ESL Shipping

Sustainability Report 2024

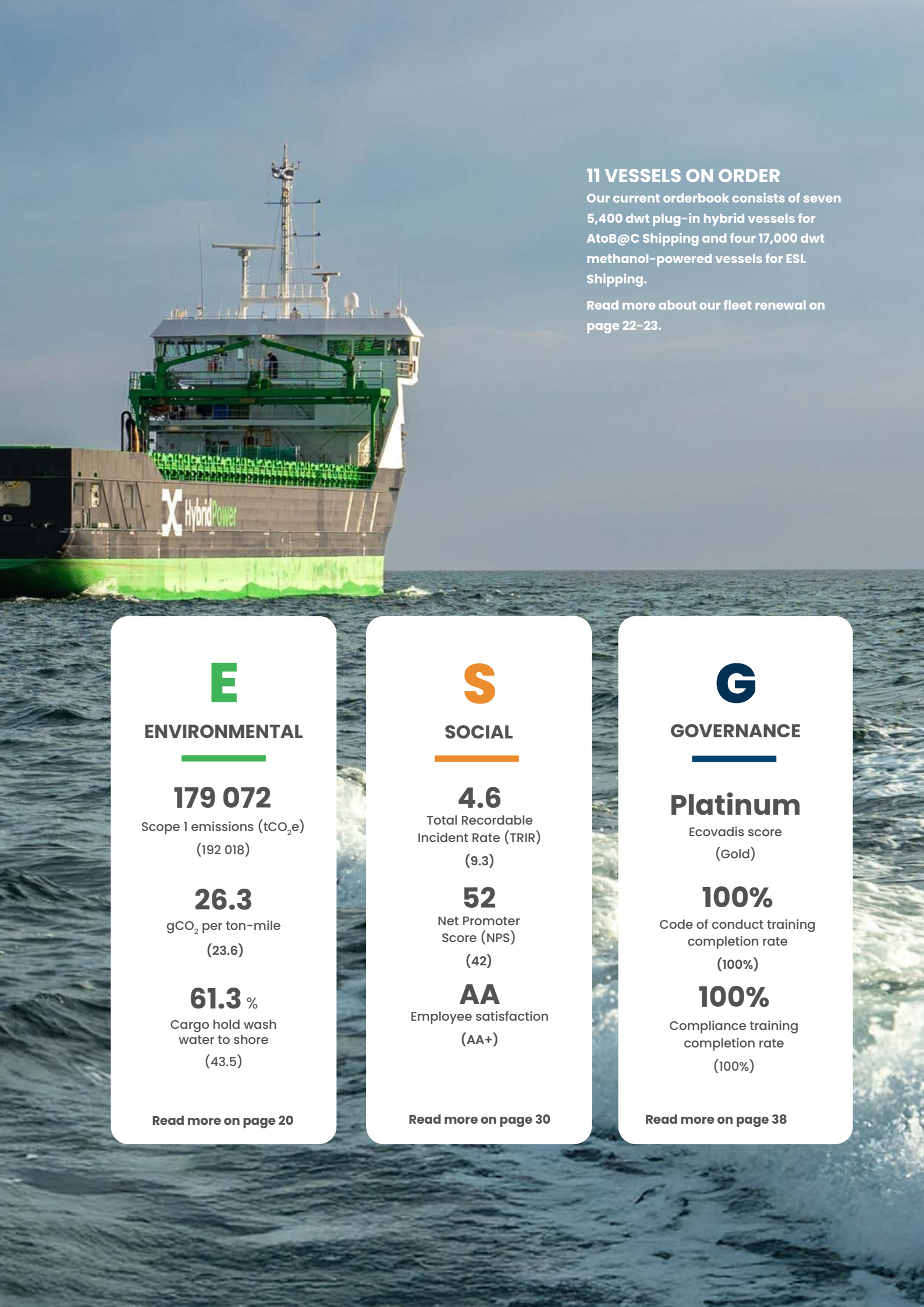
www.eslshipping.com

Our performance in 2024

The year 2024 we reached two significant milestones as we recorded zero lost time injuries across our operations and achieved the highest Platinum rating in Ecovadis assessment.

NET SALES	EBITA	CARGO VOLUME
206.2 MEUR	9.2 MEUR	12.6 million tons

PERSONNEL	VESSELS	DISTANCE SAILED
253	43	1.361 million nautical miles



11 VESSELS ON ORDER

Our current orderbook consists of seven 5,400 dwt plug-in hybrid vessels for AtoB@C Shipping and four 17,000 dwt methanol-powered vessels for ESL Shipping.

Read more about our fleet renewal on page 22-23.

E

ENVIRONMENTAL

179 072
Scope 1 emissions (tCO_2e)
(192 018)

26.3
gCO_2 per ton-mile
(23.6)

61.3 %
Cargo hold wash water to shore
(43.5)

Read more on page 20

S

SOCIAL

4.6
Total Recordable Incident Rate (TRIR)
(9.3)

52
Net Promoter Score (NPS)
(42)

AA
Employee satisfaction
(AA+)

Read more on page 30

G

GOVERNANCE

Platinum
Ecovadis score
(Gold)

100%
Code of conduct training completion rate
(100%)

100%
Compliance training completion rate
(100%)

Read more on page 38


STELLAMAR
HybridPower

Record-breaking year in safety

As we reflect on the past year, we are proud to share the remarkable achievements in our journey towards sustainability and safety.

Our unwavering commitment to creating a safe working environment has yielded outstanding results, with zero lost-time injuries reported across our entire operations.

Our dedication to safety is further evidenced by the significant reduction in the Total Recordable Incident Rate, which decreased by 50%, bringing it down to 4.6. This impressive statistic highlights the long-term efforts and strong safety mindset of our entire personnel, who have embraced safe working practices as a core value.

In addition to our safety achievements, ESL Shipping has excelled in regulatory compliance. Our Port State Control deficiency ratio remained significantly lower than the average, reflecting our commitment to maintaining the highest standard across our fleet.

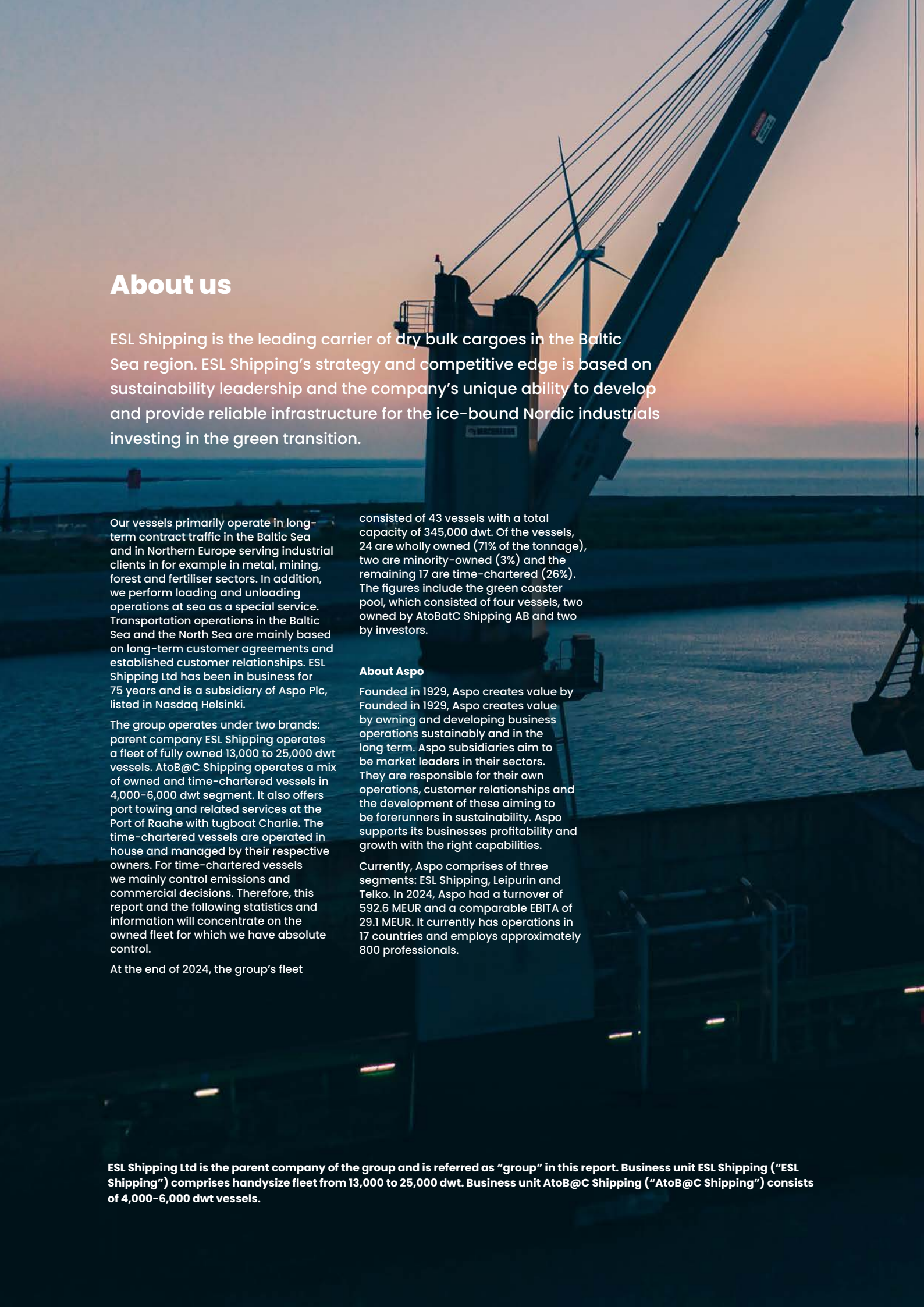
Looking ahead, ESL Shipping is committed to enhancing its operational efficiency and sustainability. We are dedicated to reaching net-zero emissions by 2040, aligning with the Science Based Targets initiative. In line with our sustainability goals, we were excited to announce in October the order of four new dual fuel methanol-powered vessels. These handysize vessels, equipped with an ice-class 1A, can operate entirely without fossil fuels by using green methanol. This investment, totaling approximately €186 million, marks a significant step towards our vision of a fossil-free fleet.

These accomplishments and future goals are a testament to the hard work and dedication of our team, and they inspire us to continue striving for excellence in all aspects of our operations. As we move forward, we remain committed to advancing our sustainability goals, fostering a culture of safety, and upholding our responsibility to the environment and the communities we serve.

We invite you to explore this report and join us on our journey towards a more sustainable and safer future.

Sincerely,

Mikki Koskinen
Managing Director



About us

ESL Shipping is the leading carrier of dry bulk cargoes in the Baltic Sea region. ESL Shipping's strategy and competitive edge is based on sustainability leadership and the company's unique ability to develop and provide reliable infrastructure for the ice-bound Nordic industrials investing in the green transition.

Our vessels primarily operate in long-term contract traffic in the Baltic Sea and in Northern Europe serving industrial clients in for example in metal, mining, forest and fertiliser sectors. In addition, we perform loading and unloading operations at sea as a special service. Transportation operations in the Baltic Sea and the North Sea are mainly based on long-term customer agreements and established customer relationships. ESL Shipping Ltd has been in business for 75 years and is a subsidiary of Aspo Plc, listed in Nasdaq Helsinki.

The group operates under two brands: parent company ESL Shipping operates a fleet of fully owned 13,000 to 25,000 dwt vessels. AtoB@C Shipping operates a mix of owned and time-chartered vessels in 4,000-6,000 dwt segment. It also offers port towing and related services at the Port of Raahe with tugboat Charlie. The time-chartered vessels are operated in house and managed by their respective owners. For time-chartered vessels we mainly control emissions and commercial decisions. Therefore, this report and the following statistics and information will concentrate on the owned fleet for which we have absolute control.

At the end of 2024, the group's fleet consisted of 43 vessels with a total capacity of 345,000 dwt. Of the vessels, 24 are wholly owned (71% of the tonnage), two are minority-owned (3%) and the remaining 17 are time-chartered (26%). The figures include the green coaster pool, which consisted of four vessels, two owned by AtoBatC Shipping AB and two by investors.

About Aspo

Founded in 1929, Aspo creates value by Founded in 1929, Aspo creates value by owning and developing business operations sustainably and in the long term. Aspo subsidiaries aim to be market leaders in their sectors. They are responsible for their own operations, customer relationships and the development of these aiming to be forerunners in sustainability. Aspo supports its businesses profitability and growth with the right capabilities.

Currently, Aspo comprises of three segments: ESL Shipping, Leipurin and Telko. In 2024, Aspo had a turnover of 592.6 MEUR and a comparable EBITA of 29.1 MEUR. It currently has operations in 17 countries and employs approximately 800 professionals.

ESL Shipping Ltd is the parent company of the group and is referred as "group" in this report. Business unit ESL Shipping ("ESL Shipping") comprises handysize fleet from 13,000 to 25,000 dwt. Business unit AtoB@C Shipping ("AtoB@C Shipping") consists of 4,000-6,000 dwt vessels.

Management team

Mikki Koskinen
Managing Director

Member of the Management team since 2013.

Member of the Board of the Finnish Shipowners' Association

Vice President of the European Community Shipowners' Association

Janne Eklöf
Technical Director

Member of the Management team since 2012.

In the company since 2003.

Mikko Rausti
Director, Sea Personnel, Quality and Safety

Member of the Management team since 2015.

Frida Rowland
Commercial Director and Head of BU Coasters

Member of the Management team since 2018.

In the company since 2015.

Member of the Board of the Swedish Shipowners' Association

Petter Ruda
Chief Financial Officer

Member of the Management team since 2018.

Kirsi Ylärinne
Operations and Environmental Director

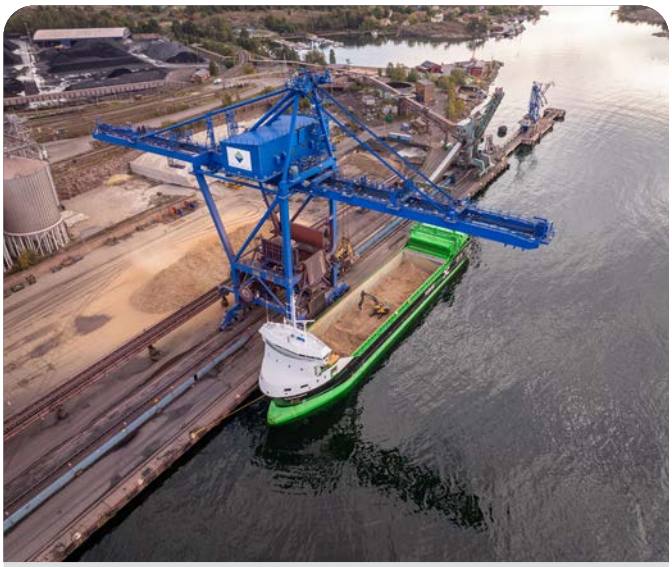
Member of the Management team since 2013.

In the company since 2012.

Timo Pohjakallio was a member of the Management team until December 2024.

Our Solutions

We secure product and raw material transportation for industries and energy production all year around, even in difficult weather conditions. Our vessels are especially designed to operate in the demanding conditions of the Baltic Sea. Our fleet is interchangeable as we operate several vessels of similar size and type.



VIRTUAL ARRIVAL

Virtual Arrival provides a completely free way to reduce your transport emissions up to 25% in a single sea leg. After a completed voyage, we provide you a calculation of saved bunker and emissions.

The basic idea of Virtual Arrival is to reduce a vessel's speed to meet revised arrival time if it is known that the berth will not be free on arrival. Regardless of the actual arrival time, the vessel still retains its place in the line-up based on the arrival time in normal service speed.

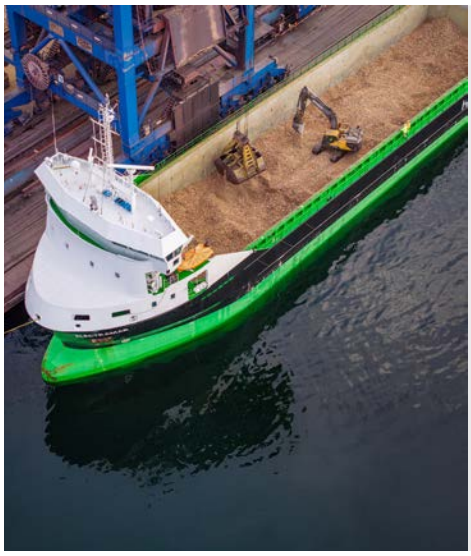
Read more at:
www.eslshipping.com/virtual-arrival

RENEWABLE MARINE FUELS

All our vessels are able to use HVO (hydrotreated vegetable oil) renewable diesel, which reduces WTW CO_2e emissions by up to 90%. HVO meets the criteria set by FuelEU Maritime, EU ETS, and EU MRV, and is widely available in European ports. It's produced from waste oil streams and residues, such as waste vegetable oils, without using any food chain oils.

Our LNG-powered vessels Viikki and Haaga are the most energy-efficient vessels in our fleet and fully compatible to use 100% renewable liquefied biogas as a main fuel. LBG reduces greenhouse gas emissions by up to 85 per cent compared to fossil fuels.

Read more
www.eslshipping.com/renewable-fuels



DRY BULK AND BREAKBULK SHIPMENTS

We pride ourselves on our ability to handle a wide range of cargo types, including bulk commodities and break bulk shipments. Whether you need to transport iron ore, fertilizers, grain, dry biofuels, steel products, or sawn timber, we have you covered.

Together with our subsidiary AtoB@C Shipping, we have an extensive fleet of vessels ranging from 4,000 to 25,000 dwt providing our customers with the flexibility to choose the perfect vessel size for their specific shipment requirements.

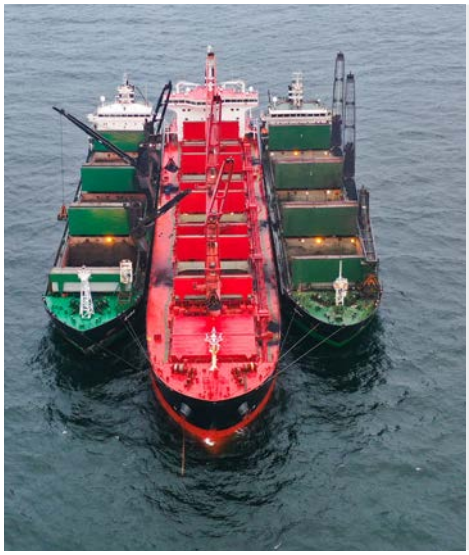
All of our 13,000-25,000 dwt vessels are outfitted with cranes which enables efficient cargo handling regardless of shore equipment, allowing for quicker and more streamlined port visits. As a result, your operations become more efficient, saving you valuable time and resources.

