

ESG REPORT 2022



Contents

Message from our Executive Management	04
About Pioneer Marine	06
Environment	20
Society	28
Governance	38
Appendix	44

We are delighted to introduce you to the ESG Report of Pioneer Marine Group of Companies (“Pioneer Marine”) for 2022.

Message from our Executive Management

Just a year ago, we embarked on our first effort to record and measure our actions regarding sustainability. Our second report marks a significant milestone in our journey towards sustainability, as we continue to share our progress and set new targets for an overall positive impact on society, the environment, and our stakeholders.



Dimitris Papoulis
Chief Executive Officer



Korinna Tapaktsoglou
Chief Financial Officer

First and foremost, we would like to take this opportunity to express our sincere gratitude to all our personnel, both onshore and at sea, for their unwavering dedication and innovative contributions. Their hard work, dedication, and forward-thinking ideas have been instrumental in driving our sustainability agenda.

During 2022, we had to navigate a variety of challenges that have significantly impacted the shipping industry, including among others, adopting to a post-COVID business landscape, and navigating the complex geopolitical developments (i.e. Ukraine-Russia war). These challenges have underscored the importance of resilience, adaptability, and sustainability in our operations.

We feel that we managed to overcome adversities in a successful manner; showcasing our resourcefulness, while always doing our best, to adopt business practices that mitigate the impact of our operations and uphold our commitment to environmental and social responsibility.

We are especially proud of the recognition of our efforts in Business Ethics, during the first ESG Shipping Awards, which took place in Athens, Greece, for the year of 2022. The Bronze Award in the Business Ethics category reflects our unwavering commitment to the highest standards of integrity, responsibility, and transparency. We have come a long way in such a short time and are very proud to be recognized alongside industry leaders.

Going forward, we look to the future with increasing confidence and aspirations to keep driving positive change in our industry. Our latest plans to renew our fleet with eco-design bulk-carriers and upgrade existing vessels with energy-efficient technologies are some of the key elements in achieving our ESG targets, such as reducing our emissions.

Executive Management
Pioneer Marine

ABOUT PIONEER MARINE





Pioneer Marine is a global shipping company specializing in the transportation of dry bulk commodities. This is achieved through the efficient management of owned and managed vessels with safety, customer service and environmental protection being top priorities. Our client portfolio includes a variety of reputable international shipping companies and trading houses.

Pioneer Marine was founded in 2013 with the support of a U.S investment fund. The headquarters are in Athens, Greece, but the Company also has presence in Asia through a Singaporean entity, Pioneer Marine Advisers SA. On March 2014, Pioneer Marine Inc. was registered on the NOTC-list with ticker code "PNRM" and successfully completed a \$75 million private placement.

During 2021, following the major shareholder's decision to exit as they reached their investment horizon, the Executive Management and affiliated investors acquired 8 vessels from the existing fleet along with the management companies of the Group.

As 2021, transitioned into 2022, we further enhanced our business platform, by expanding our in-house Technical Department with highly skilled and experienced personnel, enabling us to offer full Technical Management of vessels (RightShip DOC rating of 5/5). This allowed us, among others, to better evaluate the environmental footprint of our owned/managed fleet and be able to take the necessary actions to meet our ESG objectives.

2022 ended with our platform owning and managing a fleet of 16 modern and well maintained dry-bulk carriers; two more vessels compared to the prior year.

Key Milestones

2013

Inception of Pioneer Marine

2014

Acquisition of 13 high quality secondhand handy size vessels (10 Japanese built) mainly from Japanese counterparties

* \$75 million private placement in Norwegian OTC equity market

* Committed financing of \$119 million with CIT, ABN Amro and DVB Bank

2016

Delivery of the second Green Dolphin eco-design newbuilding

* Successful termination of 10 newbuilding contracts with minimum penalties

2015

Committed financing of \$150.1 million from ABN Amro, Deutsche Bank and Nord LB in relation to 12 Newbuilding Contracts

* \$25 million private placement in NOTC

* Delivery of Green Dolphin eco-design newbuilding

2017

Appointment of new Executive Management

* Successful restructuring of the company and transfer of headquarters to Greece

2018

New credit facilities of \$94 million to refinance existing facilities and new acquisitions with ABN Amro and DVB Bank

2019

Expansion of Commercial Management platform

2020

Restructuring of loan facility with ABN to strengthen company's liquidity during the pandemic

2022

Executive Management finalized Management buy-out process by acquiring 83% of Pioneer Marine Inc.

2021

Due to major shareholder's decision to exit from the investment, the Executive Management and affiliated investors acquired 8 vessels from the existing fleet, along with the management companies of the group. Moreover, the company managed to expand its commercial platform by adding 5 more vessels. Establishment of in-house Technical Department

2023

Acquisition of a Handysize bulk carrier with Njord Shipping (Project Partners) by raising \$5.8 million of equity in the Norwegian market.

Refinancing of 5 vessels of the existing fleet, with an aim to reduce the cost of debt, while maintaining leverage at sustainable levels.

Our Values

Our set of Core Values guide us throughout our efforts to achieve our objectives, clearly addressing all ESG Components.



Customer Service:

- > Deliver services of superior quality standards
- > Build sustainable long-term relationships based on professionalism and friendly approach



Stakeholder Value:

- > Maximize Stakeholder Value by emphasis on high performance and cost efficiencies



Our People Our Assets:

- > Over 200 years of combined industry and public markets expertise
- > Employ innovative dynamic professionals with strong teamwork spirit



Safety is our Top Priority:

- > Strong Safety Culture for the benefit of our people, our assets, and our business partners
- > Operate with risk conscious mentality to avoid unexpected losses



Integrity:

- > Conduct operations honestly and with transparency
- > Adopt Corporate Governance best practices



Sustainability & Environmental Awareness:

- > Opt for sustainable and environmentally friendly resources
- > Comply with industry regulations

Our services

Pioneer Marine offers complete services related to the sea-born transportation of dry cargo. We cover all aspects during the maritime lifecycle whilst relying on our trusted business network with a vast global reach.

Since the beginning we have built a reputation for delivering results, on which our clients and customers can rely on. This can be depicted by the excellent historic record of TCE performance, fleet utilization and low Opex costs compared to our peers.



