

2025 ESG REPORT

Shaping the future with Integrity





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About Us

This ESG Disclosure presents the Environmental, Social and Governance (ESG) performance of ELEMENT Shipmanagement S.A. for the period 1 January 2025 to 31 December 2025, with comparative figures for 2024.

ELEMENT Shipmanagement S.A., headquartered in Piraeus, Greece, provides ship management services with a focus on operational reliability, technical excellence, safety performance, environmental responsibility and long-term client partnerships.

The Company's managed fleet during the reporting period consisted primarily of fully cellular container vessels. In late November 2025, an additional container ship and one bulk carrier were added to the fleet under management, increasing the total number of managed vessels from six in 2024 to eight in 2025. Sustainability is integrated into the Company's operating model and management oversight. The report has been prepared with reference to internationally recognized reporting and regulatory frameworks, including:

- **GRI** Standards
- **SASB** Marine Transportation framework
- **CSRD** principles and the related European Sustainability Reporting Standards (ESRS) (double materiality)
- Maritime regulatory frameworks, including **IMO** requirements and the **MARPOL** Convention (including Annex VI)

- Applicable maritime labour and governance conventions, including **MLC 2006** and **ISM Code**

The Company has initiated a preliminary assessment of material ESG topics, including climate transition, emissions management, safety performance, workforce wellbeing, regulatory compliance, and business ethics. Data has been consolidated from internal reporting systems and management records, including vessel operational reporting aligned with IMO DCS and EU MRV practices.

Environmental Strategy

The Company's environmental approach supports the IMO ambition for net-zero GHG emissions from international shipping by or around 2050. Environmental performance management is implemented through:

- **SEEMP (Parts I, II and III)** implementation
- **CII monitoring** and corrective management actions
- **EEXI compliance**
- **EU MRV** monitoring and reporting
- **EU ETS** readiness and exposure management
- Preparation for **FuelEU Maritime** compliance
- Fuel efficiency optimization, emissions monitoring and performance benchmarking are

embedded in operational processes.

Social Strategy

The Company's social priorities focus on people, safety and competence, including:

- A strong safety culture and the objective of **zero harm**
- Compliance with international maritime labour standards
- Continuous training and competence development
- Equal opportunity and non-discrimination
- Seafarer welfare and performance management

