PANGAEA
LOGISTICS SOLUTIONS

ESG REPORT 2025

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About **Pangaea**

Pangaea Logistics Solutions Ltd ("Pangaea" or "the Company") is a U.S. based maritime logistics and transportation company specializing in **dry bulk shipping** and integrated supply chain services. Leveraging its expertise, the Company supports a diverse customer base by providing **end to end logistics solutions** across the value chain.

Pangaea is publicly listed on the New York NASDAQ exchange (**NASDAQ: PANL**) and operates a fleet of approximately **55** Supramax, Panamax, and Handymax vessels on a daily basis, with a significant portion owned or partially owned by the Company. It is also recognized as a leader in the high ice class segment, maintaining control of a substantial share of the world's large dry bulk vessels with **Ice Class 1A** designation.

Headquartered in Newport, Rhode Island, Pangaea operates a **24/7 global network** supported by offices in The United States of America, Greece, Denmark and Singapore.

In 2025, the Company continued to transport a wide range of commodities, including bauxite, cement, fertilizers, grains, iron ore, and steel related products, while further strengthening its port terminal, stevedoring, and logistics capabilities across the U.S. Gulf, U.S. East Coast, and Canada.

Through its continued focus on integrated logistics and operational flexibility, Pangaea has established itself as a leading **full service maritime logistics provider**, supporting customers' complex and evolving supply chain needs.

AT A GLANCE

OWNED FLEET

41 vessels

HEADQUARTERS

Newport, Rhode Island, USA

GLOBAL OFFICES

- Newport, RI
- Athens
- Copenhagen
- Singapore
- Southport, CT

OPERATIONS

24/7 global network

SPECIALIZATION

Leader in Ice Class 1A dry bulk shipping

LISTED

NASDAQ: PANL

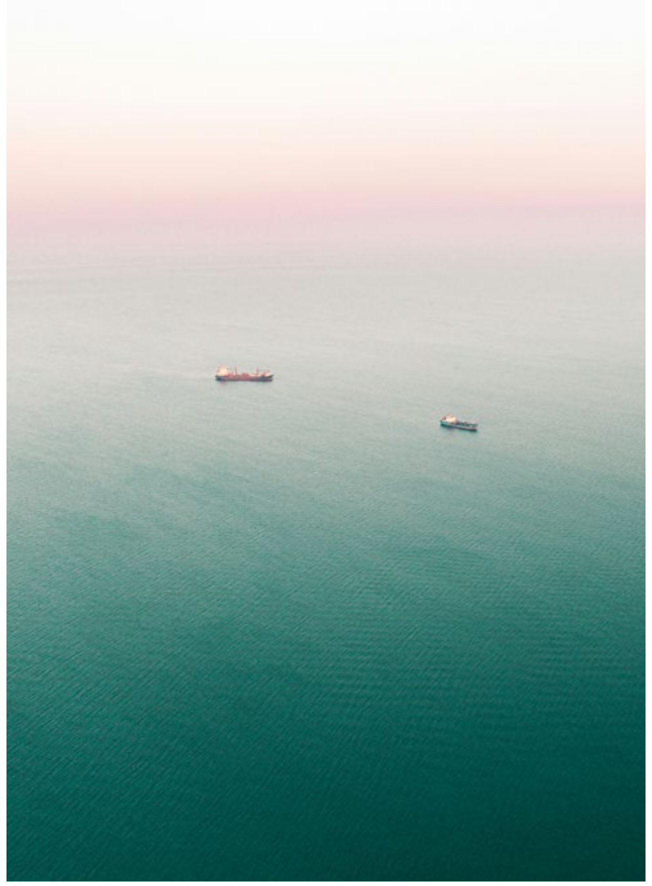
TRANSPARENT REPORTING

This is Pangaea Logistics Solutions Ltd.'s **2025 ESG standalone report**. It has been prepared in alignment with the Sustainability Accounting Standards Board (SASB) Marine Transportation Standard (2018).

The report presents the Company's environmental, social and governance (ESG) performance for the financial year from **1 January 2025 to 31 December 2025.**

The vessels acquired as part of the strategic transaction in late 2024 have been fully incorporated into the reporting scope of 2025.

Throughout this report, "Pangaea," "the Company," "we," "us," and "our" refer to Pangaea Logistics Solutions Ltd. and its subsidiaries.



PANGAEA'S GLOBAL PRESENCE

Our offices across the globe:

Total Distance Travelled:
2,044,913 nm

OWNED FLEET

BULK CARRIERS
Vessels operated in 2025

Total fleet DWT capacity 2,397,428 DWT

HANDYMAX
15 VESSELS

Combined 575,838 DWT

Strategic Vision	Strategic Harmony
Strategic Venture	Strategic Fortitude
Strategic Unity	Strategic Explorer
Strategic Tenacity	Strategic Equity
Strategic Synergy	Strategic Entity
Strategic Spirit	Strategic Alliance
Strategic Savannah	Strategic Endeavor (sold 2025)
Strategic Resolve	

SUPRAMAX
9 VESSELS

Combined 508,520 DWT

Bulk Patience	Bulk Independence
Bulk Brenton	Bulk Pride
Bulk Sachuest	Bulk Spirit
Bulk Valor	Bulk Freedom (sold 2025)
Bulk Friendship	

ULTRAMAX
4 VESSELS

Combined 242,723 DWT

Bulk Prudence	Bulk Destiny
Bulk Courageous	Bulk Endurance

PANAMAX
9 VESSELS

Combined 687,315 DWT

Bulk Concord	Nordic Odyssey
Bulk Xaymaca	Nordic Olympic
Bulk Promise	Nordic Orion
Nordic Oasis	Nordic Oshima
Nordic Odin	

POST PANAMAX
4 VESSELS

Combined 383,032 DWT

Nordic Siku	Nordic Qinngua
Nordic Nuluujaak	Nordic Sanngijuq

CEO STATEMENT

We all share a collective responsibility to operate sustainably and protect the environment for future generations. I am pleased to present **Pangaea's 2025 ESG Report**, which highlights the progress achieved over the past year and reflects our continued commitment to creating long-term value while contributing to a cleaner, safer, and more resilient maritime industry.

In 2025, Pangaea reaffirmed its **dedication to responsible business conduct** through a strong focus on environmental, social, and governance (ESG) priorities. Our people remain the foundation of our success, and we continue to prioritize their safety, development, and well-being as a fundamental element of our sustainability strategy.

"We all share a collective responsibility to operate sustainably and protect the environment for future generations."

Building on previous initiatives, we have further embedded our **cross-functional safety team** across both terminal and vessel operations, supported by regular safety meetings, standardized procedures, and robust policies that reinforce a strong culture of accountability.

Reducing greenhouse gas emissions from our fleet remains a key priority, as it represents the most significant environmental impact of our operations. Throughout the year, we have continued to enhance our vessel performance monitoring capabilities and implement targeted measures to improve operational efficiency and reduce emissions.

A central focus during the year has been the further **strengthening of our management systems and data infrastructure**. We have continued to enhance the systematization of data collection, integration, and analysis across both performance and safety metrics.

These systems underpin our ability to drive continuous improvement, ensure regulatory compliance, and maintain a proactive approach to environmental stewardship and workforce safety.

In line with our long-term strategy, we continue to invest in **fleet renewal and modernization**, including the integration of newer, more fuel-efficient vessels, alongside targeted upgrades across our existing fleet. These initiatives are supported by a unified vessel monitoring platform that leverages real-time data to optimize performance and improve operational efficiency.

As a result of these efforts, we have achieved further improvements in key performance indicators, such as our **weighted Energy Efficiency Operational Indicator, which improved by 7.25% in 2025**, remaining a critical metric guiding our decarbonization journey.

Looking ahead, our strategic priorities will continue to focus on reducing CO_2 emissions, improving energy efficiency metrics such as AER, maintaining robust performance monitoring, and ensuring compliance with evolving regulatory frameworks, including the **Carbon Intensity Indicator (CII) and FuelEU Maritime**. At the same time, we remain committed to maintaining the highest standards of health and safety by upholding strict procedures designed to prevent incidents and ensure safe, responsible operations.

At Pangaea, sustainability extends beyond compliance and is a core pillar of our **long-term value creation strategy**. We remain dedicated to advancing a more efficient, safer, and environmentally responsible future for the maritime industry.

Mads Boye Petersen
Chief Executive Officer
Pangaea Logistics Solutions Ltd.