COMMERCIAL

Chartering

- > First Class Charterers
- > Access to niche markets
- > Charter parties with airtight clauses
- > Optimization of earnings/ Strategic positioning of tonnage
- > +3,000 Fixtures

Operations

- > Safe & Efficient handling of vessels
- > Fuel Efficiency
- > Network of reputable agents, brokers, bunker suppliers
- > Constant coordination with technical and legal department avoiding losses and minimizing costs
- > Post fixture

S&P

- > Global network of competitive brokers, shipowners, and shipyards
- > Outstanding record of supporting vessel owners and potential owners with S&P advice and services
- > Cooperated with international banks to take-over and upgrade vessels during challenging times in the dry bulk markets



LEGAL - INSURANCE & CLAIMS

Insurance & Claims Handling

- > Twenty years of experience in claims handling
- > Fleet insurance policy attained via A rated Underwriters
- > Good claims record
- > Align needs with trading patterns and compliance with current regulations

Corporate:

- > Formation and establishment of offshore entities in various jurisdictions
- > Corporate Finance
- > Sale and Purchase of Vessels
- > Management Agreements for outsourced functions



TECHNICAL MANAGEMENT

Technical

- > Highly qualified and experienced team support the fleet around the clock
- > Access to top class shipyards, repair workshops and suppliers
- > High-end system tools constantly monitoring fleet efficiency
- > Drydock supervision and attendance
- > Cost Control of Budgeted Opex/Capex
- > Client driven KPIs and frequent onboard visits and inspections
- > Compliance with National/International regulatory and Industry requirements

Marine & HSSQE

- > Compliance with Health, Safety, Security, Quality, Energy and Environmental (HSSQE)
- > Zero tolerance to non-compliance with our HSSQEE standards
- > Identification of training needs for all personnel
- > Preserve Rightship score of the fleet
- > Regular audits and reviews to ensure meeting HSSQE objectives



FINANCE - REPORTING & TREASURY SERVICES

Financing

- > Access to top class financing platforms (from traditional banks to alternative financing) and Norwegian investors
- > In depth understanding of specialized needs & requirements of shipping companies
- > Monitoring of credit facilities and covenants compliance

Reporting

- > Experienced team of qualified Chartered Accountants
- > High Quality Performance monitoring
- > Accurate and timely reporting in accordance with the applicable GAAP
- > Reporting deliverables audited by BIG 4 audit firms

Treasury

- > Full transparency and traceability of processed transactions
- > Attentive planning of payments to ensure minimization of bank charges
- > Continuous monitoring of cashflow projections to ensure that the vessel can meet its financial obligations
- > Utilization of cash reserves in efficient manner

Our operations and our fleet

Pioneer Marine's Owned-Managed fleet, as of year-end, consists of **16 geared dry bulk carriers** (two more vessels compared to the prior year), all **Handysize**, with a total deadweight capacity of **0.56 million tons**; 0.12 million tons more compared to the prior year.

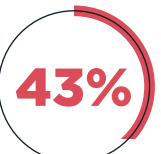
Our vessels **trade worldwide** in a multitude of trade routes carrying a **wide range of cargoes** for several industries. Our cargo includes agricultural products, metals, energy, construction materials, and minerals.

