



Shipping

ENVIRONMENT SOCIAL & GOVERNANCE

ESG

REPORT

30TH OCTOBER 2023



Shipping

ENVIRONMENT SOCIAL & GOVERNANCE
ESG
REPORT

1.

INTRODUCTION

About this report

This report is Asyad Shipping's first ever comprehensive reporting on ESG. This report is intended to inform Asyad Shipping's stakeholders of the management approach implemented for key ESG elements, key sustainability initiatives and the progress made throughout Financial Year 2022. The annual ESG report covers Asyad's performance against most relevant Environmental, Social and Governance topics for FY 2022 which covers activities across the period from January 1, 2022 through December 31, 2022.

The report has been prepared by taking into account various global standards and reporting frameworks for corporate performance on ESG especially GRI reporting standards.

The GRI Standards ensure global comparability and quality of non-financial data. Additionally, other frameworks and standards detailed within, includes the Sustainability Accounting Standards Board (SASB) Marine Transportation Standards, TCFD, Poseidon Principle Requirements were studied to identify the complete data required.

Our reported Greenhouse Gas Emissions data is based on the European Union Monitoring, Reporting and Verification of CO2 emissions and IMO DCS on fuel consumption. The reporting scope and boundary for disclosures, unless otherwise stated, covers the operations of Asyad Shipping.

The reporting boundary has been determined in accordance with the GRI guidelines.

All financial data within the ESG Report is in United States Dollar (USD) unless stated otherwise. Determination of sustainability impacts and material ESG topics for reporting was undertaken by Lloyd's Register, in consultation with Asyad Shipping's staff and stakeholders, and was approved by the board.

The report is organized according to Asyad Shipping's material ESG topics, which have been identified in a materiality process.

External Assurance

Lloyd's Register provided a limited assurance on the preparation of the ESG report in accordance with the GRI standards and SASB Marine Transportation Standards.

LR found no specific evidence of misinformation and, material errors or misstatements in the ESG report. The scope of our assurance is limited to information and ESG performance data published in the ESG report and whether it is published in accordance with the GRI and SASB Marine Transportation Guidelines.

We assessed the materiality assessment process and ensure it was conducted in line with GRI requirements and included inputs and reviews from all material internal and external stakeholders.



Comments and Feedback

For any queries and questions please contact esg@asyad.om



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1.2 LETTER FROM CEO



Dr. Ibrahim Al Nadhairi

Chief Executive Officer of Asyad Shipping & Drydock

I recognize the critical importance of sustainability and the need for our company to address it in our business strategy. We are committed to being a responsible corporate citizen and contributing to a sustainable future for generations to come. Sustainability is not just a buzzword or a passing trend. It is a critical issue that impacts our planet, our communities, and our business.

We understand that the health of our business is intertwined with the health of the planet and the well-being of society. To that end, we have developed

a comprehensive sustainability strategy that aligns with our core business values and addresses the environmental, social, and governance issues that are most relevant to our operations. This strategy is not just a list of checkboxes, it is an integral part of our business operations and decision-making process. We believe that sustainable practices can lead to increased efficiency, reduced costs, and improved long-term performance. By implementing sustainable practices, we can reduce our environmental footprint, support social and economic development in our communities, and enhance our

reputation as a responsible and ethical business. We understand that the journey towards sustainability is not an easy one, and we may encounter challenges along the way. However, we are committed to continuous improvement and will strive to incorporate sustainable practices into all aspects of our business. I am committed to driving this sustainability strategy forward and ensuring that sustainability remains a core part of our business operations. I believe that by doing so, we can create a better future for all and build a more resilient and successful business. In 2022, we accelerated our decarbonisation targets and made significant progress towards delivering on our ESG commitments. Fulfilling our ESG goals is extremely important to our stakeholders. We have engaged with industry players such as regulatory bodies, engine manufacturers, charterers and financial institutes, as we believe our efforts must be matched at the industry level in order to successfully accelerate energy transition to be green. In our global operations, we emit tonnes of greenhouse gases every year. We want to play our role in reducing this through resources and technical expertise. In 2022, we made significant progress towards our goals. We have invested in systems that will allow us to monitor the impact of our ships and operations. We have invested in energy saving devices and have also started discussions with our stakeholders in the design aspects of ships that will assist in achieving the goal of reducing CO2 emissions.

In 2022, we are proud that our culture on diversity and inclusion had positive impact in the harmony of working on our ships despite tensions and conflicts at global level. On the people front, we are committed to putting the safety of our staff at the forefront of our priorities. We invest in the resources and training

to make sure our staff go home safely. As a company, we have set international and national best practices to conduct our business in the most ethical manner. In this regard, the company has proper manual of authority that sets the decision-making process seamless. The company has a robust code of conduct manual that all employees and partners behave in accordance with. As we operate globally, we are committed to adhere to all relevant regulations. To show our commitment, the company is a member of international organisations for anti-bribery and many other initiatives. There is no tolerance for any unethical act in the company. I would like to thank customers, partners, stakeholders, and our staff to be active in making the company a good global citizen.



We understand that the journey towards sustainability is not an easy one, and we may encounter challenges along the way. However, we are committed to continuous improvement and will strive to incorporate sustainable practices into all aspects of our business.

1.3 LETTER FROM VP SUSTAINABILITY



Mr. Khalil Al Balushi
VP Marine - Head of Sustainability

It is with great pleasure and a deep sense of responsibility that I welcome you to our first ESG report. As the world faces unprecedented challenges and opportunities this report is a testament to our unyielding commitment to environment social and governance excellence.

Over the past year we have embarked on a transformative journey that goes beyond mere compliance or corporate rhetoric. It's a journey fuelled by genuine desire to drive positive change that not only contributes to our organizations

success but also leaves a lasting impact on the global community and ecosystems we are part of.

As you navigate through the pages of this report, you will witness how we have woven this sustainability into the very fabric of our operations, champions inclusivity as a core value, and upheld the highest standards of ethical conduct.

This report encapsulates our progress, our challenges and most importantly our unwavering determination to create a more equitable prosperous and

sustainable world.

The ESG report before you is not just a collection of statistics and achievements, it's a reflection of the hard work put in by every member of our team the collaboration with our partners and the trust our partners and stakeholders place in us.

It represents a story of resilience, adaptability, and transformation. This reflects our belief that sustainable success is not a destination but an ongoing journey that requires constant innovation, collaboration and a deep-seated respect for the planet and its inhabitant.

Today as we unveil our first report, let us remember that the true impact of our actions extend far beyond these words and figures, it resonates in the lives we touch the ecosystems we protect, and the values we uphold.

It is my hope that this report not only serves as documentation of our progress but as a source of inspiration for a future where businesses play an active role in shaping a world that thrives on harmony equity and accountability.

Thank you for your continued trust and your dedication to the principles that guide us together let us forge ahead ensuring that our actions today lay the foundation for a better tomorrow.

As we delve into this report you will witness the tangible outcomes of our endeavors over the past year. From reducing our carbon footprint to fostering diversity and inclusion within our workforce, from strengthening our relationships with communities

to upholding ethical standards in every facet of our operations.

I encourage you all not just read through the pages of this report but to imagine the impact each initiative and achievement can have on our planet and society and to reflect on the contribution we all can make for a better future for the generations to come.

This in turn inspires us to work harder and collaborate more closely as we continue our journey towards a world that is environmentally sound socially inclusive and governed with utmost integrity.

“

It's a journey fuelled by genuine desire to drive positive change that not only contributes to our organizations success but also leaves a lasting impact on the global community and ecosystems we are part of.

2.

BUSINESS OVERVIEW

2.1 ABOUT ASYAD SHIPPING

Asyad Shipping is a member of Asyad group which offers tramp and liner shipping services, ship management and chartering through its subsidiaries: Oman ship management company, Oman charter company, and Asyad line are its business units. Asyad Shipping operates a diversified fleet of more than eighty five vessels with a total deadweight capacity of 9.7 million to cater to customer's needs and requirements including a mix of Ultra max bulk carriers, very large crude carriers (VLCCs), very large gas carriers (VLGCs), Multi purpose vessels (MPV), product tankers, LNG carriers, chemical carriers as well as various regional container line services. The group offers various services including maritime transportation of crude oil, LNG, chemical products, dry bulk and container. This includes ship owning, ship catering and technical ship management activities.



Vision

To be the first-choice partner in maritime transportation

Mission

To offer reliable, efficient and competitive shipping solutions to our clients.

Objectives

- To develop a world class fleet, catering to local and international demand
- To provide our clients with safe, reliable, efficient and environmentally sustainable shipping services of high-quality standards
- To contribute to the national economy of Oman by offering competitive maritime transportation services to industrial hubs, while securing long-term investment returns for the group, shareholders and customers
- To contribute to the Sultanate of Oman's Logistic strategy 2040 (Oman Vision 2040 and revenue diversification drive
- To enhance competency, professionalism and shipping knowledge among local workforce through training and employment opportunities on board and on shore.
- To reclaim Oman's historic maritime tradition through modern shipping.

Shipping Solutions

- Containers
- Crude
- LNG / Oil Bunker
- Dry Bulk
- Refined Oil Products

Container line services

- OGEX
- GEX
- IEX



12th Top VLCC Owner Globally

35th Top LNG Owner Globally

51st At Alpha liner database (ASYAD Lines)

