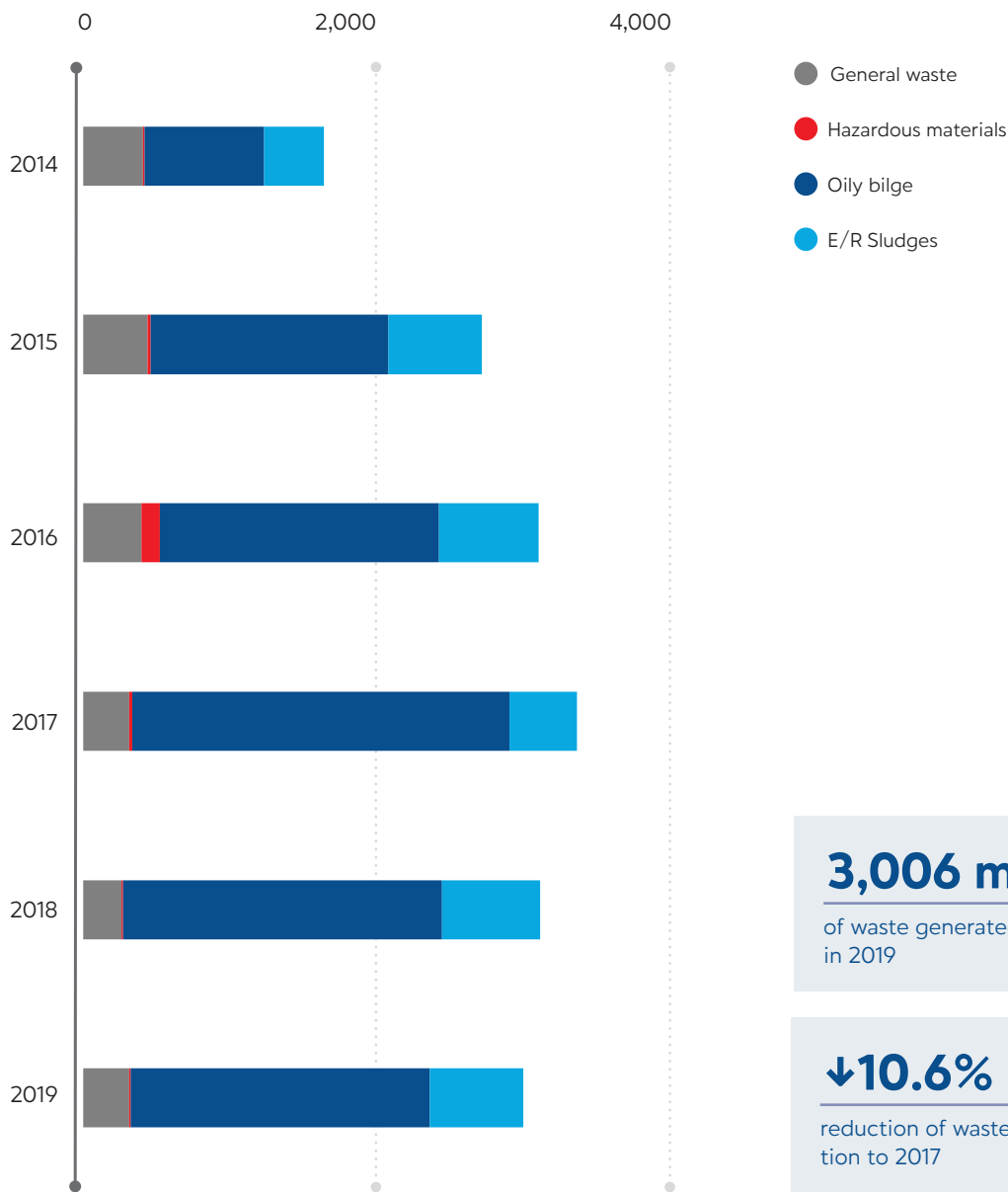


Waste management

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

Since 2014, waste generation has increased, along with the increase our fleet, with oily bilges taking up the majority of waste. Our efforts to minimize waste are evident from the fact that despite the increase of fleet size, total waste generated in 2019 is 10.6% less than 2017 volumes.