Governance Strategy

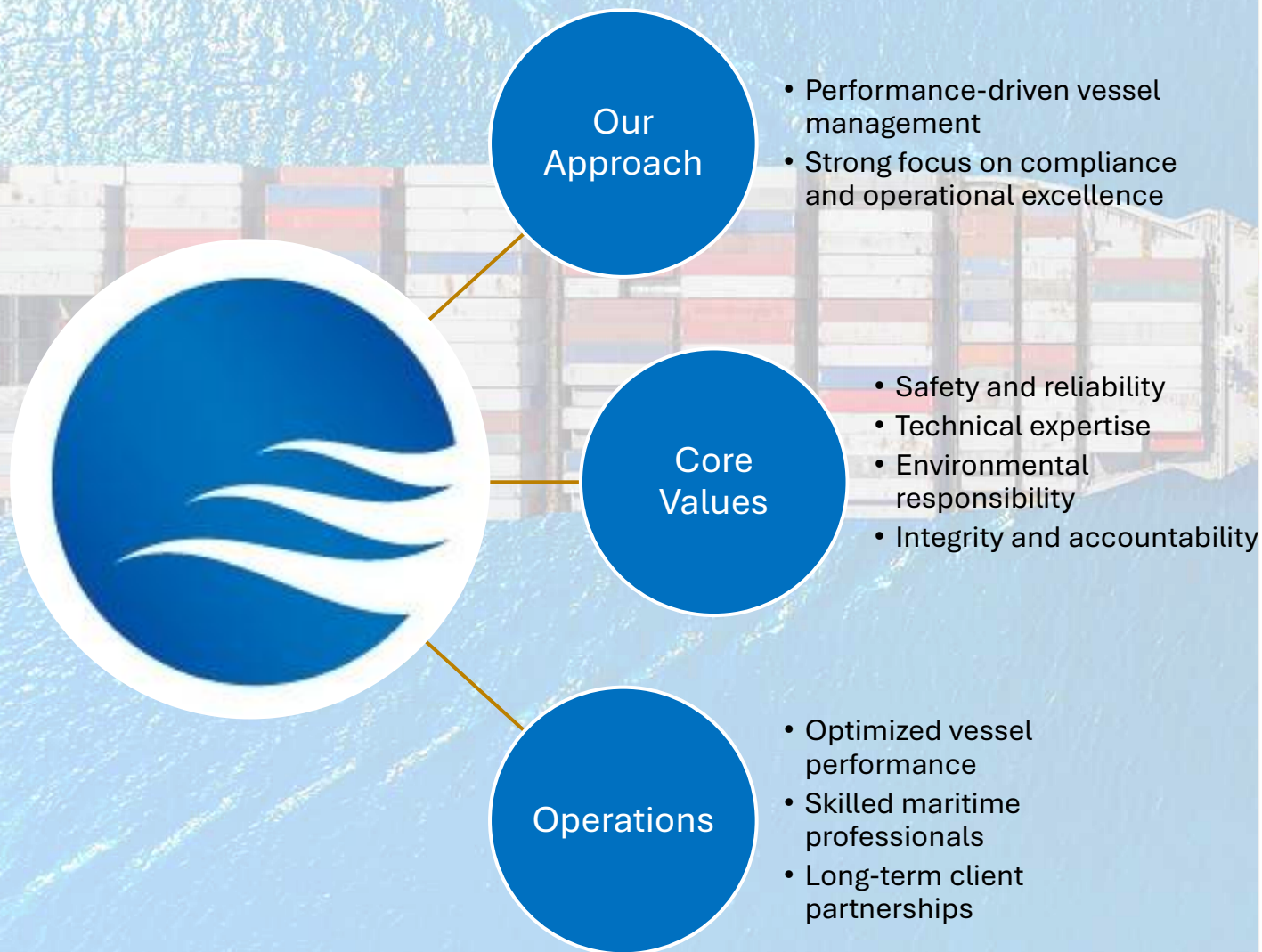
The governance framework supports accountability, compliance and ethical conduct, including:

- Internal controls and compliance procedures
- Code of Conduct and anti-corruption policies
- Senior management oversight of ESG matters
- Integration of climate and regulatory risks into planning and decision-making



Each year since 2012 the company receives **Amver Awards**.