16

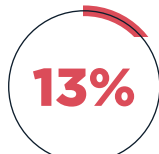
Geared Dry Bulk Carriers
Handysize

0.56

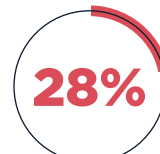
Million tons
Total Deadweight Capacity



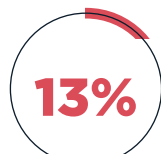
AGRICULTURAL
PRODUCTS



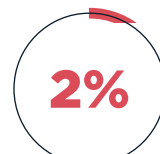
METALS



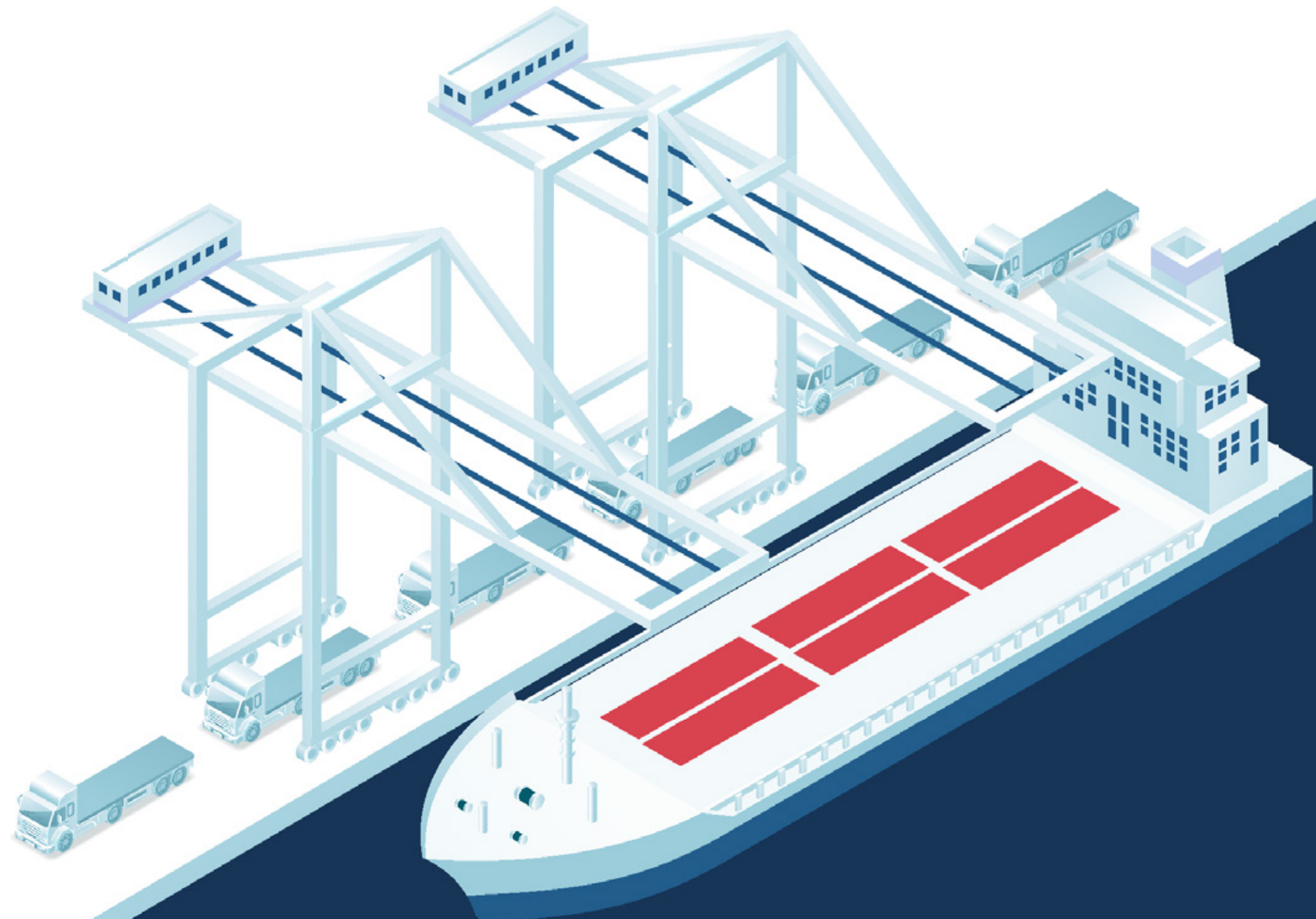
ENERGY



CONSTRUCTION
MATERIALS



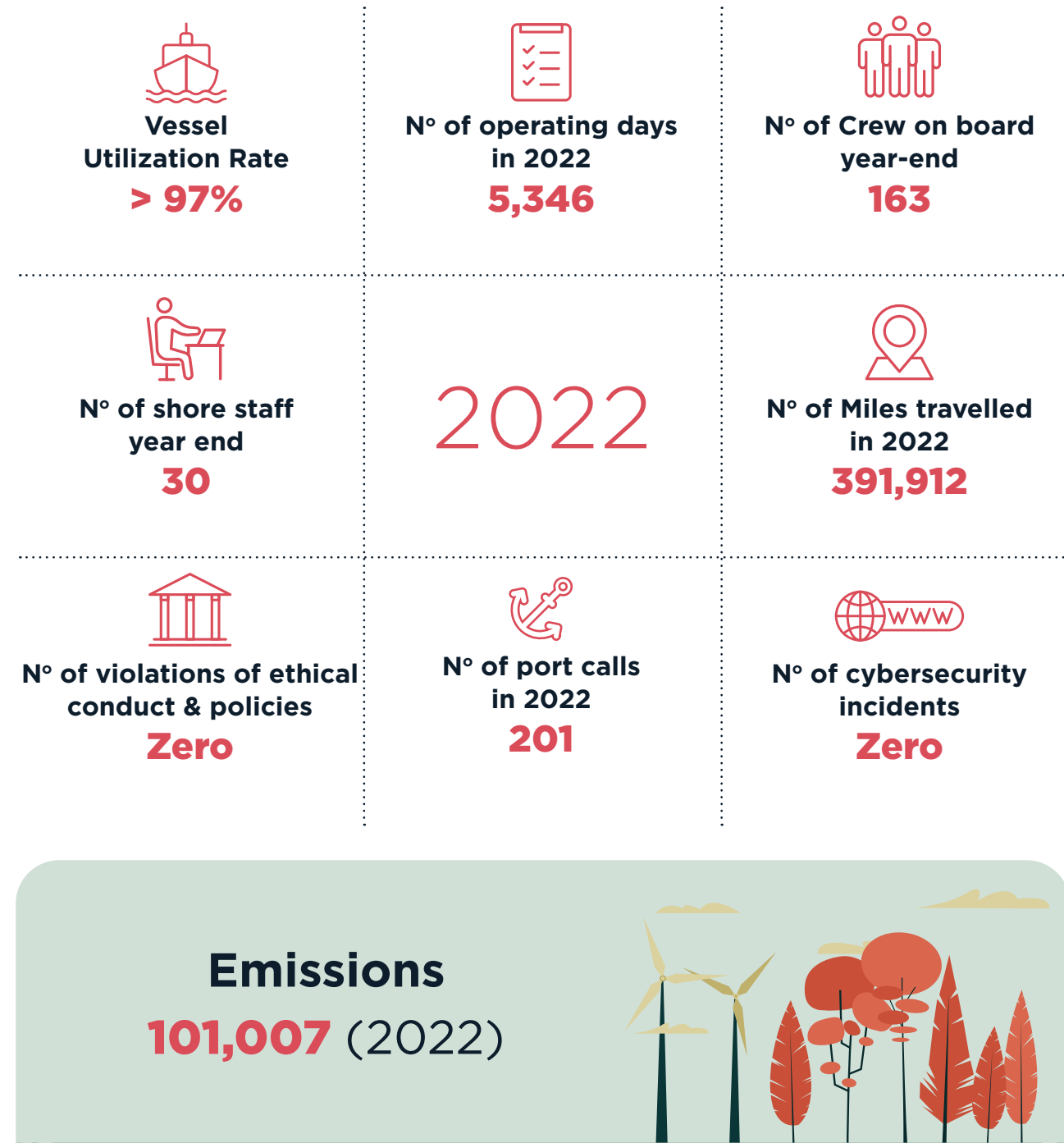
MINERALS



MOST VISITED COUNTRIES 2022



Pioneer at a glance



Memberships



**Note: Based on data availability, figures depicted in "About Pioneer" Section of our Report, may relate either to all vessels of our Owned / Managed fleet (e.g. utilization rate, operating days, port calls, etc.), or only to those vessels, which are Technically managed from our end (e.g. emissions, crew, miles travelled, etc.).*

Supporting UN Sustainable Development Goals (SDGs)



In 2015, the United Nations adopted the 17 Sustainable Development Goals (SDGs), also known as Global Goals, aiming 'to transform our world, to end poverty, protect the planet, and ensure prosperity for all'. The SDGs provide a universal framework that businesses can use to improve their performance on sustainable development and achieve a better future for all.



At **Pioneer Marine**, as a member of the international shipping community, we understand the importance of **global cooperation** in the fight to solve these issues, which is why we are proud to align ourselves with the **United Nations SDGs** and do our best towards their achievement.

ENVIRONMENT





The shipping industry undoubtedly has its share of impact on the environment.

We recognize the significance of climate change, and we acknowledge the need to find a way towards a zero-emissions future.

Our short-term and long-term strategy is greatly affected by our commitment to protect the environment, minimize our environmental footprint, and reduce emissions of our vessels. Factors, such as ballast water treatment, waste management, energy efficiency and green investments, play a key role in our decision making.

Throughout our daily operations, both on-board and onshore, we set and monitor a variety of environmentally related targets. We do not treat these targets as a rigid checklist of “things to do”, but instead, we prefer to view them as a dynamic, always improving list of measures, that help us achieve our objectives, while always protecting the environment.

On-Board Targets:

- > **Reduction of CO2 emissions:** An ongoing effort, affecting our daily operations. Indicatively, we closely monitor fuel consumption, speed, and weather conditions to achieve optimal performance with minimum emissions; we use high low friction hull coatings when dry-docking, we minimize resistance and fouling on propellers by applying special coatings, we use fuel additives for stabilizing combustion process and increase fuel efficiency, etc.
- > **Reduction of sulphur residues:** By using compliant fuel and not installing scrubbers onboard, we minimize sulphur residues by non-producing toxic sediments, which need to be discharged ashore or overboard.
- > **Increase of energy efficiency:** A variety of operational initiatives are adopted, to improve our performance when it comes to energy consumption on board our vessels, e.g., use of energy saving devices that enhances propulsion such as PBCF (Propeller Boss Cap Fin), etc.
- > **Waste Management:** We constantly aim to reduce waste on board our vessels. This may be achieved in a variety of ways, such as reducing and ultimately eliminating the use of single-use plastics, minimizing food waste via relevant educational campaigns for our crew, etc.
- > **Use of environmentally friendly materials.** Our procurement team prioritizes the use of ecofriendly / energy efficient products, such as EAL lubricants (Environmentally Acceptable Lubricants), copper-free paints, chemicals, spare parts, while controlling everything through an IHM (Inventory of Hazardous Material) process. In addition, we place great emphasis on consolidating our forwarding operations, hence minimizing our footprint even further.

On-Shore Targets:

- > **Reduce electricity consumption:** We closely monitor electricity consumption in our premises and strongly encourage our personnel, to act responsibly when it comes to use of energy.
- > **Reduce paper consumption:** We have adopted a fully paperless system when it comes to Company's file-keeping needs.
- > **Recycling Program:** We have initiated an Office Recycling Program to enhance our employees' environmental awareness during their day-to-day activities, reduce the use of plastic, and minimize office waste as much as possible.

Our dedicated in-house teams focus extensively on all aspects of our objectives regarding the environment, making sure we stay true to our commitments.

