



DIANA SHIPPING INC.

# ESG REPORT 2020

## About Diana Shipping Inc.

Diana Shipping Inc. (hereafter “Diana Shipping” or the “Company”) is listed on the New York Stock Exchange (NYSE) and Diana Shipping’s fleet is managed by the Company’s wholly-owned subsidiary Diana Shipping Services S.A. and Diana Wilhelmsen Management Limited, which is a 50/50 joint venture with Wilhelmsen Ship Management.

Diana Shipping owns a modern high-quality fleet of dry bulk carriers, including groups of sister ships providing operational and scheduling flexibility – as well as cost efficiencies.

Diana Shipping’s main objective is to expand the fleet in a sound manner that enhances shareholder value. The Company’s experienced management team intends to continue to:

- ▶ pursue a balance of short-term and long-term time charters;
- ▶ operate a high-quality fleet;
- ▶ provide highly efficient operations; and
- ▶ maintain a strong balance sheet.

## Message from the CEO

### 2020 proved to be a challenging year for the global economy and for the society.

The COVID-19 pandemic put our mechanisms to perform our number one task as a shipowner to test: ensuring the safety and wellbeing of our people.

To us, 2020 has demonstrated how management of Environmental, Social and Governance (ESG) issues will play an increasingly important role to the success of our company. Despite the dire situation, key stakeholders have continued to push the agenda for cutting emissions, ensuring social equality and transparent governance. We welcome this, and we seek to meet their expectations to the best of our abilities.

In 2020, our focus has been to:

- ▶ Access reliable data by digitalizing our fleet;
- ▶ Continue our fleet renewal strategy to enhance energy efficiency and cut emissions;
- ▶ Implement cyber security measures; and
- ▶ Enhance competency throughout our organization.

This is our second sustainability report. Its purpose is to communicate our efforts and results effectively and openly on key ESG issues relevant to our industry. It is prepared in accordance with the Marine Transportation framework established by the Sustainability Accounting Standards Board (SASB) and covers the period 1 January to 31 December 2020.



**Mrs. Semiramis Paliou**  
Director and Chief Executive Officer  
Diana Shipping Inc.

# Managing ESG

## at Diana Shipping

### ESG regulations

Diana Shipping is following the regulatory development related to ESG closely. As a Marshall Islands company, Diana Shipping Inc. is not required to abide by the corporate governance practices followed by U.S. companies under the NYSE listing standards. Nevertheless, as established in our Statement of Significant Differences between Diana Shipping corporate governance practices and the practices required by the NYSE (included in our annual reports filed with the US Securities and Exchange Commission (SEC)), we believe that our established practices in the area of corporate governance are in line with the spirit of the NYSE standards, and provide adequate protection of our shareholders.

In March 2021, the SEC announced the creation of a Climate and ESG task force. The initial focus of the task force includes potential material gaps or misstatements in issuers' disclosure of climate risks under existing rules and to analyse disclosure and compliance issues relating to investment advisers' and funds' ESG strategies. This indicates an increased focus on ESG matters. Diana Shipping will monitor these developments and seek to meet emerging regulations.

### ESG stewardship

We are conscious that risks related to health and safety, corruption, emissions and spills are present in the shipping industry. Diana Shipping has established principles and processes to handle these risks in our daily operations.

The responsibility for managing and safeguarding the proper organization of Diana Shipping's operations lies with the Company's executive management team under the ultimate supervision of the Board of Directors.

The overall responsibility for securing day-to-day effective governance lies with the Chief Executive Officer (CEO). The CEO executes the Board's directions and determines frameworks in the daily operations of the Company.

We have voluntarily adopted a number of NYSE required practices, such as having a majority of independent directors, establishing audit, compensation and nominating committees, and adopting a Code of Ethics.

Diana Shipping's fleet is managed by the Company's wholly-owned subsidiary Diana Shipping Services S.A. ('DSS') and Diana Wilhelmsen Management Limited ('DWM'). Both these companies have their own management systems and adhere to the requirements of the International Safety Management (ISM) Code for the Safe Operation of Ships and for Pollution Prevention. Additionally, their environmental management systems for vessels transporting bulk cargoes have been ISO 14001 certified since 2014.

In 2021, we plan to carry out a materiality assessment to further enhance our ESG strategy development.