Waste generation (m³)



3,006 m³

of waste generated on-board our fleet in 2019

↓10.6%

reduction of waste generation in relation to 2017



3. Social

Related SDGs



High Health and Safety Standards

Our objectives

We consider health and safety of our employee as a critical priority. We have established a health and safety culture across all aspects of our operations in order to promote and enhance occupational safety and prevent human injuries or loss of life. Our key health objectives are:

- To achieve zero accidents and zero lost-time incidents.
- To provide for safe practices in ship operations a safe working environment.
- To access all identified risks to its ships and personnel and establish appropriate safeguards. Eliminate hazards and reduce occupational health and safety risks.
- To continuously improve safety management skills of personnel ashore and aboard ships, including preparing for emergencies related both to safety and environmental protection.
- To develop a sense of personal responsibility in all personnel towards Health and Safety.

Compliance with applicable standards

Our commitment to high health and safety standards and our strong internal control mechanisms and policies that ensure full compliance with applicable regulations resulted to zero fines and zero Port State Control ("PSC") detentions for 2019. Through our occupational health and safety management system we monitor relevant performance through a set of objectives and targets. We have also implemented the Shipboard Occupational Health and Safety Program (SOHSP), which promotes safety at sea, prevention of human injury or loss of life, avoidance of damage to the environment, particularly the marine environment and to property. During 2019 we had no incidents or accidents resulting to loss of life, permanent or partial disabilities for any of employees..

0 Fines

related to health & safety violations

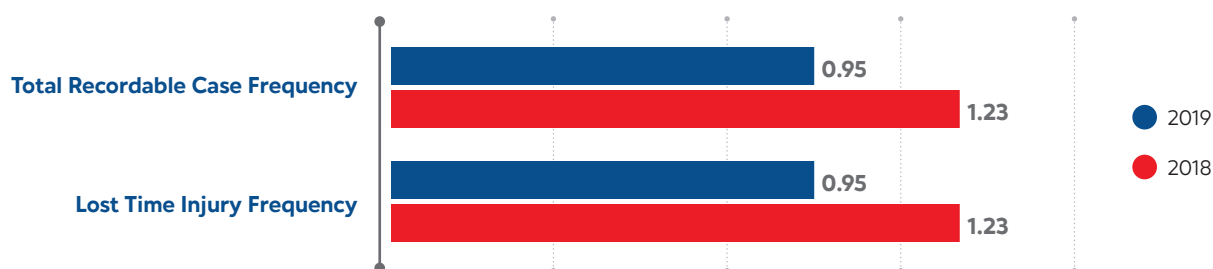
0 PSC

detentions for our vessels

0 Casualties

or severe marine accidents

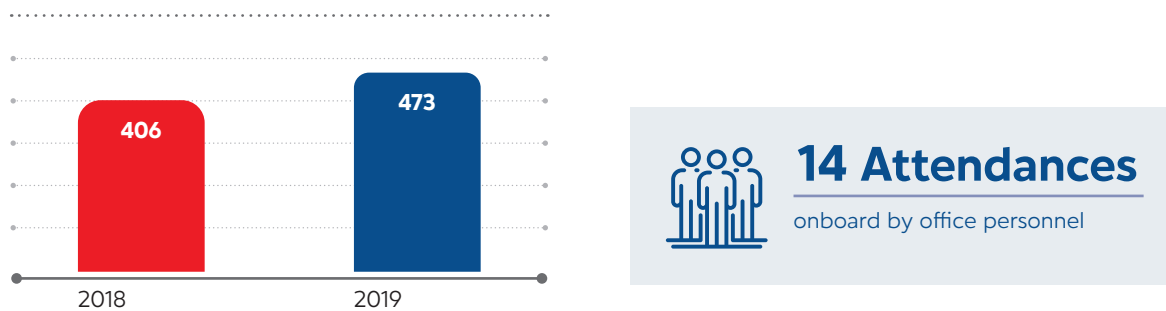
Moreover, we have significantly improved our Lost Time Injury Frequency and our Total Recordable Case Frequency ratios compared to 2018, as depicted through the below graphs:



Applying our Health and Safety Management System

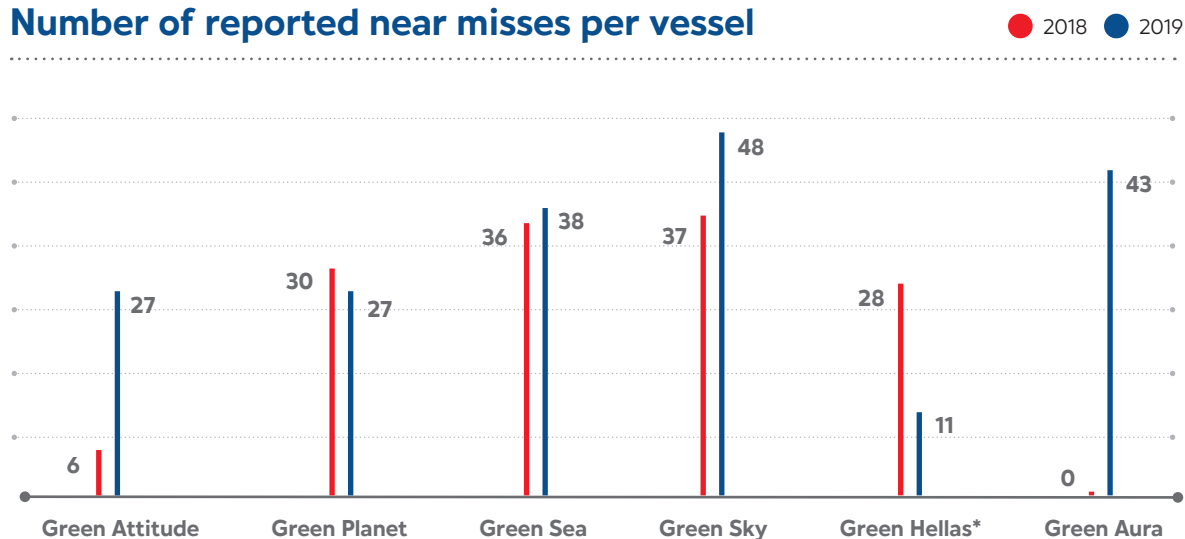
We ensure that all our employees are properly aware of our relevant policies by implementing appropriate health & safety awareness training and development programs. We ensure that our health and safety management system is effectively applied across all aspects of our operations through our monitoring mechanism that consists, among others, of on-board inspections, drills, and internal audits. We continuously try to increase our monitoring activities and apply timely corrective actions in identified deficiencies. During 2019 the number of the onboard drills was increased due to the increased number of vessels by 17%. Our total on-board attendances by office personnel were 9.

Number of on-board drills



In addition to the above, we have applied a robust near misses monitoring mechanism, which allows us to monitor how effectively our health and safety management system is designed and implemented. All vessels report near misses at least on a monthly basis. For severe near misses a root cause analysis is performed and corrective actions are taken.

Number of reported near misses per vessel



* The vessel Green Hellas was sold in May 2019.



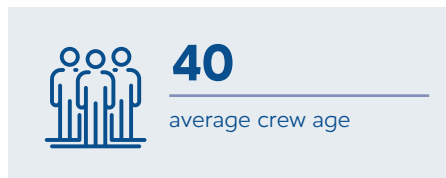
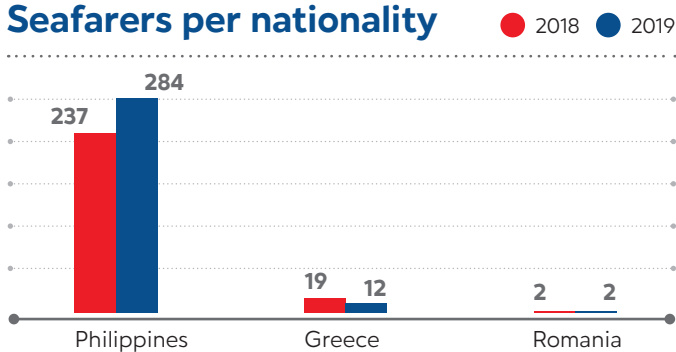
Our on-board personnel