> Environmental Regulation Compliance

The shipping industry is governed by a global and complex regulatory framework. We ensure compliance with all applicable environmental regulations and aim to prepare timely for all upcoming changes (i.e. IMO CII & IMO 2050). Indicatively:

REGULATION	OBJECTIVE	PIONEER RESPONSE
EU MRV (Monitoring, Reporting and Verification)	Regulation requiring the monitoring, reporting and verification of carbon dioxide emissions from ships of more than 5000 GRT operating in EU ports, aiming to minimize it. <i>Entry into force: 1 July 2015</i>	All vessels comply with EU MRV requirements.
IMO Ballast Water Management Convention	Sets standards for proper management of ballast water and sediments to prevent the spread of harmful marine species. <i>Entry into force: 8 September 2017</i>	80% of vessels are already fitted with an approved BWTS. There is a contract/plan for installation of the same system across the fleet which is strictly followed.
IMO strategy on reduction of GHG emissions from ships	Reduction in total GHG emissions from international shipping by at least 50% by 2050 compared to 2008. <i>Entry into force: October 2018</i>	This is an ongoing process which includes strategies such as vessel performance optimization, application of new technologies and thorough management of fuel and voyage efficiency.
IMO Data Collection System (DCS)	Requires collection of fuel consumption data for ships of 5000 GT or larger as part of the Ship Energy Efficiency Management Plan. <i>Entry into force: 1 March 2018 (for data collection: 1 Jan 2019)</i>	All vessels comply with IMO DCS.
Inventory of Hazardous Materials (IHM)	A regulation to control hazardous materials onboard ships for the safe and environmentally sound recycling of ships. Any ship which is 500gt or over regardless of Flag will require a valid and certified IHM onboard if calling at an EU port or anchorage. <i>Entry into force: 31 December 2020</i>	All vessels are certified and in compliance with IHM requirements. An approved/accredited company has been assigned for the vessels lifetime quality management.
MARPOL Annex VI 0,50% Sulphur Limit	Reduction of the amount of sulphur oxide emissions from ships; either by adopting alternate fuels or installing EGC systems (scrubbers) or by using fuel oil with a sulphur content of no more than 0.50% m/m (mass by mass). <i>Entry into force: 1 Jan 2020</i>	All vessels are in full compliance by using VLSFO/MGO onboard.

> Air Emissions

Our continuous efforts to manage our fleet as efficiently as possible, is directly linked with our aim to reduce greenhouse gas (GHG) emissions.

For each vessel, we establish a dedicated Ship Energy Efficiency Management Plans (SEEMP) to improve their operational efficiency. Through the SEEMP, we adopt a variety of energy and fuel saving measures, such as:

- > optimizing speed of the vessel,
- > making course changes to avoid higher fuel consumption caused by rough weather,
- > hull cleaning in proper intervals, in addition to dry dockings, to improve speed and reduce fuel consumption, etc.

At this point, it should be noted that operating decisions impacting a vessel's fuel consumption, such as trading route and port calls, sailing speed, etc., are also affected by our customers (the Charterers).

This acts as a constant reminder to keep working closely with our business partners, to ensure relevant challenges are addressed in the most economical and environmentally friendly manner.

Key Indicator	2021	2022
CO² Emissions (tons)	160,029	101,007
Total SOx emissions (mt)	455	251
Total NOx emissions (mt)	4,539	2,870



OPTIMIZING SPEED OF THE VESSEL



MAKING COURSE CHANGES TO AVOID HIGHER FUEL CONSUMPTION CAUSED BY ROUGH WEATHER,



HULL CLEANING IN PROPER INTERVALS, IN ADDITION TO DRY DOCKINGS, TO IMPROVE SPEED AND REDUCE FUEL CONSUMPTION, ETC.

It should be noted that the significant decrease in our emissions compared to 2021 is mainly due to less vessels Technically managed from our end. That said, for the number of vessels that have been under our full Technical Management during both years, we were glad to notice a **reduction in our emissions overall, of on/about 5.2%.**

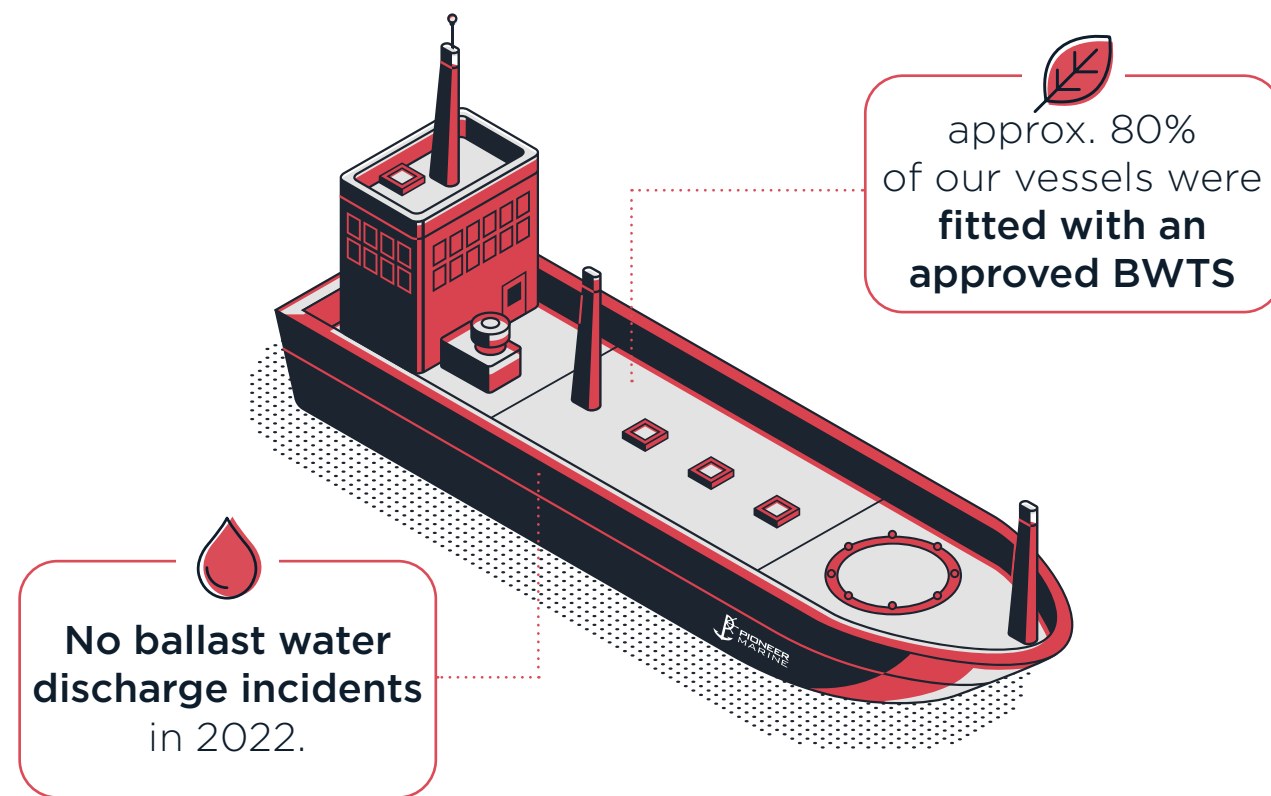
> Ecological Impacts

Marine vessels discharge fluid on a routine basis. We understand that this discharge has potential environmental impact such as pollution of water and damage to marine life.