Highlights of 2025

OWNED FLEET

41

Vessels Operated

DEADWEIGHT TONNAGE

2 397 428

DWT

ENVIRONMENT

Grams of Co2 per Ton-Nautical Mile

4.3

wAER

7.8

wEEOI

7.25%

Carbon efficiency (wEEOI) improvement

SOCIAL

0.1

Lost Time Incident Rate

19% women

Onshore workforce diversity

GOVERNANCE

zero

Monetary losses resulting from legal proceedings associated with bribery or corruption

External **Commitments**

Global sustainability challenges cannot be solved without joint efforts and collaboration. Pangaea is committed to partake in this collective project and work to embed sustainability throughout its operations.

MARINE ENVIRONMENT

Marine Mammal Observation Network (Green Marine)

Applicable when operating in the Canadian Arctic. Pangaea is a reporting member.

Woods Hole Oceanographic Institution

Collaboration focused on monitoring the vast and open ocean to enable more scientific observations.

Clean Ocean Access

Supports sustainable activities in and around Narragansett Bay.

Save the Bay

Mission to protect, restore, and improve Narragansett Bay.

Pangaea is also a member of The Baltic and International Maritime Council (BIMCO) and the Danish Shipowners' Association through its Danish subsidiary, which is part of the Innovation Committee. Senior leaders at Pangaea are also members of the American Bureau of Shipping (ABS).

PEOPLE

Neptune Declaration

Supports and promotes the welfare of seafarers.

Charter for More Women in Shipping

Initiated by Danish Shipping. By signing this charter, Pangaea commits to actively focusing on gender equality within its organization.

SAFETY & INDUSTRY

Assistance Vessel Rescue System

Vessels under the management of Seamar Management SA are active participants.

Gulf of Guinea Declaration

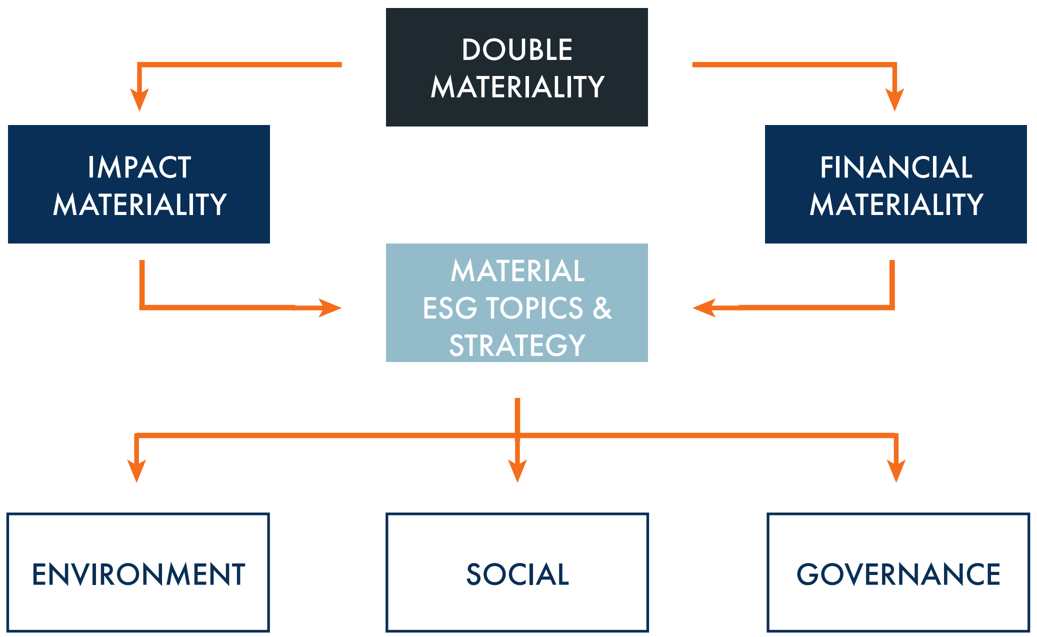
Counters the rising instances of piracy and promotes the safety, well-being, and human rights of seafarers.

Sustainability **Commitments**

Pangaea's ESG strategy is founded on a set of commitments spanning **environmental, social, and governance** priorities. In 2025, we continued to focus on capturing opportunities within the maritime industry while proactively addressing key sustainability challenges.

In 2024, the Company conducted a **double materiality assessment (DMA)** to identify the most significant ESG topics, considering both impacts on society and the environment, as well as associated financial risks and opportunities. We are actively working to address and manage the topics identified as material, integrating them into our ongoing ESG initiatives and decision-making processes. By undertaking this assessment prior to regulatory obligation, Pangaea has proactively positioned itself ahead of evolving requirements, enabling greater preparedness and the opportunity to leverage the insights gained to strengthen its ESG strategy.

Although recent amendments to the **Corporate Sustainability Reporting Directive (CSRD)** have postponed reporting requirements resulting in Pangaea currently falling outside the scope of CSRD reporting, the Company remains committed to maintaining a robust understanding of its sustainability-related impacts, risks, and opportunities.



The assessment has provided a structured and comprehensive understanding of the Company's most material impacts, risks, and opportunities, supporting more informed decision-making, improved risk management, and clearer prioritization of sustainability initiatives in line with stakeholder expectations. Early investment in materiality analysis establishes a strong foundation for continuous improvement and reinforces Pangaea's **long-term approach** to responsible and value-driven ESG performance.

The following page demonstrates how the **United Nations Sustainable Development Goals (SDGs)** are integrated into our operations and aligned with our material topics and strategic approach.

ENVIRONMENT

1. Continuous investment in fleet renewal and modernization, including the operation of younger and more fuel-efficient vessels to improve environmental performance.
2. Supporting the transition to a low-carbon shipping industry through operational optimization, digitalization, and the adoption of energy-efficiency technologies.
3. Reducing environmental impact through improved energy efficiency, emissions management, and compliance with international environmental regulations.
4. Aligning operations with the IMO's decarbonization strategy and carbon intensity reduction targets.
5. Exploring alternative fuels and solutions, including trials and assessments of lower-carbon fuel options and emerging technologies.

SOCIAL

1. Maintaining a strong safety culture, with health and safety as a core operational priority both onboard and ashore.
2. Promoting an inclusive, diverse, and respectful working environment across the global workforce.
3. Supporting employee development through training, education, and retention initiatives for crew and onshore personnel.

GOVERNANCE

1. Ensuring compliance with applicable laws and regulations, and upholding high standards of ethical business conduct.
2. Promoting responsible ship recycling practices in line with relevant international standards.
3. Managing human rights risks across operations and the value chain, including supplier and stakeholder engagement.
4. Maintaining strong and transparent corporate governance structures, supported by effective risk management and oversight.

UN SDG 13 | Take urgent action to combat climate change and its impacts

- Pangaea continues to prioritize **energy efficiency** as a key driver for reducing greenhouse gas (GHG) emissions in 2025, supporting the objectives of the IMO's GHG strategy. The Company advances this commitment through ongoing fleet modernization and renewal initiatives, including the integration of newer, more energy-efficient vessels into its fleet.

- To further enhance operational efficiency, Pangaea has invested in **advanced hull coating technologies**, contributing to reduced fuel consumption and a lower environmental footprint. The Company also maintains a rigorous maintenance regime, including regular hull cleaning and propeller polishing, and continues to assess innovative solutions such as autonomous robotic systems to support preventive hull cleaning.

- In addition, Pangaea optimizes vessel performance through the use of **advanced monitoring systems** and weather routing services, leveraging forecasting algorithms and machine learning to improve voyage efficiency and reduce fuel consumption.

- The Company implements **Ship Energy Efficiency Management Plans (SEEMP)** across its fleet to systematically improve vessel efficiency and monitor performance over time.

- Pangaea also remains committed to full compliance with applicable maritime laws and regulations, ensuring that its operations are conducted in a safe, efficient, and environmentally responsible manner. Last year, Pangaea conducted a bioproduct study to participate in collaborative initiatives involving a pool of vessels utilizing biofuel blends, evaluating their operational feasibility, regulatory implications, and potential to reduce greenhouse gas emissions.

- Building on this, the Company also participated in **FuelEU Maritime** fuel pooling arrangements, primarily driven by the consumption of bioproducts, enabling optimized compliance with regulatory requirements through collective performance. These initiatives reflect the Company's proactive approach to identifying near-term solutions that support compliance with evolving environmental regulations while contributing to the broader energy transition in the shipping sector.

UN SDG 3 | Ensure healthy lives and promote well-being for all at all ages

- Maintaining a strong commitment to **employee health, safety, and well-being** through strict adherence to applicable maritime health and safety regulations, both onboard and ashore.