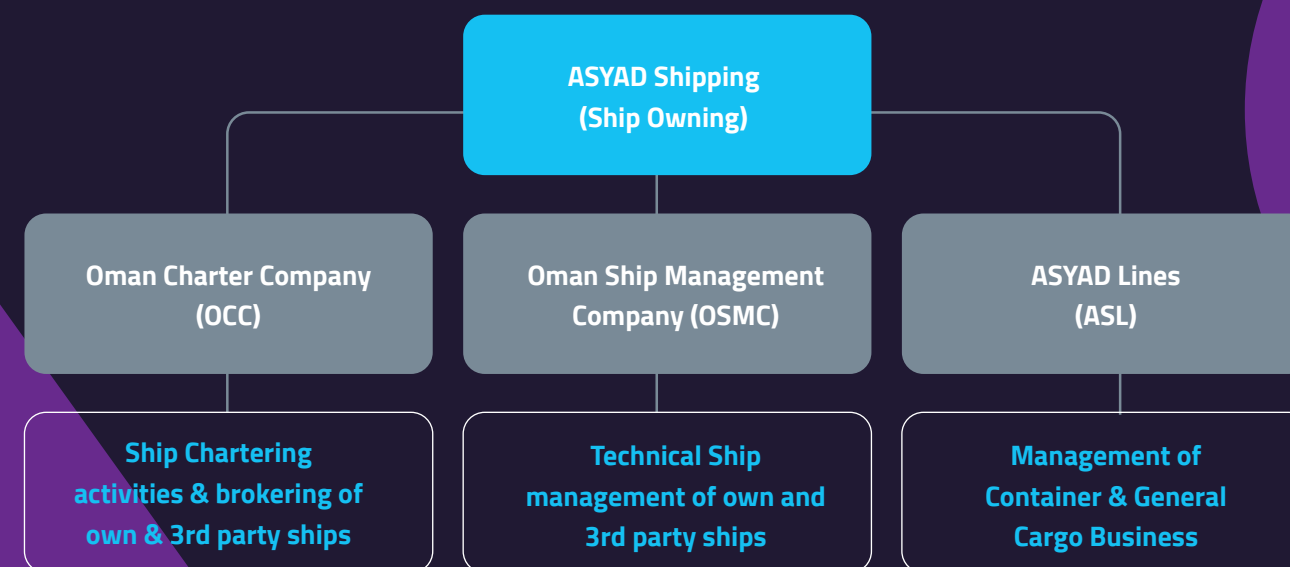


85
Vessels

Under Operation



9.2
m DWT
Capacity



414 Talents
(including 168 Omani seafarers)



Diversified portfolio of A-rated international customers



Full scale operational set-up with direct customer relations



Global reach: +900 port calls

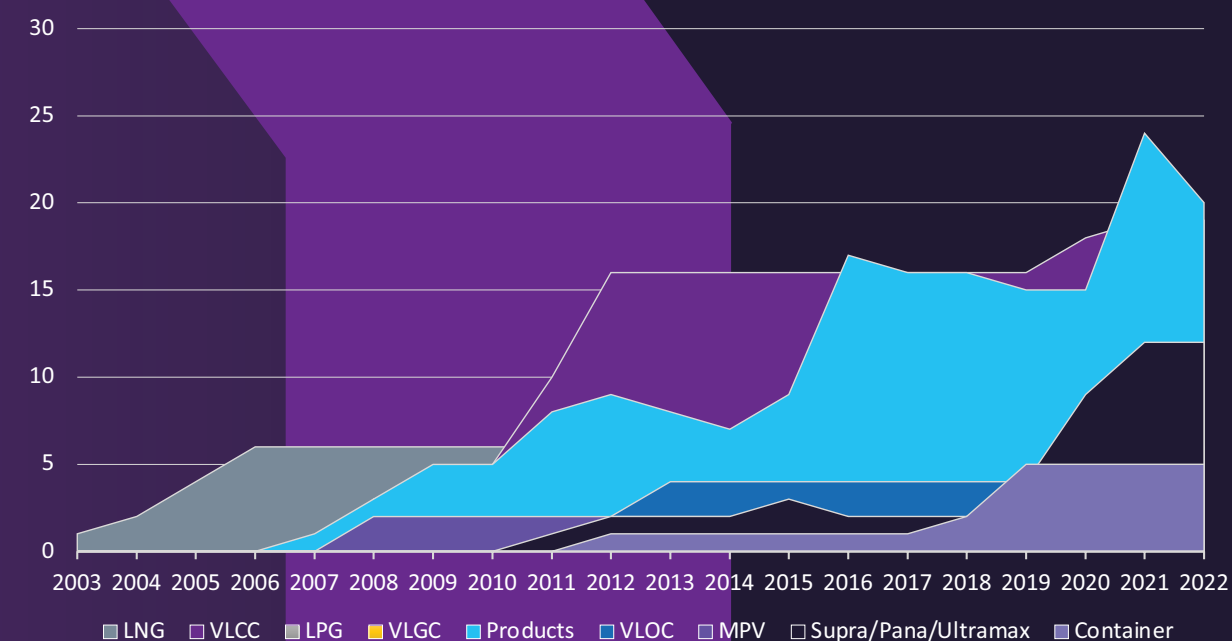


Reputable world class partners



Fully ISO certified and ranked among Shell's Top Quartile shipping companies

ASYAD SHIPPING FLEET DEVELOPMENT & DIVERSIFICATION



2.2 OUR PORTFOLIO

LNG Shipping

Asyad's evolution as one of the world's fastest growing national shipping lines began with a modest fleet of LNG ships and new built. Through the acquisition of ownership stakes in existing carriers, Asyad operated a total of six LNG ships to support the transportation of LNG produced at Qalhat, on the Sultanate's east coast, to markets around the world.

Crude Oil and Product Shipping

With seventeen VLCCs, fifteen Product Tankers, Asyad's fleet of product carriers accounts for more than half of the company's national fleet. It's a reflection of the significant upturn in liquid cargoes, including crude, refined petroleum fuels, and petrochemicals, being generated by the nation's largely hydrocarbon-centric economy, underpinned by the major industrial and petrochemical clusters established at Sohar, Salalah and Duqm.

Container shipping

Connecting Omani ports with key global markets is a key objective of Asyad's strategy to spur stronger trade ties between the Sultanate and the wider region. In line with this goal, a dedicated liner operation in the shape of Asyad Line (ASL) was introduced in 2010.

Dry Bulk Shipping

A growing number of Oman's metallurgical projects currently depend on Asyad's modern vessels to either freight in their raw materials and ship out their refined products & finished goods.

AWARDS AND RECOGNITION

Asyad Shipping is certified to the following Integrated Management System (IMS) Standards:



ISO 9001: 2015 –Quality Management
ISO 14001: 2015 – Environmental Management



SHELL's Top Quartile
ranking among more than 200 Tanker Companies approved for Shell Time Charter



Safety and Security Award
by Maritime Standards



Ship Manager of the Year Award by Seatrade Middle East & Indian Subcontinent.
Marine Trading Award by Seatrade

2.3 EXTERNAL ESG COMMITMENTS & PARTNERSHIPS



Oman 2040 Vision

Asyad Shipping dedicates itself to supporting the Oman Vision 2040 by leveraging Oman's competitive advantages and actively contributing towards nation building. Asyad Shipping intends to develop a favourable environment to attract talents in the labour market, partnerships and to grow in a competitive business environment.



United Nations Sustainable Development Goals

Asyad Shipping has aligned its business strategy with the UN Sustainable Development Goals and the International Maritime Organization (IMO) GHG Reduction targets, ensuring that we are responsible stewards of the marine environment and develop an inclusive, diverse, safe and healthy work environment (both on board our vessels and ashore), while building an agile, profitable, and sustainable business.

2.4 FINANCIAL OVERVIEW

Revenues

USD 780
Million+



Economic Value Distributed

USD 702
Million+



Retained earnings

USD 91
Million+



Benefit contributions to employees

USD 2.6
Million+



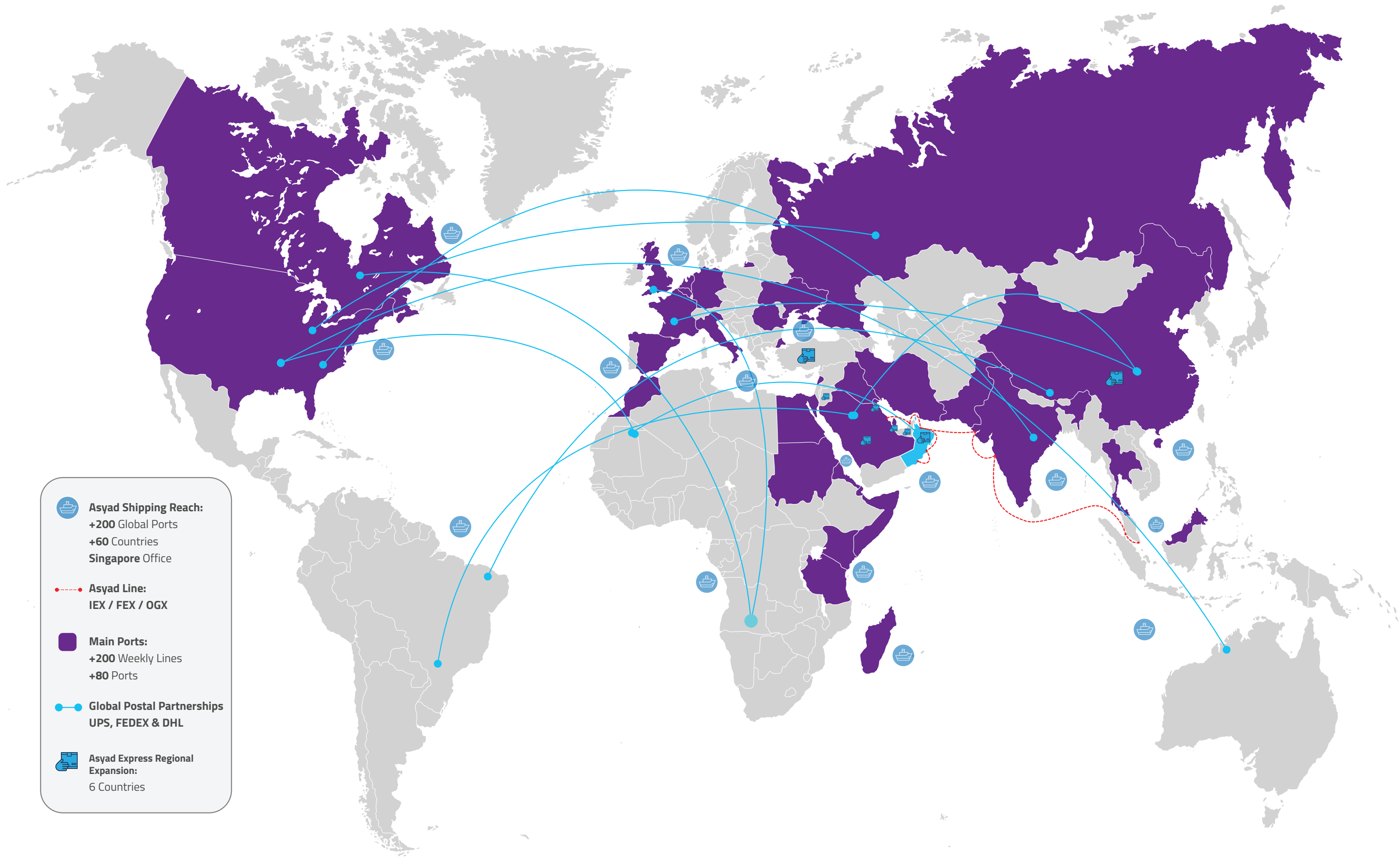
*Note: Economic Value Distributed includes operating costs, employee wages and benefits, payments to providers of capital, payments to government


*Note: Benefit contribution to employees includes the retirement plan expenses, or crew benefits contribution made by Asyad and the end of service benefits granted to other employees


Tax


- Income earned from practicing maritime transport activity by Omani marine companies are exempt from Corporate Income Tax.
- Asyad is up to date with new tax regulations and take assistance from tax consultants when needed
- Asyad is compliant with Oman Tax laws as well as reporting requirements by Marshall Island
- Corporate income tax paid on a cash basis - 0.15 – 0.2 USD millions
- Corporate income tax accrued on profit/loss - 0.15 – 0.2 USD millions


ASYAD GLOBAL PRESENCE




**Asyad Shipping Reach:**
+200 Global Ports
+60 Countries
Singapore Office

**Asyad Line:**
IEX / FEX / OGX

**Main Ports:**
+200 Weekly Lines
+80 Ports

**Global Postal Partnerships**
UPS, FEDEX & DHL

**Asyad Express Regional Expansion:**
6 Countries

3.

APPROACH TO ESG MANAGEMENT

SUSTAINABILITY AT ASYAD SHIPPING

At Asyad Shipping we are dedicated to making sustainability the cornerstone of our operations. We are determined to drive progress through our sustainability efforts and leverage our resources to deliver tangible and meaningful outcomes.