Our Business Model



CERTIFICATIONS

DOC for
Containers & Bulk
Carrier Ships

DOC Liberia

DOC Malta

ISO 9001:2015

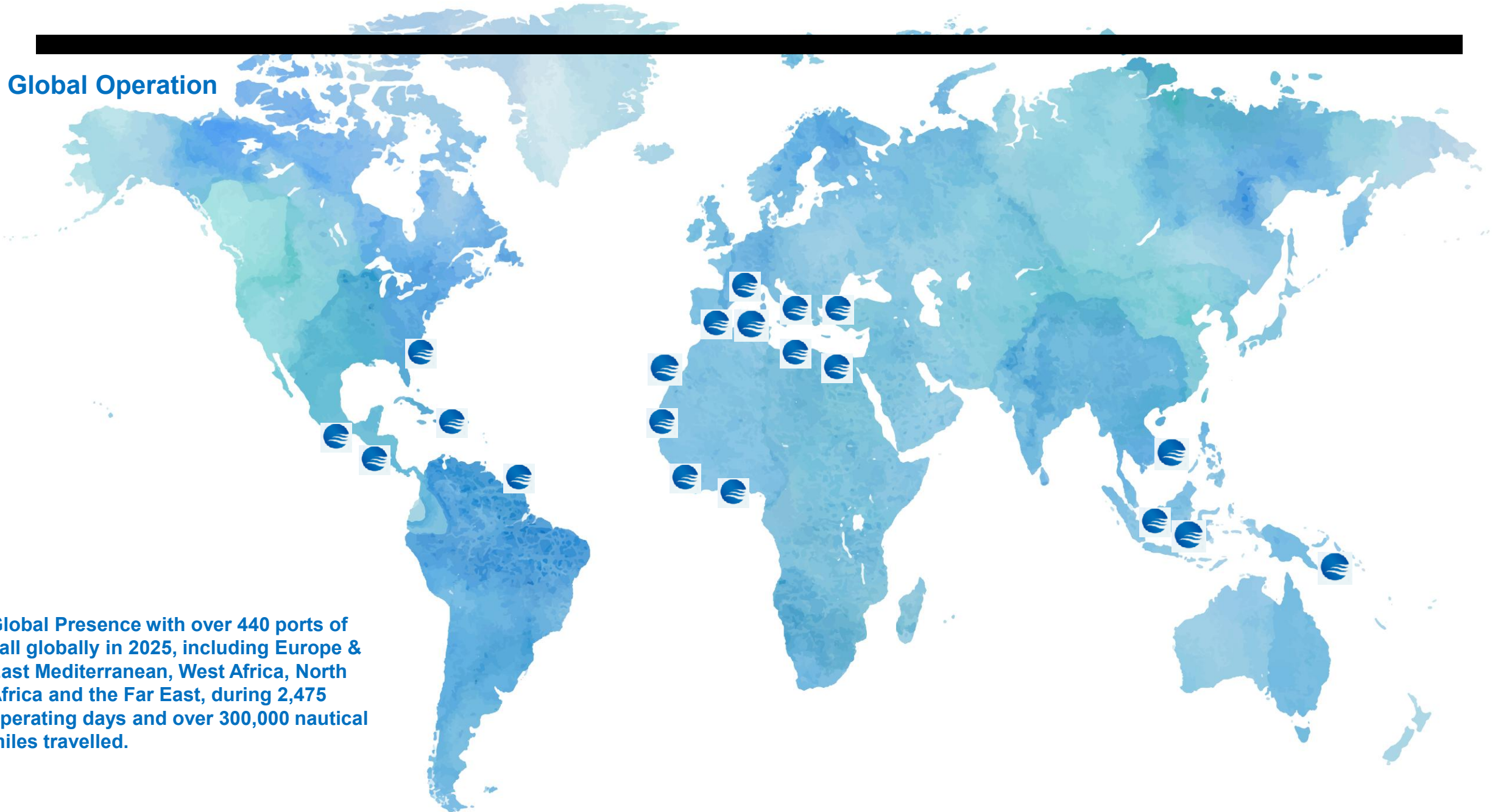
ISO 14001:2015

MEMBERSHIPS



RIGHTSHIP

Global Operation



Global Presence with over 440 ports of call globally in 2025, including Europe & East Mediterranean, West Africa, North Africa and the Far East, during 2,475 operating days and over 300,000 nautical miles travelled.

Message from the Management

Since its establishment in 2012, ELEMENT Shipmanagement S.A. has pursued responsible growth founded on operational discipline, technical expertise, and regulatory compliance.

The maritime sector is undergoing a significant transformation driven by decarbonization targets for 2030 and 2050, evolving regulatory requirements (including EU ETS and FuelEU Maritime), and increased stakeholder expectations. In this environment, we remain focused on measurable performance improvement, transparent reporting and disciplined risk management.

Through continuous monitoring of fuel efficiency, emissions performance, safety indicators and workforce development, the Company aims to maintain high operational standards while supporting the maritime sector's transition toward lower-carbon operations.

Through responsible operations, investment in people, and active engagement with society, Element Shipmanagement will continue to contribute to a sustainable and resilient future for global shipping. We remain committed to investing in our people and supporting the long-term sustainability of the maritime sector.

Mr. Alexandros – Athanasios Lemonidis
Managing Director
Element Shipmanagement S.A.



“The future of shipping depends not only on the ships we operate, but on the people we support and the communities we serve.”

ESG Key Highlights 2025

Environmental Highlights

- The fleet under management increased from six vessels in 2024 to eight vessels by the end of 2025. For operational KPI normalization purposes, environmental intensity calculations were based on an average operational fleet of seven vessels, as one vessel joined the fleet in late November 2025.
- Distance travelled: **300,000 nm**
- Operating days: **2,475**
- Total fuel consumption HFO-LFO: **29,479.8 MT**
- **SOx and NOx** intensities increased in line with fleet increase (growth in operating days, transport work etc)
- Despite the increase in absolute emissions, the Company's **GHG emissions intensity** rose only marginally, from 15.1 to 15.4 gr

CO₂/tn·nm (+1.8%), indicating that emissions growth remained broadly proportional to operational expansion.