- Providing employees with access to health-related benefits, supporting their physical and mental well-being.

- Fostering a positive, inclusive, and motivating work environment that encourages collaboration, innovation, and high performance, while offering opportunities for recognition, development, and career advancement. In 2025, the Company partnered with Filistos ASCOT, a certified and established provider of remote psychological support services, to support the mental health and psychological well-being of its seafarers.

UN SDG 9 | Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

- Pangaea continues to strengthen the resilience of its business by investing in a modern and efficient fleet, recognizing that innovation plays a critical role in addressing climate change and supporting the decarbonization of the shipping industry. The Company adopts environmentally focused technologies to enhance operational efficiency and reduce its environmental impact.

- In 2025, Pangaea continues to expand the use of **advanced performance monitoring systems** across its fleet, supporting data-driven decision-making through the tracking of key operational parameters such as speed, fuel consumption, weather conditions, and routing efficiency. These initiatives contribute to optimized vessel performance and reduced fuel consumption.

- The Company has also increased the application of innovative solutions aimed at improving propulsion efficiency, including the wider use of **advanced propeller coating technologies and high-performance hull coatings (including silicone coatings)** as vessels undergo scheduled maintenance. In parallel, Pangaea continues to assess and implement best-in-class technologies to further enhance vessel efficiency and reduce emissions.

- Additionally, the Company collaborates with industry partners and research institutions to support advancements in maritime operations and environmental performance, contributing to the development of more sustainable practices across the sector.

UN SDG 14 | Conserve and sustainably use the oceans, seas and marine resources for sustainable development

- Pangaea actively manages its impact on marine ecosystems by ensuring full compliance with applicable international maritime regulations governing environmental protection and sustainable operations.

- The Company is committed to safeguarding marine resources through continuous monitoring of its fleet's activities, including operations in environmentally sensitive areas such as **marine protected zones**. This approach supports responsible navigation practices and minimizes potential impacts on marine biodiversity.

- To prevent environmental incidents, Pangaea maintains robust environmental management and safety procedures across its operations, reducing the risk of accidental discharges and pollution. In addition, the Company works closely with port authorities and relevant stakeholders to strengthen environmental protection measures and enhance operational controls.

- Pangaea has equipped its fleet with **ballast water treatment systems**, supporting the prevention of invasive species transfer and ensuring compliance with international ballast water management standards.

- Furthermore, the Company collaborates with industry organizations and research institutions to support initiatives that promote ocean conservation and the protection of marine ecosystems, contributing to broader efforts to combat marine pollution.

ENVIRONMENT

Emissions

Maritime shipping plays a critical role in enabling global trade but is also associated with environmental impacts, including effects on **air and water quality, marine ecosystems, biodiversity, and surrounding communities**. As an active participant in the global shipping industry, Pangaea recognizes its responsibility to **manage and reduce these impacts**.

mechanisms across the industry. Pangaea supports this direction and continues to align its operational and efficiency strategies with these global objectives.

To advance this ambition, Pangaea continues to invest in **fleet modernization and energy efficiency improvements**, while also exploring innovative technologies. A core

Pangaea remains committed to reducing its environmental footprint through enhanced energy efficiency and continuous operational optimization.

This chapter outlines the Company's ongoing efforts to support **more sustainable maritime operations**, alongside its commitment to full compliance with applicable environmental laws, regulations, and international standards.

Human activity remains a well-established driver of climate change, with maritime shipping continuing to play a significant role in this global challenge. Due to the scale of goods transported and the vast distances covered, the sector contributes materially to **global greenhouse gas (GHG)** emissions, underscoring the need for sustained and effective mitigation efforts.

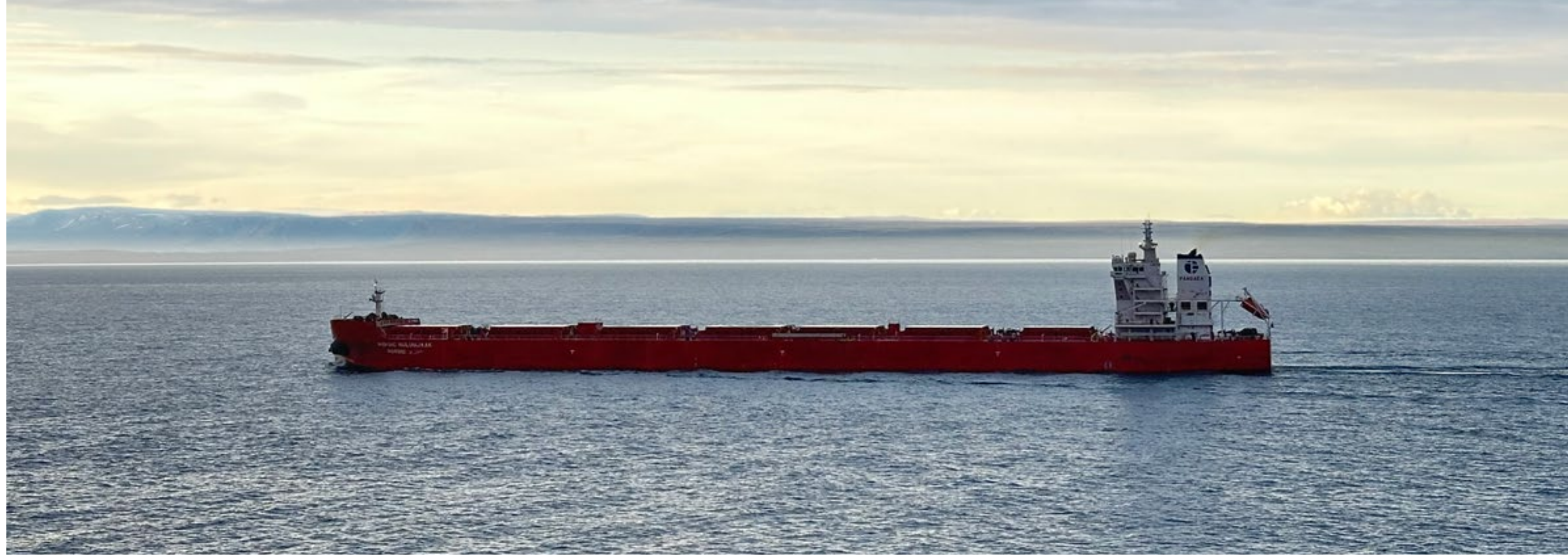
Building on recent regulatory momentum, the **International Maritime Organization (IMO)** has reinforced its commitment to achieving **net-zero shipping emissions by 2050**, supported by a framework that combines emissions limits with carbon pricing

element of its environmental management approach is centralized vessel monitoring.

All vessels are integrated into a unified performance platform that tracks daily speed, fuel consumption, weather patterns, currents, and routing efficiency. This enables continuous voyage optimization, reducing fuel consumption and associated emissions while improving cost efficiency. Real-time monitoring of fuel and power consumption across the fleet provides actionable insights, supporting more efficient operations and maintenance practices.

Further improvements in environmental performance are driven by the gradual renewal of the fleet with younger, more fuel-efficient vessels, alongside targeted upgrades to existing tonnage.

As regulatory requirements for **CO_2 reductions** continue to evolve and



	Unit	2025	2024
Scope 1 Emissions	tCO2-e	545 215	364 951
Scope 2 Emissions	tCO2-e	73.87	37