PROJECT CARGOES

With the support of our own supercargo personnel always available to assist the crew in preparing the most optimal stowage plan, our vessels are the perfect fit for project shipments.

Our vessels have carried various types of project cargo including windmill parts, house modules and Azipod propulsion units.

Most of the coaster fleet offers 50-65 metre unobstructed hold which is perfect for longer units. Our vessels are also capable of taking cargo on deck either as project cargo or as containers.



LOADING AND UNLOADING AT SEA

We have performed ship-to-ship operations since 1981.

Large ocean carriers cannot take full cargo in many of the largest export ports in the Baltic Sea due to draft limitations. By using our efficient shuttle vessels you can maximise the intake and benefit from economies of scale. To further maximise the intake, we can also offer topping after the Danish Straits in Skaw where no draft limits apply for the ocean carrier.

Our vessels of 13,000-25,000 dwt are equipped with side-mounted cranes and have been designed so that they can work next to another ship, even in challenging conditions. They are all equipped with fenders and sufficiently tall and long-armed cranes to operate effectively and safely.

In addition, we have four 13,500 dwt barges, which can be used as lightering vessels when the ocean carrier is equipped with cranes.

Read more on eslshipping.com/en/services

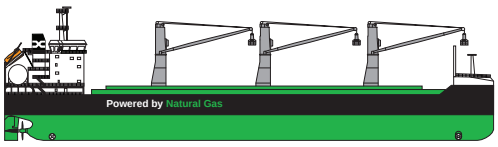
Our fleet 31.12.2024

Since the end of 2024, three 4,000 dwt, two 5,000 dwt and two 6,000 dwt vessels have been redelivered back to their owners. At the same time, one 5,000 dwt hybrid vessel and two 6,000 dwt vessels have been added to the fleet.

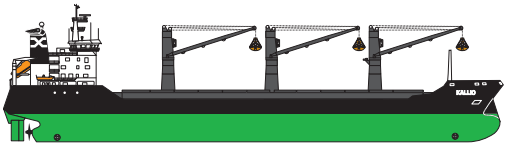
Operated by ESL Shipping

LNG

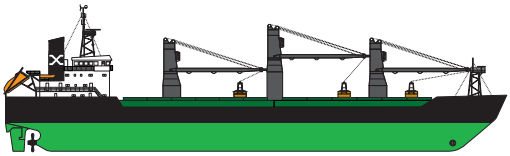
25,000 DWT
2 vessels



20,000 DWT
3 vessels



13,000 DWT
2 vessels

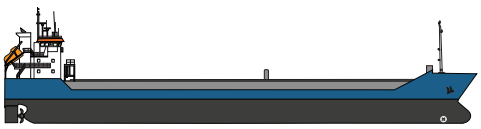


PUSHERS AND BARGES
2 pushers and 4 barges

Find the latest fleet list at www. eslshipping.com/fleet

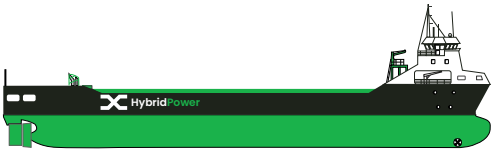
Operated by AtoB@C Shipping

6,000 DWT
5 vessels

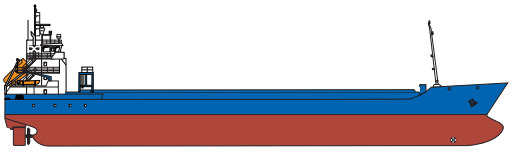


HYBRID

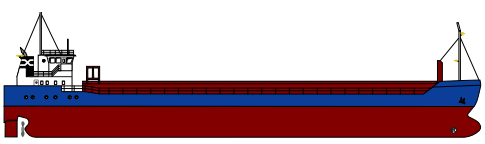
5,400 DWT
5 vessels



5,000 DWT
10 vessels



4,000 DWT
10 vessels



Find the latest fleet list at www.atobatc.se/fleet

Coming in 2027

Our fleet renewal continues with the arrival of four 17,000 dwt vessels capable for fossil-free operating by using green methanol.

Learn more at
www.eslshipping.com/greenhandy


VIIKKI

Year in review

Strategy execution took significant steps in 2024, when we welcomed two minority investors onboard, exited the supramax segment and announced the order of four methanol-powered vessels, the largest vessel order in the company's history.

In 2024, ESL Shipping's net sales increased by 9% to EUR 206.2 (189.0) million. Net sales include proceeds of EUR 25.3 million from the sale of Stellamar and Aquamar to the company established by the pool investors, impacting positively net sales growth for coaster segment. The combined net sales of the handy and coaster operations excluding vessel sale increased by 1% compared to the previous year. Sales were negatively impacted by the lower marine diesel fuel prices. Comparable EBITA for the period decreased by 8% to EUR 16.9 (18.4) million resulting from the poor first quarter caused by the strikes and exceptionally severe winter conditions and a softer than expected fourth quarter. The combined negative profit impact from the political strikes and the exceptionally harsh winter conditions were estimated to be approximately EUR 4.0 million for the first half of the year.

In 2024, ESL Shipping carried 12.3 (11.9, excluding the supramax vessels) million tons of cargo of which only 2.8% was energy coal. Carried cargo volumes were negatively affected by the repeated waves of political strikes and by the exceptionally severe winter conditions in the Bay of Bothnia between January-April, and the overall softer than expected demand in the fourth quarter.

The newbuilding project of AtoB@C Shipping at the Chowgule & Company Private Limited shipyard in India proceeded as planned and during the year, we celebrated the christening of the first vessel, Electramar, in Helsinki and the second vessel of the series, Stellamar, in Ystad.

Four vessels were operating in Baltic Sea related trades at the end of the review period and the fifth vessel, Maximar, was delivered in December and is expected to be in commercial traffic by end of the first quarter 2025. Deliveries of subsequent vessels in the series of twelve ships are now expected on a quarterly basis, with the last vessel to be delivered in the autumn of 2026.

The minority investments in ESL Shipping by OP Finland Infrastructure and Varma Mutual Pension Insurance Company were completed in February. The transaction was completed as a share issue where ESL Shipping Ltd issued new shares to OP Finland Infrastructure and Varma against a cash consideration of EUR 45.0 million. This resulted in a minority ownership stake corresponding to 21.43% in ESL Shipping.

In March ESL Shipping announced it had signed a memorandum of understanding to sell its two supramax class vessels Arkadia and Kumpula to companies belonging to HGF Denizcilik Limited Sirket group, a Turkish shipping and logistics company, with sales proceeds of EUR 33.5 million. The sale of the supramax vessels was successfully completed in the second quarter.

On October 9th, ESL Shipping announced it will build a series of four new, fossil free handy sized vessels. These new 1A ice class vessels are top of the market in terms of cargo capacity, technology and innovation. The total value of the four ships is approximately EUR 186 million and this investment takes place during the years 2024–2028. The new vessels are built in Nanjing, China at China Merchants Jinling Shipyard (Nanjing) Co, Ltd. The vessels are scheduled to enter service starting from the third quarter of 2027. The fourth ship of this series is scheduled to enter service in the first half of 2028.

ESL Shipping continued to improve its performance in the annual Ecovadis sustainability assessment and achieved a Platinum medal and a position in the top 1% of rated companies. The results improved significantly across all categories. ESL Shipping has consistently improved its overall score in every assessment conducted. The first assessment in 2022 resulted in a Silver medal and in 2023 the rating improved to Gold. ISO 14001 Environmental Management System certificate was extended to cover our operations in Raahe meaning that all own operations are now covered by the certification.

Outlook for 2025

Strong environmental focus continues also in 2025 when we proceed for the validation of company's ambitious science-based emission reduction targets. During the year, we expect to add another six low emission vessels to our coaster fleet. In addition to four Electramar-class plug-in hybrid vessels, we will take two Baymar-class eco-vessels for long term time charter and thereby modernising our time-charter fleet as well. More about our fleet renewal on page 18.

Further development of our reporting and data collection capabilities across the ESG topics will continue with a focus on fulfilling the phase-in reporting requirements from CSRD. This includes assessing our climate risks and opportunities as well as reviewing our double materiality assessment (DMA). We are also looking into certifying our Health and Safety management system in accordance with ISO 45001.

On a legislation side, FuelEU Maritime enters into force and EU Emission Trading scheme tightens as 70% of the emissions are covered by ETS from 1st of January 2025. Both legislations impact our handysize vessels. EU MRV –emission reporting system extends to cover our coaster fleet as well and the EU will evaluate the possibility of including smaller vessels to EU ETS based on the data collected in 2025 and 2026.

Our ESG strategy

Our ESG targets demonstrate our ambition to be the industry forerunner in sustainability. Our goal is to be a pioneer in technological solutions, sustainability and quality of service.

Sustainability and reducing carbon footprint are at the core of our business and we have openly reported our progress in the annual sustainability report which has been published since 2017.

To understand our stakeholders' views on material sustainability topics for us, we have conducted a stakeholder survey in 2023 and 2021. In 2023, we conducted a double materiality analysis as a part of the preparations for the upcoming Corporate Sustainability Reporting Directive (CSRD). Generally, the results were in line with the previous materiality analysis conducted in 2021.

As a part of the work to establish science-based emission reduction targets, we have updated our emission reduction targets. The base year has been brought forward from 2008 to 2023 meaning that the emission reduction target is now much more challenging. At the same time, bringing the base year forward to 2023 makes a lot of sense, as our data from 2023 is much more reliable and 2023 figures also reflect the current company size and fleet composition.

In addition, we have changed unit of measure from carbon dioxide (CO_2) to carbon dioxide equivalent (CO_2e) as per best practice. By switching to CO_2e we account for all the other greenhouse gases and not just carbon dioxide providing a more comprehensive picture of our carbon footprint and ensuring compliance with various regulations and reporting requirements.

We are committed to the United Nation's Sustainable Development Goals (SDGs). Based on our strategy work and our targets, we have determined SDGs where we can have a significant impact.

	Environment	Social	Governance
Commitment	Growing our business while lowering the pressure on the environment	Improving the experience for people in our value chain	Driving sound governance practices at all levels
Material themes	» Reducing emission intensity » Driving sustainable innovations » Improving recycling and waste management	» Ensuring employee safety » Improving employee and customer experience » Enhancing service quality	» Sound governance practices » Thorough risk management » Continuous development of the ESG program
Target	» Net Zero operations by 2040 » We work with ports to minimize amount of grey water and hold washing water to the sea	» We provide a safe and healthy place to work » We provide first-class service to our customers » We treat everyone equally	» We conduct ethically in line with applicable law and standards and expect from our counterparts.
Indicators	**Scope1 CO_2e emissions** » **2040**: Net zero **CO_2e efficiency** » 2030: 50% lower carbon intensity per ton-mile comparable 2023. » 2040: Net zero **Waste water discharge to shore** » **2025**: 50% of grey water pumped at shore facility » **2030**: 100% grey water pumped to facility	**Total Recordable Incident Rate** » Target 2025: 6.7 » Long-term target: zero **Net Promoter score** » Target 2025: 2024 level **People Power index:** » Target: AA+	**Code of conduct completion rate** » Target 100% **Compliance training completion rate** » Target: 100%
Relevant SDGs			

ESL Shipping earns the highest rating from EcoVadis for sustainability performance

ESL Shipping achieved a Platinum medal and a position in the top 1% of rated companies in the latest Ecovadis sustainability assessment. In 2024, results improved in all categories and the overall result improved significantly from 72 to 82 out of 100. The environment was again the highest rated category, scoring 90 out of 100.

ESL Shipping has improved its overall score in every assessment. The first assessment in 2022 resulted in a Silver medal with 66 points. Last year, we improved to Gold with 72 points.

"Ecovadis is an important tool in developing our sustainability work and the significant progress we have made since 2022 shows the commitment of our people to sustainable business practices", says Operations and Environmental Director Kirsi Ylärinne.

EcoVadis is the world's largest provider of business sustainability ratings with over 130,000 rated companies. The comprehensive assessment considers environment, labour and human rights, ethics and sustainable procurement thus providing a comprehensive picture of a company's sustainability performance. Ecovadis methodology is built on international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact, and the ISO 26000. The Sustainability Scorecard illustrates performance across 21 indicators in four themes.

WE SUPPORT

UN GLOBAL COMPACT

WE SUPPORT UN GLOBAL COMPACT

We acknowledge that our parent company Aspo Plc participates in the UN Global Compact, and we support the Ten Principles and advancement of the Sustainable Development Goals as well as broader UN goals. We consolidate our support for this initiative fully under our parent's commitment. Therefore, we do not participate in UN Global Compact activities nor do we participate in activities of a Global Compact Local Network.

Our path towards fossil-free shipping

At the end of 2023, we committed to set science-based emission reduction targets and during 2024, we have fine-tuned the calculations and evaluated the impact of different emission reduction levers.

In the Science-Based targets, we commit to around 35% reduction in absolute well-to-wake CO_2e emissions. On a long-term, we target net zero emissions by 2040 instead of the IMO target of 2050.

Compared to the emission reduction targets we published in 2021, we have made some significant changes to be in line with SBTi requirements. We have brought the base year forward from 2008 to 2023. The base year 2008 proved difficult from two perspectives: since the fuel consumption and type data is challenging to find for accurate emission calculations meaning that 2008 emissions were rather theoretical.

In addition, our fleet composition was significantly different back in 2008 when we operated 18 units of which seven were barges. In 2023, our fleet consisted of 43 units of which four were barges. These two factors considered, setting the base year to 2023 gives us a base year where our fleet composition is representative, and we have very detailed and accurate emission data available. This means that all reductions are measured against credible baseline.

Emission reductions come from two main sources: investments to new, low emission vessels equipped with latest technology and capability to use different low emission or fossil-free fuels. With the delivery of 12 green coasters and four 17,000 dwt methanol enabled vessels, we can renew the fleet by divesting older, less efficient tonnage. With additional six eco vessels entering our time-chartered fleet between 2025 and 2027, we have a robust plan for renewing the chartered fleet as well.

Majority of the reduction comes from the use of renewable fuels. Uptake of low emission fuels comes partially from regulations such as FuelEU Maritime and EU Emission Trading System, but also from the clients who want to reduce their Scope 3 emissions. Reaching our 2030 and 2040 targets are highly dependent on availability and cost of alternative fuels. By having oil, gas and methanol powered vessels in the fleet towards the end of 2030 we have alternative supply paths to source renewable fuels. Currently we are in discussions with several suppliers for the supply of green methanol for our methanol-enabled newbuildings, which will be delivered between Q3/2027 and Q2/2028. We have already successfully demonstrated the potential of drop-in fuels such as biogas and renewable marine diesel.

Best possible ship design & technology
A critical part of the green transition is access to the best available ship design and power train capable of shifting to drop-in low emission and fossil-free fuels when they are available. We have recently made significant investments in line with this strategy. In October, we ordered four 17,000 dwt methanol-enabled general cargo vessels and have received five out of twelve 5,400 dwt plug-in hybrid coasters equipped with battery packs and shore power connection.

We have also signed a long-term time charter of six low-emission 5,900 dwt vessels, which join the fleet between 2025 and 2027. In addition, we own and operate world's first LNG-powered bulk carriers Viikki and Haaga, which are equipped with shore power connection and can operate almost fossil free using LBG.

Industrial scale availability of renewable fuels
We are working with various partners to build industrial scale availability of renewable fuels in partnership with leading Scandinavian suppliers. For example, we have an agreement with Finnish fuel supplier Neste for the supply of new co-processed marine fuel oil, which enables up to an 80% reduction in lifecycle carbon dioxide emissions.

We are involved in the BotniaLink H2 project as the first customer-side stakeholder. The project aims to establish an e-fuel hub in Luleå to produce hydrogen-based marine fuels.

Client commitment
An integral part of the roadmap are customers who share a common future vision and interest in low emission shipping. In 2024, we reached two significant agreements with clients. EFO has agreed to use at least 10% of renewable fuel in its shipments and with Metsä Forest we target 30% reduction in CO_2 efficiency of the wood shipments by 2030.

Furthermore, SSAB and the Port of Oxelösund have played a pivotal role in the launch of Virtual Arrival, which has enabled a 24% reduction in CO_2 emissions in applied voyages between Luleå and Oxelösund.