Social Highlights

- Total unique seafarers: **268**
- Average crew complement per vessel: **21**
- Female seafarers: **7** (up from 2)
- Female officers: **1** (first officer promoted internally)
- Internal promotions (ratings to officers): **12**
- Crew covered by ITF agreements: **100%**
- Office and shore personnel training coverage: **100%**
- Lost Time Injury Frequency (**LTIF**): **0**

Governance Highlights

- Operations governed by **ISM Code** and **MLC 2006** compliance
- Performance and compliance monitored through audits and inspections, including internal audits, flag/class audits and PSC
- No facilitation payments were reported during the reporting period.
- No confirmed incidents of corruption were reported during the reporting period.

ESG KPI Summary Table

KPI	Unit	2024	2025	Change
Operational Fleet used for KPI calculations	Vessels	6	7	+16.7%
Distance travelled (aggregate)	nm	261,146	300,000	+14.9%
Operating days (aggregate)	days	1,926	2,475	+28.5%
Port calls	number	355	448	+26.2%
Total fuel consumption (HFO-LFO)	MT	27,757.2	29,479.8	+6.2%
Fuel consumption (MGO)	MT	1,863.6	2,226.2	+19.5%
SOx emissions	Tonnes SO ₂	208.59	301.86	+44.7%
NOx emissions	Tonnes NOx	1,707.24	2,495.5	+46.2%
CO ₂ emissions	Tonnes CO ₂	70,541.4	103,864.32	+47.2%
GHG emissions intensity	gr CO ₂ /tn-nm	15.1	15.4	+1.8%
Unique seafarers	number	192	268	+39.6%
Female seafarers	number	2	7	+250.0%
Female officers	number	0	1	+100%
Internal promotions (ratings to officers)	number	2	12	+500.0%
Crew under ITF agreements	%	100%	100%	N/C
Avg. crew complement per vessel	number	21	21	N/C
Training coverage (office & shore personnel)	%	100%	100%	N/C
LTIF	rate	0	0	N/C
Office employees	number	22	23	+4.5%
Office water consumption	m ³	110	121	+10.0%
Office electricity consumption	kWh	39,373	38,199	-3.0%

* Operational fleet used for KPI calculations: 7 vessels (due to one vessel delivered 25.11.2025, thus excluded from intensity calculations).

Environmental Performance – Vessels

Operational Activity:

Fleet expansion and increased vessel deployment resulted in measurable operational growth during 2025.

The Company experienced substantial operational growth in 2025, driven by fleet expansion and increased vessel utilization.

Despite higher activity levels across all key indicators, efficiency improvements contributed to moderating the growth in fuel consumption, reflecting enhanced operational performance and optimized deployment strategies, such as voyage planning, speed optimization, technical improvements, maintenance & more efficient vessel utilization.

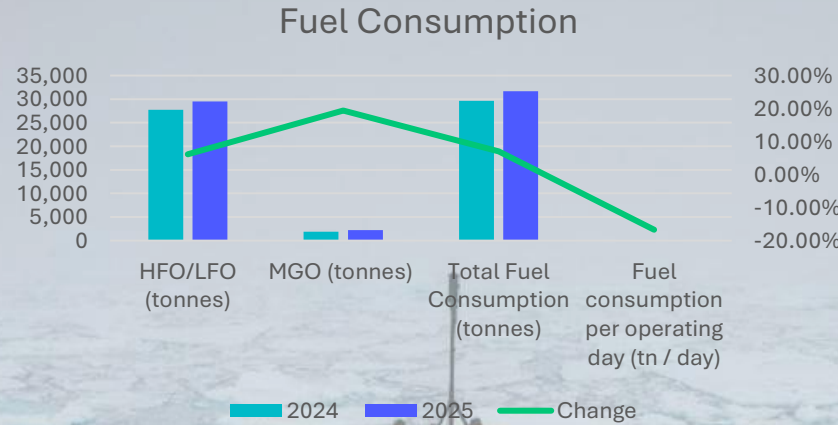
KPI	2024	2025	Change
Fleet (operational)	6	7	+16.7%
Distance travelled (nm)	261,146	300,001	+14.9%
Operating days	1,926	2,475	+28.5%
Port calls	355	448	+26.2%

Fuel Consumption:

Despite a **28.5% increase in operating days**, total fuel consumption increased by only **6.2%**, indicating improved operational efficiency.