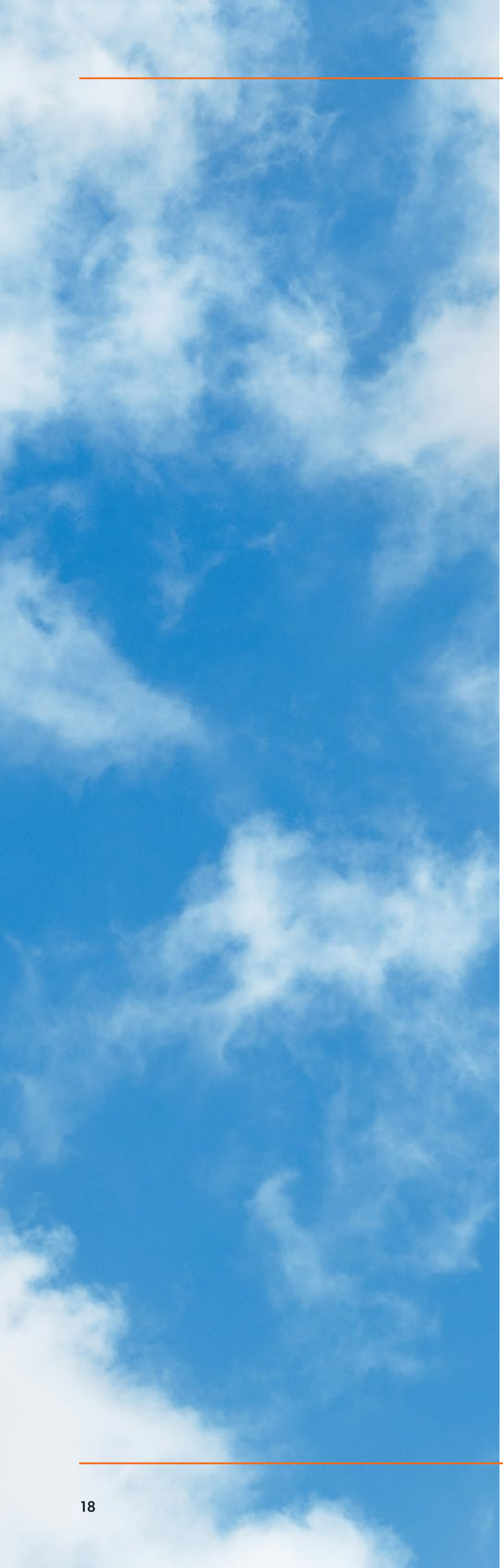
Increase primarily reflects the acquisition of 15 additional vessels during 2025.

stakeholder expectations increase, the shipping sector faces ongoing pressure to accelerate decarbonization. While commercially viable zero-emission propulsion solutions are still emerging, Pangaea remains committed to reducing its environmental footprint through enhanced energy efficiency and continuous operational optimization.

In 2025, the Company's absolute greenhouse gas emissions increased, with **Scope 1** emissions rising from 364,951 tCO_2e in 2024 to 545,215 tCO_2e. This increase is primarily driven by the strategic expansion of the fleet following the acquisition of 15 additional vessels during the reporting period.

Scope 2 emissions also increased in 2025 as a result of higher electricity consumption in line with increased operational activity associated with the fleet expansion.

In parallel, Pangaea achieved improvements in its **Energy Efficiency Operational Indicator (wEEOI)** during the reporting period. Our **7.25% improvement in wEEOI** reflects enhanced carbon efficiency across the fleet and demonstrates the positive impact of the Company's ongoing efforts to optimize vessel performance, strengthen operational efficiency, and leverage data-driven monitoring systems. Despite the integration of additional vessels into the fleet, Pangaea continued to advance its decarbonization journey by achieving a lower wEEOI, highlighting its commitment to reducing greenhouse gas emissions and improving environmental performance.



AIR QUALITY

Air emissions remain a significant environmental and public health concern within the maritime industry, as they are closely linked to fuel consumption. These pollutants disproportionately affect air quality in port cities and coastal communities, contributing to increasing regulatory pressure at both regional and global levels. In response, the shipping sector continues to transition toward **cleaner fuels, advanced engine technologies, and more efficient vessel operations**.

Recognizing both the environmental and financial implications of this transition, Pangaea has maintained a proactive approach to emissions management. We remain committed to reducing our environmental impact through **improved fuel efficiency and performance optimization** across our fleet. This approach not only supports compliance with evolving emissions regulations but also enhances operational cost-effectiveness, delivering long-term value to our customers and stakeholders.

In 2025, air pollutant emissions amounted to:

1 598 mt of SOx

12 758 mt of NOx

1 398 mt of PM2.5

These results reflect the Company's continued focus on operational efficiency, effective fuel management, and ongoing investments in fleet performance.

Our investment in **fleet renewal** remains a key component of Pangaea's long-term sustainability strategy. By integrating more modern, fuel-efficient vessels and upgrading existing assets with emissions-reducing technologies, we continue to lower our operational footprint while maintaining a commercially competitive fleet. While these initiatives require upfront capital investment, they are expected to deliver significant long-term benefits in both emission reductions and fuel cost savings.

Ultimately, Pangaea's approach reflects our efforts to align **environmental responsibility with financial performance**. By continuously improving efficiency and reducing emissions intensity, we are strengthening our position to meet the growing expectations of regulators, customers, and capital markets, while contributing to improved air quality and a more sustainable maritime industry.

	Unit	2025	2024
Emissions to air - SOx	mtSOx	1 598	698
Emissions to air - NOx	mtNOx	12 758	8 577
Emissions to air - PM2.5	mtPM25	1 398	442

NEW INNOVATIVE SOLUTIONS

In 2025, reinforcing its commitment to enhancing fleet efficiency, the Company continued to allocate resources toward improving vessel performance through **targeted technical and operational initiatives**. As a global provider of integrated maritime logistics solutions, Pangaea operates a diverse fleet of bulk carriers and leverages its in-house expertise to optimize performance across the entire value chain.

During the year, regular **performance review meetings** were conducted to assess fleet performance and evaluate progress on decarbonization initiatives. These meetings support a structured and data-driven approach to identifying opportunities for efficiency improvements and emissions reduction across operations.

Pangaea has further advanced the integration of its fleet into a **unified performance monitoring framework, incorporating the use of weather routing services, performance platforms, and telemetry systems** to support the ongoing assessment of vessel operations. This approach enables continuous tracking of key parameters, including vessel speed, fuel consumption, routing efficiency, and environmental conditions, supporting optimized voyage planning and improved fuel efficiency.

These initiatives align with the Company's broader strategy of delivering efficient logistics solutions while reducing emissions and operational costs.

In parallel, Pangaea continues to strengthen its compliance capabilities in line with evolving regulatory requirements, including **EU ETS and FuelEU Maritime frameworks**, which rely on robust monitoring and reporting of vessel emissions data verified by accredited bodies.

	Unit	2025	2024
Total Energy Consumption (GJ)	GJ	7 254 092	4 878 195
Average Energy Efficiency Design Index (EEDI)	#	4	3.62
Average Efficiency Ratio (AER)	$gCO_2/dwt\text{-}nm$	4.39	4.05

Overall, Pangaea's approach reflects its strategy of combining operational expertise, fleet modernization, and technology adoption to enhance efficiency across its fleet.

While advanced performance monitoring systems are already in place, efforts in 2025 have focused on further enhancing onboard data collection and operational insight. This includes the continued implementation of **digital and sensor-based technologies** designed to improve transparency, support decision-making, and enable more efficient vessel operations.

The Company has also continued to evaluate and expand the use of **fuel optimization solutions** across its fleet. These systems facilitate real-time monitoring of fuel consumption and operational parameters, supporting improved execution consistency and enhanced overall efficiency. Pangaea remains committed to deploying innovative technologies to improve vessel performance, including the application of advanced coatings and efficiency-enhancing solutions during dry dockings to reduce resistance and improve propulsion efficiency.

Further energy efficiency improvements have been supported through the implementation of advanced onboard systems designed to optimize energy use, including technologies that regulate equipment operation based on real-time demand. In addition, targeted technical measures have been implemented across the fleet, including the installation of **variable frequency drives (VFDs)**, deployment and testing of fuel optimization solutions, main engine optimization technologies, and hull **energy-saving devices (ESDs)**.

Overall, Pangaea's approach reflects its strategy of combining operational expertise, fleet modernization, and technology adoption to enhance efficiency across its fleet. By continuously optimizing vessel performance and leveraging integrated logistics capabilities, the Company is well positioned to meet increasing regulatory requirements and stakeholder expectations, while maintaining a competitive and sustainable fleet.

Ecological **Impacts**

POLLUTION

Ballast water is used to provide stability, optimize trim, and reduce stress on vessel hulls. However, it may contain a range of marine organisms that, when discharged into new environments, can become invasive species, posing significant ecological, economic, and social risks, particularly for port regions and coastal communities.

As of 2025, **100% of Pangaea's owned fleet remains equipped with ballast water treatment systems**, ensuring full compliance with applicable international regulations and supporting the protection of marine ecosystems.

The Company has opted not to install scrubbers across its fleet, prioritizing operational measures and fuel strategies to support emissions compliance and reduce environmental impact.

Pangaea's operational model—combining vessel ownership, logistics expertise, and in-house technical management—enables a high level of control over environmental performance across activities. Through strict technical procedures, robust maintenance practices, and established management systems, the Company works to prevent accidental discharges and minimize operational risks.

We continue to foster a culture of environmental responsibility across both fleet and shore-based operations. **Our ambition remains zero spills, and in 2025, Pangaea maintained its strong performance with no recorded spill incidents**, reflecting the effectiveness of our operational controls and safety culture.

