



2024

Sustainability Report



MESSAGE FROM THE FOUNDERS

A CLEAR HORIZON FOR SUSTAINABLE SHIPPING

2024 was a year of action. At Pelagic Partners Ltd, we did not just witness change in the maritime industry—we actively contributed to it. This past year was defined by meaningful progress in technology and a shared, urgent drive toward sustainability. We are proud to stand with our peers in advancing the fight against climate change.

The pressure from environmental, social, and governance (ESG) challenges has never been greater, and we are meeting it with determination. This report is not about distant ambitions; it reflects concrete steps already taken. It provides a transparent account of how sustainability has been embedded into the core of our business.

We continue to demonstrate that financial growth and sustainability can go hand in hand. In 2024, we delivered solid economic results while advancing environmental and social initiatives. This is the foundation of our model: building a business that is both profitable and responsible, creating lasting value for our investors in an evolving global landscape.

As both a fund manager and shipowner, we recognise our responsibility to lead with integrity. We are committed to maintaining robust regulatory processes, ensuring full compliance with European and global standards. This strengthens our ability to contribute to decarbonisation and to secure the future of shipping.

We invite you to read our latest Sustainability Report. It provides an honest reflection of our progress and a roadmap for the work ahead. We remain confident that, together with our stakeholders, we will continue to achieve new milestones on the path toward a cleaner, more sustainable global economy.

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General Disclosures

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1.1 GENERAL BASIS FOR THE PREPARATION OF THE SUSTAINABILITY REPORT (B1)

ABOUT THIS REPORT

The shipping industry continues to be an important constituent of the global economy, fostering greater connectivity between diverse markets and distributing vital resources. It plays a vital role in facilitating international trade, yet it also faces significant challenges in its journey towards sustainability. Given its crucial role, we recognise our responsibility to adopt and implement sustainable practices that protect our environment and our people.

We are pleased to publish our Sustainability Report (the “Report”) for the year 2024 (01/01/2024 – 31/12/2024, “FY2024”), reflecting on our own contribution towards this sectoral transformation. In this Report, we offer a transparent outlook into our operations dedicated to promoting sustainability for the sector and the global economy.

Our Sustainability Report has been developed with reference to the Voluntary standard for non-listed micro-, small- and medium-sized undertakings (“VSME”), ensuring transparent and verifiable disclosures of our sustainability performance. While Pelagic Partners Ltd is classified under Article 6 of the Sustainable Finance Disclosure Regulation (SFDR), we have



voluntarily chosen to apply the VSME standard to enhance transparency and provide stakeholders with consistent and comparable sustainability-related information. We have opted to prepare our disclosure in accordance with “OPTION B” of the VSME which integrates disclosures from both the basic and comprehensive module. For the complete list of disclosures made through this Report, please refer to the table on p.49 in the Appendix.

Through this Report, we aim to provide our stakeholders with an overview of our commitment to integrating Environmental, Social and Governance (‘ESG’) principles into the core of our investment strategies and operational practices.

This Report highlights the strategic milestones we have set, the challenges we face, and the progress we are making to not only navigate the waters of a dynamic global economy but to chart a course towards a more responsible and resilient maritime industry. It also outlines into the progress, initiatives, and future strategies of the Group as we navigate towards a greener and more sustainable future.

SCOPE OF THE REPORT

The scope of this Report covers the ESG impacts attributable to both the fund (i.e. Pelagic Investment Fund RAIF V.C.I.C. Plc), and the external manager (i.e. H.M Pelagic Partners Ltd) (together referred to as “Pelagic Partners Ltd” or “the Group”).

For the purposes of this Report, Pelagic Investment Fund RAIF V.C.I.C. Plc and H.M Pelagic Partners Ltd are referenced as “Investment Fund” and “External Manager”, respectively. Information is disclosed on a consolidated basis, capturing the range of the data available across the Group.

H.M. Pelagic Partners Ltd is incorporated under the Laws of Cyprus with registration number HE 424510 and authorised by the Cyprus Securities & Exchange Commission (CySEC) to operate as an Alternative Investment Fund Manager with license number AIFM43/56/2013.

Pelagic Investment Fund RAIF V.C.I.C. PLC is registered and incorporated under the Laws of Cyprus with registration number HE 408436 and authorised by the Cyprus Securities & Exchange Commission (CySEC) to operate as a Registered Alternative Investment Fund with registration number RAIF30.

The list of all the Group entities that are considered ‘in-scope’ (and, therefore, the data and information of which are included in this Report) has been determined through the materiality assessment exercise outlined in Section 7.1 ‘Description of the Materiality Process’. It should be noted that all entities in which the Group holds more than 50% ownership were included. However, vessels within those entities where the individual entity’s ownership share was below 50% were excluded.

LIST OF ALL THE GROUP ‘IN-SCOPE’ ENTITIES

- H.M. Pelagic Partners Ltd
- Pelagic Investment Fund RAIF V.C.I.C. Plc
- Bluwhirl Holding Limited (CY)
- Tench Maritime Co. Ltd (MH)
- Sea Flurry Ltd (MH)
- Milne Maritime Co. Ltd (MH)
- Averono Ltd (CY)
- Azure Holding Limited (MH)
- Seaway Shipping Ltd (CY)
- Sepoy Maritime Co. Ltd (MH)
- Demile Ltd (CY)
- Questil Holdings Ltd (CY)
- Hamburg Maritime Co. Ltd (MH)
- Hannover Maritime Co. Ltd (MH)
- Houston Maritime Co. Ltd (MH)
- Pelagic Wind Holding Ltd (CY)
- Pelagic Wind Services Ltd (CY)
- Windfinity Maritime Ltd (MH)
- Windlight Maritime Ltd (MH)

General Disclosures

1.1



Notes:

¹ The size of the balance sheet (total assets) and the turnover for both the External Manager and Investment Fund, are derived from the signed Financial Statements for the year ended 31 December 2024. The figures have been rounded up.

² This figure represents the total Assets Under Management (AUM).

³ The figure includes crew members, who are not directly employed by the Group but are employed by the Group's appointed Ship Managers.

⁴ While the Investment Fund is registered in Cyprus, its assets operate worldwide.

The 2024 Greenhouse Gas emission metrics (tCO₂eq), along with the respective GHG intensity of the External Manager and Investment Fund, are presented in the table below:

2024 GENERAL DISCLOSURES SUMMARY		
DESCRIPTION	EXTERNAL MANAGER	INVESTMENT FUND
Legal form	Private Limited Liability Company	Private Limited Liability Company
NACE sector classification code	L.66.30	L.64.31
Size of the balance sheet ¹	EUR 2,000,000	USD 271,000,000 ²
Turnover ¹	EUR 3,400,000	USD 35,000,000
Number of employees in head-count	13	370 ³
Country of primary operations and location of significant assets	Cyprus	Cyprus ⁴
Geolocation of sites owned, leased or managed	Cyprus	Cyprus ⁴



Strategy & Business Model 2.1

2.1 ABOUT PELAGIC PARTNERS LTD (C1)

BUSINESS MODEL

Established to challenge the conventional approach to fund management in the shipping industry, Pelagic Partners Ltd offers a perspective rooted in deep sector expertise and a clear understanding of the industry's fast-shifting dynamics and opportunities. Our mission is to redefine investment fund thinking in the maritime and offshore industries by combining a shipowner mentality with a fund manager structure. This strategy is supported by decades of combined knowledge and experience in ship owning, management and operating.




Pelagic Partners Ltd' management anchors all its funds as investors, fostering a shared mentality and viewing our investors as trusted partners. This philosophy is exemplified by our experienced team. Given the cyclical nature of shipping markets, our extensive experience and knowledge allow us to focus on delivering a steady dividend distribution stream to our investors through prudent investment and vessel management.

As a dynamic investment fund with a strong heritage in shipping, Pelagic Partners Ltd is well-positioned to seize future opportunities across a diverse range of maritime assets. These include bulk carriers, oil tankers, chemical and product tankers. In addition to traditional vessels, we are currently constructing offshore commissioning service operation vessels (CSOV) to operate in the offshore market.



Pelagic Partners Ltd, founded by Dr. Niels Hartmann and Atef Abou Merhi, manages one of the largest shipping portfolios in Cyprus. Leveraging their long-standing experience in managing family-owned shipping groups, our founders are anchor investors and long-term shipowners. They have extensive access to and intimate knowledge of the shipping markets, developed through their outreach, experience, and network over the past 30 years.

Pelagic Partners Ltd run Pelagic Investment Fund in a similar fashion to a traditional ship owning company and currently manages 4 compartments (Pelagic Fund I, Pelagic Yield Fund, Pelagic Wind Fund, and Marevia Credit Fund I) exceeding USD 270 million of assets under management. The latest compartment, Marevia Credit Fund I, will be financing maritime assets under construction and/or acquisitions of new build and second-hand maritime assets.

