



Stem Shipping
Sustainability Report 2023



Sustainability Report 2023

Introduction

A MESSAGE FROM OUR CEO



*Katerina Bodouroglou, Managing Director,
Stem Shipping*

As Managing Director of Stem Shipping, I am pleased to introduce the company's Environmental, Social and Governance (ESG) report for 2023.

The report highlights our commitment to making a tangible difference through targeted actions that reduce environmental impacts, enhance employee wellbeing and support local communities. We detail key initiatives such as investing in eco-friendly vessels to lower GHG emissions, and implementing rigorous standards for the protection of marine ecosystems and the safety of our crew.

One of our notable achievements this year was receiving the ESG Shipping Gold Award in the Social category, which underscores our dedication to social responsibility.

Our support towards local communities, particularly in relative disadvantaged and remote areas in Northern Greece, has been a focal point of our efforts. We are proud of our €100,000 annual scholarship program and contributions to local infrastructure. In 2023, we donated over half a million euros to social causes, benefiting local development and youth programs. We have also offered financial assistance to crew members affected by natural disasters and geopolitical challenges.

Diversity and inclusion are core to our employment strategy. We have established policies to ensure gender and age parity, with women comprising over 40% of our staff at our headquarters in Athens and over 50% at our manning agency in Manila. Our initiatives, including the Tony Smith Continued Education and Internship Scheme and the Ship-to-Shore Integration Scheme, aim to nurture future talent and foster a diverse workforce.

Aligned with the United Nations Sustainable Development Goals (SDGs), this report reflects our past achievements and future plans aimed at mitigating our ecological impact, effecting positive social change, and upholding the utmost standards of governance. We remain committed to engaging with our stakeholders - whether employees and crew, charterers and suppliers, lenders and insurers, or communities and NGOs - as we work towards building a greener, safer and more equitable shipping industry.



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Executive Summary

2023 ESG HIGHLIGHTS

ENVIRONMENT

Climate Change

Stem Shipping actively engages in international efforts to reduce GHG emissions by operating a relatively young fleet of mainly eco-design vessels. The company implements energy efficiency measures ranging from using anti-fouling paints, installing on-board software to optimize performance and fuel efficiency, undertaking frequent hull inspections and cleaning, and exploring future investments in alternative propulsion technologies.

Pollution

Stem Shipping has established a robust quality/safety and environmental management system, ensuring compliance with MARPOL and other environmental legislation to prevent marine pollution. The company supports the global transition towards a circular economy through rigorous recycling schemes on board and adheres to international guidelines for environmentally sound recycling of ships.

Biodiversity

Stem Shipping has taken action, in line with international regulations, to help protect marine ecosystems and conserve marine biodiversity. In 2023, all vessels in the company's fleet had ballast water treatment plants installed on board.



2023 ESG HIGHLIGHTS

SOCIAL

Employment

The company fosters employment opportunities, engaging close to 40 staff at its Headquarter office and around 600 seafarers deployed on its vessels worldwide.

Diversity & Inclusion

The company embraces diversity, and ensures inclusion across gender, age, and geographical backgrounds in its workforce. At the company's headquarters, women constitute more than 40% of the staff and lead 4 out of 10 company departments. The company won the Gold Award in the Social category of the 2023 ESG Shipping Awards for its strategy for equal opportunities.

Education & Training

By collaborating with higher education institutions and offering paid internship programs, the company encourages young people to join the industry. It provides both headquarter employees and seafarers with opportunities for professional training and career development.

Health & Safety

Stem Shipping abides by strict health and safety standards on board its ships, involving regular drills, training sessions and thorough medical check-ups for travelling personnel. At headquarters, the company prioritizes employee well-being by providing benefits such as private healthcare coverage, medical and parental leave, and flexible work arrangements.



2023 ESG HIGHLIGHTS

GOVERNANCE

Transparency

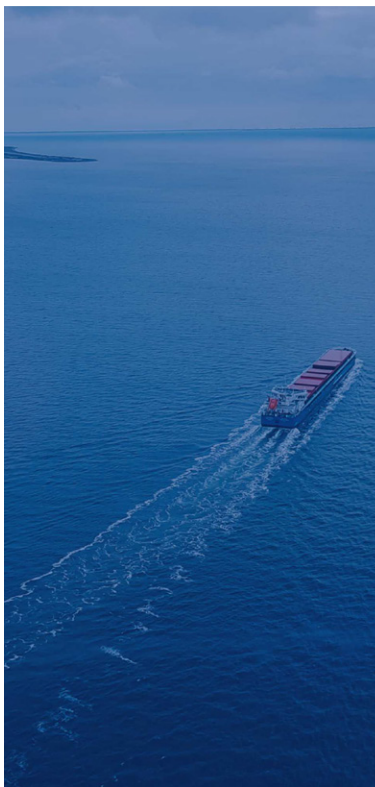
Stem Shipping has prepared on a voluntary basis and in a transparent manner the company's Environmental, Social and Corporate Governance (ESG) report for 2023.

Stakeholders

Stem Shipping recognizes that improving its sustainability performance will necessitate collaborating closely with an array of stakeholders along the shipping value chain. It is committed to dealing in an ethical and responsible manner with all business partners.

Rule of Law

Stem Shipping abides by the principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption. The company has developed and applies codes and policies including a Code of Ethics, Anti-fraud Policy, and Whistleblowing Policy.





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About Stem Shipping

BUSINESS OVERVIEW

Established in 2016, Stem Shipping CO S.A. ("Stem Shipping"; hereafter) is a global provider of maritime transportation services. As of 2023, the company operates a diverse fleet of modern vessels, comprising eight bulk carriers, two container vessels, and one tanker vessels. The privately-owned company is headquartered at 15 Karamanli Ave, 166 73, Attica, Greece.

The company facilitates international trade by carrying an estimated 2-3 million tons of dry cargo annually on short, medium and long-haul trading routes across the globe. The vessels are manned by well-trained seafarers recruited by the company's dedicated crewing agency in Manila, Philippines, and managed by experienced on-shore personnel.

Stem Shipping strives to adhere to the highest standards of performance to ensure high quality and cost-efficient shipping operations, health and safety of crew members, and protection of the coastal and marine environment.

The company pursues a strategy of ship diversification, by maintaining a presence in the dry cargo, tanker and container market segment. It will continue its fleet renewal strategy by replacing older vessels with younger and environmentally friendlier ships.

The company will further maintain and build on existing relationships and seek to forge new partnerships with major international charterers, financial institutions and other strategic stakeholders.

OUR ESTABLISHED HISTORY

The company traces its history back to 1993 with the formation of Eurocarriers S.A., a company dedicated to the commercial and technical management services of second-hand dry bulk vessels, as well as Premier Enterprises, a company undertaking major repairs of own and third-party vessels in Bulgaria. These companies were co-owned by Michael Bodouroglou. They leveraged technical expertise and access to financial institutions, to pursue growth and value creation by cost-effectively upgrading low value investments.

In 2000, Michael Bodouroglou founded Allseas Marine S.A., a ship management company based in Athens, Greece, alongside Crew Care Inc., a manning agency in Manila, Philippines. Initially dedicated to the management of tanker vessels, Allseas Marine evolved with time to also manage dry bulk and container vessels. Seacommercial Shipping Services S.A. was established in 2014 to offer commercial ship management services.

