



*GreenFleet*

AEGEAN SHIPPING  
**ESG REPORT**

**2021**

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# Message from our Chairman



**George Melisanidis**  
*Chairman of Aegean Shipping*

**T**he year 2021, was another turbulent year for all industries across the world. During these unprecedented times, we were forced to rethink and find new ways of implementing our "business as usual", become agile and adaptable and focus on building effective response strategies and plans. Having as a top priority to keep our people safe, we responded proactively to all challenges and took the necessary steps and measures, by following the relevant guidance, recommendations and regulations, resulting for a consecutive year in zero COVID-19 incidents on-board and ashore.

In addition, the global Shipping Industry is currently undergoing a major transition process. Thus, we are unequivocally committed to the IMO's strategy and recognize the need to adopt new fuel efficiency technologies and operating practices. Specifically, some of the next big challenges that we will face as a company include achieving "Net Zero Emissions" and climate neutrality, adapting to technological changes, and dealing with the increased demand for Environmental, Social and Governance performance transparency and disclosure.

We place great emphasis on implementing any upcoming regulations in an effective and proactive manner, while also remaining at the forefront of the rapidly evolving complex maritime industry developments. For instance, cyber security has become a major issue nowadays. We understand that our business is highly vulnerable to cyberattacks and thus, our aim is to follow industry's guidelines and apply measures that helps us protect our operations from such threats. In compliance with the new safety rules, we have strengthened the cyber security on-board our vessels.

An additional core element of our company's mission is the integration of ESG into our business strategy. We align with

the United Nations Sustainable Development Goals, and focus on the protection of the marine environment and the improvement of social prosperity. Most importantly, environmental stewardship is on the top of our strategic priorities given the continuous eco-investments in our "Green Fleet", which utilizes cutting-edge technologies to continuously reduce its environmental footprint.

We, also, feel proud of the commitment and professionalism of our seafarers, ashore employees and executives as we are always striving to ensure a safe, secure and fair working environment and promote diversity and professional development.

Our business strategy is focused on investing in modern and energy efficient vessels with low emissions and minimal environmental impact, while offering the best value proposition and maintaining strong long-lasting relationships with clients and financial institutions. Meeting or exceeding our customers' requirements and expectations, while continually enhancing our operational efficiency, is key for our daily activities.

Overall, the year 2021 was another successful year for Aegean Shipping with strong commercial and economic results, in line with our vision and focus on sustainable growth and operational excellence.

In our third ESG report, we present our approach and actual performance on the Environmental, Social and Governance issues that are most material to our operations and our stakeholders.

**We make this report publicly available in order to increase transparency and meet the expectations of our stakeholders.**

*George Melisanidis*



# About this Report



**T**his is our third Environmental, Social and Governance ("ESG") report, which reflects our commitment to a business strategy that integrates sustainability, social responsibility and ethical governance along with highest quality of services.

This Report highlights our performance, initiatives, and progress in 2021, on a variety of ESG issues, that have the most impact for our business partners, stakeholders and employees.

**Through this Report we share our efforts for creating value for our stakeholder**



## Employees

We consider the health, safety and welfare of our people as a top priority



## Clients

We aim to create value for our clients and meet their requirements and expectations



## Community

We are committed to corporate philanthropy and social responsibility

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

01.01  
2021

31.12  
2021





# 1. About Aegean Shipping



# Aegean Shipping at a glance

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



**>27 years** of presence  
in the shipping market



**\$ 57 mil revenue**  
in 2021



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



Our **"Green Fleet"**  
continues to surpass  
regulatory requirements



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



**4 Aframax on order**  
to be delivered Q1 2023



**>450 employees**  
onboard and ashore



**0 violations**  
of ethical codes and policies



**>97%** Vessel utilization rate  
in 2021



**>600,000 nautical miles**  
travelled in 2021



**3,921 operating days**  
in 2021



**6.8 mil metric tonnes**  
cargo carried in 2021



# Company Profile

We aim to be a leader in innovative shipping, employing the most advanced technologies that offer the best value proposition for our clients, the best performance at sea, and the best returns for our environment.

**Aegean Shipping refers to the brand under which Aegean Shipping Management S.A. (ASM) and Aegean Eco Carriers S.A. (AEC) provide ship management services to principals' ships that serve both the dry and wet cargo shipping markets.**

## Our approach

We incorporate social and environmental considerations in our strategy with the objective to minimize any environmental liabilities, as well as to operate with respect to human rights and their universality.

As part of our strategy, we have invested in the following areas:



**Deploying cutting-edge technology**



**Protecting our human resources**



**Aligning our fleet with international standards**



**Reducing CO<sub>2</sub> emissions**

Yet, the focal point of our strategy is our ability to quickly adapt to the rapidly changing market conditions, as well as to the shipping sector's increased cyclicity.

To respond to such challenging circumstances, we follow a dynamic approach to ensure effective ship operations while taking action to mitigate climate change.

## Our business

**At Aegean Shipping, we operate a modern and diversified fleet of oil/chemical tanker ships and dry-bulk carriers, deployed internationally to transport cargo for reputable international charterers.**







## Our Competitive Advantage

# 3 years

Average age of our fleet  
as of December 31, 2021

# > 1 million dwt

Total fleet capacity

**O**ur Green Fleet consists of newly built, eco-type, oil tankers and bulk carriers that comply with the highest standards for environmental protection and incorporate cutting-edge technologies that provide us with a marked competitive advantage across the shipping industry, offer the best value proposition for our clients, while also reducing our environmental impact.

Our Green fleet incorporates innovation, state of the art anti-pollution technology and reduced fuel consumption and 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 new building 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 CO<sub>2</sub> 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.

Vessel name	Type	Deadweight (T)	Age built
M/T Green Planet	Oil / Chemical tanker	50,844	2014
M/T Green Sea	Oil / Chemical tanker	50,927	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/T Green Admire*	Crude / Product carrier	114,377	2022
M/T Green Adventure*	Crude / Product carrier	114,319	2022
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

### Eco Advantage



Innovative Samsung Vibration and Energy Reduction Fin



Increased speed and power performance, and reduced hull vibration



Samsung Asymmetric Rudder Bulb SARB



Newest electronically engine propulsion



Advanced led lighting



Protected Oil Tanks



Ballast Water Management System of Electrolysis Disinfection type

Our Green Fleet is a vivid example of the pioneering initiatives we undertake to protect the environment, prevent marine pollution, and use resources responsibly.

**As of the release day of this report we operate a fleet of seven (7) newly built, eco-type, oil tankers and six (6) dry bulk carriers, with total carrying capacity of more than 1 million tonnes.**

\* M/T Green Admire was successfully delivered on June 2022 and M/T Green Adventure was successfully delivered on September 2022, both vessels are built to highest standards of environmental compliance and energy efficiency.





# 2021 Performance Highlights

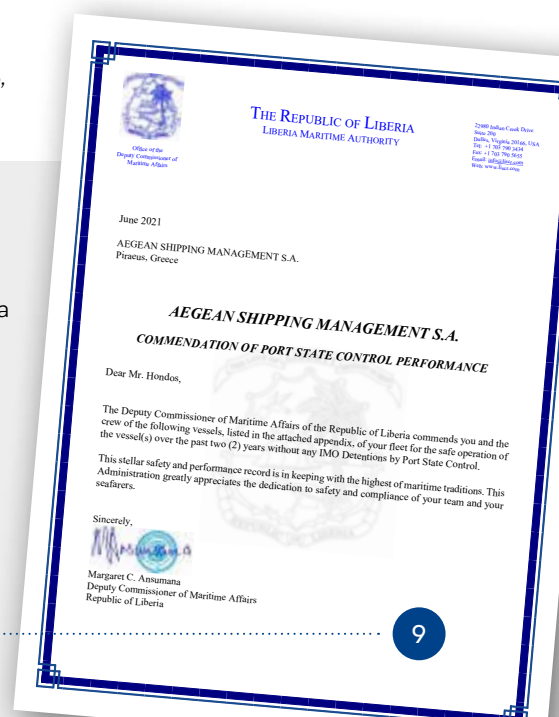
A sustainable business –  
for our employees,  
our customers and the  
community

ENVIRONMENTAL	SOCIAL	GOVERNANCE
↓ 6% in average EEOI of our fleet	62.5% of our onshore employees are women	<b>ZERO</b> violations of ethical codes and policies
↓ 10% In average AER of our fleet	99.8% crew retention rate	<b>ZERO</b> whistleblowing incidents
↑ 9% In total CO <sub>2</sub> emissions of our fleet*	338 training courses	<b>ZERO</b> cybersecurity incidents
<b>ZERO</b> spills to the marine environment	<b>ZERO</b> Lost Time Injury Frequency & Total Recordable Case Frequency	
	<b>ZERO</b> COVID-19 incidents	

\* The vessels Greek K-Max 2, Greek K-Max 3, Greek K-Max 4, Greek K-Max 5 and Greek K-Max 6, were delivered during 2020 and were not in the water for the whole year.

## Commendation Letter for Aegean Shipping Management

In June 2021, the Deputy Commissioner of Maritime Affairs of the Republic of Liberia issued to Aegean Shipping Management team and vessel's crew a Commendation Letter for their commitment to safety onboard, their dedication to maritime safety, and the excellent performance displayed by Company's flawless record of zero IMO detentions by Port State Control over the past two years.



# Creating value

We aim to create and deliver value for our stakeholders and the society while ensuring the sustainable development of our company.

Vital components of this process are the following:

Our foundations	Resources we rely on	We share value with
<p><b>Human capital – Our people</b></p> <p>Our employees form the backbone of our organization and deliver high quality services in support of our customer needs.</p> <p><b>Our Company</b></p> <p>For more than 27 years we forge strong bonds with our clients and partners, responding to their demand for impeccable global trade services.</p> <p><b>Stakeholder relationships and partnerships</b></p> <p>Our peers and partners are of paramount importance to us. Together we can drive sustainable development for our Company.</p>	<p><b>Natural resources</b></p> <p>Raw materials and fuels.</p> <p><b>Our Fleet</b></p> <p>Our fleet serves our customers with reliable trade solutions.</p> <p><b>Financial Capital</b></p> <p>Steady and strong financial performance.</p> <p><b>Technology</b></p> <p>We utilize technology to optimize our operations and serve our customers more efficiently.</p>	<p><b>Our customers</b></p> <p>Customers are at the epicentre of our activities; we facilitate them with the realisation of their business goals through our services.</p> <p><b>Our team</b></p> <p>Our skilled team and our work ethics ensure our success. Safeguarding their health, safety and wellbeing are among our top priorities.</p> <p><b>Society</b></p> <p>We support societies via our business initiatives and sustainable trade.</p> <p><b>Our home – the planet</b></p> <p>We take active steps to mitigate our impact on the environment by decarbonising our fleet.</p> <p><b>Shareholders</b></p> <p>We deliver shareholder value through our resilient business activities.</p>



# Creating value for our customers



## Increasing our financial performance

Reliable and long-lasting relationships with reputable charterers are at the core of our value proposition.