Our crew constitutes an integral part of our business success. We value our seafarers and promote their continuous development. During 2019, our fleet grew, and the total number of seafarers was increased by approximately 13% compared to 2018. The total headcount of our seafarers as of 31/12/2019 was 298.

The majority of our seafarers are Filipinos and we also employ crew members from Greece and Romania. The average for our seafarers as of 31/12/2019 was 40 years old.

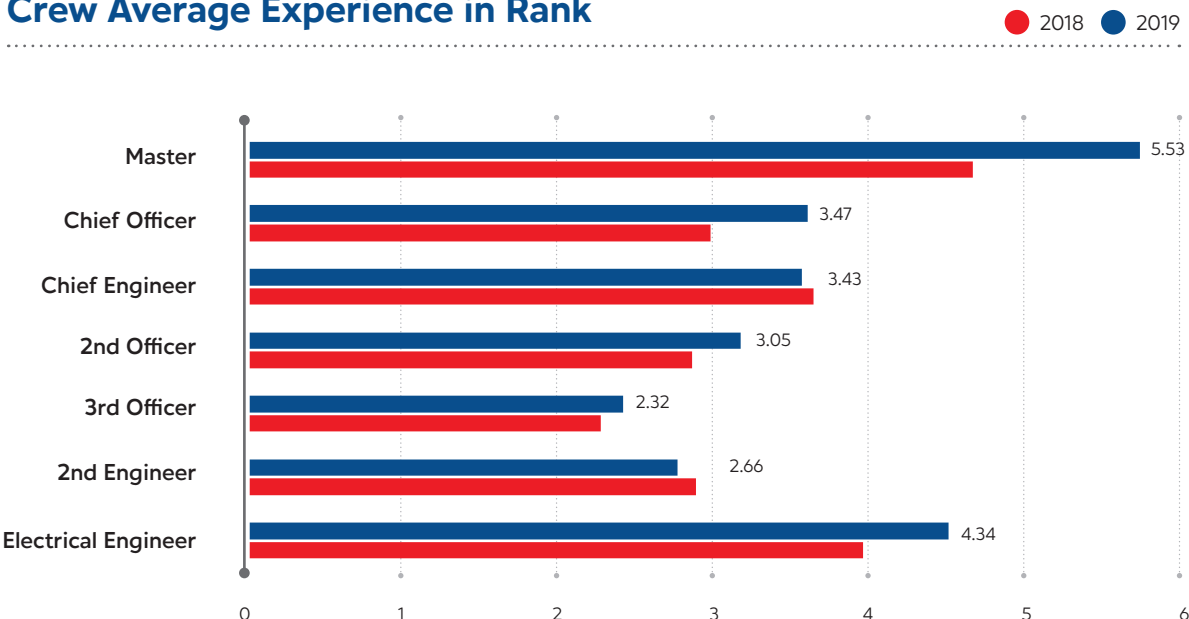
The average days on-board for Filipinos was 186 days, for Greeks 213 days and for Romanian 196 days.

Seafarers per nationality



We select carefully our crew and ensure that they have adequate experience and skills to meet our high quality and operational effectiveness standards. For 2019, the average service years per position was 3.16.