ASSETS		
 TANKERS (X3)	 DRY BULK CARRIERS (X4)	 CSOV (x2 Under Construction)
Transport liquids globally, meeting most energy needs. Product Tankers deliver diesel, gas oil, lubricating oil, and petrol from refineries to ports for industrial consumers.	The workhorses of the merchant fleet, transporting raw materials that enable global populations to build homes, generate energy, produce food, and manufacture goods.	Vessels used to support the commissioning and maintenance of offshore wind farms. They provide accommodation, equipment, and logistics support for technicians working on turbines and other offshore infrastructure.



BROAD PORTFOLIO SCOPE

Investment targets operate in segments which the management team comprehensively understands. This includes a range of vessels such as bulk carriers, chemical and product tankers, and commissioning service operation (CSOV) vessels currently under construction.

We prioritise diversification as a fundamental philosophy by seeking agile, well-informed investments that reduce concentration risk in any single segment. Backed by extensive market knowledge and experience, Pelagic Partners Ltd maintains a broad portfolio scope, allowing flexibility to explore nearly every shipping or offshore segment that aligns with our investment strategy. This adaptive approach underscores the Group’s agility in responding to market dynamics while leveraging deep industry expertise to optimise investment opportunities across diverse maritime sectors.

PELAGIC
Fund I

SUBSCRIPTION WINDOW | JULY 2020 – JULY 2021

Pelagic Fund I maintained a disciplined and diversified portfolio across three vessels, balancing stable cash flow with strategic upside. Key highlights included strong unlevered returns from one of the vessels, partial monetisation of another, and an offshore charter with a major energy company through one of its assets.

Since its inception, the net asset value (NAV) of Pelagic Fund I has more than doubled, including four dividend payments of approximately 6%. During 2024, the NAV increased by 26% contributing to a total return of 194% since its activation in July 2020, including dividend payouts.

FUND I KPI

194%

NAV INCREASE

PELAGIC
Yield Fund

SUBSCRIPTION WINDOW | MAY 2022 – PRESENT

Pelagic Yield Fund launched in Q1 2022 and reached more than US\$ 175 million in assets under management by the end of 2024. This compartment operates with a flexible approach to vessel age, profile, and segment, aiming to provide investors with consistent annual returns by prioritising long-term employments.

Targeting to have 50% of its fleet on charter, the compartment leverages Pelagic Partners Ltd’ extensive knowledge in ship owning and fleet management, alongside its deep commercial expertise across various segments within the maritime industry. This strategic acumen enables the effective distribution of assets across long term charters and short-term commercial pool arrangements, enhancing cash-flow visibility to power annual distributions while maintaining sufficient flexibility to capture market upswings. During 2024, the NAV increased by 11%, contributing to a total return of 169% since its activation in April 2022, including dividend payouts.

YIELD FUND KPI

169%

NAV INCREASE

PELAGIC

Wind Fund

SUBSCRIPTION WINDOW | SEPTEMBER 2022 – PRESENT

Pelagic Wind Fund embodies Pelagic Partners Ltd' commitment to sustainable investments and represents a compelling opportunity for investors to capitalise on the growing demand for renewable energy. We specialise in providing purpose-built Commissioning Service Operation Vessels (CSOVs) designed to support offshore wind operations as a priority, while maintaining the versatility to operate across wider offshore energy segments, including oil and gas, in line with market demand.

We understand the importance of sector specialism and track record in such niche markets, and have therefore established Pelagic Wind Services, run by a team with proven track record and a network of reliable partners stretched across various geographical regions within the offshore wind industry. We are committed to excellence and continuously seek opportunities to expand our fleet and broaden the scope of our services with a commitment amount of EUR 198M up to the year-end of 2026.

OFFSHORE EXPERTISE:

With cutting-edge technology and years of offshore experience, we are eager to assist our clients on their journey towards the production of green energy. Our team is equipped with the knowledge and expertise to provide reliable and efficient services, ensuring the smooth operation of wind farms and the sustainable generation of clean power.

PELAGIC

Marevia Credit Fund I

SUBSCRIPTION WINDOW | 2025

Marevia Credit Fund I reflects Pelagic Partners Ltd's strategy of combining credit discipline with maritime expertise. The Compartment focuses on financing assets under construction and the acquisition of newbuild and second-hand vessels through secured, income-generating structures.

Currently in its Initial Offering Period, Marevia Credit Fund I has not yet executed its inaugural transaction. Deployment is expected to begin in 2025, with transactions structured to balance income generation and capital preservation. By applying comprehensive due diligence and a disciplined credit framework, the Fund aims to support the financing of modern maritime assets and contribute to the sector's ongoing renewal and transition.

CREDIT STRATEGY EXPERTISE:

Marevia Credit Fund I reflects Pelagic Partners Ltd' strategy of combining credit discipline with maritime expertise. The Compartment focuses on financing assets under construction and the acquisition of newbuild and second-hand vessels through secured, income-generating structures.

Strategy & Business Model 2.2

2.2 TRANSITIONING TOWARDS A MORE SUSTAINABLE ECONOMY (B2, C1, C2)

OUR VISION

At Pelagic Partners Ltd, we recognise the importance of considering sustainability risks as part of our business strategy, particularly in the context of evolving regulatory standards and market expectations. Our approach continues to adapt to global developments, ensuring that our operational practices remain consistent with regulatory requirements and recognised best practices in governance and risk management.

As we navigate towards a more sustainable economy, Pelagic Partners remains focused on enhancing our practices, engaging with stakeholders, and reporting transparently on our progress. Our guiding principle is the combination of performance and progress. We recognise that considering sustainability risks can support long-term performance and help safeguard stakeholder value.

Sustainability considerations are embedded across our decision-making processes, from the Board level to day-to-day operations. This integration ensures that our practices meet applicable regulatory requirements and industry standards, thereby supporting our competitive positioning and operational resilience.



Our investment strategy has always combined vessel values with downside risk assessment, market sentiment, and operational flexibility. With a commitment to long-term stewardship, we have integrated sustainability risks into our overall risk management framework. This involves screening for projects with potential negative associations, allowing us to avoid poor track records and safeguard our financial interests.

Pelagic Partners Ltd is working to contribute to significant sustainability milestones by 2030, with strategic goals aligned to the Paris Agreement and the United Nations Sustainable Development Goals ("SDGs"). These goals focus on reducing our environmental impact, promoting workplace safety and diversity, and ensuring transparency and accountability in our governance practices.

At Pelagic Partners Ltd, we are striving to become a sustainable Group. We are dedicated to doing the right thing, operating in accordance with our core values and creating real value for our stakeholders. As the world changes, we are adapting and leveraging the opportunities for a sustainable future.

Corporate Governance

3



Corporate Governance 3.1

3.1 POLICIES, OVERSIGHT, AND DEPARTMENTS (B2, C2)

GROUP POLICIES

Pelagic Partners Ltd maintains robust policies and manuals currently being implemented across offshore and onboard operations to ensure ongoing sustainability efforts are effective and measurable.

These policies cover a range of topics including risk management, environmental management, health & safety, security, whistleblowing, personal data protection, sanctions, anti-bribery and corruption, ethical governance, and replacement procedures.

STRATEGIC AND EXECUTIVE OVERSIGHT

Our governance structure is designed to support the aforementioned policies with clear roles, responsibilities and processes that guarantee accountability and facilitate regular review of our sustainability practices.

Oversight rests with the Board of Directors, which holds ultimate responsibility for the strategic direction of the Group. The Board is composed of six Directors, including four Executive



Directors and two Independent Non-Executive Directors, reflecting a balance of perspectives and experience. The Board meets at least on a quarterly basis, with additional extraordinary meetings convened prior to major transactions. This includes setting the policies and ensuring that Pelagic Partners Ltd adhere to the highest standards of ethical conduct and compliance with all regulatory requirements.

The Board also oversees the management of sustainability-related risks as part of the Group's overall risk management approach.

Our Executive Directors are responsible for the daily management of the Group, ensuring implementation of the strategies set by the Board, and achieving robust oversight and operational excellence. They are directly influencing our adherence to ethical practices and our performance in sustainability.