Comparison of targets published in 2021 and 2024*

	2021	2024
Base year	2008	2023
Short-term target year	2030	2030
Short-term target	CO_2 emsission by ton-mile reduced by 50%	Reduce absolute well-to-wake scope 1 and 3 GHG emissions by 34.8%
Long-term target year	2050	2040
Long-term target	Net zero	» Reduce absolute well-to-wake Scope 1 and 3 GHG emissions by 96,5% » Net zero across the value chain

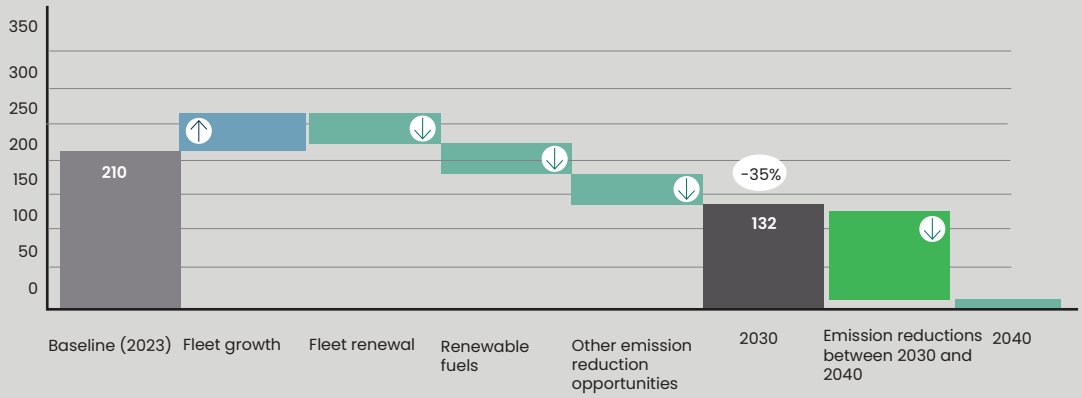
*** ESL Shipping has submitted its targets for SBTi validation in March 2025 and final target language is subject to confirmation from SBTi.**

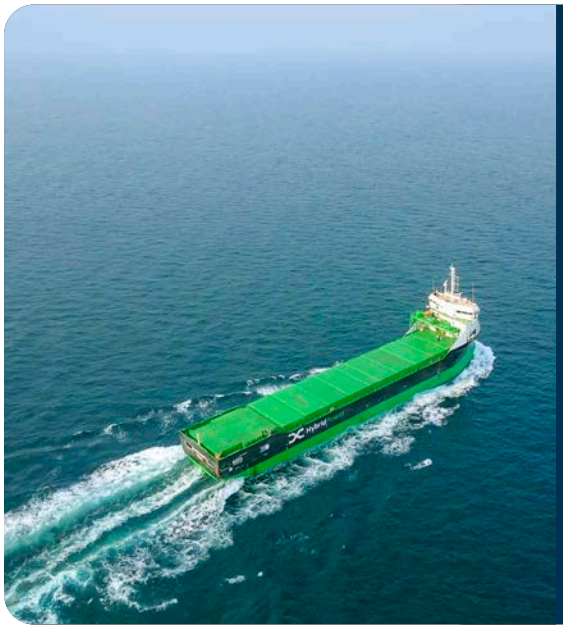
Our plan towards net zero

The potential for emission reduction by 2030 is built on three key pillars. First, the announced commitments to fleet renewal in both the coaster and handysize segments will enhance fleet efficiency. Second, the increased use of renewable fuels, beyond regulatory requirements, will contribute significantly to emission reductions.

Additionally, a variety of operational, technological, and technical improvements offer further opportunities for reducing emissions. Operational improvements, such as Virtual Arrival, have substantial potential to lower emissions. Technical advancements, like shore power, will gradually enable reductions as port infrastructure improves and the number of vessels equipped with shore power capability increases. On the technological front, we are developing new tools for more efficient vessel scheduling.

Well-to-Wake GHG emissions, $ktCO_2e$





ABOUT SCIENCE BASED TARGETS INITIATIVE

The Science Based Targets initiative (SBTi) is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science. It is focused on accelerating companies across the world to halve emissions before 2030 and achieve net-zero emissions before 2050. The initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments.

Fleet renewal

With the order of twelve plug-in hybrid coasters for AtoB@C Shipping and four 17,000 dwt methanol-powered vessels for ESL Shipping, we have a robust plan for the fleet renewal in the coming years. Additionally, AtoB@C Shipping is renewing its time-chartered fleet with six 5,900 dwt eco coasters.

12 X 5,400 DWT ELECTRAMAR CLASS PLUG-IN HYBRID VESSELS

Delivery: 2023-2026

AtoB@C Shipping has ordered twelve plug-in hybrid coasters. The first five vessels have already entered service and the remaining vessels will be delivered quarterly until autumn of 2026.

KEY FEATURES

- Future-proof powertrain
- Hybrid system with 1 MWh battery pack
- Up to 50% less emissions per cargo unit compared to previous vessel generation.

MAIN PARTICULARS

- DWT: 5,400 mt
- Ice class: 1A
- Length :89.95 m
- Breadth: 16 m
- Draft: 6 m

6 X 5,900 DWT BAYMAR CLASS ECO COASTERS

Delivery: H1/2025 and 2026-2027

AtoB@C Shipping has secured long term time-charter of six Groot 5900XL-design eco coasters. The first two vessels, Baymar and Soundmar, will be delivered for AtoB@C Shipping in H1/2025 and the remaining four in 2026-2027.

KEY FEATURES

- Shore power connection
- Biofuel compliant
- Up to 50% less emissions per cargo unit compared to previous vessel generation.

MAIN PARTICULARS

- DWT: 5,900 mt
- Ice class: 1A
- Length: 99.78 m
- Breadth: 15.55 m
- Draft: 6.2 m

4 X 17,000 DWT METHANOL-POWERED HANDYSIZE VESSEL

Delivery: Q3/2027-Q1/2028

ESL Shipping has ordered four fossil-free handysize vessels, which will enter service between Q3/2027 and Q1/2028. These ice class 1A multipurpose vessels are suitable for bulk, breakbulk and project cargoes.

KEY FEATURES

- Powered by green methanol & hybrid system
- Packed with latest environmental technology
- No emissions to the sea

MAIN PARTICULARS

- DWT: 17,000 mt
- Ice class: 1A
- Length: 150 m
- Breadth: 23.77 m
- Shallow draft: 8.6

Our journey towards fossil free shipping

2018

VIIKKI CLASS

New LNG powered vessels are launched with record breaking energy efficiency.

2020

FIRST BIOGAS TRIAL

We were the first shipping company in Finland to trial renewable biogas in maritime transportation.

2023

ELECTRAMAR CLASS

First plug-in hybrid vessel, Electramar, joins AtoB@C Shipping's owned fleet.

2025

BAYMAR CLASS

Renewal of the time charter fleet commences when Baymar and Soundmar enter the fleet.

2027

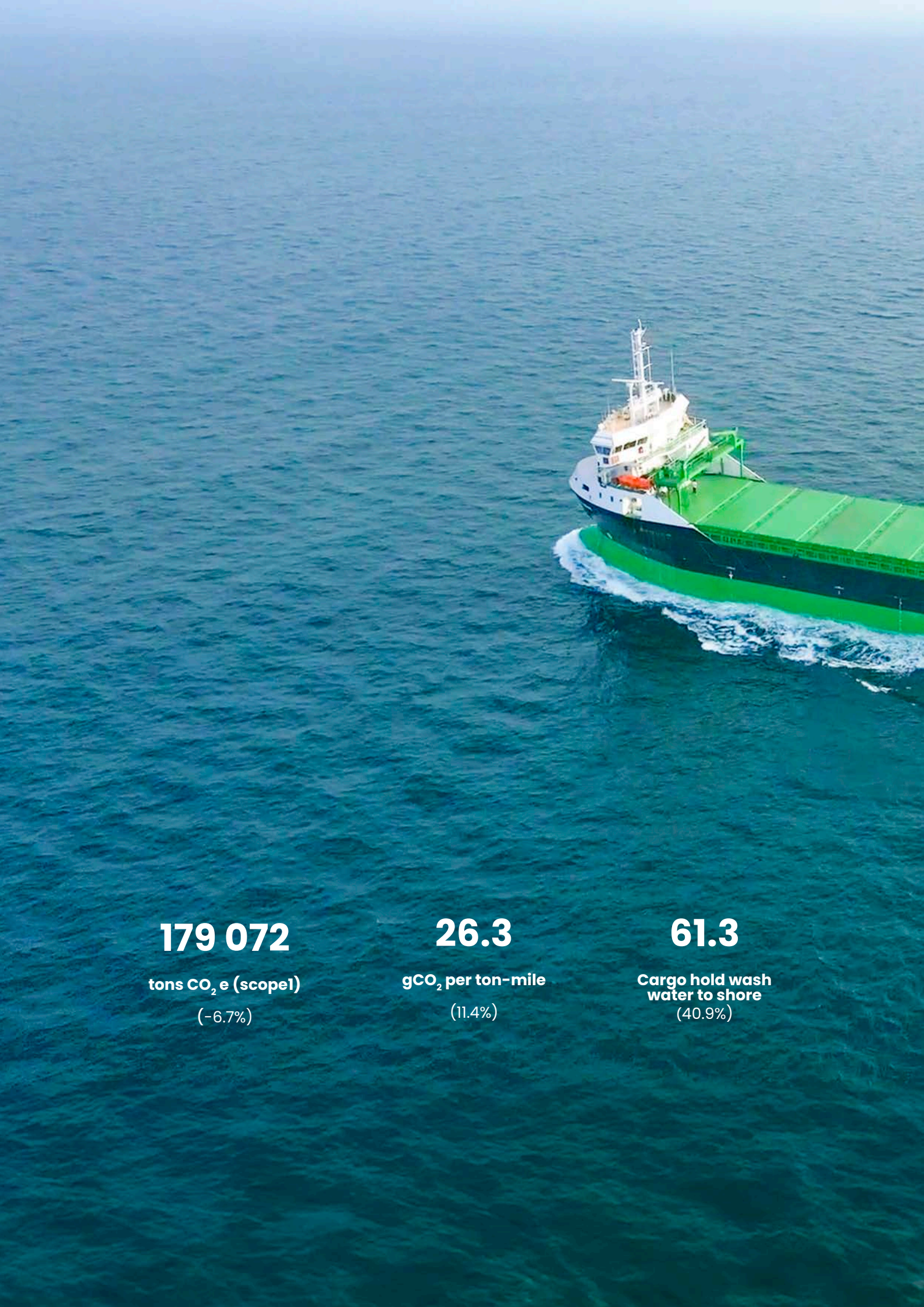
GREEN HANDY

First methanol powered vessels join the fleet enabling best in class efficiency and fossil-free sea transports.

2040

FOSSIL FREE

Our aim is to reach net zero emissions by 2040.



179 072

tons CO_2 e (scope1)

(-6.7%)

26.3

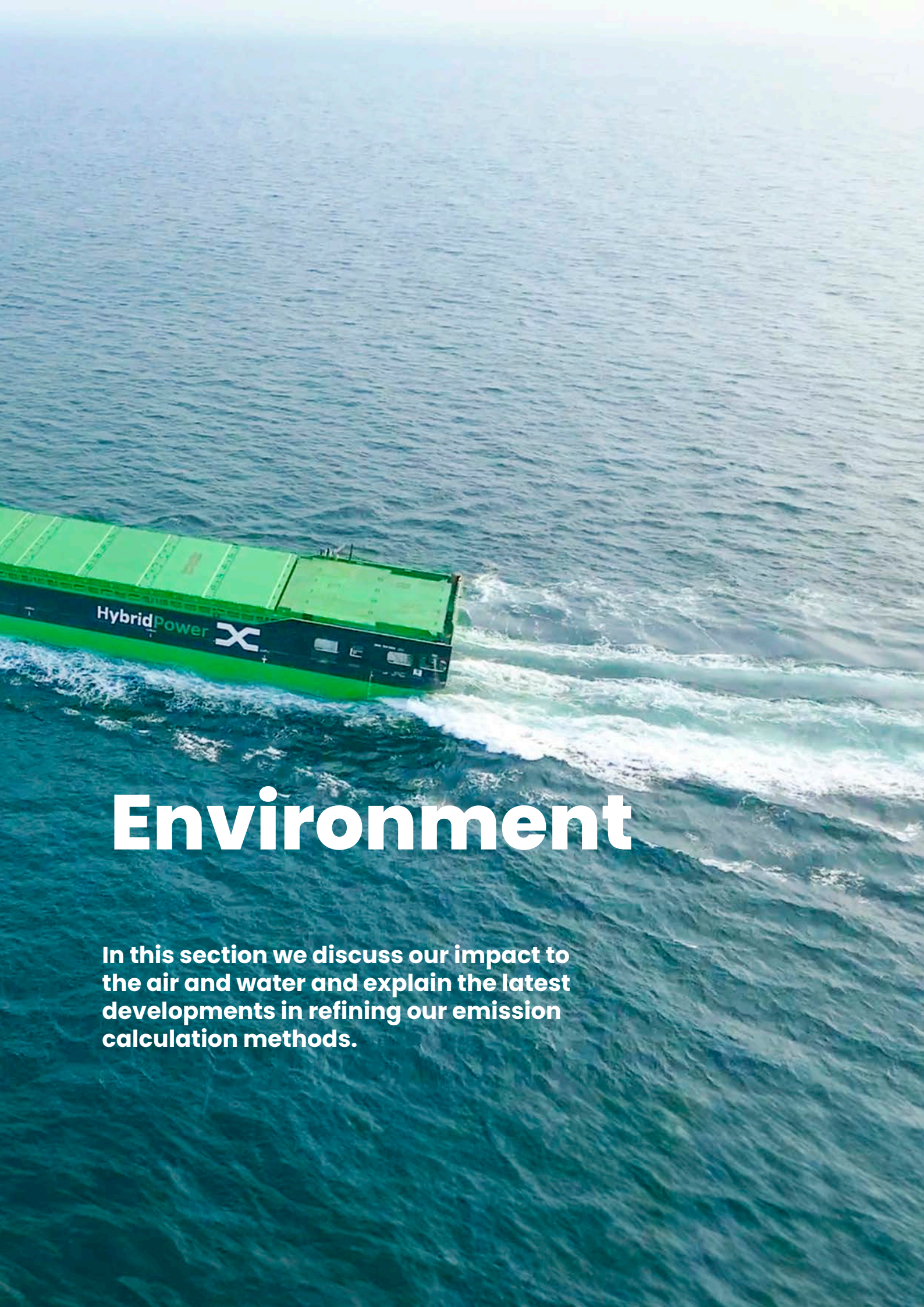
gCO_2 per ton-mile

(11.4%)

61.3

Cargo hold wash water to shore

(40.9%)



Environment

In this section we discuss our impact to the air and water and explain the latest developments in refining our emission calculation methods.

Air emissions

The majority of our emissions are related to fuel use onboard our fleet, and therefore, we remain focused on improving operational efficiency. The fleet renewal will also support the development as we replace older and less efficient vessels with new low-emission vessels.

ESL Shipping's emissions occur mainly on Scope 1, which makes up about 64 per cent of total CO_2e emissions. The share of Scope 3 is around 36 percent and Scope 2 is less than one percent. About 85 per cent of ESL Shipping's total GHG emissions are related to the ships' fuel consumption when the lifecycle emissions of fuels (Scope 1 & Scope 3 category 3) and the emissions caused by vessels time-chartered for external parties (category 13) are considered.

In 2024, AtoB@C Shipping received four newbuildings, which increased emissions in category 2 (capital goods). Of the four vessels, two were sold to investors immediately after their arrival in Europe and have not been considered in Scope 2 accounting.

Scope 1 emissions
ESL Shipping's goal is to reduce Scope 1 CO_2e emissions per ton-mile by 50% by 2030. Achieving the goal requires significant investments in new ships, fuel solutions and other operating models that improve energy efficiency. During 2024, ESL Shipping transported a total of 12.6 (14.7) million tons of cargo and its ships consumed 666,559 (769,317) MWh of energy. CO_2 emissions per cargo ton decreased by 12.3 percent in 2024, mainly due to the sale of supramax vessels. Absolute CO_2e emissions decreased by 14.1 percent and amounted to 179,072 (192,018) tons.

In 2024, the share of renewables in vessels' energy consumption increased and was 0.1 percent. Fuel oils accounted for 94.2% and liquified natural gas 5.7% of the fuel use measured in megawatt hours. The reduction in CO_2 emissions obtained with the help of Virtual Arrival, which optimizes the speed of ships, was an average of 23 percent for handy-size ships and 17 percent for coaster ships on the trips where Virtual Arrival was used.

Cooperation with customers plays a central role in achieving emission reduction goals. During the year, an agreement was reached with EFO, owned by Swedish energy companies, whereby at least 10 per cent of EFO's annual transport fuel consumption will be replaced with renewable fuels. In addition, an agreement was reached with Metsä Forest to reduce transport emissions by 30 per cent by 2030 from the 2022 level.

Scope 2 emissions
Scope 2 emissions are related to the electricity, heating and cooling of our business premises. Apart from a warehouse in Raahe, all our business premises are offices located in rented premises where we only rent a certain area of a building. In addition, this category includes shore power used by tug Charlie in Raahe, Finland.

The total consumption in scope 2 was 356 MWh, of which 75 MWh was renewable. More detailed breakdown of the energy consumption and sources is presented on page 47.

Scope 3 emissions
In Scope 3, which covers downstream and upstream emissions, the most significant emissions arise from purchased products and services (category 1), capital goods (category 2), upstream emissions of fuels used onboard (category 3) and downstream leased assets (category 13). Of these categories, the share of Category 13 fluctuates annually depending on the amount of time charter out –contracts.

Category 2 includes the emissions associated with shipbuilding and other capital expenses such as vessels' dockings. The vessels which are sold to investors after the maiden voyage have been excluded from the inventory. Full description of the categories and accounting principles are presented on pages 46-50.

Category 4, upstream logistics and transportation contains all transports procured by ESL Shipping. In Finland, ESL Shipping has entered into agreement with Kaukokiito where all company's road transports are done using renewable

diesel. In addition, similar contract is in place with DHL which covers all ESL Shipping's shipments. The impact of these contracts is not yet visible in the GHG inventory.

In addition to the commuting of shore personnel, employee commuting includes flights for on and off-signing crew and contributes significantly to the category 7 emissions. All in all, flight emissions were 547 tons CO_2 in 2024.

In previous years, vessels time-chartered out have been reported in Scope 1 but in line with GHG Protocol, these emissions are now reported in Scope 3 Category 13 downstream leased assets as the operational control of these vessels rests with the ship's charterer. Figures from 2023 have been recalculated to reflect this change. As a result, Scope 1 emissions in 2023 were reduced to 192 018 tons from 208 505 tons CO_2e.

Concrete actions to reduce direct emissions

By the end of 2024, five Green Coaster ships out of the series of twelve were delivered to AtoB@C Shipping. The ships equipped with shore power connection and one megawatt-hour battery are the most energy-efficient in their size class, and their greenhouse gas emissions per transported cargo unit are almost 50 per cent lower compared to current ships. The capacity of the ordered vessels is approximately 5,400 dwt, and a new vessel is handed over to AtoB@C Shipping approximately every three months until the autumn of 2026. In addition, AtoB@C Shipping signed a long-term time charter contract for six 5,900 dwt eco design vessels. First two vessels are delivered to the company in 2025 and the remaining four in 2026-2027.

