



 GLOBAL SHIP LEASE

ESG REPORT 2023

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Message

from our Executive Chairman

George Youroukos
Executive Chairman
of Global Ship Lease, Inc



2023 was another unusual year for the industry, characterized by a steady downward normalization of charter rates and asset values for the first 11 months, but concluding with disruptions to the Red Sea which have tightened supply, lifted earnings, and continued to significantly impact dynamics for the industry well into 2024.

Looking back on my introductory remarks to last year's ESG report, various themes I touched on then have become only more pronounced and entrenched: geo-political tensions, with upheaval in the Middle East now in addition to the ongoing conflict in Ukraine, continued macro uncertainty, and extreme climate-related phenomena. Against this turbulent backdrop, we have nevertheless continued to chart a steady course. Illustratively, during 2023 we:

- Added four ships to our fleet, all with attractive charters and sold one non-strategic vessel;
- Built out our forward contract cover to \$1.7 billion;
- Increased our Normalized Earnings per Share by 10.8% year-on-year; and,
- Improved our AER (Annual Efficiency Ratio, a carbon intensity metric) by almost 12.0%.

As always, the safety and broader wellbeing of our people are front of mind. In 2022, we established The Safe Haven Project to protect and accommodate the displaced families of our Ukrainian seafarers. Now, with the heightened risk of transiting the Red Sea, our ships are being safely diverted around the southern tip of Africa. Furthermore, we are making use of ever-improving global communications technology to boost the connectivity of our ships and help our seafarers remain in better contact with their families while at sea.

On the regulatory front, complexity continues to increase as

ever more stringent requirements come into effect. Our fleet is in full compliance with EEXI and CII, which are the foundational planks upon which shipping's global regulator, the IMO, is building its net zero strategy for the industry. Furthermore, we have the systems and processes in place to manage compliance with the European Union's Emissions Trading System (EU-ETS), which came into effect for shipping from January 1, 2024.

More generally, we are making good progress on our fleet enhancement and decarbonization strategy, which is designed to reduce not only our own carbon footprint, but also that of our customers, the liner operators, and the supply chain as a whole. Our strategy sits on four pillars and, as with everything we do, any investment we make in decarbonizing the fleet must first meet rigorous risk and return criteria:

- **Energy Saving Technologies (ESTs).** We continue to upgrade our ships with energy-saving and emission-reducing technologies - in close cooperation with our charterers.
- **Data & Digitization.** The installation of automated, high-frequency data capture systems across our fleet is on target for completion by the first quarter of 2025 - allowing us to share real-time performance information with our charterers to enhance cooperation, unlock operational improvements, and drive efficiency gains and emissions reduction. Over time, as we gather more data and AI continues to evolve, we expect these benefits to grow and accelerate. Digitization will also serve a key role in emissions monitoring and regulatory reporting, and we are partnering with carefully selected technology providers to ensure that we stay ahead of the curve.
- **Fuels.** Our charterers source and pay for fuel; where they lead on the next generation of clean fuels, we will

follow. In the meantime, we are making our fleet bio-fuel compatible and are very pleased that our charterers have successfully bunkered a growing number of our ships with low-carbon bio-fuel blends.

- **Carbon capture & storage (CCS).** When CCS can be made both operationally and commercially viable, we see it as a powerful tool to transition the industry towards more sustainable decarbonization solutions, and we have accordingly invested in a promising CCS venture.

An important lesson we have learned along the way is that technical upgrades to our ships can improve their energy efficiency by up to 20%, but it is at the operational level that material benefits may be gained (or lost) - hence our focus on improving collaboration with the charterers who control the operation of our ships, and also on day-to-day items such as hull cleaning and propeller polishing that can make a 5 - 10% difference in fuel consumption. Relatedly, we also believe that the most environmentally impactful measure we can take is to maximize the useful life of our fuel-efficient operating fleet, thereby providing transportation capacity without the carbon footprint inherent in new construction.

In these opening remarks I have focused mainly on what we are doing at sea. But there are, of course, many other ESG initiatives of which we are proud - including our flourishing relationship with Bayes Business School in the UK, with whom we have established the Global Ship Lease Scholarship for Women in Shipping, which underpins our commitment to broadening and deepening the pool of talented people from which the industry is able to draw. I hope you will be interested by the contents of this, our fifth ESG report, and will be encouraged by the progress we are making.

About this report

This is our 5th annual Environmental, Social, and Governance (ESG) report; unless otherwise noted, it covers the period from January 1, 2023 through December 31, 2023. As in previous years, where relevant, some of the data in this report includes the activities of our strategic partners: Technomar and ConChart, the technical and commercial managers of our fleet.

The report focuses on ESG topics identified as material* both by us and by our stakeholders, with a particular emphasis on decarbonization and Greenhouse Gas (GHG) reduction objectives established by the International Maritime Organization (IMO) and other regulatory and environmental bodies. It includes a roadmap towards our continuously evolving sustainability goals, together with an overview of the measures we are implementing and progress we have made to date.

In preparing this report we considered the following standards and reporting frameworks:



Global Reporting Initiative
(GRI) Standards

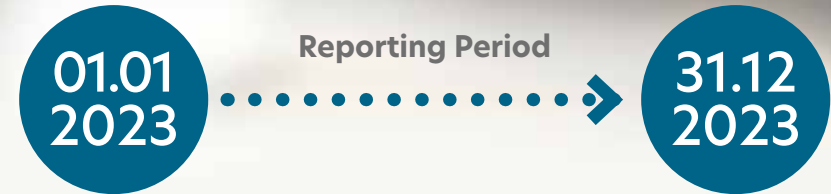
Reporting based on the GRI Standards ensures that the content and issues discussed are relevant, consistent, and comparable across companies and sectors.



Sustainability Accounting Standards Board (SASB) for Marine Transportation

The report discloses information on the basis of SASB maritime industry-specific metrics.

* This report covers information we have determined to be important from an ESG reporting perspective, which is distinct from the materiality standard used for other purposes, including with respect to disclosures pursuant to U.S. Securities and Exchange Commission (SEC) rules and regulations. Thus, while certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws and regulations, even if we use the words "material" or "materiality" in this report.



1

About Global Ship Lease



About GSL

Company profile

Our goal

Our goal is to provide our liner operator customers with well-specified, operationally flexible, reliable, low-emission, high-reefer capacity, low-slot-cost containerships to support their operations within the highly competitive global logistics industry.

We take a partnership approach with our customers, providing flexible chartering solutions which enable them to free up capital and management resources to focus on other strategic priorities. We believe that strong relationships and active cooperation with our charterers will be of fundamental importance to our collective efforts to decarbonize the fleet that we own but for which they determine the operating profile and provide the fuel.

Global Ship Lease (GSL) is a containership owner, leasing ships to container shipping companies under industry-standard, fixed-rate time charters. The Company was established in 2007 and is incorporated in the Marshall Islands, with administrative offices in Athens. GSL has been listed on the New York Stock Exchange since August 15, 2008, under the ticker NYSE:GSL. We focus on mid-size Post-Panamax and smaller containerships, the workhorses of the global fleet, which tend to serve the faster-growing non-mainlane and intra-regional trades collectively representing over 70% of global containerized trade volumes.

Our guiding principles

01.

Creating strong, long-lasting partnerships with reputable charterers



02.

Aligning our ESG and commercial strategies by taking a full life-cycle approach to the carbon footprint of our ships



03.

Utilizing proven applicable technology to reduce our environmental impact and improve our operational efficiency



04.

Continuously improving our Environmental, Social and Governance (ESG) performance



Our investment model

Our investment model seeks to combine strong, longer-term contract cover with selective shorter-term exposure to the containership charter market, providing a firm base with downside protection and forward visibility on cash flows, while also offering access to upside earnings potential in a cyclical market.

About GSL

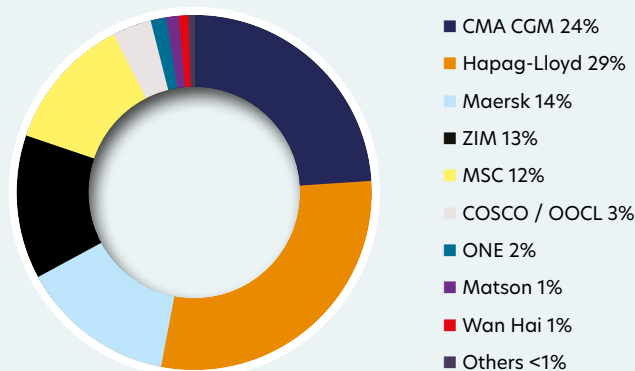
Our value chain

Our core activities are consistent with our business goals. They entail the selection, financing, and purchase of ships meeting our strategic and investment criteria; the crewing, and commercial, technical, and operational management of our fleet; and the ongoing maintenance of our ships together with the implementation of enhancements such as energy-saving retrofits and other decarbonization initiatives. The company is active in the containership charter market. Upstream, our business is supported by an extensive value chain incorporating, inter alia, capital providers, suppliers, energy-providers, skilled personnel, and crewing agents. Downstream, our business facilitates the global supply chain by supporting liner operators in the transport of containerized goods in global trades linking producers and other cargo interests with consumers, while endeavoring to generate value for our investors through the cycle. Strong Business relationships exist also with brokers, industry analysts and data providers, and technology providers.

The illustration beside represents our value chain, with a non-exhaustive list of upstream and downstream participants, together with our core business activities.



Our diversified charterer base by contracted revenue



Scale of operations



About GSL

Our fleet

A fleet of well-specified, operationally flexible, low-emission, high-reefer-capacity, low-slot-cost containerships

Our fleet consists of mid-size and smaller containerships that can be deployed on a wide range of trading routes. As of December 31, 2023, we owned 68 ships, ranging from 2,207 to 11,040 TEU, with a total capacity of 375,406 TEU. Approximately 67% of our fleet capacity is made up of 36 wide-beam Post-Panamax ships, of which 13 are new-design wide-beam "Eco" units. The average age of our vessels, weighted by TEU capacity, is 17 years - implying an average remaining useful economic life of approximately 13 years.



68 vessels

Total fleet (as of December 31, 2023)



13 ECO ships

High-reefer, wide-beam (new design)



375,406 TEU

Total fleet TEU capacity

Summary of our fleet

40 Post - Panamax container vessels

Capacity 5,936 - 11,040 TEUs

18 built between 2000 - 2004
9 built between 2005 - 2009
13 built between 2010 - 2015

9 wide-beam (new design),
ECO containerships

Total Capacity: 284,128 TEU

12 Panamax container vessels

Capacity 3,404 - 5,095 TEUs

9 built between 2001 - 2007
2 built between 2008 - 2010
1 built in 2014

3 ECO containerships

Total Capacity: 50,769 TEU

16 Handymax container vessels

Capacity 2,207 - 2,824 TEUs

9 built between 2000 - 2003
4 built between 2004 - 2007
3 built between 2012 - 2013

1 ECO containerships

Total Capacity: 40,509 TEU

About GSL

Our partners for the technical & commercial management of our ships

Technical management

Technomar Shipping, Inc. has managed the majority of our vessels since 2019. In addition to the technical management and crewing of the ships themselves, Technomar also provides - under the supervision of the Global Ship Lease management team - a series of supplementary services which allow us to minimize our fixed overheads.

Technomar supplementary services include:

- Finance and accounting
- Invoicing and charter hire collection
- Insurances
- Legal support
- Health, Safety, Quality, and Environment (HSQE)
- EU-ETS Compliance

Commercial management

We have an exclusive brokerage agreement with **ConChart Commercial, Inc.** to support the day-to-day commercial activities of Global Ship Lease. ConChart's well-established commercial network has allowed us to significantly diversify our chartering relationships, extending our commercial outreach and maximizing commercial uptime for our ships - while also minimizing fixed overhead.

Technomar is majority-owned and ConChart is solely owned by our Executive Chairman, George Youroukos. Any potential conflicts of interest are reviewed by a specially formed committee of the Board of Directors.

Both our technical and commercial managers, have personnel and/or infrastructure dedicated to the management and operation of our ships, and the promotion and development of our commercial interests. Consequently, wherever appropriate, they have been included in the scope of this report.

Ratings*

MOODY'S **Ba2**

GSL Corporate Family Rating was **upgraded to Ba2 from Ba3**, with a stable outlook, by Moody's Investor Service ("Moody's") in June 2024.



BB+

S&P Global Ratings ("S&P") upgraded GSL's **long-term issuer credit rating to BB+**, from BB, with a stable outlook, in May 2024.

KBRA **BB+**

In June 2024, Kroll Bond Rating Agency ("KBRA") upgraded GSL's **corporate rating to BB+**, with a stable outlook, and also affirmed the **BBB/stable investment grade rating** and outlook for GSL's \$350 million Senior Secured Notes due July 15, 2027 - structured and placed by Goldman Sachs in June 2022.

* The ratings shown are as at June 2024.

About GSL

Our commercial and operational performance

Our commercial strategy is conservative and risk-averse: we focus on chartering our ships for multi-year periods in order to lock in cyclically attractive rates and provide forward visibility on cash flows for as long as possible. Furthermore, we have a highly disciplined approach to acquiring ships - only doing so when such acquisitions are value-accretive and on terms that allow us to minimize residual value risk while maximizing upside potential.

During the reporting period, we maintained business resilience and continuity, keeping our ships running efficiently and our personnel safe despite the continuing challenges posed by geopolitical developments.

Operational efficiency was maintained with a slight increase in ownership days (up 2.4%) while unplanned off-hire days were halved, demonstrating improved reliability. The fleet utilization rate remained stable at 95.9%.

Year-on-year, our 2023 Revenues were up 4.5%, and our Net Income rose by 4.1%, despite inflationary pressure lifting Operating Costs by 13.8% over the same period.

At the end of 2023, we had forward contracted revenues of approximately \$1.7 billion over a TEU-weighted average term of 2.1 years.

Statement of operations (in mil \$)	2023	2022	% Difference
Time charter revenue	674.8	645.6	↑ 4.52
Operating expenses	(331.6)	(291.4)	↑ 13.8
Vessel operating expenses	(179.2)	(167.4)	↑ 7.06
Time charter and voyage expenses	(23.6)	(21.2)	↑ 11.3
Depreciation and amortization	(91.7)	(81.3)	↑ 12.8
General and administrative expenses	(18.3)	(18.5)	↓ 1.1
Impairment of vessels	(18.8)	(3.0)	↑ 526
Gain (Loss) on sale of vessels	-	-	-
Operating income	343.2	354.2	↓ 3.1
Income before income taxes	304.4	292.9	↑ 4.0
Net income available to common shareholders	295.0	283.4	↑ 4.1

Operational Overview ¹	2023	2022	
Vessels in operation at year end	68	65	↑ 4.6
Ownership days	24,285	23,725	↑ 2.3
Planned offhire - dry-docking days	701	581	↑ 20.7
Unplanned offhire days	223	460	↓ 51.5
Idle days	62	30	↑ 106.7
Operating days	23,289	22,654	↑ 2.8
Port calls	5,568	4,991	↑ 11.6
Countries visited	87	90	↓ 3.3
Nautical miles travelled	5,495,179	4,918,558	↑ 11.7
Utilization	95.9%	95.5%	↑ 0.4



As of December 31, 2023 we had an on-the-water fleet of 68 containerships with an aggregate capacity of 375,406 TEU.

About GSL

Our ESG roadmap

The tables below provide an overview of the status of our strategic commitments by key ESG category:

Category	Actions/ Targets	In progress	Embedded
Climate Change & GHG Emissions	Meet and beat the targets set by the International Maritime Organisation (IMO) and achieve Net Zero emissions by the year 2050.	●	
	Implement transparent reporting of vessel emissions to the EU and IMO under their respective reporting schemes.		●
	Full compliance with IMO 2020 regulations to reduce Sulphur emissions, either through the adoption of low-Sulphur fuel or through the selective installation of Exhaust Gas Cleaning Systems (scrubbers).		●
	Extend the lifecycle, and enhance the operating performance, of existing ships in order to minimize the carbon footprint associated with the construction of new tonnage until next-generation clean fuel and propulsion technologies are commercially available.		●
	Active members of the Getting-to-Zero Coalition industry think-tank, and signatories to the Call to Action for Shipping Decarbonization.		●
	Foster alignment of our commercial and ESG strategies: there is a high correlation between low-slot-cost ships and low-emissions per TEU-mile of cargo carried.		●
	Minimize discretionary air travel in order to reduce emissions.		●
	Use of Silicone-based Paints for reduction of fuel consumption and emissions.		●
	Biofuels: we are making our fleet biofuel-compatible, with 44 ships already fully fitted; 13 ships have been successfully bunkered with biofuels.	●	
	Enhancement of Operational Optimization, with continuous improvements in environmental performance supported by Energy Efficiency Operational Indicator (EEOI) monitoring, real-time collection of high-frequency operating data, and application of evolving AI technologies.		●
	Coordinate with charterers to adopt and install technologies and structural enhancements that facilitate improvements in the operating performance and energy efficiency of our ships.		●
	Support R&D activities for the development of clean technologies for the container shipping industry (in 2022, we established a decarbonization R&D budget of \$8 million; allocation to date includes an investment in Aqualung, a venture focused on carbon innovation in the shipping space).		●
	Enhanced underwater cleaning practices, based on performance monitoring, to further improve fuel efficiency.		●
Ongoing optimization initiatives, including main engine upgrades, propeller replacements, and selective bulbous bow modifications, to enhance efficiency and reduce fuel consumption.		●	

Category	Actions/ Targets	In progress	Embedded
Marine Environment	Zero-tolerance approach to oil spills.		●
	Installation of IMO / USCG-compliant Ballast Water Treatment systems on all ships in our fleet.	●	
	Full compliance with marine environmental legislation and operational practices designed to safeguard marine habitats.		●
	Slow steaming procedures to protect whale populations.		●
	Use of eco-friendly lubricants to enhance environmental sustainability.		●
Waste management	Strict no garbage overboard policy.		●
	Onboard recycling: sort, separate, and compact waste aboard; dispose of ashore.	●	
Water consumption	Protocols to reduce water consumption aboard our vessels.		●
	Water recycling and on-board generation of potable water.	●	
Environmental Lifecycle Management	Document Inventory of Hazardous Materials (IHM) for each ship, consistent with European Union Ship Recycling Regulations (EU SRR).		●
	Adhere to Hong Kong Convention (HKC) for ship recycling.		●
Quality certifications	Implement management systems required to meet quality certifications related to environmental policy and management practices (ISO 14001:2015 or later) and to energy management policy and practices (ISO 50001:2011 or later).		●
Reduce carbon footprint in the office	Minimize paper use.	●	
	Eliminate use of single-use plastics.	●	
	Increase recycling.	●	
Safety	Ensure strong safety culture, targeting zero injuries or fatalities aboard our ships.		●
	Reinforce strong risk-mitigation protocols, targeting zero incidents or accidents.		●
Human rights	Embed human rights due diligence procedures and requirements in our own operations, and throughout our supplier and contractor network.		●
Child and forced labor	No child or forced labor permitted in our own operations.		●
	Requirements and screening of our suppliers or contractors to ensure there is no use of child or forced labor knowingly within our supply chain.		●
Sustainable procurement	Establish a sustainable procurement policy and adopt practices consistent with those of IMPA ACT, and further introduce our own Suppliers' Code of Conduct.		●
	Strengthen ESG screening of our suppliers and contractors.	●	
Attraction & Recruitment	Increase diversity throughout all levels of the organization.	●	
	Meet and exceed ILO requirements for the employment of seafarers.		●
	Develop and support relationships with leading academic institutions.	●	
Employee retention	Achieve annual employee retention rates above 75%.		●
	Adopt and maintain flexible working, where practical, to assist with family issues and work-life balance of employees.	●	
	Support our managers in maintaining a respectful and cooperative working environment.	●	

Category	Actions/ Targets	In progress	Embedded
Training & Development	Ensure company culture of safety, ethics, cooperation, and sustainability is promoted throughout the organization.		●
	Establish an onboard familiarization and seagoing experience program for shore-based employees.	●	
	Provide internship programs.		●
Rotation & Promotion	Implement cross-functional rotation of employees to broaden skill-sets and understanding.	●	
	Cultivate opportunities for upward mobility, allowing employees to take on more responsibility.	●	
Support Local Communities	Maintain a community-giving program in areas in which we operate.		●
	Provide support and sponsorship for vulnerable groups, either independently or in conjunction with local or international NGOs.		●
	Cultivate a spirit of volunteerism within the organization, with activities that aim to protect the environment and/or support vulnerable groups.		●
Compliance	Ensure the highest standards of compliance with industry and international regulations.		●
	Flag and classify our ships with reputable flag states and classification societies.		●
	Engage high-quality and internationally recognized auditor.		●
	Comply with Sarbanes-Oxley requirements.		●
Reporting	Meet all NYSE financial reporting and disclosure standards.		●
	Establish transparent ESG reporting.		●
	Adopt SASB standards for ESG reporting.		●
Discipline & Transparency	Maintain a high quality Board, aligned with shareholders' interests.		●
	Ensure Management is held to rigorous standards by the Board and expert committees.		●
	Ensure all transactions and contractual arrangements are on commercial, arm's-length terms.		●
	Ensure the company is a member of MACN, reflecting our commitment to anti-corruption policy.		●
Whistle-blowing	Guarantee that all Board members and senior management are subscribed to the NACD.		●
	Maintain an effective whistle-blowing system, and periodically assess all whistleblowing cases.		●
Corruption	Zero-tolerance approach to bribery and corruption.		●
ESG Governance	Periodically engage with key stakeholder groups to ensure alignment of ESG goals.		●
	Increase gender diversity at Board and senior management levels.	●	
	Establish ESG committee to establish ESG targets and monitor performance against those targets. Actively engage with and support the application of the Poseidon Principles.		● ●

About GSL

Summary of performance

The table below summarizes our ESG performance through KPIs associated with the Environment pillar (E). Where appropriate, year-on-year improvements, or deteriorations, during 2023 have been determined either on a TEU-mile-adjusted or vessel-ownership-days-adjusted basis.**

Pillar	KPI ²	Annual performance 2023 (68 Ships*)	Annual performance 2022 (65 Ships*)	Improvement status	SASB material disclosure topic
Environment	Energy Efficiency Operation Index (EEOI) Handymax (gr CO ₂ / TEU-mile)	133.90	171.80	✓	
	Energy Efficiency Operation Index (EEOI) Panamax (gr CO ₂ / TEU-mile)	116.40	143.40	✓	
	Energy Efficiency Operation Index (EEOI) Post-Panamax (gr CO ₂ / TEU-mile)	93.80	107.10	✓	
	Average Fleet Energy Efficiency Operation Index (EEOI) (gr CO ₂ / Tonne-mile)	19.2	21.40	✓	
	Average Fleet Annual Efficiency Ratio (AER) (gr CO ₂ / DWT-mile)	8.8	10.03	✓	
	Total direct GHG emissions (tn CO _{2e}) Scope 1	3,211,025.85	3,266,174	✓	●
	Total indirect GHG emissions (tn CO _{2e}) Scope 2	145.92	116.46		
	Total fuel consumption (tn)	1,028,569	1,042,689	✓	
	Total SOx emissions (tn)	4,373	4,665	✓	●
	Total NOx emissions (tn)	79,979	80,912	✓	●
	Total PM emissions (tn)	3,672	3,742	✓	●
	Total waste generated (m ³)	48,696	48,067	✓**	
	Total water consumption (m ³)	156,045	155,875	✓**	
	Total water reclaimed (m ³)	124,745	137,809		
	Percentage of fleet implementing ballast water treatment (%)	98.5	86	✓	●
	Number and volume of spills and releases to the environment	0	0		●

* Fleet size at year-end.