We aim to become a sustainability leader in the logistics industry

and are actively working to make a positive difference to the environment, society and our economy.

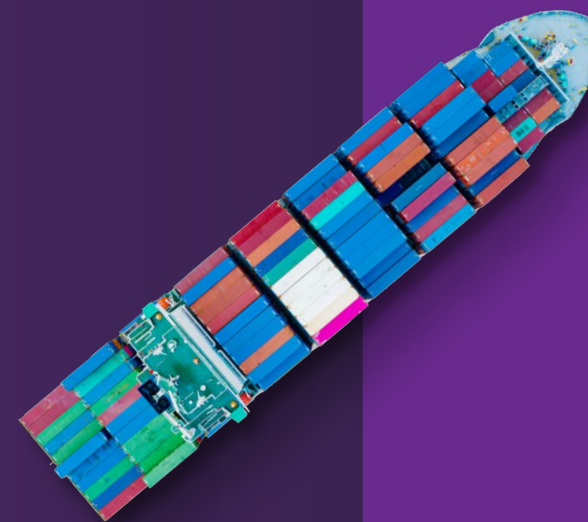
To this end, we have developed a range of initiatives and programs that aim to reduce our environmental impact while having a positive social and economic impact.

We have implemented A variety of programmes focused on decarbonization and ocean and land health restoration,

as well as taking active responsibility to support authorities where we operate. Additionally, we have integrated business operations to promote integrity among our employees and gain the trust from key stakeholders, partners, and customers

We believe we believe that sustainability is a shared responsibility

and we are constantly engaging with our stakeholders to ensure that we are aligned in our efforts toward building a more sustainable economy, and world.








3.1 ESG STRATEGY

Our Environmental, Social and Governance strategy focuses on sustainability and explores the implications of sustainability and its integration into business practices. By adopting a comprehensive approach to sustainability, Asyad Shipping intends to drive innovation, build stakeholder trust, and enhance long-term resilience. This report analyses key sustainability trends, highlights achievements, and strategies to overcome challenges.

“
Asyad Shipping intends to drive innovation, build stakeholder trust, and enhance long-term resilience.”

Asyad Shipping is aligned to the Oman Vision 2040 and strives to support the national priorities through actionable targets and goals.

In accordance with Asyad’s Mission and Vision statements, and with its Code of Business & Ethics and Health, Safety, Environment and Quality (HSEQ) policy, our ESG commitments are defined as:

ESG Commitments	Net Zero Goals	Working towards net zero goals in line with the Sultanate of Oman’s pledge to reach net zero emissions by 2050. Asyad Shipping is committed to its crucial role in promoting connectivity, trade and economic growth in the Sultanate of Oman.	
	Contribution to Omani Society	Asyad Shipping strives to make sizeable contributions to Omani society by creating an overall quantified impact on the national economy through innovation, resilience building & job creation, taking climate action into account, & resulting in successful & sustainable global logistics solutions.	
	Environmental Protection	Committed to environmental protection by targeting to decarbonize shipping, effective waste management, approach to biodiversity and a focus on alternative fuels.	
	Partnering with communities	Group wide implementation of QHSE, sustainable procurement to deliver on goals, creating shared value, fostering a culture of belonging, a highly engaged organization, a safe workplace is good business .	
	Robust governance	Empowering Omani SMEs, protecting your data, good business practices	

3.2 ESG TARGETS

Environment	Social	Governance
2% carbon reduction year over year	100% Compliance with the Asyad QHSSE Annual plan	20% Tracking of no of suppliers screened using environmental criteria
100% tracking of GHG emissions to create baseline	100% Alignment with the Maritime Labour Convention	20% Tracking of no of suppliers screened using social criteria
100% tracking of SOx, NOx and particulate matter to create baseline	Maintain EmployeeEngagement rate above 70%	100% employees signing the Employee Code of Conduct
100% compliance to IMO's 0.5% global cap on content of sulphur in fuels	100% completion of performance review management cycle	Increase in no of unpaid/paid trainings for the youth
100% compliance to IMO's 2023 regulations	100% tracking and measuring YoY trends of women and people with disabilities participation	
5% CII improvement required versus the 2019 baseline figure; 2% YoY improvement till 2026	Monthly volunteering activities and tracking attendance at activities	
Improve EEXI with certain requirement of improvement in energy efficiency	Setting a CSR Budget	
100% installations of Ballast water treatment systems	100% Seafarers signing the Seafarer Employment Agreement	

3.3 ESG COMMITTEE ORGANOGRAM

ESG Committee



ESG Committee Charter

Primary Purpose:

- Guide, support and supervise development and implementation of ESG Strategy
- Adopt ESG driven initiatives
- Set ESG related KPIs
- Assess risks and opportunities related to ESG
- Promote ESG related activities within the business

The Key Responsibilities of the Committee are:

1. Oversee the ESG Strategy and business practices
2. Review the strategies in relation to environment, social and governance and suggest ways of improving them
3. Monitor company ESG performance and execution and ensure it is aligned with international standards
4. Oversee ESG Reporting and external disclosures in accordance with international standards
5. Review and assess feedback from external stakeholders in relation to ESG material topics and provide guidance to limit related risks that may arise
6. Receive periodic briefing from relevant teams on significant business risks identified and mitigating control measures to address them
7. Report to the Board on ESG material topics impacting the company business

3.4 METHODOLOGY FOR MATERIALITY ASSESSMENT

An ESG materiality assessment was conducted to better understand ESG topics material to Asyad Shipping’s business. The objective of the assessment was to set a clear framework to steer the future ESG efforts and demonstrate the current achievements, allowing Asyad Shipping to take firm action and use their role as a market leader to make an impact. Asyad Shipping enforced a materiality process and ensured that the work aligns with sector best practice and is guided by GRI guidelines and other established initiatives, frameworks, and reporting standards.



3.5 MATERIAL TOPIC IDENTIFICATION

Material Topics that represent an organization’s most significant impacts on the economy, environment, and people, were identified based on peer reviews, standards and frameworks such as SASB Marine Transportation standard, EcoVadis and industry benchmarking. These topics were defined in the context of Asyad Shipping and categorized as Environmental, Social and Governance topics. A final list of material topics was shortlisted based on the internal and external stakeholder consultations.

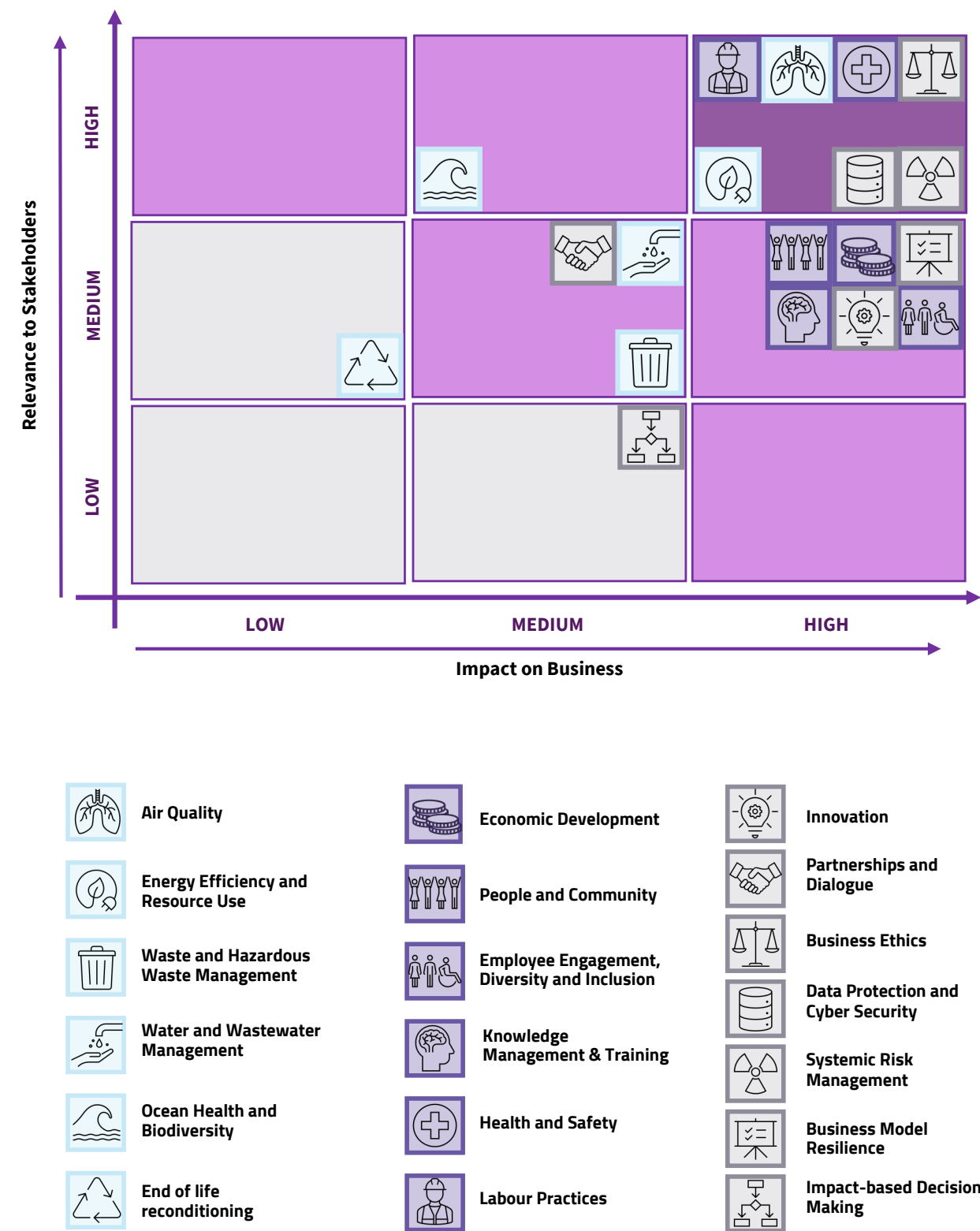
3.6 STAKEHOLDER IDENTIFICATION

Relevant stakeholder groups were identified based on the entire value chain of Asyad Shipping. Individual sessions were conducted with every department within Asyad Shipping to identify material issues for the business. The stakeholder groups covered, current engagement channels for all stakeholder groups and the main responses from all stakeholder groups were identified as follows:

	Stakehold- er category	Stakeholder group	Current Engagement Channels	Stakeholder Expectations
	Internal	Senior Management	Regular business meetings – social collaboration tools	Strategic decision making, Effective Communication
	Internal	Legal	Regular business dialogue – trainings and workshops	Adherence to ethical standards and laws and regulations
	Internal	Compliance	Regular business dialogue – trainings and workshops	Ensuring transparency and accountability, robust internal controls
	Internal	Technical / Projects	Regular team meetings- collaboration – continuous learning and development	High-quality and reliable technical solutions to tackle risks
	Internal	Admin / Building	Regular business dialogue - Open communication channels	Managing facilities and resources efficiently
	Internal	Supply chain	Cross functional collaboration – supplier relationship management programs	Minimizing supply chain risks and disruptions
	Internal	HR / Crewing	Open communication channels	Attracting and retaining talent, promoting employee development
	Internal	Board members	Regular business dialogue- collective action alliances	Providing strategic guidance, making informed decisions
	External	Business partners/ joint venture companies	Regular engagements – collective action alliance	Collaboration, transparent communications, shared goals and objectives
	External	Customers	Regular business dialogue – partnerships and collective action alliance	Solutions that ensure responsible business practices and net zero emissions in their supply chains
	External	Suppliers/ service providers	Bilateral engagement – collective action alliances and partnerships	Delivering high quality services, reliability and responsiveness
	External	Investors / Financial Institutions	Regular engagement with investors and analysts – collective action alliances	Strategies and plans to mitigate short- and long-term risk to the business model
	External	Government and regulatory affairs	Bilateral engagement with local, national, and international agencies and authorities – engagement through industry associations	Compliance with regulation and industry leadership on transformation to net zero
	External	Local community	Bilateral engagement – collective action alliances and partnerships	Industry leadership and accountability on sustainability topics

3.7 RESULTS OF MATERIALITY SURVEY & SDG MAPPING

Our strategy and prioritisation of ESG topics is based on analysis applying the principle of double materiality, incorporating key standards, reporting and science-based frameworks as well as input from stakeholder engagement. Our assessment is guided by the most important global sustainability and ESG frameworks, including TCFD, SASB, GRI and the UN Sustainable Development Goals. The results of our Materiality Assessment are summarized below.