Accidental spills or discharges can cause significant ecological harm. Harmful spills may require extensive recovery efforts, causing reputational damage as well as economic penalties. Following strictly the procedures included in our Safety Management System (SMS), and while always in cooperation with our third-party Managers as applicable, we have managed to record no harmful spills or discharges in 2022.

Ballast water is essential for the safe and efficient operation of vessels. The handling of ballast water is regulated by the International Convention for the Control and Management of Ships' Ballast Water and Sediments.

As of 31 December 2022, **approx. 80% of our vessels were fitted with an approved BWTS**, while for the remaining vessels, a plan for installation of the same system across the fleet, ensuring optimum operation and pertinent crew familiarization, was approved, and completed within 2023.



**Note: Data in the "Environment" Section of our Report relates to the vessels of our Owned / Managed fleet, which are Technically managed by our end (vessels under Commercial Management only, are excluded).*



SOCIETY





> Our Social Responsibility



We consider our people our greatest asset. Maintaining a professional, attractive, and positive workplace is vital to achieving a high degree of employee engagement, both for our crew onboard and our shore-based staff.

Our Executive Management places great emphasis on creating such a working environment, ensuring that all employees feel valued and appreciate being part of the greater Pioneer family.

For our shore-based staff, we take pride in our organizational structure, which despite our small to medium size in terms of number of onshore staff, includes a dedicated in-house HR department.

To achieve this, for our crew onboard, we engage only with well-respected third-party Managers / Manning Agents, who meet our strict criteria (i.e., embracing the Global Maritime Forum initiated Neptune Declaration on Seafarer Wellbeing and Crew Change), and are being monitored and evaluated by our management on a continuous basis.

The combination of the above creates a strong and cohesive team of high-caliber professionals, who constantly work to maintain and further improve, an attractive working environment, both onboard our vessels and in our on-shore premises.



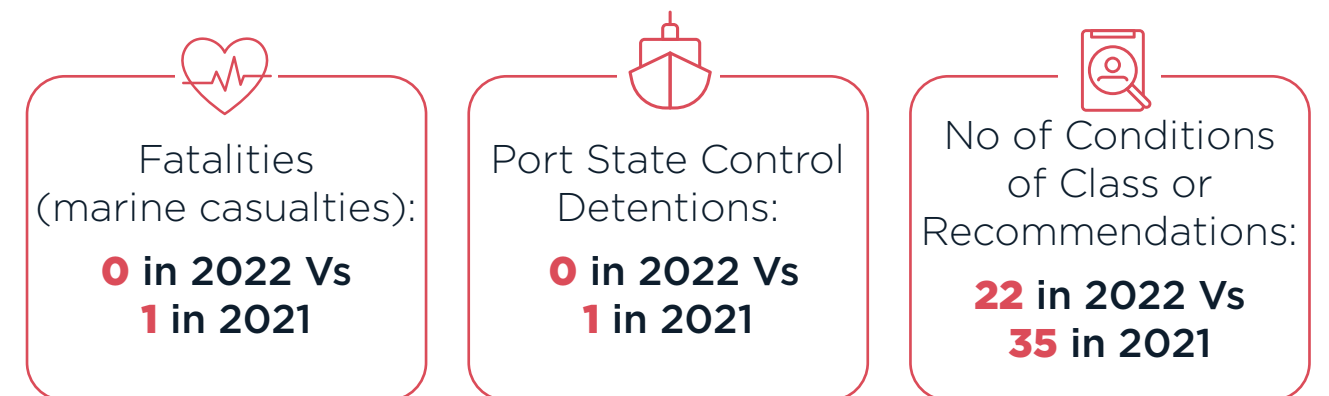
> Health & Safety

The nature of our business includes a variety of health and safety risks, especially for our crew on board, such as work injuries, adverse weather conditions, collisions, piracy, etc. We consider the health and safety of our people as our top priority and every decision we make, is driven by our responsibility to provide a secure working environment, minimizing the risks associated with the industry, while ensuring the wellbeing of our personnel and the safety of our ships.

We have adopted a health and safety mentality throughout all aspects of our operations, (on board and on shore); with emphasis on strict compliance with all applicable regulations, and implementation of best practices, that may go beyond the minimum requirements i.e., making available AED devices (Automatic External Defibrillators) to our premises, etc.

To achieve the objectives of our health and safety management system, we have established an elaborate monitoring mechanism that includes among others (in cooperation with our third-party Managers, as applicable):

- > on-board inspections,
 - > training sessions, including drills and emergency simulation exercises to be fully prepared in emergency situations,
 - > monitoring of multiple indicators related to health and safety such as Lost Time Injuries, etc.
 - > regular meetings with our partners, as well as between our Company's Departments,
 - > internal audits, etc.
- If it becomes apparent that harm could occur to our employees, partners, member of the public, the environment, or our assets, employees are encouraged to stop work and take specific steps to ensure that no harm will occur.
- Overall, our aim is to promote a culture of sharing insights and lessons learned throughout the Group, thus ensuring that we are constantly improving the health and safety aspect of our operations.





> Human Rights

At Pioneer, we treasure fundamental human rights and we do not tolerate any violation regarding same, as these are determined in the United Nations Universal Declaration of Human Rights.

We comply with all the applicable regulatory requirements, including the Maritime Labor Convention as adopted by the International Labor Organization.

We value the diversity of our employees, and we advocate fair and equal opportunities and treatment for employees irrespective of ethnic, or national origin, age, disability, gender, sexual orientation, or religion.

We have adopted a set of Standards of Business Conduct & Ethics (the "Standards") as a way of life, which reflect our continued commitment to manage our business activities with integrity and respect. These Standards guide us throughout our operations (refer to Governance Section for more info on our Standards).

We expect our suppliers and business partners to abide by the same principles and respect human rights in all aspects of their operations.

ZERO INSTANCES OF REPORTING VIOLATIONS OF HUMAN RIGHTS



> Attracting and retaining Human Capital

We aspire our people to view Pioneer as their second family. We strongly believe that creating an attractive working environment for our people is of paramount importance to keep our crew and staff fully motivated, engaged, and ultimately fulfilled for contributing to the achievement of our collective objectives.



> Crew

To attract and retain quality seafarers for our ships, we collaborate closely with our carefully selected third-party Managers (i.e., adopters of the Neptune Declaration on Seafarer Wellbeing and Crew Change), who maintain a pool of seafarers originating from a variety of nations.

We carefully select our crew based on their experience and skills, to ensure they meet our high standards of performance and excellence.

Throughout their employment, we regularly communicate with them, keeping an open ear to any concerns or expectations they might have, and doing our best to meet their needs.

We invest in their training and development (in coordination with our third-party Managers) helping them enhance their capabilities and further advance their career development.

We make sure our vessels provide all the necessary equipment and facilities to enhance our seafarers' recreational time on board (i.e., fitness activities, entertainment and gaming, internet access, etc.).