Pillar	KPI	Annual performance 2023 (68 Ships*)	Annual performance 2022 (65 Ships*)	SASB material disclosure topic
Social	Total number of seafarers in the pool	2,782	3,071	
	Total number of training hours (seafarers)	40,836	14,006	●
	Total women on board our ships	1	9 (8 officers)	
	Seafarers' retention rate (%)	91.9	89.0	●
	Total number of employees ashore	312	290 ¹	
	Gender diversity (%) all levels, ashore, including senior management	37.2	36.0	
	% of employees with seagoing experience	28.0	29.0	
	Total number of new hires	69	45	
	Total number of internships	10	6	
	Total number of employee turnover	47	48	
	Percentage of office employees covered by collective bargaining agreements	100%	100%	
	Percentage of seafarers covered by collective bargaining agreements	100%	100%	
	Total number of onboard drills per vessel	103	100	
	Number of port state control deficiencies and other deficiencies	397 ^{**}	281	●
	Number of serious marine incidents	2	1	●
	Lost time injury (LTIF) rate per 1,000,000 manhours	0.40	0.20	●
Total Recordable Cases Frequencies (TRCF) per 1,000,000 manhours	0.87	0.59		
Governance	% port calls in countries that have the 20 lowest rankings in the CPI	10.4	11.1	●
	Amount of legal and regulatory fines associated with bribery or corruption	0	0	●
	Number of controls and process tests conducted	204	204	
	Number of material weaknesses or deficiencies	0	0	

* Fleet size at year-end.

** The increase in deficiencies compared to 2022 is attributed to the expansion of our fleet and an 11.6% rise in port calls.

About GSL

We promote a diverse and inclusive environment

2,782 

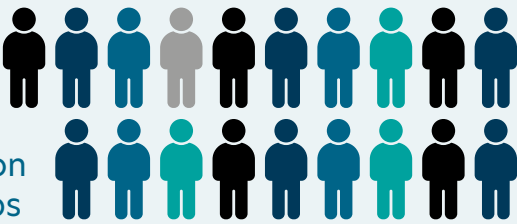
Total number of seafarers

312 

Employees ashore

2 

offices*

19 

Nationalities on board our ships

37.2% 

Proportion of female office-based employees

69 

New hires in 2023

87

Countries visited in 2023

Includes Global Ship Lease, Technomar, ConChart, and seafarers on our ships.

* London Office Operated Until March 31st 2024



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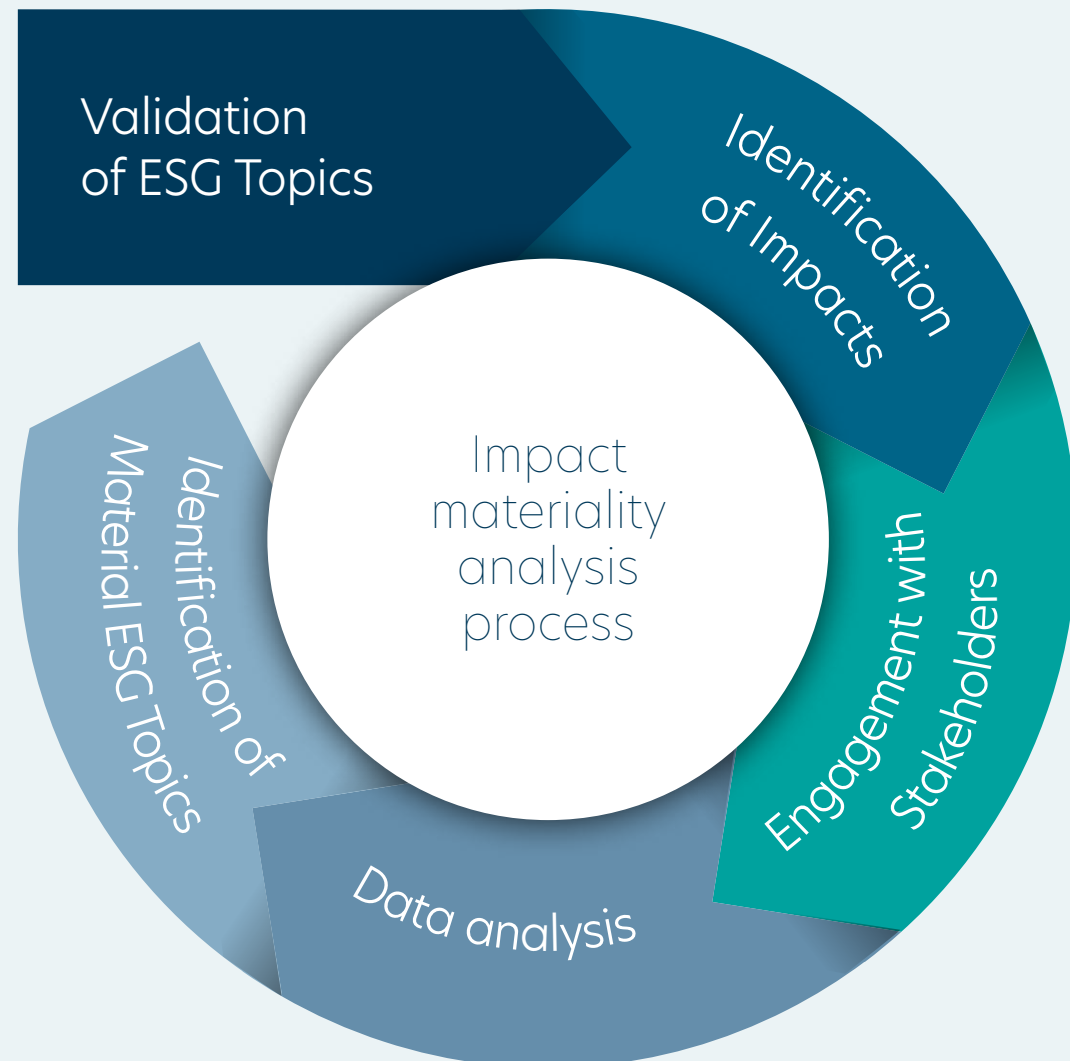
Materiality analysis

Materiality analysis

Impact materiality analysis process

Our ongoing goal is to embed ESG at the heart of our business strategy and processes in order to build sustainable value. To facilitate this, we periodically approach our stakeholders to better understand the materiality of ESG issues to them. We determine materiality in accordance with the Global Reporting Initiative (GRI) 3: Material Topics 2021 Standards. These standards incorporate the “impact materiality” approach and require organizations to identify, assess, and manage the ESG-related impacts associated with their business activities.

On this basis, we have taken into account the positive and negative impacts - both actual and potential - of our business practices, operations, and value chain on the broader economy, environment, society, and individuals - including human rights. Furthermore, we continuously monitor the rapidly evolving regulatory environment in order to adjust our strategy and business activities appropriately.



Materiality in the context of GRI & SASB ESG reporting guidelines.

Materiality analysis

Our key stakeholder groups

Employees

- Seafarers
- Office employees
- Crewing Agents

Community and Society

- Community Representatives
- Academic institutions
- Media Organizations

Suppliers

- Ship Brokers
- General suppliers

Industry Organizations

- Industry Analysts
- P&I clubs
- Insurers
- Classification Societies

Shareholders/Investors

- Equity Investors
- Credit Investors

Customers

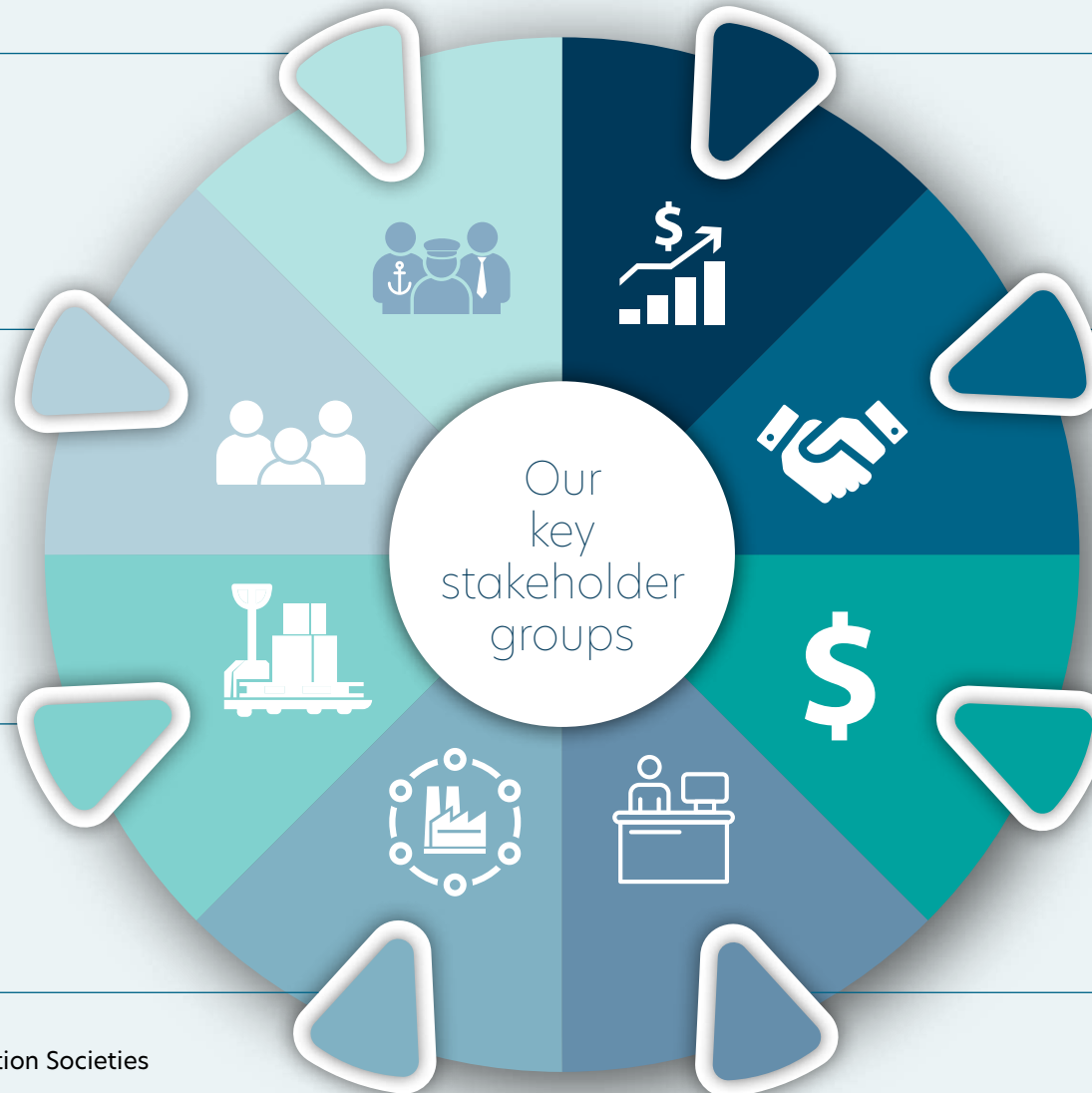
- Charterers /
Liner Operators

Financial Institutions

- Commercial Lenders &
Financial Lessors
- Investment Banks
- Financial Analysts

Authorities

- IMO
- Flag States
- Port Authorities



Materiality analysis

Supporting the United Nations Sustainable Development Goals



We have incorporated the United Nations Sustainable Development Goals (UN SDGs), which have been integrated into the overall work of IMO, within our thinking and are guided by them when conducting our business operations to help stimulate sustainable development



Materiality analysis

Overview of results and material topics

The following table presents an overview of our material sustainability topics and their associated impacts. The table provides a comprehensive summary of the significance and scope of each impact, along with the connection between our material topics and the United Nations Sustainable Development Goals (UN SDGs).

	Material Topics	Impacts	Nature of impact*	Significance**	Link to UN SDGs
Environment	Greenhouse Gas (GHG) emissions and air pollution	Reduction of fleet's carbon intensity, through the implementation of our Climate Strategy.	Positive Potential	2.90	
		Increased emissions of air pollutants per vessel due to the use of conventional, fossil-based fuels - if such emissions were to be un-mitigated.	Negative Potential	2.83	
	Research, innovation and clean technologies	Contribution to the decarbonization of the maritime industry, through investment and / or participation in R&D programs for cleaner fuels, energy efficiency enhancements, and emission mitigation technologies (e.g. carbon capture).	Positive Potential	2.80	
	Marine environment and biodiversity	Protection of aquatic life, through the responsible management of ballast water and the reduction of underwater radiated noise levels.	Positive Actual	2.83	
Degradation of the marine environment due to incidents of fuel and lubricant spills into the ocean.		Negative Potential	2.85		

* Blue color represents a positive impact, while orange color signify a negative impact

** Using a three-point scale to determine significance, all topics that were assigned a combined score of 2.52 and above, with the results showcasing their importance. Following best practice and to determine the list of material topics, the materiality threshold was set at 2.80, capturing seven out of the sixteen topics taken into consideration.

Materiality analysis

Overview of results and material topics

Category	Topic	Description	Impact	Score	SDG Icons
Social	Occupational health, safety and security	Improved health, safety and security, through the adoption of proactive safety measures, the implementation of onboard internal audits and inspections, and "extra mile" measures beyond regulatory requirements.	Positive Actual	2.87	
		Failure to protect employees' health and safety in case of increased work-related accidents caused by the inadequate monitoring of hazards or the absence of a Health and Safety Management system.	Negative Potential	2.87	
	Employee wellbeing and benefits	Improved employee satisfaction and working conditions, through the provision of and Ethics, supported by a whistleblowing policy.	Positive Potential	2.85	
	Human rights	Protection of human rights, through the adoption of a clear Code of Business Conduct and Ethics, supported by a whistleblowing policy.	Positive Actual	2.84	
Discrimination and harassment incidents in case of inadequate processes, lack of training, and/or limited awareness on sensitive matters.		Negative Potential	2.84		
Governance	Regulatory compliance	Regulatory compliance, through appropriate oversight of legal and regulatory requirements.	Positive Actual	2.83	
		Penalties and/or disruptions to the Company's operations in case of inadequate internal controls and/or oversight of legal and regulatory requirements.	Negative Potential	2.82	

The impact materiality assessment incorporated a total of 32 impacts, which were grouped into 16 distinct topics: five environmental, seven social, and four governance related. The following topics, despite not meeting stakeholders' aggregated significance thresholds, are nevertheless considered important to achieving the Company's business objectives:

- i. Waste management and recycling;
- ii. Corporate governance, ethics, and transparency;
- iii. Cyber security and data protection;
- iv. Labour practices;
- v. Ship recycling;

- vi. Financial performance and commercial strategy;
- vii. Sustainable procurement practices;
- viii. Diversity and inclusion;
- ix. Community investments.

An underwater photograph showing the underside of a wave crest. The water is a vibrant blue, and light rays are visible filtering down from the surface. The wave's surface is just above the frame, showing the texture of the water and the white foam of the crest.

3

Climate strategy

Climate strategy

Our industry

The container shipping industry forms a key part of the global supply chain linking the producers and consumers of goods: over 80% of physical global trade is carried by sea, and around 90% of non-bulk seaborne cargo is carried by containerships. In 2023, containerships are estimated to have carried 211 million TEU, equating to about 1.9 billion tonnes of containerized cargo.

The industry is a contributor to the United Nations Sustainable Development Goals, especially those associated with poverty alleviation, economic growth, and infrastructure.

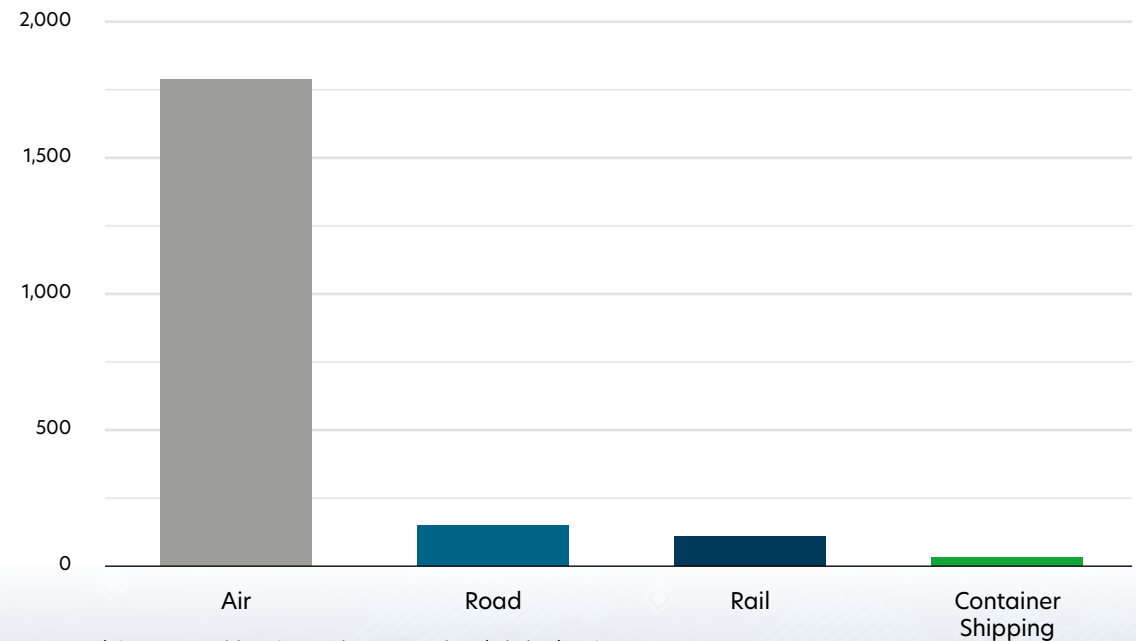
Decarbonizing shipping

Shipping represents a low carbon form of transportation, particularly when compared to emissions associated with moving comparable volumes of cargo over the equivalent distances using other common modes of freight transport such as air, road, or rail. Nevertheless, shipping (across all sectors) is responsible for approximately 3% of the world's total Greenhouse Gas (GHG) emissions.

Decarbonizing shipping and helping to reduce the carbon footprint of the global supply chain, is increasingly understood to be an important step towards minimizing the negative effects of climate change.

Multiple regulatory bodies, industry organizations, and companies are setting decarbonization targets and taking action accordingly.