3.8 MATERIAL TOPICS AND RELEVANCE

List of material topics, its relevance to Asyad Shipping and SDG Mapping

Key Material Topic	Relevance to Asyad Shipping	Relevant SDG Goals and Target
Air Quality	Asyad Shipping recognizes that some of the largest environmental risks posed by the shipping industry is related to emissions and strives to reduce emissions.	13.1, 13.2, 13.3
Energy Efficiency and Resource Use	Asyad Shipping recognizes the importance of Energy Efficiency and Resource use to minimize its impact on the Environment.	13.1, 13.2, 13.3
Waste and Hazardous Waste Management	Asyad Shipping believes that the adoption of responsible waste management practices and safe hazardous waste management practices.	12.4, 12.5
Water and Wastewater Management	Asyad Shipping recognizes Marine transportation carries risks to the environment through discharges and emissions to water and through potential spills and targets to minimize it's impact.	6.3, 6.5, 6.6
Health and Safety	Safety and security at work is a basic human right and it resonates as a core value within Asyad Shipping.	3.9, 3.d
Economic Development	Asyad Shipping believe that our job creation and industry support and growth help support the local economy. Business growth requires community support and indirect economic impacts generated by Asyad are critical for our survival.	8.3, 8.8
People and Community	Asyad Shipping recognizes the role it has to play in supporting the Oman Vision 2040 and is dedicated to giving back to society.	11.3
Employee Engagement, Diversity & Inclusion	Asyad Shipping is committed to providing equal opportunity to all qualified applicants and employees. Asyad Shipping respects the values and cultures of all our employees and business partners	10.2, 10.3, 10.4
Knowledge Management and Training	Asyad Shipping is working towards building a future-ready organization and we believe that we can achieve this by providing our employees with necessary training and development opportunities.	4.3, 4.4
Business Ethics	Asyad Shipping is committed to conducting its business in an honest and ethical manner, and these values are embedded in our way of working with customers, business partners, employees, shareholders and the communities in which we operate.	16.5, 16.6, 16.7
Data Protection and Cyber Security	Asyad Shipping is dedicated to protect customer data and company data against increasing risks to cyber security.	16.5, 16.6, 16.7
Systemic Risk Management	A guiding framework on risk management is crucial in helping Asyad Shipping achieve our strategic objectives.	16.5, 16.6, 16.7
Business Model Resilience	Asyad Shipping believes that maintaining a strong internal control system is crucial for business resilience in the long run and continues to improve on internal processes and strategies.	9.b

4.

ENVIRONMENT

The environment plays a fundamental role in shaping our world, encompassing the natural resources, ecosystems and climate systems that sustain life on earth. As our understanding of the intricate interdependencies between human activities and the environment expands, so does our responsibility to manage and protect it. In line with a commitment to sustainability, and in compliance with His Majesty's royal decrees to achieve net-zero carbon emissions by 2050, Asyad Shipping is actively implementing cutting edge sustainability technologies. Asyad Shipping has taken steps towards adopting clean energy initiatives, such as reducing carbon footprint in the ports and bolstering commercial fleet with environment-friendly ships that improve fuel efficiency. By adopting sustainable practices and investing in clean energy initiatives, Asyad Shipping demonstrates its commitment to environmental stewardship and contributes to the global efforts aimed at combatting climate change.

Asyad Shipping's Key Focus Areas:

Conformity to International Regulations

Asyad Shipping vessels adhere to IMO, classification society and flag state regulations pertaining to the carriage of cargoes at sea. It complies with all pertinent national statutory and regulatory requirements where its offices are located and where its ships operate.

Decarbonization strategy

Asyad Shipping has adopted a clear decarbonization strategy in line with IMO and international requirements as it believes in its roles as an international player achieving net zero emissions.

Environmental Management

Asyad Shipping is fully committed to a zero-tolerance policy, ensuring that the waters in which its ships operate are protected from pollution. It continuously strives to identify and correct any condition perceived to be unsafe or hazardous to the environment.

Objectives and targets

Air Quality

- 2% carbon reduction year over year
- 100% tracking of GHG emissions to create baseline
- 100% tracking of SOx, NOx & particulate matter to create baseline
- 100% compliance to IMO's 0.5% global cap on content of sulphur in fuels
- 5% CII improvement required versus the 2019 baseline figure; 2% YoY improvement till 2026

Energy Efficiency

- Improve EEXI with certain requirement of improvement in energy efficiency (30% for ships > 10,000DWT)

Water and wastewater

- 100% installations of Ballast water treatment systems
- Maintain a zero-spill incident record for each vessel.
- Maintain a zero-discharge incident record for each vessel.
- Reduce sludge generated from fuel by 1%

Waste and Hazardous Materials Management

- 100% measuring and tracking total weight of hazardous & non-hazardous waste, with a breakdown by disposal methods
- Sort waste for recycling on a minimum 80% of building waste

4.1 ENVIRONMENTAL MANAGEMENT SYSTEM

Environmental management is among the highest organizational priorities for Asyad Shipping.

Asyad thus has well defined and robust risk management practices to ensure Asyad's compliance to the wide range of regulations, requirements and international standards in place.

Asyad Shipping has implemented various protocols to ensure environmental protection through specific internal governance mechanisms.

Steps taken by Asyad Shipping to set up an effective Environmental Management System:

1. Identify all statutory requirements and voluntary guidance related to environmental aspects.
2. Clear assignment of accountability and responsibility for the protection of the environment.
3. Environmental planning throughout long-term future of Asyad Shipping.
4. Appropriate training and resources to achieve environmental targets and objectives set by the organization.
5. Regular evaluation of environmental performance against environmental policy, objectives and targets
6. Well established management process to audit and review the EMS and identify opportunities for improvement.
7. Asyad Shipping establishes and maintains an EMS that conforms to all applicable elements and is certified to ISO 14001: 2015.

Plans and Procedures

Asyad Shipping has well-defined policies and procedures in place to protect the environment:

1. Environmental Protection Policy which outlines the zero - tolerance policy ensuring that the waters on which its ships operate are protected from pollution and Asyad continuously strive to identify and correct any conditions perceived to be unsafe and hazardous to the environment.
2. Ship Energy Conservation Policy which outlines that Asyad urges all personnel on board to pay keen attention to the ways and means of conserving energy as the prime way in reducing the effects of emissions and making the most efficient use of energy wherever possible.
3. Well defined garbage disposal policy in line with the latest MARPOL regulations.
4. Policy regarding discharge of oil or oily waste into or upon navigable waters of United States or the water of the Contiguous zone if such discharge causes a film or sheen upon release or discoloration of the surface of the water causing a sludge or emulsion beneath the surface of the water.
5. Exercises and simulations to ensure all policies and procedures are followed and all necessary employees are trained.
6. Well defined action plans with clear assignment of accountability and responsibility for identified environmental objectives and targets.

Asyad Shipping establishes and maintains an EMS that conforms to all applicable elements and is certified to

ISO
14001: 2015.

4.2 ENVIRONMENTAL REGULATIONS

Environmental management is crucial to Asyad Shipping in order to achieve its environmental goals. Asyad Shipping is implementing several precautionary and control measures to reduce the impact to the environment due to their activities.

Control in place	International convention/regulation
EEDI (Energy Efficiency Design Index)	MARPOL Annex VI
EEXI (Energy Efficiency Existing Ship Index)	MARPOL Annex VI
DCS (IMO Data Collection System)	MARPOL Annex VI (Fuel Oil Data Collection)
MRV (EU Monitoring, Reporting and Verifica- tion)	Regulation (EU) 2015/757
SEEMP (Ship Energy Efficiency Management Plan)	MARPOL Annex VI
NOx (Nitrogen Oxides) Monitoring	MARPOL Annex VI
SOx (Sulfur Oxides) Monitoring	MARPOL Annex VI
PM (Particulate Matter) Monitoring	MARPOL Annex VI
SOPEP (Shipboard Oil Pollution Emergency Plan)	"MARPOL (Maritime Pollution) Convention - Annex I - Prevention of Pollution by OIL"
Ballast Water	Ballast Water Management System (BWMS) Code
Sewage Treatment	"MARPOL (Maritime Pollution) Convention - Annex IV - Prevention of Pollution by Sewage from Ships"
Garbage Management	"MARPOL (Maritime Pollution) Convention - Annex V - Prevention of Pollution by Garbage from Ships"
Hull Fouling	International Convention on the Control of Harmful Anti- fouling Systems on Ships (AFS), 2001
Ship Recycling	The Hong Kong International Convention for the Safe and Environ- mentally Sound Recycling of Ships, 2009
IHM (Inventory of Hazardous Material)	Regulation (EU) No. 1257/2013 of the European Parliament and of the Council of 20 November 2013 on Ship Recycling (EU SRR) -Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 SR/CONF/45 (HKC)
Regulatory surveys (Annual, Periodical, Inter- mediate, Renewal 5 yearly)	IMO and Flag Sate requirements (SOLAS, LSA, FSS, IGC, MARPOL, ISM, ISPS, COLREG)
Classification Surveys (Annual, Intermediate, Renewal 5 yearly)	Classification Societies (ABS, BV, DNV, LR) and IACS (International Association of Classification Societies) requirements
Ship Inspection Report Program (SIRE)	Oil Companies International Marine Forum (OCIMF) requirement

“

As a reliable shipping partner with a globally operating fleet, Asyad Shipping recognizes its impact to the environment as well as the importance of respecting international maritime laws throughout its business operations. Statutory compliance and eco system protection have been firmly integrated into our management ethics and vision.