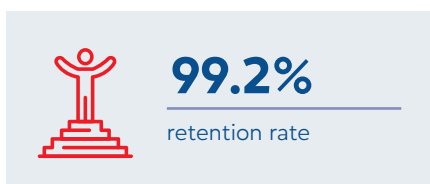
Crew Average Experience in Rank



Crew development and welfare

We focus on increasing commitment and engagement of our seafarers, while promoting opportunities for career and skills development. We want our crew to be satisfied with their work. For 2019 our crew retention rate was 99.2%, which reflects the level of on-board employees' satisfaction that we have achieved.

We believe in our crew development and enforce their career advancement. During 2019, 22 of our crew members were promoted resulting in an increase of 2% from 2018.



We have developed a continuous training program that aims to assist our staff to develop and achieve their personal goals. We support our employees with further education and we invest on their upskilling. During 2019 we spent \$ 33,076 in training programs and the total number of trainings days were 615, approximately 20% more than in 2018.



On-shore employees

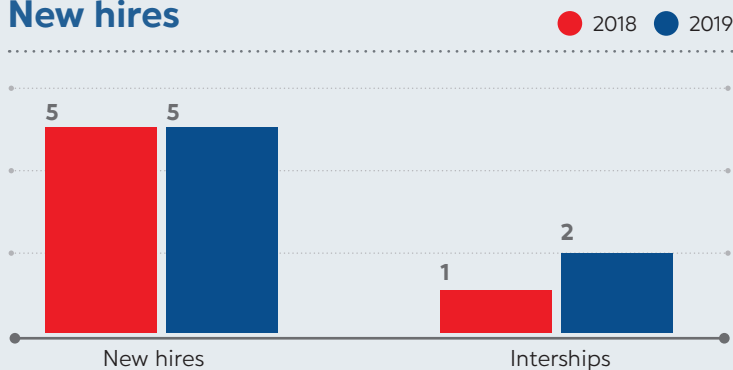
Our office personnel is key to all our endeavors. They keep our ships and our business speeding ahead. Without their sense of responsibility, their professionalism, and reliability, we would not be able to meet our business objectives and achieve client satisfaction. The total headcount for the year ended December 31, 2019 is 28 on-shore employees, under full-time contracts.

The key elements driving our people related policies and decisions are:

- To employ personnel of adequate academic background and experience for the designated position.
- To provide equal opportunities for employment and career development irrespectively of gender, nationality and religion.
- To provide equal remuneration for work of equal value without discrimination based upon race, color, sex, religion, political opinion, national extraction or social origin.
- To promote ethical behavior to its employees and other interested parties through the communication and implementation of its documented policies and procedures.

We always ensure that we employ adequate shore-based personnel committed to a high standard of performance and ethical behavior. During 2019 we increase the total number of onshore personnel compared to 2018 and had a constant new hires ratio. Moreover, our target is to maintain our shore-based retention rate always above 85%. We have managed to achieve this target both during 2018 and 2019.

New hires



Sustainable procurement practices

We aim to collaborate with reliable and qualified suppliers. We ensure that our suppliers comply with the requirements of ISO 9001:2015 or equivalent and that all supplied products, goods, parts conform to our purchase orders, contracts, agreement requirements. We also ask our suppliers whether they are certified with environmental certification i.e. ISO 14001 and whether they apply environmental practices (i.e. packing material) and if they measure their impact of their business to the environment.

Moreover, since our company is certified with ISO 22301 (Business continuity) we ask our suppliers whether their company has been certified against ISO 22301 and their current business practices and contingency measures that will enable them to achieve operational resilience in case of a natural disaster, communication failure, terrorist threat or any other operational disruption.

We place great value on maintaining sustainable and responsible long-lasting relationships with all suppliers. We achieve this through our structured selection and evaluation process ensuring that our suppliers conduct their business in accordance with our quality, ethical, environmental and social standards. We have established a wide range of evaluation criteria covering the commercial aspects (e.g. pricing, payment terms, etc.), timely and accurate quotations, on time delivery, "end-user's" overall satisfaction, accurate invoicing and problem-free P.O closeout, "after sales" customer support as well as business continuity capabilities.