We implement a robust commercial strategy and a proactive approach in identifying and managing the risks and opportunities related to our operations that enhance our financial performance and provide us with a marked competitive advantage.

## Increasing efficiency in our operations

In 2021, our end-to-end operational efficiency and performance continued to grow. We managed to expand our global reach and extend the scale of our operations.

Specifically, compared to 2020, we carried 35% more cargo, travelled 6% more miles, visited 260 countries, and reached 54 additional port calls. We maintained our fleet utilization rate high, attaining a 97.7% rate despite global supply chain disruptions.

We had zero complaints or claims for cargo related matters from our charterers throughout the year.

Description	2019	2020	2021
Vessels in operations	6	11	11
Operating days*	1,890	3,597	3,921
Utilization rate	92.44%	99.77%	97.77%
Distance travelled (nm)	313,401	567,996	603,861
Cargo carried (mt)	3,191,766	5,096,402	6,886,389
Port Calls	177	277	331
Countries visited	143	200	260
Cargo complaints and claims	0	1	0

\* Vessels Greek K-Max 2, Greek K-Max 3, Greek K-Max 4, Greek K-Max 5 and Greek K-Max 6, were delivered during 2020 and they were not operating for the whole year.

# 2.6%

Increase in revenue in 2021

# >97%

Vessel's utilization rate





# 2. ESG at Aegean Shipping

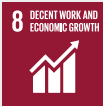











# Our Vision

We are committed in integrating Environmental, Social and Governance (ESG) issues in our business strategy and we create value to our stakeholders through a holistic approach, that has as a top priority the protection of the environment and the wellbeing of our people.

**E**SG matters have become increasingly important to all our stakeholders. We have embedded our key areas of impact and those of our industry, as well as the issues identified considered critical to our stakeholders, in our business strategy.

We aim to reduce the impact of our operations to the environment, to continue to follow the highest standards for the health and safety of our employees and to improve the diversity and inclusivity in our workplace.

Our Commitments				
	Business ethics and corporate governance	Employee health, safety, and development	Green technology	Low carbon footprint
Sustainable Developments Goals (SDGs)	 	   	   	
Dimensions	Compliance with regulations and implementation of corporate governance best practices	Establishment of a safe working environment	Investments in a Green Fleet that incorporates cutting-edge technologies	Strategic focus on the reduction of greenhouse gas emissions by 2030 and 2050
	Assessment and management of ESG risks and opportunities	Provision of support to the professional development of our employees	Exploration of additional efficient technologies onboard our vessels	Continuous monitoring of environmental performance
	Promotion of sustainable business practices across our employees and partners	Promotion of equal opportunities within our workforce		Investments towards achieving waste reductions
Commitments	Monitoring of climate-related risk associated with our operations	Zero accidents and continual reduction of personal accidents onboard our fleet	Reduction of fleet's carbon intensity following industry's goals:	
	100% of suppliers selected based on ESG criteria by 2025	Zero occupational diseases		Elimination of food waste onboard
	Participation in ESG ratings	Maintain an average retention rate of min 75%		0.2% reduction of paper and electricity consumption annually
	Introduction of women seafarers to the fleet	Zero number of seafarer's complaints regarding food, water quality and living conditions		80% reduction of plastic use onboard by the end of 2024
	Introduction of a pension plan for our employees ashore during 2022			Introduction of a water filtration system in our headquarters



## Aligning with the United Nations Sustainable Developments Goals (SDGs)

We recognize that our business is inherently connected to a multitude of opportunities to promote sustainable practices within the maritime transportation sector. As such, we are aligned with the aspirations of the International Maritime Organization (IMO) for a more sustainable future and thereby committed to contribute towards attaining the United Nations Sustainable Development Goals (UN SDGs). Thus, our aim is to progressively incorporate these principles in the way we do business and contribute to the creation of a more sustainable future.



## Focusing on what matters the most

At Aegean Shipping, we believe that sustainability considerations cannot be examined separately from our overall business strategy; in fact, our ESG practices and operating model are strongly correlated and influence one another. Therefore, we place our efforts towards understanding which ESG issues are considered most material to our company and its stakeholders, both internal and external.

For the purposes of this report, we conducted an online survey with the participation of a representative sample of our key stakeholder groups and requested from them to evaluate 23 material topics, related to our operations, based on their level of importance. Through this exercise, we elicited their viewpoints regarding the aspects considered as most important for the success and wider positive impact of our company.

To obtain a high-level understanding of how our stakeholders perceive the overall ESG framework, and how they expect it to evolve in the following years, we requested our stakeholder's feedback in two additional questions.

All our stakeholders believe that the ESG factors will play a significant role in the industry over the next years. While, they ranked the importance of the three broad categories (E, S, G) as follows:

**83% of our stakeholders consider the Environment category to be as most important,**

**55% evaluated the Social category as most important and**

**69% evaluated the Governance category as most important.**

### Material issues identification

- Review of international sustainable development standards and industry initiatives.
- Identification of industry specific trends and best practices.
- Assessment of company specific issues

### Evaluation and prioritization

- Online survey with the participation of a representative sample of key stakeholder groups.
- Evaluation of the material issues based on their impact to the business and their associated risks and opportunities.

### Validation and alignment

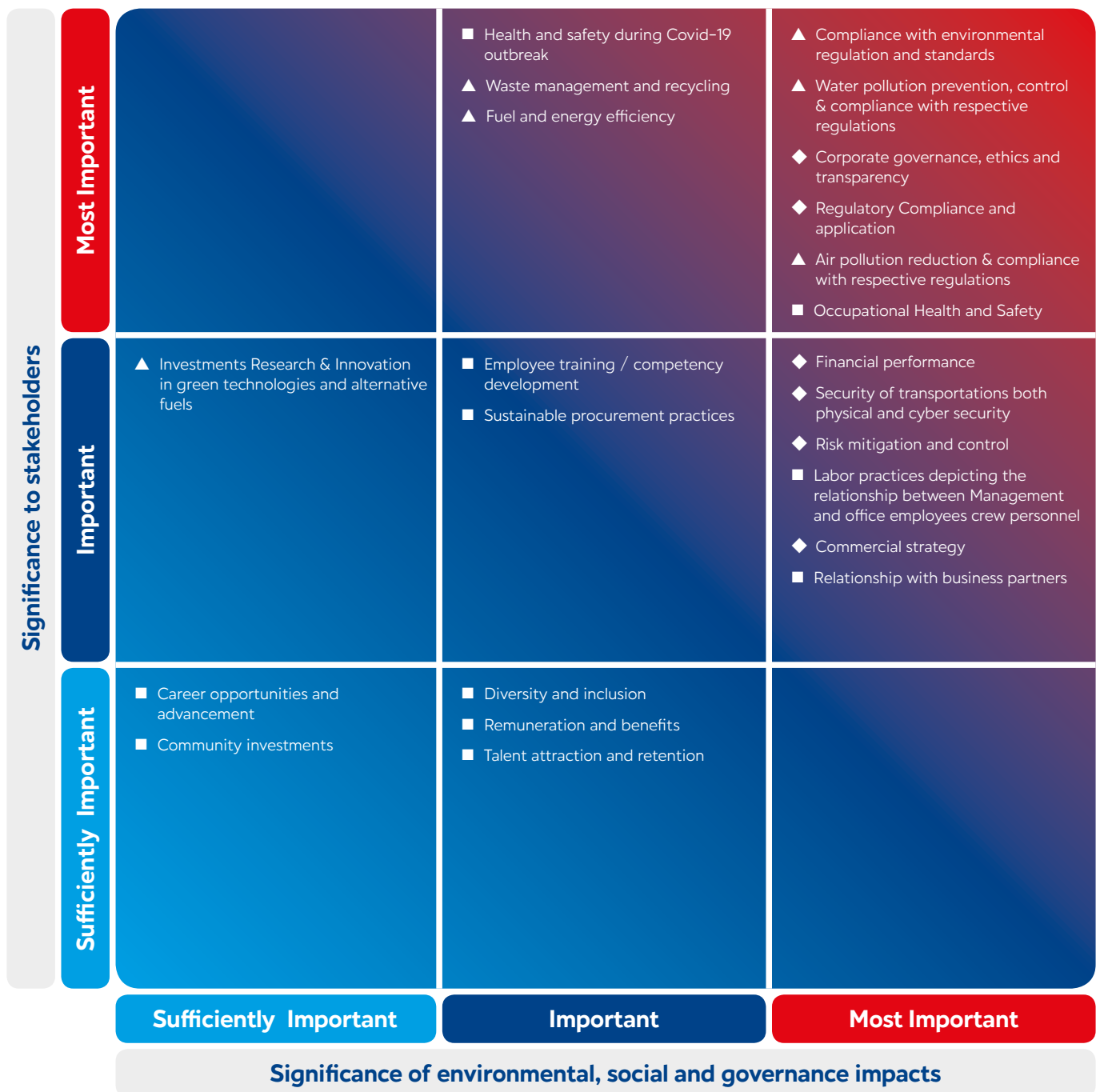
- Analysis of the online survey results.
- Creation of the materiality matrix, combining the input received from the internal and external stakeholders





# Materiality Matrix

Based on the results of the analysis, 15 material issues were identified as most important, 6 as important and 2 as sufficiently important, for us and our stakeholders.



▲ Environment    ■ Social    ◆ Governance



# 3. Environmental sustainability & climate change



## Value creation

Our investment in cutting-edge technologies has not only reduced our impact on the environment but also allowed us to operate more efficiently, minimizing air and sea pollution and protecting marine life.



**S**hipping is considered to be the most efficient and cost-effective mode of transport for international trade. However, due to the scale of the sector, the increased emissions have a major impact on the environment (approximately 3% of global GHG emissions).

**I**n the struggle to curb climate change, the shipping industry is called to reduce greenhouse gas emissions by 2050 with an intermediate goal for 2030 and comply with increasingly strict regulatory environment, adopted by the International Maritime Organization (IMO) and the European Commission.

We aim to maintain our operation's impact on the environment as low as possible. To achieve this, we follow the highest environmental standards, apply targeted measures and adopt latest technology solutions that reduce our carbon footprint and comply with applicable regulations.

## **Our energy and environmental policy and management system**

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We are committed to protecting the environment and we strive for continual performance improvement to every aspect.

### **Our energy and environmental policies, include:**

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- Control mechanisms for pollution prevention.
  - The integration of the Environmental Management System and Shipboard Energy Efficiency Management Plan (SEEMP) into our company's business processes.
  - Environmental incident prevention procedures as well as emissions and waste streams controls.
  - Reviews of our energy and environmental management system that ensure it achieves its targets onboard and ashore.
- 





# Our measures

## Our measures to minimize our operation's impact to the environment

We are committed to reduce the greenhouse gas emissions linked to our operations and meet industry's goals.