Illustrative emissions by transport mode (gr CO₂ / Tonne-Km)*



* Source: Maritime Strategies International Limited (MSI)

Climate strategy

Industry context: evolving regulatory requirements

International Maritime Organization (IMO)

- In 2018, the IMO, shipping's global regulator, adopted a strategy for the reduction of GHG emissions from ships, targeting an absolute reduction of 50%, v. 2008 levels, by 2050. Simultaneously, a reduction in carbon intensity of at least 40% by 2030 was targeted, with further efforts towards a reduction of 70% by 2050. In 2023, the IMO published a revision to its earlier GHG reduction strategy, setting a more ambitious target for reaching Net Zero emissions from international shipping by around 2050 and committing to the uptake of alternative zero and near-zero GHG fuels by 2030.
- In 2021, the IMO adopted amendments to the MARPOL convention that require ships to combine technical and operational measures to reduce their carbon footprint.
 - **Technical:** The Energy Efficiency Existing Ship Index (EEXI) reflects the energy efficiency of a ship in relation to an established baseline, and is determined by the technical characteristics of that ship. EEXI entered into force from January 1, 2023, and the most common and cost-effective compliance measure involves the retrofitting of Engine Power Limiters (EPLs) to ships' main engines.
 - **Operational:** The Carbon Intensity Indicator (CII) is a measure of how efficiently a given ship is operated and is expressed in terms of grams of CO₂ emitted per unit of cargo carrying capacity per nautical mile. Consistent with the IMO's carbon intensity reduction goals, ships will be obliged to progressively reduce their carbon intensity by 2% year-on-year from 2023 through 2026. Attaining and maintaining favorable CII ratings requires close cooperation between ship owners (lessors) and operators (lessees) to optimize the energy-efficient operation of ships.

European Union (EU)

- In 2019, the European Commission formulated the Green Deal with the aim of making the European Union climate-neutral by 2050. A prominent goal is to reduce CO₂ emissions from transport by 90%, v. 1990 levels, by 2050. Regulations incorporated within the Green Deal require increased transparency on ESG data across all business sectors, including shipping.
- To complement the Green Deal, the EU is implementing a taxonomy focused on sustainable investments, intended to direct funding towards climate-friendly activities. In 2021, the European Commission published "Fit for 55": an update to the Green Deal, targeting a 55% reduction in carbon emissions by 2030. The Fit for 55 legislative package covers a wide range of areas including energy efficiency, renewable energy, land use, energy taxation, effort sharing, and emissions trading - with shipping included within the EU Emissions Trading System (EU ETS) from 1 January 2024 onwards. Under EU ETS, companies receive or procure Emission Allowances (EUAs) which must be surrendered on an annual basis. EUAs are tradeable, and their issuance is capped - with the cap reducing year-on-year in order to drive a reduction in emissions. Supply-demand dynamics, together with regulatory and political pressure, are expected to increase the cost of EUAs over time. In the maritime sector, EU ETS covers CO₂ emissions from ships over 5000 gross tons: 100% of emissions generated during voyages within the EU, and 50% of emissions from voyages that either commence or conclude in EU territorial waters, even if they start or end outside the EU. EU ETS will also encompass emissions from ships while they are berthed in EU ports.
- An additional component of the EU's Fit for 55 package, FuelEU Maritime, is expected to come into effect from January 1, 2025. FuelEU Maritime takes a "well-to-wake" approach, meaning that it considers the full lifecycle "Greenhouse Gas (GHG) Intensity" of fuels, from production to combustion. The EU aims to drive the adoption of sustainable fuels and technologies by imposing economic penalties, which are expected to increase over time, on the use of GHG-intensive fuels.

Climate strategy

Industry context: evolving regulatory requirements

Other illustrative national and pan-national initiatives

- The governments of Denmark, Norway, and the United States, along with the Global Maritime Forum (representing the Getting to Zero Coalition) and Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping, have established an international public-private partnership – the “Zero-Emission Shipping Mission”. By 2030 the Mission aims to introduce commercially viable zero-emission vessels to the global fleet, scale up efficient production of zero-emission fuels, and establish global port infrastructure to support vessels operating on zero-emission fuels. The European Commission, Germany, Canada, France, Ghana, and the Republic of Korea belong to the Mission Support Group; Australia, India, Morocco, Singapore, and the United Kingdom are Core Mission Members.
- China has released a national action plan for carbon emissions to peak by 2030, with carbon neutrality to be achieved by 2060. In relation to shipping, China is focusing on accelerating the process of modernizing outdated vessels, fostering the development and production of electrically-powered and liquefied natural gas-fueled ships, and prompting the adoption of cold ironing (AMP - Alternative Marine Power) by ships during their stay at ports. Additionally, extensive initiatives towards the support and operation of environmentally-friendly and “intelligent” ships along the coastline and inland waterways, are being conducted, taking into account the unique conditions of the region. In 2021, the Shanghai Emissions Trading System (ETS) incorporated local shipping companies and ports into its carbon emissions allowance management unit list. This development suggests the possibility of a broader expansion of the national ETS.
- The United Kingdom has committed to a Net Zero Strategy with the goal of achieving net-zero emissions by 2050. In line with this, the UK introduced the Zero Emission Vessels and Infrastructure (ZEVI) initiative in February 2023 to promote environmentally sustainable maritime transport, aligning with the global objective to limit temperature increases to 1.5°C, as per the Paris Agreement. In 2021, following Brexit, the UK established its own Monitoring, Reporting, and Verification (MRV) system, an adaptation of the EU MRV, designed to track CO₂ emissions from ships over 5,000 gross tons engaged in voyages to or from UK ports. The UK government also plans to incorporate shipping emissions

into the UK Emissions Trading Scheme (UK ETS), incentivizing further reductions in greenhouse gas emissions. Non-compliance with these MRV regulations could result in penalties, including potential restrictions on port access.

- The Maritime and Port Authority of Singapore (MPA), in consultation with industry partners, has published the Maritime Singapore Decarbonization Blueprint 2050, identifying seven focus areas to drive the decarbonization of the maritime industry by 2050.
- In 2022, the United States government established the Inflation Reduction Act (IRA): legislation to address the climate crisis and facilitate a pathway towards achieving a net-zero economy by 2050. Among other things, the IRA includes the Energy Infrastructure Reinvestment (EIR) loan program. This initiative aims to support the retooling, repowering, repurposing, or replacement of energy infrastructure that has ceased operations, or to enhance the cleanliness and efficiency of existing infrastructure that is currently operational. Carbon Capture and Storage (CCS) is also an important plank of the IRA legislation.

Poseidon Principles and other finance sector initiatives

- In June 2019, the Poseidon Principles were developed by a group of leading lenders to the shipping industry to provide a framework for integrating climate considerations into lending decisions and to promote the decarbonization of international shipping. The Principles are consistent with the IMO’s decarbonization goals. At the time of writing of this report, according to the Poseidon Principles website, 35 leading banks, collectively representing approximately 80% of global shipping finance, are signatories to the Poseidon Principles.
- The Climate Bond Standard, as part of the Climate Bonds Initiative, and the Green Bond Principles of the International Capital Market Association (which overlap with the Poseidon Principles), are further examples of frameworks developed in recent years to promote sustainable, environmentally-responsible finance.

Climate strategy

Our approach to decarbonization

We take a full life-cycle approach to the carbon footprint of ships: considering the impact of building and recycling ships, as well as operating them. We see expanding the economic life of existing ships - while enhancing their energy-efficiency and optimizing their operation - until next-generation sustainable fuels and propulsion technologies become well-established, commercially available, and economically viable, as being both environmentally sensible and financially prudent.

We continuously monitor our performance and apply measures to improve our carbon footprint.

Recognizing the challenges and implications of climate change, and the significant value of transitioning shipping to a decarbonized future, we are a committed member of the "Getting to Zero Coalition" (GTZ), a partnership between the Global Maritime Forum and the World Economic Forum. GTZ is committed to getting commercially viable, deep-sea, zero-emission vessels, powered by zero-emission fuels, into operation by 2030.



GLOBAL
MARITIME
FORUM

**Getting to Zero
Coalition**

In 2021, we became signatories of the Call to Action for Shipping Decarbonization on world leaders to:

- **Commit to decarbonizing international shipping by 2050** and deliver a clear and equitable implementation plan to achieve this when adopting the IMO GHG Strategy in 2023.
- **Support industrial scale zero emission shipping projects** through national action, for instance by setting clear decarbonization targets for domestic shipping and by providing incentives and support to first movers and broader deployment of zero emissions fuels and vessels.
- **Deliver policy measures** that will make zero emission shipping the default choice by 2030, including meaningful market-based measures, taking effect by 2025, that can support the commercial deployment of zero emission vessels and fuels in international shipping.



Climate target



**Global Ship Lease
targets Net Zero carbon
emissions by 2050**

Climate strategy

Our approach to decarbonization

Principles Guiding our Decarbonization Strategy

Our target is to achieve Net Zero carbon emissions by 2050. Our decarbonization strategy is phased, in accordance with the following underlying principles:

- **Energy Efficiency of Existing Ships:** We believe that improving the energy efficiency and reducing the emissions of existing ships provides the most immediate and tangible societal benefits and economic returns. We estimate that technical upgrades and operational optimization can improve the energy efficiency of existing ships by over 20%.
- **Life-Cycle Approach to Ships:** We take a full life-cycle approach to ships, considering the carbon footprint associated with their construction, operation, and eventual recycling. Ships are long-lived assets, requiring that a multi-decade view be taken on the fuel and propulsion technology of newbuildings.
- **Well-to-Wake Approach to Clean Fuels:** We take a well-to-wake (full life-cycle) approach to green fuels. Next-generation fuels will only be genuinely sustainable if they are produced in an environmentally responsible manner, using renewable energy sources.
- **Future Fuels and Infrastructure Development:** It is not yet clear which will be the industry's fuels of the future. A non-exhaustive list of potential alternatives includes bio-fuels, LNG (both primarily as transition fuels), ammonia, hydrogen, green methanol, battery-hybrids, and nuclear. Furthermore, it will take time and considerable investment for infrastructure to be built to support the production, distribution, commercialization, and widespread adoption of next-generation fuels. Fuels are sourced by our customers, the liner operators. Consequently, where they lead, we will follow.
- **Collaboration:** It is increasingly clear that emissions-reducing enhancements at the asset level can be either positively leveraged or negatively undermined by the way in which a ship is operated. Data-sharing and process digitization provide powerful means for collaboration between ship owners (GSL) and operators (our customers, the charterers) to optimize operations and meaningfully reduce fuel consumption and emissions. Capturing high-frequency operating data from our vessels will also facilitate the use of AI to further support our long term environmental goals, together with regulatory reporting and compliance.
- **Cooperation for Decarbonizing the Supply Chain:** Achieving decarbonization across the supply chain will require a high level of cooperation among all energy- and supply-chain participants - also including regulators, thought-leaders, researchers, and academics.
- **Optionality:** Containership owning and leasing is a capital-intensive industry, with long-lived assets, for which the regulatory, technological, and commercial environment is evolving rapidly. Underpinning our decarbonization strategy is the view that maximizing optionality in the short- to medium-term will be key to managing the risks and opportunities intrinsic to transitioning the industry, and our business, to a lower carbon future.

Climate strategy

Our approach to decarbonization

2021-2023

Set target to achieve net zero carbon emissions by 2050

Craft decarbonization strategy, phased to align with underlying principles:

- Near term, through ~2030
- Long term, through 2050

2030

Regulatory compliance

Optimization of existing fleet and processes through technical and operational enhancements

Incremental improvement in emissions profile through selective growth and fleet renewal with more energy-efficient assets

Maximization of flexibility to adapt to the industry's evolving propulsion trends

2050

Net Zero by 2050

across our operations and supply chain

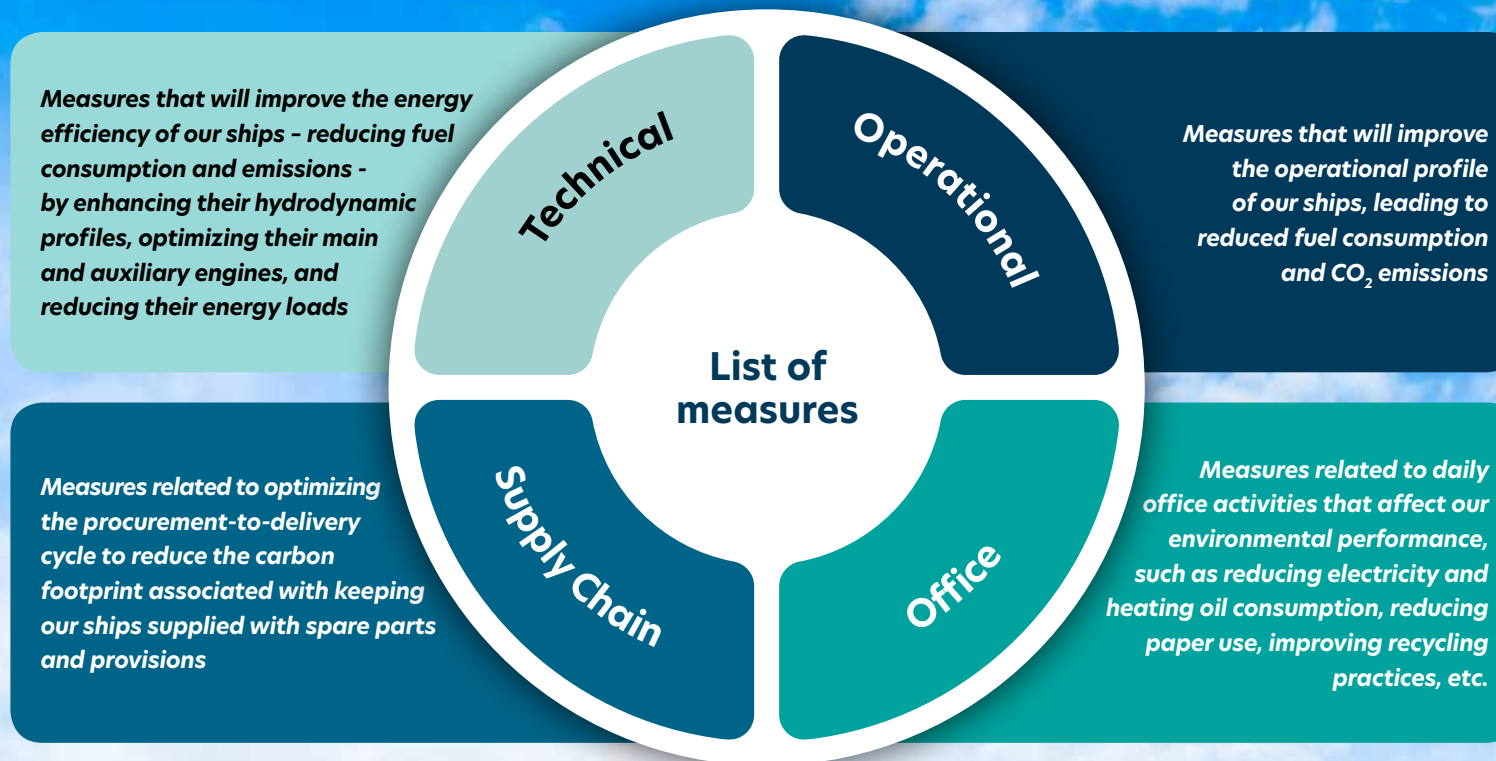
Fleet renewal with next-generation green assets



Climate strategy

Our approach to decarbonization

Near term decarbonization measures



We take a holistic approach to decarbonization, endeavoring to reduce our footprint across all our activities. However, we recognize that improving the energy efficiency, and reducing the emissions, of our fleet will have the most meaningful and positive impact in absolute terms.

Climate strategy

Our approach to decarbonization

The four pillars to our fleet decarbonization strategy, and progress to date*

01. ESTs

- Existing ships fitted with Energy-Saving Technologies (ESTs).
- Increase capacity of existing ships to reduce emissions per tonne-mile by increasing loadable TEUs as well as deadweight.

→ **ESTs installed and capacity enhancements implemented: 312.****

03. Fuels

- Make existing fleet low-carbon bio-fuel ready.
- Explore scope to retro-fit existing ships to accommodate other low carbon fuels as they become available & viable.

→ **Ships able to accommodate and consume bio fuel: 44**

→ **Ships successfully bunkered with bio fuel to date: 13**

02. Data & Digitization

- Install emissions-monitoring systems.
- Implement systems for real time automated capture of high frequency vessel operating data supporting live performance management systems.
- Digitize processes to improve efficiency, facilitate collaboration, and reduce environmental footprint.

→ **Monitoring systems installed: 68.**

→ **Live performance management systems installed: 42.**

04. Carbon capture

- Support research and development efforts focused on marinizing carbon capture and storage (CCS) technology.
- Support efforts to create a virtuous cycle between carbon capture and green methanol synthesis.

→ **Co-invested in promising CCS venture.**

GSL near term
fleet decarbonization strategy

Pillar 01
ESTs

Pillar 02
Data

Pillar 03
Fuels

Pillar 04
Carbon capture

* Through June 30, 2024.

** Includes scrubbers, draft increase and TEU maximization projects. Does not include Engine Power Limiters (EPLs) installed for EEXI compliance.

Climate strategy

Our approach to decarbonization

The following table presents measures supporting our near-term climate strategy for our fleet.

Measures supporting our near-term decarbonization strategy for our fleet

Area of Enhancement	Measure	Description
EST: Hydro-Dynamics	ECO-Bow	Retrofitting bulbous bows optimized to minimize water resistance at speeds and drafts matching the required operating profiles of vessels, thus reducing fuel consumption and emissions
EST: Hydro-Dynamics	ECO-Propeller	Installing propellers optimized to match the required operating profiles of vessels, improving efficiency, and thus reducing fuel consumption and emissions
EST: Hydro-Dynamics	PSV / HVAF	Enhancing propeller efficiency through the installation of PSVs (Pre-Shrouded Vanes) and HVAFs (Hub Vortex Absorb Fins)
EST: Hydro-Dynamics	Enhanced Hull Coatings	Applying high-specification hull coatings (often silicon-based) to reduce water-resistance, hull-friction, and drag during vessel operations - thus reducing fuel consumption and emissions
EST: Hydro-Dynamics	Trim Optimization	Installing TROP systems to optimize trim and ballast to improve ships' hydro-dynamic profiles, thus reducing fuel consumption and emissions
EST: Engines & Machinery	Main Engine De-Rating (EEXI-Compliance)	Reducing the upper limit of the Maximum Continuous Rating (MCR) of ships' main engines, in order to reduce fuel consumption and emissions. Where required, EPLs (Engine Power Limiters) are installed to limit MCR and ensure compliance with the IMO's EEXI regulations
EST: Engines & Machinery	Turbocharger Cut-Outs	Installing turbocharger cut-outs further enhances the fuel economy, and thus energy efficiency, of de-rated main engines
EST: Engines & Machinery	Electronic Engine Control	Electronic engine control improves dynamic tuning, optimizes the combustion cycle, and improves overall engine efficiency to reduce fuel consumption and emissions
EST: Engines & Machinery	Machinery Optimization	Installing "intelligent combustion" systems on ships' main engines reduces fuel consumption by optimizing engine efficiency throughout the load spectrum, and especially at lower engine loads associated with slow steaming. Variable Frequency Drives (VFDs) improve the energy efficiency of water pumps and ventilation fans

Climate strategy

Our approach to decarbonization

The following table presents measures supporting our near-term climate strategy for our fleet.

Measures supporting our near-term decarbonization strategy for our fleet

Area of Enhancement	Measure	Description
EST: Engines & Machinery	Shaft Generators	Shaft generators are driven by ships' main engines, in conjunction with propeller shafts, providing electrical power more efficiently (and thus at lower fuel consumption) than that provided by diesel generators
EST: Engines & Machinery	Alternate Marine Power	Alternate Marine Power (AMP), also known as "cold ironing", significantly reduces emissions when ships are operating at ports and terminals by allowing those ships to "plug in" to shoreside power infrastructure
EST: Engines & Machinery	Slide-Type Fuel Valves	Installing slide valves improves fuel injection efficiency, combustion efficiency, and combustion cleanliness - improving engine efficiency and reducing emissions
EST: Engines & Machinery	LED Lighting	Replacing conventional lighting aboard ships with LED lighting increases energy efficiency and improves longevity, lengthening replacement cycles
Data & Digitization	Reporting Tools	Through installation of the RINA reporting tool we expect to accurately monitor vessel emissions and manage regulatory reporting and compliance (eg.CII, EU-ETS, and FuelEU Maritime) of our ships, and to take pro-active measures, in collaboration with our charterers, to facilitate emissions reduction through operational enhancement. RINA is our MRV & IMO/DCS verifier, which should ensure seamless data flow.
Data & Digitization	Automated Data Capture & Real-Time Performance Management	We believe that the installation of automated data capture & real time performance monitoring systems on our ships will allow us to gather and analyze data, and take pro-active and collaborative measures to optimize vessel operations and materially improve energy efficiency over time
Data & Digitization	Optimization Tools	Optimization tools include Weather Routing - to reduce exposure, where possible, to heavy adverse weather that would otherwise cause fuel burn to increase; and Speed Optimization - to identify and, where possible utilize, the optimum speed for a given hull form, cargo load, and cargo route whereby the fuel used per TEU-mile is minimized without compromising contractual commitments

Climate strategy

Our approach to decarbonization

The following table presents measures supporting our near-term climate strategy for our fleet.