Michael Bodouroglou went on to found the NYSE-listed companies, Paragon Shipping Inc. and Box Ships Inc. with Allseas and Seacommercial providing commercial and technical management services to the publicly listed companies, the fleet under their integrated management increased to over 40 vessels in 2015.

Stem Shipping Co S.A., being the successor of Allseas Marine S.A. and dedicated to the management of dry bulk and container vessels, was formed in 2016.

OUR SERVICES

Stem Shipping offers a comprehensive suite of services that ensure the efficient and effective operation of its fleet of vessels. These include commercial, insurance, crewing, technical, purchasing, accounting, financial, and legal services.

■ Commercial Management

- **Chartering:** Securing employment for the vessels by negotiating charter rates and terms, and concluding charter agreements.
- **Market Analysis:** Studying market trends, freight rate patterns, and opportunities to maximize earnings.

■ Insurance

- **Hull & Machinery (H&M):** Arranging and managing insurance for the ships' physical structure and machinery against potential damages or losses.
- **Protection & Indemnity (P&I):** Managing liability insurance for risks not covered by H&M, including personal injury and environmental damage claims.
- **Claims Handling:** Providing information and documents, negotiating, and settling insurance claims.

■ Crewing

- **Recruitment:** Sourcing, interviewing, and hiring qualified seafarers to man the vessels.
- **Training & Certification:** Ensuring all crew members obtain the necessary training and certifications as per international regulations.
- **Crew Welfare:** Ensuring health, safety, and welfare of crew members.

■ Purchasing

- **Procurement of Supplies:** Acquiring necessary supplies, parts, and equipment for the operation and maintenance of the vessels.
- **Vendor Management:** Establishing and maintaining relationships with suppliers and other service providers, and negotiating prices and contracts.

■ Technical Management

- **Maintenance & Repairs:** Overseeing routine maintenance and emergency repairs of vessels.
- **Regulatory Compliance:** Ensuring ships comply with international and local maritime regulations, including safety and environmental standards.
- **Ship Inspections & Surveys:** Ensuring vessels pass regular inspections and surveys needed for certifications and insurance.

■ Accounting

- **Budget Management:** Preparing and managing the budget for ship operations, including forecasting and controlling costs.
- **Accounts Payable and Receivable:** Managing invoices, payments to suppliers, and freight collection from charterers.

■ Financial Services

- **Financial Reporting:** Producing financial statements and reports for stakeholders, including owners and regulatory bodies.
- **Financing:** Securing loans and financing for the purchase of new ships or other strategies for asset growth.

■ Legal Services

- **Regulatory Advice:** Offering guidance on maritime law and regulations, including flag state and port state control regulations.
- **Contractual-Related Legal Support:** Assisting in the drafting, review, and negotiation of contracts related to ship operations.
- **Dispute Resolution:** Representing the ship owner in legal disputes, arbitrations, and mediations.


OUR FLEET

In 2023, Stem Shipping owned and managed a diverse fleet of 11 modern vessels. The fleet includes 2 Kamsarmax, 3 Ultramax and 3 Supramax bulkers, as well as 2 eco feeder containers and one eco Suezmax tanker. During 2023, the company sold on Supramax vessel and acquired another Supramax vessel. As of end 2023, the average age of the fleet was 9 years, with over 70% of the total fleet comprising modern eco-design vessels.

VESSEL NAME	YEAR BUILT	DWT/TEU	TYPE
ARTEMIS A *	2011	DWT 56441	DRY BULK - SUPRAMAX
M/V MYKONOS SEAS	2011	DWT 56840	DRY BULK - SUPRAMAX
M/V TONY SMITH	2011	DWT 56498	DRY BULK - SUPRAMAX
M/V MIKE THOMAS **	2011	DWT 56644	DRY BULK - SUPRAMAX
M/V GENTLE SEAS	2014	DWT 63350	DRY BULK - ULTRAMAX
M/V PEACEFUL SEAS	2014	DWT 63350	DRY BULK - ULTRAMAX
M/V MAGIC SEAS	2016	DWT 63027	DRY BULK - ULTRAMAX
M/V PHAEDRA	2015	DWT 82053	DRY BULK - KAMSARMAX
M/V GREEK SEAS	2015	DWT 82043	DRY BULK - KAMSARMAX
C/V BOX ENDEAVOUR	2015	TEU 1708	CONTAINER - BANGKOKMAX
C/V BOX ENDURANCE	2015	TEU 1708	CONTAINER - BANGKOKMAX
RS TARA	2016	DWT 160036	TANKER - SUEZMAX

* Vessel sold in 2023

** Vessel acquired in 2023



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Our Sustainable Shipping Strategy

STEM SHIPPING'S CONTRIBUTION TO ACHIEVING THE SDGs

Stem Shipping is committed to fostering sustainable business practices, in line with the UN 2030 Agenda on Sustainable Development and the Paris Agreement on Climate Change. With shipping transporting circa 80 per cent of global trade and comprising the most cost-effective and energy-efficient mode of mass cargo transport, it serves as an engine of economic growth and an enabler for most Sustainable Development Goals (SDGs).

Stem Shipping endeavours to contribute to the achievement of the Global Goals by facilitating inclusive trade (Goal 17), creating decent jobs (Goal 8), aligning with the International Maritime Organization's (IMO) de-carbonization targets (Goal 13), safeguarding the marine environment (Goal 14), adopting sound waste management and safe ship recycling practices (Goal 12), and forging productive partnerships with a range of stakeholders along the supply chain (Goal 17).





ESG STRATEGY

At Stem Shipping, we have developed a comprehensive strategy to minimize our environmental footprint, promote social responsibility, and uphold strong governance practices across our operations.

01 Environmental Responsibility

Fleet Optimization:

We continuously optimize vessel performance through advanced technologies and operational best practices to reduce fuel consumption and greenhouse gas emissions. This includes route optimization (using software to minimize fuel usage and emissions by planning more efficient voyage routes), implementing energy efficient technologies (e.g. LED lighting, and advanced propulsion systems), and proactive maintenance (e.g. hull coatings).

Alternative Fuels and Propulsion:

We investigate the feasibility of transitioning to cleaner energy sources such as biofuels, as well as hybrid or electric propulsion systems, to reduce air pollutant emissions.

Renewable Energy Integration:

We explore the installation of renewable energy generation systems such as solar panels, wind turbines, and energy storage systems onboard vessels to supplement power generation and minimize reliance on traditional fossil fuels. We implement shore power solutions in ports to allow vessels to plug into clean energy sources while docked.

Emission Reduction Initiatives:

We monitor and report greenhouse gas (GHG) emissions to track progress and identify further reduction opportunities.

Waste Management and Recycling:

We implement onboard waste management programs to segregate and recycle waste materials generated during voyages, and collaborate with waste management partners and port authorities to ensure proper disposal and recycling of waste materials at ports of call. We minimize single-use plastics and packaging materials by sourcing sustainable alternatives.