	Unit	2025	2024
Shipping duration in Marine Protected Areas	days	119	90
Shipping duration in Emission Control Area Zones	days	3 527	3 071
Fleet Implementing Ballast Water Treatment	%	100	100
Spills to the Environment	days	0	0
Spills to the Environment	m^3	0	0

RECYCLING

100%
OWNED FLEET EQUIPPED WITH BALLAST WATER TREATMENT SYSTEMS

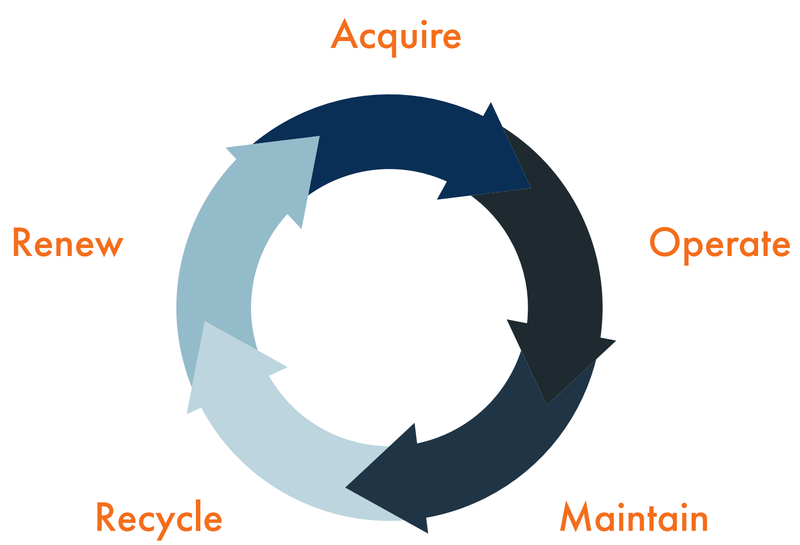
0
SPILL INCIDENTS IN 2025

Pangaea remains committed to **responsible ship recycling practices** that prioritize environmental protection, human health, and worker safety. As part of our fleet renewal strategy, older vessels are retired through established industry recycling channels.

The Company closely monitors developments in global regulatory frameworks governing ship recycling, including evolving requirements related to environmental performance and labor conditions. Pangaea continues to align its practices with the **Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships**, ensuring that vessels are recycled in accordance with internationally recognized standards.

Given Pangaea's broader role as an integrated logistics provider with full lifecycle involvement in vessel operations—from acquisition and operation to retirement—the Company maintains a strong focus on **responsible asset management** throughout the vessel lifecycle.

Looking ahead, Pangaea will continue to refine its approach to waste and recycling management. In 2025, efforts have focused on strengthening internal processes and evaluating opportunities to define more formalized targets, ensuring alignment with the Company's long-term sustainability ambitions and evolving stakeholder expectations.



SOCIAL

Employee Health, Safety, & Security

At Pangaea, we recognize that our success is driven by the dedication and expertise of our people, who form the foundation of our organization. We are committed to fostering an inclusive workplace where every individual is respected, valued, and empowered to grow and develop professionally. **Our employees remain our greatest asset, and their health, safety, and well-being continue to be top priorities across all areas of our operations.**

The safety and well-being of our employees remains Pangaea's highest priority. This commitment is embedded across all operations and is supported by the consistent application of **comprehensive safety standards**, robust procedures, and a strong organizational culture focused on risk awareness and prevention. Operating in a complex maritime environment, we continue to actively manage safety risks associated with hazardous weather conditions, cargo handling, and port operations.

Recognizing that the health and safety of our people are fundamental to safe and efficient operations, Pangaea remains committed to maintaining **rigorous safety management systems**. Our integrated operating model, which combines vessel ownership, logistics expertise, and in-house technical management, enables a high degree of oversight and control across both vessel and terminal activities, supporting the effective implementation of safety measures across the value chain.

Pangaea's **Health, Safety, and Environment (HSE)** performance continues to be reviewed regularly at senior management and Board level, reinforcing accountability and ensuring that safety remains a core strategic priority.

In 2025, the safety management structure established in the previous year has been further embedded across the organization. The **cross-functional safety team**, responsible for both terminals and vessels, continues to coordinate safety initiatives, supported by regular safety meetings, standardized procedures, and ongoing communication across the fleet and shore-based operations. These efforts contribute to fostering a proactive and unified safety culture.

To further strengthen operational security, particularly in higher-risk port regions, Pangaea continues to implement appropriate mitigation measures. These include enhanced monitoring, access control, and the use of tailored security solutions based on regional risk assessments, ensuring the safety of both crew and assets.

Pangaea's continued focus on safety performance is reflected in its 2025 results. The Company achieved a **Lost Time Incident Rate (LTIR) of 0.1**, demonstrating a strong safety performance and a significant improvement from prior years.

Beyond operational safety, Pangaea continues to strengthen its organizational culture through initiatives that promote collaboration, teamwork, and shared responsibility across its global offices. As a company operating 24/7 across multiple regions, fostering strong communication and alignment between onshore and offshore teams remains essential to maintaining a safe and efficient working environment.

Looking ahead, Pangaea will continue to prioritize its HSE strategy by focusing on **risk management, strengthening safety leadership**, and further embedding a proactive safety culture across all operations. This will be supported by ongoing training, clear policies, and continuous improvement of procedures to ensure consistent and effective implementation throughout the organization.

HSE STRATEGY

LEADERSHIP

SAFETY STANDARDS

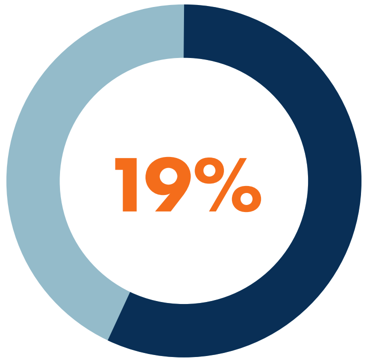
RISK ASSESSMENT

TRAINING & PROCEDURES

SAFE OPERATIONS

	Unit	2025	2024
Lost Time Incident Rate	#	0.1	0.63
Number of Marine Incidents	#	1	0
Percentage of Marine Casualties Classified as Very Serious	%	0	0

Diversity, Equality, **& Inclusion**



WOMEN IN THE ONSHORE WORKFORCE

- Inclusive Workplace
- Equal Opportunity
- Career Development

We remain focused on maintaining a workplace culture that values diversity and encourages collaboration, contributing to a more dynamic, innovative, and resilient organization.

Pangaea recognizes the importance of **inclusion, diversity, non-discrimination, and equal opportunity**, regardless of ethnicity, national origin, gender, age, disability, sexual orientation, or religion. We are committed to fostering an inclusive work environment where all employees are respected, supported, and empowered to contribute to the Company's success.

In 2025, **women represented 19% of our onshore workforce**. We remain committed to increasing representation at all levels, including leadership and governance, and to promoting equal opportunities for career development and advancement.

Pangaea continues to take steps to enhance **gender balance** within its workforce, including initiatives aimed at attracting and retaining female talent. This also extends to exploring opportunities to increase diversity among seafarers, recognizing the importance of inclusivity across both onshore and offshore operations.

We remain focused on maintaining a workplace culture that values diversity and encourages collaboration, contributing to a more dynamic, innovative, and resilient organization.

Crew **& Employees**

21–22	5	24/7
Crew Members per Vessel	Global Operational Hubs	Operations

In 2025, each of Pangaea's vessels was crewed with **21–22 officers and crew members**, with certain vessels also supported by directly contracted officers. Ensuring the availability of qualified and experienced personnel remains a key priority for safe and efficient operations.

Pangaea's technical managers are responsible for sourcing, contracting, and retaining qualified seafarers. To ensure full compliance with international regulations and maritime conventions, the Company maintains comprehensive training policies and stringent requirements for certifications and licenses across all crew members.

During 2025, Pangaea further embedded its training framework across both vessel and terminal operations. The Company continued to expand the use of its **Learning Management System (LMS)** at terminal facilities, supporting structured training, improved documentation, and enhanced safety awareness among employees. This system plays a key role in strengthening operational consistency and ensuring that personnel maintain the competencies required for safe operations.

Pangaea also continued to reinforce its **Life Saving Rules**, which define critical safety practices across a range of high-risk activities, including working at heights and crane operations. These rules have been fully integrated into training programs, with ongoing awareness initiatives aimed at reducing incidents and strengthening a proactive safety culture.