### Digitalization

Managing ESG risks requires access to reliable data. In 2020, we started a digitalization process by developing a software system that will allow us to monitor relevant ESG data and associated KPIs for each vessel. This system will be central in the progress of ESG management at Diana Shipping, allowing us to benchmark our performance against regulations, and implement targeted actions to ensure compliance and competitiveness.



# Environment



The most material environmental risks posed by the shipping industry are related to emissions, discharges and spills.

Our focus areas in 2020 were:

- ▶ The renewal of our fleet
- ▶ Avoiding spills
- ▶ Ensuring responsible ship recycling

## Climate change and air emissions

Diana Shipping follows the existing regulations and guidelines set by the IMO regarding climate change mitigation and air pollution. We endorse the climate strategy towards 2050, which aims to reduce CO<sub>2</sub> emissions per transport work, as an average across international shipping, by at least 40 per cent by 2030, aiming towards a 70 per cent reduction by 2050, compared with 2008 levels; and further to reduce the total annual GHG emissions by at least 50 per cent by 2050 compared with 2008 levels.

We are confident that our efforts in renewing our fleet will result in lower CO<sub>2</sub> emissions by increasing fleet efficiency. We are following the technological developments in the shipping industry closely, and we have a close dialogue with industry actors to ensure that we invest in the best possible solutions for the future.

The carbon intensity of our fleet was reduced from 3.46 to 3.16 grammes of CO<sub>2</sub> per ton-nautical mile from 2019 to 2020. The Company continued its active management of the fleet in 2020, in order to maintain a modern and diversified range of vessels. In total, we agreed to sell five vessels during the year, the oldest of which was built in 2001. Two vessels were delivered to their buyers in 2020 and the remaining three vessels will be delivered in 2021.

Diana Shipping's scope 1 emissions were reduced by 179,864 tons CO<sub>2</sub>-e in 2020. This was due to reduced sailing speed and increased idle periods due to the pandemic.



Diana Shipping supports UN SDG 13, targeting global action to combat climate change. This is in line with the IMO 2030 strategy and the IMO 2050 ambition.

### Spills, discharges and ecological impact

Discharges and potential spills represent serious environmental risks in the shipping sector. Our ability to manage these risks is critical to the marine environment, our sector, our customers and our reputation.

Diana Shipping has established routines and management systems to avoid spills, and we act responsibly if an incident occurs. All seafarers embarking on vessels managed by DSS and DWM receive mandatory training on our Integrated Management System & Environmental Management System and the MARPOL requirements, which contains specific instructions for the avoidance and proper reporting of spills. Diana Shipping had zero reported spills in 2020.

Ballast water is a natural part of safe and efficient shipping operations. Nevertheless, loading and unloading untreated ballast water poses serious ecological, economic and health risks as the water may transfer organisms between ecosystems. By 2023, all vessels are required to have ballast water treatment systems installed. Ballast water exchange is an intermediate compliance method for transfer of ballast water prior to installation of ballast water treatment system.

Throughout 2020, 23 of our vessels were using ballast water exchange procedures. By 31 December 2020, 90 per cent of our fleet had ballast water exchange procedures implemented, while 57 per cent had installed ballast water treatment systems.



We support UN SDG 14, targeting the protection of life below water. Especially relevant to our operations is target 14.C, which is aimed at enhancing the conservation and sustainable

use of oceans and their resources through the implementation of international law.

Diana Shipping experienced no spill incidents during 2020, however an inspection on one of the vessels uncovered that there were inconsistencies in the Oil Record Book. We are following up the ship management company closely to ensure compliance in reporting routines.

### Responsible ship recycling

If not managed responsibly, ship recycling practices can cause negative impacts, such as environmental damage and severe injuries to workers, as well as negative community health and safety exposure.

Diana Shipping works diligently to meet the criteria set out in the EU Ship Recycling Regulation (1257/2013) and Hong Kong Convention (2009). The regulations require documentation identifying all potentially hazardous material (HM) onboard a vessel.

Progress has been made throughout 2020 by implementing an in-house hazardous material (HM) management system. The majority of DSS Superintendent Engineers were certified as Inventory Hazardous Material (IHM) Experts, after they have successfully completed the Bureau Veritas Marine Training Course "IHM Expert training for EU Ship Recycling Regulation (1257/2013) and Hong Kong Convention (2009)".

We started to implement the IHM on vessels during their dry dock periods in 2019. We are pleased to report that by the end of 2020, our entire fleet had obtained the IHM documentation.