02 Social Responsibility

Employment:

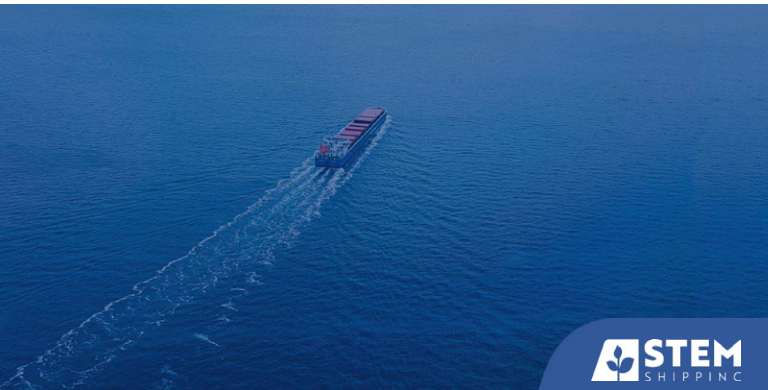
The company fosters employment opportunities, engaging close to 40 staff at its Headquarter office and around 600 seafarers deployed on its vessels worldwide. We promote diversity, inclusion, and equal opportunity within our workforce.

Crew Welfare and Training:

We prioritize the health, safety, and well-being of our crew members by providing comprehensive training programs (including on sustainable shipping practices, such as fuel-efficient operation, waste management, and environmental regulations compliance), safety equipment, and access to medical care.

Community Support:

We engage with local communities to address social concerns, support local initiatives, and contribute to sustainable development projects. We strive to foster positive relationships with stakeholders.



03 Governance Practices

Stakeholder Engagement and Collaboration:

We communicate openly and transparently with stakeholders including customers, suppliers, financial institutions, regulators, and industry associations to share best practices and continuously improve our operations. We participate in industry forums and working groups to contribute to the development of global sustainability standards and regulations.

Regulatory Compliance:

We adhere to international regulations and industry standards governing environmental protection, safety, and operational excellence. We actively monitor regulatory developments and adapt our policies and procedures accordingly.

Risk Management:

We integrate environmental and social risks into our risk management framework to identify, assess, and mitigate potential impacts on our business and stakeholders. We implement robust safety management systems and emergency response plans.

Ethical Conduct:

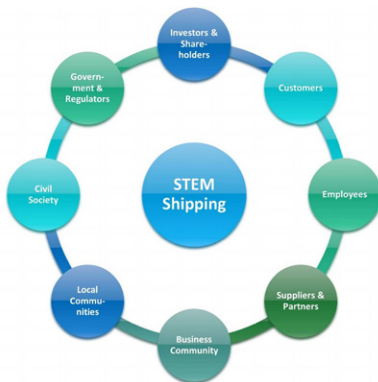
We uphold principles of integrity, honesty, and ethical conduct in all aspects of our operations. We promote a culture of compliance, accountability, and transparency among our employees, contractors, and partners.

In striving to continuously improve our performance, we track key performance indicators (KPIs) related to sustainability metrics, such as fuel efficiency, emissions intensity, safety performance, and stakeholder engagement. We transparently communicate progress on sustainability goals and initiatives to stakeholders.

Overall, our sustainability shipping strategy reflects our firm commitment to responsible business practices and long-term value creation. By integrating environmental, social, and governance considerations into our operations, we aim to mitigate risks, seize opportunities, and help drive positive change towards a more resilient future.

STAKEHOLDER ENGAGEMENT

The company's sustainable shipping strategy revolves around actively involving stakeholders and evaluating the foremost economic, social, and environmental effects of its activities. This approach aims to bolster Stem Shipping's beneficial impacts while curbing adverse ones, both current and prospective, through the implementation of optimal practices, procedures, initiatives, and partnerships.

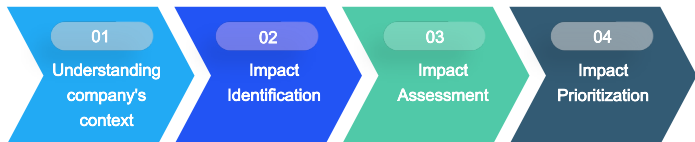


Stem Shipping recognizes that achieving sustainability goals necessitates collaboration with various stakeholders along the shipping value chain. We are committed to engaging with these stakeholders ethically and responsibly, guided by the principles of the United Nations Global Compact and ISO 26000 standards.

THE MATERIALITY OF OUR IMPACTS

The material analysis undertaken by Stem Shipping for its ESG report followed a structured methodology based on the 2021 GRI standards. The analysis aimed at identifying, assessing, prioritizing, and validating both positive and negative – actual and potential – impacts on the environment, people, and the economy.

The analytical process followed is depicted below:



■ 01: Understanding company's context

- An initial overview of Stem Shipping's activities and business relationships was conducted. The broader sustainability context was taken into account including industry-specific challenges and regulatory frameworks.
- A mapping of key stakeholders was performed, aimed at identifying individuals and groups whose interests may be affected by Stem Shipping's activities.

■ 02: Impact Identification

- During this phase, the actual and potential impacts that Stem Shipping's activities, operations and business relationships have on the environment, society and economy were identified.

■ 03: Impact Assessment

- Actual and potential positive and negative impacts were assessed and mapped against the UNEP Finance Initiative (FI) Impact Radar.
- A dedicated electronic survey (e-survey) was conducted among stakeholders so as to assess and prioritize Stem Shipping's impacts. Stakeholder groups who responded to the survey comprise of office employees (including Managers), crew members, customers (charterers), suppliers, and civil society (non-governmental organizations - NGOs). They prioritized the company's impacts based on scale, scope, irremediable character, and likelihood.

■ 04: Impact Prioritization

- Impacts assessed through the e-survey were prioritized in order to determine the final list of Stem Shipping's material topics that are most relevant and significant for the company and its stakeholders. Materiality criteria can include financial significance, reputational risk, regulatory compliance, stakeholder expectations, and strategic importance.












Identified Impacts

An impact universe was created, listing impact areas – both positive and negative – within the pillars of environment, social, and economy (as shown in the table below).

Pillar	#	Identified actual positive impact areas	UN SDGs
ENVIRONMENT	1	CLIMATE STABILITY	 
	2	AIR	 
	3	SPECIES/HABITAT	 
	4	WATERBODIES	 
	5	RESOURCE INTENSITY	 
	6	WASTE	 
SOCIAL	7	CONFLICT	 
	8	MODERN SLAVERY	 
	9	CHILD LABOR	 
	10	DATA PRIVACY	 
	11	NATURAL DISASTERS	 
	12	HEALTH & SAFETY	 
	13	FOOD	 
	14	EDUCATION	 
	15	EMPLOYMENT	 
	16	WAGES	 
	17	SOCIAL PROTECTION	 
	18	GENDER EQUALITY	 
	19	ETHNIC AND RACIAL EQUALITY	 
	20	AGE DISCRIMINATION	 
SOCIO-ECONOMIC	21	OTHER VULNERABLE GROUPS	 
	22	RULE OF LAW	 
	23	CONVERGENCE	 
Pillar	#	Identified actual negative impact areas	UN SDGs
ENVIRONMENT	1	CLIMATE STABILITY	 
	2	AIR	 
	3	SPECIES/HABITAT	 
	4	WATERBODIES	 
	5	RESOURCE INTENSITY	 
	6	WASTE	 
SOCIAL	7	HEALTH & SAFETY	 

Material topics

The process followed resulted in the list of impact areas being grouped into the respective material topics shown in the table below. Overall, the methodology ensured a comprehensive analysis of Stem Shipping's impacts, involving relevant stakeholders, and identifying material topics crucial for strategic decision-making and reporting purposes.