In case that any supplied material under the respective P.O./contract/agreement constitutes hazardous or potentially hazardous cargo, the material and related documentation must be processed in accordance with applicable national and international transportation rules and regulations pertaining to hazardous or potentially hazardous cargo. A Material Safety Data Sheet (MSDS) must accompany each container.

Furthermore, as part of our procurement procedure we always ask to our suppliers to maximize the use of recycled cardboard boxes and biodegradable bags

We support the wider community

We – and more particularly, our principals – are involved in a wide range of community investment initiatives. These include:

- Scholarships to Aegean University, a public, multi-campus university located in Lesbos, Chios, Samos, Rhodes, Syros and Lemnos Greece.
- Scholarships to Argo, a high reputable seafarers union.
- Support of Synenosis, the Greek Shipowners' Social Welfare Company that was created as a collective platform of the maritime community for the development of social support and responsible initiatives that contribute to the country.
- Support to the Church of Greece.

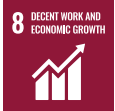


UNIVERSITY OF THE AEGEAN



4. Governance

Related SDGs



Management oversight and business risks

We have established an Executive Committee which is responsible for the day to day management of the company. The Executive Committee reports to the Board of Directors and to our Chairman. The table below depicts the members of our executive committee:

Executive officers	Role
Melissanidis George	Chairman
Hondos Nikolaos	CEO
Kechris Christos	CFO
Koraki-Fragkia Olga	Head of Legal Department
Stamoudis Dimitrios	Compliance Manager DPA
Panousi Georgia	HQSE Manager Deputy DPA/CSO
Aidonidis Lazaros	Operations Manager
Stavropoulos Konstantinos	Technical Manager
Mendrinou Stamatis	Marine Manager
Panagopoulou Eirini	Purchasing & Supply Manager
Dimakakos Ioannis	Chief Accountant

As part of establishing a strong corporate governance framework, we have identified key business risks, that may affect our vision and strategic objectives and applied actions in order to mitigate those risks. Our top risks are presented in the table below:

- Oil pollution accidents
- Loss of confidence in safety
- Violation of environmental regulations / malpractice
- Volatile Fuel Prices
- Weather Conditions (sea level rise)
- Regulations on exhaust gas from ships, containing SOx, NOx
- Personal injuries, Illness and Diseases (covid-19 related as well)
- Operational Risks
- Cyber crime
- Suspension of crew charges
- Crew Fatigue due to long service
- Crew anxiety and stress being away from home
- Delays in delivery of provisions and spares
- Overdue Surveys



Strong ethical values

We are committed to promote an honest and trustworthy working environment, both on-board our vessel and ashore. Senior Management and all employees are required at all times to implement strictly and without deviations the Company's Business Conduct and Ethics Policy. Our Management and employees are required to act honestly, ethically and fairly towards our customers, suppliers, competitors and employees. No kind of harassment, manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice should take place. According to our policy, we have zero-tolerance towards bribery and corruption, fraud and deception. Moreover, our Code includes provision for several ethical related issues, including:

- Our policy and procedures to avoid conflicts of interest.
- How we ensure confidentiality of information, in order to protect our company and our customers.
- How we protect and properly utilize our Company's assets.
- What measures we take to ensure that all employees act in a manner that promotes our Company's interests and make correct use corporate property/information

We have established mechanisms to monitor compliance and identify violations of our code of business conduct and ethics. Moreover, we expect all our employees on-board and ashore to report any actual or suspected violation of the Code to their supervisors. Failure to report relevant violations is considered as ground for disciplinary actions. During 2019 we have recorded zero similar type of violations by any on-shore or on-board personnel.

We recognize that ethical and corruption risks are also associated with our activities and in our efforts to eliminate such incidents we actively avoid port calls in areas with high corruption risks. In 2019 only 6% of our port calls were in countries that are positioned in the 20 lowest rankings of Transparency International's Corruption Perception Index (CPI).