In line with its broader diversity and inclusion objectives, Pangaea recognizes the importance of improving gender balance within the maritime workforce. While female representation among seafarers remains limited, the Company continues to explore opportunities to increase participation and promote a more inclusive working environment across both shipboard and shore-based roles.

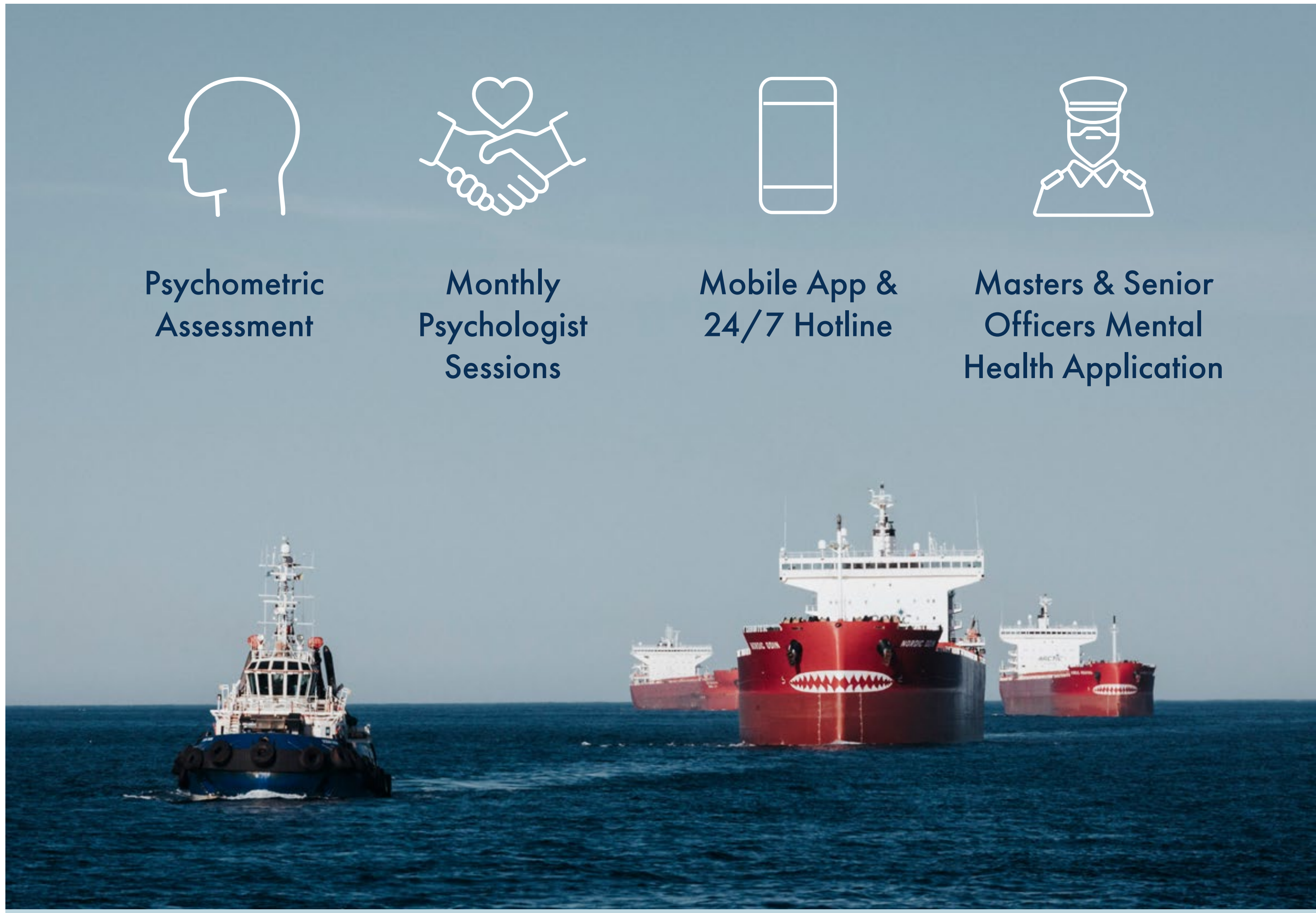
As of year-end 2025, Pangaea employed a global workforce across both onshore and offshore operations, with personnel located in key operational hubs including the **United States, Greece, Denmark, and Singapore**. This global footprint supports the Company's 24/7 operations and its ability to deliver integrated maritime logistics services across regions.

2025 EMPLOYEE FOCUS

- Learning Management System
- Life Saving Rules
- Global workforce
- Mental health program

SUPPORTING SEAFARER WELL-BEING

Since January 2025, the Company has partnered with **Filistos ASCOT** to support the mental health and psychological well-being of its seafarers, both onboard and ashore. Filistos ASCOT is a certified and established provider of remote psychological support services.



Engagement with Filistos ASCOT begins prior to embarkation through structured psychometric assessments and continues throughout the seafarer's time onboard.

Support is delivered through:

- Monthly group sessions conducted via video call with a certified psychologist, providing an open forum for crew members to discuss concerns and challenges.
- A dedicated mobile application offering confidential communication, personalized support, offline functionality, and 24/7 telephone access.
- A dedicated application for Masters and senior officers, supporting the identification and monitoring of potential mental health concerns among crew members.

Human Rights

Pangaea is committed to respecting and protecting human rights in line with internationally recognized standards, including the International Bill of Human Rights, the International Labor Organization's Fundamental Conventions, and the Maritime Labor Convention.

As a global maritime logistics provider operating across diverse regions and supply chains, Pangaea recognizes its responsibility to uphold and promote human rights throughout its operations and value chain. The Company maintains a **Human Rights Responsibility Policy**, which outlines its commitment to supporting fundamental human rights and addressing key risks such as human trafficking and child labor.

Pangaea strictly prohibits all forms of forced or bonded labor, human trafficking, and child labor. These principles apply not only within the Company's own operations but also extend to its business relationships. Pangaea expects all vendors, agents, and suppliers to adhere to the same standards and to operate in accordance with applicable laws and internationally recognized human rights principles.

HUMAN RIGHTS

INTERNATIONAL STANDARDS

↓

HUMAN RIGHTS POLICY

↓

• EMPLOYEES • SUPPLIERS • PARTNERS

↓

ETHICAL & RESPONSIBLE OPERATIONS

In 2025, Pangaea continued its efforts to strengthen human rights management across its operations and supply chain. This includes reinforcing internal policies, promoting awareness among employees, and supporting a culture of accountability and ethical conduct.

Looking ahead, Pangaea remains committed to further integrating human rights considerations into its governance and operational practices, with a continued focus on risk management, stakeholder engagement, and awareness-building across the organization.

OUR COMMITMENTS

- Human Rights Responsibility Policy
- Zero tolerance for child labor
- Zero tolerance for forced labor
- Expectations extended to suppliers and business partners