### Cooperation for the environment

Since 2006, the Company, through its manager DSS, has been an active member of the Hellenic Marine Environment Protection Association ("Helmepa"), the pioneering voluntary commitment of Greek seafarers and ship owners to safeguard the seas from ship-generated pollution. Helmepa's principal aim is the human element of the Maritime Community to acquire an environmental consciousness and a spirit of safety towards achieving quality shipping, always at the service of humankind.

We are part of Helmepa's Training Committee, participating as instructors voluntarily in various training programs and seminars that Helmepa offers to its members and seafarers. Our Director and Chief Executive Officer is currently the president of Helmepa.





# Social



Safe working conditions and healthy employees are key to Diana Shipping's continued success.

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Our focus areas in 2020 were:

- ▶ Ensuring the safety and wellbeing of our crew
- ▶ Building competence
- ▶ Preventing discrimination

## Occupational health and safety

Diana Shipping ensures that its employees have a safe and healthy work environment. Each employee has the responsibility to maintain a safe and healthy workplace. We support and comply with relevant regulations to safeguard that human and labour rights are followed throughout our value chain.

The COVID-19 pandemic put our mechanisms to perform our number one task as a shipowner to the test: ensuring the safety and wellbeing of our people. We carried out a "Management of Change" evaluation in response to the pandemic, to ensure that identified changes are fully evaluated and managed. This allowed us to maintain health and safety risks at an acceptable level during the continuous operation of our fleet on board and ashore at the Company's premises.

In order to safeguard the health of our shore-based employees and ensure business continuity, we communicated a set of proactive corporate measures and guidelines and monitored our adherence to them, in line with directives from the Greek authorities. We ensured the right conditions were in place for people to be able to work from home and put in place procedures to manage potential COVID-19 cases in a timely and effective manner.

Regarding ship crew and shore-based personnel boarding our vessels, we strictly followed guidance in terms of testing and quarantine requirements upon signing on and off crew/personnel, while we have also adopted other preventive measures such as personal protective equipment on board our vessels, availability of rapid covid tests and provision of vaccinations. The COVID-19 pandemic presented challenges to our seafarers' rights to physical and mental health, access to family life and freedom of movement. We were acutely aware of the impact of our seafarers' rights in these challenging times and in cases where seafarers were stopped from returning home due to restrictions, we took necessary actions to safely repatriate them in a timely manner.

At Diana Shipping, ensuring the safety of our crew and employees is of the utmost importance. It is therefore with sadness that we must report that we had a fatal incident on one of our ships on 10 November 2020. Diana Shipping values transparency and a detailed description of this incident and our response to it, as well as the other three incidents we had in 2020, are outlined in Appendix 1.

Our Lost Time Incident Rate (LTIR) for 2020 was 3.06, up from 2.30 in 2019. The Lost Time Incident Frequency (LTIF) was at 1.21 in 2020, up from 0.95 in 2019. Any deviation from the initial targets were immediately addressed and examined during the quarterly review according to DIMS (Integrated Management System) procedures.

### Building competence

In the maritime world, the importance of education and training extends far beyond shipping itself. The safety and security of life at sea, the protection of the marine environment and the efficient transportation of commodities depend on the professionalism and competence of seafarers.

Our company is committed to creating an environment in which all individuals are able to make the best of their skills, free from discrimination or harassment and bullying.

In 2020, we started an important collaboration with Seagull Maritime AS, providing e-learning modules onboard all of our vessels. More than 55 modules have been developed to enhance our crew's knowledge about important matters related to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) and the IMO standards, such as environment, safety and cyber security. 1,601 crew members received training in 2020. The system is certified by DNV GL, and our target is that all crew members shall complete and renew relevant training courses every 36 months.



We support UN SDG 4, targeting quality education, and are committed to the continuous training of our seafarers. DSS, our wholly-owned manager, facilitates training at our in-house training centre in Athens, ensuring high-quality education for our shore personnel and seafarers. We are also receiving education from the various training programs and seminars that Helmepea offers to its members and seafarers.

### Equality and anti-discrimination

Diana Shipping encourages equal opportunities and treatment of men and women. Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world.

Any form of discrimination or harassment, including those based on gender, colour, age, religion, national origin, citizenship status, sexual orientation, or disability, is not accepted.