We have implemented a variety of innovative solutions to cut our emissions and improve our fleet's energy efficiency onboard our vessels:

### Onboard



- **CO<sub>2</sub> emissions.** The introduction of new technologies has significantly reduced the emissions of our new buildings, compared to previous generation vessels.
- **Eco-friendly materials** are used when available (paints, lubricants, chemicals).
- **Minimization of relevant forwarding activities.**
- **Increased energy efficiency** throughout our fleet by embracing energy saving technologies (energy saving devices, led lighting systems).
- **Elimination of single-use plastics on board our vessels.** We have also committed to eliminating single-use plastic bottles on board all our vessels by 2024, a measure that we have already implemented on shore.

We acknowledge that operations ashore contribute to our overall environmental footprint, and therefore we have taken action to achieve our goal, more specifically:

### Ashore



- **Reduced electricity consumption** by applying energy saving measures in the operation of computers, information systems and their peripheral subsystems.
- **Reduction of single-use plastic** by replacing single-use plastic bottles with water bottles in our office area.



# Energy Efficiency



## Energy Efficiency Operational Indicator (EEOI)

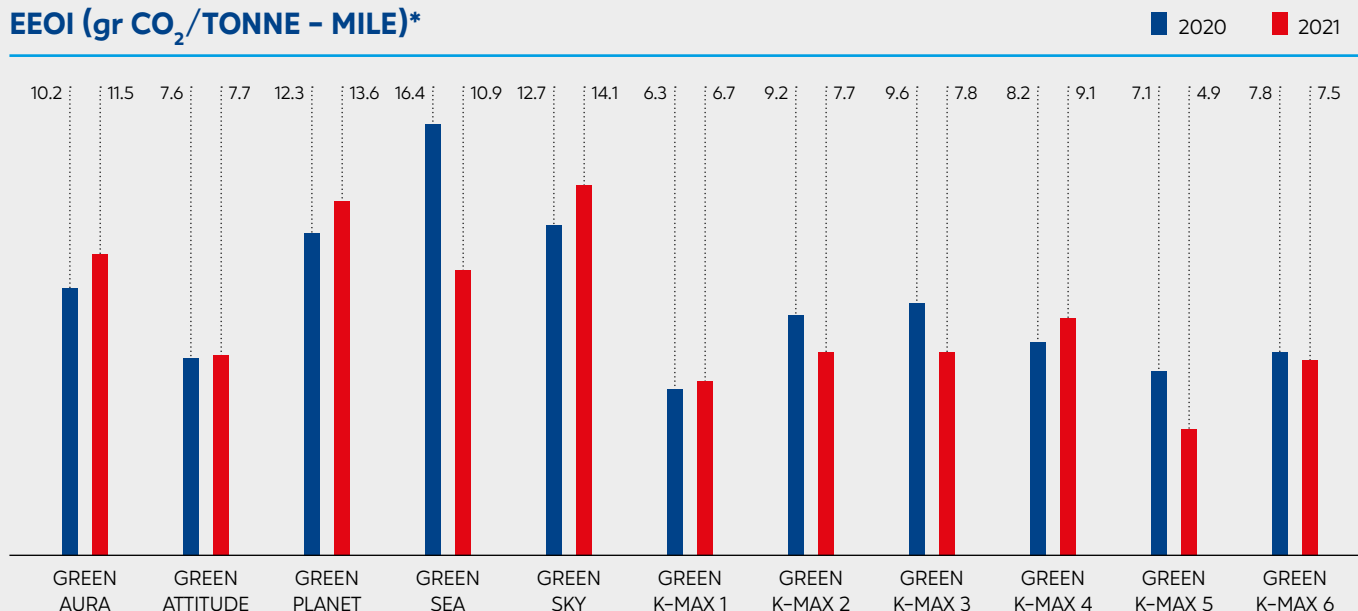
**W**e closely monitor the Energy Efficiency Operational Indicator (EEOI) set out by the IMO (Guideline MEPC.1/circ.684), to measure our fleet's energy efficiency and evaluate the impact of the technical measures and operational enhancements applied onboard.

EEOI is calculated as the ratio of mass of CO<sub>2</sub> emitted per unit of transport work (gr CO<sub>2</sub>/tonnes\* miles travelled). The average EEOI of our overall fleet in 2021 was 9.21 g/CO<sub>2</sub>/nm, recording an 6% decrease in comparison to 2020 when our average EEOI was 9.76 g/CO<sub>2</sub>/nm.

Our fleet's average EEOI for 2021 is 21% lower than the industry average (11.67 g/CO<sub>2</sub>/nm)<sup>1</sup>.

<sup>1</sup> Based on the IMO's 2020 GHG Study, published in July 2020

## EEOI (gr CO<sub>2</sub>/TONNE - MILE)\*



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

**9.21**  
gr CO<sub>2</sub>/tonne - mile

Average EEOI of our fleet  
for 2021

**↓ 6%**  
EEOI

Average EEOI of our  
fleet compared to 2020

**↓ 21%**  
lower EEOI

Compared to industry  
average



# Energy Efficiency



## Energy Efficiency Design Index (EEDI)

**T**he Energy Efficiency Design Index (EEDI) per vessel, mandatory for new ships at MEPC.263(68), is a technical measure that evaluates the energy efficiency of the vessel by design (equipment and engines). EEDI is expressed in grams of carbon dioxide (CO<sub>2</sub>) per ship's capacity-mile and is calculated by a formula based on the technical design parameters of the ship.

All of our vessels continue to attain lower EEDI compared to the minimum requirements.

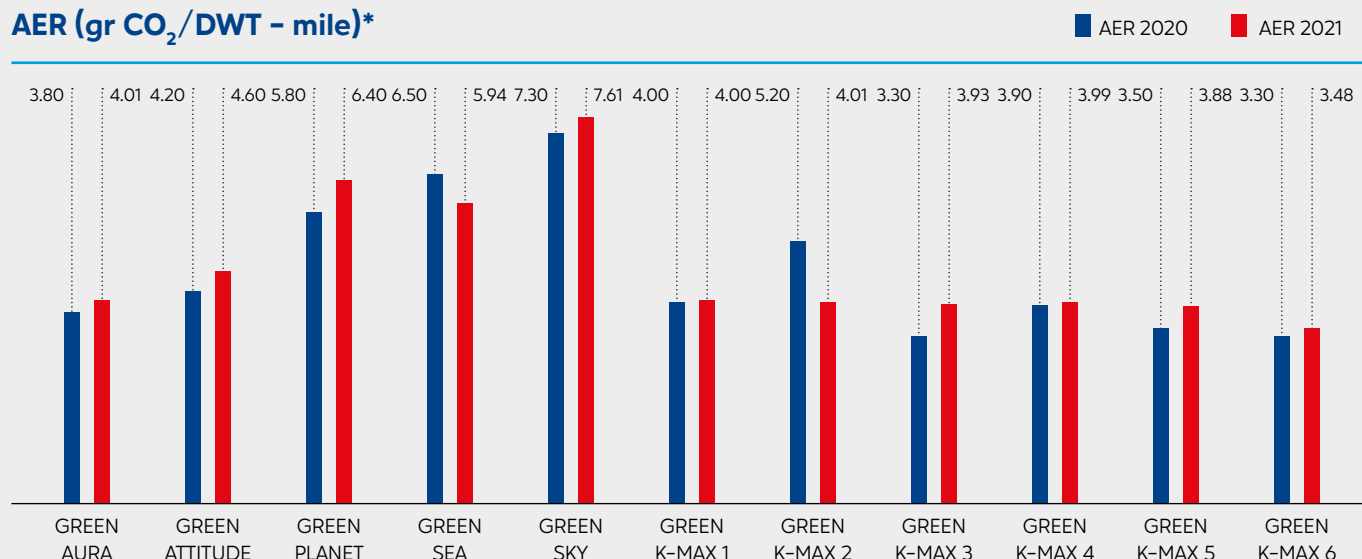
**3.79**  
gr CO<sub>2</sub>/tonne - mile

Average fleet EEDI

## Annual Efficiency Ratio (AER)

The Annual Efficiency Ratio (AER) is an additional carbon intensity metric calculated in accordance with the Poseidon Principles, which is used for the assessment of the energy performance of vessels. AER is reported in grams of CO<sub>2</sub> per DWT - mile.

### AER (gr CO<sub>2</sub>/DWT - mile)\*



\* Vessels Greek K-Max 2, Greek K-Max 3, Greek K-Max 4, Greek K-Max 5 and Greek K-Max 6, were delivered during 2020 and they were not operating for the whole year.)

The average AER for our fleet in 2021 was 4.71 grams of CO<sub>2</sub>/DWT - mile, reduced by approximately 10.4% in comparison to 2020, despite to the growth of our operations.

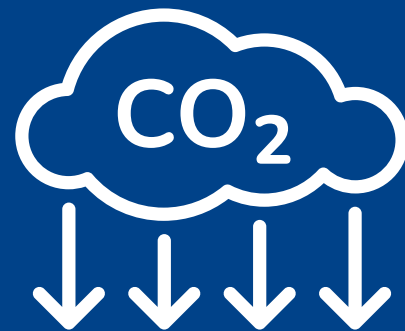
## Energy consumption ashore

We aim to manage and reduce the footprint of our operations both ashore and onboard and apply specific measures to reduce the electricity consumption. In 2021, the office consumption ashore was increased by approximately 0.2% in comparison with 2020, due to return to the office (from remote working) of our employees.





# Reducing Emissions



**W**e follow the reporting requirements set by the European Union's Monitoring, Reporting and Verification (MRV) system, and the IMO's Data Collection System (DCS) on fuel consumption, to better monitor our emissions and environmental footprint.

## IMO 2020 – reduction of sulphur limit

On January 1st, 2020, the sulphur limit outside designated emission control areas was reduced to 0.50% m/m (mass by mass) from 3.50% by IMO regulation. In compliance with IMO 2020, we continue to use marine fuel oil that meets the required sulphur content.