Measures supporting our near-term decarbonization strategy for our fleet

Area of Enhancement	Measure	Description
Fuels	Bio-Fuel Compatibility	The well-to-wake emissions footprint of our ships can be reduced through the use low carbon index bio-fuel blends. To become bio-fuel compatible, ships may require structural modifications to fuel tanks in addition to the adoption of special fuel protocols. Among others, approvals are also required from main engine makers, Class, and insurance underwriters. 13 vessels have started using biofuels (B20 & B30), with modifications underway to ensure biofuel-readiness, marking a significant CAPEX footprint.
Fuels	Low Sulphur Emissions (Compliance)	Our ships use low-sulphur fuel, unless fitted with exhaust gas cleaning systems ("scrubbers"), in order to reduce sulphur emissions and comply with IMO 2020 regulations
General	Capacity Enhancement	Increasing ships' Deadweight (DWT), via Scantling Draft re-assessment and TEU maximization, can improve cargo carrying capacity and thus reduce fuel consumption (and emissions) per tonne-mile / TEU-mile of transport work
General	Energy Awareness Training	Increasing the awareness and skillsets of our crew to improve the energy-efficient operation of our ships

Climate strategy

The importance of cooperation

Operational and technical enhancements that improve the energy efficiency of a ship result in lower emissions as a consequence of reduced fuel consumption. The economic benefits of reduced fuel consumption accrue to the operator (lessee) of that ship.

Successful decarbonization of the global containership fleet will thus require close cooperation between containership owners (lessors), such as Global Ship Lease, and the container shipping lines chartering and operating the ships (lessees), to ensure that environmental and economic incentives are appropriately aligned with the “polluter pays” principle.

We apply the following criteria when assessing vessel enhancements in conjunction with our customers:

CAPEX (k\$): Required investment

Savings (k\$): Savings unlocked by the respective measure: primarily fuel related

Emissions Reduction (%): Reduction in GHG emissions facilitated by the respective measure; closely correlated to reduction in fuel consumption

Payback Period (years): Time period needed to pay back the initial investment, assuming CAPEX and savings are linked to the same party (a key discussion point)

Lead Time (months): Time required to prep a ship / corrective measure for implementation; ideally ties in with ship's existing drydock schedule

Vessel Age (years): Linked to payback period: economics must make sense within vessel lifetime



Climate strategy

Leveraging innovation, data, and cooperation to support decarbonization

Meeting the evolving regulatory and commercial requirements for decarbonization will require innovation. To this end, we have established an \$8.0 million research and development (R&D) budget to allow us to support selective investment in promising, value-enhancing decarbonization initiatives.

One of the biggest challenges faced by the shipping industry on the road to decarbonization is to adapt to what is likely to be a non-standardized, multi-fuel environment in the future - with each fuel type requiring its own infrastructure, propulsion technology, safety protocols, training, and all else that such a fundamental shift involves.

Successfully navigating such complexity will take time. Industry bodies consider that a 5 - 10% adoption rate of clean fuels by the industry by 2030 would be a success.

We believe that **carbon capture** potentially offers a powerful, and more rapidly available tool to mitigate exhaust gas emissions as the industry transitions to the clean fuels of the future.

Although not without technological challenges of its own, a compelling advantage of carbon capture is that, almost regardless of the initial fuel input, the output of combustion is a **standardized and well-understood carbon dioxide molecule**. And, as demonstrated by container shipping itself, standardization can unlock a virtuous cycle: reducing costs and facilitating and accelerating the build-out of support infrastructure and services.

We have invested in a carbon capture initiative led by Aqualung Carbon Capture AS. Aqualung is recognized as a pioneer in membrane carbon dioxide capture and separation technology, and our participation in this initiative is alongside other prominent industry leaders in shipping, energy generation, infrastructure, and lithium production. The targeted outcome of this collaboration is the development of containerized carbon capture units that can be retrofitted to containerships and other seagoing vessels.

We believe that such a technology can play a central role in **extending the lives of existing ships** by significantly mitigating their emissions and increasing their competitiveness in an increasingly carbon-regulated environment - which is a key step, in our view, in transitioning to a **decarbonized future**.

In 2023, we joined the UK National Clean Maritime Research Hub as a project partner to Bayes Business School. By collaborating with academia, industry, and government, the Hub focuses on driving innovation and research to develop clean maritime technologies and solutions. We bring real-world operating expertise and data to the collaboration, and draw from it thought-leadership and research that will assist the shaping and refinement of our decarbonization strategy over the medium- and long-term.

Furthermore, following our ongoing collaboration with the National Technical University of Athens (NTUA), two of our employees are using the Company's data to support their diploma theses on decarbonizing the shipping industry.

Leveraging real time data and AI to improve operations, reduce emissions, and unlock savings

Data is one of the four pillars of our decarbonization strategy. We are in the process of installing automated data capture and live performance management systems on our fleet. These systems will allow us to source, share, and analyze ever-richer data sets in real time. We are already utilizing AI and Machine Learning (ML) technologies to enhance data collection efficiency, with high-frequency monitoring systems expected to be installed across the entire fleet by the first quarter of 2025. As AI and ML capabilities continue to evolve, we expect to unlock increasing decarbonization, operational, commercial, and economic benefits from this data. Key near-to-medium-term opportunities include efficiency enhancements through routing optimization, operational smoothing and cooperation, pro-active maintenance, and increasingly automated emissions monitoring and regulatory disclosure. Long-term, the scope and potential for additional benefits, including seamless integration with environmental KPIs, are considerable. Additionally, we are implementing a Preventive Maintenance System (PMS) across the fleet. This will further enhance data feedback loops and improve crew awareness for more efficient operations..

Climate strategy

Supplemental decarbonization initiatives

Operational Efficiency

We are continuously reviewing and improving ways to upgrade our operational efficiency and reduce our environmental impact. As part of our decarbonization initiatives, we have intensified hull cleaning and propeller polishing operations across our fleet.

Our approach, refined through years of iterative trial and error, leverages extensive operational experience to optimize the timing and execution of these maintenance activities. This continuous improvement process has enabled us to fine-tune our methodology to reduce fuel consumption and lower emissions. The savings from such operations can contribute to around a 5-10% reduction in hull resistance and a corresponding reduction in fuel consumption and emissions.

Our participation in the voluntary carbon market

In order to help fund the acceleration of our decarbonization initiatives, we are working with third-party specialists to participate in the voluntary carbon markets. Marsoft's GreenScreen allows shipowners like us to calculate the fuel savings and emissions reductions that can be expected from retrofitting ships and to earn carbon credits to offset the cost of those retrofit investments. Developed in collaboration with the Massachusetts Institute of Technology SeaGrant Design Laboratory and delivered jointly with ClimeCo, a global sustainability company, GreenScreen is a rigorously audited way to assist owners in funding shipping retrofits by issuing carbon credits in compliance with the Gold Standard, a certification body established by the World Wildlife Fund. This approach is consistent with our broader lifecycle strategy, which includes enhancing fuel efficiency and reducing environmental impacts through ongoing projects like propeller replacements, the adoption of biofuels, and selective bulbous bow changes. We believe that carbon credits, along with our full asset life-cycle approach to decarbonization, will support our efforts to extend the life of existing ships while at the same time reducing their carbon footprint.

Data & digitization to improve collaboration & transparency

We have partnered with specialized technology providers, Ascenz-Marorka and Ankeri, to build out our digital platform and data management capabilities. Ankeri's holistic approach to data consolidation, standardization, and integration is expected to streamline workflows and facilitate the seamless exchange of operational, commercial, and regulatory data with our charterers. Ascenz-Marorka's performance monitoring tools allows us to collect real-time, high-frequency data on fuel consumption, weather routing, and vessel performance - which can be shared with our charterers to facilitate collaborative optimization of vessel operations. The Ascenz-Marorka system also provides detailed analytics, enabling us to track post-drydock performance improvements, monitor engine and machinery efficiency, and ensure compliance with CII and ETS regulations. With Marorka's advanced AI and machine learning capabilities, we can further optimize vessel speed, minimize overconsumption, and streamline fuel efficiency. These platforms simplify contract management, reduce administrative tasks, and keep GSL ahead of the curve in meeting both customers' demands and regulatory requirements. This approach reinforces GSL's leadership in both decarbonization and digitization efforts.

4

Environment

Related SDGs



Environment

Over 80% of physical global trade is carried by sea, and around 90% of non-bulk seaborne cargo is carried by containership.

We consider protection of the climate in general, and of the marine environment in particular, to be of fundamental importance. We have established policies and procedures that go beyond regulatory requirements to proactively mitigate the environmental impact of our operations.

The shipping industry currently faces an energy transition challenge and there is increased regulatory pressure, heavily focused upon emissions reduction.

GSL is closely following all regulatory developments and taking the appropriate steps to adjust our business strategy and operations accordingly.

Please refer to the climate strategy section of this report for further details.



Although emphasis is placed on the reduction of GHG emissions and the improvement of our fleet's energy efficiency, our approach also encompasses other environmental considerations, such as water and waste management, biodiversity protection, and responsible ship recycling.

Key elements of our environmental approach include:

- Embedding Environmental Management Systems (EMS) in accordance with ISO 14001:2015 and ISO 50001:2011.
- Implementing environmental and energy efficiency programs and taking measures, focused on continuous improvement of energy efficiency and minimization of GHG emissions, discharge, and waste.
- Setting clear targets for the improvement of environmental performance, and the embedding of best practices for operational management.
- Promoting a culture of environmental awareness both on shore and at sea.

Container shipping is a low-carbon form of transportation, with significantly lower greenhouse gas (GHG) emissions per ton-mile of cargo carried than that of other common modes of freight transport.



Environment

Key environmental regulations

Compliance with environmental regulations is of fundamental importance for the integrity of our business. In 2023, zero environmental fines and incidents of non-compliance were recorded.

0 Environmental fines
Incidents of non-compliance

Regulation	Description	Our response
Inventory of Hazardous Materials (IHM)	A regulation to control hazardous materials on board ships for the Safe and Environmentally Sound Recycling of Ships. Any ship which is 500 GT or over, regardless of flag, will require a valid and certified IHM on board if calling at an EU port or anchorage. Non-EU flagged vessels can also be certified against EU SRR by complying with the HKC IHM requirements. Entry into force: December 31, 2020.	We actively recycle scrap during hull repairs and maintenance and engage in environmentally sound ship recycling contracts. All our ships hold a verified IHM certificate.
European Union Emission Trading Scheme (EU ETS)	Maritime shipping will also be included in the EU Emission Trading Scheme (EU ETS) as of January 1, 2024 with a phase-in period. Shipping companies will need to purchase and surrender emission allowances (EUAs) that represent their MRV-recorded carbon emission exposure for a specific reporting period.	We have reinforced our existing emissions data capture and reporting protocols, established EUA trading and compliance accounts, and are liaising with our Charterers to facilitate the appropriate recovery and submission of EUAs.
Fuel EU Maritime Regulation (Fuel EU)	Shipping companies above 5000 GT carrying passengers or cargo which enter EU ports must record their GHG intensity on board a vessel from 1 January 2025. Fuel EU is aimed at boosting uptake of cleaner fuels and fuel efficient technologies such as wind propulsion.	We are working collaboratively with our charterers to facilitate reporting and compliance under FuelEU.
MARPOL Annex VI 0.50% sulphur limit	A regulation intended to reduce the amount of sulphur oxide emissions from ships - either by adopting alternate fuels (e.g. LNG), or installing Exhaust Gas Cleaning Systems (EGCS / scrubbers), or by using fuel oil with a Sulphur content of no more than 0.50% m/m (mass by mass). Entry into force: January 1, 2020.	We have switched to high-quality, low-Sulphur fuels to meet the Sulphur emissions limits. Two of our ships are retrofitted with scrubbers.
IMO Strategy on reduction of GHG emissions from ships	The IMO aims to achieve Net Zero GHG emissions from international shipping around 2050 and a reduction in carbon intensity of 40% by 2030 (v. 2008). Entry into force: October 2018; accelerated (2050) net zero goal ratified in 2023.	We are committed to meeting the IMO's 2030 and 2050 targets by working with industry peers and stakeholders to make decarbonized deep-sea shipping commercially viable.
IMO Ballast Water Management Convention	Sets standards for proper management of ballast water and sediments to prevent the spread of harmful marine species. Entry into force: September 8, 2017.	We implement strict Ballast Water Management Plans, maintain appropriate Ballast Water record books, and have scheduled to equip all of our vessels with Ballast Water Treatment systems by end-2024.
Energy Efficiency Existing Ship Index - (EEXI)	EEXI is a technical / design metric. All vessels above 400 GT in size are required to comply with the MARPOL Convention amendments and calculate the Energy Efficiency Existing Ship Index (EEXI), that measures the theoretical energy efficiency of ships. Entry into force from January 1, 2023.	We have calculated the EEXI values for our ships, with those values verified by classification societies. Where required, Engine Power Limiters (EPLs) are retro-fitted to our ships to ensure EEXI compliance.
Carbon Intensity Indicator (CII)	CII is an operational metric, and supports the IMO's objective to reduce the GHG emissions of the shipping industry. It is expressed in grams of CO ₂ per deadweight-nautical mile, and it is a measure of vessel efficiency of CO ₂ emitted in transporting cargo. The CII and CII rating scheme will apply to all ships of 5,000 GT and above. The annual operational CII achieved will be required to be documented and verified against the required CII. Entry into force: from January 1, 2023. Note that CII assessments are backward-looking, so the first CII ratings will be assigned in 2024 based on the 2023 reporting year.	We have installed systems to monitor the CII performance of our ships on an ongoing basis, and are liaising with our Charterers to improve vessels' operating profiles, and their corresponding CII ratings, where appropriate and possible. The methodology used for the calculation and reporting as well as the annual operational CII will be included in the revised Ship Energy Efficiency Management Plan (SEEMP) for each vessel.

Environment

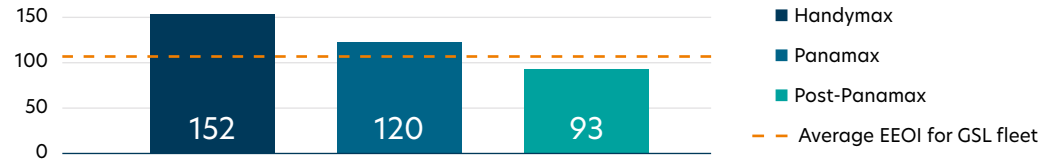
Energy efficiency and GHG emissions

We aim to protect the environment while simultaneously improving our fleet's operating performance. To this end, we constantly seek and assess potential operational and technical initiatives to be implemented on board our vessels.

Please refer to the Climate Strategy section of this report for further details of measures we are taking to improve the energy-efficiency, and reduce the carbon footprint, of our business.

19.2 gr
CO₂ / Tonne-mile
Average Fleet EEOI

GSL average EEOI (gr CO₂ per TEU - mile), by fleet segment



Our performance

We utilize the IMO **Energy Efficiency Operational Indicator** (EEOI), to monitor the energy performance of our ships, both individually and as a fleet. EEOI measures the fuel efficiency of vessel operations and is a helpful indicator to monitor the impact of the operational enhancements and technical modifications applied on board.

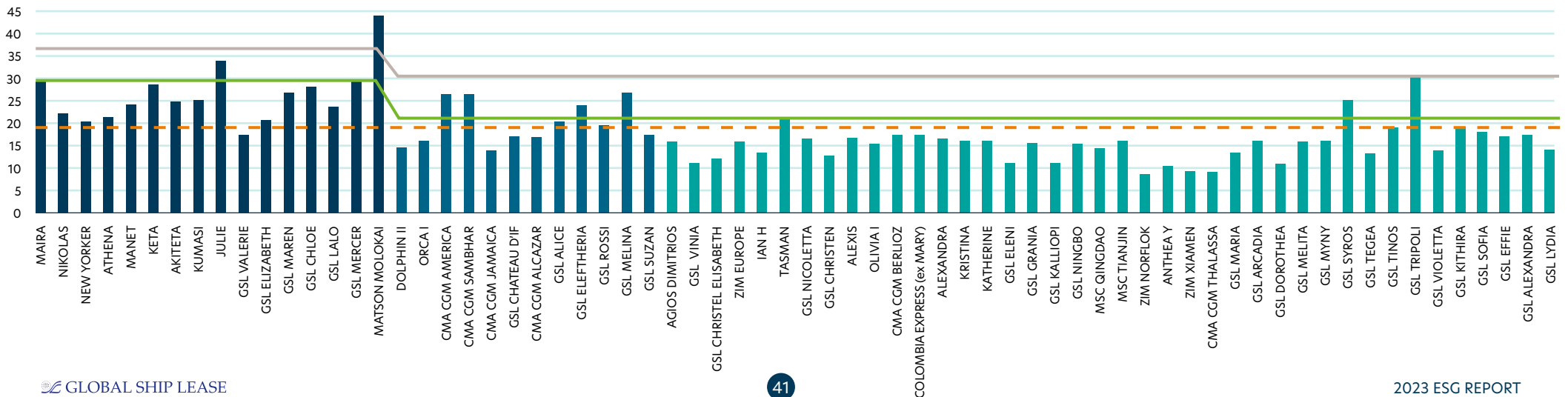
Our TEU-weighted average EEOI (gr CO₂ / Tonne - miles) improved by approximately 11.61%, from 21,43 gr CO₂ / Tonne-miles in 2022 to 19,18 gr CO₂ / Tonne-miles in 2023, indicating more efficient fleet utilization throughout the year 2023, compared to 2022.

EEOI is converted to a tonne-mile measurement in order to facilitate broader benchmarking against industry

data from the IMO and AMC. The IMO average index benchmark (basis 2009 - with 2008 as the industry's "year zero" for emissions benchmarking) for containerships is 37.04 gr CO₂ / tonne-mile for Handymax and 3074 gr CO₂/ tonne-mile for Panamax and Post-Panamax vessels. Furthermore, the AMC average index benchmark (2022) is 29.85 gr CO₂ / tonne-mile for Handymax, 21.46 gr CO₂ / tonne mile for Panamax and 19.67 gr CO₂ / tonne-mile for Post-Panamax vessels.

In each instance, we use the most demanding comparative performance metric (i.e. the one showing lowest emissions) against which to benchmark our ships. During 2023, the majority of our ships attained an EEOI beating relevant industry benchmarks.

GSL EEOI (gr CO₂ per tonne - mile), by ship



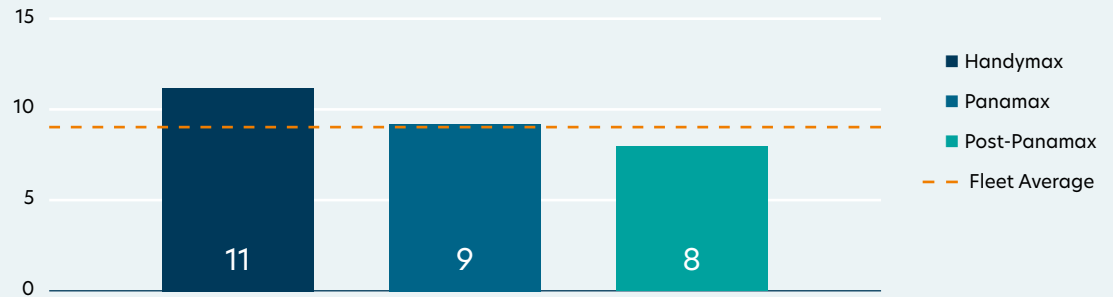
Environment

Energy efficiency and GHG emissions

8.8 gr
CO₂ / DWT-mile
Average Fleet AER

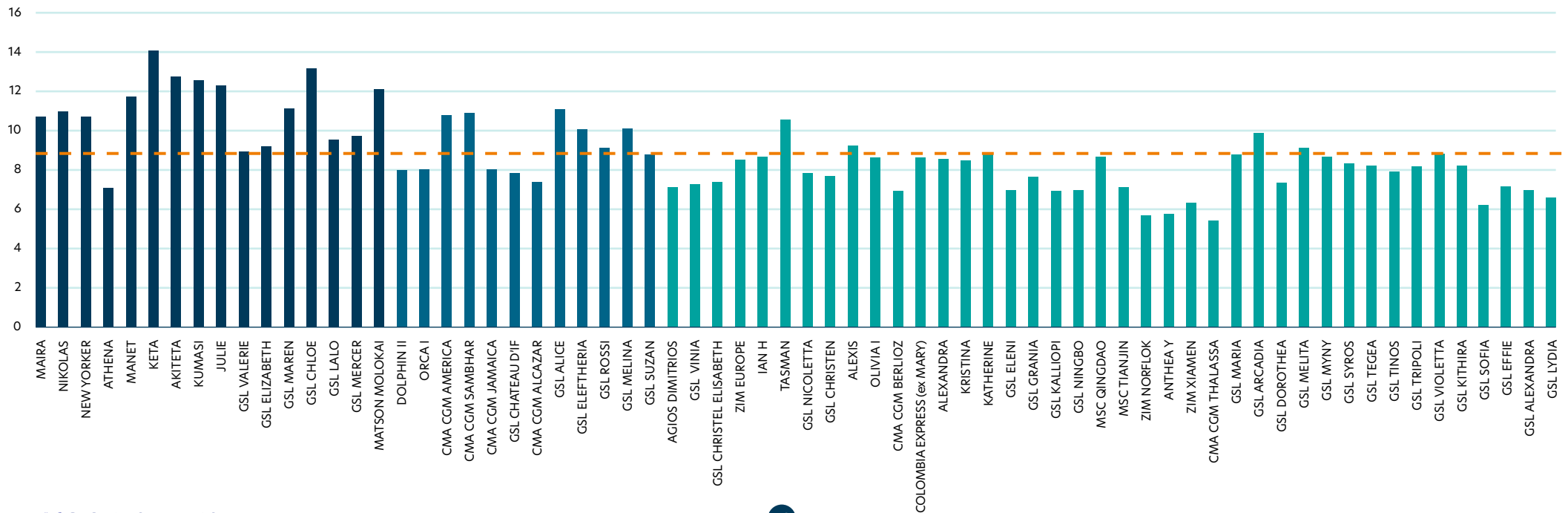
The Poseidon Principles utilize the **Annual Efficiency Ratio (AER)** as a carbon intensity metric, calculated on the basis of an approximation of the total annual transport work performed by a ship, derived from its total distance travelled and DWT. AER is most appropriately reported in gr CO₂ per DWT - mile. The average AER for our fleet in 2023 was 8.83 gr CO₂ / DWT - mile, an improvement of 11.96% on 2022; a similar improvement (11.14%) was also observed in our TEU-weighted average AER (8.22 gr CO₂ / DWT- mile in 2023, 9.25 gr CO₂ / DWT- mile in 2022).