On 31st of December 2020, Diana Shipping, through DSS and DWM, employed 828 shipboard employees, of which women made up 1 per cent. 33 per cent of our onshore staff were women, while 11 per cent of our Board members were women.



Diana shipping supports UN SDG 5 for gender equality. We recognize the gender imbalance in the shipping industry and our company, and seek to improve this.



# Business Ethics & Governance



Diana Shipping is committed to conducting its business lawfully and ethically.

Our focus areas in 2020 were:

- ▶ Anti-corruption
- ▶ Cyber Security
- ▶ Prevention of insider trading

## Our ethical principles

Diana Shipping is committed to the highest standards of openness, probity and accountability in all its affairs through the creation of the appropriate “tone at the top”.

At the core of our governance framework are the ethical principles outlined in our Code of Ethics adapted by Diana Shipping’s Board of Directors. The principles govern the decisions and behaviour of the Company’s employees, directors, officers and agents. All employees must endeavour to deal honestly, ethically and fairly with the Company’s customers, suppliers, competitors and other employees – as stated in our Code of Ethics.

Other governing documents include among others the Anti-Fraud Policy and Fraud Response Plan, Policies and Procedures to Detect and Prevent Insider Trading, and the Audit Committee Charter.



All our employees are expected to abide by the highest standards of legal and ethical conduct and in accordance with applicable laws, rules and regulations. Diana Shipping holds all business partners to the same high standard.

### Anti-corruption and business ethics

The effects of corruption undermine economic and social development, as well as undermining sustainability goals. Diana Shipping strives to be an open and accountable business partner.

As stated in the Anti-Fraud Policy and Fraud Response Plan, the Company is determined to maintain a culture of honesty and opposition to fraud and corruption, reinforced through the establishment and maintenance of an effective system in Internal Control. Diana Shipping's Anti-Fraud Policy outlines the principles it is committed to in relation to preventing, reporting and managing fraud and corruption, including, but not limited to, violations of the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and the anti-corruption laws of the other countries where Diana Shipping does business. It is our policy to fully comply with competition laws in all jurisdictions where we operate.

The number of port calls in countries with high corruption risk, according to Transparency International's Corruption Perception Index, increased from 41 in 2019 to 70 in 2020. This is due to the inclusion of Egypt and the Philippines in the updated 2020 Index. Despite the increase of risk, there were no reported cases of corruption or recorded requests for bribes during 2020.

### Whistleblowing and protection

Our Anti-Fraud Policy and Fraud Response Plan includes a comprehensive list of fraudulent or corrupt acts, however, if a person is in any doubt about the seriousness and nature of his/her concerns, advice and guidance can be obtained from the Internal Auditor or the Audit Committee Chairman.

Our departmental managers are the first line of defence against fraud. Management is to ensure that an adequate system of internal controls is established within their area of responsibility and that those controls are properly operated and complied with. Employers are responsible for reporting any suspected fraud, impropriety or other dishonest activity immediately to their manager or through the whistleblower program, and to assist in the investigation of any suspected fraud.

The Company will do its best to protect an individual's identity when he or she raises a concern and does not want their name to be disclosed. The Whistleblowing program is outlined in the Company's Code of Ethics and is available on the Company's website.

### Cyber security

The maritime sector is increasingly adopting digital solutions requiring connectivity between servers, different Information Technology (IT) and Operational Technology (OT) systems. This exposes shipping companies to new forms of risks that must be managed.

The International Maritime Organization (IMO) has adopted a resolution on Maritime Cyber Risk Management in Safety Management System (SMS). The resolution encourages companies to ensure that cyber risks are appropriately addressed in existing safety management systems (as defined in the ISM Code) no later than the first annual verification of a company's Document of Compliance after 1 January 2021. Maritime Cyber Risk refers to "a measure of the extent to which a technology asset is threatened by a potential circumstance or event, which may result in shipping-related operational, safety or security failures as a consequence of information or systems being corrupted, lost or compromised."

Recognizing cybercrime as a security threat, Diana Shipping has taken action to enhance the governance of this issue. By the end of 2020, all vessels have policies and procedures in place to prevent cyber-attacks. We also upgraded the IT security in our onshore offices, ensuring it is capable of managing new forms of risk.