# 100%

of our fleet comply with IMO 2020

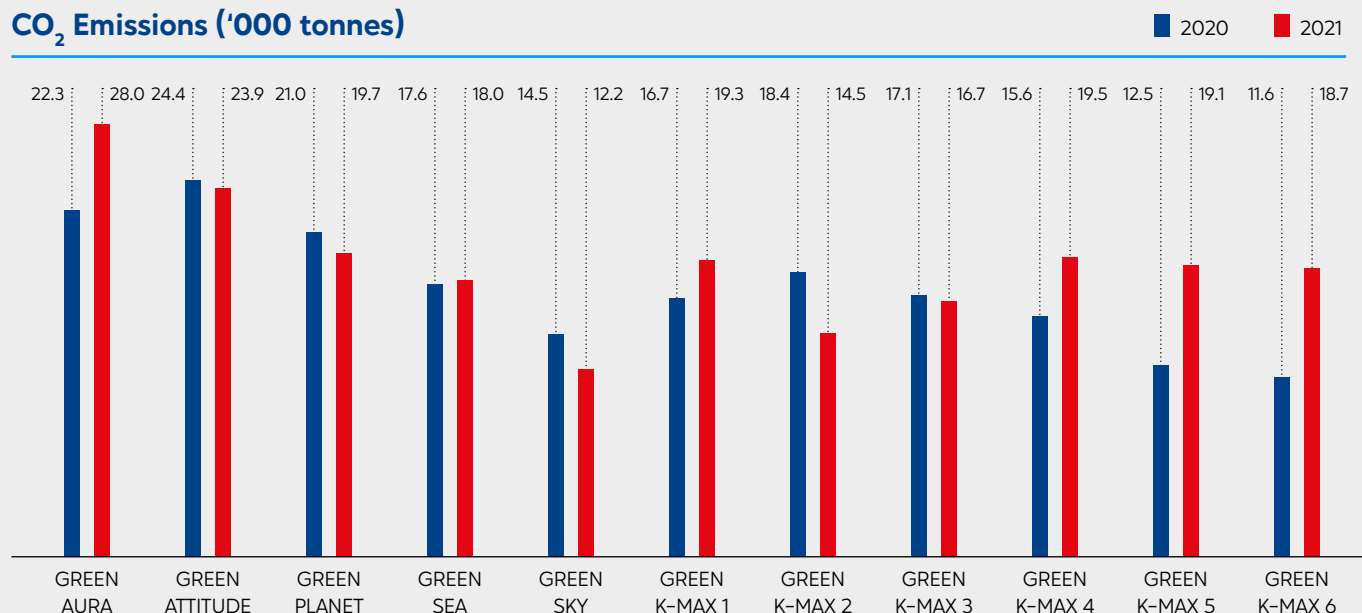
## Installation of Exhaust Gas Cleaning Systems

We have installed Exhaust Gas Cleaning Systems (EGCS) in two of our vessels (Aframax), improving upon our decision to switch from HFO to VLSFO.

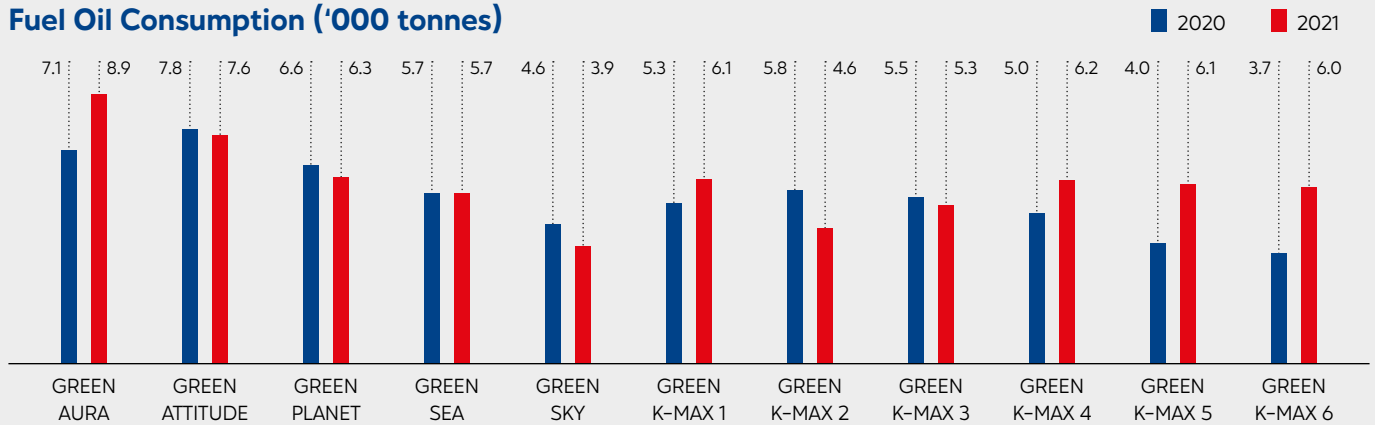
## CO<sub>2</sub> emissions

In 2021, our fleet emitted 209,503 tonnes of CO<sub>2</sub> from the consumption of 66,707 tonnes of fuel (HFO, LFO and MDO/MGO), indicating a 9% increase in our total fleet emissions, considering vessels Greek K-Max 2, Greek K-Max 3, Greek K-Max 4, Greek K-Max 5 and Greek K-Max 6, were delivered during 2020 and were not in the water for the whole year.

## CO<sub>2</sub> Emissions ('000 tonnes)



## Fuel Oil Consumption ('000 tonnes)



**66,706 tonnes**

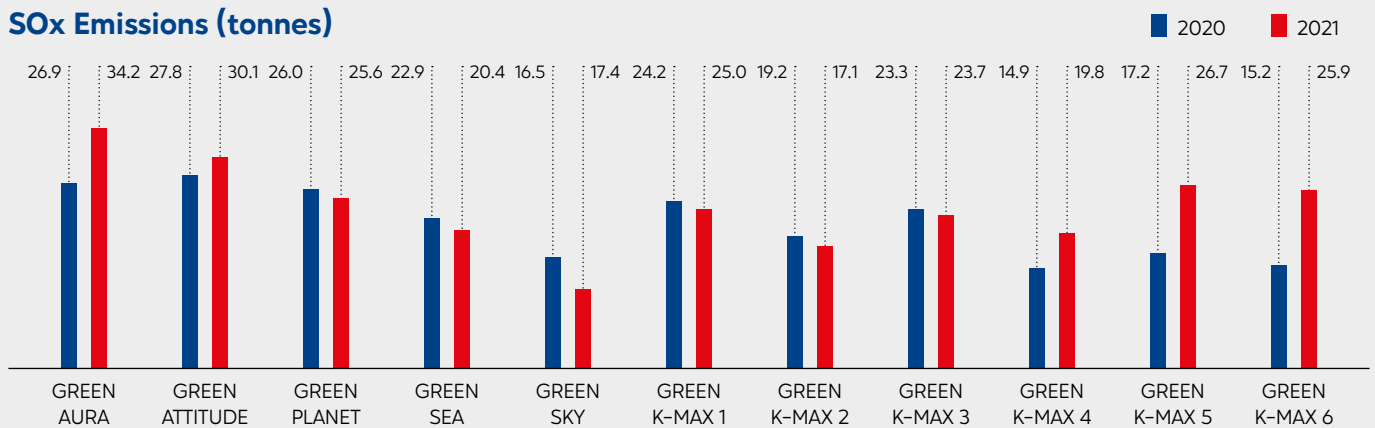
HFO (tonnes) 37,215 • LFO (tonnes) 17,013 • MDO/MGO (tonnes) 12,479

total fuel consumed in 2021

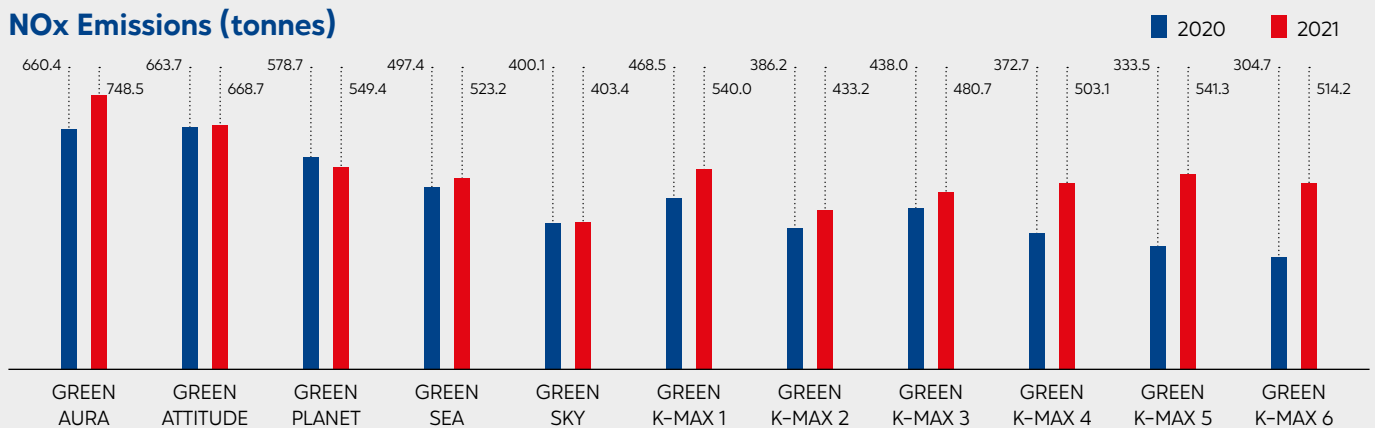
## SOx and NOx emissions

Overall, our fleet emitted 266 tonnes of SOx and 5,906 tonnes of NOx in 2021, recording a 13.5% and a 15.7% increase respectively, due to the growth in our operations over the past year (vessels Greek K-Max 2, Greek K-Max 3, Greek K-Max 4, Greek K-Max 5 and Greek K-Max 6, were delivered during 2020 and they were not operating for the whole year).

## SOx Emissions (tonnes)



## NOx Emissions (tonnes)



**266 tonnes SOx**

emitted by our fleet in 2021

**5,906 tonnes NOx**

emitted by our fleet in 2021



# Protecting the Marine Environment



## IMO Ballast Water Management Convention

In September 2017, the International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention), set the standards for the sustainable management of ballast water and sediments, controlling the spread of harmful marine species.

In compliance with this regulation and honouring our commitment to sustainable shipping practices, we decided to invest to the retrofit of all our vessels with approved Ballast Water Treatment Systems (BWTS) during 2021.

Ballast Water Treatment Systems (BWTS) enable the removal of inactive biological organisms (zooplankton, algae, bacteria) from ballast water and ensure that discharges from our ballast operations are ecologically responsible. To further improve our performance, we continuously train our seafarers on the BWT systems installed onboard.

## Eco-friendly lubricants

All the lubricants used by our ships are 100% environmentally friendly, a commitment we've been upholding since 2014.

## Spills and releases to the environment

Our strong Health, Safety and Environmental management system maintains our high-level safety standards, surpassing compliance with applicable legislation. Our strict operating procedures and regular risk assessments highlight our commitment to protecting the marine environment.

## Ship recycling and Inventory of Hazardous Materials (IHM)

Requirements for a structured system to control hazardous materials onboard ships (for the Safe and Environmentally Sound Recycling of Ships) came into on December 31<sup>st</sup>, 2020, when new requirements regarding the Safe and Environmentally Sound Recycling of Ships (on the control of hazardous materials onboard) came into effect. We comply with both the International Maritime Organization's Hong Kong (HK) Convention for the Safe and Environmentally Sound Recycling of Ships and the EU Ship Recycling Regulation (EU SRR).