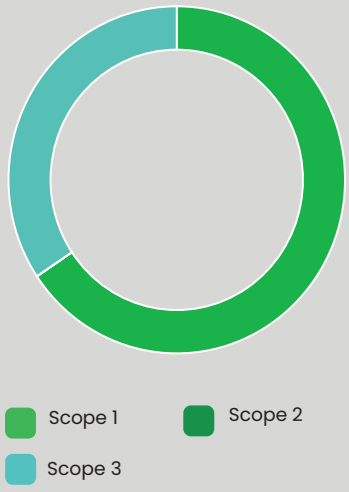
As virtually all of our annual carbon dioxide emissions derive from vessel operations, utmost attention is paid to optimising the operation of vessels. Our ship operators work closely with vessels to discuss the most optimal speed for each passage and to optimise the amount of cargo loaded onboard. Our Vessel Portal provides the crew with data for their operational performance and assists in supporting the integration of sustainability into daily decision-making onboard.

Growth in a ship's underwater hull is a factor that can significantly increase a vessel's fuel consumption. No harmful antifouling or TBT-based paint has been used on our owned vessels for years and instead, divers clean vessel hulls frequently. To further help determine the correct timing for hull cleaning, we have acquired an underwater drone for use at our Raahe depot. With the drone, the vessel's crew and our maintenance staff ashore can easily assess the condition of the hull growth.

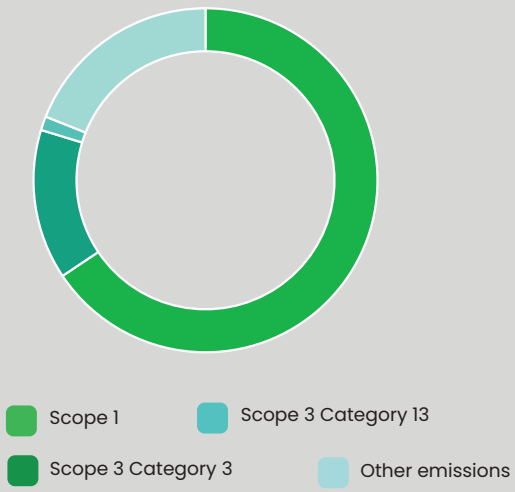
GHG inventory

Majority of our emissions are related to ships' fuel consumption, when the lifecycle emissions of fuels and emissions from vessels time chartered for external parties are considered. Complete GHG inventory is available on page 46.

Most of the emissions are in Scope 1



Emissions related to vessel operations account for 81% of all GHG emissions



Emission calculations

In the 2022 Sustainability Report we discussed the difference between CO_2 and CO_2e in emission calculations as well as well-to-wake and tank-to-wake emissions. In this report, we take a closer look at the two alternatives for CO_2e efficiency calculation.

Previously, we calculated CO_2e efficiency using a voyage-based method, where all emissions related to a voyage are divided by the transport work. However, this calculation is not very sophisticated, as each voyage consists of multiple legs, and the transport work often varies between legs within a voyage.

For example, a voyage might start from Port A, sail to load in Port B, and then discharge in Port C. This voyage has two legs: one from Port A to Port B and another from Port B to Port C. For such a simple voyage, the difference between voyage-based and leg-based CO_2 efficiency calculations is generally not significant unless there is a long ballast voyage to the load port. In voyages with multiple loading or discharging ports, the difference becomes more significant as each leg of the voyage is calculated with the actual cargo quantity onboard. We have illustrated this in an example on the right.

Leg-based CO_2 efficiency calculation enables us to provide accurate emission data for voyages with multiple loading and/or discharging ports. Essentially, transport work and emissions are calculated separately for each leg. Leg-based emissions and transport work are then summarized to calculate voyage-level emission efficiency. This method provides a more accurate figure and is particularly useful in cases where the same shipment includes cargo from different cargo owners destined for different ports.

Vessel emissions are measured using a variety of frameworks and regulations, each with its own focus and methodology. Factors for all greenhouse gases are assessed through standards like the GLEC Framework and the IMO GHG study, as well as regulatory initiatives such as FuelEU Maritime. The nature of emission reporting is that the factors are always subject to change as they evolve alongside advancing research and new regulations.

In our reporting, emissions are calculated using the GLEC Framework 3.1. For regulatory compliance, we calculate emissions using principles and factors required in IMO DCS, EU MRV, and FuelEU Maritime reporting as well.

How we define a voyage

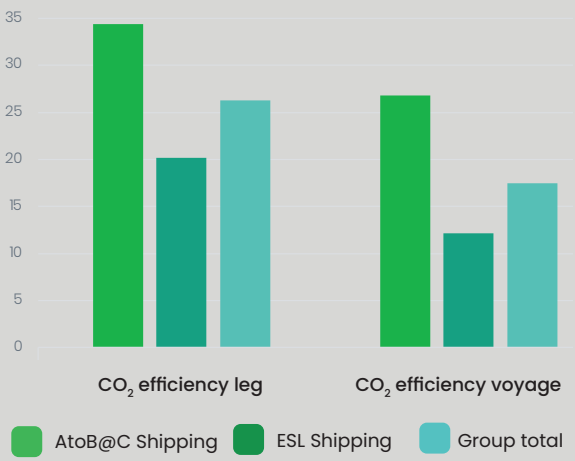
Below are two typical examples illustrating how a voyage can look like:

Voyage 1:

Raahe Commence - **Luleå** Load - **Oxelosund** Discharge

Voyage 2:

Luleå Commence - **Raahe** Load - **Gdansk** Discharge - **Szczecin** Discharge - **Vejle** Discharge



CO_2 efficiency comparison in 2024

The change in the calculation method has led to a notable change in CO_2 efficiency, as demonstrated by the chart on the left. This change highlights that leg-based CO_2 efficiency is considerably higher compared to voyage-based efficiency across both business segments and at the group level.

The leg-based approach provides a more granular and accurate measurement of CO_2 emissions, reflecting the efficiency of individual segments of a journey rather than the entire voyage.

How we calculate efficiency on voyage level

In a voyage-based calculation, all voyage emissions are divided with voyage miles and the total cargo quantity during the voyage or the highest amount of cargo if part of it is loaded or discharged during the voyage.

$$10^6 \times \frac{\text{Emissions}}{\text{Miles x cargo quantity}} = gCO_2 / \text{ton-mile}$$

How we calculate efficiency for a voyage in a leg level

In a leg-based calculation, transport work and emissions are calculated individually for each leg of the journey. The total emissions are then divided by the total transport work to determine the voyage-level CO_2 efficiency

$$10^6 \times \frac{\text{Leg1 emissions Sea passage + Load} + \text{Leg2 emissions Sea passage + Discharge} + \text{Leg3 emissions Sea passage + Discharge}}{\text{Leg1 miles x leg1 cargo (t)} + \text{Leg2 miles x leg2 cargo (t)} + \text{Leg3 miles x leg3 cargo (t)}} = gCO_2/\text{ton-mile}$$

Calculation example

In this example, we demonstrate the difference in CO_2 efficiency when calculated using either the voyage-based or leg-based method. While the absolute emissions remain the same in both scenarios, the CO_2 efficiency per ton-mile varies significantly. The example voyage commences from Oxelösund, where the vessels sails in ballast to load in Raahe. From Raahe, the vessel sails to discharge the cargo in Gdansk, Szczecin and Vejle.

How we calculate efficiency on voyage level

$$10^6 \times \frac{123 \text{ tons } CO_2}{1626\text{nm x } 3900\text{t}} = 19.40\ gCO_2 / \text{ton-mile}$$

How we calculate efficiency on on leg level

$$10^6 \times \frac{\text{Oxelösund to Raahe } 32\text{ t } CO_2 + \text{Raahe to Gdansk } 51\text{ t } CO_2 + \text{Gdansk to Szczecin } 21\text{t } CO_2 + \text{Szczecin to Vejle } 19\text{t } CO_2}{478\text{nm x } 0 + 685\text{nm x } 3900\text{t} + 207\text{nm x } 2400\text{t} + 256\text{nm x } 1300\text{t}} = \mathbf{35.13}\ gCO_2/\text{ton-mile}$$

Emissions to the sea

In line with our strategy, the amount of different wastewaters discharged to shore increased significantly from previous year. The trend is right but there is still more work to do.

In the normal operation, vessels produce different wastewaters. Grey and black water are related to the crew living onboard whereas hold washing water is related to preparing the cargo hold for a next cargo. All on all, our vessels delivered 37.4% of their wastewaters to shore. In addition, there is ballast water which is used to provide required stability for the vessel and to achieve optimal trim. Oily bilge and sludge waters are always discharged ashore.

Black and grey water
Grey water, which means water from showers and taps is partly discharged ashore and partly overboard depending on the arrangements onboard a vessel and the reception facilities at ports. On most of the vessels, grey water goes through a sewage treatment unit, but on some older vessels, grey water is discharged directly to the sea via the holding tank. Black water, which is sewage from toilets is either discharged to the shore or discharged to the sea after going through a sewage treatment system. Currently international regulations allow cargo vessels to discharge both treated and untreated water to the sea depending on the vessel's location and sewage treatment plant certification. Our long-term target is that all wastewater generated onboard is discharged to shore reception facilities.

In 2024, ESL Shipping's owned and pooled vessels delivered 30.2% (30.1% in 2023) of the black water and 18.8% (13.2%) of the grey water to shore reception facilities. In total, 20.4% (15.7%) of the wastewater was delivered to shore. While we aim to significantly increase the amount of wastewater delivered ashore and eventually discharge all wastewater ashore, we also acknowledge the challenge that some vessels are equipped with limited tank capacity for wastewater. Another challenge is that many ports do not have established reception facilities or practices for receiving wastewater. While we support tighter regulations for wastewater discharge to the sea, there needs to be functioning reception facilities at ports for vessels included in the waste fee.

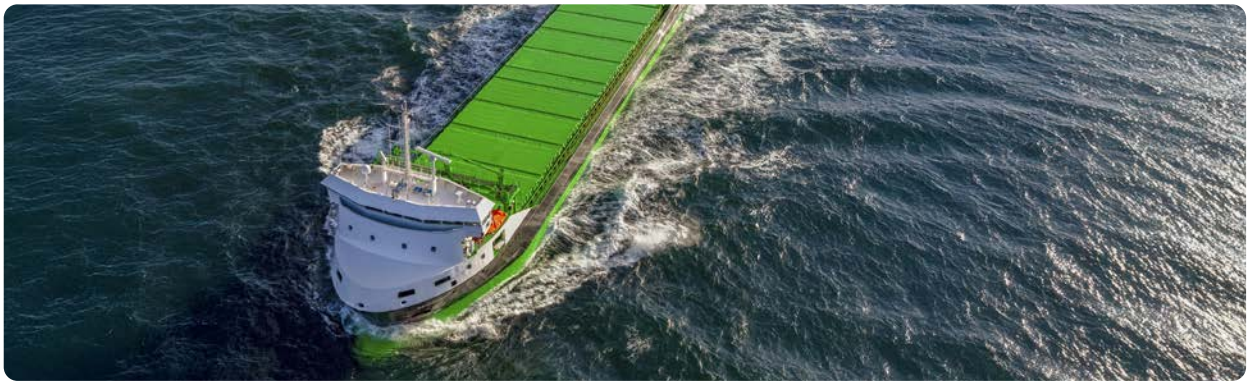
Washing water from cargo holds
Our target is to discharge 50% of cargo hold wash water to shore by 2025 and achieve 100% by 2030 on all vessels we operate regardless of the ownership status. In 2024, we reached the 2025 target as vessels delivered around 63.1% of hold wash waters to shore compared to 43.5% in 2023. The increase was driven by a more proactive approach from operators, increasing the understanding and awareness onboard of the importance of the issue as well as improved data collection. As with the grey and black water, the challenge is that many ports do not have established reception facilities or practices for receiving washing water and the process can be time consuming and expensive.

Some older vessels have limited possibilities to store the washing water onboard if the wash is conducted at sea. Our 12 new Electramar-class newbuildings as well as 25,000 dwt vessels Viikki and Haaga are equipped with a dedicated collection tank for hold washing water eliminating the need to pump wash water overboard.

Generally, cargo hold washing water containing non-harmful cargo residues can be discharged to the sea whereas hold washing water containing harmful cargo residues must always be discharged to shore reception facilities. In a special area, such as the Baltic Sea, discharge to the sea is only permitted if both ports in a voyage are in the special area and there are no adequate reception facilities, and the residues are non-harmful to the marine environment.

Ballast water management
Ballast water is essential for all types of vessels to ensure the stability and correct trim of the vessel. All our owned vessels are equipped with ballast water treatment systems (BWTS) according to the latest regulation. Some of the vessels have the United States Coast Guard – approved system enabling them to sail to and from the United States. The aim of the BWTS is to prevent foreign organisms from transferring into other sea areas in the vessel's ballast water tanks. The last BWTS installations were completed in 2022. All our vessels have approved ballast water management plans.

Oil spills
In 2024, two (2023: 2) minor oil spills from vessels, both related to leaking hydraulic oil hoses. As a result of these incidents onboard, about 5 litres of oil or oily water was released into the environment. These were handled according to protocol and resulted in no further consequences from the authorities.



Waste management

Waste management onboard follows international and national regulations. Each vessel has a garbage management plan, which describes how different types of waste are handled onboard. All waste generated onboard is sorted and delivered to reception facilities ashore. As our vessels mainly trade in contract traffic, crews have good knowledge about the ports and the recycling facilities available.

Garbage statistics are collected from vessels monthly for further analysis. The aim is to reduce the amount of waste generated onboard and to minimise the amount of general waste produced. In 2024, 50% of the waste generated onboard was domestic waste (general waste, glass, metal, paper and cardboard) with plastics accounting for 20% and operational waste 14% of the total waste. Thanks to new operational measures, most of the food waste was discharged to shore instead of the sea via grinder or waste treatment system.

Each office and the Raahe warehouse have their own instructions for recycling and garbage handling. All our offices are in rented premises, where the landlord is responsible for arranging recycling facilities for the building. In the Raahe warehouse, we have a direct contract with a waste collection and recycling provider.

AtoB@C Shipping and EFO: Reducing the environmental footprint together

AtoB@C Shipping and EFO, owned by six Swedish energy companies, are committed to advancing sustainable practices in maritime transport. While the primary focus is on reducing greenhouse gas emissions, the companies are looking into all areas to reduce their environmental footprint.

EFO and AtoB@C Shipping aim to achieve significant emission reductions in all areas of shipping operations. Starting on the 1st of July, 10% of EFO shipments' annual fuel consumption was replaced with renewable fuels, which will reduce lifecycle emissions by around 8.5%.

The two companies aim to further improve operational efficiency by increasing the use of Virtual Arrival, a practice that helps reduce unnecessary emissions caused by the industry-standard practice of "rush to wait."

In addition to fuel initiatives, the companies are currently exploring opportunities to implement shore power in Swedish ports where their vessels discharge. The use of shore power enables cleaner and quieter port calls when vessels can switch off their engines, which provides benefits for the areas close to the harbour.

"EFO is proud to collaborate with AtoB@C Shipping as they share our vision on sustainability and are actively looking into what can be done to reduce emissions today. AtoB@C Shipping has a clear and long-term plan to renew its fleet, and they have demonstrated that emission reductions can be realised quickly, while other shipping companies are still only talking about it", says Andreas Ukmar, CEO of EFO.

Holistic view for environmental protection

However, the cooperation between the two companies considers sustainability more broadly than just air emissions. AtoB@C Shipping has ambitious targets to cut all wastewater discharge to the sea and well-functioning shore reception arrangements are a key enabler. EFO and one of its owners, Mälarenergi, are important partners who have recognised the importance of taking care of hold-washing waters years ago.

"Our aim is that by 2030, all hold washing water is discharged to shore reception facilities. Having working arrangements in ports is a key element enabling us to do that and we are proud to be working with EFO for a cleaner Baltic Sea", says Kirsi Ylärinne, Operations and Environmental Director at ESL Shipping and AtoB@C Shipping.

"Backed by the commitment and support of our owners, we are positioned to be a long-term partner for shipping companies that are willing to explore and implement innovative solutions to reduce emissions."

Andreas Ukmar
CEO

ABOUT EFO

For over 40 years, EFO has been a leader in energy relocation. Originally founded to secure fuel supplies for its owners – a group of Swedish energy companies – EFO played a key role in an era when oil and coal dominated heat generation. However, with the increasing need for sustainable waste management, EFO has evolved its business to provide waste services to international customers, addressing the ever-growing challenge of residual waste.

Today, EFO offers global solutions by channeling residual waste to its owners, who operate state of the art energy-from-waste facilities. The plants not only manage waste effectively but also generate valuable electricity and heat—a critical resource in Sweden, where long, harsh winters demand reliable heating. Unlike in many countries where residual waste is incinerated without harnessing its full potential, Sweden's extensive district heating network ensures that also the heat produced is efficiently utilized. By transforming waste into energy, EFO continues to drive sustainable and practical solutions for both waste management and energy production.

10%

OF THE FUEL REPLACED WITH RENEWABLE ALTERNATIVES

Find out more

0

Lost time incident frequency

(1.2)

4.6

Total recordable incident frequency

(9.3)

AA

Employee satisfaction

(AA+)

Social

The most significant achievement in 2024 was the zero lost time injuries across the company operations. This follows the positive trend that has continued several years.

Personnel

In 2024, the company experienced a slight decrease in the number of employees due to the sale of two supramax vessels. Despite this reduction, the company maintained a strong focus on employee wellbeing and continued to promote professional development and inclusivity through various training programs and initiatives.

In 2024, number of employees decreased slightly because of the sale of supramax vessels Arkadia and Kumpula. At the end of 2024, the group had 253 (299) employees of which 76% worked at sea and 24% ashore. Out of our own employees, 16% were female and 84% male. As typical for the industry, sea personnel is heavily dominated by male employees, which accounted for 92% of seafarers. On the shore personnel, the situation is more balanced with female representing 42% and male 58% of the workforce.

The number of seafarers working onboard AtoB@C Shipping's owned and pooled vessels and employed by the external ship management company increased by 47% to 102 due to the addition of four new vessels to the fleet.

Employee wellbeing and health
Employee satisfaction measured by PeoplePower index decreased slightly from AA+ to AA but remained clearly over the general norm. When comparing the sea and shore personnel, numerical results declined slightly in both employee categories. Shore personnel achieved rating A+ while the sea personnel remained in AAA-rating.