### Prevention of insider trading

Diana Shipping has instituted procedures to prevent the misuse of non-public information. Our policy, described in our Policies and Procedures to Detect and Prevent Insider Trading, is applicable for all of the Company's officers, directors and employees ("insiders"), as well as for any transactions in any form of security involving family members, trusts or corporations directly or indirectly controlled by insiders.

Diana Shipping forbids any insider from trading, either for their own personal account or on behalf of others, while in the possession of material non-public information, or communicating material non-public information to others in violation of the law.

As a thorough understanding of "insider", the meaning of "material", and the comprehension of "non-public" are crucial to avoid even the appearance of impropriety, our policy gives clear guidance and is easily accessible on our website. Our policy also entails practical procedures to aid in the prevention of insider trading, including reporting and communication routines.

# SASB ESG Disclosures

Accounting metric ▼

Unit of measure ▼

Data 2019 ▼

Data 2020 ▼

SASB code ▼

## GREENHOUSE GAS EMISSIONS

### CO<sub>2</sub> emissions

Gross global Scope 1 emissions: Financial control approach <b>A</b>	Metric tons CO <sub>2</sub> -e	1 204 755	<b>1 024 891</b>	TR-MT-110a.1
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	Qualitative description	Page 4 in 2019 ESG report	<b>Pages 4–5</b>	TR-MT-110a.2

### Carbon intensity

Average Efficiency Ratio (AER): weighted average <b>B</b>	Grammes of CO <sub>2</sub> per ton-nautical mile	3.46	<b>3.16</b>	Additional
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### Energy consumed

(1) Total energy consumed <b>C</b>	Gigajoules (GJ)	16 756 228	<b>14 271 844</b>	TR-MT-110a.3
	Percentage (%)	100	<b>100</b>	
(2) Percentage heavy fuel oil	Gigajoules (GJ)	15 415 730	<b>8 843 778</b>	
	Percentage (%)	92	<b>62</b>	
(3) Percentage renewable	Gigajoules (GJ)	0	<b>0</b>	
	Percentage (%)	0	<b>0</b>	

### Energy efficiency

Fleet average Energy Efficiency Operational Indicator (EEOI): simple average <b>D</b>	Grammes of CO <sub>2</sub> per ton-nautical mile	7.95	<b>7.14</b>	Additional
Average Energy Efficiency Design Index (EEDI) for new ships: weighted average	Grammes of CO <sub>2</sub> per ton-nautical mile	Not applicable	<b>2.85</b>	TR-MT-110a.4

## AIR QUALITY

### Other emissions to air

(1) NO <sub>x</sub> (excluding N <sub>2</sub> O)	Metric tons (t)	Not available	<b>Not available</b>	TR-MT-160a.1
(2) SO <sub>x</sub>	Metric tons (t)	Not available	<b>Not available</b>	
(3) Particulate matter	Metric tons (t)	Not available	<b>Not available</b>	

Accounting metric ▼

Unit of measure ▼

Data 2019 ▼

Data 2020 ▼

SASB code ▼

## ECOLOGICAL IMPACTS

### Marine protected areas

Shipping duration in marine protected areas or areas of protected conservation status <sup>E</sup>	Number of travel days	Not available	<b>Not available</b>	TR-MT-160a.1
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### Implemented ballast water

(1) Exchange	Percentage (%)	100	<b>90</b>	TR-MT-160a.2
(2) Treatment	Percentage (%)	29	<b>55</b>	

### Spills and releases to the environment

(1) Number	Number	2	<b>0<sup>F</sup></b>	TR-MT-160a.3
(2) Aggregate volume	Cubic metres (m <sup>3</sup> )	0.16	<b>0<sup>F</sup></b>	

## BUSINESS ETHICS

### Corruption

Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	41	<b>70</b>	TR-MT-510a.1
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Number (reporting currency)	0	<b>0</b>	TR-MT-510a.2

### Facilitation payments

Number of incidents where bribes have been requested	Number	0	<b>0</b>	Additional, SDG 16
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### Fines and sanctions

Number of fines	Number	0	<b>0</b>	Additional, GRI 419-1
Total monetary value (in reporting currency)	Number (reporting currency)	0	<b>0</b>	
Non-monetary sanctions for non-compliance with laws and/or regulations	Number	0	<b>0</b>	



Accounting metric ▼

Unit of measure ▼

Data 2019 ▼

Data 2020 ▼

SASB code ▼

## EMPLOYEE HEALTH & SAFETY

### Lost time incident rate

Lost time incident rate (LTIR) <sup>G</sup>	Rate	2.30	3.06	TR-MT-320a.1
Lost time incident frequency (LTIF)	Rate	0.95	1.21	Additional