	Impact materiality		
	Material topics	Impact generated	SDGs
ENVIRONMENT	CLIMATE STABILITY & AIR QUALITY	+	 
		-	
ENVIRONMENT	WASTE & RESOURCE INTENSITY	+	
		-	
ENVIRONMENT	SPECIES/HABITAT	+	 
		-	
ENVIRONMENT	WATERBODIES	+	 
		-	
SOCIAL	HEALTH & SAFETY	+	
SOCIAL	EMPLOYMENT	+	
SOCIAL	EDUCATION	+	
SOCIOECONOMIC	RULE OF LAW	+	
		-	



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Environment

CLIMATE STABILITY AND AIR QUALITY

Our Approach

The shipping sector presently accounts for around 3% of annual global greenhouse gas (GHG) emissions. Under current trends, GHG emissions from the sector are expected to grow by up to 250% above 2018 levels by mid-century. Urgent action is thus needed to meet the IMO's targets of reducing the shipping industry's GHG emissions by at least 50% by 2050, and the carbon intensity of emissions (CO₂ emissions per ton-miles) by 40% by 2030 and 70% by 2050, compared to 2008 levels. Stem Shipping is fully committed and proactively preparing to meet the de-carbonization goals set by the IMO.

The company operates a relatively young fleet of 8 bulk carrier, 2 container and 2 tanker vessel with an average age of 9 years. Two-thirds of the total fleet comprise modern eco-design vessels, propelled by fuel efficient engines. Stem Shipping will continue its fleet renewal strategy by replacing its remaining fleet with younger and environmentally friendlier vessels aimed at enhancing energy efficiency, ensuring cost savings and cutting harmful emissions.

In line with international GHG emission reduction strategies for the shipping sector, Stem Shipping collects data on vessel performance and emissions, including through on-board telemetric equipment for high frequency data collection. Information on fuel oil consumption is reported under both the IMO Data Collection System (DCS) and EU Monitoring, Reporting and Verification (MRV) emission reporting schemes. In compliance with mandatory IMO reporting requirements that came into force in 2023, the company calculates for each of its vessels the Energy Efficiency Existing Ship Index (EEXI) as a measure of technical efficiency, as well as the Carbon Intensity Indicator (CII) and the Energy Efficiency Operational Indicator (EEOI) as measures of operational efficiency. Every ship retains on-board a valid Ship Energy Efficiency Management Plan (SEEMP).

In support and compliance with the IMO's regulations aimed at tackling climate change, the company has commenced and will continue to implement a range of both operational and technical measures to improve vessels' energy efficiency. These include the following:

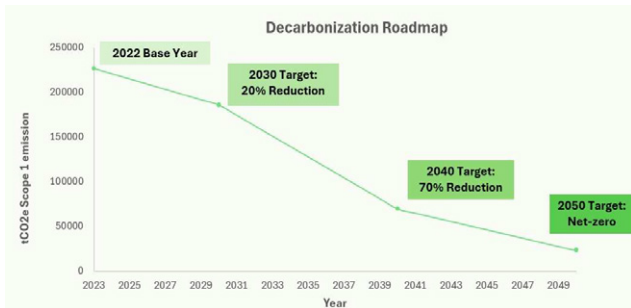
1. Implementing a strict quality/safety and environmental management system, through compliance with MARPOL Annex VI regulations aimed at preventing air pollution from ships. In addition to CO₂ emissions, the company abides by regulations aimed at limiting other air pollutants including nitrous oxides (NO_x), sulphur oxides (SO_x) and particulate matter. The company's long established Environmental Management system is certified in accordance with ISO 14001, and its Energy Management system in accordance with ISO 50001. No instances of non-compliance have been identified.
2. Switched to using very low-sulphur fuel oil (VLSFO), in accordance with the IMO sulphur cap regulation.
3. During dry-docking, heavily investing in hull treatment and low resistance paints to ensure a smooth and fuel-efficient hull.
4. Undertaking frequent hull inspection and cleaning, with owners implementing a system to monitor the vessel's daily performance and issue alerts when deviations occur.
5. Carrying out daily vessel performance analysis from ashore and monthly health check performance of vessels' main engines. The company has employed a Performance Monitoring Officer since the 1990s, long before MRV & IMO/DCS became a regulatory requirement.
6. CII internal monitoring on a daily basis, as well as monitoring of SO_x and NO_x emissions on a regular basis.
7. Using on-board telemetric equipment for high frequency data collection to better understand and optimize vessel performance. Utilizing 3rd party specialized weather routing companies in order to optimize voyage duration and consumption.
8. Minimizing anchorage waiting time.

9. Vessels always retaining on-board valid Ship Energy Efficiency Management Plan (SEEMP).
10. Installing Overridable Shaft Power Limitation systems on the company's older vessels, needed to meet the IMO's Energy Efficiency Existing Ship Index (EEXI) requirements from 2023 onwards.
11. Incorporating BIMCO-suggested CII Clause in time charter Agreements in collaboration with future Charterers.
12. Incorporating sustainability-linked clauses in loan agreements.
13. Paying close attention to developments linked to the design and building of vessels powered by alternative fuels such as methanol, ammonia or green hydrogen. The company plans to invest in technologically and commercially viable options that emerge which can drastically improve vessels' carbon footprint.

Our Performance

• GHG emission management

To demonstrate our commitment to sustainability, in 2022, we started to collecting data on Scope 1, 2 and 3 of greenhouse gas emissions. Using the Scope 1 data GHG emission data relating to the company's shipping operations, a baseline was set for a mid-term and long-term decarbonization target, aligning with the 2023 IMO GHG Strategy.



The 2023 IMO GHG Strategy's milestones involve:

- Reducing the total annual GHG emissions from international shipping by at least 20%, striving for 30%, by 2030, compared to 2008;
- Reducing the total annual GHG emissions from international shipping by at least 70%, and striving 80%, by 2040, compared to 2008; and
- GHG emissions from international shipping peaking as soon as possible and reaching net-zero GHG emissions by close to, 2050.

Stem Shipping's more ambitious decarbonization target involves:

- 20% reduction in Scope 1 emissions by 2030 compared to 2022.
- 70% reduction in Scope 1 emissions by 2040 compared to 2022.
- Achieving Net Zero carbon emission by 2050.

• Scope 1 GHG Emissions

	UNIT	2023	2022
Scope 1 GHG Emissions	mtCO ₂ -e	225 148.55	232 136

SASB TR-MT-110a.1 (Refer to Annex 2) | GRI 305-1 (Refer to Annex 1) | Poseidon Principles | SDG 13 | CDP C6-C8

Standards, Methodologies and Conversion Factors

Data consolidation for GHG emissions follows the requirements of GHG Protocol Corporate Standard. The Global Warming Potential (GWP) is based on the Intergovernmental Panel on Climate Change (IPCC's), *The Sixth Assessment Report (AR6)*. The Scope 1 emissions account for carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) emissions from vessel fuel consumption. The emission factors from *The Fourth IMO Greenhouse Gas Study 2020* are referenced to estimate Scope 1 emissions.

• Scope 2 GHG Emissions

	UNIT	2023	2022
Scope 2 GHG Emissions	mtCO ₂ -e	56.63	68.3

GRI 305-2 (Refer to Annex 1) | SDG 13 | CDP C6-C8

Standards, Methodologies and Conversion Factors

Scope 2 emissions include purchased electricity at the company's onshore operating facilities. The emission factors used are based on *IEA Emission Factors 2022*.