GOVERNANCE

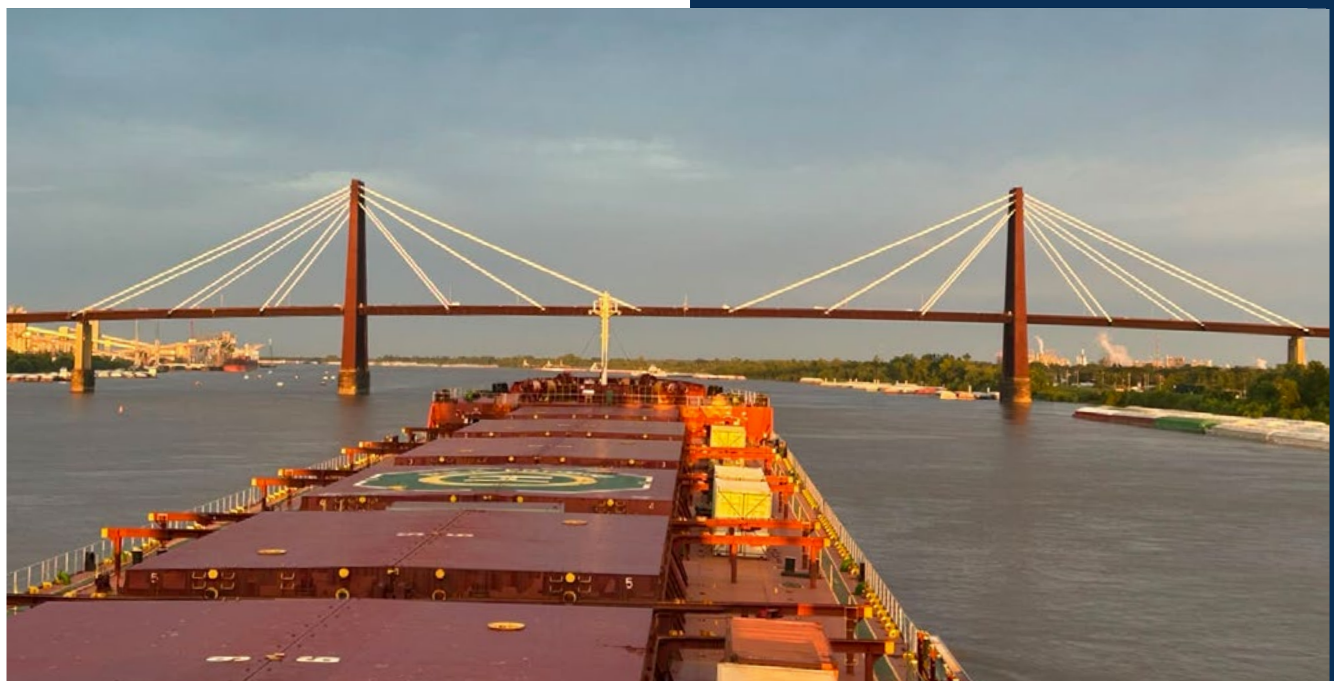
Robust **corporate governance** remains a cornerstone of responsible business conduct in 2025. It establishes the framework for **effective risk management**, ensures compliance with evolving regulatory requirements, and supports a corporate culture grounded in **integrity, transparency, and ethical performance.**

Pangaea's governance framework, including its governing documents and established procedures, underpins its operational performance in 2025. It supports structured risk management and ensures compliance with applicable international and national laws and regulations. The Company remains committed to upholding responsible and ethical business conduct across all operations.

Strong corporate governance remains a key priority for **Pangaea's Board of Directors** in 2025. The Board, which consisted of **ten members**, is responsible for approving the Company's policies, overseeing its operations, and reviewing updates on regulatory compliance and ESG performance.

GOVERNING DOCUMENTS

- Code of Ethics
- Human Rights Responsibility Policy
- Anti-Corruption Compliance Policy
- Insider Trading Policy
- Related Person Transactions Policy
- Whistleblowing Policy
- IT Acceptable Use Policy



To support effective oversight and decision-making, the Board has established three dedicated committees that assist the Board in fulfilling its responsibilities to shareholders and other stakeholders. These committees operate in an advisory capacity to the Board, except in some areas over which the Audit Committee has to retain executive authority, which retains ultimate oversight and decision-making authority; each committee's specific scope and any delegated authority is set out in its charter.

BOARD OF DIRECTORS

10 MEMBERS

Audit Committee	Compensation Committee	Nominating & ESG Committee
The Audit Committee supports the Board in overseeing the integrity of the Company's financial reporting processes and maintaining robust internal controls. It is also responsible for monitoring risk management processes, including the identification and management of sustainability-related and climate-related risks, in coordination with the Board.	The Compensation Committee assists the Board in overseeing executive compensation, including the review of remuneration structures to ensure alignment with the Company's long-term strategy. It also supports succession planning and the retention of key executives.	The Nominating and ESG Committee supports the Board in maintaining an effective governance structure by reviewing Board composition, size, and independence, and by overseeing the nomination of qualified Board members. In addition, the Committee is responsible for overseeing the Company's ESG performance, ensuring alignment with applicable regulatory requirements and company-specific sustainability targets.

zero

Monetary Losses

BUSINESS ETHICS & ANTI-CORRUPTION

As a global shipping company, Pangaea operates in a complex and diverse environment, where it may encounter a range of regulatory, cultural, and ethical challenges. These can include exposure to corruption risks, such as facilitation payment requests in ports, which remain a recognized issue within the shipping industry.

In 2025, the sector continues to face increasing international scrutiny to ensure strict compliance with anti-corruption and anti-bribery legislation. Pangaea acknowledges that corruption can restrict access to global markets, increase operational costs, and pose significant legal and reputational risks, ultimately affecting the Company's social license to operate. As such, the Company maintains a **strong commitment to preventing corruption and promoting ethical business practices across all its operations.**

Strong and transparent governance continues to be a fundamental element of how Pangaea conducts its business operations, both onshore and across its fleet in 2025. **The Company's Code of Ethics** establishes high standards and provides clear guidance on business integrity, transparency, compliance, and ethical conduct.

Pangaea's **Anti-Corruption Compliance Policy** ensures adherence to applicable anti-corruption laws and strictly prohibits all forms of bribery and corrupt practices, including improper payments, facilitation payments, and transfers to public officials. These policies apply to all employees across the organization.

Any suspected breaches of the Anti-Corruption Compliance Policy are encouraged to be reported through appropriate channels, including management, the Board of Directors, the Company's Legal Department, or the whistleblowing mechanism. In 2025, no monetary losses related to legal proceedings associated with bribery or corruption were recorded.

The Company maintains a strong commitment to preventing corruption and promoting ethical business practices across all its operations.

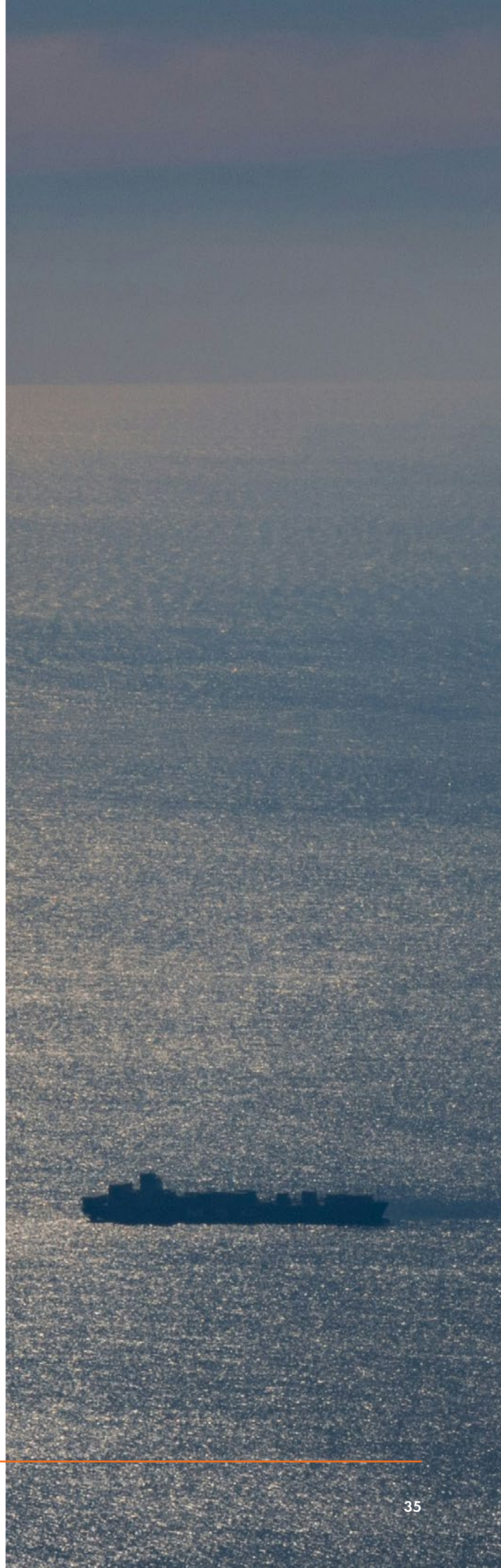
WHISTLEBLOWING

Pangaea promotes a culture of **transparency and accountability** by encouraging the reporting of any suspected wrongdoing. The Company relies on the good faith of its employees and external stakeholders to raise justified concerns regarding inappropriate behavior at any level of the organization.

The Whistleblower Policy defines clear procedures for the reporting and investigation of alleged misconduct, including, but not limited to, concerns related to accounting or auditing practices, violations of applicable laws and regulations, and risks to the public interest such as fraud, corruption, or health and safety breaches. Reported concerns are handled with strict confidentiality and, where possible, on an anonymous basis throughout the investigation process.

INSIDER TRADING

Pangaea maintains strict controls to prevent insider trading and to manage related party transactions, consistent with applicable securities laws. Our **Insider Trading Policy** sets clear expectations for compliance and ethical conduct and establishes trading windows and pre-clearance procedures. Furthermore, our information handling protocols govern the classification, access, and disclosure of material non-public information to reduce the risk of unauthorized use or disclosure.