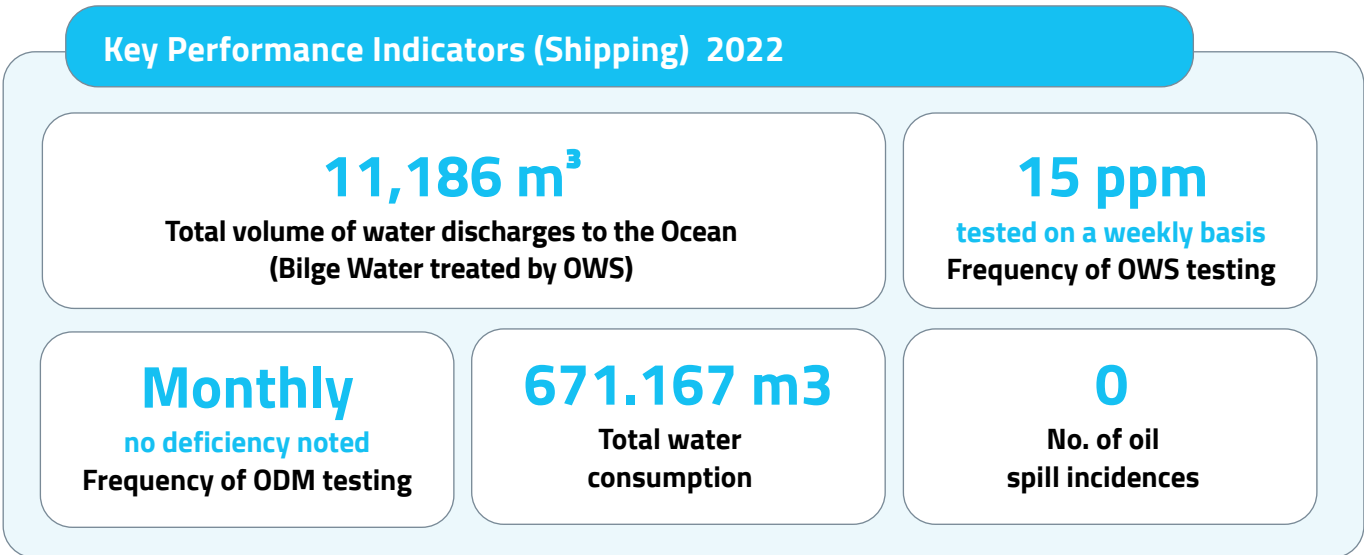
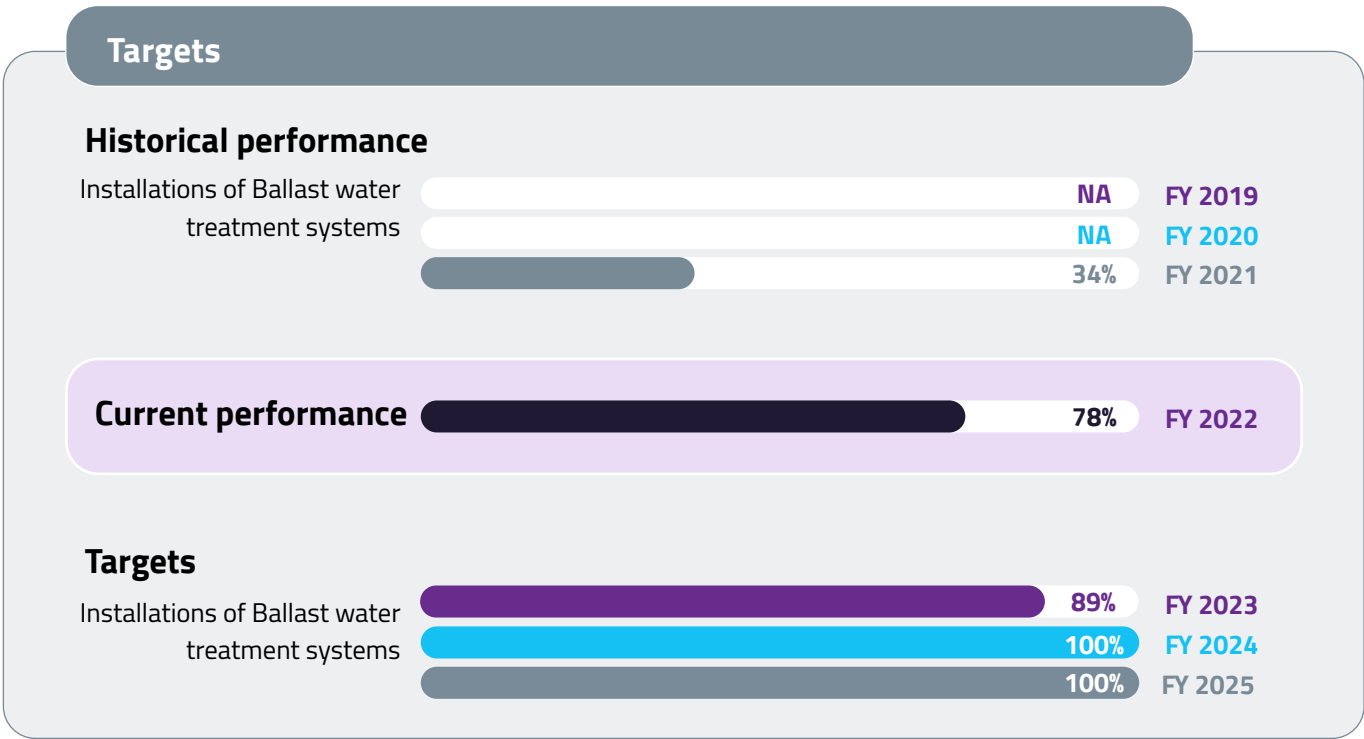


4.3 WATER AND WASTEWATER MANAGEMENT

Asyad Shipping recognizes Marine transportation carries risks to the environment through discharges and emissions to water and through potential spills and targets to minimize it’s impact.

Management Approach

Asyad Shipping acknowledges responsible water and wastewater management as a vital aspect of its operations. The organization is dedicated to reducing water consumption, preventing water pollution, and fostering sustainable water practices across its entire value chain. Through concerted efforts, Asyad Shipping has achieved substantial advancements in its water and wastewater management initiatives. These efforts reflect their commitment to environmental stewardship and sustainability. Asyad Shipping has specific Key Performance Indicators in place to ensure improvement in performance as summarized in the table below:



Marine Pollution

Asyad Shipping takes all steps necessary to prevent marine pollution due to oil spills including educating crew to prevent pollution, implementing MARPOL 73/78 requirements, SOPEP Requirements, GMS Manuals. Monthly Emergency Drill / Training for Pollution are conducted and all materials and equipment are regularly tested and checked. The ODM and Bilge Separator are tested on a regular basis to ensure smooth functioning.



Asyad Shipping is committed to minimizing impact on biodiversity and marine life through proper implementation of required technology.

Key projects
Ballast Water Treatment System

In order to comply with the regulations, set by the International Maritime Organization (IMO) and protect the environment from invasive species present in ballast water, it is necessary to retrofit a Ballast Water Treatment System (BWTS) to all existing sailing vessels. The BWTS is designed to eliminate invasive aquatic species, ensuring that ballast water can be safely discharged without harming the coastal marine environments or ports worldwide.

As of 2022, a total of seven vessels have been retrofitted with the BWTS to meet the IMO requirements.

This brings the overall count of vessels retrofitted with BWTS to nineteen, with an additional seven vessels planned for retrofitting in 2023. These efforts demonstrate a commitment to environmental preservation and adherence to international regulations.

4.4 AIR QUALITY

The Maritime industry faces several climate – related risks due to its significant contribution to global greenhouse gas emissions and its vulnerability to the impacts of climate change. Asyad Shipping recognizes that some of the largest environmental risks posed by the shipping industry is related to emissions and strives to reduce emissions.

Management Approach

Asyad Shipping is committed to addressing the issue of air quality as part of its broader ESG goals. The organization recognises that air pollution is a significant global

challenge and acknowledges its impact on environment. Asyad Shipping is dedicated to minimizing its environmental footprint and actively manages its operations to reduce emissions to air throughout the entire value chain and has made significant progress in its efforts. Asyad Shipping’s efforts are concentrated on exploring the adoption of alternative fuels, thoroughly planned maintenance programs, training and education programs and implementation of set of procedures. Asyad Shipping has specific Key Performance Indicators in place to ensure improvement in performance as summarized in the table below:

Key Performance Indicators	Historical performance			Current performance FY 2022	Targets		
	FY 2019	FY 2020	FY 2021		FY 2023	FY 2024	FY 2025
100% compliance to IMO’s 0.5% global cap on content of sulphur in fuels	NA	100%	100%	100%	100%	100%	100%
100% compliance to IMO’s 2023 regulations	NA	NA	NA	100%	100%	100%	100%
5% CII improvement required versus the 2019 baseline figure; 2% YoY improvement till 2026	NA	NA	NA	1.7%	2%	2%	2%

Key projects

Reduction in Emissions to Air
1. Monitoring CO2 emissions

The implementation of a comprehensive monitoring system offers valuable support to ship operators by providing insights into the vessel’s emissions profile. It enables them to identify areas for improvement and evaluate the effectiveness of emission reduction measures. This monitoring system also ensures compliance with evolving regulations and guidelines set by the IMO and any applicable local or regional emission control standards. The methodology implemented for tracking CO2 emissions is:

1. Fuel consumption monitoring data is utilized to accurately calculate CO2



The monitoring system ensures compliance with evolving regulations and guidelines set by the IMO and any applicable local or regional emission control standards.

- emissions.
2. Identification of trends and patterns based on the daily records and reporting of fuel consumption and emissions data
3. Analysis to identify areas for improvement and emission reduction strategies.

2. Optimize Ship Design and Operations

Asyad Shipping has implemented energy-efficient technologies, such as improved propulsion systems, Propellor Boss Cap Fin (PBCF), Hull (Silicon Paint), energy management systems. Asyad Shipping conducts regular inspection and routine hull and propellor cleaning and polishing.

Additionally, Asyad Shipping is working on optimizing voyage planning and operational practices to minimize fuel consumption with regular dialogues with charterers.

3. Exploring the adoption of alternative fuels

Research and development efforts are ongoing to improve the viability, safety, and availability of alternative fuels. Asyad shipping’s vessels use VLSFO and the VLCC use HFO and are fitted with scrubbers to control the emissions.

4. Alternative fuel options for new bulk carriers

Ammonia, methanol, biofuels, and hydrogen are being considered. Ammonia shows promise as a carbon-free fuel for the shipping industry since it does not emit CO2 when burned. However, challenges



Hydrogen is considered a highly promising zero-emission fuel option. It can be utilized in fuel cells to generate electricity or burned in internal combustion engines.

related to safe handling, storage, and infrastructure development need to be addressed. Methanol, a liquid fuel, can be produced from renewable or fossil sources and offers lower CO2 emissions compared to conventional marine fuels. Biofuels derived from renewable sources like plant oils or waste materials present a potential solution for reducing CO2 emissions. They can be blended with traditional fuels or used as pure biodiesel. However, ensuring the availability and scalability of sustainable biofuel sources remains a challenge. Hydrogen is considered a highly promising zero-emission fuel option. It can be utilized in fuel cells to generate electricity or burned in internal combustion engines. Yet, challenges associated with hydrogen production, storage, and infrastructure need to be overcome to facilitate its widespread adoption in the maritime sector.