· Scope 3 GHG Emissions

	UNIT	2023	2022
Scope 3 GHG Emissions	mtCO ₂ -e	436.07	323.15
Waste generated	mtCO ₂ -e	12.49	14.16
Air Travel	mtCO ₂ -e	423.57	308.98
Employee Commuting	mtCO ₂ -e	0.01	0.01

GRI 305-3 (Refer to Annex 1) | SDG 13 | CDP C6-C8

Standards, Methodologies and Conversion Factors

The categories of Scope 3 emissions accounted in the reporting include:

- Category 5 - Waste generated in operations
- Category 6 - Business travel emission
- Category 7 - Employee commuting

The emission factors from the UK Department for Business, Energy & Industrial Strategy (BEIS's), *Greenhouse Gas Reporting: Conversion Factors 2024*, are referenced to estimate Scope 3 emissions for Categories 5 and 7. Category 6 Scope 3 emissions for air travel is estimated using the US Environmental Protection Agency (EPA's), *GHG Emission Factors Hub 2024*.

Carbon Intensity (CII)

	UNIT	2023	2022
M/V ARTEMIS A	gCO ₂ /dwt-nm	5.99	6.02
M/V MYKONOS SEAS	gCO ₂ /dwt-nm	6.1	6.12
M/V TONY SMITH	gCO ₂ /dwt-nm	5.96	6.08
* M/V MIKE THOMAS	gCO ₂ /dwt-nm	5.62	-
M/V GENTLE SEAS	gCO ₂ /dwt-nm	4.45	4.81
M/V PEACEFUL SEAS	gCO ₂ /dwt-nm	4.57	4.7
M/V MAGIC SEAS	gCO ₂ /dwt-nm	4.38	4.15
M/V PHAEDRA	gCO ₂ /dwt-nm	3.49	3.59
M/V GREEK SEAS	gCO ₂ /dwt-nm	3.69	3.79
C/V BOX ENDEAVOUR	gCO ₂ /dwt-nm	14.21	13.69
C/V BOX ENDURANCE	gCO ₂ /dwt-nm	12.8	13.54
RS TARA	gCO ₂ /dwt-nm	2.78	2.69

SASB TR-MT-110a.1 (Refer to Annex 2) | GRI 305-1 (Refer to Annex 1) | Poseidon Principles | SDG 13 | CDP C6-C8

* In 2023, Stem Shipping sold the dry bulk vessel M/V Artemis A and acquired M/V Mike Thomas.

Energy Efficiency Design Index (EEDI)

	UNIT	
M/V GENTLE SEAS	gCO ₂ /dwt-nm	3.89
M/V PEACEFUL SEAS	gCO ₂ /dwt-nm	3.84
M/V MAGIC SEAS	gCO ₂ /dwt-nm	3.91
M/V PHAEDRA	gCO ₂ /dwt-nm	3.53
M/V GREEK SEAS	gCO ₂ /dwt-nm	3.62
C/V BOX ENDEAVOUR	gCO ₂ /dwt-nm	19.25
C/V BOX ENDURANCE	gCO ₂ /dwt-nm	19.36
RS TARA	gCO ₂ /dwt-nm	2.72

SASB TR-MT-110a.4. (Refer to Annex 2)

Other Air Emissions

	UNIT	2023	2022
NOx	Kg	3 296 550	2 996 054
SOx	Kg	422 880	377 380
PM2.5	Kg	58 190	52 870

SASB TR-MT-110a.1 (Refer to Annex 2) | GRI 305-7 (Refer to Annex 1) | Poseidon Principles | SDG 13 | CDP C6-C8

Energy Mix

	UNIT	2023	2022
Energy mix	GJ	2 506 360	3 028 899

SASB TR-MT-110a.3 (Refer to Annex 2) | GRI 302-1 (Refer to Annex 1) | SDG 13 | CDP C8

Energy mix is the total energy from vessels' fuel consumptions and energy consumption from office operations.

Energy Intensity

	UNIT	2023	2022
Energy Intensity	GJ per million transport work	56.36	47.17

GRI 302-3 (Refer to Annex 1)

Energy intensity is calculated based on the ratio of energy from fleets operations in GJ to transport work in dwt-nm.

WATER AND BIODIVERSITY

Our Approach

Ballast water discharge from vessels can pose a serious threat to biological diversity through the introduction of invasive aquatic species to new marine and coastal environments. Another threat to marine biodiversity is posed through the release of sulphur oxide (SOx) and nitrogen oxide (NOx) emissions from ships, as these contribute to ocean acidification and eutrophication.

Stem Shipping has taken action, in line with international regulations, to help protect marine ecosystems and conserve marine biodiversity. The company implements an ISO 14001 certified environmental management system, compliant with the International Convention for the Prevention of Pollution from Ships (MARPOL).

In 2023, 100% of the company's fleet had ballast water treatment plants (BWTPs) installed on board. This protects biological diversity by preventing the introduction of invasive aquatic species to new marine and coastal environments. Also, the company's fleet utilizes non-toxic paints.

The company has switched to using very low-sulphur fuel oil (VLSFO), in accordance with the IMO sulphur cap regulation. This helps protect marine biodiversity by minimizing the release of SOx and NOx emissions that contribute to ocean acidification and eutrophication.

Furthermore, Stem Shipping is an active member of the Hellenic Marine Environment Protection Association (HELMPEA), having contributed financially to the organizations' versatile projects aimed at preventing ship-generated pollution.

As mentioned previously, the company strives to avoid spills through implementation of ISO 14001 environmental management system and adoption of IMO's International Safety Management (ISM) code procedures aimed at preventing marine pollution. No oil spills have ever occurred involving the company's vessels.

Our Performance

• Water Consumption

	UNIT	2023	2022
Total Water Withdrawal	m3	3 800	3 800

GRI 303 (Refer to Annex 1)

Water consumption relating to the operations of the company's tanker and container vessels are estimated to be 5 m3/day for 360 days a year. Water consumption for bulk carriers are estimated to be 5 m3/day for 360 days a year with additional 200 m3 for hose cleaning.

• Ballast Water Exchange and Treatment

	UNIT	2023	2022
Percentage of Fleet with Ballast Water Exchange	%	100	93
Percentage of Fleet with Ballast Water Treatment	%	100	93

SASB TR-MT-160a.2. (Refer to Annex 2)

• Spills and Releases to The Environment

	UNIT	2023	2022
Spills and releases to the environment	m3	0	0

SASB TR-MT-160a.3. (Refer to Annex 2) | GRI 306-3 (Refer to Annex 1) | SDG 14

WASTE AND RESOURCES

Our Approach

Besides air pollution, ships can pollute the marine and coastal environment through ballast water discharge, oil spills, release of harmful substances carried on board, and waste disposal.

Stem Shipping has long developed and implemented a strict quality/safety and environmental management system to prevent pollution, through compliance with the International Convention for the Prevention of Pollution from Ships (MARPOL) and other environmental legislation.

The company is also an active member of the Hellenic Marine Environment Protection Association (HELMEPA) which seeks to prevent ship-generated pollution.