All employees are covered by occupational health care and the cover is more extensive than required by the law. The aim of the extensive occupational healthcare services is in preventative actions and the results have been positive as the amount of sick leaves among sea personnel has decreased. Employees have also access to sport and culture benefit, which supports the wellbeing.

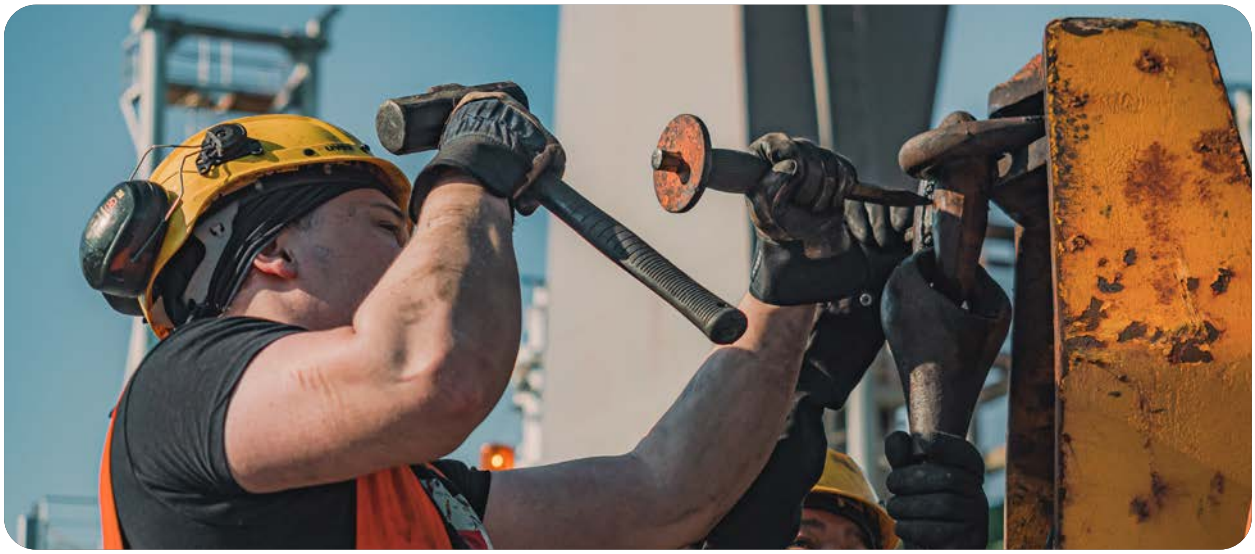
The company has a remote work policy, which guides the flexible working arrangements in the shore personnel. As employee health and safety remains the responsibility of the employer even during remote work, employees can request stand up desks, work chairs and extra screens to improve the ergonomics at the home offices. The equipment is purchased by the company and borrowed to employees.

The coverage of our mobile intranet solution for seafarers was expanded in late 2023 and covers now all seafarers working onboard owned vessels. The mobile intranet makes it possible for them to access important information such as company news, announcements and HR information through an easy-to-use mobile interface. The reception from the crew has been overwhelmingly positive.

Training
We aim to improve the personnel's engagement and wellbeing at work by promoting employees' professional development at all organisational levels and by building an encouraging atmosphere and safe workspace. After the pandemic, yearly crew meetings have resumed with an aim to build the company culture and provide sea and shore personnel a forum to meet and discuss current subjects and share information. In 2024, crew meetings were held in Helsinki, Finland and Tallinn, Estonia.

In addition to mandatory courses to maintain required certificates, our aim is to provide our seafarers additional training that supports their ongoing professional development, such as Deep Lead leadership training, Polar Code and IGF-trainings. Furthermore, we have provided our personnel training on environmental matters and a monthly email update showing the latest emission statistics.

ESL Shipping's vessels are an important part of the Finnish maritime education system providing opportunities for mandatory training periods for future seafarers. In 2024, 98 (69 in 2023) students were onboard ESL Shipping's Finnish-flagged vessels for mandatory training. On average, each student spent 34 (37) days onboard. In addition, summer apprentice program in cooperation with

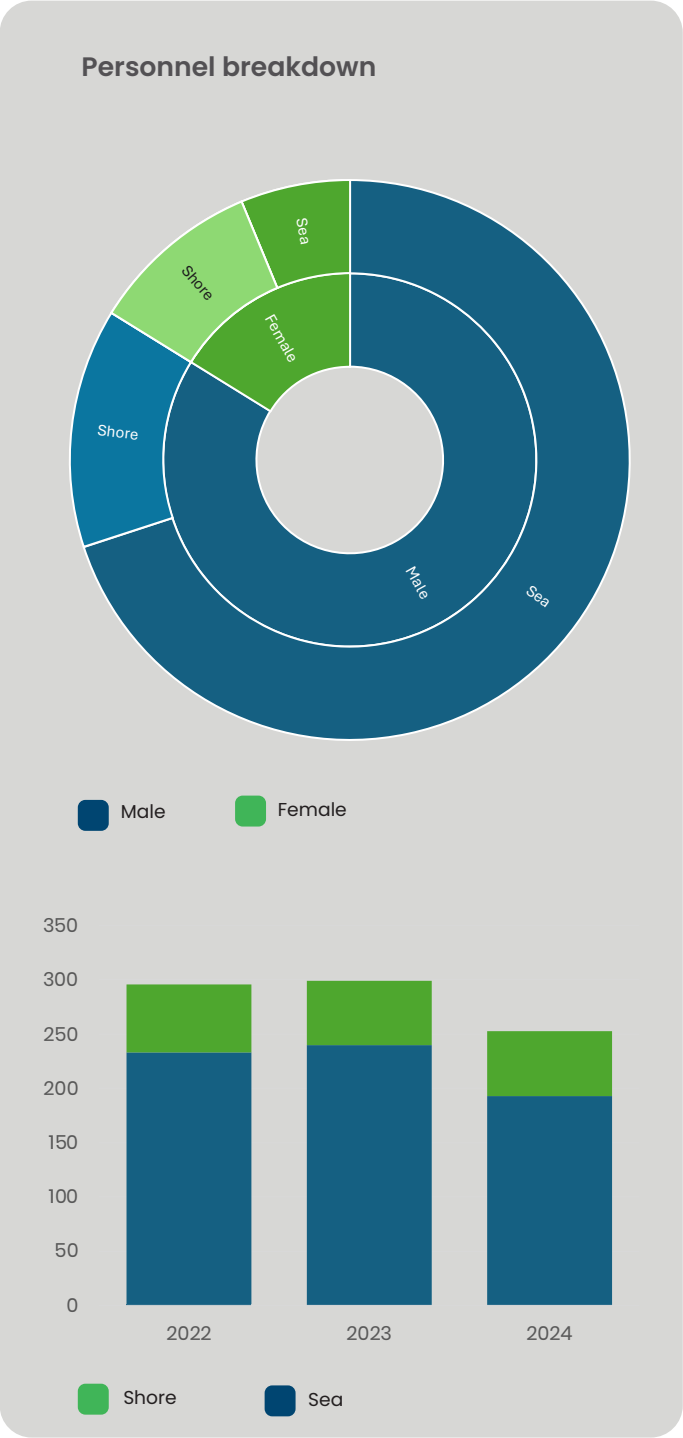


trade unions saw 29 deck and engine apprentices working onboard the vessels during the summer season.

Diversity, Equity and Inclusion
We are committed to respecting internationally accepted human rights as defined in the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. Our Code of Conduct defines a common set for rules for the Group's entire personnel. We reject any discrimination based on education, competence, position, personality, way of life, work experience, ethnic origin, religion, gender, sexual orientation, age, nationality, abilities or other qualities.

The Code of Conduct is further reinforced by Diversity, Equity and Inclusion Policy. The purpose of the policy is to communicate to all our stakeholders, including employees, customers, suppliers, shareholders, and the communities we serve, our commitment to promoting and upholding equity, diversity and inclusion throughout all our business activities.

The work to increase awareness of the diversity, equity and inclusion continued in 2024. We have a multicultural workforce especially onboard vessels and although the results from employee engagement surveys indicate that there are no significant issues, we want to further increase the understanding of the matter by providing training for the supervisors and in the second phase to all personnel. In 2024, all management and supervisors both ashore and onboard participated in training, which aimed to provide practical guidance how to build more inclusive workplace and how to recognise the unconscious biases in our behaviour. Towards the end of the year, a set of training videos were launched for the whole personnel.



Fostering good company culture

For us, fairness is a cornerstone of workplace success. We believe that fair culture and open communication form the foundation for a socially sustainable working environment. Research supports this approach, linking fairness at work to reduced stress, fewer absences, and improved team collaboration.

By fostering fairness and open dialogue, we set a benchmark for ethical and socially sustainable work cultures in the shipping industry, paving the way for a more equitable future at sea. As the first company to participate in the Fair Shipping Culture pilot project, we are committed to advancing socially sustainable work environments through open dialogue and ethical practices.

Launched by the Seafarers' Pension Fund and the Finnish Shipowners' Association, the Fair Shipping Culture pilot project is driven by CoHumans Ltd, a specialist in ethical working culture and humane sustainability. The project aims to uncover experiences of fairness and unfairness within maritime work communities and develop actionable methods to cultivate a fair working culture in collaboration with pilot shipping companies.

Understanding fairness in maritime communities

In 2024, we undertook data collection to grasp perceptions of fairness aboard its vessels. A mix of group and individual interviews was conducted by CoHumans together with our summer trainee Anna Kuusisto, engaging crew members from seven vessels. Questions such as "What do you think a fair colleague is like?" and "What kinds of ethical questions arise in your work?" provided a comprehensive understanding of fairness in the maritime sector.

Findings indicate that fairness is widely perceived among crew members, with many citing approachable captains and officers and strong mutual support among crew as key enablers. However, some challenges were also identified, including limited opportunities for joint activities, a perceived disconnect between the crew and office staff, and symbolic events or requirements that may inadvertently exclude certain crew members.

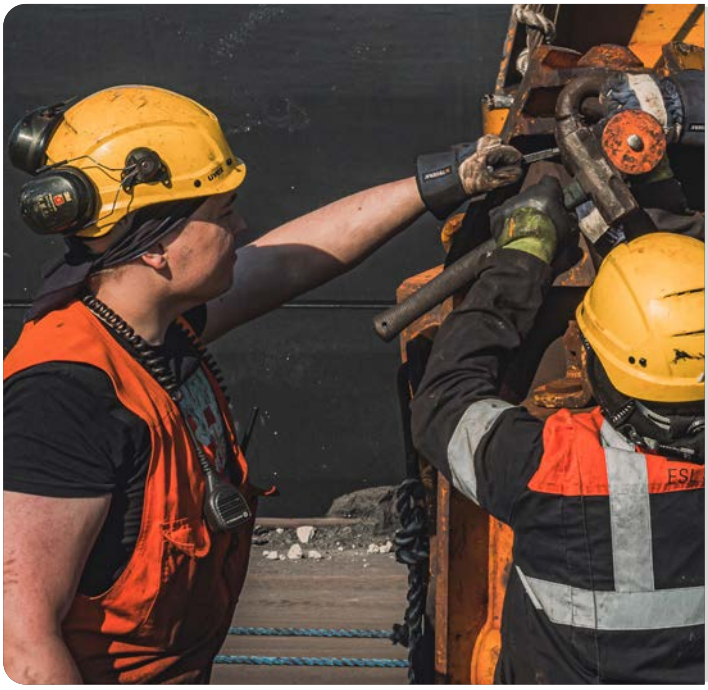
Most crew members view their colleagues as fair but mentioned some barriers to fair behaviour, such as pressures to prioritize efficiency over safety or reporting. Developing fairness was seen as a positive step toward enhancing workplace safety.

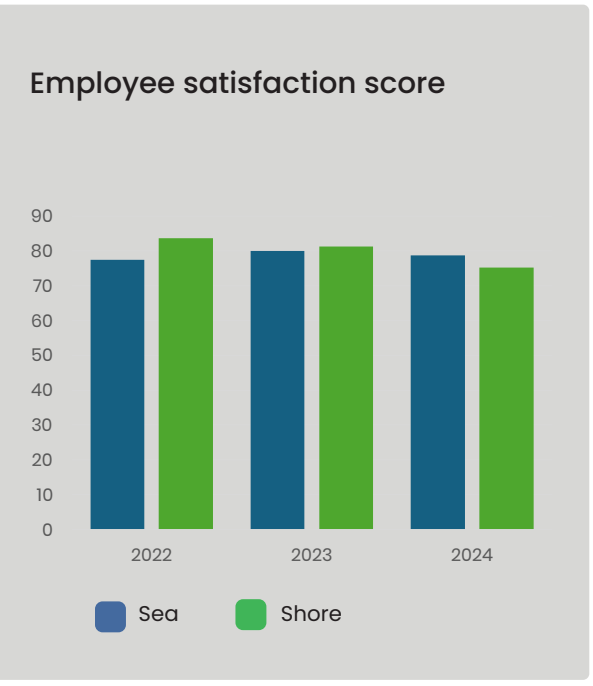
From insights to action: Plans for 2025

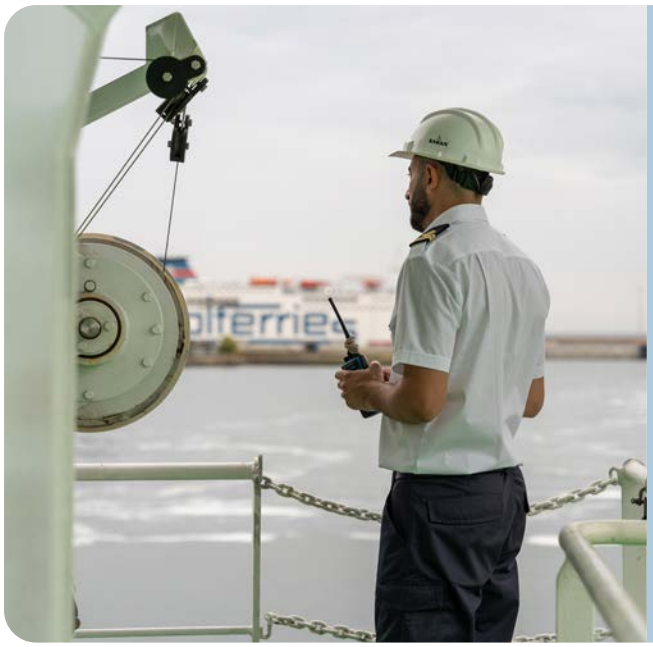
Looking ahead to 2025, we plan to expand efforts through targeted workshops and collaborative initiatives. Online workshops will be held for vessels involved in the data collection phase, allowing crews to review findings, discuss them collectively, and co-create practical strategies for promoting fairness onboard their vessels.

Post-workshop experiments will test new practices aimed at fostering fairness, with the results shared during a Sea Personnel Day in spring 2025. These collective insights will form the basis for fleet-wide implementation of the most effective practices, ensuring that fairness becomes an integral part of ESL Shipping's culture.

Meanwhile, the project continues to grow in scope, with other Finnish shipping companies following ESL Shipping's lead. By the end of 2025, a comprehensive analysis of the project's findings will be published, solidifying its status as a pioneering initiative for social sustainability in Finland's maritime industry.







What is an ITF agreement?

The agreements with the International Transport Workers' Federation are signed by an ITF maritime affiliate union and shipping company, either the beneficial owner, the operator, the manning agent, or the manager of the ship. ITF agreements ensure safe vessels and decent working conditions for seafarers.

The signatory union is normally from the country where the beneficial shipping company of the ship is based. Often, the union(s) of the crew's home nation(s) also takes part in the negotiations. This is to ensure that the agreement considers any relevant national laws and customs and ensures that the seafarers can become members of their national union.

Employee relations and remuneration

ESL Shipping has employees in Finland and Sweden. In Finland, the personnel is covered by collective bargaining agreements negotiated between employee and employer unions. In Sweden the employment conditions are based on national legislation and individual contracts of employment.

We treat our employees in a just and equal manner in all countries where it operates. The applicable local legislation, collective bargaining agreements and regulations are complied with in all contracts of employment. These concern, among other things, working hours, remuneration, development opportunities, human rights and working conditions.

Collective bargaining agreements and employee representation ashore
In the Finnish system, collective bargaining agreements are usually negotiated between the employer and employee unions rather than by a company itself. Our parent company Aspo Plc is a member of the Technology Industry Employers of Finland, which negotiates collective bargaining agreements for shore personnel with relevant trade unions.

In Finland, the shore personnel has not formally organised itself or elected a representative as stipulated by the Employment Contracts Act or related collective agreements. Although employee organisation is not compulsory, the company follows the terms of the universally binding collective agreements, specifically those concerning the Technology Industry's salaried and senior salaried employees.

In Sweden, the shore personnel is covered by the national legislation and individual contracts of employment since the company is not subject to any collective or industry-specific agreements imposed by local labour market entities. Nonetheless, we align with legal requirements concerning matters such as primary employment terms and employee representation and organising workplace cooperation. The company has a systematic work environment management plan, which details the plan to maintain and provide a safe working environment for all employees.

Collective bargaining agreements and employee representation onboard
All vessels owned by ESL Shipping are flying the Finnish flag and consequently Finnish legislation and collective bargaining agreements apply to all employees working onboard. ESL Shipping is a member of the Finnish Shipowners' Association, which negotiates collective bargaining agreements with the trade unions representing seafarers. The unions negotiate collective bargaining agreements for both Finnish and non-EU seafarers. All three unions have appointed employee representatives.

All AtoB@C Shipping's owned and time-chartered vessels are covered by valid ITF agreements. Our long-term partner GoTa Ship Management is the employer of the seafarers working onboard our owned and pooled vessels.

When taking a vessel into time-charter, we ensure that the working conditions and contracts of employment follow international regulations including remuneration.

Overtime and non-standard working hours
Although our office staff generally works within normal office hours, there is a need for duty personnel in certain functions. Unless otherwise agreed upon, we follow statutory regulations from collective agreements (Finland) or the Working Time Act (Finland, Sweden) when compensating for such hours either financially or via corresponding leave.

In positions where there is a foreseeable and consistent need for regular overtime or standby and if neither the law nor the collective agreement prohibits it, an agreement may be reached between the company and the employee for a fixed monthly compensation.