	Feedstock availability	Fuel Production	Onboard Energy Storage & Fuel Conversion	Onboard Safety and Fuel Management	Vessel Emissions	Regulation and Certification
E-ammonia						
Blue ammonia						
E-methanol						
Bio-methanol						
E-methane						
Bio-methane						
Bio-oils						
MATURE	Solutions are available with none or marginal barriers	SOLUTIONS IDENTIFIED	Solutions exist, but some challenges identified	MAJOR CHALLENGES	Solutions are not developed or lack specification	

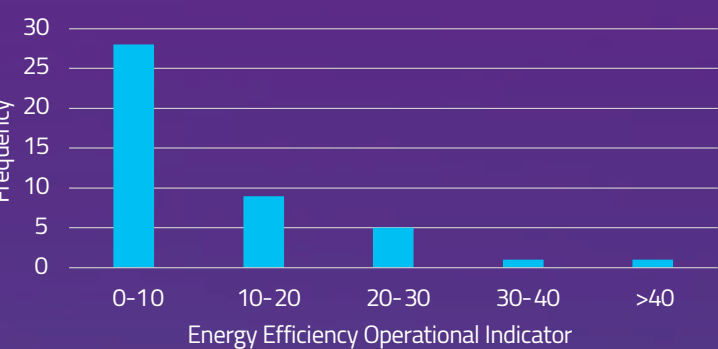
5. Carbon Capture and Storage

Asyad Group (with technical team from Asyad Shipping) and German University of technology in Oman are collaborating in the field of decarbonization. The parties are conducting a study on developing a carbon capture system to reduce CO / CO2 emissions from the vessels.

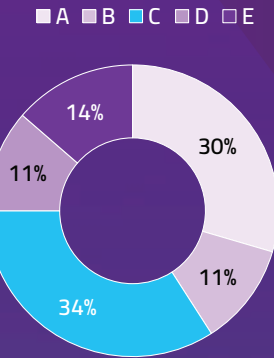


Asyad Shipping Fleet Performance

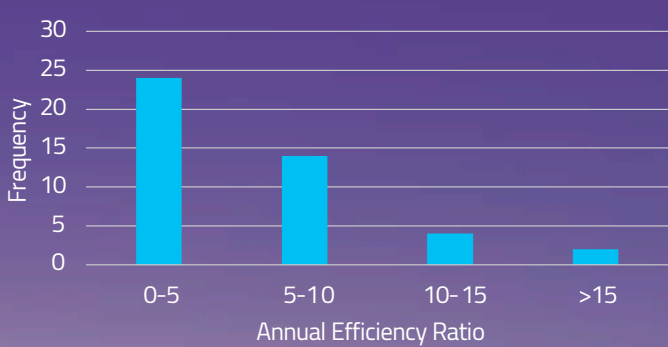
Energy Efficiency Operational Indicator Distribution



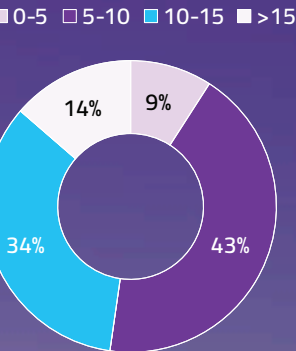
Carbon Intensity Index



Annual Efficiency Ratio Distribution



Age of Vessels



Key Performance Indicators (Shipping)

Greenhouse Gas Emissions

1,733,195
Tonnes CO2eq
Gross direct (Scope 1) GHG

0.49
Tonnes CO2eq/Nautical-mile
GHG emission intensity

3,489,792.1
Total
Nautical Miles

Nitrogen Oxides (NOx), Sulfur Oxides (SOx) air emissions

30,984 MT
NOx

16,918 MT
SOx

*Note: calculations in line with GHG protocol

Key Performance Indicators (Non - Shipping)

Greenhouse Gas Emissions

48.4
tonne CO2eq
GHG Emissions from
Electricity

98 kg
CO2eq
GHG emission intensity
(No. of employees)

331
tonnes CO2eq
GHG emissions associated
with business travel

*Note: calculations in line with GHG protocol



Asyad Shipping is committed to reducing our impact on society by tracking emissions, disclosing it and implementing technology to reduce our impact.

4.5 WASTE & HAZARDOUS MATERIALS MANAGEMENT

The maritime industry needs to take responsibility of the proper management of generic waste including hazardous and non-hazardous waste generated during maritime activities. It is imperative to handle, process, and dispose of this waste stream responsibly to minimize its detrimental effects on marine ecosystems, coastal communities, and the overall environment.

Management Approach

Asyad Shipping is committed to effective waste and hazardous material



management. The organization recognizes the potential risks associated with improper waste disposal and the importance of minimizing its environmental impact. Asyad Shipping complies to the MARPOL 73/78 - ANNEX V, for at sea garbage disposal regulations. Asyad Shipping adheres to the federal water pollution control act and prohibits the discharge of oil or oily waste into waters. Asyad Shipping also have certain measures in place to ensure there is no toxic liquid release at terminal and no major chemical leak on deck.

Targets



Key Performance Indicators (Shipping) 2022

900.77 m³
Total Plastic waste taken for recycling

762.62 m³
Domestic waste taken for recycling

18,940.21 m³
Total waste incinerated

5,985.82 m³
Sludge (landed ashore + incinerated)

281.82 m³
Food waste composted

0
No. of Spill Incidents recorded

Key Performance Indicators (Non - Shipping) 2022

1100 kg
Total Plastic waste taken for recycling

*Note: Calculated based on number of bottles consumed and estimated weight of plastic in each bottle

Handling of Hazardous Substances policy

Asyad Shipping has well defined systems in place to minimize exposure to hazardous substances. Identification of hazards and assessment of risks from dangerous goods as per the International Maritime Dangerous Goods Code and the Tanker Safety Guides issued by International Chamber of Shipping has been conducted.



Asyad Shipping is dedicated to monitoring, reporting waste generated and identifying solutions to reduce our impact.

Action Plan to reduce waste generation

Target: Reduce the amount of garbage generated onboard to reduce the amount landed ashore

Sub-target: Benchmark the amount of garbage landed / incinerated

Sub-target: Return excess packaging material to the supplier

Sub-target: Use specific equipment to reduce garbage landed

Target: Reduce the amount of sludge generated from fuel

Sub-target: Use evaporation, incineration, or sludge dispersant additives to coagulate sludge and minimize generation on board.



4.6 ENERGY EFFICIENCY AND RESOURCE USE

The Maritime industry faces several climate – related risks due to its significant contribution to global greenhouse gas emissions and its vulnerability to the impacts of climate change. Asyad shipping prioritizes the optimization of energy efficiency and resource utilization within its operations. The organization understands the importance of reducing energy consumption, conserving resources, and fostering sustainable practices throughout its operations.

Management Approach

To improve energy efficiency, Asyad shipping has implemented various energy-saving devices on its ships. These devices aim to minimize energy waste and optimize the use of available resources. Furthermore, Asyad shipping continues to explore and evaluate new technologies that can further contribute to energy conservation and efficiency throughout its fleet. By actively seeking innovative solutions and investing in energy-saving initiatives, Asyad shipping demonstrates its commitment to sustainable practices and responsible resource management within the maritime industry. Asyad shipping complies with a SEEMP to improve the ship’s energy efficiency.

Key Performance Indicators	Historical performance			Current performance FY 2022	Targets		
	FY 2019	FY 2020	FY 2021		FY 2023	FY 2024	FY 2025
Compliance to IMO’s 0.5% global cap on content of sulphur in fuels	NA	100%	100%	100%	100%	100%	100%
Improve EEXI with certain requirement of improvement in energy efficiency	NA	NA	NA	NA	30% for ships>10,000DWT		

Key projects

1. Anemoi Rotor sail

This proven technology capitalizes on the aerodynamic phenomenon known as the Magnus Effect. They comprise vertical cylinders, driven by the electrical power to rotate and generate thrust. This increases efficiency by reducing fuel consumption, bunker costs and harmful emissions. As per makers this system is estimated of reducing fuel consumption & emissions between 5-30% depending on wind conditions while maintaining vessel speed.

2. Optisave VFD project

Optisave VFD project by DESMI is designed to optimize the control system of cooling pumps and ER Fans on board vessels. The retrofit installation monitors a cooling pump system and ER Fans system, then optimizes its performance according to the cooling needs. This reduces the electrical power consumed by the cooling system and ER Fans system which saves fuel. Feedback noted from the vessel confirms that a 20-40% reduction in electrical power load due to the installed system.



8%
reducing fuel
consumption &
reducing CO2
emissions.

3. Becker Mewis Duct

The Becker Mewis Duct is an energy-saving device developed for full-form slower ships enabling either significant power savings at a given speed or, alternatively, the vessel to travel faster at a given power level. The duct is installed forward of the propeller & is estimated to make an energy savings of up to 8% thus reducing fuel consumption & reducing CO2 emissions.

4. Silverstream Air Lubrication System

A unique air lubrication technology that reduces the frictional resistance of the vessel by creating a carpet of microbubbles that coats most of the flat bottom of a vessel’s hull. The microbubbles, measuring 1–3mm in diameter, are generated by air release units (ARUs) in the bottom of the hull. This technology is estimated to cut fuel consumption as well as reduce emission of up to 10%

5. Engine power limiter

An EPL establishes a semi-permanent, overridable limit on a ship’s maximum power via its main engine, and therefore its

speed. For mechanically controlled engines, this would take the form of a mechanical stop screw sealed by a wire that limits the amount of fuel that can enter an engine. For newer, electronically controlled engines, an EPL would be applied via a password-protected software fuel limiter. The EPL has been fitted in ship ships as per the EEXI recommendation.

6. International - Intersleek 1100SR

It provides significant benefits, providing up to 9% fuel savings and substantial CO2 reductions compared to conventional antifouling coatings. Its ultra-smooth low friction surface not only ensures excellent in-service performance but also results in only 1.2% speed loss over the docking cycle. The paint’s easy clean and foul release features contribute to overall performance satisfaction, delivering both fuel and cost savings. Additionally, the paint’s true biocide-free credentials align with eco-friendly practices, making it an environmentally responsible choice for hull coatings. This vessel special paint



This technology
is estimated
to cut fuel
consumption as
well as reduce
emission of up to

10%

demonstrates its capacity to enhance vessel efficiency, reduce fuel consumption, and minimize environmental impact.

7. Azra Tech - Nano Epoxy Advanced Coatin

The coating solutions for underwater hull protection offer exceptional benefits due to their ultra-smooth surface and extremely low Friction Increase Ratio (FIR). These coatings are mechanically robust and possess anti-abrasion properties, leading to minor speed loss over the dry dock cycle, thus optimizing vessel performance. The high-performance epoxy modified coating is entirely biocide-free, without release of silicone oil into the sea, aligning with environmental protectional goals. Specifically formulated for hull protection, it produces a non-stick and very low friction surface, to prevent a permanent fouling adhesion. Its high abrasion and mechanical shock resistance further contribute to the durability and longevity of the hull protection. The high performances of product allow a remarkable energy saving that result in a high reduction of fuel consumption.