GSL average AER (gr CO₂ per DWT - mile), by fleet segment



GSL AER, by ship

----- Fleet average



GHG emissions in 2023

During the reporting period, our fleet emitted 3,211,024 tonnes of CO₂ (Scope 1) from the consumption of 1,025,912 tonnes of fossil fuel oil and 2,657 tonnes of Biofuel. Additionally, our offices consumed 704 litres of heating oil, resulting to the emission of 1.85 tonnes³ of CO₂ (Scope 1). Based on the combined emissions generated by our fleet and offices, our estimated Scope 1 emissions amount to 3,211,025.85 tonnes of CO₂.

The total energy consumption of our fleet in 2023 was 41,600,093 GJ. Regarding the GHG emissions from our onshore activities, in 2023, our offices produced 145.92⁴ tonnes of CO₂ (Scope 2) from the consumption of 292,429 kWh of electricity. The electricity and heating oil consumption levels in the offices were comparable to those of the previous year.

Fuel Consumption

Oil Type (metric tonnes)*	2023	2022	% Difference
HFO	884,672	633,037	↑ 39.75
LFO	72,293	338,582	↓ 78.65
MGO/MDO	68,948	71,071	↓ 2.99
BioFuel	2,657	0	-
Total	1,028,570	1,042,689	↓ 1.35

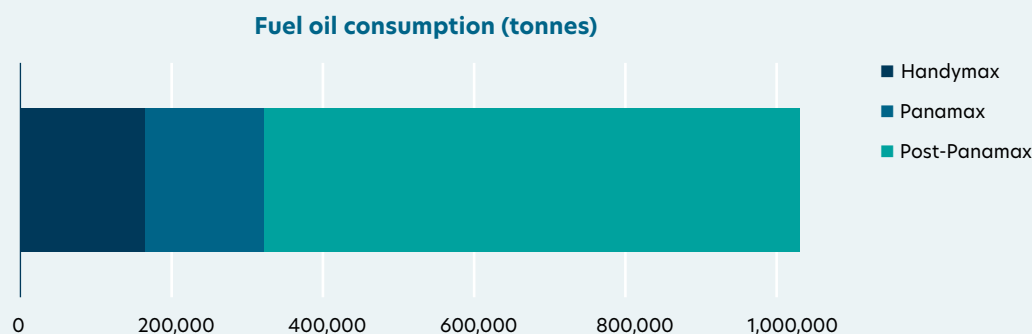
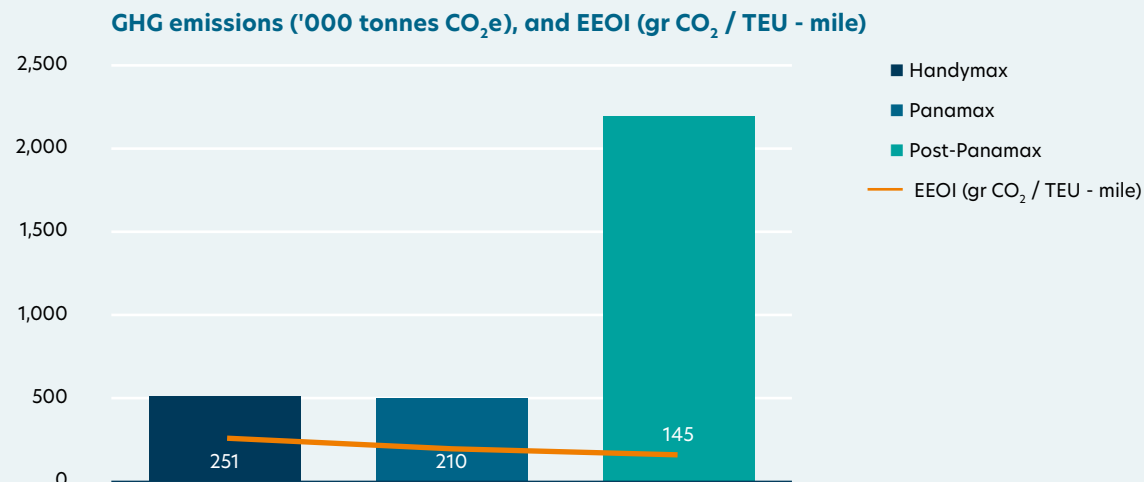
Our fuel consumption decreased by 1.35% year-on-year in 2023, leading to improved EEOI and AER performance metrics, despite the overall increase in fleet size.

* "Classified as per MEPC.245(66)/ISO 8217 2017" in the oil type category.

3,211,171.77 tn CO_{2e}

Scope 1 & 2 Emissions

Our Scope 1 & 2 emissions in 2023 decreased by 1.7% compared to 2022, despite an increase in our fleet size.



1,028,570 MT
fuel oil consumed by our fleet



41,600,093 GJ
energy directly consumed by our fleet

- The conversion was carried out using the emission factors provided in the Greece 2024 National Inventory Report (NIR) 2024
- The electricity conversion was performed using a location-based calculation, based on the Residual Energy Mix of the country (Greece)

Environment

SOx, NOx and Particulate Matter emissions

Sulphur oxide (SOx) emissions are related to the sulphur content of the fuel used and the total amount of fuel consumed by our vessels. All of our ships can operate with low-sulphur (0.5%) fuel. Two of our ships are fitted with Exhaust Gas Cleaning Systems (“scrubbers”), the cost of which is borne by the charterers - via the payment of charter rate premiums over extended charter terms.

During the reporting period, our fleet emitted **4,373 tonnes of SOx**, **79,978 tonnes of NOx^s** and **3,672 tonnes of PM10 (Particulate Matter)**.

The **SOx** emissions of our vessels were significantly better than industry benchmarks, while **NOx** emissions were broadly in line with, or better than, the relevant benchmarks. Reliable PM10 emission benchmarks are not yet available for containerships.

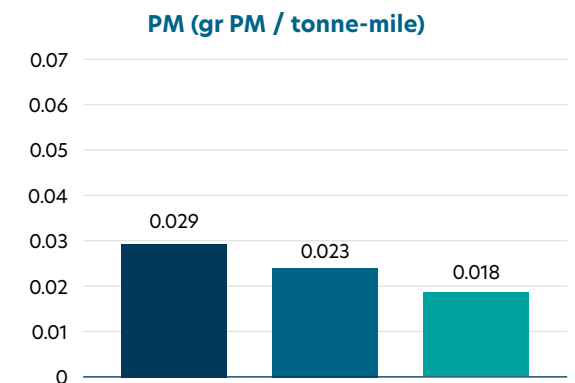
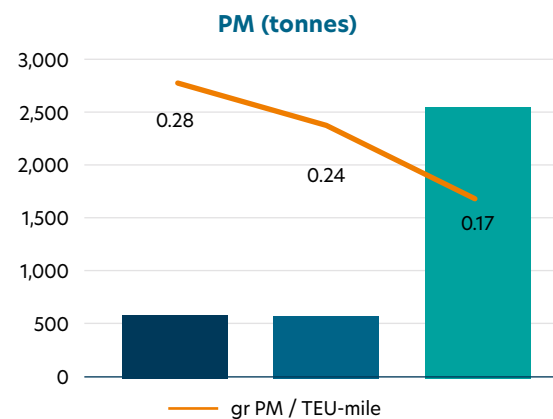
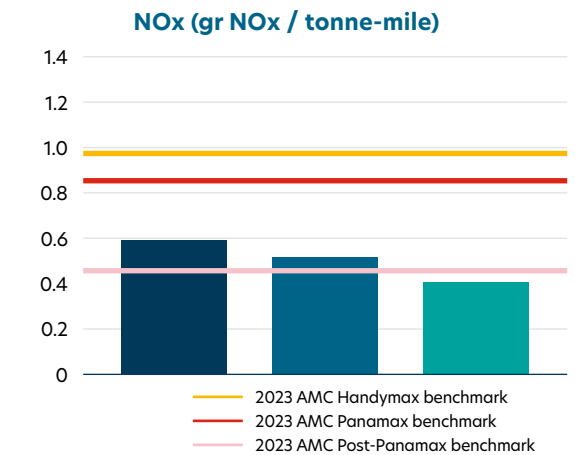
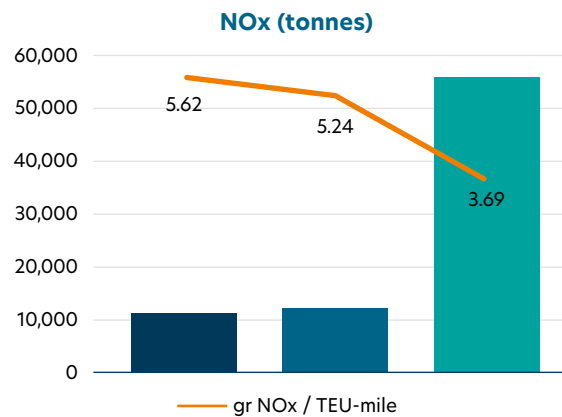
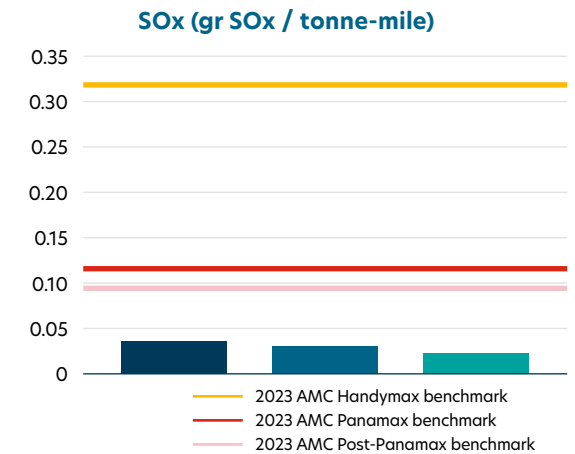
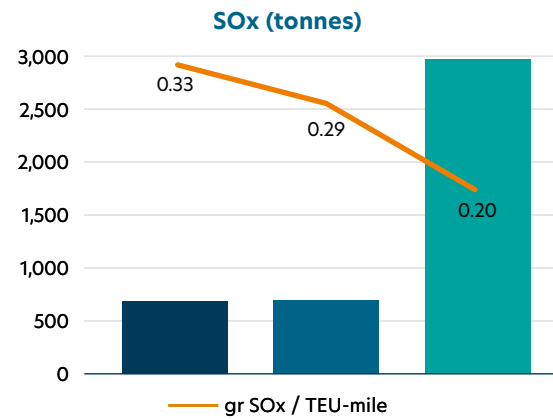
SOx and NOx emissions for the majority of our ships beat the relevant global industry benchmarks.

5. The calculation of NOx emissions per vessel is a weighted average of the “per voyage” NOx / ton-mile (transport work) for the entire year. NOx emissions are the interpolation of the daily Main Engine Output into NOx -M/E Load table as calculated in each vessel’s Main Engine NOx Technical file. Main Engine Output is calculated on the basis of RPM of the vessel for a given voyage, for loads under 25% MCR emissions are not included as there is not specific mention in the technical file.

In terms of ozone depleting substances (ODS) emitted across our fleet, we recorded a total of 2,924 kg in 2023, stemming from the use of R-404A refrigerants.

For all charts

- Handymax
- Panamax
- Post-Panamax



Environment

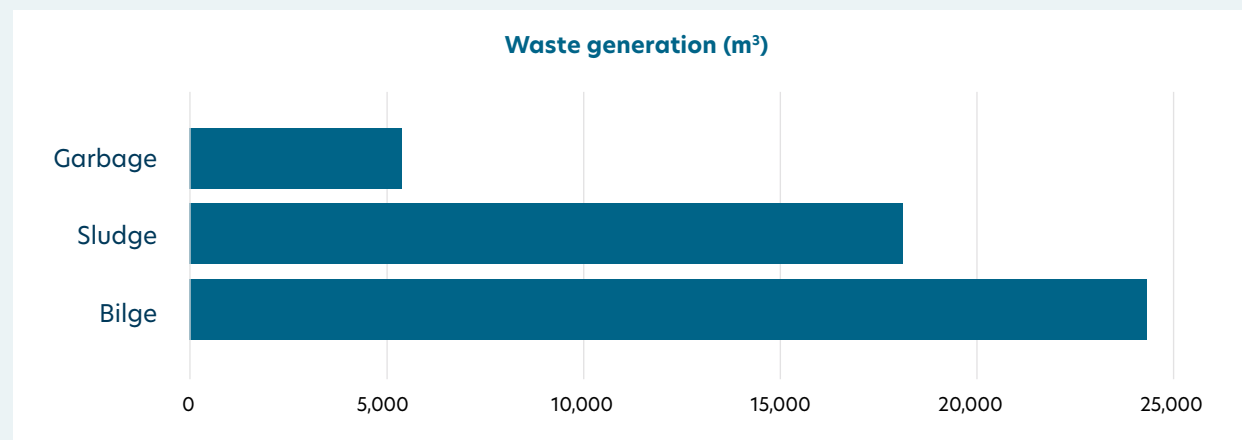
Waste management

We are committed to reducing the waste generated on board, managing our waste carefully, promoting a waste-conscious mindset among our crew, and applying measures that lead to a responsible and effective waste management system, in line with best practices and applicable regulations.

Our fleet-wide plan lays out how all types of waste and sewage should be treated, while it further involves strict monitoring and management procedures. Special attention is given to the reduction of three types of waste (bilge, sludge and garbage) and we also seek to keep plastic packaging to a minimum by using recyclable or reduced cardboard packaging.

Furthermore, we strongly encourage our suppliers to quote for environmentally friendly products and packaging. To complement the recycling activities related to the segregation of waste currently carried out, we are contemplating the installation of garbage compactors / waste compressors aboard all our vessels by the end of 2025.

The graph below shows total waste generated across our fleet during 2023, broken down by three major waste categories: bilge, sludge, and garbage. During 2023, the waste generated on board increased by 1.3% compared to 2022 primarily due to the expansion of our fleet.



48,695 m³
of waste generated on board
our vessels during 2023

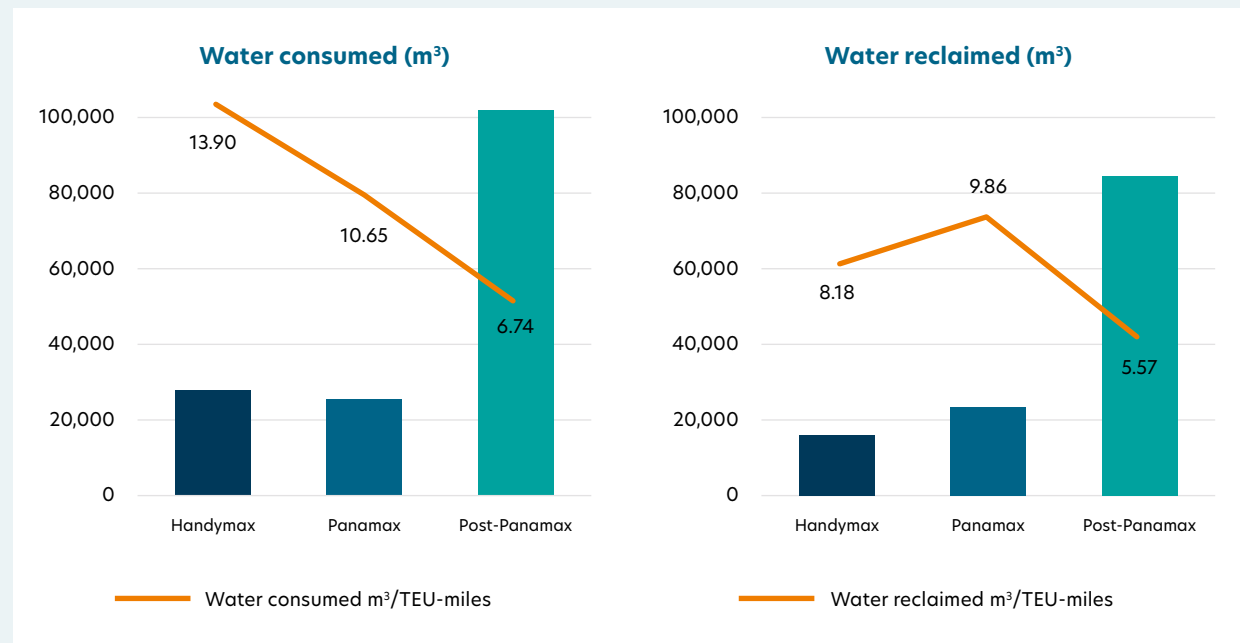
1.56 cm³ /
Nominal TEU-mile
of waste generated per unit of
transport work during 2023

Environment

Water management

Fresh water is either produced on board by ships' freshwater generators (from sea water) or supplied from shore-based sources. We are committed to continuous monitoring and consumption control and setting annual reduction targets for freshwater consumption across our fleet. We utilize water evaporators and rainwater collectors (wherever possible) installed on our vessels for daily operations.

The graphs below show fresh water consumed and reclaimed for the reporting period, both in absolute terms (m³) and per unit of transport work.



156,045 m³

of fresh water consumed
on board during 2023

124,745 m³

of water reclaimed
on board during 2023



In 2023, water consumption rose year-on-year by 0.11%, while water reclaimed decreased by 9.5%. However, this occurred despite a 4.3% increase in our fleet size, although vessel ownership days decreased, suggesting that overall water use efficiency improved even with the added operational challenges.

Environment

Protection of the marine environment



Ballast water management

The proper management of ballast water is an important measure taken to protect marine biodiversity, governed by the Ballast Water Management (BWM) Convention and IMO guidelines.

All our vessels comply with these guidelines, with Ballast Water Exchange (BWE) procedures closely monitored. Ballast Water Treatment Systems (BWTS) remove and destroy non-native and inactive biological organisms (zooplankton, algae, bacteria) that can be present in ballast water and could potentially harm the marine environment.

As at 31 December 2022, 86% of our fleet (56 ships), was equipped with approved BWTS. As of the end of 2023, 98.5% of our ships are BWTS-fitted, materially reducing the risk of spreading non-native aquatic species throughout the marine environment.

98.5% of our fleet is equipped with BWTS

Eradicate the risk of fuel spills in marine environments

Fuel and lubricant spills in oceans or harbor basins represent one of the most significant environmental risks in shipping. We adhere to strict safety standards and operating protocols, all of which are part of our ISO 14001-certified environmental management system and ISM code procedures, to prevent spills and protect the marine environment. We ensure that no harmful substances are spilled or disposed of into the marine environment through comprehensive spill prevention measures. These include emergency response plans, regular maintenance of equipment, and crew training to ensure compliance with environmental best practices.

0 Spills or spill related incidents to the marine environment in 2023

Limiting noise emissions and disturbances in marine ecosystems

We comply with both local and international regulations to mitigate underwater radiated noise, which can result from propeller cavitation, hull interactions, and onboard machinery.

Where possible we avoid sensitive marine areas and reduce vessel speeds when operating near such zones. Additionally, we plan to adopt industry best practices for underwater noise reduction when setting design specifications for newbuild vessels. To protect our crew members, we have policies and procedures in place to govern work in areas with noise levels exceeding 85 dB(A). These measures include clear warning signage, noise exposure limits, the use of hearing protection, and guidance on recognizing early signs of hearing impairment.