Fuel consumption per operating day:

- 2024: 15.38 tonnes/day
- 2025: 12.81 tonnes/day
- Change: **-16.7%**



Emissions Performance

In 2025, the Company recorded higher absolute SOx, NOx and CO₂ emissions compared with 2024, primarily due to increased fleet activity and operational growth. Fleet size increased from 6 to 7 vessels, while operating days and distance travelled rose by 28.5% and 14.9%, respectively.

KPI	Unit	2024	2025	Change
SOx emissions	Tonnes SOx	208.59	301.86	+44.7%
NOx emissions	Tonnes NOx	1707.2	2495.5	+46.2%
CO ₂ emissions	Tonnes CO ₂	70,541.4	103,864.32	+47.2%
GHG intensity	g CO ₂ / tonne·nm	15.1	15.4	+1.8%

SOx emissions increased due to higher fuel consumption associated with increased voyage activity.

NOx emissions increased reflecting greater fleet utilisation and engine operating hours.

CO₂ emissions increased in line with increased transport work and fuel consumption.

Despite the rise in absolute emissions, **GHG emissions intensity increased only marginally from 15.1 to 15.4 gr CO₂/tn·nm (+1.8%)**, indicating that emissions growth remained broadly aligned with operational expansion and reflecting relative stability in operational efficiency.

Climate risks are categorized into transition risks (e.g., EU ETS exposure, FuelEU Maritime compliance) and physical risks (e.g., extreme weather, port disruptions, and supply chain impacts). Risk management is integrated into operational planning and performance monitoring through KPIs, while continuous regulatory tracking ensures compliance and uninterrupted service delivery.

Environmental Performance – Office

During the reporting period, the Company continued to monitor and manage resource consumption across its shore-based operations, with a focus on improving efficiency metrics on a per-employee basis.

Overall, energy efficiency improved, while water consumption increased slightly and will be monitored.

Trend Summary

- **Electricity intensity** decreased from **1,789.68 kWh/employee (2024)** to **1,660.83 kWh/employee (2025)**, indicating improved energy efficiency despite a slight increase in workforce.
- **Water intensity** increased from **5.00 m³/employee (2024)** to **5.26 m³/employee (2025)**, suggesting a marginal decline in water efficiency that may require monitoring.
- **Paper consumption:** Despite the increase in fleet size, the paper consumption remained balanced, a sign that sustainable paper management practices in the office as well as vessels is embedded in our culture. All paper used is recycled.

KPI	2024	2025
Employees	22	23
Electricity (kWh)	39,373	38,199
Electricity intensity (kWh/employee)	1,789.7	1,660.8
Water (m ³)	110	121
Water intensity (m³/employee)	5.00	5.26

Environmental Performance

During 2025, the Company delivered significant operational growth, supported by fleet expansion and improved vessel utilization. The fleet increased from six to eight vessels (*with KPIs calculated on a normalized fleet of seven vessels*), while operating days rose by **28.5%** and total distance travelled increased by **14.9%**. Port calls also grew by **26.2%**, reflecting higher commercial activity.

Despite this expansion, total fuel consumption increased by only **7.0%**, demonstrating a clear decoupling of energy use from operational activity. Fuel efficiency improved materially, with consumption per operating day decreasing by approximately **17%**, driven by enhanced voyage optimization, technical management, and operational planning.

Environmental performance also improved across key emissions indicators. **SOx intensity decreased by 7.0%**, supported by increased use of lower-sulphur fuels, including MGO. While **NOx emissions increased by 5.3%** due to higher activity levels, the rate of increase remained significantly below operational growth, indicating improved emissions efficiency.