GROUP DEPARTMENTS		
<div>INTERNAL AUDIT</div> <div>The Internal Audit function plays a crucial role in our governance structure by reviewing and verifying the integrity and effectiveness of our internal controls and corporate governance processes. While external auditors and legal advisors play a pivotal role in our governance structure, providing third-party oversight and ensuring compliance with laws and standards, the internal auditors review and verify the integrity and effectiveness of our internal controls and corporate governance processes.</div>	<div>COLLECTIVE MANAGEMENT SERVICES</div> <div>Our Collective Management Services encompass marketing, fund administration, and portfolio management which are integral to the Group’s governance framework, supporting consistent application of policies and ensuring alignment with our long-term strategy.</div>	<div>REGULATORY COMPLIANCE</div> <div>Our Regulatory Compliance function ensures that all operations comply with applicable legal and regulatory standards. The Regulatory Compliance function, led by the Head of Regulatory Compliance, oversees adherence to financial services regulations, environmental and labor requirements, and other obligations relevant to the Group’s activities. This includes monitoring regulatory developments, updating internal policies, and coordinating with supervisory authorities where required.</div>
<div>BACK OFFICE</div> <div>Back office supports the entire Group and includes departments like accounting & finance, in-house administration, and IT. These departments ensure that all business processes are aligned with our governance structure and sustainability commitments.</div>	<div>RISK MANAGEMENT</div> <div>Our Risk Management function is tasked with identifying, assessing, and managing risks that could impact our business, including financial, operational, environmental and social risks. This proactive approach helps us mitigate potential issues before they affect our operations and ensures we remain resilient and adaptable in a changing business landscape.</div>	<div>AML COMPLIANCE</div> <div>Our Anti-Money Laundering (AML) Compliance function ensures that all operations comply with AML laws and regulations. The AML Compliance Officer (AMLCO) is responsible for the Group’s anti-money laundering framework. This includes implementing customer due diligence procedures, monitoring transactions, and ensuring that our financial practices remain transparent and consistent with applicable AML laws and regulations.</div>





Conscious of the environmental impacts associated with our operations; Pelagic Partners Ltd incorporates environmental considerations into decision-making at all levels. This involves balancing operational capabilities and long-term environmental objectives in our investment strategy.

Monitoring, tracking, and reporting our progress across a range of environmental issues is a key component to this approach. This section of the Report discloses initiatives, policies, and metrics relevant to our environmental performance.

While the Investment Fund is classified under Article 6 of the SFDR, Pelagic Partners Ltd as a Group remain committed to transparency and align our efforts with SDG7, SDG12, SDG13, and SDG14.

THE TOPICS:

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- 4.2 Pollution — page 22
- 4.3 Biodiversity And Ecosystems — page 23
- 4.4 Water And Marine Resources — page 24
- 4.5 Circular Economy — page 26

THE TOPICS PRESENTED IN THIS SECTION
ARE ASSOCIATED WITH THE FOLLOWING SDGS:



4.1 CLIMATE CHANGE (B3, C3, C4)

ENERGY AND GREENHOUSE GAS EMISSIONS

At Pelagic Partners Ltd, we are progressively working towards reducing our greenhouse gas (GHG) emissions and improving air quality. To date, we have applied a methodical approach; utilising cleaner fuels, exploring viable gas alternatives, and assessing the options of significant technological upgrades. Our strategy is aligned with the sector's standards to ensure our operations are efficient, compliant, and environmentally responsible, with the aim of minimising our carbon footprint.

This is supported by our Risk Management Policy which aims to reduce exposure to investments with high carbon emissions. As part of our climate mitigation efforts, we are currently constructing vessels designed with advanced technologies to reduce emissions during operations. These vessels are purpose-built to serve offshore wind projects as a priority, while retaining the flexibility to operate in other offshore energy markets depending on conditions.

Through both our new building commissioning service operational vessels (CSOV) and Pelagic Wind Fund, the Group has made strides in furthering the regional offshore wind industry. Alongside decarbonising our portfolio, we also aim for responsible energy consumption in our offices.



To facilitate these climate objectives, we monitor energy consumption across both our off-shore and onshore operations and track Scope 1 and Scope 2 emissions, where applicable.

Given our direct investments in assets, we take a hands-on approach to GHG emission avoidance by actively screening for projects that may be heavy polluters, ensuring we avoid anything with a poor track record. Although our Scope 3 GHG emissions are not calculated within a rigid framework, we remain mindful and intentional in our evaluations. Moving forward, we are continuously refining and recognising the value of formalising our approach.

Simultaneously, we are increasing our investment in environmentally friendly vessels. These ships are designed with the latest green technologies to minimise environmental impact and reinforce our commitment to sustainable shipping.

The 2024 Energy Consumption metrics (MWh) of the External Manager and Investment Fund are presented in the table below:

ENERGY CONSUMPTION (2024)						
DESCRIPTION	EXTERNAL MANAGER			INVESTMENT FUND		
	Renewable Energy Consumption (MWh) ³	Non-renewable Energy Consumption (MWh)	Total	Renewable Energy Consumption (MWh)	Non-renewable Energy Consumption (MWh)	Total
Electricity ¹	- ⁴	-	33.99	0	0	0
Fuels ²	0	0	0	0	22,843	22,843
Total	-	-	33.99	0	22,843	22,843

Notes:

¹ The size of the balance sheet (total assets) and the turnover for both the External Manager and Investment Fund, are derived from the signed Financial Statements for the year ended 31 December 2024. The figures have been rounded up.

² This figure represents the total Assets Under Management (AUM).

³ The figure includes crew members, who are not directly employed by the Group but are employed by the Group's appointed Ship Managers.

⁴ While the Investment Fund is registered in Cyprus, its assets operate worldwide.

The 2024 Greenhouse Gas emission metrics (tCO₂eq), along with the respective GHG intensity of the External Manager and Investment Fund, are presented in the table below:

GREENHOUSE GAS (GHG) EMISSIONS (2024)		
DESCRIPTION	EXTERNAL MANAGER	INVESTMENT FUND
Scope 1 GHG Emissions (tCO ₂ eq) ¹	0	88.15
Scope 2 GHG Emissions ² (tCO ₂ eq)	21.32 ⁴	0
Gross GHG Emissions (tCO₂eq)	21.32	88.15
Turnover	EUR 3,400,000	USD 35,000,000
GHG Intensity (2024)³	0.00000627	0.00000252
GHG Intensity (2023) ³	0.00000737	0.00000448
% Decrease in GHG Intensity from 2023	15%	44%

Notes:

¹ The calculation of Scope 1 GHG emissions has been carried out using the StormGeo platform.

² Scope 2 GHG emissions have been calculated as follows:

Energy Consumption × Emissions Factor

For the calculation of Scope 2 GHG emissions, the Group used an emissions factor of 0.62752kgCO₂/kWh in accordance with the Transmission System Operator Cyprus.

³ The GHG intensity of GHG emissions has been calculated as follows:

(Gross GHG Emissions)/Turnover

⁴ Scope 2 GHG emissions (tCO₂eq) disclosed for the External Manager are indicative, as the contribution of renewable energy could not be accounted for in the estimation.



4.2 POLLUTION (B4)

AIR AND WATER POLLUTION

Pelagic Partners Ltd is dedicated to reducing the environmental impact resulting from ship-board operations. As outlined in our Environmental & Quality Policy, we strive for **zero** spills and releases that may lead to marine pollution. To support this goal, crew members, contractors, and visitors are obliged to stop any work that may result in adverse environmental impact.

We are proud to disclose that since inception, our fleet has consistently maintained a record of zero oil spills or spill-related incidents in the maritime environment.

Although we do not currently measure emissions from pollutants, we undertake various initiatives aimed at minimising our environmental impact and promoting cleaner operational practices. In 2024, all our vessels used very low sulphur fuel (VLSFO), ultra-low sulphur fuel (ULSFO) and distillates (an alternative fuel option in that significantly minimises adverse air quality emissions by mitigating the addition of sulphur dioxides into the atmosphere). This initiative is part of our immediate response to environmental concerns and represents our baseline effort to comply with global emissions standards, demonstrating our proactive stance in contributing to cleaner maritime operations.



4.3 BIODIVERSITY AND ECOSYSTEMS (B5)

SEA-USE CHANGE

At Pelagic Partners Ltd, we aim to progressively reduce our impact on marine life and habitats, mitigate risks associated with marine pollution and enhance the health of marine environments through careful alignment with emerging technologies and global conservation efforts. Our strategy in doing so involves exploring and gradually implementing measures to ensure our operations are harmonious with marine habitats.

In addition to reducing adverse air emissions, the use of VLSFO and ULSFO helps to limit harmful residues that could otherwise affect marine ecosystems.

We are also investing in modern anti-fouling technologies, which are critical in preventing the accumulation of marine organisms on hulls. These measures reduce the risk of introducing invasive species, which can disrupt local biodiversity and food chains, while at the same time improving vessel efficiency.

In line with International Maritime Organization (IMO) guidelines, we also work to minimise time spent in biodiversity-sensitive areas, thereby reducing potential disturbance to vulnerable ecosystems.



4.4 WATER AND MARINE RESOURCES

BALLAST WATER MANAGEMENT

The majority of our vessels are equipped with advanced ballast water treatment systems that effectively filter out sensitive marine organisms, thereby preventing the unintended transfer of invasive species across different marine ecosystems.