0 violations

of our Conduct & Ethics Policy



6% port call

on low ranking countries



Our Whistleblowing Policy

All our staff are required to comply with all applicable laws and regulations, such as International Law as mandated by IMO conventions (i.e. SOLAS and MARPOL) and the National Laws of the Port State the vessel is in, as well as our internal policies and procedures. In order to identify any non-compliance incidents, we have established a whistleblowing mechanism, that allows any on-board or ashore employee to report anonymously any relevant violations, including:

- Crimes committed, suspected, or likely to be committed.
- Non-compliance incidents with legislation and/or Company procedures, particularly in relation to health and safety at work.
- Actions that damage the environment.
- Dishonesty, either verbally, written or through intentionally maintaining official log books or records inaccurately.
- Malpractice or unethical conduct.
- A breach, or likely breach, of any legal obligation or regulatory requirement.
- Miscarriages of justice.
- The deliberate concealment of any of the above.

Preventing harassment and bullying

Our Harassment and bullying policy applies to all employees and covers incidents that might occur at work (on-board and ashore) and out of the workplace, including on work trips or at work-related events or social functions. Moreover, the specific policy applies for all our sub-contractors. The key actions prevented through the provisions of the specific policy are:

- Harassment, that is a form of discrimination which has the purpose or effect of violating the dignity of a person and of creating an intimidating, hostile, degrading, humiliating or offensive environment.
- Bullying, that is a form of harassment that includes hostile or vindictive behavior, which can cause the recipient to feel threatened or intimidated. It results in a work environment in which a group of people or an individual may become threatened or intimidated because of the negative or hostile behavior of another group of people or individual. Bullying may involve a misuse of power or position and is often persistent and unpredictable. It may be vindictive, cruel or malicious. However it can also arise when a person is unaware of the effect that their behavior is having on other persons, or does not have any intention to bully.



0

zero cases of whistleblowing incidents



0

reported cases of harassment or bullying



Our response to COVID-19 pandemic

The coronavirus pandemic outbreak impacted businesses all over the world, including shipping. We understand now more than ever that preparedness is a critical factor in determining the likelihood a business will remain afloat in such challenging times and ensuring the continuity of our business is the biggest challenge. As the global situation around COVID-19 developed, we took all the necessary steps to ensure the continuity of our business and protect our people. We took timely measures both on-board our vessels and at our offices.

Indicative on-board measures included:

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

Prevention: All vessels have been provided with COVID-19 Management Plan, company's guidelines on practical protection against infection.

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

Crew change and shore leave: During the pandemic, we suspended crew changes on all vessels.

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

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

Indicative office measures included:

Frequent internal communication regarding COVID-19 and updates; development of COVID 19 Management Plan for ships.

Provision of hand sanitizers in office spaces.

Frequent precautionary disinfections to all our premises.