Stem Shipping supports a global transition towards a circular economy. It has adopted sound waste management practices, including rigorous recycling schemes on board. The company maintains a garbage management plan for each vessel, which includes recycling collection points on board. All solid waste (e.g., plastics, cargo residues) is collected at special stations on the ship and is subsequently disposed at designated waste collection points at ports. In addition, there is dedicated equipment on-board the vessels that collects and treats liquid waste, so as to dispose it in the sea as clear water. The company provides waste management training to all crew members. In addition, recycling bins are placed on every floor of the company's headquarter offices.

Stem Shipping further adheres to international guidelines for the safe and environmentally sound recycling of ships (including the Hong Kong Convention for ship recycling). This includes keeping an Inventory of Hazardous Materials (IHM) on board its vessels.

Our Performance

• Waste Management

	UNIT	2023	2022
Total Waste Generated	m3	787.72	1055.41
Waste Incinerated	m3	90.54	77.56
Waste Discharged to Sea	m3	606.28	340.96
Waste Disposed on Land	m3	90.9	636.89
Hazardous Material	m3	5.12	4.75

GRI 306 (Refer to Annex 1)



Sustainability Report 2023

Social

EMPLOYEES AND LABOR RIGHTS

Our Approach

Stem Shipping creates direct employment positions as well as indirect ones throughout its supply chain. It employs around 40 staff at its Headquarter office in Athens, and around 600 seafarers who are deployed on its vessels worldwide.

The company offers competitive wages and benefits to its employees. It complies with the respective national regulations on minimum wage, working hours and the granting of leave.

Stem Shipping is committed to enhancing equity, diversity and inclusion in the workplace. The company recognizes both the intrinsic value of promoting these principles, as well as their instrumental value as prerequisites for creating a thriving and innovative workforce. Stem Shipping has adopted a number of best practices – including company policies/procedures, recruitment strategies/targets/KPIs, alongside other initiatives – aimed at promoting equal opportunities and inclusion of underrepresented groups such as women and young people.

These include the following:

- Long-standing adoption of non-discrimination, harassment and bullying, and human rights company policies
- Strategy for improving gender parity in the workforce by means of recruiting higher numbers of female shore personnel; increasing representation of women in managerial positions; adopting an equal pay remuneration policy; offering flexible working arrangements; and supporting women's empowerment initiatives
- Strategy for greater age parity in the workforce by hiring young employees; collaborating with higher education institutions and offering paid internship programmes; and recruiting, training and housing cadets
- Regular, structured and comprehensive employee performance appraisals – including self-evaluations and 360° feedback which, inter alia, foster employee engagement; encourage unbiased recruitment, fair compensation and merit-based promotion practices; and prevent unfair dismissals.

Our Performance

The company has a positive impact by creating decent jobs, to promoting diversity and inclusion in the workforce, and ensuring the safety and wellbeing of employees.

The company's adoption of a Code of Business Ethics and Conduct ensures safeguarding of human rights, adherence to international labor standards as set forth by the International Labor Organization (ILO) and the International Maritime Organization (IMO) (including against forced labor and child labor), protection against discrimination and harassment, and ensuring safe and healthy working conditions for its employees.

Stem Shipping follows a policy aimed at improving equity, diversity and inclusion in the workplace.

Gender parity

- Women make up 45% of employees in the company's headquarter office in Athens, Greece. Out of 10 company departments, 4 are headed by women. The company's Managing Director is female.
- Women make up over 80% of employees in company's affiliated Manning Agency in Manila, Philippines.
- The company's Managing Director and Legal and Insurance manager are both active members of Women's International Shipping & Trading Association (WISTA).
- The company has a long-term target of striving to increase female representation also among crew members.

Age parity

- In 2023, EUR 4,965 was provided to the company's Tony Smith Continued Education and Internship Scheme which provides paid internships to young students
- EUR 200,000 was provided in 2023 to fund scholarships awarding academic excellence of high school graduates in Greece's remote border areas

Geographic diversity

- The company employees individuals of different nationalities, including Greek, British, Filipino, Ukrainian, and Romanian.

Labor Rights

• Parental Leave

	UNIT	2023	2022
Parental Leave	Number	5	1

GRI 401-3a | GRI 401-3b (Refer to Annex 1)

• New Hires & Turnover

	UNIT	2023	2022
New Hires	Number	4	11
Turnover	Number	6	7

GRI 401-1a | GRI 401-1b (Refer to Annex 1)

• Collective Bargaining Agreements (CBAs)

	UNIT	2023	2022
Total employees covered by CBAs	%	79.3	85.5

GRI 2-30 (Refer to Annex 1)

All Filipino crew (303 out of 382 in 2023) are covered with the Philippine Overseas Employment Administration (POEA) which ensures that the rights and welfare of Filipino seafarers are protected through the enforcement of labor laws and regulations. These include the right to form and join trade unions, engage in collective bargaining, and participate in concerted activities to improve their working conditions and terms of employment.

• Employee Training

	UNIT	2023	2022
Average hours of training per employee	hr	26	26

GRI 404 (Refer to Annex 1)

The employee training hours are calculated for crew members.

GENDER DIVERSITY & EQUALITY

Gender Diversity & Equality

Gender Ratio	2023		2022	
	FEMALES	MALES	FEMALES	MALES
Athens, Greece	45%	55%	46%	54%
Manila, Philippines	80%	20%	-	-

GRI 405-1, GRI 405-2, (Refer to Annex 1) | SASB TR-MT-000.A (Refer to Annex 2)

Age Composition	2023			2022		
	AGE <30	AGE 30-50	AGE >50	AGE <30	AGE 30-50	AGE >50
Athens, Greece	13%	55%	32%	10%	63%	27%
Manila, Philippines	-	50%	50%	-	-	-

GRI 405-1, GRI 405.2 (Refer to Annex 1) | ASB TR-MT-000.A (Refer to Annex 2)

The Gender Diversity and Equality data is based on total employees at headquarter office in Athens, Greece, and manning agency in Manila, Philippines.

EDUCATION AND TRAINING

Our Approach

The company offers both headquarter employees and seafarers professional training and career development opportunities.

By collaborating with higher education institutions and offering internship programs, Stem Shipping encourages young people to join the industry. The company's Tony Smith Continued Education and Internship Scheme provides paid internships to numerous students and recent graduates under 25 years old.

The company also funds a generous scholarship programme awarding academic excellence in remote and under-privileged communities in Northern Greece.

Our Performance

By establishing an internship and professional education scheme, Stem Shipping has offered paid work experience and on-the-job training to numerous under 25-year-old students.

- As mentioned above, in 2023, EUR 4,965 was allocated to the company's Tony Smith Continued Education and Internship Scheme which provides paid internships to young students.
- Two of the interns employed under the company scheme have since become permanent members of the team.

The company's affiliated manning agency, Crew Care, which serves the needs of the company on an exclusive basis, recruits many young cadets. It provides training both in the office and at sea, accommodation, and further employment opportunities for the cadets.

In addition, Stem Shipping donated EUR 200,000 in 2023 to fund scholarships awarding academic excellence of high school graduates in Greece's remote border areas.

SAFETY AND HEALTH

Our Approach

Stem Shipping recognizes the importance of promoting the health, safety and wellbeing of its employees. On the whole, the company abides by strict health and safety standards both at its headquarters and on board its ships, involving regular drills, staff training sessions and thorough medical check-ups for travelling personnel. The company prioritizes employee well-being by providing benefits such as attractive remuneration, healthcare coverage, parental leave, and flexible work arrangements.