We regularly evaluate the effectiveness of these systems through testing and reporting procedures to ensure they operate as intended and minimise ecological risks, a critical concern given the potential impact on marine biodiversity.

In 2024, approximately 93% of ballast water on our vessels was processed through ballast water exchange or ballast water treatment, ensuring we meet our compliance obligations with the International Ballast Water Management Convention.





FRESH WATER MANAGEMENT

Monitoring water production, consumption, and discharge allows us to assess the Group’s operational impact on local water resources and identify opportunities for efficiency and reduction. Water production and consumption relate primarily to the vessels, capturing the freshwater generated or bunkered and the quantities used on board. Water discharge, on the other hand, is measured across the Group’s shore-based operations, reflecting the volumes released to the environment. Together, these measures enable us to we gain insight into potential environmental risks and can manage them more effectively. This approach aligns with regulatory expectations and supports transparency in resource use, enabling informed decision-making and responsible water stewardship across the Group’s activities. The Group’s water management data for 2024 are presented in the table below.

FRESH WATER MANAGEMENT (2024)		
KPI	EXTERNAL MANAGER	INVESTMENT FUND
Water Production (m³)	- ¹	10,348
Water Consumption (m³)	- ¹	15,561
Water Discharge (m³)	1,705	- ¹
Water Utilisation Rate ²	- ¹	150.4%

Notes:

- ¹ The dash (-) indicates that the information is not reported and should not be assumed to represent zero.
- ² The water utilisation rate was calculated as follows:

$$\frac{(Water\ Consumption)}{(Water\ Production)}$$

4.5 CIRCULAR ECONOMY (B7)

WASTE MANAGEMENT

Although this topic and sub-topic were not initially identified as material, Management opted to include it due to its strategic importance in advancing a sustainable economy.

External Manager

The External Manager's waste management is outsourced to a third-party service provider responsible for the entire building. Because waste services are handled by this third party, the Group was not able to obtain complete waste data but did obtain aggregated data on recycled waste for the building as a whole.

To estimate the External Manager's recycled waste, we calculated a per-employee recycling intensity by dividing the building-wide recycled waste by the total number of employees across all tenant companies and then multiplied that intensity by the number of the External Manager's employees who work on-site.





Notes:

¹ The dash (-) is used to indicate that there is no available information and should not be assumed to equate to zero.

² Given that different units of measure were used for these metrics, a total could not be calculated.

The aggregated data on recycling waste in 2024 for the External Manager is presented in the table on the right:

WASTE MANAGEMENT (2024)		
WASTE TYPE	EXTERNAL MANAGER	
	Recycled waste	Waste directed to disposal
PMD (ltrs)	856.6	- ¹
Glass (ltrs)	2.43	-
Paper (ltrs)	1626.3	-
Electronic Waste (m ³)	0.88	-
Batteries (kg)	1.85	-
Total ²	-	-

4.5 CIRCULAR ECONOMY (B7)

WASTE MANAGEMENT

Investment Fund

Where permitted, recycling is carried out on board all vessels. Recyclable materials are segregated from non-recyclable waste, which is then managed and collected by authorised waste handlers in accordance with regulatory requirements. Materials recycled include, but not limited to, plastic and metal drums, as well as wooden pallets. Paper, plastic bottles, and wooden pallets are also re-used onboard where feasible. This process supports a more sustainable consumer lifecycle. Crew members receive training on waste management practices, with the implicit objective of minimising waste generation on board.

The Investment Fund collects and records waste disposal data on a monthly basis in an Excel database but did not track recycled waste in 2024.





Notes:

¹ The dash (-) is used to indicate that there is no available information and should not be assumed to equate to zero.

The aggregated data on waste directed to disposal in 2024 for the Investment Fund is presented in the table on the right:

WASTE MANAGEMENT (2024)		
WASTE TYPE	INVESTMENT FUND	
	Recycled waste	Waste directed to disposal
Plastic	- ¹	60.58
Food waste	-	49.43
Domestic waste	-	69.77
Cooking oils	-	0.88
Incinerator ashes	-	8.93
Operational waste	-	28.42
E-waste	-	4.09
Cargo residues	-	6.0
Hazardous waste	-	0
Total	-	228.1



At Pelagic Partners Ltd, we continuously prioritise the wellbeing, professional development, health, and safety of our own workforce and the onboard crew serving on vessels managed by our appointed ship managers. While onboard crew are not directly employed by the Group, their welfare remains an important part of our ESG oversight.

Monitoring, tracking, and reporting our progress across operations is a vital component to ensuring the effective implementation of our social objectives. This section of the Report discloses initiatives, policies, and metrics relevant to our social performance.

While the Investment Fund is classified under Article 6 of the SFDR, Pelagic Partners Ltd as a Group continues to advance its own social objectives, with efforts referenced against SDG3, SDG5, and SDG8.

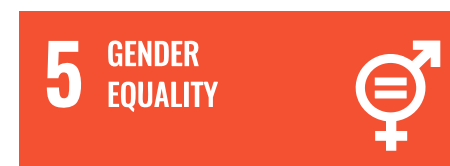
THE TOPICS:

5.1 Own Workforce ————— page 32

5.2 Onboard Crew Members ————— page 42



THE TOPICS PRESENTED IN THIS SECTION
ARE ASSOCIATED WITH THE FOLLOWING SDGS:



5.1 OWN WORKFORCE (B8, B9, B10, C5)

SOCIAL RESPONSIBILITY

Pelagic Partners Ltd is committed to fostering a workplace environment that champions fairness and equality in all its labour practices. We strive to cultivate a supportive and inclusive atmosphere where each employee has access to opportunities for both personal and professional growth and development.

Our dedication to social responsibility places a strong emphasis on the safety and well-being of our entire workforce, ensuring that fairness permeates every aspect of our labour practices.

At Pelagic Partners Ltd, we regularly evaluate our HR policies and worker engagement initiatives, guaranteeing that all employees are treated with the utmost respect and equity. We are proud to uphold a culture where everyone feels valued and empowered to reach their full potential.

Our resolution goes beyond compliance; it's about creating an environment that supports the professional and personal development of our employees in office. This entails offering comprehensive training programs and upskilling opportunities tailored to the unique needs of each staff member, ensuring that they are equipped to thrive in their roles and beyond. By investing in the continuous growth of our workforce, we aim to create a dynamic and inspiring workplace.



To achieve these standards of fairness and equality, we recognise the critical role of tracking workforce characteristics and training hours. By systematically collecting and analysing data on employee demographics, skill sets, and participation in development activities, we gain valuable insights into the needs and progress of each employee.

5.1 OWN WORKFORCE (B8, B9, B10, C5)

WORKFORCE CHARACTERISTICS

At Pelagic Partners Ltd, we regularly monitor key performance indicators (KPIs) to ensure fair and equitable employment conditions for our direct workforce. Using a dedicated HR platform, we collect and track employee data to assess the effectiveness of our HR policies, measure progress, and identify areas for improvement. This data-driven approach enables us to make informed decisions and continuously enhance our workplace environment.



SECURE EMPLOYMENT

Metrics on turnover and retention provide insights into workforce stability and the effectiveness of engagement strategies. The Group reports on both its own workforce (office staff employed by the External Manager) and the onboard crew employed by our appointed ship managers. While Pelagic Partners Ltd does not directly employ crew, their numbers are reported under the Investment Fund column for transparency purposes, as they form a material part of vessel operations.

EMPLOYEE RETENTION (2024)		
KPI	EXTERNAL MANAGER	INVESTMENT FUND ⁴
Number of employees who left during the year ¹	1	9
Average number of employees during the year ²	13	144
Turnover Rate ³	7.69%	6.25%

Notes:

- ¹ Represents the total number of terminations that occurred as a result of resignations, retirements, dismissals, death, or contract expiration. This was calculated by headcount.
- ² Derived from the mean of the headcount reported for each month.
- ³ The employee turnover rate has been calculated as follows:

$$\frac{\text{(Number of employees who left during the year)}}{\text{(Average number of employees during the year)}} \times 100$$
- ⁴ The figure represents the crew members, who are employed by the Group's appointed Ship Managers.

SECURE EMPLOYMENT

In addition to retention, we also monitor the distribution of contract types. This reflects permanent contracts for our direct workforce and temporary contracts for onboard crew, which are managed by our ship managers. The Group’s breakdown of employees by contract type for the year 2024 is presented in the table below:

NUMBER OF EMPLOYEES BY CONTRACT TYPE ⁵ (2024)		
CONTRACT TYPE	EXTERNAL MANAGER	INVESTMENT FUND ⁴
Temporary (Crew Members)	0	370
Permanent	13	0
Total	13	370

Notes:

- ¹ Represents the total number of terminations that occurred as a result of resignations, retirements, dismissals, death, or contract expiration. This was calculated by headcount.
- ² Derived from the mean of the headcount reported for each month.
- ³ The employee turnover rate has been calculated as follows:

$$\frac{(\text{Number of employees who left during the year})}{(\text{Average number of employees during the year})} \times 100$$
- ⁴ The figure represents the crew members, who are employed by the Group’s appointed Ship Managers.
- ⁵ Number of active contracts as of 31/12/2024.