## ACCIDENT & SAFETY MANAGEMENT

### Marine casualties <sup>H</sup>

Incidents	Number	9	4	TR-MT-540a.1
Very serious marine casualties	Percentage (%)	0	50	

### Conditions of class

Number of Conditions of Class or Recommendations <sup>I</sup>	Number	18	13	TR-MT-540a.2
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### Port state control

(1) Deficiencies <sup>J</sup>	Rate	1.04	0.59	TR-MT-540a.3
(2) Detentions	Number	2	2	

Accounting metric ▼

Unit of measure ▼

Data 2019 ▼

Data 2020 ▼

SASB code ▼

## DIVERSITY

Gender and age				
Shipboard employees by gender	Number	Not available	Male: 804 Female: 7	Additional
	Percentage (%)	Not available	Male: 99% Female: 1%	
Shipboard employees by age group	Number	Not available	< 30 years old: 172 30-50 years old: 491 > 50 years old: 148	Additional
	Percentage (%)	Not available	< 30 years old: 21% 30-50 years old: 61% > 50 years old: 18%	
Onshore employees by gender	Number	Not available	Male: 72 Female: 35	Additional
	Percentage (%)	Not available	Male: 67% Female: 33%	
Onshore employees by age group	Number	Not available	< 30 years old: 7 30-50 years old: 76 > 50 years old: 24	Additional
	Percentage (%)	Not available	< 30 years old: 7% 30-50 years old: 71% > 50 years old: 22%	
Individuals in the organization's governance bodies by gender	Number	Not available	Male: 8 Female: 1	Additional
	Percentage (%)	Not available	Male: 89% Female: 11%	
Individuals in the organization's governance bodies by age group	Number	Not available	< 30 years old: 0 30-50 years old: 2 > 50 years old: 7	Additional
	Percentage (%)	Not available	< 30 years old: 0% 30-50 years old: 22% > 50 years old: 78%	

Accounting metric ▼

Unit of measure ▼

Data 2019 ▼

Data 2020 ▼

SASB code ▼

## OUR OPERATIONS IN NUMBERS

Number of shipboard personnel	Number	922	<b>828</b>	TR-MT-000.A
Total distance travelled by assets	Nautical miles (nm)	2 840 761	<b>2 541 281</b>	TR-MT-000.B
Operating days	Days	15 971	<b>14 020</b>	TR-MT-000.C
Deadweight tonnage <b>K</b>	Deadweight tons	5 239 440	<b>5 239 440</b>	TR-MT-000.D
Number of assets in fleet	Number	42	<b>42</b>	TR-MT-000.E
Number of vessel port calls	Number	670	<b>653</b>	TR-MT-000.F
Twenty-foot equivalent unit (TEU) capacity	TEU	Not applicable	<b>Not applicable</b>	TR-MT-000.G





# Disclaimer and assumptions

The figures are provided as per the end of the financial year (31 December 2020).

The figures are based on the assumptions and estimates outlined below:

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- A CO<sub>2</sub> emissions:** Calculations are based on IMO emission factors and fuel consumed, for the reporting period. The financial control approach has been applied for Scope 1.
- B Average Efficiency Ratio (AER):** Carbon intensity metric estimated based on fuel consumed, distance travelled (nm), and deadweight tonnage (DWT).
- C Energy consumption:** Calculations are based on tonnes of oil equivalents (toe), using DEFRA conversion factors to calculate energy consumed in gigajoules (GJ).
- D Energy Efficiency Operational Indicator (EEOI):** The EEOI measures the fuel efficiency of a ship in operation and is estimated based on fuel consumed, cargo carried, and distance travelled (nm).
- E Marine protected areas:** Information on duration of our ships in marine protected areas was not available for the reporting period as it requires extensive data mining from records kept on board our vessels. Diana Shipping may consider reporting on this in the future.
- F Spills and releases.** No spills were recorded in 2020. However, upon arrival in Virginia on June 10 2020, the US Coast Guard conducted an expanded MARPOL examination on m.v. Protefs – a vessel managed by Diana Wilhelmsen Management Limited (“DWM”). The examination found that the vessel had not fulfilled its requirements for the Oil Record Book Part I, which shall be “completed for each discharge overboard or disposal otherwise of bilge water which has accumulated in the machinery space”. After review of the ORB and bilge tank soundings the USCG noted some inconsistencies. Diana Shipping Inc. has investigated the compliance breach, and is monitoring DWM closely.
- G 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 it occurred.
- H Marine casualties:** The definition of a marine casualty is based on the United Nations International Maritime Organization (IMO)’s 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.
- I Conditions of class:** The data provided represent the number of Conditions of Class or Recommendations Diana Shipping has received from a Flag Administration or a Recognized Organization (RO) that has been delegated the authority to issue such findings. The scope of disclosure includes all Conditions of Class regardless of whether they resulted in withdrawal, suspension, or invalidation of a vessel’s Class certificate.
- J Port state control:** Deficiency rate is calculated using the number of deficiencies it received from regional port state control (PSC) divided by total number of port state control inspections.
- K Reflects the fleet** as per 31 December 2020.