Environment

Responsible ship recycling



100%
of our vessels hold verified
EU SRR IHM as of 2023

We are committed to responsible ship recycling, consistent with the Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships (HKC).

Furthermore, all our ships comply with the rigorous **Inventory of Hazardous Materials (IHM) requirements stipulated by the EU Regulation on Ship Recycling (EU SRR)**.

In our effort to promote responsible practices in the ship recycling industry we have developed Part I of IHM in accordance with the International Convention for the Safe and Environmentally Sound Recycling of Ships and EU SRR.

- We have appointed a Designated Person (DP) to establish and supervise a management system for the collection and compilation of Material Declarations (MDs) and Suppliers' Declarations of Conformity (SDoCs) for parts and materials supplied to our vessels in order to ensure that each ship's IHM remains current and accurate.
- We require that our suppliers provide MDs and SDoCs for any product or equipment.
- We have trained our employees to screen the items that may contain Hazardous Materials in order to ensure that any such items will be prevented from reaching the vessels and/or being installed on board.



Environment

Our environmental impact ashore

Notwithstanding the fact that the vast majority of our environmental impact is linked to the operation of our fleet, we still acknowledge the contribution of our shore-based operations to our overall environmental footprint. Therefore, we are committed in managing and reducing the footprint of our operations both onshore and onboard. We maintain an on-shore environmental management system and constantly monitor and adjust the reduction targets of our main impact areas: paper, batteries, electricity, fresh water consumption, and heating oil.

We have established reduction measures and procedures for paper, batteries, fresh water and electricity consumption for the period 2020 - 2023.

Measures applied:

1. Use of energy-efficient appliances.
2. Minimization of electricity energy usage.
3. Lighting control procedures.
4. Implementation of environmental practices on handling paper consumption and disposal of batteries.
5. Personnel training towards best practice for energy consumption reduction in the office.

We have devised a list of actions to be implemented, to minimize our environmental footprint ashore, including:

- Electricity consumption decrease
- Increase of insulation levels
- Installation of multifunction devices and minimization of personal equipment
- Eco-friendly lighting and Energy Star certified electrical equipment
- Energy efficient thermostat use and replacement of old heating systems

**Total for
2023**
(with 312
shoreside
employees)

**Total for
2022**
(with 290
shoreside
employees)



**Paper
(paper
packs)**

1,684

2,010



**Electricity
(kWh)**

292,429

285,885



**Fresh
Water
(m³)**

2,761*

725**



**Heating
oil
(liters)**

704

1,204

*Drinking water, irrigation and services

** Drinking water only



5

Social

Related SDGs



Social

Health and safety: our top priority

Health and safety is our top priority, and a core value. Alongside our commitment to protect the environment in our daily operations, we are committed to providing a safe and healthy workplace on board the ships for our employees and visitors.

To achieve this:

- We have policies and procedures in place to ensure compliance with relevant regulatory requirements and apply responsible standards where laws and regulations do not exist in order to safeguard a safe working environment.
- We actively promote the culture of occupational health and safety through briefings, posters, and participation of the HSQE personnel in the Safety Committee Meetings.
- We assess risks to health and safety associated with our operations and implement programs and appropriate protective measures to control and mitigate them.
- We are committed to promoting shipboard initiatives that prioritise the identification of hazards, the development of risk assessments tailored to typical vessel operations, and the implementation of effective risk-reduction strategies.
- We share industry insights and provide instructions, training and medical services for treatment of employee occupational illnesses or injuries to our employees.
- We support voluntary health and hygiene promotion programs to boost employees' well-being and increase personal safety.
- We are dedicated to ensuring that all employees are encompassed by an occupational health and safety management system, with a goal of complete coverage.

On Board Drills, Audits and Port State Controls (PSC)

During 2023, we conducted 103 onboard drills per vessel, and 91 internal audits and inspections across our fleet. During the PSC inspections, 397 deficiencies were identified*.

* The increase in deficiencies compared to 2022 is attributed to the expansion of our fleet, an 11.6% rise in port calls and the resumption of PSC inspections post-covid.

We operate in a manner intended to protect human health and safety. Our people's welfare and development are fundamental to the success of our business.



103

Onboard drills per vessel



91

Onboard internal audits / inspections across our fleet



227

PSC inspections across our fleet

Social

Promoting safety and well-being at sea

A safe environment aboard our ships is of paramount importance for us. We promote safe practices in our operations by complying with all applicable laws and regulations and by implementing responsible standards where laws and regulations do not exist. We continuously monitor our policies and processes to manage and mitigate the risks associated with our operations as effectively and proactively as possible.

We aim to continuously increase safety awareness among all our employees and across our operations by:

- Providing training through safety drills, seminars, virtual courses on personal safety, information campaigns and team activities.
- Offering education on seafarers' mental health and wellbeing.
- Responding to emergencies and accidents resulting from our operations in a timely manner.
- Reviewing and evaluating risks and associated safety measures.
- Implementing appropriate safeguards and additional measures when deemed necessary.
- Providing complete medical care through Ship Med Care program.

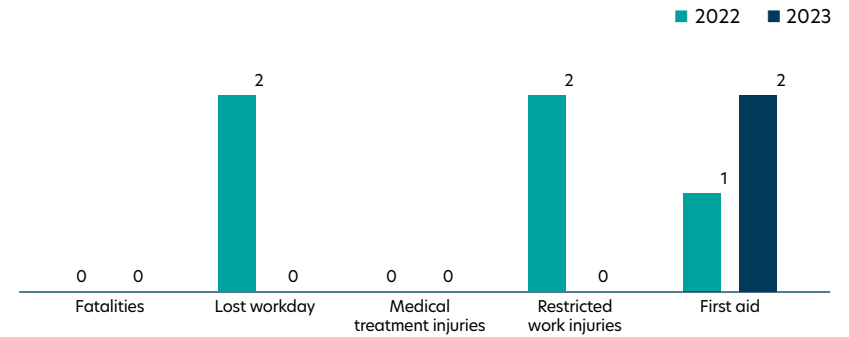
We invest in our people, policies, and equipment as we strive to protect both our people and the environment, and to meet our goal of zero spills and incidents.

During the reporting period, we reduced the number of H&S related incidents on board our vessels for a third year in a row. We had zero fatalities, 0 lost workday incidents, zero injuries requiring medical treatment, 2 first aid cases, and 0 restricted work injuries.

In 2023, both the Lost Time Injury Frequency (LTIF) and the Total Recordable Cases Frequency (TRCF) experienced a slight increase compared to the previous year. This rise is attributable to the expansion of our fleet and the onboarding of new personnel who were not yet fully acquainted with our safety procedures. In response, we have significantly increased the number of training sessions compared to last year to enhance employee familiarity and ensure greater safety.

- The Lost Time Injury Frequency (LTIF) rate was increased to 0.40 per 1 million manhours, from 0.20 in 2022.
- The Total Recordable Cases Frequency (TRCF) rate was increased to 0.87 per million manhours, from 0.59 in 2022.

Safety-related incidents



2
Safety incidents during the reporting period

0.40
per million manhours
Lost Time Injury Frequency (LTIF) during the reporting period

0.87
per million manhours
Total Recordable Cases Frequency (TRCF)

Marine environment protection performance

We are strongly focused on ensuring environmental compliance. In 2023, zero environmental fines or incidents of non-compliance were recorded. Our fleet received 352 class recommendations in total, with an average of 5.17 recommendations per ship..

0
Environmental fines

0
Incidents of non-compliance

5.17
Average Class Recommendations per ship

Social

Our employment practices

On board

The quality and dedication of our seafarers are core to the success of our business, and we consider the welfare and development of our crew essential to our operations.

We aim to create a motivational, inclusive, and safe work environment, where our employees feel respected and valued, by providing:

- equal opportunities for career enhancement and advancement
- fair remuneration in accordance with expertise, experience, and responsibilities
- continuous training and development
- access to medical care (i.e. Ship Med Care program) and psychological support
- wellness and equipment initiatives on board

As of December 31, 2023, our ships employed 2,782 crew members. There were 19 nationalities represented, with Filipinos comprising 72.4% of the pool. The number of nationalities comprising our crew decreased by 6 compared to the previous year.

Our crew retention rate in the year 2023 was 91.9%, exhibiting a relatively stable trend in comparison to the preceding year.

2,782

Total number
of seafarers



19

Nationalities
on board our ships

91.9%

Retention
rate*

* Retention Rate calculation as per INTERTANKO Officer Retention formula



Onshore

We strive to build and sustain a diverse workforce and an inclusive workplace where our employees can reach their highest potential in an environment of equal opportunities, mutual respect, and ethical behavior.

Our operations demand a wide variety of skills. Thus, our shore-based staff consists of a team of experienced and highly skilled employees with deep knowledge and expertise in the maritime sector in general and in containership ownership in particular. The high standard of performance and the commitment of our in-house team ensure the smooth operation of our fleet.

Historically, shipping has been male dominated. We believe that actively supporting gender diversification will meaningfully expand the pool of talented people from whom we can draw to address the challenges and capitalize on the opportunities in an increasingly dynamic and rapidly changing industry.

As of December 31, 2023:

- 312 shore-based staff, all employed under full-time contracts;
- 37.2% are women;
- In senior management, the head of ConChart, and the heads of legal, treasury, training, insurance and freight collection in Technomar, are women
- The head of ConChart, Ms. Popi Giannopoulou, is a founding member and the inaugural President of WISTA (Women’s International Shipping & Trading Association) Hellas
- The Board of Directors is composed of seven men and one woman
- The total number of new hires in 2023 was 69 (20 women, 49 men)
- In 2023, the company hosted 10 interns, of which 3 were hired as permanent employees. Notably, 4 of these interns were female.
- The company employed individuals from 9 different nationalities in 2023, an increase from 8 in 2022. Most employees are Greek, with 299 employees in 2023, up from 277 in 2022.
- 28% of our shore-based staff have seafaring experience.

0 Incidents of discrimination during 2023

- The average retention rate was 90%.
- All employees received a regular performance and career development review, directly influencing their salaries and bonuses.
- We offer personalized healthcare support, with plans to expand coverage in 2024 for even better employee support.
- Family-Friendly Policies: Extended parental leave and loan assistance are provided, and new child-related initiatives are planned for 2024. A total of 10 staff members were granted parental leave (5 women and 5 men).
- Work Environment Improvements: Renovations have enhanced workplace comfort and productivity.

We are committed to fostering a diverse and inclusive workforce across all levels of our organization. In pursuit of this commitment, we are actively working to increase female participation within our shore staff. Our recruitment and internship programs operate under strict non-discrimination policies, ensuring equal opportunities for all candidates regardless of gender, ethnicity, or background.

Consistent with our efforts to address under-representation and empower women in the maritime industry, we have established a full tuition scholarship for one woman per year to attend the prestigious Masters in Shipping, Trade, and Finance at Bayes Business School (City University of London).

The Global Ship Lease Scholarship for Women in Shipping underlines our commitment to inclusivity and equal gender representation,

We invest in our people and provide opportunities to enable their professional development and support their career growth. Therefore, we provide comprehensive training and education support, funding programs that equip employees with the skills needed for career advancement and personal growth. Training options have been enhanced based on input from departments and employees, ensuring tailored learning experiences that meet individual and organizational needs.

312

Shore-Based Employees

37.2%

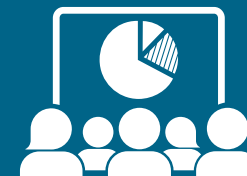
Female Employees Ashore

28.0%

Employees ashore with seagoing experience

2,675

Total training hours



471

Training sessions

Social

Our employment practices

Promotions per employment level

Promotions	Rank
41	Senior Officers
45	Junior Officers
106	Ratings

Seafarers' Benefits and Well-being Initiatives

- The company has implemented robust systems for reporting work-related and personal concerns, ensuring seafarers' issues are promptly addressed.
- Free internet has been made available on all vessels, with continuous upgrades to improve speed and connectivity. We are committed to enhancing connectivity and data management across our fleet. By June 2024, 60% of our seafarers will have access to high-speed internet free of charge, with no data limitations. We are rolling our Starlink across our fleet, and have already installed Starlink antennas on 30% of our ships, to further ensure that our crew has reliable internet access worldwide.
- A dedicated department for training and development has been established, driving ongoing enhancements to the online learning platform.
- Medical assistance is accessible through a dedicated hotline, with specialized medical services provided by a private firm on four vessels.
- The company systematically monitors onboard equipment, taking swift action to meet emerging needs.
- Mental health is a key focus, with training provided to help seafarers recognize and manage mental health challenges.
- Structured feedback systems using questionnaires have been implemented to collect insights from seafarers, enabling continuous improvements in their overall welfare.

Seafarers' Training

In June 2023 a dedicated training department was built out in Technomar with the aim of enhancing the skills, knowledge and capabilities of both sea & shore-based employees. A training manager with extensive experience in the shipping industry has been employed in order to run the department, which has been put under the umbrella of Strategic Planning & Compliance and is supported by two Training Coordinators. New procedures on familiarization, training & development, performance evaluation have been developed and sea & shore staff training matrices as well. External training providers have been selected, and the OCEAN Learning Platform has been successfully installed across all of our ships.

The selection of external training providers has been finalized, and the OCEAN Learning Platform has been successfully installed across all our ships. This platform is now utilized for focused and efficient training, with categories including regulatory, company-specific, and individual requirements. Training options have been enriched based on requests from masters and seafarers, resulting in a comprehensive list of 147 titles available

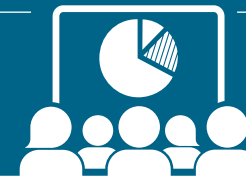
for both online and offline learning. Furthermore, training needs identified from evaluations are driving the shift towards creating Individual Training

Plans, moving away from generic skill assignments. A list of IDP courses was developed in 2023 through communication with department heads, and a three-year plan has been submitted and approved to address these training needs.

Additionally, Diversity & Inclusion and Culture Awareness courses are now available in the OCEAN Learning Platform Library, alongside the Mental Health Awareness Training Campaign, which has been rolled out to all company crew members. Furthermore, in 2023, the Cyber Security Awareness Campaign was conducted across all GSL vessels, with all seafarers being invited to complete the course.

We are aware of the value and importance of the continuous up-skilling of our crew, and we invest in their education and skills development by providing equal training opportunities to enhance their skills. During the reporting period, we offered 40,836 training man-hours⁶. The increase is attributed to the installation of a new eLearning platform onboard all ships.

40,836
Total training hours



73,274
Training sessions

⁶ The significant increase in training hours and sessions compared to 2022 is attributed to the establishment of a dedicated training department

Social

Our employment practices

0 Incidents of human rights violations during 2023

Promoting Health & Safety Culture

- **Company Doctor Visits:** Employees benefit from regular visits by a company doctor who provides professional medical consultations and addresses health concerns, contributing to the overall well-being of the workforce.
- **CPR Training:** The company offers Cardiopulmonary Resuscitation (CPR) training, empowering employees with the skills to respond effectively to medical emergencies, thus enhancing workplace safety.
- **Annual Health Check-Up:** All permanent employees are entitled to an annual health check-up through a private health scheme. This scheme facilitates the early detection and prevention of potential health issues and thereby promotes long-term health.
- **Access to Private Health Care Medical Plan:** Employees have access to a comprehensive Private Health Care Medical Plan, which ensures they receive necessary medical care and support when needed, further enhancing their overall health and security.
- **Training Sessions:** In 2023, two dedicated training sessions were arranged, with the active participation of 33 employees, to enhance their understanding and engagement in health and safety practices. These sessions are part of our broader initiative to offer programs that specifically address significant non-work-related health risks, ensuring that workers have the necessary resources and knowledge to manage these risks effectively.
- **CCTV Installation for Safety Enhancements:** To bolster safety measures on board our vessels, we have implemented CCTV systems, ensuring constant monitoring and enhancing overall security. These installations are part of our ongoing commitment to maintaining the highest safety standards in our operations.

Respecting human rights

We firmly believe that the respect for human rights is a fundamental element of a responsible organization, and thus do not discriminate on the basis of race, gender, religion, nationality, or any other factor.

GSL maintains a strict policy of zero tolerance towards all forms of slavery, child labor, forced labor, and human trafficking. We are dedicated to ensuring that there are no instances of modern slavery within our operations or knowingly within our supply chain. Our company considers any such practices as serious crimes and a violation of fundamental human rights.

Furthermore, we ensure compliance with all applicable laws, regulations, and collective agreements related to working hours, overtime, leave, and minimum rest periods. GSL adheres to global labour standards and generally recognized human rights related with working conditions. Furthermore, the company is compliant with GDPR regulations, ensuring the protection of personal data and the privacy of all individuals involved in our operations. In 2023, we organized an Information Security Awareness Course covering both Cyber Security Policies and Procedures as well as GDPR. A total of 168 out of 312 employees participated in these sessions.



Social

Responding to Geopolitical crises

We aim to be an agent of positive social change and to meaningfully contribute to improving the welfare of those around us.

Russia – Ukraine conflict: Safe Haven project



The conflict between Russia and Ukraine has caused a humanitarian crisis and has exacerbated supply chain disruptions, port congestion, and crewing issues (both logistical and psychological) originally triggered by the COVID-19 pandemic. The welfare of our employees is critical to the welfare of our business. Ukrainian seafarers are of great importance to the shipping industry as a whole, and to us as a company. Upon the outbreak of hostilities, we initiated our “Safe Haven” project in 2022 to support our Ukrainian seafarers and their families: providing and funding transport to Greece, along with accommodation and food; arranging Greek visas; assisting in the management of their financial affairs and children’s education; and doing our best to help cultivate a sense of Ukrainian community and a “home-from-home.”

In addition, we set up a helpline for our seafarers to address their concerns and problems and to provide psychological support—both onboard and ashore. Furthermore, we communicate daily with those seafarers and their families who remain in Ukraine, offering assistance for them to travel to safer locations, either in Greece or elsewhere.

We selected the Greek island of Evia as the base for the Safe Haven Project, as Evia’s residents and local economy had suffered significant hardship as the result both of COVID-19 and wildfires in 2021. Establishing the project there thus provided not only a safe haven for Ukrainian families but also an economic stimulus to the local community.

Since its inception in 2022, the Safe Haven Project has continued through 2023, supporting a total of 295 people, including seafarers and their families, with 17 families choosing to stay on in Greece.

Adapting to New Geopolitical Challenges

As the conflict between Russia and Ukraine continues, 2023 has brought additional geopolitical challenges. Since October 2023, tensions in the Middle East, and disruptions in the Red Sea, have escalated, prompting our company to closely monitor the situation and study the best possible options to safeguard our operations and personnel. We are particularly focused on mitigating potential risks posed by the evolving political landscape in the region, including the potential threats from groups like the Houthis.

Our proactive approach involves evaluating various scenarios to ensure that our supply chains remain uninterrupted and our crews are protected. We remain committed to the safety and well-being of our employees and their families, and we are prepared to take any necessary actions to respond to these new developments.



Social

Our strong social engagement

An active approach to social responsibility is a key part of our guiding philosophy. We - and more particularly, Technomar, ConChart, and their principals - are involved in a wide range of social initiatives. These include:

- Establishing the **“Safe Haven”** project to ensure the well-being of Ukrainian seafarers and their families displaced by the ongoing conflict between Russia and Ukraine.
- Donations to the Association of Maritime Parents of Children with Special Needs **“ARGO”**.
- Yearly donations to **Make-A-Wish Foundation**, Pan-Hellenic Philanthropic Association **“Artos Drasi”**, **“SHEDIA”** - the independent magazine exclusively sold on the streets of Athens and Thessaloniki by homeless and unemployed people and **“THE SMILE OF THE CHILD”** - the non-profit child welfare organization.
- Yearly financial contribution to the non-profit entity **SYN-ENOSIS**, the Greek Shipowners’ Social Welfare Company, contributing substantially to every need of our society, supporting a large number of vulnerable social groups that have been deeply affected by the various adverse conditions in our country. These initiatives were centred on providing food, equipping hospitals, offering direct support during critical events such as fires and the COVID-19 pandemic, as well as providing scholarships for postgraduate studies, among other benefits.
- Donations to **ActionAid Hellas** through the provision of child sponsorship by every employee.
- On a yearly basis, donations are provided to fully cover the operational expenses (100%) of **“KYKLOS”**, an organisation that has established a community for refugees spanning across all age groups, facilitating their integration into Greek society.
- Monthly donations are made to the **“Holy Table of Tinos”** with the objective of providing care and housing for orphaned children, in addition to supplying food to families in need.



Social

Responsible and sustainable procurement

Our ships operate globally, meaning that our procurement and supply networks must also be global. We endeavour to minimize the complexity, costs, and environmental impact of our procurement and supply chain using the following practices:

- Pro-active planning;
- Consolidation of shipments;
- Supply of vessels via selected hub ports;
- Combining activities such as the provision of supplies and crew changes.