**All our vessels hold a Class-approved Inventory of Hazardous Materials (IHM)**, and when decommissioned in a certified ship recycling facility, they will be recycled efficiently and safely.

# 100%

of our fleet is equipped with BWTS

# 100%

of our fleet uses environmentally friendly lubricants

# 0

spills to the marine environment



# Efficiently managing waste



**A** waste management system's primary function is to control, manage and dispose all types of waste generated onboard. This system helps us monitor the three main types of waste generated (garbage, sludge and bilge), while ensuring that all other types of waste (plastics, glass, dunnage, paper, metal, bulbs, hazardous materials and batteries) are collected and recycled properly.

Our upgraded waste management system complies with both national and international regulations. Garbage compactors are installed in all our vessels, reducing the volume of waste that is stored onboard, while specific goals are set to reduce onboard waste generation by approximately 1% annually.

## Reducing plastic waste onboard – Aegean Shipping waves goodbye to plastic

IMO has developed an action plan to address the marine plastic litter from ships by 2025. In addition, EU aims to reduce plastic waste, while the Philippines aspire to "zero waste in Philippine waters" by 2040. India and Kuwait have already banned the use of single use plastics in the maritime sector.

**Aegean Shipping takes action to reduce the use of "single-use plastics" onboard, and aims to a 80% reduction by the end of 2024.** We avoid plastic and supply our vessels with reusable or biodegradable items.

We choose foodstuffs and beverages packaged in glass, paper or can, that are easier to recycle.

As part of our plan, we've decided to phase out plastic bottled water. As an alternative, we've installed decentralized water purifiers onboard, well maintained through our vessels' Planned Maintenance System (PMS) and the company's "Shipboard Occupational Health and Safety program." The water source and tanks are frequently checked through external laboratory tests.

## The Benefits

- Easy installation and maintenance
- High quality drinking water, in accordance with International Health Regulations (IHR) of WHO, European Union, World Health Organization (WHO) and MLC 2006 requirements
- Eco-friendly and energy-saving solution (transport, storage and delivery of bottled water, collection, packaging, and disposal)
- Assurance of appropriate supply and consumption
- Provides our crew with pride of doing the best for the marine environment, while ensuring the best hydration they need throughout the day, increasing crew productivity

A total of

# 114,975

**plastic bottles consumed yearly on our fleet vessels are replaced by water purifiers.**

This step will significantly reduce our carbon footprint, saving the equivalent of 19 tonnes of CO<sub>2</sub> on an annual basis.



**19 tonnes of CO<sub>2</sub>**



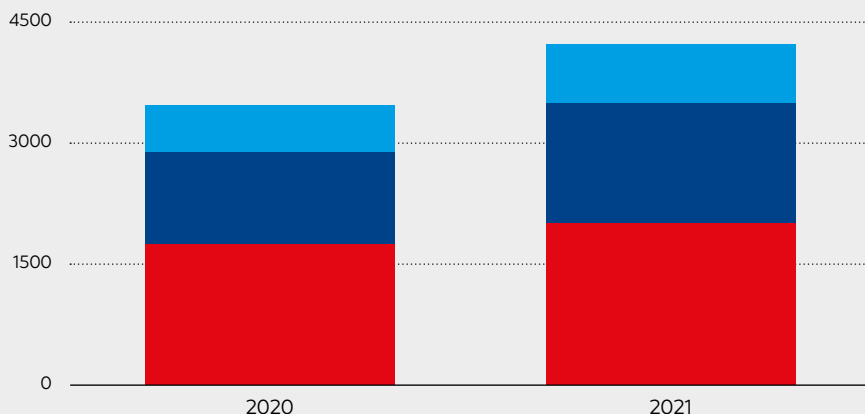
**18 round trips Athens to London**





## Waste Generation (m³)\*

■ Bilges ■ E/R Sludges ■ General Waste



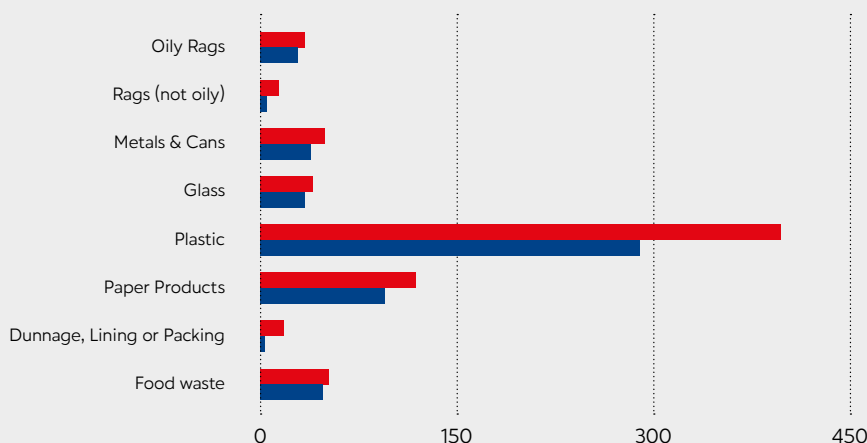
# 4,269 m³

of waste generated onboard our fleet in 2021

The growth of our operations in 2021 resulted in an increase of 22% in the waste generated onboard in comparison with 2020.

## General waste per category (m³)\*

■ 2020 ■ 2021



\* Vessels Greek K-Max 2, Greek K-Max 3, Greek K-Max 4, Greek K-Max 5 and Greek K-Max 6, were delivered during 2020 and they were not operating for the whole year.

## Waste reduction initiatives

### Onboard



- **Non-essential single use items** (single-use plastic cups, plates and cutlery, food and beverage containers, food packing films, microwave dishes) **are replaced with sustainable alternatives** (such as tetra pack, glass or biodegradable plastics).
- **Reduction of food waste** through crew awareness campaigns and innovations in food procurement and storage

### Ashore



- **Recycling of used computers and other e-waste** using our vendor's "take back" policies.
- **Reduction of waste and use of reusable cups and bottles.**
- **Reduction of paper consumption** by developing a fully paperless operating system, providing high class e-services to users, vendors, suppliers, and seamen.

↓ 6%

Reduction of water consumption ashore

↓ 43%

Reduction of paper consumption ashore



# 4. Health and Safety



# Keeping our workforce safe

# 0

COVID-19 infections onboard

**D**uring 2021, the shipping industry continued to face challenges originating from the COVID-19 pandemic. The global health crisis continued to disrupt trade patterns, posing several risks for global value

chains. We responded proactively and took all necessary steps to keep our people safe and connected, without any interruptions in our daily operations.

## Onboard



- We have appointed an **international medical assistance company** as medical advisors for our seafarers, that provide medical and mental assistance to our seafarers 24/7.
- Most of **our crew is vaccinated** against COVID-19. We implemented and carried out a comprehensive vaccine rollout programme for our seafarers, by arranging vaccinations with local agents as soon as a vessel calls at port where vaccination is possible.
- We continued to **host frequent video conferences**, boosting morale and enhancing team resilience.
- We **supply our vessels** with the required PPE and hygiene (disinfection) material, self-test kits and intrinsically safe noncontact thermometers.
- Crew changes continue to **maintain the highest standards for safe disembarkation/embarkation** and traveling arrangements.
- We implement **our COVID-19 Management Plan** with strict protocol for visitors while we forbid shore leaves.

## Ashore



- For the shore personnel who attend our ships, we **established a contractual agreement with a hospital**, which they visit annually for a check-up, to ensure they are fit for duty.
- **Our Business Continuity Management System (BCMS)** is continuously applied throughout the pandemic.
- Until the first quarter of 2021, our staff ashore **worked from home**. In addition, we provided 3 self-tests per week for all personnel, as well as PCR tests in case of infection.
- **Antiseptics and medical masks** are provided across our company's premises throughout the pandemic.
- **Traveling** of our office personnel was **suspended**, while most of our vessels' attendances were performed remotely or by accredited subcontractors.

*Aiming to keep our staff safe, both on board and ashore, we continuously monitor any updates and regulations applied for COVID-19, taking the relevant precautionary measures.*



# Focusing on occupational health and safety

**T**he health and safety of our people, remains our highest priority. We have developed and implement a proactive and risk-based framework to ensure our people's health and safety.

The guidelines set within this framework are regularly updated, aiming to ensure that all measures are properly applied, and any risks are addressed effectively. We are committed to:

- Comply with applicable laws and regulations regarding employee health
- Provide safe and healthy working conditions to prevent injuries
- Regularly conduct health & safety awareness trainings
- Implement a robust Shipboard Occupational Health and Safety Program (SOHSP)
- Provide prompt access to Medical Care both on board and ashore

## Shipboard Occupational Health and Safety Program (SOHSP)

Our occupational health and safety management system plays a vital role, enabling us to monitor our objectives and targets set. Based on the high health and safety standards set and the strong internal control mechanisms applied, we managed to achieve an outstanding performance during 2021:

# 0 fines

related to health & safety violations

# 0 casualties

for severe marine accidents

Port State Control statistics illustrate the compliance of our team and our seafarers in the safe operation of the vessels.

As we continue to pursue excellence, safety aboard our fleet will remain an essential part of our Company's culture.

In 2021, we achieved our target and maintained both our Lost Time Injury Frequency and our Total Recordable Case Frequency ratios to zero, matching our 2020 performance.

# 0 LTIF & TRCF

in 2021



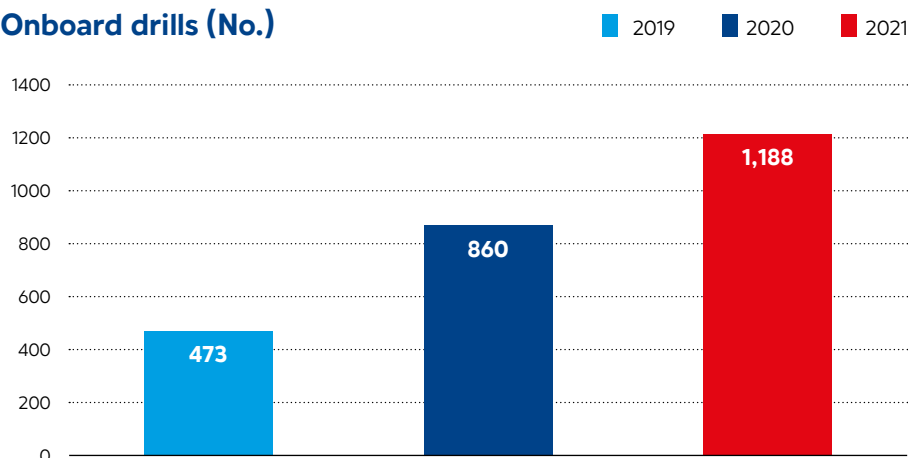


# Maintaining an effective Health and Safety Management System

**T**he implementation of our Health and Safety Policy is a core responsibility of all our people. All the employees are required to comply with the applicable standards and the ship's occupational safety and health program. We increase employees' awareness through continuous training programs for health and safety both onboard and ashore, fully sponsored by our company. We continuously implement the lessons learned from the trainings and drills we conduct, to further strengthen our health and safety procedures.