GHG intensity increased marginally by 1.8% but remained broadly stable, reflecting the impact of expanded operations and highlighting opportunities for further optimization.

Overall, the Company demonstrated strong environmental performance by improving efficiency and managing emissions

effectively during a period of growth. Continued focus will be placed on reducing emissions intensity, enhancing fuel efficiency, and aligning operations with evolving environmental regulations and sustainability objectives.

Climate Risk Management

Climate-related risks are assessed across two primary categories:

- **Transition risks**, including regulatory exposure (e.g., EU ETS, FuelEU Maritime) and evolving market conditions
- **Physical risks**, such as extreme weather events, port disruptions, and supply chain constraints

Risk management is embedded within operational planning and continuously monitored through defined KPIs, enabling proactive mitigation and sustained regulatory compliance.

Key potential impacts include:

- Increased operating costs driven by carbon pricing (EU ETS)
- Exposure to fuel price volatility
- Operational disruptions linked to extreme weather events and port constraints

People & Workforce



Our crew during a Company sponsored day off at the Parthenon, Athens

We place emphasis on training, as we believe in continued professional development. This is delivered through:

- internal training programs;
- PDOS seminars;
- external maritime training providers.

100% of office and shore-based personnel participate in structured training programs, supporting compliance awareness, safety management, environmental protection and operational best practices.

Workforce and Employment Standards

Safe and efficient operations depend on competent and engaged personnel ashore and at sea. All seafarers are covered by **ITF-approved agreements (100% coverage)**, supporting fair employment conditions and internationally recognized labour standards.

Safety & Seafarer Welfare

Safety remains the Company's highest operational priority.

Operations are governed through a strictly implemented and externally audited **Safety Management System** compliant with the **International Safety Management (ISM) Code**.

Safety performance is monitored through:

- incident reporting systems
- near-miss reporting
- internal audits
- safety drills and inspections
- external inspections and third-party verification activities

Safety Performance KPI

No lost-time injuries were recorded across the fleet during the reporting period.

Seafarer Welfare

All vessels operate in compliance with the Maritime Labour Convention (MLC 2006). Crew welfare is recognized as essential to operational safety and vessel reliability.

Key welfare protections include:

- strictly regulated working and rest hours
- fair employment conditions / opportunities for professional advancement
- access to medical care / telemedicine
- onboard welfare facilities
- Access to mental health care
- Cultural and recreational opportunities during shore leave
- Focus on crew experience, rest, and connection

Diversity & Career Development

ELEMENT Shipmanagement recognizes that safe maritime operations depend on skilled and engaged personnel.

Workforce Overview

KPI	2024	2025	Change
Unique seafarers	192	268	+39.6%
Avg crew per vessel	21	21	-
ITF coverage	100%	100%	-

Fleet growth resulted in a 39.6% increase in seafarers during 2025. The number of unique seafarers employed increased from 192 (2024) to 268 (2025), aligned with fleet expansion and increased operational activity.

Diversity & Career Development

Onboard: The Company recorded its first female officer promoted internally, demonstrating a commitment to equal opportunity and career development.

Ashore: In 2024, women represented 36.3% of office personnel and 18.2% of managerial positions.

In 2025, the total number of women represented 39.1% of office personnel and 17.4% of managerial positions (4 employees). This reflects a slight increase in female representation within office staff, while the number of women in managerial positions remained stable.

KPI Indicator – Diversity ashore	2024	2025
Women in office	8 of 22 employees (4 managerial)	9 of 23 employees (4 managerial)
% women employees	36.3%	39.1%
% women in managerial positions	18.2%	17.4%



Our Cadets, during a visit to LM HERMES in Dry Dock

Governance & Responsible Management

ELEMENT Shipmanagement upholds robust governance structures to ensure regulatory compliance, ethical conduct, and operational transparency. We are committed to honoring our clients and fulfilling all business agreements.

We maintain direct engagement with customers through dedicated meetings, structured action plans, and long-term strategic planning, ensuring that charter party (C/P) obligations are strictly adhered to. At the same time, our operational objectives and long-term targets are continuously monitored, audited, and evaluated for sustainability and progress, thus strengthening and securing our long-term partnerships.