GEOGRAPHIC DISTRIBUTION OF EMPLOYMENT CONTRACTS

The Investment Fund operates vessels with crew employed in multiple countries beyond Cyprus. The table below presents the number of employees by country of employment contract, distinguishing between the External Manager’s direct workforce in Cyprus and the onboard crew employed by ship managers under the Investment Fund. This approach supports transparency in workforce reporting and provides insight into geographic distribution.

CONTRACTS BY COUNTRY (2024) ¹		
COUNTRY	EXTERNAL MANAGER	INVESTMENT FUND ²
Philippines	0	309
Poland	0	42
Ukraine	0	11
Cyprus	13	2
Russia	0	2
Other Countries	0	4
Total Employees	13	370

Notes:

- ¹ Number of active contracts by headcount as of 31/12/2024.
- ² The figure represents the crew members, who are employed by the Group’s appointed Ship Managers.

GEOGRAPHIC DISTRIBUTION OF EMPLOYMENT CONTRACTS

Metrics on workforce composition enable us to evaluate our success in promoting gender diversity within our workforce, which is part of our broader focus to creating an inclusive workplace environment. As seen in the table below, for the year 2024, the male-female ratio of the External Manager and Investment Fund was 7:6 and 367:3 respectively:

NUMBER OF EMPLOYEES BY GENDER (2024) ³		
CONTRACT TYPE	EXTERNAL MANAGER	INVESTMENT FUND ²
Male	7	367
Female	6	3
Other	0	370
Total Employees	13	370

Notes:

- ¹ Number of active contracts by headcount as of 31/12/2024.
- ² The figure represents the crew members, who are employed by the Group’s appointed Ship Managers.
- ³ Number of employees by headcount as of 31/12/2024.

TRAINING AND SKILL DEVELOPMENT

We are committed to providing equal opportunities for all employees and ensuring fair treatment in all aspects of employment, including training. While this sub-topic did not meet the materiality threshold based on stakeholder input Management considers it strategically relevant to the Group’s workforce development initiatives and has chosen to include it within the scope of this Report.

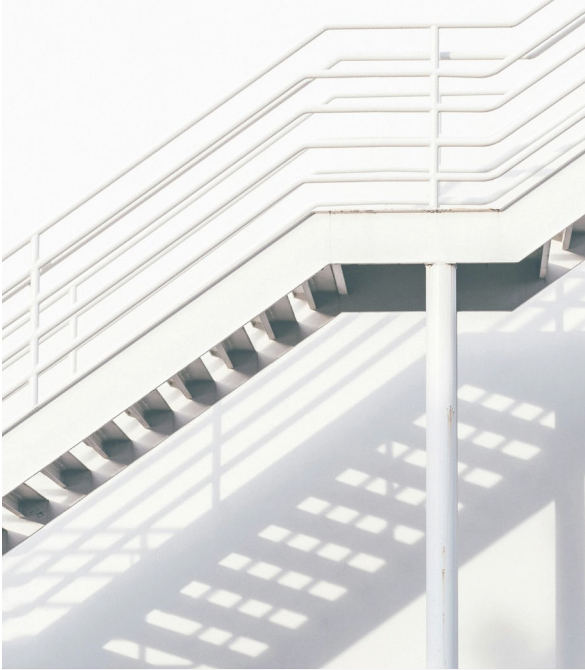
The training, skills, and dedication of employees are key factors in the Group’s success. Recognising the value of our people, we aim to provide an environment that supports development and advancement opportunities, encouraging employees to continuously enhance their knowledge and skills and achieve their personal goals.

In the table below, the trainings hours offered to employees are presented as part of their continuous professional development:

TRAINING HOURS BY GENDER (2024) ¹		
GENDER	EXTERNAL MANAGER	INVESTMENT FUND
Male	95	- ²
Female	85	-
Total	180	-

Notes:

- ¹ Total hours of training completed by employees.
- ² The dash (-) is used to indicate that there is no available information and should not be assumed to equate to zero.



5.1 OWN WORKFORCE (B8, B9, B10, C5)

ESG TRAINING

To uphold our high sustainability standards, our Senior Management and personnel regularly participate in training sessions on ESG-related topics. These sessions are vital for ensuring that we remain informed of the latest regulatory developments and industry best practices.

By investing in the continuous education of our employees on such strategically important matters, we strengthen their knowledge, skills, and capabilities, supporting their long-term professional growth and development.

To further embed ESG considerations across our business operations, we have appointed ESG Champions within key departments. At present, these roles are held by our Head of Portfolio Management and our Head of Risk Management & Regulatory Compliance. Both ESG Champions completed Sustainable Investing programmes at Harvard Business School in 2023. To ensure continuous and up to date adherence with the latest developments and best practices, our ESG Champions are set to attend new courses every three years.



5.1 OWN WORKFORCE (B8, B9, B10, C5)

HEALTH AND SAFETY

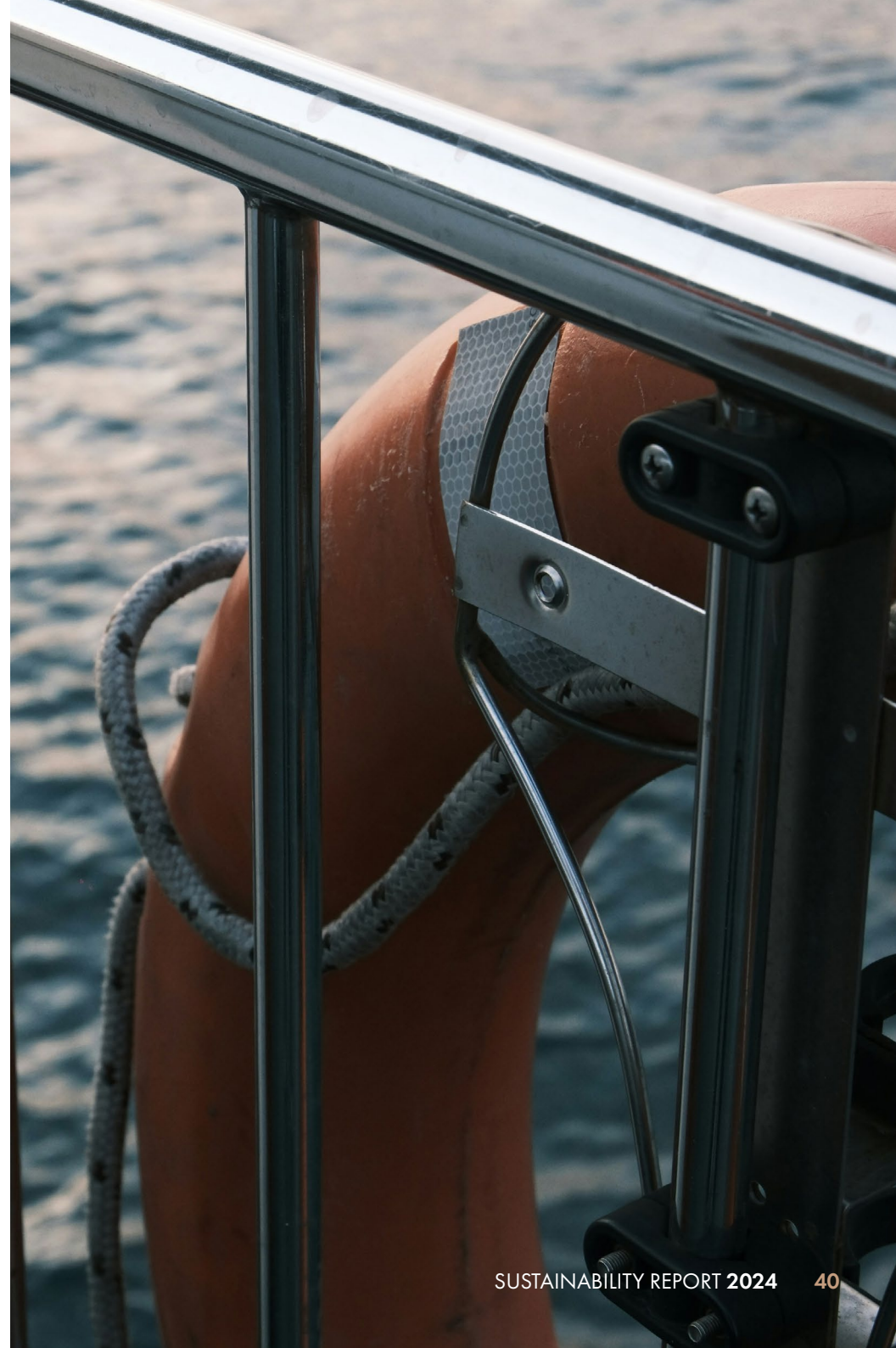
Pelagic Partners Ltd recognises its responsibility to ensure the health and safety of its workforce throughout the Group, while promoting wellness and work-life balance. To achieve this goal the Group is committed to developing and enhancing a strong health and safety culture, protecting the well-being of employees.