We fully support them throughout their employment, by aligning our practices with Seafarers Union Standards, by offering shore leaves, and by covering their repatriation expenses.

While aiming to maintain the highest possible retention rate, we offer performance and rejoining bonuses, after a thorough evaluation and performance review.

> Onshore staff

Our onshore staff is key to all our operations. They keep our ships and our business running, proving to be a crucial element in our efforts to meet our business objectives and our clients' expectations.

Our in-house HR department, in close collaboration with our executive management, has built a set of core competencies for all positions and attends to all matters pertaining to our onshore staff needs.

Our recruiting process ensures that we always employ adequately qualified personnel, who have the required skillset and competencies and share our commitment to high standards of performance and conduct.

During employment, we go to great lengths to ensure that each individual member of our team, through a transparent performance management process gets the feedback, training, and development, that is most suitable both to their position in the Company, and their unique needs and aspirations (i.e., attendance of conferences, seminars, and presentations, on the job training, opportunities to achieve professional qualifications, career development opportunities etc.).



As part of our continuous effort to foster an inspiring “family-oriented” working environment, we provide a variety of benefits including among others:



> Life and medical plan

> Bonus scheme

> Recreational / group activities

> Regular social gatherings

> Complimentary snacks

> Mobile phones

> Remote working flexibility

> Company Awards (awarding skills such as creativity, teamwork, positive mindset, etc.)



Part of our continuous effort is to foster an inspiring **“family-oriented”** working environment

KEY DATA REGARDING OUR PEOPLE:

> Employee Breakdown

Crew:

As of December 31, 2022, for the vessels under our Technical Management, the Group managed, through third-party manning agents, a total of **163 seafarers of 5 different nationalities**. Compared to 260 seafarers at end of 2021; 37% decrease mainly due to less vessels under our Technical Management



163 seafarers

Seafarers per Nationality / Number of Nationalities



Filipino: **85**
52,15%



Ukrainian: **66**
40,49%



Russian: **5**
3,07%



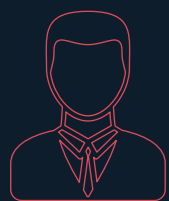
Nigerian: **4**
2,45%



Romanian: **3**
1,84%

Onshore staff:

As of December 31, 2022, the Group employed a total of **30 staff**. 20% increase compared to 25 onshore staff at end of 2021; as a result of our continuous commitment and dedication in ensuring our people can support our business model in the best possible manner.



30 staff



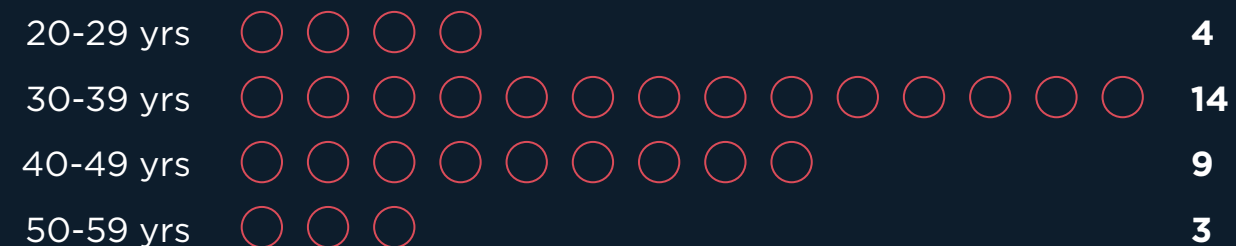
Male **18**
60%



Female **12**
40%

Compared to **48% male and 52% female at end of 2021**; still very close to our target of maintaining a healthy balance between male and female employees.

Age Breakdown



8%
Employee
Turnover
Ratio



The Company is always striving for high employee retention. Compared to last year there is a drop in the annual turnover rate (from 11% in 2021 to 8%), implying that our onshore employees are engaged, satisfied, and motivated for a long time. It also means that our HR policies are good and effective for our overall organizational growth.

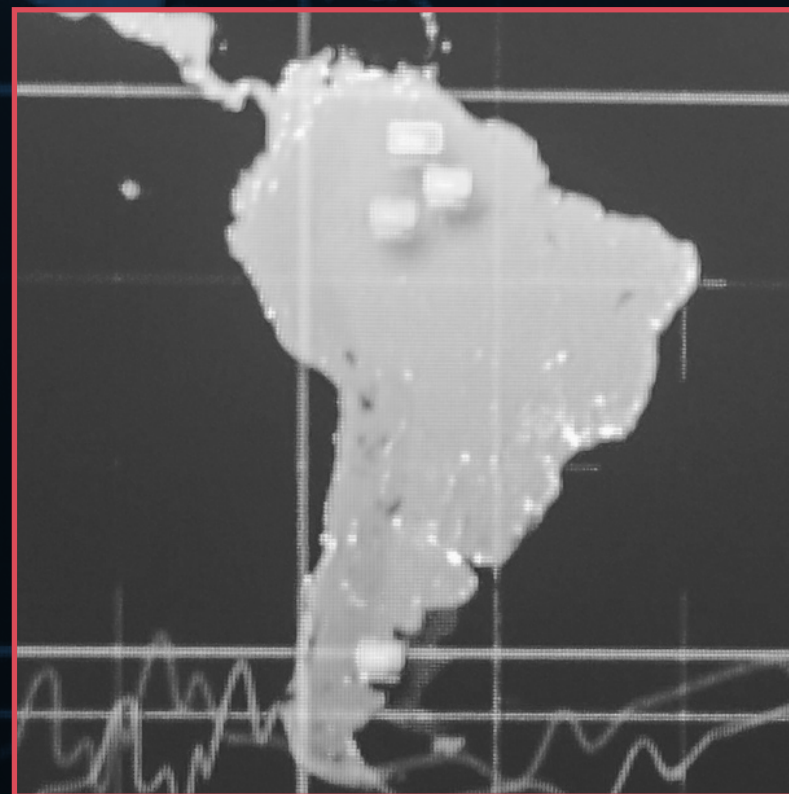
Supporting the wider community

In Pioneer Marine, we believe that it is our duty to give something to Society and make a difference in the lives of people. This is achieved through regular financial or product donations to a variety of Charities as determined by the Management of the Company.

We have also initiated an Office Recycling Program to enhance our employees' environmental awareness during their day-to-day activities, reduce the use of plastic, and contribute to the protection of the environment by minimizing the amount of office waste.

** Note: Data regarding Health & Safety and Seafarers, in the "Social" Section of our Report relates to the vessels of our Owned / Managed fleet which are Technically managed by our end (vessels under Commercial Management only, are excluded).*

GOVERNANCE



Activity:

Up time **27:14:22:15**

Signal

20

30

Logs

22/05/2020 (19 04)

File encryption

..._311 connection established 222.331.145 (-)

... connection established 222.331.145 (-)

... 125

... connection established 11-22-222.331.145 (-)

iHz



➤ Reliable corporate governance is at the core of our mindset.

As responsible business leaders, it is not enough to do things right; it is also important to do them in the right way. Our business decisions and actions must be ethical and in full compliance with legal requirements.