Performance-Based Bonus Scheme for employees
The annual performance bonus fluctuates based on several factors: the bonus allocation determined by the company board (typically assessed per fiscal year), the position-specific bonus, the length of employment and the attainment of personal performance objectives if established. In Finland alone, there is an option for personnel funding of individual bonuses, with a limit of 0.5 times the monthly salary.

Safety

The year 2024 was record-breaking in safety, as there were no lost-time incidents. The total recordable injury rate decreased, and the safety reporting activity increased. In 2025, the focus is on strengthening the positive safety culture and streamlining the safety management system.

A good safety attitude, active identification of hazards and effective mitigation of the identified risks are the cornerstones of a comprehensive safety culture. Seafarers are encouraged to report potential safety hazards and to send proposals that improve onboard safety. In 2024, the number of safety reports including improvement suggestions from ships increased by 88% compared to 2023. In addition to receiving proposals, it is essential to act. Our reporting system supports the monitoring and implementation of the proposed actions.

Safety meetings
Occupational safety and health meetings with the entire crew are held once per each Master's shift. The meeting is a place to discuss safety reports, risk assessments and other aspects openly with all crew. In 2024 there were 93 safety meetings held onboard. We also hold frequent safety meetings in the offices, at Aspo level, and with customers and stakeholders to foster cooperation and safety awareness among shareholders. Three safety review meetings were held in 2024 between ship senior officers and the safety department.

Leading and lagging indicators
Lagging indicators are used to measure the occurrence and frequency of worktime injuries, material damage, delays in service and events with environmental impact. Incidents are analysed to learn from them and to prevent re-occurrence.

In the past years, more focus has been put on leading indicators, as they are proactive and preventive measures to decipher potential problems, prevent injuries, improve productivity, optimise safety and increase worker participation. The leading indicators promoted in 2024 included Management Safety Walks, reporting safety observations and improvement proposals and Safety Reviews with ships' senior officers.

Worktime incidents
Workplace safety is closely monitored at the group level. Two key metrics followed are the Total Recordable Incident Rate (TRIR) and Lost Time Incident Rate (LTIR). Although not included in the statistics, the same metrics are collected from time-chartered vessels as well.

The Total Recordable Incident Rate (TRIR) in 2024 was 4.6 (9.3 in 2023) and the Lost Time Incident Rate (LTIR) 0.0 (1.2). It is remarkable that there were no Lost Time Incidents recorded in 2024.

Most recorded injuries happened to the head. To prevent serious injuries from happening, the importance of head protection was discussed at safety meetings onboard, and revised PPE was introduced to vessels. ESL Shipping continues to focus on the development of preventive actions to decrease the risks and minimise the consequences of any incidents or accidents.

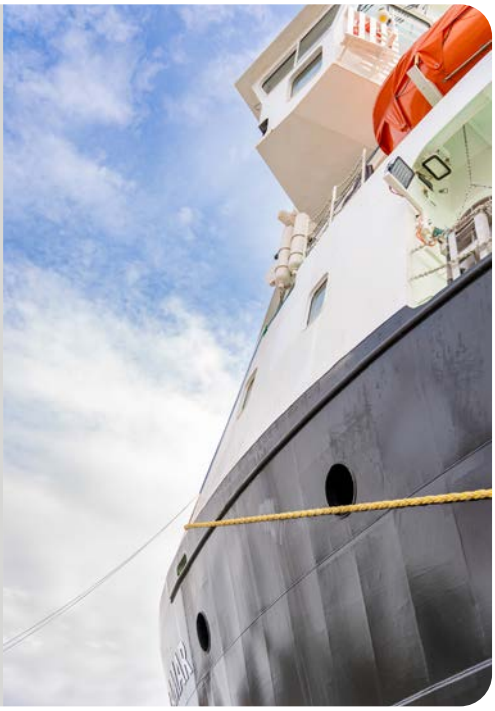
ESL Shipping has a strict zero policy for alcohol and substance use at work as described in ESL Shipping's alcohol and drug policy. For sea personnel, alcohol consumption is screened as a part of periodic medical examination. The policy is enforced through random testing and focused on testing of suspected breaches. During 2024, we discovered three incidents (four incidents in 2023) where our Alcohol and drug policy was violated. These incidents did not endanger maritime safety, and the company handled these violations by taking appropriate measures in accordance with the company's safety policy and

Compliant with international regulations

ESL Shipping and all its vessels are certified in accordance with the requirements of the International Maritime Organisation's International Safety Management (ISM) code which provides an international standard for the safe management and operation of ships and for pollution prevention.

ESL Shipping holds the Document of Compliance (DoC) from DNV issued under the authority of the Government of Finland, covering the vessels owned and managed by ESL Shipping. The vessels hold the Safety Management Certificate (SMC). The DoC is verified annually and the SMC every two and half years. The documents indicate compliance with the provisions of the International Safety Management (ISM) Code (Chapter IX of International Convention of the Safety of Life at Sea (SOLAS) 1974).

The vessels owned by ESL Shipping's subsidiary AtoB@C Shipping sail under the Cyprus flag and are managed by our long-term partner GoTa Ship Management, who holds a DoC from Cypriot authorities.



collective agreements.

Rest hours
Adherence to rest hours is essential to ensure crew well-being and the safety of the vessel. Thanks to consistent efforts, rest hour violations on vessels remain at a low level. Vessels have clear guidelines stating that operational reasons do not justify rest hour breaches. Working time arrangements are carefully planned, and in addition to supervision by supervisors, each crew member monitors their own rest hours. If necessary, compensatory rest is arranged. On average, there were 5.7 rest hour violations per vessel per month in 2024.

Vessel audits
As a new safety procedure, we introduced Management Safety Walks in 2024. Members of our Management Team visited the vessels seven times, made safety observations and discussed with the ship crew about the hazards in their work. These inspections demonstrate management's commitment to improving safety and health. Safety walks are also a good tool to enhance communication and understanding between vessels and management.

We carried out 18 internal audits for handysize vessels in ESL Shipping's fleet. Our owned and chartered coaster vessels were also inspected at least annually.

The vessels subject to vettings were pre-inspected to support the vetting performance.

Our handy vessels had 14 external audits including MLC, ISM and ISPS audits by classification societies and authorities, vettings by Rightship and 12 Port State Control inspections. Our handy vessels' PSC performance is excellent: average number of deficiencies (1.82) is clearly below the average in ParisMoU area (3.17) with Pasila scoring zero deficiencies in 2024 inspection. The trend has been positive in Rightship vettings as well, where frequent vettings have improved the performance. Age limit for Rightship inspections will decrease from 14 to 10 by 2027 and the present size limit of 8,000 dwt is removed. We are well prepared for the changes as even our older vessels are performing well in the Rightship vetting. All the remarks and deficiencies from inspections are documented in the reporting system IRIS, where corrective and preventive actions are recorded for future evidence. All external vettings and audits for ESL Shipping-managed vessels concluded without any major findings.

Industry benchmarking with DryBMS standard
One of the initiatives to improve safety culture and vessel performance has been benchmarking ESL Shipping's safety, security and environmental management system against the industry best practices.

The Dry Bulk Management System (DryBMS) sets out 30 areas of management practice within four sections: Performance, People, Plant and Processes. Companies that improve in these four sections will deliver more safe, compliant and reliable operations, gaining a sustainable advantage over their competitors.

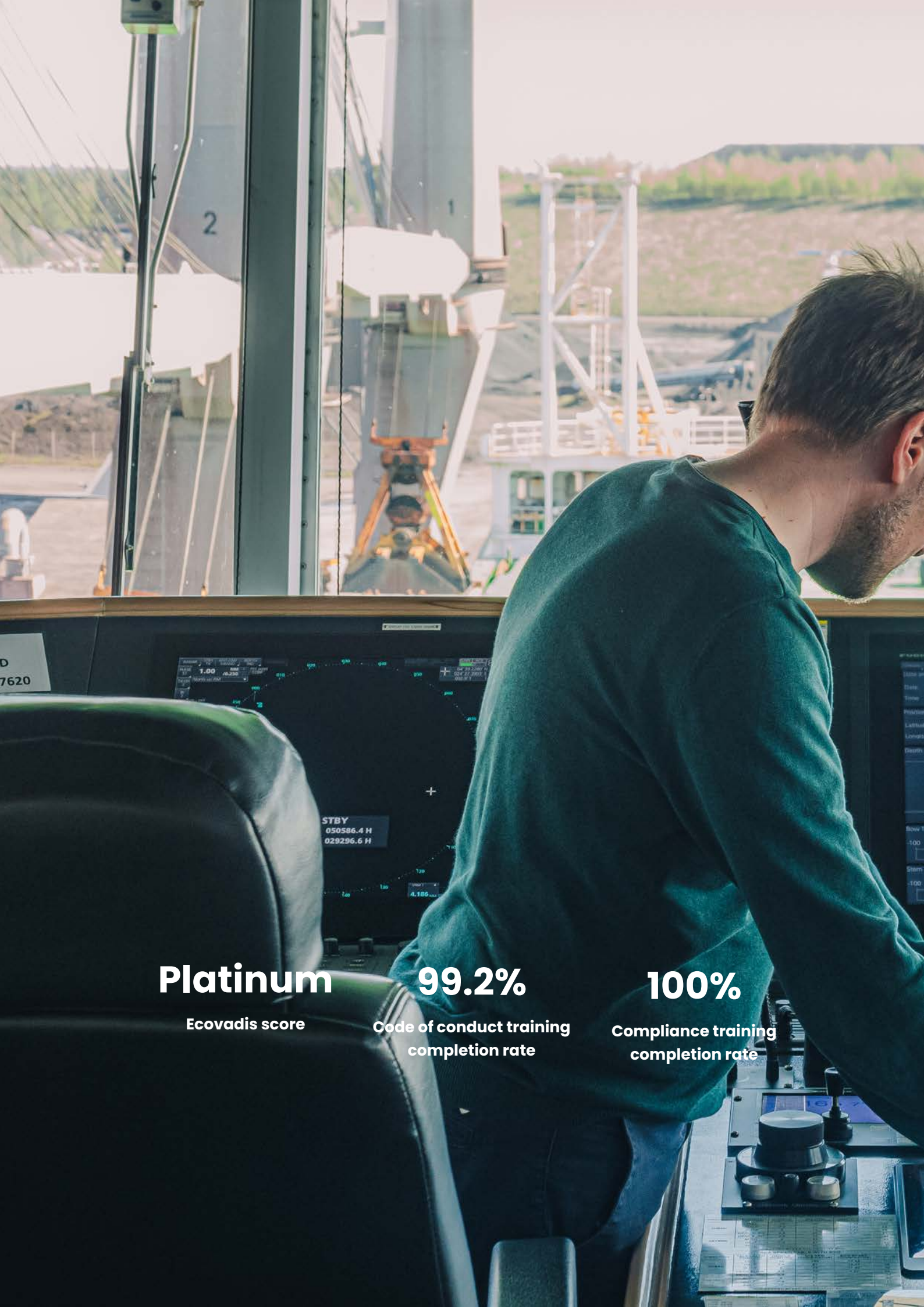
The latest review through 30 different modules of DryBMS was carried out in December 2024 and a target level for 2025 was set. As a general finding, we are on a good level when it comes to safety culture and environmental measures, but there is still room for improvement in the management of change.

Focus areas of safety in 2025

In 2025, the key focus of safety is on strengthening the safety culture. The aim is to foster an open and inclusive safety culture where all crew members feel responsible for safety.

Another focus area is streamlining the Safety Management System. The aim is to improve its usability onboard, make administrating the SMS easier, implement the SMS to be used by all employees.

Management of change process is emphasised as we expand our cargo portfolio within the handy fleet. This proactive approach is crucial for ensuring the safety of our crew, ships and the overall quality of our services. Prior to loading new cargo types, accurate risk assessments are conducted, allowing us to identify and mitigate potential hazards efficiently. Additionally, we prioritise communication among all parties involved in the process to manage changes and uphold high safety standards across our operations.



Platinum

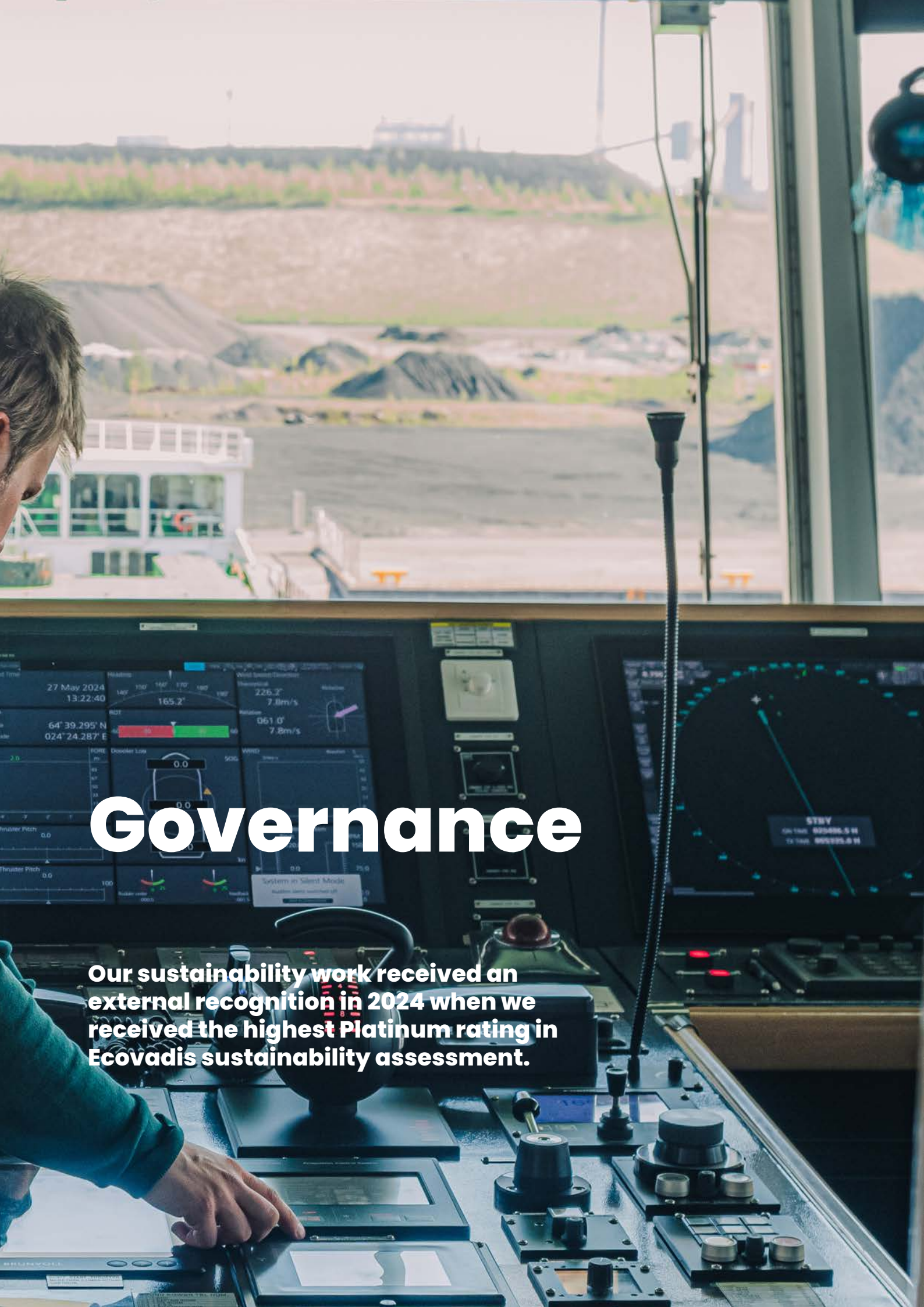
Ecovadis score

99.2%

Code of conduct training completion rate

100%

Compliance training completion rate



Governance

Our sustainability work received an external recognition in 2024 when we received the highest Platinum rating in Ecovadis sustainability assessment.

Governance structure

Ensuring sound governance practices at all levels is a key part of sustainability at ESL Shipping. Our Code of Conduct defines a common set of rules for sustainable business.

Board of Directors
ESL Shipping's highest decision-making authority lies with the Board of Directors, which is chaired by the CEO of Aspo Plc. In March 2024, the composition of the board was reorganised as a result of the new ownership structure, which saw Varma Mutual Pension Insurance Company and OP Infrastructure Finland to acquire 21.43% stake in ESL Shipping. The composition of the Board of Directors on 31 December 2024 is presented below.

Management team
At the end of 2024, ESL Shipping's management team consisted of six members, which are presented on page 7. The group has two business units; Handies (ESL Shipping vessels) and Coasters (AtoB@C Shipping vessels). Business units oversee setting and executing the strategic priorities for businesses.

The Managing Director is a member of Aspo Group's Group Executive Committee, which is responsible for the implementation of the adopted strategy of Aspo Group and its operations, and it prepares the Group's policies and common practices.

The Managing Director leads the sustainability work of the Group following the Group's ESG Policy and Aspo Group's Sustainability Policy. The Management team of the Group has shared the specific areas of responsibility in ESG matters between Kirsi Ylärinne (environment), Mikko Rausti (social) and Petter Ruda (governance and compliance).

Cooperation with stakeholders
ESL Shipping actively participates in industrial cooperation. Managing Director Mikki Koskinen has been Vice President of the European Community Shipowners' Association from the beginning of 2024. According to the established practice, the Vice-President is elected as President after the two-year term as Vice-President.

In addition, Koskinen is a Member of the Board of the Finnish Shipowners' Association and until summer of 2024 a Member of the Board at the International Chamber of Shipping, the global voice of the shipping industry.

Commercial Director Frida Rowland is a Member of the Board of the Swedish Shipowners' Association.

Board of Directors

Rolf Jansson

Chairman of the Board of Directors since 2021

Chief Executive Officer
Aspo Plc

Erkka Repo

Member of the Board of Directors since 2024

Chief Financial Officer
Aspo Plc

Taru Uotila

Member of the Board of Directors since 2024

SVP, Legal, HR and Sustainability
Aspo Plc

Ossi Vasala

Member of the Board of Directors since 2024

Head of Direct Infra and Private Debt Investment
OP Asset Management Ltd

Business ethics and transparency

ESL Shipping is committed to conducting business in an honest and ethically sustainable manner. Some of the concrete actions include educating personnel and participating industry wide work to remove corruption from shipping.