This commitment includes maintaining regular communication between management, office employees and crew personnel, continually reviewing health and safety protocols, and thoughtful additions to employee benefits aimed at fostering a supportive work environment.

We continue to ensure the health and safety of all employees, maintaining a framework for improving physical and mental well-being on board our vessels and in our facilities.

The Group aims to effectively cover, ensure the quality, and evaluate the performance of the health and safety management system established to prevent workplace injuries.

To support these efforts, we have a Health & Safety Policy in place mandating a safe and healthy workplace for all employees and contractors.



HEALTH AND SAFETY

The following table presents information regarding the number of hours worked in the year by all employees of the Group along with number of work-related accidents and fatalities occurred in the year, in relation to work-related injuries and health issues among its workforce:

HEALTH & SAFETY (2024)		
DESCRIPTION	EXTERNAL MANAGER	INVESTMENT FUND
Total number of hours worked in a year by all employees	19,200	1,268,904
Number of work-related accidents in the year	0	2
Number of fatalities as a result of work-related injuries and work-related ill health	0	0
Rate of recordable work-related accidents ¹	0	0.32

Notes:

¹ The rate of recordable work-related accidents has been calculated as follows:

$$\frac{(\text{Number of work related accidents in the year})}{(\text{Total number of hours worked in a year by all employees})} \times 200000$$

As per the VSME, the factor of 200,000 standardises the rate to the equivalent of 100 full-time employees working 40 hours per week for 50 weeks a year, allowing for comparable disclosures.



5.2 ONBOARD CREW MEMBERS (C2, C5)

MEASURES AGAINST VIOLENCE AND HARASSMENT IN THE WORKPLACE

Further to our initiatives concerning our own workforce, the Group has implemented a range of safeguards to protect contracted crew members. While onboard crew are employed and managed by our appointed ship managers rather than directly by Pelagic Partners Ltd, we remain committed to ensuring that our standards and principles are upheld across vessel operations through contractual oversight and regular monitoring.

We continuously strive to improve working conditions on board through regular assessments, enhancements in health and safety practices, and open communication channels between crew and management. Through these collective efforts, we aim to foster a safe working environment on all our vessels, adhering to best employment practices, and promoting sustainable long-term employability.

The Group has implemented several policies to reinforce its commitment to a safe and responsible onboard working environment. The Drug and Alcohol Policy aims for zero drug and alcohol content among all seafarers, including contractors and visitors aboard Group vessels. This policy mandates that all seafarers undergo drug and alcohol tests before boarding a vessel, at unannounced intervals, and following any accident or incident.



The applicable Security Policy that the Group has in place, is also designed to support the creation and maintenance of a secure working environment for all employees and contractors, safeguarding people, assets, and operations against risks of injury, loss, or damage from criminal, hostile, or malicious acts.

Moreover, the Stop Work Authority Policy fosters an environment free from harassment, bullying, and victimisation, empowering all crew members, contractors, and visitors to halt any unsafe work operation or behaviour that could lead to injury.

To support these efforts, we have a Health & Safety Policy in place mandating a safe and healthy workplace for all employees and contractors.

WORK-LIFE BALANCE

Our commitment to crew welfare extends beyond mere safety measures; it encompasses overall well-being, and quality of life at sea. Through our ship managers, we promote crew well-being by offering essential amenities and support systems designed to enhance the seafaring experience. This includes high-speed Wi-Fi to stay connected with family and friends, fully-equipped gyms to maintain fitness, and a Welfare Fund to support various activities and individual needs. Our comprehensive health initiatives also include 24/7 medical support, health risk assessments, nutrition monitoring, and health insurance coverage for crew members and their families.

Governance



At Pelagic Partners Ltd we acknowledge that overall operational success relies on strong governance. In this respect, the effectiveness of our sustainability initiatives is largely contingent on sound governance structures and practices.

Beyond enabling us to meet our operational needs, we also recognise that strong governance is fundamental to ensuring compliance with international standards and fulfilling regulatory requirements.

Enforcing Group-wide policies on a range of ethical and legal matters is a key component to maintaining strong governance across our operations. This section of the Report discloses relevant policies to achieving this aim.

While the Investment Fund is classified under Article 6 of the SFDR, Pelagic Partners Ltd, as a Group, continues strengthening governance and remains committed to aligning our efforts with SDG 16 and SDG 17

THE TOPICS:

6.1 Business Conduct ————— page 45



THE TOPICS PRESENTED IN THIS SECTION
ARE ASSOCIATED WITH THE FOLLOWING SDGS:

16

PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17

PARTNERSHIPS
FOR THE GOALS



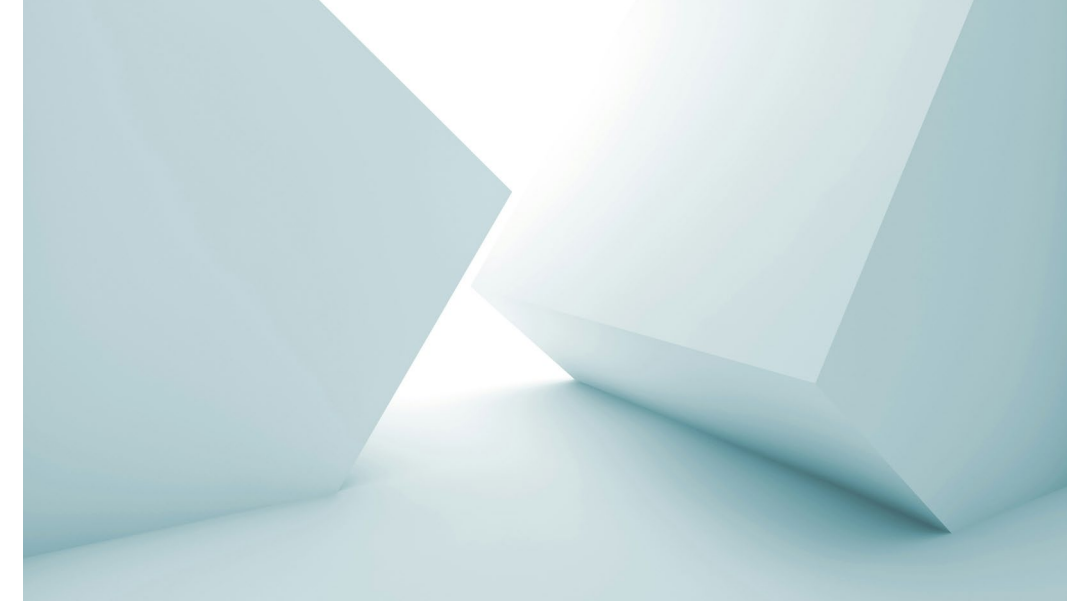
6.1 BUSINESS CONDUCT (B11, C2)

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

At Pelagic Partners Ltd we are committed to maintaining the highest standards of corporate governance and transparency. We have devised and implemented a comprehensive set of policies designed to guide ethical conduct, ensure regulatory compliance, and uphold accountability across all levels of operation.

To ensure proper implementation, we have an Anti-Bribery & Corruption Policy in place that outlines the procedures for identifying, preventing, and addressing any instances of bribery or corruption. This policy serves as a cornerstone of our commitment to ethical business practices, providing clear guidelines for all employees, contractors, and partners to follow. By adhering to these standards, we strive to foster a culture of integrity and trust, reinforcing our dedication to ethical operations and sustainable growth.

Our performance in this area is continuously monitored, reflecting our determination to prevent corruption and ensure full communication of our governance policies. We have established mechanisms to closely monitor any potential monetary losses from legal proceedings related to bribery or corruption, should such cases arise, in order to assess their financial impact and the effectiveness of our preventative measures. We also maintain processes to track and record any confirmed incidents of corruption, thereby identifying areas of risk and strengthening our compliance framework. This vigilance helps us maintain a clear record and take swift corrective action where necessary.