Our “Standards of Business Conduct and Ethics” (the “Standards”) are designed to guide all members of the Pioneer Group of Companies, to always comply with applicable laws and regulations, while conducting business in a fair and ethical manner. We actively encourage and where possible, support our business partners and suppliers to do the same.

The Standards also cover a wide variety of corporate practices, company policies and compliance, contributing significantly in our continuous effort to maintain a corporate governance framework on par with international best practices.

We have established clear policies, procedures, and systems, to support the application of the Standards in our daily business practices (i.e., Sanctions Policy, Whistleblower Policy, etc.).

We are especially proud of the recognition of our efforts in Business Ethics, during the first **ESG Shipping Awards**, which took place in Athens, Greece, for the year of 2022. **The Bronze Award in the Business Ethics category** reflects our unwavering commitment to the highest standards of integrity, responsibility, and transparency.

We have come a long way in such a short time and are very proud to be recognized alongside industry leaders. That said, we strive to avoid complacency and reliance solely on our established systems. Considering the ever-changing compliance landscape of the shipping industry, we continuously monitor applicable regulatory environment, and we coordinate with industry experts as needed, to ensure compliance and protect our own and our stakeholders’ interests.



We adopt a **“zero tolerance”** stance towards corruption and non-compliance with applicable legislation.

2022

Number of calls at ports in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index

3 out of 201 (1.4%)



ZERO

INCIDENTS OF CODE OF CONDUCT VIOLATIONS

ZERO

MONETARY LOSSES DUE TO LEGAL PROCEEDINGS ASSOCIATED WITH BRIBERY OR CORRUPTION

> Our Executive Management

Our Companies are managed through our executive bodies, being the general meetings, the Boards, and the Executive Management (the “EMT”). The day-to-day business of the Group Companies is managed by the Executive Management Team.



The multi-faceted career profile of the EMT, combined with the support of a talented and dynamic team of seasoned professionals in the shipping industry, are a

unique combination, which allows us to consistently generate, and distribute direct economic value for our stakeholders.

> Transparency

We are especially proud of our approach towards transparency in all aspects of the Company’s operations.

Our reporting systems are monitored by Board(s) of Directors consisted of Maritime and Finance experts. Our Companies are regularly audited by well-known independent external auditors (“Big 4”) in accordance with applicable standards.

Additionally, our Management Reporting framework (i.e., monthly closing) allows us to provide timely, high quality performance monitoring, which in turn enables our stakeholders to take prompt strategic decisions as needed.



> Data Privacy and Information Security

At the same time, we are extremely vigilant about handling IT assets and information, throughout the scope of our operations, both on board vessels, and on our premises.

To protect our assets from risks related to cyber threats, human errors or any other actions that may affect confidentiality, integrity, and availability of information, we have adopted a variety of measures and systems such as:

- > Ensuring proper infrastructure is in place to support the crucial function of our IT department in this matter.
- > Regular training of our people to improve their cybersecurity skills and awareness.
- > Contingency plans (i.e., back up procedures) that will allow us to respond efficiently and effectively to cyber-security related incidents, etc.

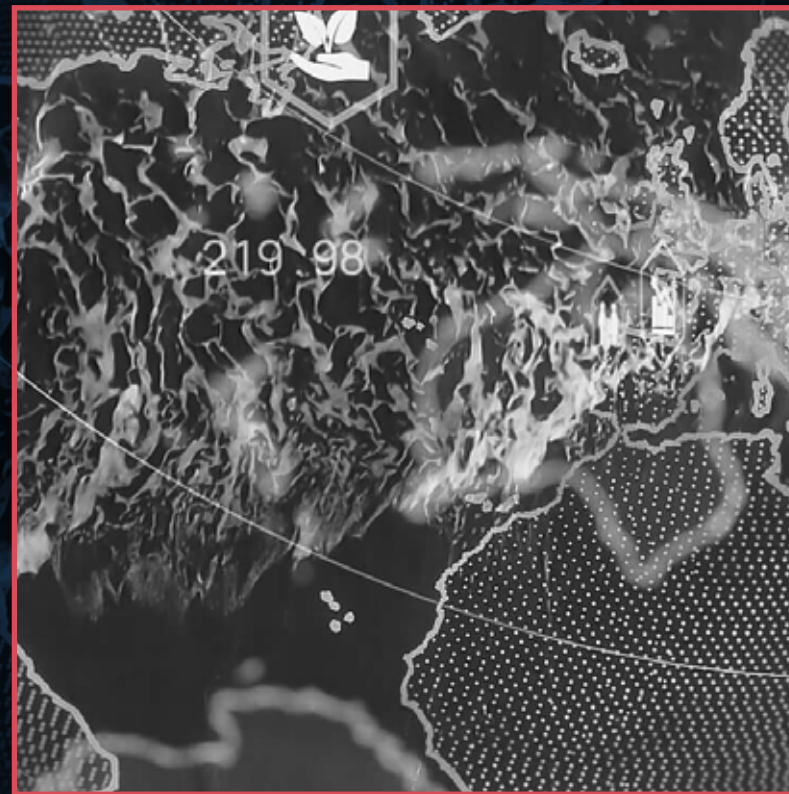


There have been **no instances of substantiated complaints** concerning breaches of customer privacy and losses of customer data during the reporting period.



There have been **zero Cyber Security Incidents** during the reported period.

APPENDIX





Appendix

This is Pioneer Marine's second ESG Report, which presents our Group's approach on managing environmental, social and governance aspects. The reporting period is 2022 (1st of January 2022 until 31st of December 2022). The reporting cycle going forward shall be annual.

External assurance has not been sought for this edition of the report. This will be under consideration for future editions.

Pioneer Marine has used the Marine Transportation Sustainability Accounting Standard of the SASB standards for reporting on its ESG performance. Please see the "SASB Disclosures Table" in the Appendix.



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> SASB DISCLOSURES

Topic	Code	Accounting metric	Reference	Data
Greenhouse Gas Emissions	TR-MT-110a.1 (Note 1)	Gross global Scope 1 emissions (mt)	Reducing GHG emissions, implementing energy saving measures and mitigating impacts on air quality	101,007
	TR-MT-110a.2	Discussion 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		Refer to Environment section
	TR-MT-110a.3 (Note 2)	(1) Total energy consumed (GJ)		1,349,148
		Percentage %		100%
		(2) Percentage heavy fuel oil (GJ)		1,048,012
TR-MT-110a.4	Average Energy Efficiency Design Index (EEDI) for new ships (Grams of CO2 per ton-nautical mile)	77.68%		
Air Quality	TR-MT-120a.1 (Note 3)	Air emissions of the following pollutants: (1) NOx - excluding N2O (mt)	n/a	
		(2) Sox (mt)	2,870.51	
		(3) Particulate matter (mt)	251.93	
Ecological Impacts	TR-MT-160a.1	Shipping duration in marine protected areas or areas of protected conservation status	Managing water responsibly and installing Ballast Water Treatment Systems	n/a
	TR-MT-160a.2	% of fleet implementing ballast water exchange		19%
		% of fleet implementing ballast water treatment		81%
	TR-MT-160a.3	Number of spills and releases to the environment		0
Aggregate volume of spills and releases to the environment		0		
Employee Health & Safety	TR-MT-320a.1 (Note 4)	Lost time incident rate (LTIR)	Providing a safe working environment	n/a
Business Ethics	TR-MT-510a.1	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Complying with regulations and the company's Standards of Business Conduct & Ethics	3 (1.4% of all port calls)
	TR-MT-510a.2	Total amount of monetary losses because of legal proceedings associated with bribery or corruption		0
Accident & Safety Management	TR-MT-540a.1 (Note 5)	Very serious marine casualties	Providing a safe working environment	0
	TR-MT-540a.2 (Note 6)	Number of Conditions of Class or Recommendations		22
		Number of port state control deficiencies (rate)		0.73
	TR-MT-540a.3 (Note 7)	Number of port state control detentions		0
Activity metrics	TR-MT-000.A	Number of shipboard employees	Our services and markets	163
	TR-MT-000.B	Total distance travelled by vessels		391,912
	TR-MT-000.C	Operating days		5,346
	TR-MT-000.D	Deadweight tonnage		563,884
	TR-MT-000.E	Number of vessels in total shipping fleet (Owned/Managed)		16
	TR-MT-000.F	Number of vessel port calls		201