The company is seeking to designate a Welfare Officer to survey crew on wellbeing and help identify and address potential mental health issues.

Our Performance

- Stem Shipping's Occupational Health and Safety Management System is compliant with OHSAS 18001.
- The company's emergency and contingency preparedness system aims at assessing risks, and identifying hazards and fleet exposures.
- The company adheres to ISO 26000 standards on social responsibility.
- Stem Shipping offers health insurance to all employees and medical care to crew deployed on the company's vessels.
- The company monitors key performance indicators (KPIs) relevant to health and safety:
 - Number of injuries in 2023: 1 (non-serious injury)
 - Number of harassment cases in 2023: 0
 - Crew retention rate in 2023: 70% (excluding cadets)
- All Filipino crew members (comprising circa 80% of total crew in 2023) are covered with the Philippine Overseas Employment Administration (POEA) which ensures that the rights and welfare of Filipino seafarers are protected through the enforcement of labor laws and regulations. These include the right to form and join trade unions, engage in collective bargaining, and participate in concerted activities to improve their working conditions and terms of employment.

Occupational Health and Safety Management System

• Work Related Injuries

	UNIT	2023	2022
Recordable Work Related Injuries Number	Number	1	4
High Consequences Injuries Number	Number	0	0
High Consequences Injuries Rate	Number	0	0
Fatalities Number	Number	0	0
Fatalities Rate	Number	0	0

GRI 403-9 (Refer to Annex 1)

• Marine Casualties

	UNIT	2023	2022
Marine Casualties - Total	Number	0	0
Marine Casualties - Very Serious	%	0	0

SASB TR-MT-540a.1 (Refer to Annex 2) | SDG 8

• Port State Control

	UNIT	2023	2022
Deficiencies	Number	86	53
Detentions	Number	0	1

SASB TR-MT-540a.3 (Refer to Annex 2) | SDG 8, 14

LOCAL COMMUNITY

Our Approach

Stem Shipping is committed to benefiting local communities. It does so by donating to charitable causes, partnering with local organizations, and launching internship and scholarship schemes. To this end, the company has established a dedicated committee to review and select potential initiatives to support, and assign a corresponding annual budget.

In recent years, the company has funded a number of non-governmental organizations (NGOs) providing social services in Athens. These include Merimna Moschatou, Kivotos tou Kosmou, Elpida Centre for People with Special Needs, Christodoulis Orphanage, SOS Villages, and PIKPA. The company has also supported the Greek healthcare system by donating an intensive care unit for COVID-19 patients.

Since 2022, the company's geographical focus has shifted from the capital city to serving underprivileged communities in Northern Greece. By donating to community projects in Northern Greece, it seeks to provide relief to and create opportunities for residents of a lower income, relatively remote and sparsely populated region. It does so by funding scholarships rewarding academic excellence, food package distributions, gift cards for underprivileged children, athletic teams, and local government agencies.

In addition, Stem Shipping is a founding member and major supporter of the Greek Shipowners' Social Welfare Company known as SYN-ENOSIS. Through its financial contribution to SYN-ENOSIS, the company helps fund important education, poverty alleviation, public health and infrastructure-related initiatives. The company's Managing Director devotes her time as a member of SYN-ENOSIS' board to visit and evaluate prospective projects and co-decide which to fund.

The company launched the Tony Smith Continued Education and Internship Scheme, named in memory of a late company employee, which provides paid internships to young students.

As a member and sponsor of Helmepea, the company co-funds versatile environmental projects mainly aimed at reducing and preventing marine pollution from ships.

Importantly, Stem Shipping is committed to supporting its staff, including crew members, in need. The company provided financial aid to seafarers whose homes were damaged by a typhoon in the Philippines in 2021. In 2022 it also assisted Ukrainian seafarers wishing to resettle in Greece, owing to the ongoing war, by helping to find and initially pay for suitable accommodation and schooling. Many crew members and headquarter employees receive cash advances upon request, and can also receive interest-free loans when faced with a personal emergency.

Finally, Stem Shipping supports knowledge sharing and networking opportunities in the industry by sponsoring relevant political fora and other shipping fora.

Our Performance

In 2023, the company contributed a total of EUR 620,685 to the following causes:

- EUR 200,000 to scholarship scheme rewarding academic excellence in Northern Greece.
- EUR 185,000 to SYN-ENOSIS for Thessaly crisis.
- EUR 35,000 to SYN-ENOSIS as annual contribution.
- EUR 100,000 to DESMOS for school equipment in Didimoticho.
- EUR 28,305 donation to Astronomy Association of Drama 'Pegasus'.
- EUR 25,000 to G.S. DOXA Dramas football club to purchase seasonal tickets donated to low-income individuals.
- EUR 20,000 to PANDRAMAIKOS football club to purchase seasonal tickets donated to low-income individuals.
- EUR 2,665 to DOXA SITAGRON DRAMAS to purchasing sports equipment.
- EUR 1,500 to KLEISOS Orestiadis for transportation of students.
- EUR 950 to apprenticeship vocational schools of Public Employment Agency (DYPA) Xanthi to sponsor the travel of students to attend an innovation and entrepreneurship competition in Thessaloniki.
- EUR 1,200 to Church Cathedral of Athens.
- EUR 4,965 to company's internship programme.
- EUR 4,500 to HELMEPA as annual membership contribution.
- EUR 2,600 to Capital Link Forum.
- EUR 3,000 to Argo (Greek Shipping) publication.
- EUR 6,000 to YES (Young Executives Shipping) Forum.

Financial Contributions for Local Community Support

	UNIT	2023	2022
Amount of Financial Contributions	EUR	620 685	120 089

GRI 413 (Refer to Annex 1)



Sustainability Report 2023

Governance

TRANSPARENCY

Our Approach

Stem Shipping acknowledges the significance of transparency in fostering sustainable practices and enhancing trust. In line with this commitment, we have prepared and published our inaugural Environmental, Social, and Corporate Governance (ESG) report for 2022. This report discloses essential sustainability-related Key Performance Indicators (KPIs), including fleet greenhouse gas (GHG) emission data. Such transparency not only benefits stakeholders across the shipping value chain but also aligns with initiatives like the Poseidon Principles and the Sea Cargo Charter.

RULE OF LAW

Our Approach

We operate with the utmost integrity, transparency, and fairness, ensuring compliance with all legal requirements across our operating locations. Where legislation is lacking, we establish our own standards of conduct based on best industry practices. Stem Shipping has developed and adheres to fundamental codes and policies, including a Code of Ethics, Anti-fraud Policy, and Whistleblowing Policy, to promote ethical business conduct and prevent misconduct.

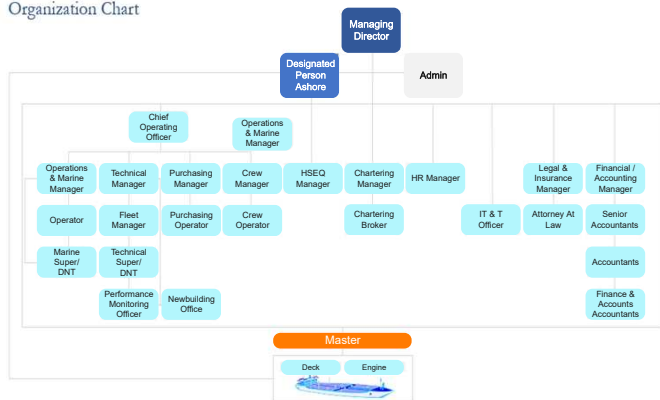
Stem Shipping is committed to promoting equality, inclusion, and respect for human rights across all aspects of our operations. We oppose all forms of discrimination, including gender, ethnicity, race, age, or any other basis. Stem Shipping respects employees' rights to participate in trade unions and collective bargaining and opposes child labor, forced labor, and any other forms of exploitation.