Our policy is to work with reliable and well-qualified suppliers which consider sustainability to be integral to their operations. We also emphasize the importance of sourcing from local communities, particularly within Europe, and sourcing all purchases from local ports. To this end, recent milestones include the following:

1. In 2019, we subscribed to the ProcureShip quality assurance process in order to enhance the screening of our suppliers. The ProcureShip platform allows us to screen suppliers by serving ports, offered brands, and various criteria, including ISO certifications (such as ISO 9001, 14001, 45001, and 22000), ISSA & IMPA ACT memberships, quality of product, reliability and timeliness, responsiveness and quality of customer service, and sustainability of packaging & stowage materials. We also conduct detailed surveys for values exceeding €1.5k and €2k, ensuring adherence to high-quality and sustainability standards.
2. In 2020, we began to adopt IMPA ACT practices to ensure responsible and sustainable management of our procurement activities and supply chain. IMPA ACT has developed a Supplier Code of Conduct based on the principles of the United Nations Global Compact (UNGC) and requires its members to uphold certain standards with regards to environmental, human rights, and anti-corruption issues. Recently, we transitioned from IMPA ACT practices to a stronger focus on ISO certifications. Currently, 80% of our spares and 87% of our stores are ISO certified, ensuring compliance with rigorous standards in environmental management, human rights, and anti-corruption.
3. In 2021, Technomar was made an honorary member of the International Ship Suppliers & Services Association (ISSA), validating our efforts to adhere to sound and responsible supply chain practices.
4. We established and implemented our suppliers Code of Conduct, which requires that suppliers are aligned with our ethical standards and ESG objectives.

Social

Responsible and sustainable procurement

The supplier assessment aims to ensure that our suppliers align with our objectives and Code of Conduct.



- 1. Screening and Vetting:** Potential suppliers undergo an initial screening process to evaluate their compliance with our policies and standards. This includes checking their adherence to environmental sustainability practices, human rights, labor conditions, and anti-corruption measures. Suppliers are required to align with the company's Supplier Code of Conduct, where possible, providing certifications or evidence of adherence to international frameworks like ISO or IMPA ACT.
- 2. Evaluation of Sustainability Commitment:** The suppliers are assessed for their sustainability efforts, including their environmental impact, waste management practices, and support for fair labor practices.
- 3. Ongoing Monitoring and Auditing:** Approved suppliers are subject to regular audits and performance reviews, with a supplier evaluation questionnaire required for orders over €1,500, to ensure continued compliance with the company's standards. This ongoing monitoring helps identify any areas for improvement and ensures that suppliers remain aligned with the company's ESG goals and Supplier Code of Conduct..
- 4. Feedback and Improvement:** Suppliers are encouraged to improve their practices continuously.

Throughout 2023, 284 suppliers were evaluated, with 80% of our spares providers and 87% of our store providers being ISO certified.

Social

Responsible and sustainable procurement

- **Packaging Waste Reduction:** We actively request suppliers to use eco-friendly packaging and encourage reusing packaging during unloading.
- **Water and Gas Bottle Recycling:** We have implemented procurement and recycling programs for water and gas bottles, including efficiently managing technical gas consumption.
- **Emissions Savings through Forwarding:** Our forwarding activities contribute significantly to the reduction of emissions, particularly those related to Scope 3, underscoring our commitment to minimizing environmental impact

4,823

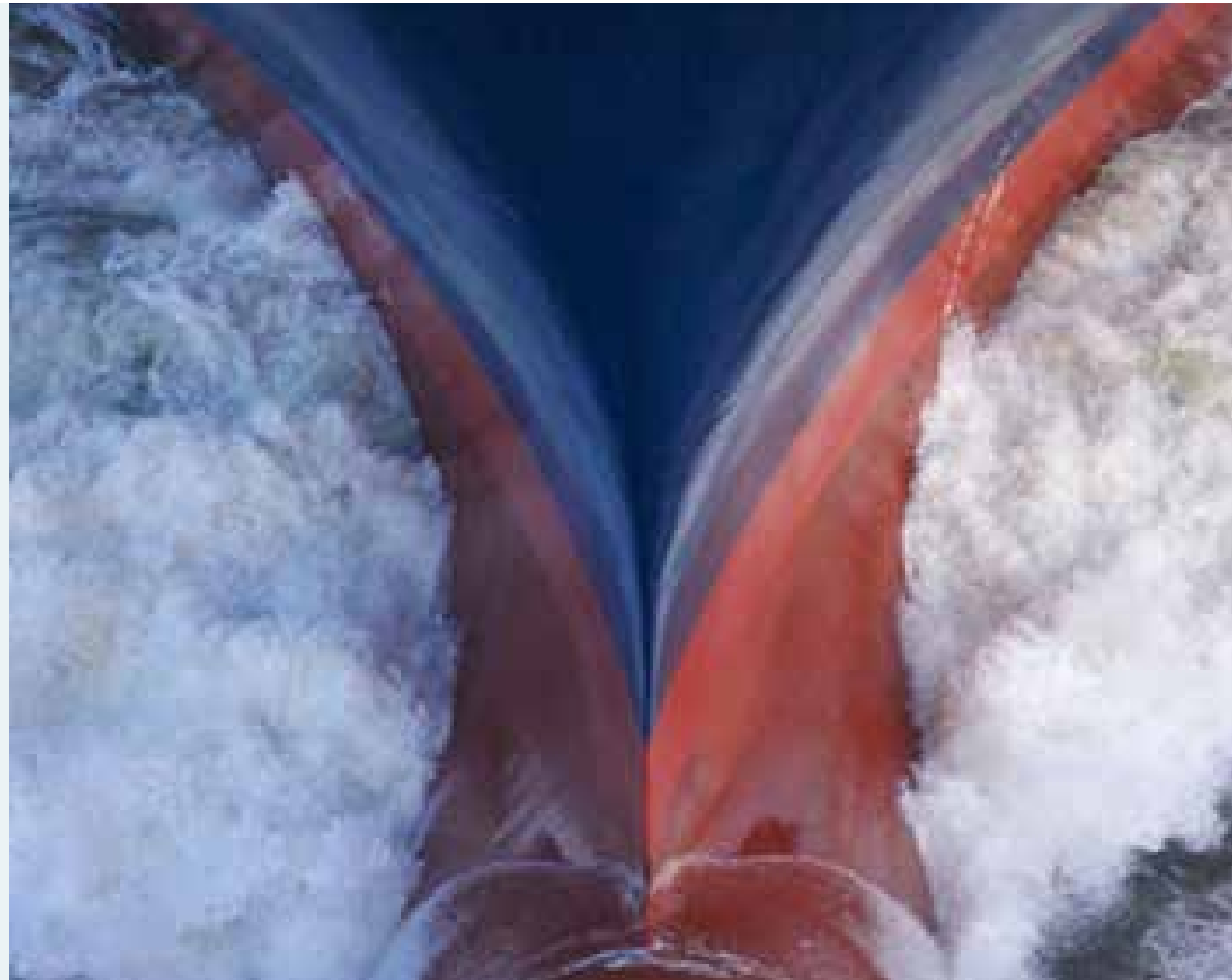
Total No. of delivered orders

4,527

Consolidated orders

94%

Forwarding consolidation ratio



6

Governance

Related SDGs

<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 
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Governance

Board of directors

We aim to conduct our business with integrity and transparency, and in accordance with the highest ethical standards.

Strong governance is fundamental to the long-term success and value-creation of Global Ship Lease. Our Board of Directors (Board) is the foundation of our governance model and sets the tone for our actions, supported by five Board Committees.

Board of Directors

Our Board is committed to its fiduciary responsibility to represent shareholder interests and oversee the management of GSL's business, while setting high performance standards for our directors, officers, and employees.

The corporate governance standards of the New York Stock Exchange (NYSE) are different for United States domestic issuers and foreign private issuers. While a number of the NYSE corporate governance standards for United States domestic issuers do not apply to GSL as a foreign private issuer, the Company still strives to meet this optional higher standard.

The procedures and standards the Board follows to fulfil its responsibilities are recorded in the charters of the Board Committees, and in various guideline documents, all of which are available in the Governance section of the Company's website.

Our Board is comprised of a majority of independent directors, divided into three classes ("Term I", "Term II", and "Term III"), as nearly equal in number as the total number of directors constituting the entire Board permits, with the term of office of one or another of the three (3) terms expiring each year.

The composition of our Board at the time of issuance of this report is reflected below.

Board Members	Role	Committees
George Youroukos	Executive Chairman Term II Director	ESG Committee
Michael Gross	Term III Director	Chairman of the Compensation Committee
Michael Chalkias	Term II Director	Audit Committee Conflicts Committee Compensation Committee Chairman of the Nominating & Governance Committee
Yoram (Rami) Neugeborn	Term I Director	ESG Committee
Ulrike Helfer	Term I Director	Audit Committee
Alain Pitner	Term I Director	Compensation Committee Nominating & Governance Committee
Menno van Lacum	Term III Director	Chairman of the Audit Committee Chairman of the Conflicts Committee Chairman of the ESG Committee
Ian J. Weber*	Term I Director	
Alain Wils	Term III Director	Audit Committee Conflicts Committee ESG Committee Nominating & Governance Committee

* transitioned from CEO to Board Member in 2024

Senior management:

Our management team has extensive knowledge and expertise in the shipping sector, including ship management, ship finance and liner shipping. Our executives, supported by the Board, are accountable for implementing business development strategy, operations, financial reporting, capital structure and overseeing the ship management of our vessels. Additionally, GSL's management team is responsible for reporting all important issues to the Board of Directors through formal communication.

- **George Youroukos**, Executive Chairman
- **Thomas A. Lister**, Chief Executive Officer (from 2024; previously Chief Commercial Officer & Head of ESG)
- **Tassos Psaropoulos**, Chief Financial Officer
- **George Giannopoulos**, Chief Compliance Officer (from 2024; previously Head of Internal Audit)
- **Maria Danezi**, Company Secretary

Governance

Board committees

The main functions and responsibilities of our company's Board Committees are provided below:

Audit Committee

Our Audit Committee is responsible for certain issues related to the preparation of our financial information and its disclosure. More specifically, the Audit Committee is involved in

- (i) providing recommendations for the appointment and review of external auditors,
- (ii) performing the internal audit process,
- (iii) supervising financial transactions as well as related policies and strategies.

Another significant role of the Audit Committee is to monitor business risks.

Conflicts Committee

The primary purposes of our Conflicts Committee are to review, evaluate, and approve any transaction or other matter referred or disclosed to it where a conflict of interest or potential conflict of interest exists or arises, whether real or perceived. Such matters may include transactions between Global Ship Lease or any of its subsidiaries on the one hand, and Technomar Shipping, Inc., ConChart Commercial, Inc., or any of the Company's officers and directors as well as their affiliates, on the other hand.

ESG Committee

The primary purposes of our ESG Committee are to

- (i) guide, support, and supervise management in developing, articulating, and continuing to evolve our ESG strategy;
- (ii) evaluate and recommend ESG initiatives for adoption;
- (iii) assess ESG risks and opportunities; and
- (iv) promote ESG practices within our business culture and processes.

The Committee reports regularly to the Board with respect to any material issues or costs that may arise in connection with the company's ESG strategy.

Nominating / Corporate Governance Committee

The Nominating / Corporate Governance Committee is engaged in issues related to succession planning and the appointment, development and performance evaluation of the members of the Board and senior executives of our company. Furthermore, the Committee evaluates the effectiveness of our Corporate Governance Guidelines aiming to review and provide recommendations to the Board whenever appropriate. Additionally, the Nominating and Corporate Governance Committee conducts an annual evaluation of the Board and its chairperson.

Compensation Committee

The main functions of our Compensation Committee include

- (i) discharging the Board's responsibilities relating to the evaluation and compensation of the company's executives,
- (ii) overseeing the administration of the compensation plans, and
- (iii) reviewing and reporting on directors' and executives' compensation in accordance with the rules and regulations of the Securities and Exchange Commission (SEC).



Governance

Board composition

Selection and assessment of board members

Our Board members are selected on the basis of relevant expertise, experience, complementarity, and independence. Periodically, we assess the collective expertise of the Board across multiple areas of expertise - including, among others, our industry, public company management & governance, value generation & stewardship, finance, technology, and ESG. We also acknowledge the need for, and value of, diversity, although the shipping industry's historical male gender bias presents a hurdle to overcome. The Board was pleased to welcome our first female director in 2022.

Remuneration policy and procedures

GSL management remuneration is determined by the Compensation Committee, with the Board remuneration determined by the Board itself on the recommendation of the Compensation Committee. Board and Committee remuneration is fixed, while Management remuneration contains both fixed and variable components that are determined by the qualitative assessment of the Compensation Committee. Both the Board and senior management have stock-based incentives with the vesting of shares determined in part by passage of time and in part by achieving stock price hurdles. Sign-on / recruitment bonuses are considered on a context-specific basis. Termination payments (in the absence of cause for dismissal) are provided for in employment contracts. Retirement benefits are provided for in employment contracts, but only in case required by regulation.



Governance

ESG governance

As first reflected in our 2019 ESG report, we established a Board Committee focused on ESG to ensure appropriate strategic clarity, rigour, and top-down prioritization.

We have established a clear ESG strategy and roadmap to meet our sustainability objectives. To sense-check, and continuously improve, our approach to sustainability, we conduct an annual stakeholder engagement process to evaluate, validate, and prioritize our ESG-related activities and initiatives - the results of which are included in our annual ESG reports.

Material ESG topics, and any related key performance indicators (KPIs), are reviewed at scheduled quarterly meetings of the ESG Committee and Board, with additional ad hoc discussions as may be required.

Our company also conducts ESG workshops with all departments on a regular basis, which serve as a forum both to gather past performance data and to refresh and update employees on ever-evolving best practices. To further strengthen our overall approach, external experts are periodically engaged to advance and update the collective knowledge of the ESG Committee via the implementation of workshops.

All Board members and senior management at GSL are subscribed to the National Association of Corporate Directors (NACD), to draw on best governance practices.

* Material in the context of GRI and SASB ESG reporting guidelines.

Industry Involvement and External Commitments

As part of our commitment to ethical practices and industry standards, we are member of various industry organizations, including BIMCO, EcoVadis, Helmepa, Intercargo and Rightship which help us stay aligned with best practices and regulatory requirements. Our active participation in those organizations underscores our dedication to sustainability and corporate responsibility, ensuring that we are at the forefront of industry advancements and collaborative efforts to meet global challenges.

We have also registered our vessels to Environmental Ship Index (ESI). The Environmental Ship Index (ESI), founded by the International Association of Ports and Harbors (IAPH), is a voluntary program that measures a vessel's environmental performance based on its emissions of SO_x, NO_x, and CO₂, rewarding those that exceed international standards. We have enrolled our entire fleet in this initiative to support sustainable shipping and demonstrate our commitment to reducing environmental impact.



Governance

Business ethics

0 Violations of our ethical principles & anti-corruption policy in 2023

0 Violations or legal actions for anti-competitive behavior, anti-trust, and monopoly practices

Maritime Anti-corruption Network (MACN)

Global Ship Lease (GSL) has joined the Maritime Anti-Corruption Network (MACN), a global business network dedicated to eliminating corruption in the maritime industry. MACN unites shipping companies and stakeholders to collectively address and prevent corrupt practices during port operations and other maritime activities. The network provides tools, resources, and a platform for sharing experiences, reporting incidents, and collaborating on initiatives aimed at reducing corruption risks. Through this collective action, MACN seeks to create a safer and more transparent environment for global trade, aligning with GSL's commitment to integrity and ethical operations.

Our Code of Business Conduct and Ethics

We have established a Code of Business Conduct and Ethics that is intended to deter wrongdoing and promote honest, fair, transparent and ethical conduct. The Code applies to all employees, directors, officers and certain long-term consultants of GSL and its subsidiaries. Indicative topics covered by our Code of Business Conduct and Ethics include:

- Conflicts of Interest
- Corporate Opportunities
- Data Privacy
- Modern Slavery and Child Labor
- Health and Safety
- Environmental Compliance
- Freedom from Discrimination and Harassment
- Diversity, Equity and Inclusion
- Anti-Bribery
- Anti-Corruption
- Anti-Fraud
- Anti-Money Laundering
- Honest and Fair Dealing
- Protection and Proper Use of Company Assets
- Compliance with Laws, Rules and Regulations
- Securities Trading
- Disclosure
- Procedures Regarding Waivers
- Internal Reporting, Anti-Retaliation and Whistleblower Policy
- External Communications Policy and Use of Social Media

Governance

Business ethics

Conflicts of Interest

Our company has established a robust Conflicts of Interest mechanism, that is incorporated in our organization's Code of Business Conduct and Ethics to preclude our employees from using or attempting to use their position within the Company to personal advantage. Any employee who has knowledge of a conflict of interest or anticipates the possibility of such a conflict should promptly bring the matter to the attention of the Chairman of the Conflicts Committee of the Chairman of the Audit Committee of the Board of Directors or the external legal counsel of the Company.

Reporting violations

We have a whistleblowing mechanism that provides our people with the opportunity to report anonymously any violations, deviations or non-compliance incidents with regards to our Code of Business Conduct and Ethics. We encourage whistleblowers to share their concerns with our Audit Committee or our whistleblower hotline (among others) in case any known or suspected wrongdoings have come to their attention, and we ensure that all reports will be taken seriously and treated in confidence.

0

Whistleblowing incidents in 2023

KYC Process and Sanction Checks

To ensure compliance with regulations and to mitigate legal and financial risks, we have developed a Know Your Customer (KYC) process. This process involves engagement with P&I clubs, established law firms and data providers, and specialized companies for screening. Additionally, our commercial and legal departments play a significant role in conducting these sanction checks.

Corruption Perception Index

We monitor our exposure to risks related to corruption linked to the geographical areas in which we operate. In 2023, 10.43% of our port calls were in countries in the 20 lowest rankings of Transparency International's Corruption Perception Index (CPI), compared to 2022.

10.43

% of port calls in countries with the 20 lowest rankings in CPI



Anti-bribery and corruption

We take a zero-tolerance approach towards bribery and corruption, as their effects can hinder socioeconomic development and undermine sustainability objectives. We strive to maintain transparent and honest relationships with our business partners and promote a culture that is free from incidents of bribery, corruption or fraud. Moreover, we seek to secure our responsible approach to public policy, recording zero direct or indirect contributions to political parties.

0

Bribery, corruption and fraud incidents in 2023

Governance

Risk management and internal controls

Risk management and internal controls are critical to ensuring robust governance practices, disciplined business processes, and high levels of transparency and disclosure. To achieve this, we have developed a rigorous internal control environment monitored by our dedicated Internal Audit team, which oversees internal procedures, including those of Technomar, and ConChart, ensuring adherence to our risk management practices and overall governance processes. Our framework identifies six key risk categories that could impact our business operations and performance. We proactively manage these risks through comprehensive periodic assessments, prioritizing our efforts and resources to mitigate potential threats. This approach is further strengthened by the integration of advanced cybersecurity measures, such as annual penetration tests and AI-driven vulnerability detection, to safeguard our digital infrastructure. Additionally, our risk management practises align with international standards, ensuring compliance with regulations like the EU Emissions Trading System (ETS) and GDPR.

In 2023, we introduced a new Code of Business Conduct and Ethics requiring employees to report any suspicions of money laundering, covering various aspects and KPIs. This includes separate Code of Business Conduct and Ethics for employees and suppliers, both of which are available on the GSL website.

As part of our commitment to continuous improvement, we are also expanding our framework to address environmental risks, including real-time consumption monitoring, which informs emissions data, along with proactive maintenance to support our long-term sustainability goals. We have identified six risk categories that could pose threats to our business operations and overall performance:

People: People risks can arise if our managers or employees are not properly led, trained, or motivated to perform.

Information Technology: Information technology risks can arise if our IT systems (a) are not operating as intended, (b) compromise the integrity or reliability of data or information, (c) expose significant assets to potential loss or misuse, or (d) compromise our ability to sustain the operation of critical processes.

Integrity: Integrity risks include management fraud, employee fraud, illegal and/or unauthorized acts, any or all of which could damage the company's reputation in the market.

External Environment: External Environment risks can arise if there are external factors including those at a macro level that could negatively impact our business model, strategy, or operations.

Operations: Operations risks can arise if our operations or processes are inadequate for the execution of our business strategy, for satisfying our customers' needs, or for otherwise achieving our objectives.

Financial: Financial risks can arise in connection with a wide variety of factors including the management of liquidity, interest rate volatility, loan maturity profiles, counterparty credit quality, currency risk, and financial reporting timeliness and accuracy.

To proactively identify, manage, and mitigate risks, periodically we conduct a comprehensive risk assessment to determine the significance and magnitude of risks. This procedure allows us to prioritize our risk management efforts and allocate resources accordingly. By doing so, we can minimize the impact of potential risks on our operations and ensure the long-term viability of our business.