SASB

Disclosure Topic	Unit	Code	Page/Location	Data
Gross global Scope 1 emissions	Metric tons (t) CO_2-e	TR-MT-110a.1	Emissions	545,215 mtCO2-e
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	TR-MT-110a.2	Sustainability Commitments, Emissions	n/a
(1) Total energy consumed, (2) percentage heavy fuel oil, (3) percentage renewable	Gigajoules (GJ), Percentage (%)	TR-MT-110a.3	New Innovative Solutions	(1) 7,254,092 GJ (2) 80% (3) 0%
Average Energy Efficiency Design Index (EEDI) for new ships	Grams of CO_2 per ton-nautical mile	TR-MT-110a.4	New Innovative Solutions	4
Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM2.5)	Metric tons (t)	TR-MT-120a.1	Air Quality	(1) 12,758 (2) 1,598 (3) 1,398
Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	TR-MT-160a.1	Pollution	119
Percentage of fleet implementing ballast water (1) exchange and (2) treatment	Percentage (%)	TR-MT 160a.2	Pollution	(1) 0% (2) 100%
(1) Number and (2) aggregate volume of spills and releases to the environment	Number, Cubic meters (m^3)	TR-MT-160a.3	Pollution	(1) 0 (2) 0
Lost time incident rate (LTIR)	Rate	TR-MT-320a.1	Employee Health, Safety and Security	0.1
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	TR-MT-510a.1	-	124
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	TR-MT-510a.2	Business Ethics and Anti-Corruption	0
Number of marine casualties, percentage classified as very serious	Number, Percentage (%)	TR-MT-540a.1	Employee Health, Safety and Security	1, 0%
Number of Conditions of Class or Recommendations	Number	TR-MT-540a.2	-	47
Number of port state control (1) deficiencies and (2) detentions	Number	TR-MT-540a.3	-	(1) 87 (2) 2

SASB

Activity Metric	Unit	Code	Page/Location	Data
Number of shipboard employees	Number	TR-MT-000.A	Crew and Employees	859
Total distance traveled by vessels	Nautical miles (nm)	TR-MT-000.B	-	2,044,913
Operating days	Days	TR-MT-000.C	-	14,550
Deadweight tonnage	Thousand deadweight tons	TR-MT-000.D	Highlights of 2025	2,397,428
Number of vessels in total shipping fleet	Number	TR-MT-000.E	Highlights of 2025	41
Number of vessel port calls	Number	TR-MT-000.F	-	904
Twenty-foot equivalent unit (TEU) capacity	Metric tons	TR-MT-000.G	-	-

Disclaimer and Reporting Assumptions

This report has been prepared using information available to Pangaea Logistics Solutions Ltd. as of the reporting date. Environmental, social, and governance data have been compiled from internal records, vessel operations data, and information provided by third-party service providers where applicable. This report is intended for informational purposes and has been prepared in alignment with the SASB Marine Transportation Standard. Unless otherwise stated, no external assurance has been obtained over the information presented.

Figures provided as per the end of the financial year (December 31). Figures provided in this report are based on the estimates outlined below:

A. CO2 emissions: Calculations are based on IMO emission factors and fuel consumed. The financial control approach has been applied for Scope 1. Scope 2 emissions for operations in USA, Greece, Singapore and Denmark (market based, AIB and EIA conversion factors (2020)).

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

C. Average efficiency ratio (AER): Carbon intensity metric estimated based on fuel consumed, distance traveled (nm), and deadweight tonnage (DWT).

D. Other emissions to air (NOX, excluding N2O, SOX and particulate matter): The method of calculation was updated in 2023. In previous years, estimated based on distance traveled (nm) and a tool developed by Danish Shipping for calculating emissions from bulk carrier vessels.

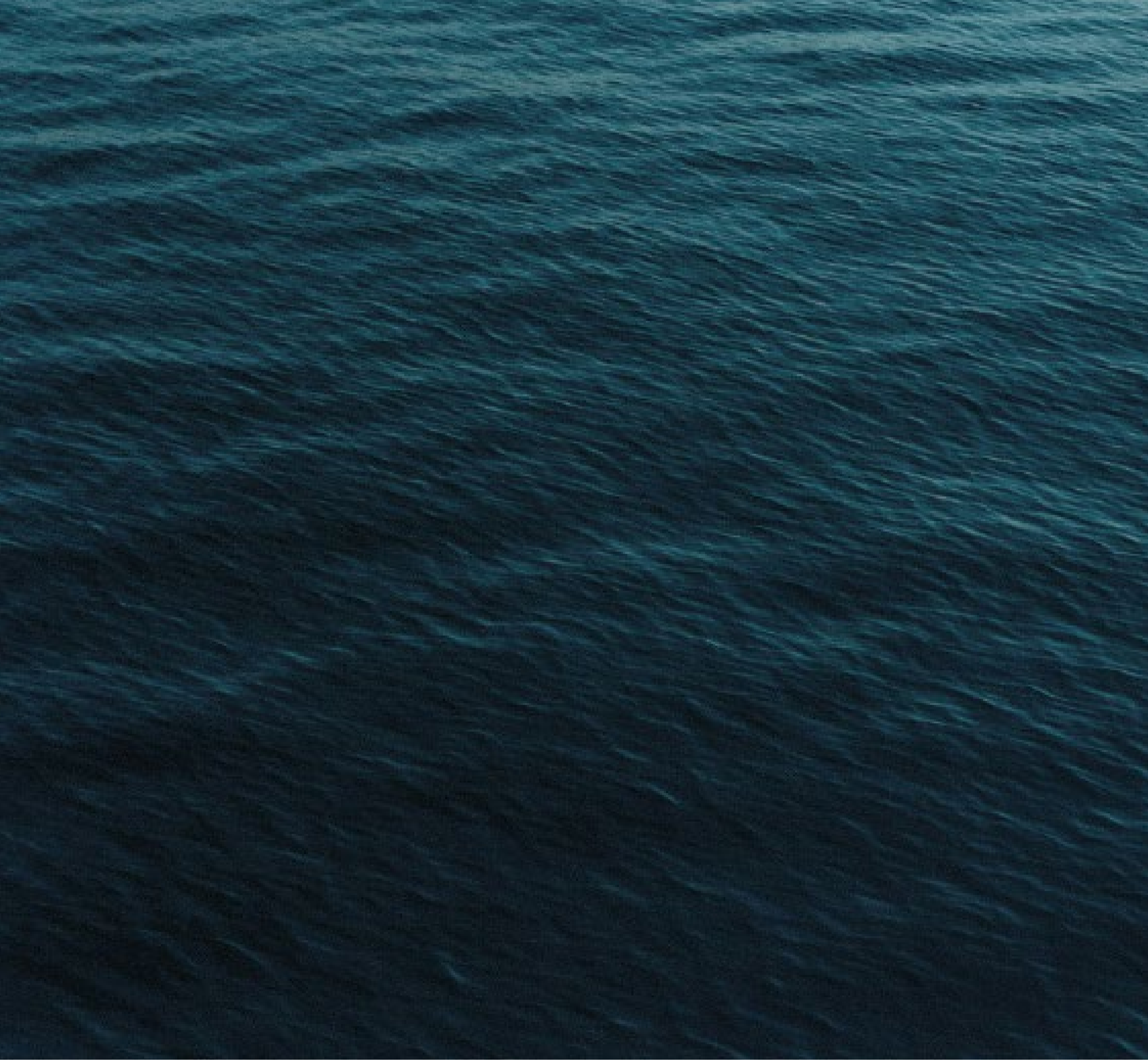
E. Marine protected areas: Marine Protected Area (MPA) based on the definition established by the International Union for Conservation of Nature (IUCN). The reported figures may not include all MPAs internationally established and regulated under International Maritime Organization (IMO) conventions or those established at the national level by individual member states. The number referencing shipping duration is measured as the cumulative number of travel days, with each day representing a 24-hour period.

F. Lost time incident rate (LTIR): The rate is calculated based on (lost time incidents) / (1,000,000 hours worked), and includes incidents resulting in absence from work beyond the date or shift when they occurred. From 2023, crew exposure hours will be based on 24 hours as per OCIMF, a methodology also widely used in the Shipping industry. Prior to 2023, this rate was calculated using 8 hours as a basis.

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

H. Conditions of class: The scope of disclosure includes all Conditions of Class regardless of whether they resulted in withdrawal, suspension, or invalidation of a vessel's Class certificate.

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



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