> Disclaimers & Assumptions:

Note 1: CO2 emissions: Calculations are based on IMO emission factors and fuel consumed. The financial control approach has been applied for Scope 1.

Note 2: Energy consumption: Calculations are based on tons of oil equivalents (toe) using DEFRA conversion factors to calculate energy consumed in gigajoules (GJ).

Note 3: Other emissions to air (NOx, excluding N2O, and SOx): Estimated based on MARPOL Annex VI Appendix II and IMO GHG Study Annex 6 Details for Section 2 respectively.

Note 4: Lost time incident rate (LTIR): The rate is calculated based on (lost time incidents) / (1,000,000 hours worked) and includes incidents resulting in absence from work beyond the date or shift when they occurred.

Note 5: Marine casualties: The definition of a marine casualty is based on the United Nations International Maritime Organization's (IMO) Code of International Standards and Recommended Practices for a Safety Investigation into a Marine Casualty or Marine Incident Resolution MSC 255(84), paragraph 2.9, chapter 2 of the general provisions.

Note 6: Conditions of class: The data provided represents the number of Conditions of Class or Recommendations received from a Flag Administration or a Recognized Organization (RO) that has been delegated the authority to issue such findings. The scope of disclosure includes all Conditions of Class regardless of whether they resulted in withdrawal, suspension, or invalidation of a vessel's Class certificate.

Note 7: Port state control: Deficiency rate is calculated using the number of deficiencies vessels received from regional port state control (PSC) divided by total number of port state control inspections.

> Our Approach to this report



> Phase A: Identification of sustainable development topics

In this phase, a list of sustainable development topics was compiled including topics across Environmental, Social and Governance (ESG) dimensions. These topics were identified by reviewing the following sources:

- > International sustainable development standards and initiatives, such as the SASB Standards,
- > Publications related to Pioneer Marine during the reporting period,
- > Pioneer Marine's internal documents related to policies, strategies, business management systems and risk management systems,
- > The sustainable development topics identified by selected peer companies.

> Phase B: Prioritization of sustainable development topics

The objective of this second phase was to prioritize the needs and expectations of both internal and external stakeholders. To prioritize the topics that substantially influence the assessments and decisions of stakeholders, a stakeholder survey was carried out, after the main stakeholder groups were mapped and a priority was assigned to each group. In addition, a workshop with Pioneer Marine's management was held for the prioritization of sustainable development topics according to their impacts on the wider economy, society and environment. Based on the outcomes of the two processes, the identified sustainable development topics were prioritized, and the list of material topics was created.

> Phase C: Validation of materiality analysis results

The final phase of the materiality analysis process included the validation of the results by Pioneer Marine's management.

Pioneer Marine Total identified topics		
ENVIRONMENTAL		
1	Managing water responsibly and installing Ballast Water Treatment Systems	(e.g. reduction of water consumption, monitoring third parties responsible for ballast water management plans, ballast record books, ballast water exchanges, bio-fouling, etc.)
2	Reducing GHG emissions, implementing energy saving measures and mitigating impacts on air quality	(e.g. compliance with 2020 Sulphur Cap, installation of scrubbers, real time analysis of vessel performance, monitoring of third parties responsible for the development and maintenance of Shipboard Energy Efficiency Management Plans etc.)
3	Ensuring responsible management of ship garbage	(e.g. monitoring performance of third parties responsible for the management of waste from vessels such as food waste, cargo residues, cleaning agents, plastic garbage, e-waste, sewage sludge etc.)
4	Preventing accidents with environmental impacts	(e.g. monitoring the performance of third parties responsible to mitigate impacts on the environment resulting from navigational incidents, fire, explosion, accidental spills and discharges, cargo residues, etc.)
5	Managing green Ship Scrapping responsibly and developing "Green Passports"	(e.g. monitoring the performance of third parties responsible for the development of inventories of all materials used in the construction of a ship that are potentially hazardous to human health or the environment, etc.)
6	Identifying and assessing climate-related risks and opportunities	(e.g. identification of the climate change impacts on business continuity, mitigation of the adverse effects of climate change on the business model etc.)
SOCIAL		
7	Providing a safe working environment	(e.g. monitoring performance of third parties responsible for health and safety aspects, COVID-19 pandemic response, prevention and/or handling of occupational accidents, occupational diseases, lost working days, absenteeism, etc.)
8	Safeguarding human rights at work	(e.g. due diligence, creation of an equal opportunity working environment, avoidance of child and forced labor, etc.)
9	Attracting and retaining human capital	(e.g. implementing practices to attract and retain office employees, monitoring performance of third parties responsible for practices to attract and retain crews, secure jobs and salaries, provide employee benefits, etc.)
10	Ensuring the training and development of human capital	(e.g. implementing practices to train office employees, monitoring performance of third parties responsible for practices to train crews, etc.)
11	Supporting social initiatives in local communities	(e.g. implementation of initiatives and investments on charitable, civic, educational and cultural causes, etc.)
GOVERNANCE		
12	Complying with regulations and the company's Standards of Business Conduct & Ethics	(e.g. compliance with laws and company's policies and procedures, non-discrimination, anti-corruption and anti-bribery, prevention, detection and reporting of fraud, whistleblowing etc.)
13	Handling company IT assets and information responsibly	(e.g. ensuring proper maintenance, security, handling and operation of company IT assets, preparation against cyber-attacks, avoidance of relevant potential impacts on the health and safety of employees, etc.)
14	Generating and distributing direct economic value	(e.g. payment of wages and provision of benefits to employees, payments to partners and suppliers, payment of direct taxes to the State, contribution to the country's GDP, indirect employment support and income support in the supply chain and the wider society etc.)
15	Incorporating ESG criteria in supplier evaluation	(e.g. practices and performance on health and safety management, environmental management, human resources, ethics and governance etc.)

Note: Topics highlighted in bold, were identified as material during our Materiality Analysis exercise



ESG REPORT 2022