Governance Framework

The Company maintains policies and procedures addressing:

- Code of Conduct
- Anti-corruption and anti-bribery controls
- Conflict of interest management
- Whistleblowing mechanisms
- Compliance monitoring

Operational compliance is verified through:

- internal audits
- flag state inspections
- classification society audits
- port state control inspections
- charterer vetting inspections

ESG Governance Structure



Governance – Business Ethics & Anti-corruption

Element promotes ethical conduct across all levels of the organization through established policies relating, among others, to Business Conduct and Ethics, which guides employees, directors, officers, and agents in areas such as conflicts of interest, confidentiality, fair dealing, compliance with laws, and proper use of company assets. The company maintains an Anti-Bribery Standard requiring all representatives to uphold strict anti-corruption standards.

To support transparency, Element operates a confidential whistleblowing mechanism that protects employees from retaliation when reporting concerns in good faith. Additionally, the company supports captains in rejecting facilitation payments, aligning with Charterer's stance on this, contributing to broader efforts to eliminate corruption in the maritime sector.

Despite operating in several high-risk regions, Element reported no losses related to bribery or unethical business practices.

The Company integrates ESG management and reporting into its Environmental Quality and Safety Management System (EQSMS), ensuring that sustainability is embedded in daily operations. Environmental and energy performance indicators are monitored regularly and reviewed to support continuous improvement, corrective actions, and the sharing of best practices across the fleet.

Regular training and performance reviews for crew and management enhance knowledge sharing and reinforce ESG awareness. In addition, Element conducts periodic risk assessments, including environmental, social, and governance risks, to ensure they are effectively identified and managed, supporting high standards of operational performance and integrity.



Stakeholder Engagement

The Company maintains ongoing engagement with key stakeholder groups to support responsible decision-making, operational transparency, and long-term business sustainability. Stakeholder feedback contributes to the identification of material ESG topics, operational priorities, and risk management considerations.

Key stakeholder groups include:



Clients and charterers



Seafarers and office personnel



Regulators and maritime authorities



Classification societies and industry associations



Suppliers and service providers



Local communities and charitable organizations

Engagement takes place through operational meetings, audits, inspections, training programs, performance reviews, industry participation, and regular communication with customers and partners.

Community Engagement

Commitment to Sustainable Shipping

ELEMENT Shipmanagement remains committed to operating safe, efficient and environmentally responsible vessels while supporting the maritime sector's transition toward a more sustainable future.

Community Investment and Charitable Contributions (2025)

In 2025, the Company continued to support initiatives that promote **education, healthcare, community welfare, and inclusive sports**, contributing a total of **USD 50,175** through targeted donations and sponsorships. These contributions aim to support vulnerable groups, children's wellbeing, access to healthcare services, and equal opportunities in sports and education.

Supporting Education and Talent

Element Shipmanagement actively supports initiatives that promote maritime education and the development of future industry professionals. The company participates in scholarship programs organised by the **Union of Greek Shipowners**, contributing to opportunities for students pursuing careers in the maritime sector.

These programs play an important role in strengthening the future talent pool of the shipping industry.

- We believe that sustainable shipping is ultimately about people, those who work at sea, those preparing to enter the industry, and the communities connected to global maritime trade.

Charitable Contributions by Category – 2025

Through these initiatives, the Company aims to **support local communities, improve social wellbeing, and promote inclusive opportunities**, in line with its broader commitment to responsible and sustainable business practices.

Category	Key Initiatives Supported	Amount (USD)
Education	Scholarships for youth education; book donations to schools; sponsorship of educational forums	23,599.12
Health & Social Care	Support to Jenny Karezi Foundation and Make-A-Wish Foundation	7,063.53
Arts & Community	Sponsorship of art exhibitions, artists with disabilities, and maritime cultural initiatives	7,805.43
Sports & Inclusion	Support for athletes, including para-athletes and women's volleyball team "Porfyras"	11,707.83
Total Contributions		50,175.91

Our Commitment

By supporting education, investing in our seafarers, and contributing to community initiatives, Element Shipmanagement seeks to create long term positive impact for both the maritime industry and the societies it serves.