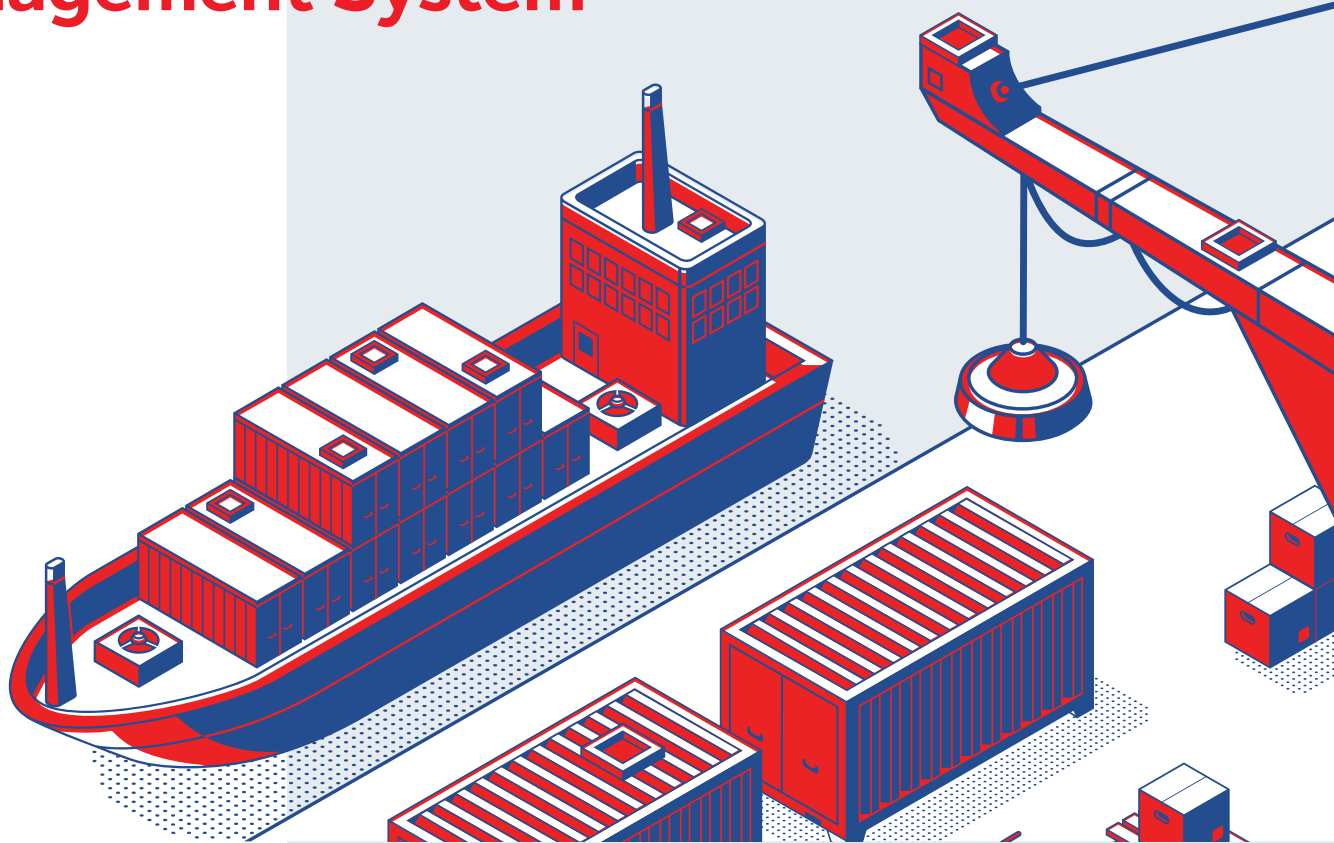
Face to face meetings and in-house trainings suspended. Social distancing was applied within premises.

Business travel was banned unless special permission granted.

Ensured that IT capabilities support remote work to cover peak and non-peak times with acceptable cyber security measures in place



Business Continuity Management System



We have designed a Business Continuity Management System (BCMS) that aims to address significant disruptions that might affect our capabilities to perform the day-to-day activities related to the delivery of our services. At this time all our activities with high risk rating results are required to have business continuity plan to address the exposures related to the following threats:

- Loss, damage or inaccessibility of business premises;
- Loss or unavailability of critical information systems;
- Loss or unavailability of key skills and or knowledge



0.43

RTO (Recovery Time Objective) achieved during annual tests for both 2018 and 2019

Our contingency plans should protect the safety of our staff, our reputation, together with continuous & reliable delivery of service to customers whilst maintaining contractual, legal & regulatory compliance. The management systems maintained by the Company include business and site specific business impact analysis, risk & exposure assessments, crisis management plans, disaster recovery plans, business continuity plans, and compliance monitoring systems.

Our business continuity initiative has been implemented with the express intention of maintaining our services to customers whilst remaining compliant with relevant laws and regulations. Therefore all business continuity arrangements are designed with these key consideration in mind; vessels, customers, regulatory bodies, agents, suppliers and all other interested parties will continue to have access, through normal channels (via telephone, fax and e-mail), to their key contacts within our organisation, and the ability to do business despite the fact that we may be experiencing a significant business disruption.





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