Anti-corruption and bribery
Under its ethical guidelines, ESL Shipping is committed to conducting business in an honest and ethically sustainable manner. The operational principles regarding the fight against corruption and bribery are in line with the UN convention: corruption or bribery is not accepted in any form. The company does not offer, give, solicit or accept gifts or hospitality that are of more than nominal value or that are or may be intended to influence decision-making or obtain unfair personal gain.

Our comprehensive trainings equip our personnel with the knowledge to identify and address any unethical situations or practices and how to act accordingly in those situations. In 2024, all of ESL Shipping's shore personnel successfully completed the Code of Conduct training. In addition, shore personnel and ships' officers completed Anti-Corruption and bribery, Competition Law and Data Protection trainings in 2024.

We are proud members of the Maritime Anti-Corruption Network (MACN), a collective of more than 180 shipping companies and institutions dedicated to fighting corruption. Despite our vessels primarily trading in Northern Europe, we recognise that corruption remains a significant issue in certain countries where our vessels occasionally operate.

To mitigate the increased risks of corruption, bribery and security concerns during port calls to these areas, our safety department performs thorough risk assessments using various sources, including the MACN database. We provide our vessels with valuable information and clear instructions on how to effectively manage and minimise potential risks.

Cybersecurity and IT risk management
As society becomes increasingly reliant on functioning IT systems, it is crucial to protect our critical IT systems from a wide range of threats such as spyware and malware. Our group has made significant investments in modern and efficient tools to safeguard our IT and operational technology environment. Significant projects in 2024 include ISO27001 information security management certification and preparations for the upcoming NIS2 regulation.

We evaluate IT risks annually based on industry best practice templates, fully integrating them into our corporate risk management program. Our information security roadmap includes a maturity and gap assessment, as well as an investment timeline for cybersecurity matters.

We provide mandatory cybersecurity guidelines on our intranet and have incorporated them into our Safety Management System. Additionally, our whole personnel was subject to mandatory cyber security training in 2024. In the event of a breach of confidential information, we have established procedures to report these incidents to the relevant authorities following applicable laws and regulations.

To ensure that access to our systems is restricted only to authorised users, we have implemented several measures. We tightly control and monitor third-party service providers' access to our IT systems and require them to sign non-disclosure agreements. As part of our group-wide auditing plan, our IT control procedures undergo annual audits.

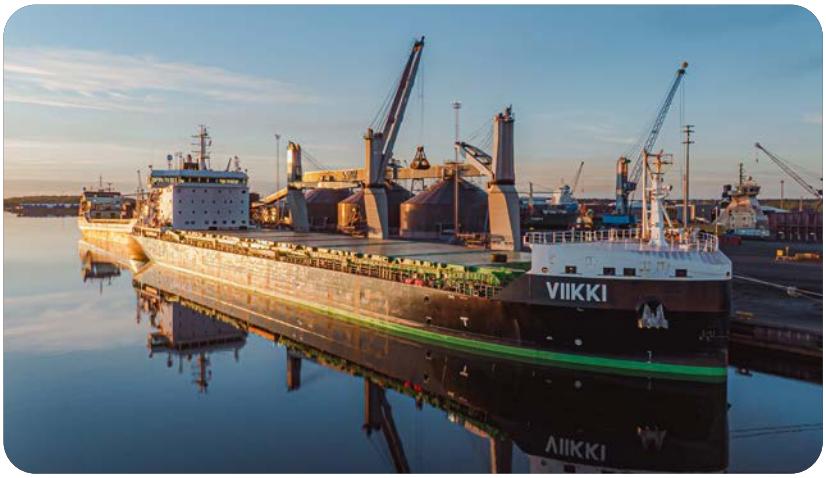
ESL Shipping actively participated in the national cybersecurity exercises organised by the Finnish National Emergency Supply Agency in 2022 and 2023.

Reporting of suspicious activity
If there is a suspicion of activity that violates the law or ethical guidelines, the matter should always be brought up and reported appropriately. ESL Shipping supports a discussion culture that encourages everyone to make their voice heard. Every employee is expected to report their suspicions or observations regarding activities that violate laws, ethical guidelines or other ESL Shipping guidelines. We do not tolerate retaliation against any person who, in good faith, reports suspected misconduct or participates in an investigation to resolve suspected misconduct.

The notification can be made to a supervisor, directly to the Managing Director, parent company Aspo's legal department, personnel department or a representative of the internal audit team. ESL Shipping's vessels have a procedure under the Maritime Labor Convention (MLC) that allows seafarers to lodge a complaint about any alleged breach of the Maritime Labor Convention.

In addition to the channels mentioned above, report can be made via a whistleblowing system managed by an external company which ensures full anonymity for a person who wishes to report behaviour violating our compliance requirements. The link to the whistleblowing system is available on the websites of all the Group companies. The service is separate from our IT environment and does not track IP addresses or other data that could identify a person sending a message. Messages are encrypted and can only be decrypted by designated individuals. The system provider cannot decrypt and read messages.

In 2024, we received two reports through the whistleblowing channel (2 in 2023). These reports were processed and responded to in accordance with the Group's processes. No new cases of fraud were discovered in the investigations conducted, and no confirmed violations related to corruption or bribery were reported through the whistleblowing channel.



Responsible value chain

ESL Shipping works with wide range of suppliers ranging from shipyards and bunker suppliers to small service providers. In 2024, the work has continued to establish more systematic process to evaluate the sustainability performance of key suppliers.

Knowing the counterparties we work with is an essential part of our compliance work. ESL Shipping checks possible sanction risks as well as the solvency of all counterparties with modern and efficient tools. No business is allowed to be conducted before sanction risks are checked and evaluated thoroughly. In addition, the Group closely monitors the sanction risks of current counterparties as the sanction schemes evolve constantly and new sanction risks may suddenly emerge.

Our compliance manual sets clear guidelines regarding the monetary acceptance limits of individual employees and management team members. Furthermore, all financial transactions require the approval of two individuals.

Supplier management
The key tool in the prevention of corruption and bribery is the responsible management of the supply chain. To ensure appropriate operating methods, ESL Shipping has its own Supplier Code of Conduct, and all suppliers are required to comply with the code. A significant number of the partners of ESL Shipping are major international companies, with many of these businesses having been engaged in long-term cooperation. Many of the companies also have their own stabilised processes for the responsible management of supply chains.

During 2023, new Sustainable Procurement Policy was launched in order to further emphasise our commitment to sustainable procurement of products and services throughout all our business activities. In 2024 we commenced the process to establish a procedure to more comprehensively and systematically evaluate the sustainability performance of our suppliers including establishing a process to identify critical/key suppliers. Progress was also made in understanding the possibilities of key suppliers to provide emission data of their products and services.

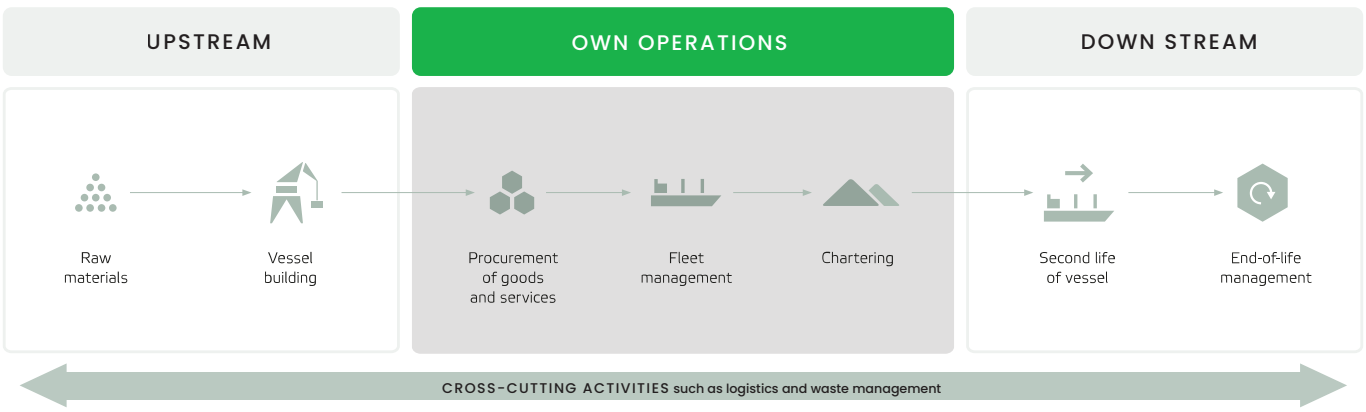
Regular vessel audits
Tonnage providers are one of our key supplier groups and to ensure the quality for our clients across the fleet, we target visiting the vessels of our tonnage providers every year for a quality inspection. Tonnage providers are required to report safety statistics monthly, and we monitor the performance of the vessels, such as offhires and technical failures, in our internal reporting system and require technical managers to follow up the cases. New time charter vessels are always inspected as early as practically possible.

Before the vessel inspection, a comprehensive review is conducted, encompassing existing statistics such as Port State Control (PSC) reports, previous inspection reports, and past corrective and/or preventive actions. We monitor the performance of time-chartered vessels in PSC inspections to compare different shipowners and better focus our inspections and efforts on the owners and vessels where performance can be improved. To ensure a focused discussion onboard, vessel operators are contacted for insights.

During the inspection, we utilise the Responsible Shipping Initiative (RSI) checklist, aligning with some of our key clients in their random inspections. After the inspection, findings are discussed with the crew and a concluding safety meeting is conducted with the available crew. All inspection findings are logged in our reporting system and results are shared and discussed with vessel managers including the corrective action plan for deficiencies noted during the inspections. This not only aligns with our safety, quality and environmental targets but also emphasises the importance of safe practices and accident prevention.

In 2024, we carried out 25 (24) audits for time-chartered tonnage. All the remarks and deficiencies from inspections are documented in the internal reporting system IRIS, where corrective and preventive actions are recorded for future evidence and follow up.

ESL Shipping's value chain



Significant improvement in client satisfaction

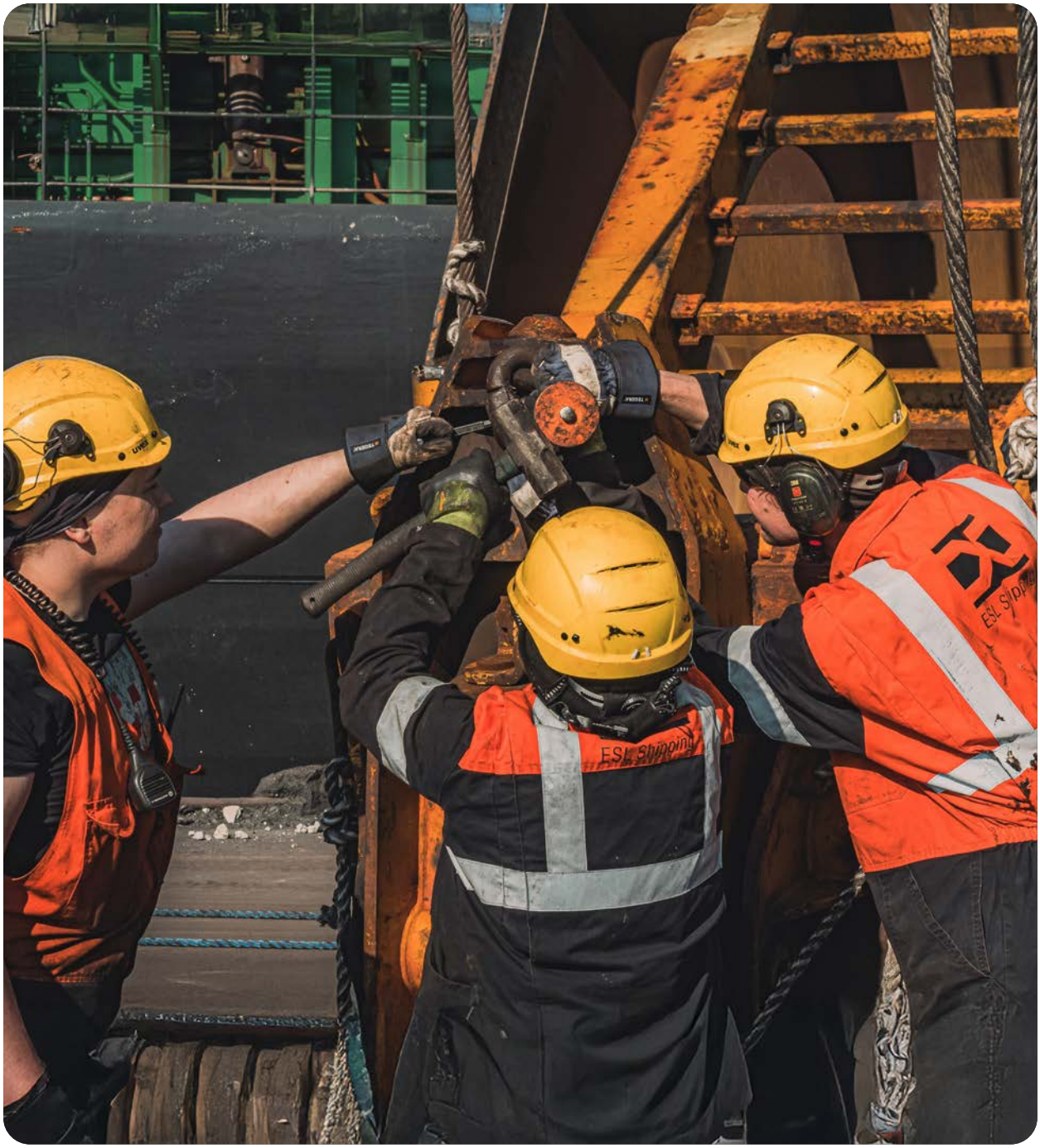
Client satisfaction with ESL Shipping and AtoB@C Shipping saw a significant improvement, with the net promoter score rising from 42 in 2023 to 52 in 2024.

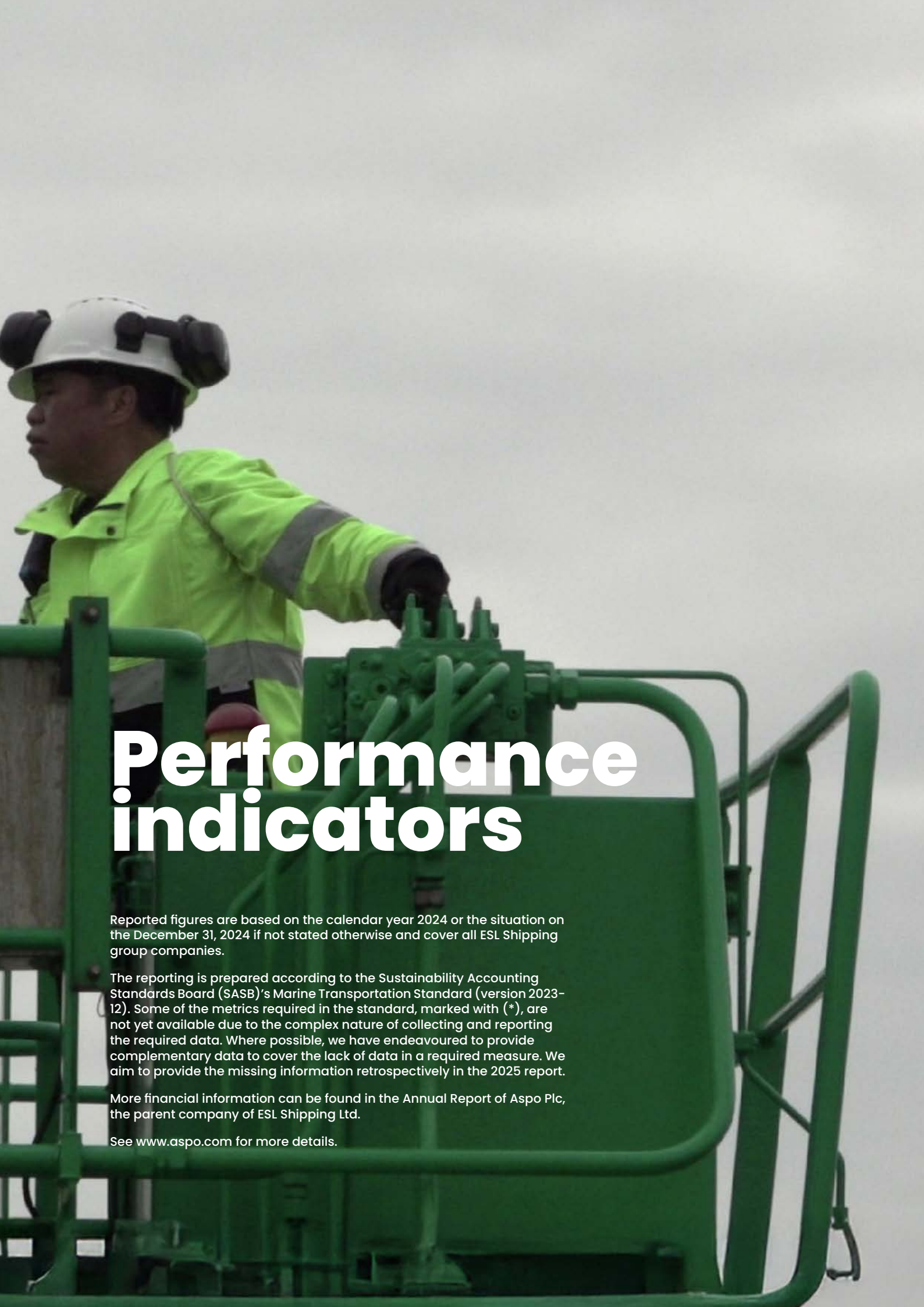
Most of the positive feedback highlighted the high level of professionalism and excellent service attitude of both the operations and chartering teams.

We are also pleased that that over half of the respondents rated us highly in environmental matters, with 55-68% placing ESL Shipping and AtoB@C Shipping above competitors in these areas.

Commercial Director Frida Rowland emphasized the importance of maintaining a high level of professionalism and a positive service attitude in both operations and chartering teams, which was frequently highlighted in the positive feedback from clients.