Our health and safety management system is applied across all aspects of our operations. Its effectiveness is monitored through onboard inspections, drills, and internal audits at regular intervals. In 2021, the number of the onboard drills was increased by 38%. Additionally, while our physical attendances onboard increased from 6 to 13. Our onshore staff received a total of 886 hours of training, on subjects ranging from cybersecurity to accounting.

## Onboard drills (No.)



**1,188**

onboard drills in 2021

**38 %**

increase in drills in 2021

We have applied Near Misses and Drug & Alcohol policies which are monitored through the robust mechanisms we have in place. In 2021, we conducted 12 Drug & Alcohol tests run by external subcontractor and 144 test performed onboard, with zero positive results identified.

## Reported near misses per vessel - 2021

<b>37</b>	<b>70</b>	<b>54</b>	<b>40</b>	<b>50</b>	<b>25</b>	<b>14</b>	<b>28</b>	<b>23</b>	<b>24</b>	<b>22</b>
GREEN ATTITUDE	GREEN AURA	GREEN PLANET	GREEN SEA	GREEN SKY	GREEN K-MAX 1	GREEN K-MAX 2	GREEN K-MAX 3	GREEN K-MAX 4	GREEN K-MAX 5	GREEN K-MAX 6

Our vessels report near misses, at least on a monthly basis. During 2021, we recorded 387 near misses.



# 5. Social



## Value creation

Our business success is strengthened by our ability to attract and retain a workforce of talented and engaged employees onboard and ashore, who aspire company's vision and values.

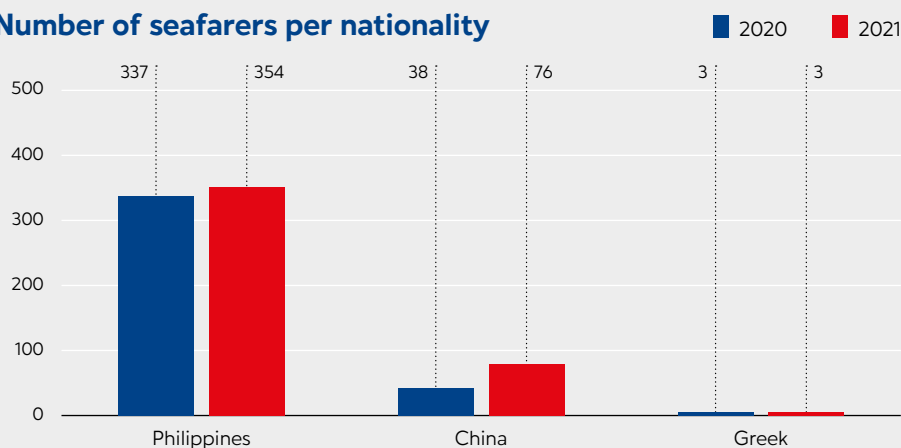
# Our seafarers



**T**he welfare and dedication of our crew is considered as a cornerstone of our business success. We, at Aegean Shipping, recognize the importance of our crew development and invest on the increase of our pool with experienced seafarers. During 2021, the total number of male seafarers we employ grew by 14.6% compared to 2020.

The majority of our seafarers are Filipinos, while we also employ crew members from China and Greece. The average age of our seafarers as of December 2021 was 39 years old.

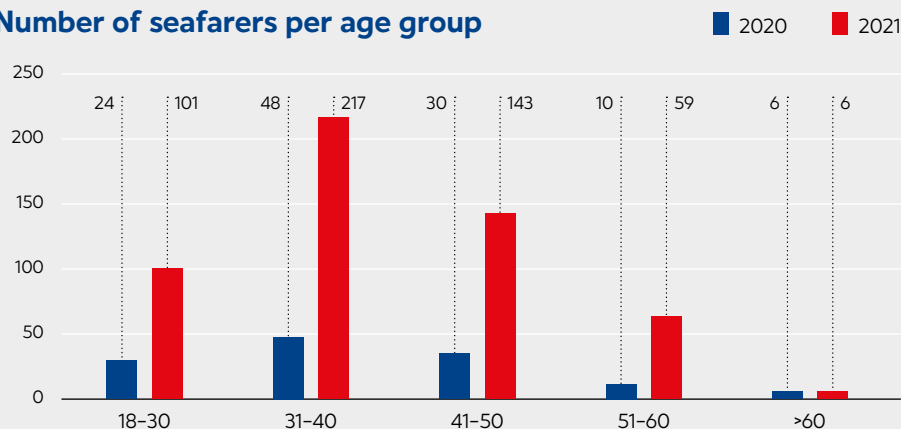
Number of seafarers per nationality



## 433

total seafarers in 2021

Number of seafarers per age group



## 39

average seafarer age



# Crew development and welfare



**W**e are providing fulfilling working conditions and unique opportunities for career growth and personal development, to all our seafarers. In 2021, our crew retention rate was 99.8%, reflecting the level of satisfaction of our onboard employees.

We offer our seafarers with a competitive remuneration, based on their skills and experience.

We promote equal opportunities for career and skills development.

We offer a continuous training program that assists our staff in developing key skills and achieving their personal goals, consciously investing on their upskilling process.

During 2021, we implemented new trainings and e-learnings to enhance and provide quality educational content to our seafarers. The total number of trainings days were 692, approximately 52% more than in 2020.

**99.8%**

retention rate

**35**

crew promotions

**692**

total training days

**388**

total training programs





# Our employees ashore

**97.2%**  
retention rate



**32**  
employees ashore

**62.5%**  
of our employees are women

**27.3%**  
of our senior management positions are held by women

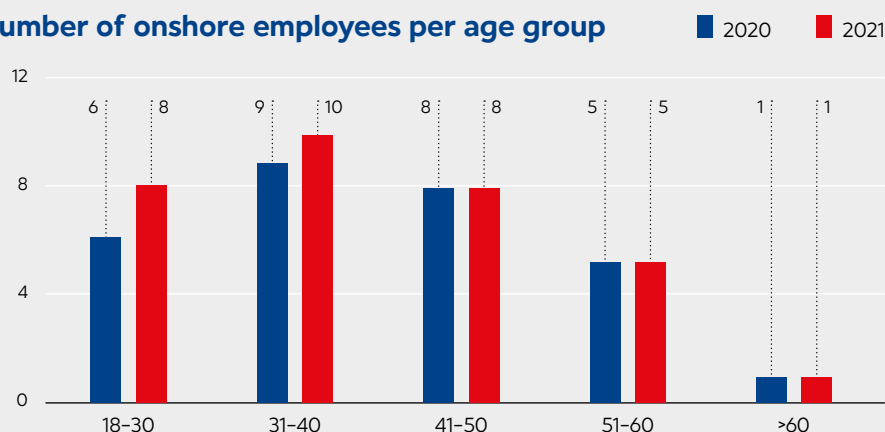
**3**  
new hires in 2021

**O**ur experienced and high-skilled employees ashore are responsible for keeping our ships and business on track. Their professionalism and experience allows us to provide our clients with services of the highest quality. The total headcount for the year ended December 31, 2021 was 32 employees under full-time contracts.

We believe that equality and diversity are key drivers of

success and innovation. Throughout the years, we have developed a diverse, highly skilled, and experienced shore-based team, founded on mutual respect and ethical behaviour. In 2021, 62.5% of our onshore personnel were women, presenting a slight increase of 2.5% since 2020. Moreover, we achieved our target to maintain our onshore retention rate above 85%, with our retention rate being 97.2% for 2021.

## Number of onshore employees per age group



**2**  
promotions in 2021

**100%**  
of employees completed the annual evaluation process

Training and professional development are the key components of maintaining our staff's competitive advantage. We provide our staff ashore with opportunities to develop their career development and enrich their skills based on various topics covered through the trainings performed. The training courses and programs conducted in 2021 included the following areas:

- Health & Safety practices & policies
- Environmental and Energy Management System Awareness
- Cybersecurity
- On-the-job trainings
- Team working skills
- Regulatory requirements

In addition, the Company finances training programs or certifications provided by external training centers for the enhancement of employee's technical skills.

Our Performance Management System remains a key tool in motivating our people to strive for the best business results possible. Based on it, a consistent, quantitative, and periodical assessment of our staff's performance is performed. Through this process, we encourage the exchange of two-way feedback between managers and employees and allows us to measure and display their individual impact towards company's goals. Additionally, we discover new synergies and better understand the professional development needs of our staff, helping us reach the maximum of our professional potential.

**During 2021, all employees successfully completed the annual performance evaluation process.**



# Promoting sustainable procurement practices

**W**e 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. Our structured supplier selection and evaluation process is fundamental in ensuring that our suppliers conform to our strict environmental and social standards.

Business practices, contingency measures, environmental certifications (ISO 22301, ISO 14001) and practices (packing material), as well as policies or processes for environmental impact monitoring and reduction are duly assessed when selecting suppliers. To this end, 32 suppliers were evaluated during 2021.

To effectively assess our suppliers, we use various factors such as the size and the structure of the company, certification policies in place (including environmental policies), and a wide range of evaluation criteria. These include but are not limited to pricing, payment terms, timely and accurate quotations, timely and quality of delivery, "end-users" satisfaction, accurate invoicing, use of recycled cardboard boxes and biodegradable bags, "after sales" support as well as business continuity capabilities.

Stores and provisions are consolidated and shipped on board every three months. Separate deliveries are rare and placed only in urgent situations.

In 2021, the total number of delivered orders was 1,667 and the consolidated shipments (spare parts) were in total 218, recording a significant increase from last year.

## 2,856

delivered orders in  
2021

## 218

consolidated shipments  
of spares



# Supporting the community



**S**ocial responsibility towards the communities which we operate in is a core component of our company's strategy. Giving back every year, to the community in which we live and work in is fundamental, hence we are actively contribute to the society and support relevant initiative. In 2021, we provided support to the following:

- Scholarships for the University of the Aegean, a public, multi-campus university located in Lesvos, Chios, Samos, Rhodes, Syros and Lemnos.
- Supporting 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.
- Supporting SOS Children's Villages and Kivotos Tou Kosmou by continuing to provide medical supplies for COVID-19 prevention.
- Supporting the Church of Greece and The smile of a child non profit organization
- Providing supplies and materials to the fire brigade during the 2021 Attica wildfires.