Key Performance Indicators (Shipping) Consumption (GJ)

994,565,041

Total fuel consumption within
the organization - HFO

613,247,248

Total fuel consumption within
the organization - VLSFO

636,051,680

Total fuel consumption within
the organization - ULSFO

176,879,687,840

Total fuel consumption within
the organization - ULSMGO

666,511,200

Total fuel consumption within
the organization - VLSMGO

189,292,109,600

Total fuel consumption within
the organization - LNG

Key Performance Indicators (Non - Shipping) 2022

78,901 kWh

Total electricity consumption within the organization
Savings (1,555.8 kWh)

804 litres

Diesel consumption

5. SOCIAL

Asyad Shipping strives to provide a safe and inspiring environment for their people to develop and thrive in the maritime domain. As an organization, we conduct various safety and internal development programs to ensure the creation of a safe and reliable workforce, while our robust corporate social responsibility (CSR) framework aims to enrich the lives of local communities. Our technical teams and industry collaborations are targeted to reduce our impact on the natural environment.

EMBRACING OWNERSHIP

We all belong to Asyad Shipping, and Asyad belongs to all of us. Every role matters; our strong feedback culture means that our collective efforts build our vision. We are proactive, no matter our job title, we are all leaders, we think about long-term value and not short-term results. We promise we deliver. Our job is not done until it's done.

COLLABORATION IS OUR KEY TO SUCCESS

What sets us apart from the others is that we're welcoming of people, ideas, and cultures. We encourage diversity in thought, outlook and opinion. Despite all of our differences, we come together to learn and build and grow – individually and as a team.

EMBODYING OMANI VALUES

We believe in the power of one – many individuals, varied ideas, working as one towards a common goal. Continuous improvement is a shared responsibility as well as listening actively, but taking action is an independent one. We put what's right for the team first because what is best for Asyad Shipping is best for us.

INNOVATION GUIDES OUR PURPOSE

Learning is continuous, a part of life. New ideas are limitless. We are curious about new possibilities and explore them at every opportunity. Together, we embrace challenges and adopt innovative thinking to drive continuous improvement.

UNLEASH POTENTIAL

We believe in inspiring each other. At Asyad Shipping, everyone has a voice, and everyone's voice is respected. The best ideas can come from anywhere, and it's our job to leverage our strengths, learn from our failures and empower each other to shape and improve our operations and ensure service excellence.

Objectives and targets

Thriving Workplace

Health and Safety

100%

Compliance with the Asyad QHSSE Annual plan

Human Rights

100%

Alignment with the Maritime Labour Convention

Employee Engagement and Development

Maintain Employee Engagement rate above
70%

100%

Alignment with the Maritime Labour Convention

Diversity and Inclusion

100%

tracking and measuring YoY trends of women and people with disabilities participation

Community Engagement

Monthly volunteering activities and tracking attendance at activities

Setting a CSR Budget



Asyad Shipping strives to provide a safe and inspiring environment for their people to develop and thrive in the maritime domain.



EMBRACING
OWNERSHIP

COLLABORATION
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OMANI
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UNLEASH
POTENTIAL

5.1 HEALTH AND SAFETY

Safety and security at work is a basic human right and it resonates as a core value within Asyad Shipping. Asyad Shipping is committed to conducting various safety and internal development programs to create a safe and reliable workforce. Asyad Shipping places ‘Health and Safety’ at the top of our agenda.

Management Approach

Asyad Shipping places utmost importance on the well-being of its employees and strives for operational excellence. They recognize the fundamental importance of providing a safe and healthy work environment for their employees, contractors, and stakeholders. This commitment is deeply embedded in the company’s operations by ensuring occupational health and safety, employee well-being, compliance with regulations and standards, risk assessment and management, training and awareness programs. Continuous improvement and performance monitoring further reinforce the company’s dedication to maintaining the highest health and safety standards throughout its operations.

Occupational Health Services

OHS works towards identifying and eliminating hazards, as well as minimizing risks to ensure a safe and healthy work environment for all employees. The services include hazardous material monitoring, PPE, campaigns and safety management system procedures and policies aimed at promoting occupational health and safety.

The quality of these services is ensured through rigorous auditing and monitoring processes. Onboard functions are audited to assess compliance with

safety protocols and identify areas for improvement. Monthly reporting of safety meetings and near-miss incidents allows the organization to track safety performance and proactively address potential risks. Additionally, the company takes proactive measures to ensure employees are prepared to handle medical emergencies by conducting first aid and medical care courses for various officers onboard and office staff and by providing essential medical resources. These courses equip employees with the necessary knowledge and skills to provide immediate assistance in case of injuries or health-related incidents.

Policies and Procedures

Asyad Shipping’s unwavering commitment to a safe work environment extends not only to its employees but also to the broader community. The company adheres to a health and safety policy that applies to all employee groups, including crew members on board vessels, personnel in offices, and contracted personnel associated with their business and operations.

As part of its employee welfare efforts, Asyad Shipping provides paternity leave, life insurance, health insurance and annual ticket for its employees. The company provides life insurance for expatriate employees and provides health coverage for all the employees and their spouses and dependent children. This benefit aims to support employees in taking care of their medical needs and managing expenses related to medical treatment, ensuring their well-being and that of their loved ones. Asyad Shipping is dedicated to improving safety at sea and preventing personal injury and human loss.

The company uses several processes to identify work related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls to eliminate hazards and minimize risks:

- By annually testing the functions by carrying out ship-shore drills, amending the forms and checklists as per required after any incident/ accident, and carrying out courses for risk assessment and incident investigation on regular basis.
- By upgrading the system and staff skills
- Work related hazards are reported by the company’s ERP system and directly concerned department is notified by email.
- Various policies and processes such as safety management system policies for stop work and reporting near-misses, ILO and MLC are in place for workers to remove themselves from work situations that they believe could cause injury or accidents.
- M-Scat methodology is used for root cause analysis to identify the



Asyad Shipping has established a robust management system that complies with legal requirements and standards including ISM codes / SOLAS.

causes of incidents with the aim to eliminate the hazards and to prevent reoccurrences.

Robust Health and Safety Management System

Asyad Shipping has established a robust management system that complies with legal requirements and standards including ISM codes / SOLAS. This proactively manage risks through a risk register that identifies potential hazards and implements mitigation plans for commonly known risks. Risk assessments are frequently conducted to address the latest hazards and determine necessary controls. The company also prioritizes addressing high consequence hazards that pose a significant risk of injury.

These hazards are determined through a combination of learning from industry incidents and incidents that occur on their own vessels. This approach allows Asyad Shipping to continuously improve its safety measures and respond promptly to potential risks that could have severe consequences.



+9 million safe man hours



0 Zero LTI

Key Performance Indicators (FY 2022)

16 No. of instances of work-related injury	0 No. of instances of work-related ill health	0 No. of high-consequence work related injury
0 Legal register or show cause notices related to health and safety practices	9.68 million hours Number of Hours Worked (Employees)	9.47 million hours Number of Hours Worked (Employees)

5.2 PEOPLE AND COMMUNITY

Asyad Shipping is committed to establishing an ethical and inclusive workplace, where corporate responsibility pervades all aspects of business operations and decision-making.

Management Approach

Asyad Shipping actively engages with local communities through multiple initiatives on a regular basis. Corporate and employee giving programs are in place to provide support to community projects and causes. Through these efforts, Asyad Shipping strives to build a strong and sustainable relationship with the communities it serves, embodying its values of corporate responsibility and contributing to the well-being and development of the areas in which it operates.

Corporate Social Responsibility

Asyad Shipping is committed to establishing an ethical and inclusive workplace, where corporate responsibility pervades all aspects of business operations and decision-making. To fulfil this commitment, Asyad Shipping actively engages with local communities through multiple initiatives on a regular basis. Corporate and employee giving programs are in place to provide support to community projects and causes. Through these efforts, Asyad Shipping strives to build a strong and sustainable relationship with the communities it serves, embodying its values of corporate responsibility and contributing to the well-being and development of the areas in which it operates. Asyad Shipping supports 16 CSR initiatives, which are mentioned below.



Total CSR Investment:

USD 317,980

CSR activities conducted within Asyad Group

- 1. Suwaiq Marathon Event
- 2. People with special needs exhibition and forum to support them in building their own business
- 3. Iftar Meal initiative during Ramadhan in collaboration with Al Rahma Charity Team
- 4. Oman science festival by Ministry of Education (MoE) which focuses on technology
- 5. Sponsoring scout and guide summer camps in Dhofar Governorate
- 6. Ministry of Higher Education, Research, and Innovation Scholarship
- 7. Sponsoring Ministry of Education (MoE) event in Al Sharqiyah to support and uplift students' capabilities in the study.

- 8. Prepare Hydrogen supply chain research in collaboration with Oman Hydrogen Centre
- 9. The 2nd Women and Society Forum in Al Wusta
- 10. ASYAD sponsor Program for the SME support
- 11. Oman Charity Organisation
- 12. Graduates Survey for Ministry of Higher Education, Research and Innovation
- 13. Sponsoring the engineering Society activities and events during the academic year 2022-2023 (SQU)
- 14. Sponsoring the 3rd sustainability conference entitled "The Impact of Greenhouse Gases towards Carbon Neutrality"
- 15. University hackathon for innovation (SQU)
- 16. Celebration event of Omani women day at Al Wusta



5.3 KNOWLEDGE MANAGEMENT AND TRAINING

Asyad Shipping is working towards building a future-ready organization and we believe that we can achieve this by providing our employees with necessary training and development opportunities.

Management Approach

The training requirements for employees at Asyad Shipping are identified under two main categories: technical training, which includes safety training, and non-technical training.

These requirements are further classified as Mandatory Training and Recommended Training. To ensure proper training implementation, the HR Department’s Training and Development section collaborates with department managers to create a “Compliance Training Matrix” that encompasses environmental training, MLC training, SHELL training general requirements, security training and Safety Training for all employees.



HR Department’s Training and Development section collaborates with department managers to create a “Compliance Training Matrix” that encompasses environmental training, MLC training, SHELL training general requirements, security training and Safety Training for all employees.

Skill Development

As part of the company’s commitment to skill development, Asyad Shipping strongly encourages on-the-job training for employees to enhance their skills and competencies. This approach involves experienced employees passing on their knowledge and practical skills to others, contributing to the overall team performance. It is the responsibility of supervisors or direct managers to ensure that practical training opportunities are provided to employees whenever possible. In cases where an employee is involved in career management or considered a potential successor for a higher position, the direct manager assigns an experienced colleague as a mentor to facilitate effective on-the-job training and accelerated development. As part of its commitment to employee development, Asyad Shipping has implemented several programs aimed at upgrading employee skills and fostering leadership capabilities. These programs include:

Mallah Leadership Course:

A three-month leadership course that equips candidates with essential leadership skills. Upon completion, participants engage in a group project to demonstrate their newfound knowledge and graduate from the program.

Etimad Leadership Program:

This program, fully funded by the government, spans over ten months, and involves intensive assignments and projects designed to nurture strong leadership qualities in participants.