The Group's Ethical Governance Policy is designed to uphold transparency, integrity, and compliance with the Cyprus Securities and Exchange Commission ("CySEC") regulations. By adhering to industry best practices, this policy promotes responsible business conduct and risk management through diligence and robust control systems. It prioritises the protection of investors' interests by ensuring financial prudence, proper market conduct, and fair management of conflicts of interest. Through open communication and collaboration with regulatory authorities, the policy strengthens stakeholder trust and mitigates the risk of corruption. We are proud to report that for 2024, we had **zero** monetary losses and incidents related to bribery and corruption, for both the External Manager and the Investment Fund.

WORK-LIFE BALANCE

Whistleblowing is recognised as an essential part of upholding ethical standards across Group policies, allowing individuals to report concerns about health, safety, or compliance issues without fear of reprisal. This approach supports transparency and accountability within the organisation, ensuring that any reported issues are promptly addressed in line with legal and regulatory requirements. By fostering an environment where employees feel secure in reporting concerns, we strengthen our commitment to industry best practices and the integrity of its operations.

6.1 BUSINESS CONDUCT (B 11, C2)

CONFLICT OF INTEREST

The Group maintains a Conflicts of Interest Policy to ensure that all decisions are taken in the best interests of investors. Procedures are in place to identify, document, and manage potential conflicts, including those that may arise from related-party transactions or overlapping commercial interests. Where conflicts cannot be avoided, they are disclosed in line with regulatory requirements.

BOARD SUITABILITY

Pelagic Partners Ltd has voluntarily adopted the suitability assessment framework set out in the joint European Banking Authority (EBA) and European Securities and Markets Authority (ESMA) guidelines. The assessment, carried out on a bi-annual basis, evaluates the collective knowledge, skills, experience, independence, and diversity of the Board, ensuring it remains fit to oversee the Group's activities and meet evolving regulatory expectations.

BUSINESS CONTINUITY

Pelagic Partners Ltd has developed a Business Continuity Plan ("BCP") that outlines procedures to safeguard operations in the event of significant disruptions, such as ICT incidents, natural disasters, or other emergencies. The BCP is designed to ensure continuity of critical functions, minimise downtime, and maintain compliance with regulatory obligations. The plan is reviewed regularly, tested on a periodic basis, and updated as necessary to reflect changes in operations, technology, and regulatory requirements.

REPLACEMENT

The Group's Replacement Policy is vital for workforce protection and operational continuity, especially in the event of the departure of key personnel or unforeseen vacancies. By establishing clear procedures and guidelines, the policy ensures that critical functions are swiftly assumed by qualified individuals, thereby minimising disruptions and maintaining regulatory compliance. It mitigates the risk of a single point of failure by identifying potential successors, facilitating knowledge transfer, and preserving essential expertise within the Group. This proactive approach not only enhances our governance and resilience but also bolsters stakeholder confidence, demonstrating our commitment to succession planning and our readiness for personnel changes.

6.1 BUSINESS CONDUCT (B11, C2)

DATA SECURITY

Our dedication to safeguarding personal and sensitive information is underscored by our Personal Data Protection and Cyber & Information Security Policies. The Personal Data Protection Policy ensures that we collect and process personal data in strict accordance with the EU's General Data Protection Regulation ("GDPR") and other relevant laws, emphasizing transparency, accuracy, and necessity. We empower individuals by informing them of their rights and rigorously review data retention practices to prevent unnecessary storage.

Simultaneously, our Cyber & Information Security Policy fortifies our defences against both internal and external threats, maintaining the confidentiality of information. By adhering to stringent laws and best practices, we protect our stakeholders. Through relevant regular training and proactive effectiveness measures, we not only defend against cyber threats but also uphold the trust and integrity that define our operations.

SANCTIONS AND MARITIME SECURITY COMPLIANCE

At Pelagic Partners Ltd we are committed to refraining from engaging in any transactions that aim to evade or violate sanctions imposed by governments, international, and supra-national bodies. All business activities are screened and approved in line with our internal procedures to avoid any risk of sanctions. Additionally, we strive for all employees to be well-informed about these sanctions and understand our compliance procedures and obligations, reinforcing our dedication to adherence and integrity in all operations.

The Company's Security Policy is a cornerstone of our dedication to safeguarding all aspects of our business. It requires that every employee and contractor rigorously adhere to our established security protocols and legal obligations. Our vessels are maintained to ensure full compliance with the International Ship and Port Facility Security Code (ISPS Code), the Group Security Policy Statement, and the meticulously crafted Ship Security Plan (SSP).

Materiality

7



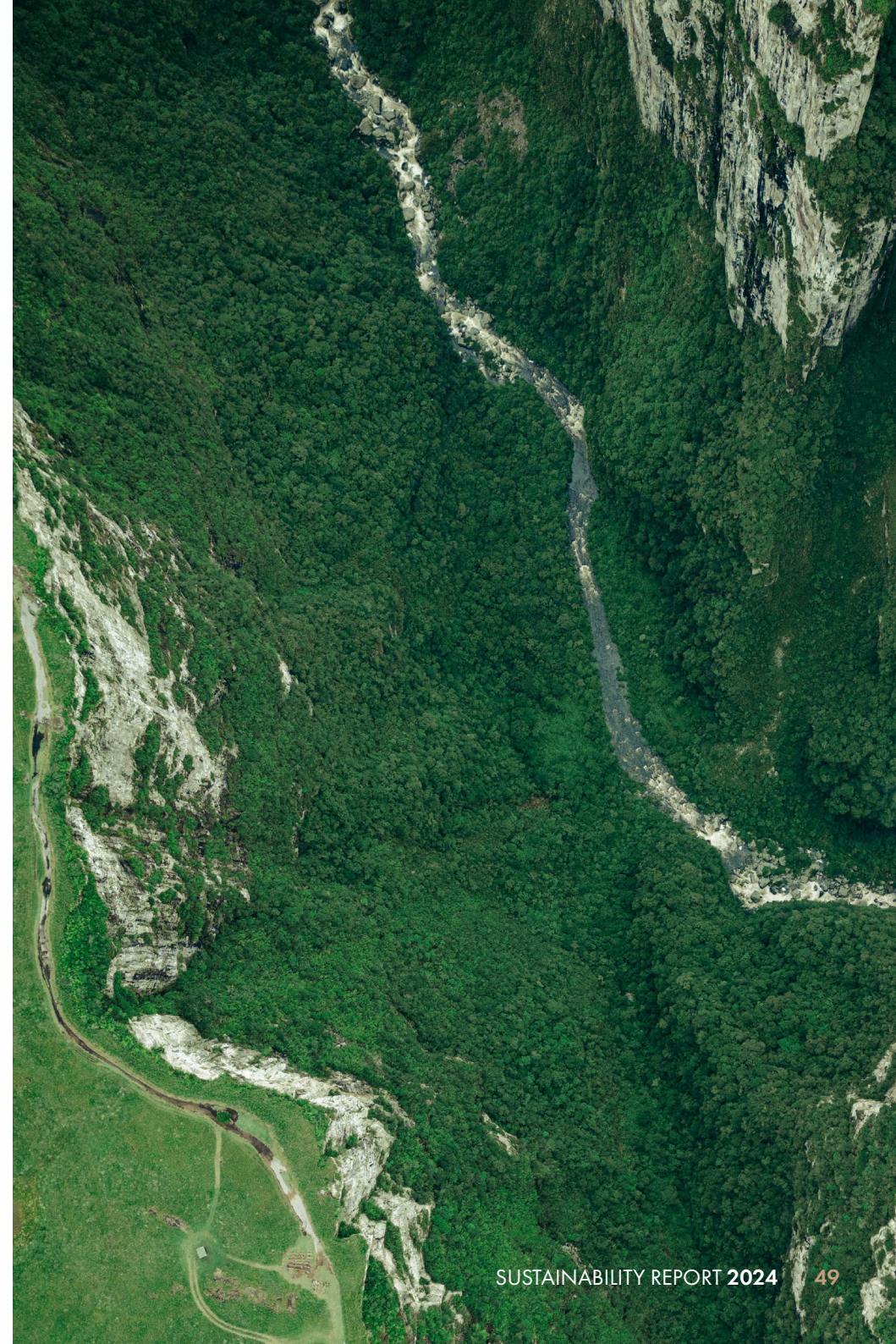
7.1 DESCRIPTION OF THE MATERIALITY PROCESS

MATERIALITY ASSESSMENT OVERVIEW

Pelagic Partners Ltd conducted a materiality assessment for the purpose of the Sustainability Report for by the Group's operations and underlying assets, reflecting the FY2024, in accordance with the VSME, to reflect Pelagic Partner's strategic development towards sustainability and to address stakeholders' concerns, which are central to the Group's sustainability performance for 2024.

The assessment covered the Environment, Social and Governance ('ESG') impacts created Group's sustainability performance and approach, focusing on the ESG issues identified as being material.

Materiality assessment is the process through which the relative importance of sustainability topics is identified and, therefore, the actions on such sustainability topics which yield the highest impact are prioritised.