UNIVERSITY OF THE AEGEAN



GREEK SHIPOWNERS' SOCIAL WELFARE COMPANY



Παιδικά Χωριά SOS Ελλάδος



KIBOTOS TOY KOSMOY



•HELMEPA•

In addition, we supported voluntary environmental initiatives to protect our planet. On October 3rd, 2021, we gathered with the common goal of collecting and documenting the trash found in the coastline, as part of the World Voluntary Coastal Clean-up movement that took place from 18 September to 31 October. More than 14 million people took part in the Global Voluntary Coastal Clean-up. As a result, over 100,000 tonnes of waste were collected, in an event which is considered to be the largest voluntary event of its kind in the world. It is an initiative of Ocean Conservancy, coordinated in Greece by the Hellenic Association for the Protection of the Marine Environment (HELMEPA).

We, at Aegean Shipping Management, chose to be part of this voluntary movement, with many staff members actively participating. We care about our planet and our future and proudly renew our commitment to the Global Voluntary Coastal Clean-up.



Above all, we believe that as individuals we have the potential to make a big difference. By doing our part working toward a sustainable planet, we provide others with inspiration and a good example to follow.

**Until the release date of the this report, we have become a Member of the Hellenic Marine Protection Association (HELMEPA): the pioneering voluntary commitment of Greek seafarers and ship owners to safeguard the seas from ship-generated pollution.**



# 6. Corporate Governance



## Value creation

We operate with integrity and according to the highest standards of ethics and compliance, within a demanding and constantly evolving regulatory environment.



# Our structure



**T**he demanding and constantly evolving regulatory environment in which we operate, demands an effective corporate governance structure, which will quickly respond to the challenges and adapt to the economic and social conditions, by recognizing the risks and opportunities.

The Executive Committee, responsible for the management of our company, reports to the Board of Directors and to our Chairman. The members of our executive committee are presented below:

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

The Executive committee is responsible for developing both the long-term vision and operational framework of our company and to manage effectively company's risks. As part of establishing a strong corporate governance framework, we identify, evaluate, monitor, and apply measures to mitigate the strategic, compliance, financial and operating risks, that may affect our vision and business objectives.

## Sanctions

**In February 2021, our Sanctions Corporate Compliance policy came into effect. It's purpose is to monitor the restrictions applied by states or international organizations in connection with certain countries, territories, entities, or individuals in a more effective way. All of our employees remain committed to the rules established in our Sanctions Compliance Policy.**



# High ethical standards



## Zero-tolerance towards bribery, corruption, fraud, and deception

The Company's Business Conduct and Ethics Policy established, is our framework ensuring that our work environment remains trustworthy, by protecting corporate property and information. The policy is implemented strictly across all organisational levels, being further reinforced by monitoring mechanisms that ensure the fair, ethical and honest professional conduct of our people towards our clients, suppliers, competitors and colleagues. During 2021, we recorded zero violations from our people onshore and at sea.

Our strong corporate governance structure and practices ensure the mitigation of any ethical and corruption risks that might result from our activities. In 2021, we had no legal and regulatory fines and settlements associated with bribery or corruption.

While the total percentage of our vessel's port calls being in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index (CPI) for 2021 was 10.3%.

# 0 violations

of our Conduct & Ethics Policy

# 10.3% of port calls

in countries with the 20 lowest rankings in CPI

## 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, 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.

# 0

whistleblowing incidents

## Preventing harassment and bullying

Incidences of harassment, discrimination, hostile, insulting or degrading behaviour 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.

# 0 cases

of harassment or bullying



# Business Continuity Management System

**O**ur company has a well-established track record of business continuity excellence.  
**We are the first shipping company in Greece and the second enterprise worldwide which has received the ISO 22301:2019 standard for Business Continuity.**

Our Business Continuity Management System (BCMS) remains in line with the requirement of this ISO certification. Through the BCMS is addressing significant disruptions that can affect day-to-day activities, aiming to protect the safety of our staff and our reputation, and ensure the reliable delivery of our services. All of our activities with a high-risk rating have a corresponding business continuity plan, to address 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

Our business continuity plan is implemented with the express intention of maintaining the continuation of our services to customers, while complying with relevant laws and regulations. Therefore, all business continuity arrangements ensure that all vessels, customers, regulatory bodies, agents, suppliers and other interested parties will continue to have access, through normal channels (telephone, fax and e-mail), to their key contacts within our organization. The arrangements also ensure that the Company's personnel will continue to perform all necessary activities and deliver services to our customers, regardless of any significant business disruptions.

Our Business Continuity Management System (BCMS) was successfully applied during the COVID-19 outbreak without any disruption on our operations and services. In 2021, we managed to further reduce our RTO (Recovery Time Objective) during annual tests by 9% in comparison to 2020.

**0.47** RTO (Recovery Time Objective) achieved during annual tests for 2021



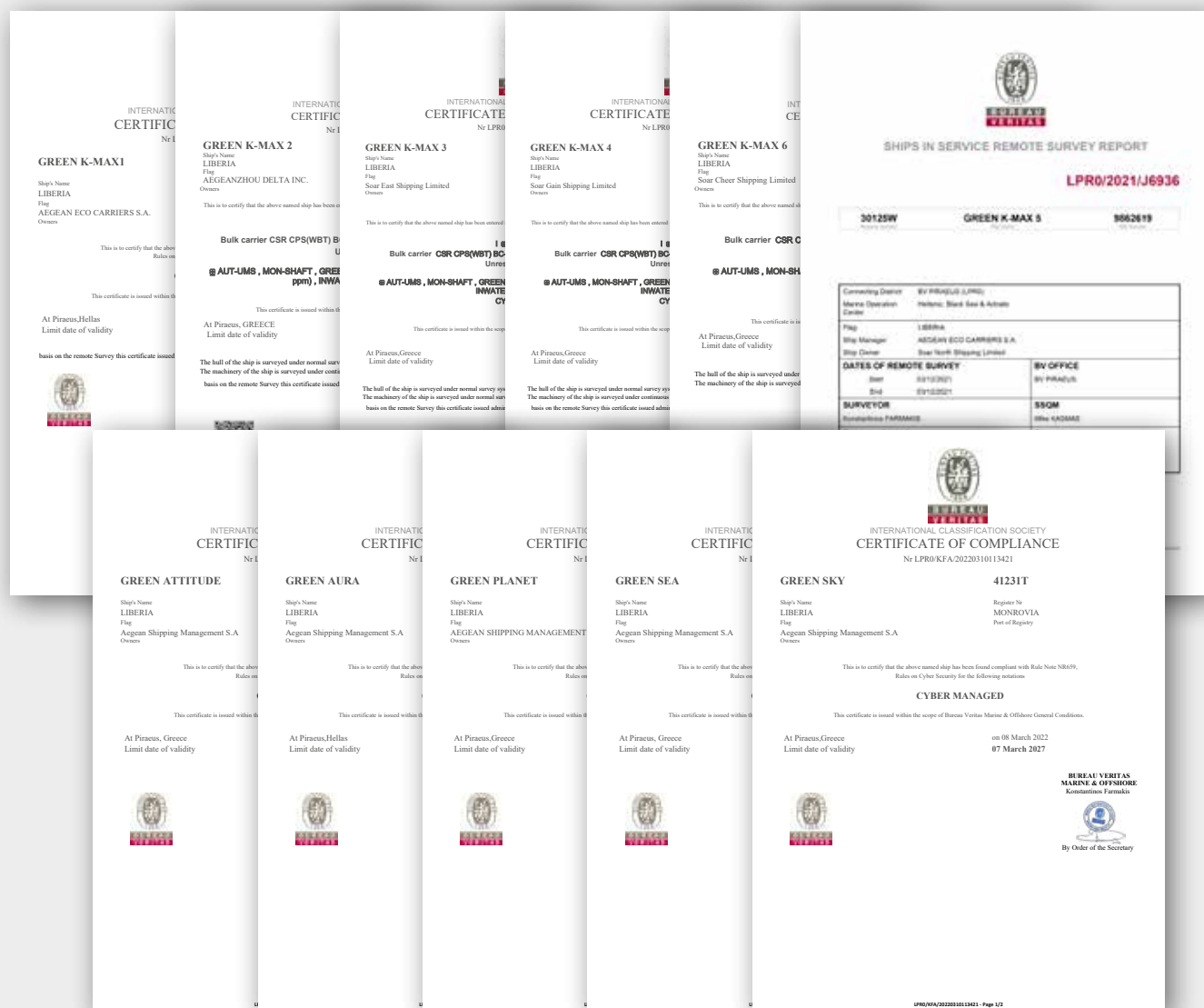
# Cyber Security

0

cyber security incidents in 2021

**W**e have developed a Cyber Security Plan and vessel-specific Cyber Security Handbooks, that follow and exceed the requirements set by the Resolution MSC.428(98), adopted by the IMO, in order to mitigate the cyber risks associated with our operations, and strengthen the cyber security onboard our vessels. In 2021, we maintained a flawless record of IT security, recording zero breaches.

During 2021, all BV classed vessels received a Cyber Security Notation, while LR vessels received a statement for compliance with best practices for cyber security.



# Appendix





# Appendix A

## Management System and Standards

### ISO Certifications

Our implementation of sound operational processes, emerging from both our commitment to sound managerial principles as well as our long experience in the shipping industry, allows us to provide high quality services that exceed the requirements of our customers and stakeholders. Our Company is certified with the following ISO standards:



#### ISO 9001:2015

(Quality Management)

The quality of our ship management services is held to the highest standards applicable in the industry.

#### ISO 14001:2015

(Environmental Management)

By complying with the strictest standards of environmental safety and sustainability, we commit to zero spills and zero pollution incidents.

#### ISO 50001:2018

(Energy Management)

Our energy-conscious approach to operational management processes results in increased efficiency and reduced consumption across our fleet.

#### ISO 22301:2019

(Business continuity)

Surpassing contractual compliance, we build trust with our business associates by securing the reliable delivery of our services in any adverse situation.

#### ISO 45001:2018

(Occupational Health and Safety)

The wellbeing of our people is an inviolable priority, as we protect them by enforcing the strictest guidelines and standards applicable.

### Our vessels are assigned to the following class notations:

#### ECO

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 4 NEW BUILDING AFRAMAX VESSELS WILL BE ASSIGNED TO THE FOLLOWING CLASS NOTATIONS:

- BV I
- +HULL
- +MACH
- CSR
- CPS(WBT)
- ESP
- Unrestricted navigation
- +AUT-UMS
- +VeriSTAR-HULL CM
- MON-SHAFT
- CPS(COT)
- INWATERSURVEY
- BWT
- VCS
- IG
- SPM
- Tier III
- ERS-S
- LIHG-S3
- ETA
- ESA
- CYBER MANAGED
- CLEANSHIP SUPER



# Appendix B

## Company's key performance indicators

Environment	2018	2019	2020	2021
Average fleet EEOI (gr CO <sub>2</sub> /Tonne – mile)*	20.33	10.09	9.76	<b>9.21</b>
Average Efficiency Ratio (AER) (gr CO <sub>2</sub> /DWT – mile)**	4.06	5.09	5.26	<b>4.71</b>
Average fleet EEDI (gr CO <sub>2</sub> /Tonne – mile)			<b>3.79</b>	
CO <sub>2</sub> emissions ('000 tonnes)**	94.78	114.32	191.70	<b>209.50</b>
Fuel consumption ('000 tonnes)**	30.27	36.53	61.00	<b>66.70</b>
SOx (Tonnes)**	–	701.29	234.17	<b>265.83</b>
NOx (Tonnes)**	–	3,234.50	5,103.54	<b>5,905.67</b>
Total waste (m <sup>3</sup> )**	3,112	3,006	3,499	<b>4,269</b>
% of fleet implementing BWT	20	100	100	<b>100</b>
Class recommendations	0	2	0	<b>0</b>
Spills to the marine environment	0	0	0	<b>0</b>

\* Average fleet EEOI is calculated for the vessels owned and managed during all years.