## Appendix 1 Marine casualties in 2020<sup>H</sup>

A marine casualty is defined as an event, or a sequence of events, that has resulted in any of the following: (1) The death of, or serious injury to, a person; (2) The loss of a person from a ship; (3) The loss, presumed loss or abandonment of a ship; (4) Material damage to a ship; (5) The stranding or disabling of a ship, or the

involvement of a ship in a collision; (6) Material damage to marine infrastructure external to a ship, that could seriously endanger the safety of the ship, another ship or an individual; (7) Severe damage to the environment, or the potential for severe damage to the environment, brought about by the damage of a ship or ships.

Date: 07.01.2020

### Description of incident

#### MV OCEANIS – INJURY OF 3RD ENGINEER

While the vessel was at Nansha / China for disport operation, the 3rd Engineer was accidentally injured by a grinder which was used to cut a flat bar. Diagnosed with foot laceration and proceeded with debridement and suturing. Repatriated on 09/01/2020 20:10 lt.

### Response

Onboard the vessel, Master and Chief Officer discussed the matter with all crew. The occurred case along with the incident investigation report was circulated to all the fleet in order to alert crew for such unexpected scenarios and to emphasize on the vital importance of following common seamanship, health and safety practices on every aspect of their working routine. Moreover, same has been communicated to the Company's training centers in Athens and Manilla.

Date: 02.07.2020

### Description of incident

#### MV SEATTLE – INJURY OF BOSUN

The bosun, while using the electric grinder to maintain a chain, accidentally injured his finger by mishandling the cutting disc which hit the bosun's right little finger.

### Response

Onboard the vessel, the Master discussed the matter with all crew. The occurred case report was circulated to the Company's training centers in Athens and Manilla in order to be used as a case study and a lesson learnt during the pre-embarkation briefing as well as during the periodical training conducted for the signed off seafarers.

Date: 10.11.2020

### Description of incident

#### MV HOUSTON – FATALITY OF BOSUN

The unfortunate event occurred due to the unsafe practice of the bosun to enter in the cargo hold using the vertical ladder, without taking into consideration the appropriate precautionary measures and informing his supervisors prior entering.

### Response

Onboard the vessel, Master and Chief Officer discussed the matter with all crew and drew their attention to the necessity to think before they act and to adopt safe working practices and work as a team member in order to prevent reoccurrence of such cases.

The occurred case along with the incident investigation report was circulated to the fleet in order to alert crew for such unexpected scenarios and to emphasize on the vital importance of following common seamanship, health and safety practices on every aspect of their working routine. Moreover, same has been communicated to the Company's training centers in Athens and Manilla in order to be used as a case study and a lesson learnt during the pre-embarkation briefing as well as during the periodical training conducted for the signed off seafarers.

An additional SCM onboard all vessels will be performed based on this Incident Investigation report and including also enclosed space entry permit process.