Executive Summary, Targets & Future Improvements Strategy

ENVIRONMENTAL

- GHG intensity: 15.4 g CO₂/ tn·nm (+1.8%) / remained broadly stable
- Fuel efficiency improved (-16.7% per operating day)

SOCIAL

- 268 seafarers (+39.6%) with LTIF: 0
- 100% ITF coverage & training
- Female representation improving (7 seafarers, 1 officer, 39.1% office)

GOVERNANCE

- Strong compliance framework (Code of Conduct, audits, controls)
- Zero corruption incidents
- Zero facilitation payments

Limitations & Next Steps

Scope 1 (emissions) is fully reported, while Scope 2 (office energy consumption) reporting is being progressively enhanced. Scope 3 (supply chain and lifecycle emissions) assessment is underway. External assurance and double materiality analysis are being progressively implemented in line with ESRS requirements.

ESG Targets & Commitments (2026–2030)

Environmental Targets

- Reduce GHG intensity by 12–15% by 2030 (baseline year: 2025), through operational optimization and efficiency improvements.
- Improve fuel efficiency by 5% by 2027, driven by voyage optimization, technical performance enhancements, and digital monitoring tools.

- Evaluate alternative fuels and low-carbon technologies to support future emissions reduction.

Social Targets

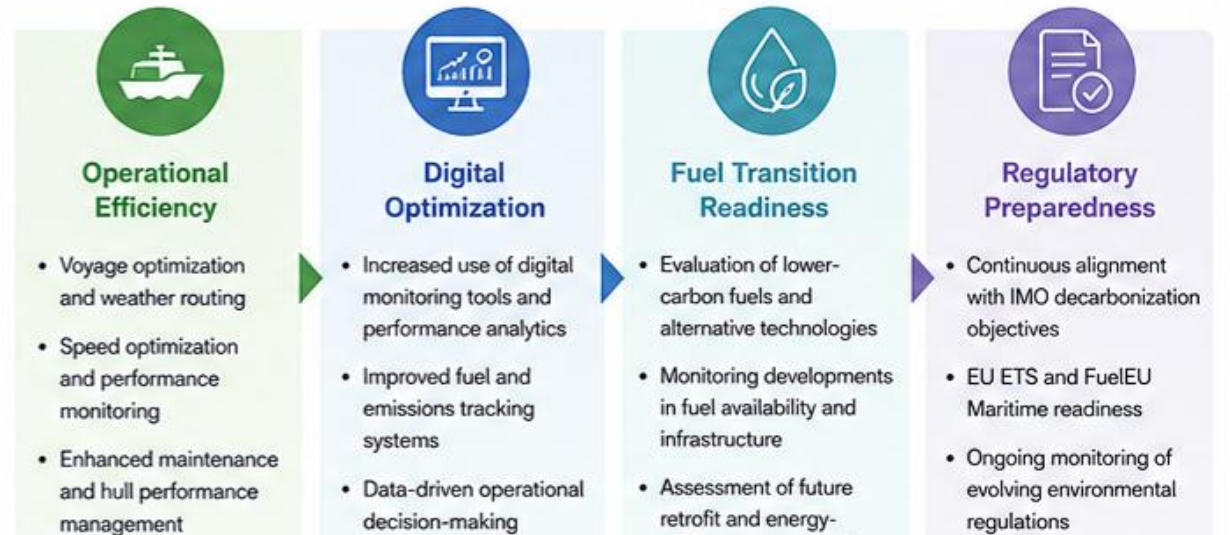
- Maintain LTIF at 0
- Gradually increase female representation onboard and ashore, in line with fleet and organizational growth
- Sustain 100% training coverage

Governance Targets

- Maintain zero corruption incidents
- Further integrate ESG risks into risk management processes

Decarbonization Roadmap

The Company continues to strengthen its decarbonization strategy through operational efficiency improvements, regulatory preparedness, and evaluation of emerging technologies.



Contact Us

ELEMENT Shipmanagement remains committed to safe, efficient and environmentally responsible vessel operations while supporting the maritime sector's transition toward sustainable shipping.

We can be contacted at the details below:

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