\*\* Recorded an increase in 2021, due to the growth in our operations over the past year (vessels Greek K-Max 2, Greek K-Max 3, Greek K-Max 4, Greek K-Max 5 and Greek K-Max 6, were delivered during 2020 and they were not operating for the whole year).

Social	2018	2019	2020	2021
Number of seafarers	258	298	378	<b>433</b>
Crew promotions	13	22	14	<b>35</b>
Crew retention rate (%)	99.2	99.2	100	<b>99.8</b>
Lost Time Injury Frequency ratio (LTIF)	1.23	0.95	0	<b>0</b>
Marine casualties	0	0	0	<b>0</b>
On-board drills	406	473	860	<b>1,188</b>
Port State Control Detentions	–	0	0	<b>1</b>
Crew training days	444	615	454	<b>692</b>
On-board drug and alcohol tests	56	110	131	<b>144</b>
On-shore employees	27	28	28	<b>32</b>

Governance	2018	2019	2020	2021
Corruption/bribery incidents	0	0	0	<b>0</b>
Violations of Code of Conduct	0	0	0	<b>0</b>
Number of port calls in bottom CPI countries	12	14	25	<b>34</b>
Code of Business Conduct and Ethics			✓	
Whistleblowing Policy			✓	



# Appendix C

## SASB marine transportation material issues



Category	Disclosure topic	Page
<b>GHG emissions</b>	Gross global Scope 1 emissions	21
	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	-
	Total energy consumed, percentage from heavy fuel oil, percentage from renewables	-
	Energy Efficiency Design Index (EEDI) for new ships	20
<b>Air Quality</b>	Air emissions for the following pollutants: NOx, SOx, and particulate matter (PM)	22
<b>Ecological impacts</b>	Shipping duration in marine protected areas and areas of protected conservation status	-
	Percentage of fleet implementing (1) ballast water exchange and (2) ballast water treatment	23
	Number and aggregate volume of spills and releases to the environment	23
<b>Employee health and safety</b>	Lost time injury rate (LTIR)	28
<b>Business ethics</b>	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	38
	Amount of legal and regulatory fines and settlements associated with bribery or corruption	38
<b>Accident &amp; safety management</b>	Number of serious marine incidents	28
	Number of Conditions of Class or Recommendations	43
	Number of port state control (1) deficiencies and (2) detentions	28



# Appendix C

## GRI contents index



GRI Standard	Disclosure	Section	Page
<b>GRI 102 General disclosures</b>	102-1 Name of the organization	About Aegean Shipping	5
	102-2 Activities, brands, products, and services		
	102-3 Location of headquarters		
	102-4 Location of operations		
	102-5 Ownership and legal form		
	102-6 Markets served		
	102-7 Scale of the organisation		
	102-8 Information on employees and other workers		
	102-9 Supply chain		
	102-10 Significant changes to the organization		
	102-11 Precautionary Principle or approach	About this report	4
	102-12 External initiatives	-	
	102-13 Membership of associations	Social	30
	102-14 Statement from senior decision-maker	Message from our Chairman	3
	102-16 Values, principles, standards, and norms of behavior	Corporate Governance	36
	102-17 Mechanisms for advice and concerns about ethics		
	102-18 Governance structure		
	102-40 List of stakeholder groups	About Aegean Shipping	5
	102-41 Collective bargaining agreements	ESG at Aegean Shipping	12
	102-42 Identifying and selecting stakeholders		
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GRI Standard	Disclosure	Section	Page
Anti-corruption			
GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Corporate Governance	36
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 205 Anti-corruption	205-3 Confirmed incidents of corruption and actions taken		
Energy			
GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Environmental sustainability and climate change	16
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 302 Energy	302-1 Energy consumption within the organisation		
	302-3 Energy intensity		
Emissions			
GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Environmental sustainability and climate change	16
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 305 Emissions	305-1 Direct (Scope 1) GHG emissions		
	305-4 GHG emission intensity		
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		
Effluents and waste			
GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Environmental sustainability and climate change	16
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 306 Effluents and waste	306-2 Waste by type and disposal method		
	306-3 Significant spills		
Environmental compliance			
GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Environmental sustainability and climate change	16
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 307 Environmental compliance	307-1 Non-compliance with environmental laws and regulations		





GRI Standard	Disclosure	Section	Page
<b>Employment</b>			
<b>GRI 103 Management approach</b>	103-1 Explanation of the material topic and its Boundary	Social	30
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 401 Employment</b>	401-1 New employee hires and employee turnover		
<b>Occupational health and safety</b>			
<b>GRI 103 Management approach</b>	103-1 Explanation of the material topic and its Boundary	Health and Safety	26
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 403 Occupational health and safety</b>	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of workrelated fatalities		
<b>Training and Education</b>			
<b>GRI 103 Management approach</b>	103-1 Explanation of the material topic and its Boundary	Social	30
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 404 Training and education</b>	404-1 Average hours of training per year per employee		
<b>Diversity and equal opportunities</b>			
<b>GRI 103 Management approach</b>	103-1 Explanation of the material topic and its Boundary	Corporate Governance	36
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 405 Diversity and equal opportunities</b>	405-1 Diversity of governance bodies and employees		



# Appendix C

## Management and impact of material issues

The following tables presents the most important material issue and the main stakeholder groups affected by each issue.

Material issue	Boundaries / Stakeholders affected
<b>Environment</b>	
<b>Compliance with environmental regulation &amp; standards</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, Flag States, International / Industry organisations, Port Authorities, Insurers / P&I Clubs, Classification Societies, Community and society
<b>Water pollution prevention, control &amp; compliance with respective regulations</b>	Seafarers and office employees, Charterers / Brokers, Financial institutions, Flag States, International / Industry organisations, Port Authorities, Insurers / P&I Clubs, Classification Societies, Community and society
<b>Air pollution reduction &amp; compliance with respective regulations</b>	Seafarers and office employees, Charterers / Brokers, Financial institutions, Flag States, International / Industry organisations, Port Authorities, Classification Societies
<b>Fuel and energy efficiency</b>	Seafarers and office employees, Charterers / Brokers, Financial institutions, Flag States, International / Industry organisations, Port Authorities, Classification Societies
<b>Waste management and recycling</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Flag States, International / Industry organisations, Port Authorities, Classification Societies, Community and society
<b>Social</b>	
<b>Health and safety during COVID-19 outbreak</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, Flag States, International / Industry organisations, Port Authorities, Insurers / P&I Clubs, Classification Societies, Community and society
<b>Occupational health and safety</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, Flag States, International / Industry organisations, Port Authorities, Insurers / P&I Clubs, Classification Societies, Community and society
<b>Relationship with business partners</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners
<b>Labor practices depicting the relationship between Management and employees</b>	Seafarers and office employees, Charterers / Brokers, International / Industry organisations, Community and society



## Material issue

## Boundaries / Stakeholders affected

Governance	
<b>Corporate governance, ethics and transparency</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, International / Industry organisations, Community and society
<b>Regulatory Compliance and application</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, Flag States, International / Industry organisations, Port Authorities, Classification Societies
<b>Financial performance</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, Insurers / P&I Clubs
<b>Security of transportation both physical and cyber security</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, Flag States, International / Industry organisations, Port Authorities, Insurers / P&I Clubs, Classification Societies, Community and society
<b>Risk mitigation and control</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions, Port Authorities, Insurers / P&I Clubs, Classification Societies
<b>Commercial strategy &amp; Commercial performance</b>	Seafarers and office employees, Charterers / Brokers, Suppliers / Business Partners, Financial institutions



# Appendix D

## Independent Verification Statement



### INDEPENDENT VERIFICATION STATEMENT

#### Introduction and objectives of work

Bureau Veritas Hellas M.A.E has been engaged by Aegean Shipping to conduct an independent verification of its ESG 2021 report. This Verification Statement applies to the related data included within the scope of work described below.

This information and its presentation in the ESG 2021 report are the sole responsibility of the management of Aegean Shipping. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent verification on the accuracy of the data included.

#### Scope of work

Aegean Shipping requested Bureau Veritas to verify the accuracy of the following:

- Data included in the ESG 2021 Report for the reported period between 01 January 2021 and 31 December 2021. The scope of the verification applies to the ships under Aegean Shipping for the companies ASM (Aegean Shipping Management S.A.) and AEC (Aegean Eco Carriers S.A.) which managed eleven (11) bulk carriers and oil/chemical tankers in total.

#### Methodology

The verification was conducted as per Bureau Veritas procedures. The verification process was carried out through interviews and the review of documents. These coincided with the data contained in the ESG 2021 Report.

Quantitative data are correct or lie within an acceptably low margin of error.

Quantitative statements are supported by sufficient and adequate documented evidence, audited back to source where possible.

The sampling strategy was considered to be appropriate to the objectives of the verification and appropriate for reaching the verification conclusions.

Financial data are excluded from the verification process. These have been verified by external certified public accounting firm.

As part of its independent verification, Bureau Veritas undertook the following activities:

- Interviews with relevant personnel from top management (CEO) to front line operators.
- Review of documentary evidence produced by Aegean Shipping.
- Audit of performance data, a percentage sample of which was traced back to source.
- Confirmation of accuracy of information with third parties (PwC).

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Verification of Sustainability Reports, based on current best practice in independent assurance. For this assignment, we have used the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", developed by the International Federation of Accountants.

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The work was planned and carried out to provide limited, rather than absolute assurance and we believe it provides an appropriate basis for our conclusions.

#### Verification Statement

On the basis of our methodology and the activities described above, to the best of our knowledge and in good faith we can verify that the data contained in the ESG 2021 Report are being accurate allowing a small margin of error or uncertainty.

Nothing has come to our attention to indicate that the reviewed material within the scope of our verification was inaccurate.

#### Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 200 years history in providing independent assurance services.

No member of the assurance team has a business relationship with Aegean Shipping, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

L. Verifier: Alex Tzortzopoulos

Date : 04 November 2022

Bureau Veritas Hellas M.A.E

23 Etollikou str., 18545 Piraeus, Greece



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## AEGEAN SHIPPING **ESG REPORT 2021**



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