Date: 29.12.2020

### Description of incident

#### MV ALIKI – GROUNDING DURING PILOTAGE AT SUEZ CANAL

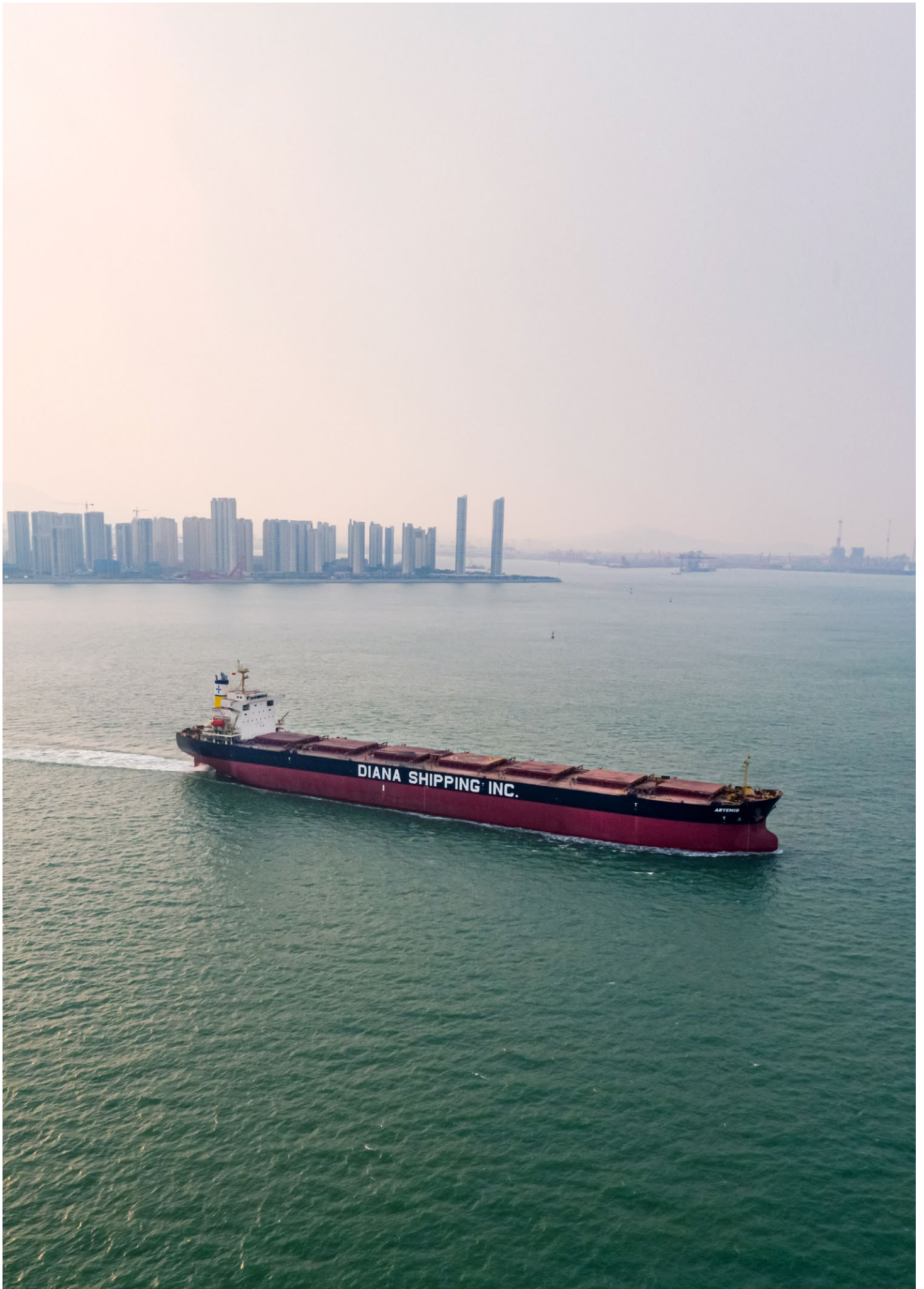
During vessel's passage in Suez Canal, dense fog prevailed in the area, the designated Pilot for the Canal did not board the vessel, and the harbor pilot stayed onboard to provide his service for the Canal's passage. Besides the fact that the pilot was not the designated for the Suez Canal, but was designated as harbor pilot, he was in service at the time of the incident for more than 24 hours, as found out through the investigation. A wrong command caused the vessel to run aground.

### Response

The crew inspected the vessel internally in order to establish the damage. Class surveyor boarded the vessel in order to establish the damage. After thorough inspection he verified the good condition of the vessel and her seaworthiness and the vessel proceeded to her voyage.

The bridge officers were reminded of the purely consulting nature of the pilot onboard and that all orders should be cross checked and in case they are considered unsafe they should be overriding.

A meeting was held with the participation of all crew after the inspection in order to discuss the observations raised, as well as the corrective and preventive actions.







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