Our top risks, as identified in our risk assessment

- Macro events amplifying the volatile nature of shipping.
- Military actions, increased terrorism or aggressive foreign or trade policies (sanctions, embargoes etc.).
- Fluctuations in asset prices, charter rates, interest rates etc.
- Outsourcing activities to third parties.
- Decline in investor confidence in our business capabilities and/or our ability to execute our business model.
- Costs related to vessel operations are not properly monitored or managed.
- Insufficient access to capital.
- A counterparty to a financial transaction is unable to fulfil its obligations.
- The use of funds in a manner that leads to the loss of economic value, including time value losses and transaction costs.
- Non-compliance with laws and industry regulations, contractual obligations, SEC / NYSE requirements, customer requirements, prescribed organizational policies and procedures, etc.
- The association of individuals or entities with the Company may lead to potential conflicts of interest and/or exert considerable influence over the Company's business operations.
- Exposure to lower returns or the necessity to borrow due to shortfalls in cash or expected cash flows.
- Cyber-attacks including state-sponsored hacking.

Our aim is to continuously improve our control environment, and to ensure that the number and quality of our internal controls meets and exceeds compliance requirements. During 2023, a total of 14 business processes, including ELCs and ITGCs, were tested, covering 204 internal controls, with no material weaknesses identified.

0
Material weaknesses
were identified in internal
audits performed in 2023

204
Internal controls
were tested during
2023

Governance

Cyber security and data protection

The IMO adopted a resolution on Maritime Cyber Risk Management, that requires ship owners and managers to assess cyber risk and implement relevant measures across all functions of their safety management system, until the first Document of Compliance after 1 January 2021.

We monitor Information Technology (IT) risks and initiate actions for mitigation to eliminate all significant threats to our business activities. We have developed specific policies to ensure the appropriate use, handling, storage and protection of sensitive information, and review such policies on a regular basis.

Our approach includes a set of measures such as cybersecurity penetration tests, with the most recent test conducted in December 2023, showing no material concerns. We have also implemented additional firewall mechanisms and vulnerability assessments.

Quazar Project: enhanced IT & cyber security infrastructure aboard our ships

We are continually improving our IT infrastructure to enhance operational efficiency and reduce energy consumption through process digitization - ranging from the collaborative use of high-frequency operating data captured from our ships in real time, to remote monitoring and maintenance of onboard systems. Underpinning this effort is the Quazar Project, which involves upgrading and, to the extent possible, standardizing onboard IT and cyber security infrastructure across the fleet. As our data and digitization strategy continues to evolve, Quazar will allow functionality upgrades and additions to be executed remotely, efficiently, and securely going forward. Fleet-wide roll-out of Quazar is expected to be completed by the first quarter of 2025. In parallel, we are enabling our vessels with ultra-high-speed internet to significantly enhance data flow, bandwidth, and connectivity uptime. This will not only further support our drive to improve energy efficiency and reduce emissions, but also help our seafarers to remain in better contact with their families while away from home.

We have the following policies in place to ensure the appropriate use, handling, storage, and protection of sensitive information.

- Access Control Policy
- Antivirus and Antimalware Policy
- Clean Desk and Clear Screen Policy
- Cryptography Policy
- Information Backup Policy
- Information Security Policy
- Information Transfer Policy
- Internal Access Policy
- Mobile Device Policy
- Network Security Policy
- Password Policy
- Remote Access Policy

We prioritize cybersecurity training for our employees, ensuring they are equipped to handle potential threats. This training includes detailed modules on system security, with specifics on duration, participant numbers, and content provided in our training reports.



Appendix

Appendix I

Management and impact of material topics

The following table presents the stakeholder groups concerned with / affected by each material topic.

Environment

Material topics	Boundaries / Stakeholders affected
Marine environment & biodiversity	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Industry organizations, Industry Analysts, Flag States, Port Authorities, Community representatives
Greenhouse Gas (GHG) emissions and air pollution	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Industry Analysts
Waste management and recycling	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Industry organizations, Community representatives
Ship recycling	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Industry Analysts, Industry organizations
Research, innovation and clean technologies	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Industry Analysts

Social

Material topics	Boundaries / Stakeholders affected
Occupational health, safety and security	Seafarers and office employees, Crewing Agents, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Suppliers, Industry organizations, Flag States, Port Authorities, Community representatives
Human rights	Seafarers and office employees, Crewing Agents, Community representatives
Labour practices	Seafarers and office employees, Crewing Agents, Industry organizations, Community representatives
Employee wellbeing and benefits	Seafarers and office employees, Crewing Agents, Community representatives
Diversity and inclusion	Seafarers and office employees, Crewing Agents, Shareholders / Investors, Community representatives
Sustainable procurement practices	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Suppliers
Community investments	Seafarers and office employees, Community representatives, Academic Institutions

Governance

Material topics	Boundaries / Stakeholders affected
Regulatory compliance	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Insurers / P&I Clubs, Industry organizations, Flag States, Port Authorities, Crewing Agents
Corporate governance, ethics, and transparency	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Crewing Agents
Financial performance and commercial strategy	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts, Insurers / P&I Clubs, Crewing Agents
Cybersecurity and data protection	Seafarers and office employees, Charterers / Liner Operators, Ship Brokers, Equity Investors, Credit Investors, Commercial Lenders & Financial Leasing Companies, Investment Banks / Financial Analysts Suppliers, Industry organizations, Community representatives, Crewing Agents

Appendix II

STAGE 1

Validation of ESG Topics

Identifying key ESG areas is an iterative process, that we have developed and implemented over the last four years, intended to facilitate the alignment of our ESG strategy with the priorities of our stakeholders, prominent industry trends, best practices, and regulations. This year, the impact materiality analysis was conducted in five stages. In stage 1, we performed a comprehensive review of sustainability frameworks and industry trends. This included the examination of topics raised by leading sustainability

standards and frameworks such as the GRI, SASB, and MSCI. We also considered how we may contribute to the SDGs. We also conducted a benchmarking analysis, taking into consideration practices performed by relevant organizations and companies, to form a more holistic view of our business environment. For 2023, we drew from ESG Topics identified in the materiality analyses of prior years, enhanced to reflect prevailing areas of interest and best practice.

Modifications to the list of topics between 2022 and 2023

	Topics included in 2022 materiality analysis	Modified topics, as included in 2023 impact materiality analysis
Environment	<ul style="list-style-type: none"> Reduction of Greenhouse Gas (GHG) emissions and air pollution Enhancing Carbon Capture & Storage (CCS) Enhance biofuel compatibility Increase Underwater cleaning initiatives 	<ul style="list-style-type: none"> Greenhouse Gas (GHG) emissions and air pollution
	<ul style="list-style-type: none"> Emphasis on slow steaming procedures 	<ul style="list-style-type: none"> Marine Environment and Biodiversity:Social
Social	<ul style="list-style-type: none"> Increase female participation in Board of Directors. Increase managerial positions held by females 	<ul style="list-style-type: none"> Diversity and inclusion
	<ul style="list-style-type: none"> Improvements in employee benefits and wellbeing initiatives Parental Leave Enhance Healthcare Support: Creation of a new department for training and development Funding of training and education activities. 	<ul style="list-style-type: none"> Labour practices
Governance	<ul style="list-style-type: none"> Focus on cybersecurity and data protection 	<ul style="list-style-type: none"> Cyber security and data protection
	<ul style="list-style-type: none"> Scholarships aimed at supporting Greek women and connecting with academia for decarbonization research 	<ul style="list-style-type: none"> Community investments
	<ul style="list-style-type: none"> Compliance with environmental regulation and standards 	<ul style="list-style-type: none"> Regulatory Compliance
	<ul style="list-style-type: none"> Inclusion Maritime Anti-Corruption Network (MACN). KYC Process GDPR Compliance 	<ul style="list-style-type: none"> Corporate Governance, Ethics, and Transparency

STAGE 2

Identification of Impacts

In stage 2, we conducted a comprehensive evaluation to determine the positive and negative impacts - both actual and potential - of our business practices, operations, corporate procedures, and value chain on the broader economy, environment, society, and individuals - including human rights. Analysis was performed both at the company-specific level and across a diverse range of sector-relevant resources.

STAGE 3

Engagement with Stakeholders

In stage 3 we surveyed a broad sample of our internal and external stakeholders to evaluate their views on the significance of the impacts we had identified. Survey participants were asked to consider the following parameters:

For all impacts:

- **Scale:** How positive, or negative, would the impact be on people, the economy, or the environment.
- **Scope:** How widespread would the impact be on populations, economies and ecosystems affected.

For negative impacts:

- **Irremediable Character:** Would it be possible to counteract or make good of the resulting harm and how challenging would that corrective action be.

For potential impacts:

- **Likelihood:** What is the probability of the impact occurring.

The assessment of all effects was carried out through the application of a three-point scale ranging from 1 (representing low significance) to 3 (representing high significance).

A magnifying glass is positioned over a colorful, abstract data visualization consisting of various colored lines and shapes in shades of blue, green, and purple. The background is a blurred image of a person's face, suggesting a focus on analysis and data.

STAGE 4

Data analysis

In stage 4, after aggregating feedback from stakeholders, we calculated the average survey ratings for each impact, and formulated a ranking list of material impacts applicable to our organization.

STAGE 5

Identification of Material ESG Topics

In the concluding stage, 5, we established significance thresholds to determine the ESG issues most material to our stakeholders and set priorities aimed at improving our ESG performance accordingly.

Appendix III

GRI content index

Statement of use	Global Ship Lease, Inc. has reported in accordance with the GRI Standards from 1 January 2023 to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI Standard	Disclosure	Section	Page	Omissions		
				Requirements omitted	Reason	Explanation
GENERAL DISCLOSURES						
GRI 2 General Disclosures 2021	2-1 Organizational details	About Global Ship Lease	5-8			
	2-2 Entities included in the organization's sustainability reporting					
	2-3 Reporting period, frequency and contact point	About this report / Contact Information	4, 85			
	2-4 Restatements of information	About Global Ship Lease	10			
	2-5 External assurance	-	-			
	2-6 Activities, value chain and other business relationships	About Global Ship Lease	5-8			
	2-7 Employees	Social	55-56			
	2-8 Workers who are not employees					
	2-9 Governance structure and composition	Governance	63-71			
	2-10 Nomination and selection of the highest governance body					
	2-11 Chair of the highest governance body					
	2-12 Role of the highest governance body in overseeing the management of impacts					
	2-13 Delegation of responsibility for managing impacts					
	2-14 Role of the highest governance body in sustainability reporting					
	2-15 Conflicts of interest					

GRI Standard	Disclosure	Location		Omissions		
		Section	Page	Requirements omitted	Reason	Explanation
GRI 2 General Disclosures 2021	2-16 Communication of critical concerns					
	2-17 Collective knowledge of the highest governance body					
	2-18 Evaluation of the performance of the highest governance body	Governance	63-71			
	2-19 Remuneration policies					
	2-20 Process to determine remuneration					
	2-21 Annual total compensation ratio	-	-	Yes	Not applicable	GSL has seven direct employees in Management positions. In this context, the ratio is deemed as not meaningful.
	2-22 Statement on sustainable development Strategy	Message from our Executive Chairman	3			
	2-23 Policy commitments	Climate strategy	41-42			
	2-24 Embedding policy commitments	Governance	65			
	2-25 Processes to remediate negative Impacts	Climate strategy	24-28			
		Environment	38-49			
		Social	50-57			
	2-26 Mechanisms for seeking advice and raising concerns	Governance	68			
			73			
2-27 Compliance with laws and regulations	Environment	41				
	Governance	42				
2-28 Membership associations	Climate strategy	26-27				
	Social	53				
2-29 Approach to stakeholder engagement	Materiality analysis	17-23				
2-30 Collective bargaining agreements	About Global Ship Lease	14				
MATERIAL TOPICS						
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Materiality analysis Appendix II: Materiality assessment process	17-23			
	3-2 List of material topics		75-77			

GRI Standard	Disclosure	Section	Page	Location	Omissions	
				Requirements omitted	Reason	Explanation
TOPIC DISCLOSURES						
Greenhouse Gas (GHG) emissions and air pollution						
GRI 3: Material Topics 2021 GRI 305: Emissions 2016	3-3 Management of material topics					
	305-1 Direct (Scope 1) GHG emissions					
	305-2 Energy indirect (Scope 2) GHG emissions					
	305-3 Other indirect (Scope 3) GHG emissions			Yes	Information unavailable / incomplete	GSL does not monitor its Scope 3 emissions at the moment. Next steps will be decided in due course, once disclosure requirements become clearer.
	305-4 GHG emissions intensity	Environment	38-49			
	305-5 Reduction of GHG emissions					
	305-6 Emissions of ozone-depleting substances (ODS)					
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions					
Marine environment and biodiversity						
GRI 3: Material Topics 2021 GRI 304: Biodiversity 2016	3-3 Management of material topics					
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	-	Yes	Information unavailable / incomplete	GSL's vessels navigate in or near protected areas, although GSL does not monitor this KPI due to an industry-wide lack of clarity.
	304-2 Significant impacts of activities, products, and services on biodiversity	Environment				
	304-3 Habitats protected or restored					
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations				Information unavailable / incomplete	GSL does not monitor these KPIs currently. Next steps will be decided in due course.

GRI Standard	Disclosure	Section	Page	Omissions		
				Location	Requirements omitted	Reason
Occupational health, safety, and security						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Social	53-56			
	403-2 Hazard identification, risk assessment, and incident investigation					
	403-3 Occupational health services					
	403-4 Worker participation, consultation, and communication on occupational health and safety					
	403-5 Worker training on occupational health and safety					
	403-6 Promotion of worker health					
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships					
	403-8 Workers covered by an occupational health and safety management system					
	403-9 Work-related injuries					
	403-10 Work-related ill health					
Employee wellbeing and benefits						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	- Social	- 53-56	Yes	Information unavailable / incomplete	GSL does not monitor this KPI, although all office-based employees' compensation is above local minimum wage while seafarers' remuneration is determined based on the collective bargaining standards of the maritime sector. Next steps will be decided in due course.

GRI Standard	Disclosure	Section	Page	Omissions		
				Requirements omitted	Reason	Explanation
Human rights						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken					
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk			Yes	Information unavailable / incomplete	GSL does not monitor this KPI, although follows the collective bargaining standards of the maritime sector. Next steps will be decided in due course.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor			Yes	Information unavailable / incomplete	GSL does not monitor these KPIs, although seeks to ensure the respect of all internationally recognized human rights. GSL advocates that ships be scrapped and recycled in accordance with the Hong Kong Convention, and that its suppliers either participate in IMPA-ACT or comply with the Company's Supplier Code of Conduct. Next steps will be decided in due course.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Social	56			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples					
Corporate governance, ethics, and transparency						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Social	69-71			
	205-2 Communication and training about anticorruption policies and procedures					
	205-3 Confirmed incidents of corruption and actions taken					

GRI Standard	Disclosure	Section	Location	Omissions		
			Page	Requirements omitted	Reason	Explanation
GRI 415: Public Policy 2016	415-1 Political contributions	Governance	60-61			
Regulatory compliance						
GRI 3: Material Topics 2021	3-3 Management of material topics	Environment	24-27			
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance	68			
Waste management and recycling						
GRI 306: Waste 2020	306-3 Waste generated	Environment	45			
Water and effluents						
GRI 303: Water and Effluents 2018	303-5 Water consumption	Environment	46			
Energy						
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Environment	45			
	302-3 Energy intensity					
Diversity and inclusion						
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social / Governance	56 67-71			
Labour practices						
GRI 401: Employment 2016	401-1 New employee hires and employee turnover					
	401-3 Parental leave	Social	56			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee					
Financial performance and commercial strategy						
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	About Global Ship Lease	10			

1. The 2022 values mentioned, have been amended in this report

Appendix IV

SASB content index



Category	Disclosure topic	Code	Page
Greenhouse Gas Emissions	Gross global Scope 1 emissions	TR-MT-110a.1	14, 41
	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	TR-MT-110a.2	28, 39-40
	(1) Total energy consumed, (2) percentage heavy fuel oil, (3) percentage renewable	TR-MT-110a.3	14, 41, 45
	Average Energy Efficiency Design Index (EEDI) for new ships	TR-MT-110a.4	N/A
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	TR-MT-120a.1	14, 41
Ecological impacts	Shipping duration in marine protected areas and areas of protected conservation status	TR-MT-160a.1	N/A
	Percentage of fleet implementing ballast water (1) exchange and (2) treatment	TR-MT-160a.2	14, 46
	(1) Number and (2) aggregate volume of spills and releases to the environment	TR-MT-160a.3	14, 46
Employee health & safety	Lost time injury rate (LTIR)	TR-MT-320a.1	15, 54
Business ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	TR-MT-510a.1	70
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	TR-MT-510a.2	70
Accident & safety management	Number of marine casualties, percentage classified as very serious	TR-MT-540a.1	15, 54
	Number of Conditions of Class or Recommendations	TR-MT-540a.2	54
	Number of port state control (1) deficiencies and (2) detentions	TR-MT-540a.3	54
Activity Metrics	Number of shipboard employees	TR-MT-000.A	15
	Total distance travelled by vessels	TR-MT-000.B	10
	Operating days	TR-MT-000.C	10
	Deadweight tonnage	TR-MT-000.D	N/A
	Number of vessels in total shipping fleet	TR-MT-000.E	8, 10
	Number of vessel port calls	TR-MT-000.F	10
	Twenty-foot equivalent unit (TEU) capacity	TR-MT-000.G	8

Appendix V

Our employment practices

Requirement ref.	KPI	Actions for 2024
GRI 205: Anti-corruption	205-2	<ul style="list-style-type: none"> - Policy Acceptance Tool: Implemented for all GSL seafarers with an annual refresher, delivered through the Ocean Learning Platform (OLP). Statistics will be available. - Anti-corruption Training: Mandatory for all seafarers, with an accompanying campaign.
GRI 403: Occupational Health and Safety	403-6	<ul style="list-style-type: none"> - Enhanced Training Sessions will be scheduled in 2024. - The courses will be included in the Shore Staff Training Matrix.
GRI 404: Training and Education	404-2	<p>Adaptive Learning: Technomar will participate in the trial version of the Adaptive Learning Module in OLP. This will allow for immediate identification and addressing of training needs. Individual Training Plans will be effectively developed and monitored.</p> <ul style="list-style-type: none"> - Evaluation Criteria Revamp: A revamp of the Evaluation Criteria will be developed for 2024-2025, focusing on technical and behavioral competencies specific to each rank.
	404-3	<ul style="list-style-type: none"> - Performance Assessments Training: Onboard and Ashore Assessors will be trained to effectively deliver Performance Assessments. - Competence Manager Tool: Investigating a tool to identify training needs arising from performance reviews. - IDP Plan: Implementation of the 1st phase of the three years Plan.
GRI 405: Diversity and Equal Opportunity		Diversity & Inclusion Course: A campaign of Diversity & Inclusion and Cultural Awareness courses will run in 2024.
Non GRI/SASB		<p>Mental Health Awareness Program: Investigation of an enhanced program aimed at raising awareness of mental health among Senior Officers. The program will equip them with the necessary skills to identify and manage cases of mental illness onboard. Collaboration with ASCOTT Consulting or similar experts will be reviewed for support on psychological issues.</p> <p>Information Security Awareness Courses (Cyber Security Policies / Procedures & GDPR): Additional sessions will be scheduled throughout the year to ensure participation from all company employees. Course materials and outlines will be reviewed and updated before scheduling these sessions.</p>

Disclaimers

Forward-Looking Statements

This report contains forward-looking statements. Forward-looking statements provide Global Ship Lease, Inc.'s current expectations or forecasts of future events. Forward-looking statements include statements about Global Ship Lease, Inc.'s expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts. Words or phrases such as "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "ongoing," "plan," "potential," "predict," "project," "will" or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. These forward-looking statements are based on assumptions that may be incorrect, and Global Ship Lease, Inc. cannot assure you that the events or expectations included in these forward-looking statements will come to pass, or that it will achieve or accomplish these expectations, beliefs or projections. Actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors, including the factors described in "Risk Factors" in Global Ship Lease, Inc.'s Annual Report on Form 20-F and the factors and risks Global Ship Lease, Inc. describes in subsequent reports filed from time to time with the U.S. Securities and Exchange Commission. Accordingly, you should not unduly rely on these forward-looking statements, which speak only as of the date of this report. Global Ship Lease, Inc. undertakes no obligation to publicly revise any forward-looking statement to reflect circumstances or events after the date of this report or to reflect the occurrence of unanticipated events.

Note on Materiality of Information

The ESG goals, projects, initiatives, and strategies described in this report are aspirational; as such, no guarantees or promises are made that these goals, projects, initiatives and strategies will be met or successfully executed. This report uses certain terms, including those that GRI and SASB or others refer to as "material" or "key" to reflect the issues or priorities of Global Ship Lease and its stakeholders. Used in this context, however, these terms are distinct from, and should not be confused with, the terms "material" and "materiality" as defined by or construed in accordance with applicable securities, or other, laws or as used in the context of financial statements and reporting. For purposes of this report the materiality standard is different to the materiality standard applied under U.S. federal securities and issues identified as "material" for purposes of this report may not be considered material for SEC reporting purposes.

Contact Information

For more information on our ESG strategy, please contact:

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The background of the right side of the page features a dark blue map of the world with a grid of glowing blue squares. In the bottom right corner, the text "ESG REPORT 2023" is displayed in a large, white, sans-serif font. The word "ESG" is significantly larger than "REPORT" and "2023".

ESG
REPORT
2023