7.1 DESCRIPTION OF THE MATERIALITY PROCESS

MATERIALITY ASSESSMENT OVERVIEW

This assessment process was performed by executing the key steps outlined on the right. Following the completion of the steps, the results of the Group's materiality assessment were compiled, and used for the preparation of this report. The resulting material topics are included in the next slide.

For further information, the full Pelagic Partners Ltd Materiality Assessment Report for 2024 is available for review, upon request, at the offices of H.M. Pelagic Partners Ltd, Alexandreas 6, 4th floor, 3013, Limassol, Cyprus.

- 1 Determination of the Group's in-scope entities.
- 2 Development of a list of the relevant sustainability topics, sub-topics, and sub-sub-topics.
- 3 Identification of the relevant stakeholders' group and development of an engagement plan.
- 4 Assessment of materiality of the relevant sustainability topics identified by Management through the scoring of each topic by relevant stakeholder groups.
- 5 Determination of material sustainability topics for the Group.





The final list of material topics for the Group, consolidated from both internal and external stakeholder inputs, is as follows:

ENVIRONMENTAL ¹	SOCIAL ²	GOVERNANCE
Climate Change Climate Change Adaptation Climate Change Mitigation Energy	Own Workforce Working Conditions – Secure Employment Working Conditions – Working Time Working Conditions – Adequate Wages Working Conditions – Work-Life Balance Working Conditions – Health and Safety Equal Treatment and Opportunities for All - Gender Equality and Equal Pay for Work of Equal Value Equal Treatment and Opportunities for All - Measures Against Violence and Harassment in the Workplace	Business Conduct Corporate Culture Protection of Whistle-Blowers Corruption and Bribery - Prevention and Detection Including Training Corruption and Bribery - Incidents
Pollution Pollution of Air Pollution of Water		
Water and Marine Resources Water – Water Discharges in the Oceans Marine Resources – Extraction and Use of Marine Resources		
Water and Marine Resources Direct Impact Drivers of Biodiversity Loss – Land-Use Change, Fresh Water-Use Change and Sea-Use Change		

Notes:

- 1 Following the consolidated list of material environmental topics, Management opted to also include Waste, recognising its importance to the Group’s broader environmental objectives.
- 2 Following the consolidated list of material social topics, Management decided to also include Training and Skill Development, given its strategic importance to the Group’s workforce development initiatives.

Appendix

8



VSME Standard – List of Relevant Disclosures

8

BASIC MODULE – GENERAL INFORMATION

- B1** Basis for Preparation
- B2** Practices, policies and future initiatives for transitioning towards a more sustainable economy

BASIC MODULE – ENVIRONMENTAL METRICS

- B3** Energy and greenhouse gas emissions
- B5** Biodiversity
- B6** Water

- B7** Resource use, circular economy and waste management

BASIC MODULE – SOCIAL METRICS

- B8** Workforce – General characteristics
- B9** Workforce – Health and safety
- B10** Workforce – Remuneration, collective bargaining and training

BASIC MODULE – GOVERNANCE METRICS

- B11** Convictions and fines for corruption and bribery

COMPREHENSIVE MODULE – GENERAL INFORMATION

- C1** Strategy: Business Model and Sustainability – Related Initiatives
- C2** Description of practices, policies and future initiatives for transitioning towards a more sustainable economy

COMPREHENSIVE MODULE – ENVIRONMENTAL METRICS

- C3** GHG reduction targets and climate transition
- C4** Climate risks

COMPREHENSIVE MODULE – SOCIAL METRICS

- C5** Additional (general) workforce characteristics

DEFINED TERM	VSME STANDARD DEFINITION
Actions	Actions refer to (i) actions and actions plans (including transition plans) that are undertaken to ensure that the undertaking delivers against targets set and through which the undertaking seeks to address material impacts, risks and opportunities; and (ii) decisions to support these with financial, human or technological resources.
Biodiversity Sensitive Area	Biodiversity sensitive areas include: Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas ('KBAs'), as well as other protected areas, as referred to in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139.
Business Conduct	The following matters are collectively referred to as 'business conduct or business conduct matters': (a) business ethics and corporate culture, including anti-corruption and anti-bribery, the protection of whistleblowers, and animal welfare; (b) the management of relationships with suppliers, including payment practices, especially with regard to late payment to small and medium sized undertakings. (c) activities and commitments of the undertaking related to exerting its political influence, including its lobbying activities.
Corruption	Abuse of entrusted power for private gain, which can be instigated by individuals or organisations. It includes practices such as facilitation payments, fraud, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of the undertaking's business. This can include cash or in-kind benefits, such as free goods, gifts, and holidays, or special personal services provided for the purpose of an improper advantage, or that can result in moral pressure to receive such an advantage.
Circular Economy Principles	The European circular economy principles are usability; reusability; repairability; disassembly; remanufacturing or refurbishment; recycling; recirculation by the biological cycle; other potential optimisation of product and material use.
Climate Change Adaptation	The process of adjustment to actual and expected climate change and its impacts.

DEFINED TERM	VSME STANDARD DEFINITION
Direct GHG Emissions (Scope 1)	Direct GHG emissions from sources that are owned or controlled by the undertaking.
Employee	An individual who is in an employment relationship with the undertaking according to national law or practice.
Greenhouse Gases (GHG)	For the purposes of this Standard, GHGs are the six gases listed in the Kyoto Protocol: carbon dioxide (CO ₂); methane (CH ₄); nitrous oxide (N ₂ O); Nitrogen trifluoride (NF ₃); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF ₆).
Governance	The governance is the system of rules, practices and processes by which a company is directed and controlled.
Greenhouse Gases (GHG)	Gross greenhouse gas (GHG) emissions are total GHG emissions released by the undertaking into the atmosphere, without considering any deductions for carbon removals or other adjustments.
Hazardous Waste	Waste which displays one or more of the hazardous properties listed in Annex III of Directive 2008/98/EC of the European Parliament and of the Council on waste.
Incident	A legal action or complaint registered with the undertaking or competent authorities through a formal process, or an instance of non-compliance identified by the undertaking through established procedures. Established procedures to identify instances of non-compliance can include management system audits, formal monitoring programs, or grievance mechanisms.
Indirect GHG Emissions (Scope 2)	Indirect emissions are a consequence of the operations of the undertaking but occur at sources owned or controlled by another company. Scope 2 GHG emissions are indirect emissions from the generation of purchased or acquired electricity, steam and heat, or cooling consumed by the undertaking.
Impact	Impact refers to the effect an organisation has or could have on the economy, environment, and people, including effects on their human rights, as a result of the organisation's activities or business relationships. The impacts can be actual or potential, negative or positive, short-term or long-term, intended or unintended, direct or indirect, and reversible or irreversible. These impacts indicate the organization's contribution, negative or positive, to sustainable development. The impacts on the economy, environment, and people are interrelated.

DEFINED TERM	VSME STANDARD DEFINITION
Own Workforce / Own Workers	Employees who are in an employment relationship with the undertaking ('employees') and non-employees who are either individual contractors supplying labour to the undertaking ('self-employed people') or people provided by undertakings primarily engaged in 'employment activities' (NACE Code N78).
Pay	The ordinary basic or minimum wage or salary and any other remuneration, whether in cash or in kind which the worker receives directly or indirectly ('complementary or variable components'), in respect of his/her employment from his/her employer. 'Pay level' means gross annual pay and the corresponding gross hourly pay. 'Median pay level' means the pay of the employee that would have half of the employees earn more and half less than they do.
Policy	A set or framework of general objectives and management principles that the undertaking uses for decision-making. A policy implements the undertaking's strategy or management decisions related to a sustainability issue. Each policy is under the responsibility of defined person(s), specifies its perimeter of application, and includes one or more objectives (linked when applicable to measurable targets). A policy is implemented through actions or action plans.
Recordable Work-Related Accident / Recordable Work-Related Injury or Ill health	A work-related accident is an event that leads to physical or mental harm therefore to injury or ill health. It happens whilst engaged in an occupational activity or during the time spent at work. Recordable means diagnosed by a physician or other licensed health care professionals. Work-related injury or ill health can result in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid or loss of consciousness. Injuries that do not require medical treatment beyond first aid are generally not recordable.
Recycling	Any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. It includes the reprocessing of organic material but does not include energy recovery and the reprocessing into materials that are to be used as fuels or for backfilling operations.
Renewable Energy	Energy from renewable non-fossil sources, namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas.
Training	Initiatives put in place by the undertaking aimed at the maintenance and/or improvement of skills and knowledge of its own workers. It can include different methodologies, such as on-site training, and online training.
Wage	Gross wage, excluding variable components such as overtime and incentive pay, and excluding allowances unless they are guaranteed.



PELAGICPARTNERS

2024 SUSTAINABILITY REPORT

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