In conclusion, Stem Shipping is committed to transparency, ethical conduct, stakeholder engagement, and promoting equality and inclusion across our operations. By upholding these principles, we strive to create sustainable value for all stakeholders and contribute positively to society and the environment.

ESG GOVERNANCE

Governance Structure

Organization Chart



Whistleblowing

	UNIT	2023	2022
Whistleblowing	Number	0	4

GRI 205-2 (Sector std 11.20.3), GRI 205-3, GRI 406-1 (Refer to Annex 1)

BUSINESS ETHICS

Corruption Risk

	UNIT	2023	2022
Calls at port	Number	77	45

SASB TR-MT-510a.1 (Refer to Annex 2) | SDG 16

This indicator measures the number of port calls made by the company's vessels in countries with 20 lowest ranking in Transparency International's Corruption Perceptions Index.

Fines

	UNIT	2023	2022
Monetary value	USD	0	0
Non-Monetary Sanctions	Number	0	0

GRI 2-27 (Refer Annex to 1) | SASB TR-MT-510a.2 (Refer to Annex 2) | SDG 16



Sustainability Report 2023

Annex 1

GRI Content Index

GRI CONTENT INDEX

Statement of use		Stem Shipping has reported with reference to the GRI Standards for the period 1 January 2023 to 31 December 2023
GRI 1 used		GRI 1: Foundation 2021
GRI Standard	Disclosure	Location of Disclosure
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	About Stem Shipping
	2-6 Activities, value chain and other business relationships	About Stem Shipping
	2-7 Employees	Gender Diversity
	2-9 Governance structure and composition	ESG Governance
	2-11 Chair of the highest governance body	ESG Governance
	2-13 Delegation of responsibility for managing impacts	ESG Governance
	2-22 Statement on sustainable development strategy	A Message from our CEO/2023 ESG Highlights
	2-23 Policy commitments	Rule of Law
	2-25 Processes to remediate negative impacts	Rule of Law
	2-26 Mechanisms for seeking advice and raising concerns	Rule of Law/ ESG Governance
	2-27 Compliance with laws and regulations	Rule of Law/ Business Ethics
	2-29 Approach to stakeholder engagement	Stakeholder Engagement
	2-30 Collective bargaining agreements	Employees and Labor Rights/ Health and Safety
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	The Materiality of Our Impacts
	3-2 List of material topics	The Materiality of Our Impacts
	3-3 Management of material topics	The Materiality of Our Impacts
Economic Topics Disclosures		
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Business Ethics

GRI Standard	Disclosure	Location of Disclosure
Environmental Topics Disclosures		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Climate Stability and Air Quality
	302-3 Energy intensity	Climate Stability and Air Quality
GRI 303: Water and Effluents 2018	303-2 Management of waster discharge-related impacts	Water and Biodiversity
	303-3 Water withdrawal	Water and Biodiversity
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	Water and Biodiversity
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste and Resources
	306-2 Management of significant waste related impacts	Waste and Resources
	306-3 Waste generated	Waste and Resources
	306-5 Waste directed to disposal	Waste and Resources
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Stability and Air Quality
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Stability and Air Quality
	305-3 Other indirect (Scope 3) GHG emissions	Climate Stability and Air Quality
	305-4 GHG emissions intensity	Climate Stability and Air Quality
	305-5 Reduction of GHG emissions	Climate Stability and Air Quality
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Climate Stability and Air Quality

GRI Standard	Disclosure	Location of Disclosure
Social Topics Disclosures		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Labor Rights
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Labor Rights
	401-3 Parental leave	Labor Rights
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Safety and Health
	403-2 Hazard identification, risk assessment, and incident investigation	Safety and Health
	403-3 Occupational health services	Safety and Health
	403-4 Worker participation, consultation, and communication on occupational health and safety	Safety and Health
	403-5 Worker training on occupational health and safety	Safety and Health
	403-6 Promotion of worker health	Safety and Health
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety and Health
	403-8 Workers covered by an occupational health and safety management system	Safety and Health
	403-9 Work-related injuries	Safety and Health
	403-10 Work-related ill health	Safety and Health
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Labor Rights
	404-2 Programs for upgrading employee skills and transition assistance programs	Education and Training
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Business Ethics
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employees and Labor Rights/ Health and Safety
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Local Community
	413-2 Operations with significant actual and potential negative impacts on local communities	Local Community

The background image shows a port scene with two large red cranes on a barge or ship deck. A white ship is visible on the left, and a blue and white striped structure is on the right. The sky is blue with light clouds. The water is dark blue.

Sustainability Report 2023

Annex 2

Sustainability Accounting Standards Board (SASB) Index

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

Topic	Accounting Metrics	Unit	Data/Location of Disclosure
Greenhouse Gas Emission	Gross global Scope 1 emissions	Metric tons (t) CO ₂ -e	Refer to Climate Stability and Air Quality
	Discussion of long-term and short-term strategy or plan to manage Scope 1	n/a	Refer to Climate Stability and Air Quality
	(1) Total energy consumed (2) percentage heavy fuel oil, (3) percentage renewable	Gigajoules (GJ), Percentage (%)	(1) Refer to Climate Stability and Air Quality (2) 84.29% (3) 0%
	Average Energy Efficiency Design Index (EEDI) for new ships	Grams of CO ₂ per ton-nautical mile	Refer to Climate Stability and Air Quality
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM 10)	Metric tons (t)	Refer to Climate Stability and Air Quality
Economic Impacts	Percentage of fleet implementing ballast water (1) exchange and (2) treatment	Percentage (%)	Refer to Water and Biodiversity
	(1) Number and (2) aggregate volume of spills and releases to the environment	Number, Cubic meters (m ³)	Refer to Water and Biodiversity
Business Ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	Refer to Business Ethics
	Total amounts of monetary losses as a result of legal proceedings associated with bribery or corruption	EUR	Refer to Business Ethics
Accident & Safety Management	Number of marine casualties, percentage classified as very serious	Number, Percentage (%)	Refer to Safety and Health
	Number of port state control (1) deficiencies and (2) detentions	Number	Refer to Safety and Health

Activity Metric	Unit	Data
Number of shipboard employees	Number	382
Total distance traveled by vessels	Nautical miles (nm)	674825
Operating days	Days	284
Deadweight tonnage	Thousand deadweight tons	783684
Number of vessels in total shipping fleet	Number	11
Number of vessel port calls	Number	406
Twenty-foot equivalent unit (TEU) capacity	TEU	3416



This report was voluntarily prepared and drafted by Stem Shipping, with support from Ernst & Young in conducting the materiality analysis and selecting relevant indicators. Metizoft also contributed by assisting in indicator selection and reporting, as well as designing and laying out the report.

Stem Shipping

Sustainability Report 2023