"Our aim is to maintain open and effective communication channels with our clients. Regular updates, transparent communication, and active engagement are key to strengthening relationships and building trust", she concluded.





Performance indicators

Reported figures are based on the calendar year 2024 or the situation on the December 31, 2024 if not stated otherwise and cover all ESL Shipping group companies.

The reporting is prepared according to the Sustainability Accounting Standards Board (SASB)'s Marine Transportation Standard (version 2023-12). Some of the metrics required in the standard, marked with (*), are not yet available due to the complex nature of collecting and reporting the required data. Where possible, we have endeavoured to provide complementary data to cover the lack of data in a required measure. We aim to provide the missing information retrospectively in the 2025 report.

More financial information can be found in the Annual Report of Aspo Plc, the parent company of ESL Shipping Ltd.

See www.aspo.com for more details.

GHG inventory

SCOPE 1	Unit of measure	Change	2024	2023	2022	SASB Code
CO_2 emissions	Metric tons	- 6.6%	174,536	186,820	217,526	
CO_2e emissions	Metric tons	- 6.7%	179,072	192,018	223,254	TR-MT-110a.1
Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets			See page 16-17			TR-MT-110a.2
SCOPE 2						
Location based CO_2e emissions	Metric tons	- 10.6%	24	27		
Market based CO_2e emissions	Metric tons	91.7%	23	12	13	
SCOPE 3						
Category 1 - Purchased goods and services	Metric tons	- 1,8%	37,808	38,497	-	
Category 2 - Capital goods	Metric tons	88,0%	13,022	6,928	-	
Category 3 - Fuel and energy-related activities	Metric tons	- 5.6%	38,522	40,786	-	TR-MT-510a.1
Category 4 - Upstream transportation and distribution	Metric tons	- 13.8%	82	95	-	
Category 5 - Waste generated in operations	Metric tons	- 70.5%	8	27	-	TR-MT-510a.2
Category 6 - Business travel	Metric tons	27.1%	208	164	-	
Category 7 - Employee commuting	Metric tons	- 7.2%	658	709	-	
Category 8 - Upstream leased assets	Metric tons	0%	0	0	-	
Category 9 - Downstream transportation and distribution	Metric tons	0%	0	0	-	
Category 10 - Processing of sold products	Metric tons	0%	0	0	-	
Category 11 - Use of sold products	Metric tons	0%	0	0	-	
Category 12 - End-of-life treatment of sold products	Metric tons	0%	0	0	-	
Category 13 - Downstream leased assets	Metric tons	- 83.2%	3,561	21,162	-	
Category 14 - Investments	Metric tons	0%	0	0	-	
Category 15 - Franchises	Metric tons	0%	0	0	-	
Total Scope 3 emissions	Metric tons	- 13.4%	93,869	108,369	-	
TOTAL GHG EMISSIONS						
Total location based CO_2e emissions	Metric tons	- 9.1 %	272,965	300,413	-	
Total market based CO_2e emissions	Metric tons	- 9.1 %	272,964	300,399	-	

Energy efficiency and air quality

ENERGY EFFICIENCY	Unit of measure	Change	2024	2023	2022	SASB Code
CO_2e efficiency (EEOI)	gCO_2e per ton-nautical mile	11.6%	26.77	14.74	13.67	
CO_2 efficiency (EEOI)	gCO_2 per ton-nautical mile	11.4%	26.3	23.6	22.3	
Average Energy Efficiency Design Index (EEDI) for new ships	gCO_2 per ton-nautical mile	0%	12.74	12.74	-	TR-MT-110a.4
AIR QUALITY						
NO_x	Metric tons	- 9.3%	4,320.64	4,760.89	5,496.47	TR-MT-120a.1
N_2O	Metric tons	- 8.1%	9.74	10.6	12.22	
SO_x	Metric tons	- 39.1%	51.49	84.52	82.59	TR-MT-120a.1
Particular matter (PM10)	Metric tons	- 17.0%	53.46	64.42	68.19	TR-MT-120a.1
CH_4	Metric tons	- 9.7%	2.62	2.9	3.35	

Scope 1 and 2 energy consumption & mix

FOSSIL ENERGY	Unit of measure	Change	2024	2023	2022 [1]	SASB Code
Fuel consumption from coal and coal products	MWh	0%	0	0		
Fuel consumption from crude oil and petroleum products	MWh	- 7.6%	624,793	676,208		
Fuel consumption from natural gas	MWh	88.8%	37,790	20,018		
Fuel consumption from other non-renewable sources	MWh	0%	0	0		
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	120.6%	75	34		
Total fossil energy consumption	MWh	- 4.8%	662,658	696,260		
Share of fossil sources in total energy consumption	Percentage	- 0.1%	99.85%	99.92 %		
NUCLEAR ENERGY						
Total consumption from nuclear products	MWh	- 15.3%	111	131		
Share of consumption from nuclear sources in total energy consumption	Percentage	- 11.0%	0.02 %	0.02 %		
RENEWABLE ENERGY						
Fuel consumption for renewable sources, including biomass	MWh	310.7%	727	177	353	
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	- 24.8%	170	226	126	
The consumption of self-generated non-fuel renewable energy	MWh	0%	-	0	0	
Total renewable energy consumption	MWh	122.6%	897	403	479	
Share of renewable sources in total energy	Percentage	133.7%	0.14%	0.06%	0.06%	TR-MT-110a.3
TOTAL ENERGY CONSUMPTION						
Total energy consumption	MWh	- 4.8%	663,666	696,794	820,824	
Total energy consumption	GJ	- 4.8%	2,389,198	2,508,458	2,954,968	TR-MT-110a.3
Share of HFO in total energy consumption	Percentage	0%	0	0		TR-MT-110a.3
FUEL CONSUMPTION						
Fuel consumption	Metric tons	- 13.0%	55,800	64,147	69,373	
Fuel consumption per cargo ton	kg/ton	- 11.3%	4.43	5.00	4.72	
Total use of fuel	MWh	- 13.1%	662,583	761,985	820,496	
of which renewable	Percentage	372.4%	0.11	0.02	0.04	

[1] Some of the data is not available for 2022.

Ecological impacts

ECOLOGICAL IMPACTS	Unit of measure	Change	2024	2023	2022	SASB Code
Hold washing water delivery to shore	Percentage	40.9%	61.3	43.5	9.3	
Grey water deliverired to shore	Percentage	42.4%	18.8	13.2	-	
Black water delivered to shore	Percentage	0.3%	30.2	30.1		
Fleet implemented ballast water						TR-MT-160a.2
exchange	Percentage	0%	100	100	100	TR-MT-160a.2
treatment	Percentage	0%	100	100	100	TR-MT-160a.2
Oil spills	Number	0%	2	2	3	TR-MT-160a.3
Aggregate volume of spills and releases to the enviroment	Cubic meters	0%	0	0	0	TR-MT-160a.3
Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	0%	-*	-	-	TR-MT-160a.1

Social

PERSONNEL	Unit of measure	Change	2024	2023	2022	SASB code
Total number of employees	Number	- 15.4%	253	299	295	
Sea personnel	Number	- 19.6%	193	240	232	
Shore personnel	Number	1.7%	60	59	63	
External sea personnel	Number	47.8%	102	69	60	
Average age	Number	- 2.2%	44	45	44	
GENDER BREAKDOWN						
All personnel						
Female	Number	- 2.4%	41	42	45	
Male	Number	- 17.5%	212	257	250	
Management						
Female	Number	-	2	2	2	
Male	Number	- 20.0%	4	5	5	
Board of Directors						
Female	Number	0%	1	1	1	
Male	Number	50.0%	3	2	3	
EMPLOYEE EXPERIENCE						
Retention rate	%	- 13.4%	84.4	97.4	91	
Employee satisfaction	Number	- 3.5%	77.8 / AA	80.6 / AA+	78.9 / AA	
Shore personnel		- 7.4%	75.3 / A+	81.3 / AA+	83.6 / AAA	
Sea personnel		- 1.6%	78.7 / AAA	80 / AAA	77.4 / AA+	
Employee Net Promoter Score (eNPS)	Number	- 37.1%	22	35	44	
Training days	Number	16.0%	210	181	241	
REMUNERATION						
Employees covered by collective bargaining agreement	Percentage	-	93.6	-	-	
Pay gap	Percentage	-	1.0	-	-	
Salary of highest paying individual compared to median annual pay	Ratio	-	10.2	-	-	
EMPLOYEE HEALTH AND SAFETY						
Total Recordable Incident Rate (TRIR)	Rate	- 50.5%	4,6	9.3	17.4	
Lost time incident rate (LTIR)	Rate	- 100.0%	0.0	1.2	3.5	TR-MT-320a.1
Fatalities	Number	0%	0	0	0	
Sick leave absence ratio	Percentage	20.0%	1.86	1.55	1.48	
Safety reports	Number	88.1%	316	168	130	
Number of marine casualties	Number	0%	0	0	0	TR-MT-540a.1
Percentage classified as very serious	Percentage	0%	0	0	0	TR-MT-540a.1
Number of Conditions of Class or Recommendations	Number	0%	*	-		TR-MT-540a.2
Port state control deficiencies	Number	- 51.7%	14	29	19	TR-MT-540a.3
Port state control detentions		0%	0	0	0	TR-MT-540a.3
CLIENT SATISFACTION						
Net promoter score (NPS)	Number	23.8%	52	42	57	

Financial

OPERATING HIGHLIGHTS	Unit of measure	Change	2024	2023	2022	SASB Code
Net sales	MEUR	9.1%	206.2	189.0	245.4	-
EBITA	MEUR	- 48.3%	9.2	17.8	38.2[1]	-
Investments	MEUR	128.5%	47.3	20.7	16.5	-
Cargo volume	Million tons	-1.9%	12.58	12.8	14.7	-

[1] Operating profit

Activity

ACTIVITY DATA	Unit of measure	Change	2024	2023	2022	SASB Code
Number of shipboard employees	Number	- 4.5%	295	309	299	TR-MT-000.A
Total distance travelled by vessels	Nautical miles	- 6.7%	1,361,266	1,459,133	1,792,533	TR-MT-000.B
Operating day	Days	4.6%	13,669	13,071	15,383	TR-MT-000.C
Deadweight tonnage	Metric tons	22.1%	345,000	443,000	425,000	TR-MT-000.D
Number of vessels in total shipping fleet	Number	0%	43	43	41	TR-MT-000.E
Number of vessel port calls	Number	3.9%	3500	3370	4165	TR-MT-000.F
Twenty-foot equivalent unit (TEU) capacity	TEU	0%	n/a	n/a	n/a	TR-MT-000.G

Governance

GOVERNANCE	Unit of measure	Change	2024	2023	2022	SASB Code
Code of conduct training completion rate	Percentage	- 0.8%	99.2	100	100	
Compliance training completion rate	Percentage	0%	100	100	100	
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	0%	0	0	0	TR-MT-000.C
Confirmed corruption incidents	Number	0%	0	0	0	
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	EUR	0%	0	0	0	TR-MT-000.E
Number of whistleblowing cases	Number	0%	2	2	-	
Number of confirmed information security incidents	Number	100%	2	1	0	
Ecovadis score	Number	11.1%	80 / Platinum	72 / Gold	66 / Silver	

Assumptions

Activity data

Number of shipboard employees
Shipboard employees are those employees who work aboard the entity's vessels (including direct and contract employees) during the reporting period.

Operating days
Operating days are calculated as the number of available days in a reporting period minus the aggregate number of days that the vessels are off-hire due to unforeseen circumstances

GHG inventory

Scope 1 emissions
Emissions from vessels are calculated using fuel consumption and emission factors (fuel-based method). The emission factors are based on the GLEC 2.0 framework (vessels) and Defra (company vehicles).

Location-based scope 2 emissions
Emissions are calculated using electricity, heating and cooling consumption and emission factors (Average data method) from AIB, DEFRA and IEA. The amount of biogenic emissions has not been included in the calculations.

Market-based scope 2 emissions
Emissions are calculated using electricity, heating and cooling consumption and emission factors (Average data method) from AIB, DEFRA and IEA unless there is an EAC certificate from the energy provider.

Scope 3 emissions
Emissions are mainly calculated using Exiobase 3.9. Category 3 and 13 using GLEC 2.0. conversion factors.

Scope 3 Category 1
Emissions are calculated using a spend-based method and Exiobase 3.9 emission factors. Purchased goods and services are categorized on account level (such as harbour costs). Shore power (excl. tug Charlie) is included in purchased services.

Scope 3 Category 2
Emissions are calculated using the spend-based calculation (Exiobase 3.9) method except for newbuildings, which are calculated based on steel tons used (DEFRA 2022). Ships sold to investors directly after the maiden voyage are not taken into account in the calculation.

Scope 3 Category 3
Emissions are calculated based on actual fuel consumption for ships (GLEC 2.0) and vehicles multiplied by relevant emission factor (DEFRA 2022). Scope 2 -related emissions are calculated based on actual consumption.

Scope 3 Category 4
Emissions are calculated using a spend-based method and Exiobase 3.9 emission factors.

Scope 3 Category 5
Vessels report waste amounts in cubic meters according to MARPOL guidelines. Cubic meters are converted to tons to enable emission calculation. Emissions are calculated by multiplying the amount of waste by the material-specific emission factor of the waste (waste-type-specific method) mainly from DEFRA (2023).

Scope 3 Category 6
This category is calculated using spend-based calculation method and Exiobase 3.9. emission factors. The emissions of the category have been calculated at the account level, where the distribution of costs between different travel modes and services has been estimated.

Scope 3 Category 7
The calculation is based on the estimated number of employees using private cars or public transport. Average commuting distances are obtained from Helsinki Region Transport Authority (HSL) commuting study from 2018. The calculation is based on the number of employees on the last day of the reporting period. Finland's country-specific averages have also been used in other countries' emission calculations. Additionally, this category includes sea personnel's flights to and from work. These emissions are based on figures received from travel agencies.

Scope 3 Category 13
Emissions are calculated using fuel consumption and emission factors (fuel-based method) from GLEC 2.0 framework.

Energy consumption and mix

Purchased electricity, heating and cooling
Consumption is mainly measured, otherwise estimated for the whole year. The energy mix has been measured using a market-based Scope 2 metric, where the energy sources used in the consumption of electricity, cooling and heating are broken down by country in accordance with the International Energy Agency's (IEA) energy mix for electricity generation. The metric addresses the amount of electricity purchased with Energy Attribute Certificates (EAC). Energy from a Scope 1 metric has been measured in accordance with the fuel consumed and broken down into different energy sources.

Fuel consumption in megawatt hours
Fuel conversion from tons to megawatt hours is based on GLEC 3.1 conversion factors.

Social

External sea personnel
Personnel working onboard owned and pooled vessels which are under external ship management.

Retention rate
Based on terminations of employment during the contract period based on the employee's own will, excluding pension. Includes ESL Shipping Ltd sea personnel only.

Employee net promoter score (eNPS)
Covers the whole personnel from 2024 onwards, years 2023 and 2022 only cover shore personnel.

Safety reports
Includes improvement suggestions, observations, non-conformities, near miss and accident reports. Covers on operations and owned and pooled vessels under external ship management.

Employees covered by collective bargaining agreement
Collective bargaining agreements cover all employees based in Finland or working onboard Finnish-flagged vessels.

Pay gap
The 2024 pay gap data only includes employees ESL Shipping group of companies employ directly.

Shore personnel: Based on the report obtained from the HR system, monthly or hourly pay has been determined for each employment relationship that remained valid on December 31, 2024. If pay is recorded as monthly pay, it is first converted into full-time equivalents (FTE) if necessary and then divided by the average monthly working hours calculated based on each employment contract's local full-time working hours.

Sea personnel: Total pay for 2024 has been obtained from the HR and payroll system, divided by the number of working days recorded on board and further by the length of the working day, which is eight hours. According to the collective agreement, the regular working day for sea personnel is eight hours, while the

working day for onshore personnel is 7.5 hours. Annual holiday pay is not included in total pay.

Salary of highest paying individual compared to median annual pay
See above.

Total recordable incident rate
All injuries per 1,000,000 working hours. Includes own personnel and personnel working onboard owned and pooled vessels managed by an external partner.

Lost time incident rate
All lost-time injuries per 1,000,000 working hours. Includes own personnel and personnel working onboard owned and pooled vessels managed by an external partner.

Number of marine casualties
As defined in the Code of International Standards and Recommended Practices for a Safety Investigation into a Marine Casualty or Marine Incident Resolution MSC 255(84), Chapter 2, Paragraph 2.9. A very serious marine casualty is defined as a marine casualty involving the total loss of the ship, a death or severe damage to the environment.

Port state control deficiencies and detentions
According to ParisMoU statistics, covers vessels where ESL Shipping is the ISM Manager.

Governance

Confirmed corruption incidents
An incident that has been found to be a substantiated violation of the corruption-related code of conduct, company policies or law. An incident that is still under investigation during the reporting period is not regarded as a confirmed incident.

Number of confirmed information security incidents
An incident that has been found to be a substantiated violation of the information security-related code of conduct, company policies or law. It includes unauthorized access to company networks, data and/or applications, breaches of customer privacy, etc. An incident that is still under investigation during the reporting period is not regarded as a confirmed incident.

Our policies

ESG Policy

Sustainability Policy

Code of Conduct

Anti-corruption and Bribery Policy

Sanctions Policy

Diversity, Equity and Inclusion Policy

Sustainable Procurement Policy

Supplier Code of Conduct

Employee Data Protection Policy

Whistleblowing Policy

Ship Recycling Policy

Manuals
Environmental Management System Manual

Safety Management System Manual

Compliance Manual

Contact our sustainability team:
office@eslshipping.com

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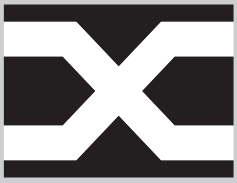
Editor: Olli Tuominen
Layout: Robert Söderholm
Photos: Deltamarin, Dronemestari / Juho Lumme, EFO, Flying Focus, Jäljen Jättiläinen, Albin Olsson, Risberg Film, Robert Söderholm, Olli Tuominen



ESL Shipping

Lintulahdenkuja 10
00500 Helsinki
Finland

www.eslshipping.com

AtoB@C Shipping

Hamngatan 2A
27139 Ystad
Sweden

www.atobatc.com