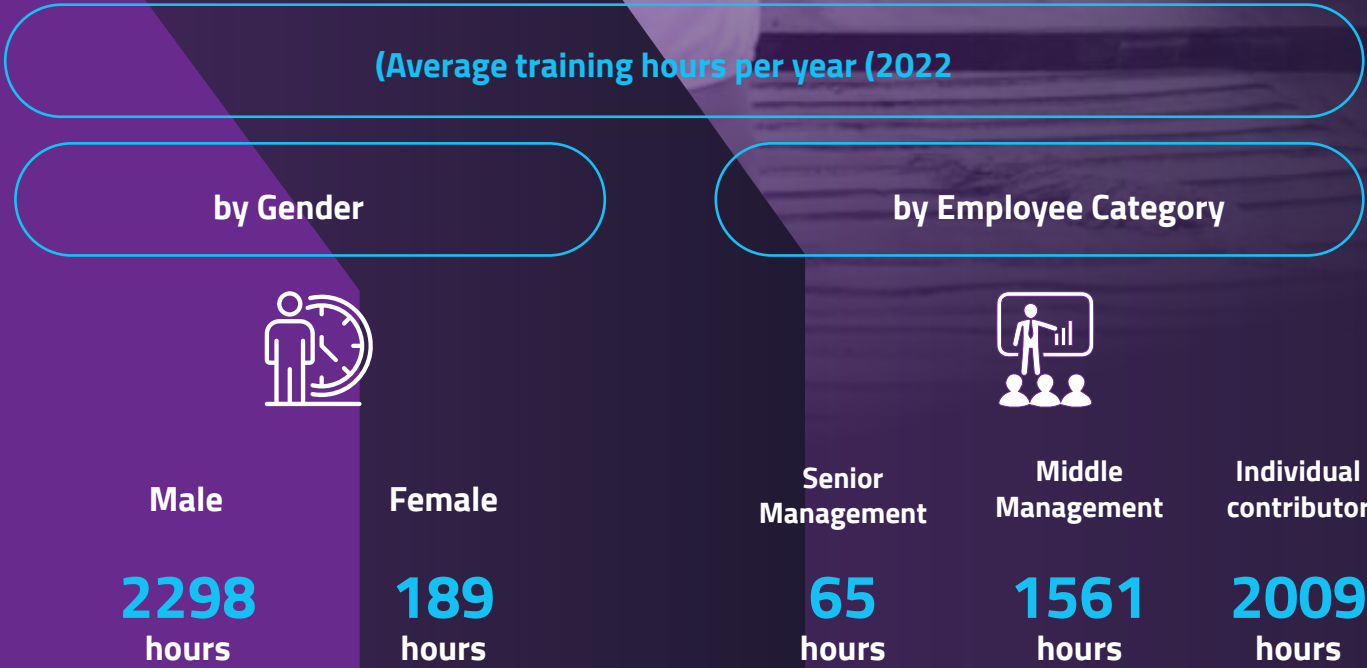
Computer-Based Training:

Asyad Shipping provides computer-based training for both ships’ staff and shore staff, enabling them to enhance their technical skills and knowledge relevant to their respective roles.

Training Drills for Ship Staff:

Regular training drills are conducted for ship staff to ensure they are well-prepared for various scenarios and can respond effectively in challenging situations.

The company places significant importance on complying with the Maritime Labour Convention requirements. Therefore, the entire ship management staff undergoes training to ensure adherence to these regulations. Additionally, all 397 employees and 1800 sea staff undergo regular employee performance and career development reviews, enabling the identification of strengths and areas for improvement.



5.4 ECONOMIC DEVELOPMENT

Asyad Shipping realizes the substantial impact of its operations in contributing to local and regional economies, creating employment opportunities, and driving social progress.

Management Approach

Asyad Shipping integrates sustainable growth and social impact into their business practices by contributing to economic growth in their areas of operation both directly and indirectly through job creation, procurement, new business development and infrastructure improvements through job creation, workforce diversity, local sourcing, and community development initiatives, they strive to foster sustainable growth, shared value, and drive positive social impact. By integrating sustainable growth, shared value, and positive social impact into its business model, Asyad Shipping seeks to ensure that its operations align with the principles of social responsibility. The company remains steadfast in its commitment to sustainable economic development, recognizing its role in driving positive change and supporting the well-being of the societies it serves.



USD
702
Million +
Economic Value
Distributed

*Note: Economic Value Distributed includes operating costs, employee wages and benefits, payments to providers of capital, payments to government

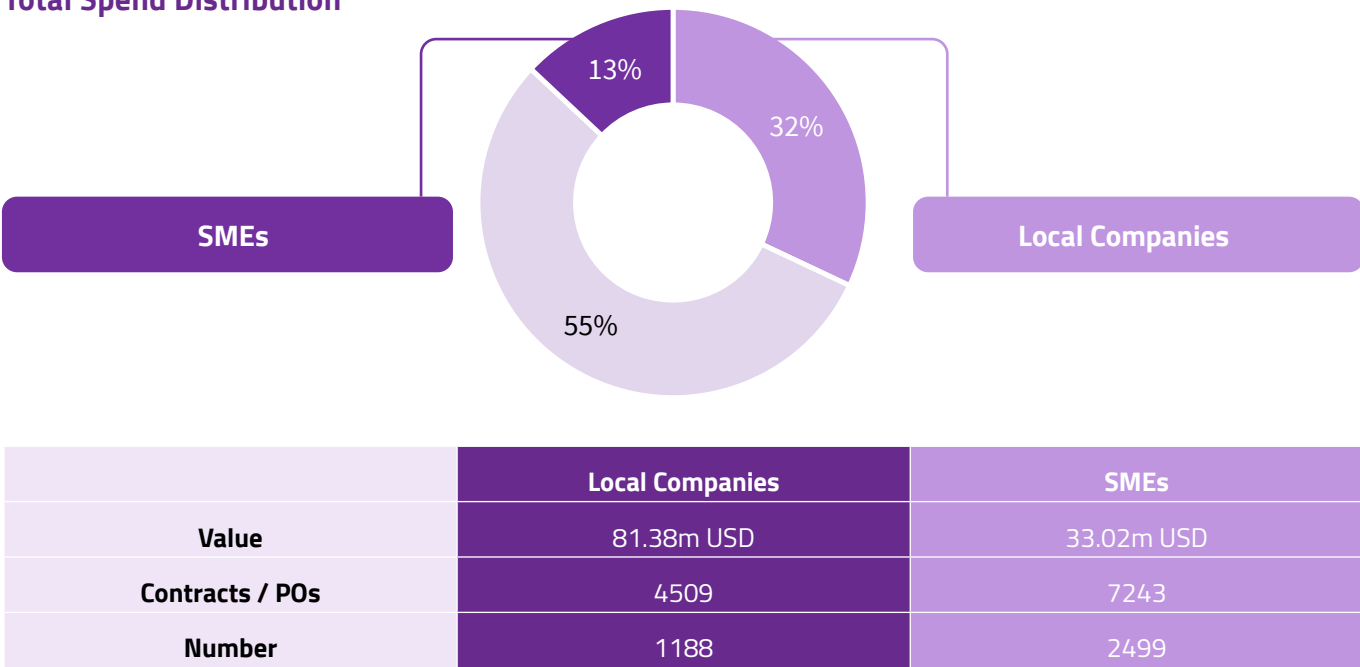
Employment Opportunities and Job Creation

Asyad Shipping strives to support the Sultanate of Oman in building a productive and diversified economy, founded on innovation, integration of roles, and equal opportunities. Asyad Shipping aims to leverage Oman’s competitive advantages and actively contribute towards job creation, creation of talent pool. Asyad shipping has supported Oman’s national economy and catered to its maritime transportation needs. Asyad leverages Oman’s natural position close to global trade routes and its unrivalled distribution access across the region.

Training of cadets

- Asyad Shipping trains fresh graduate cadets from local colleges to bring more Omani people into the seafaring community.
- Total no. of cadets trained in 2022 = 92
 - Omani seafarers hired from market = 9 direct hires and 22 through manning agencies.
 - TOMOOH incubation program = 4 SMEs incubated, 8 jobs created

Total Spend Distribution



Economic Value Distributed through the Supply chain

Asyad Shipping recognizes the value it generates through its diverse and vast supply chain.

To support the Oman 2040 vision, as far as possible, Asyad Shipping works with local suppliers.

Asyad Shipping expects its suppliers and contractors to adhere to a code of conduct equivalent to provisions of the Business Ethics Policy. Asyad Shipping has healthy relationships with its suppliers and contractors. The company is committed



Percentage
of suppliers
from Oman

40%

to establish long-term collaborations with suppliers who share our values in line while considering among other criteria, safety, quality, business resilience and continuous improvement.

Supplier selection process and criteria

Commercial registration / Chamber of Commerce & Industry documents are verified. All documents issued by the Ministry of Commerce and Chamber of Commerce are checked for their validity. The RFI tests for all required checks for Human Rights. If the RFI is approved, the vendor goes through a Financial and a Risk Management Approval

No. of suppliers by country

Country	2022	Country	2022	Country	2022	Country	2022
Argentina	1	Estonia	2	Malta	5	Slovakia	2
Australia	10	Finland	2	Marshall islands	4	South Africa	7
Bahrain	7	France	22	Mauritius	2	Spain	15
Belgium	10	Germany	12	Monaco	1	Sri Lanka	2
Bermuda	1	Gibraltar	1	Myanmar	1	Sultanate Of Oman	902
Brazil	14	Greece	10	Netherlands	42	Swaziland	1
Canada	9	Hong Kong	17	Nigeria	2	Sweden	6
Channel island	1	India	66	Norway	22	Switzerland	5
Chile	1	Indonesia	1	Pakistan	1	Taiwan	4
China	40	Ireland	5	Panama	6	Thailand	2
Costa Rica	1	Isle of man	1	Paraguay	1	Trinidad & Tobago	2
Cote D’ivoire	1	Italy	3	Peru	1	Turkey	8
Cuba	1	Japan	61	Philippines	14	Ukraine	1
Cyprus	16	Jordan	1	Poland	3	UAE	327
Czech republic	1	(Korea (north	4	Qatar	4	UK	183
Denmark	21	(Korea (south	68	Romania	1	US	58
Dominica	2	Kuwait	4	Russian Federation	1	Uruguay	1
Dominican republic	2	Lebanon	2	Saudi Arabia	6	Venezuela	1
Egypt	6	Madagascar	1	Senegal	1	Virgin islands, British	1
England	1	Malaysia	13	Singapore	209	Virgin islands, US	1

5.5 EMPLOYEE ENGAGEMENT, DIVERSITY & INCLUSION

Asyad Shipping demonstrates a strong commitment to creating a thriving and inclusive work environment where all employees feel valued, empowered, and supported.

Management Approach

Asyad Shipping prioritizes employee engagement through initiatives such as employee engagement surveys, off-sites to get regular feedbacks and inputs from employees. Embracing diversity and fostering inclusion are key principles upheld by Asyad Shipping, as the company understands the benefits they bring to the organization. By promoting diversity, Asyad Shipping aims to drive innovation,

Largest Nationalities within Direct Employed Seafarers

Omani **88%**
Indian **7%**
Other **5%**

enhance decision-making, and create a sustainable workplace. To actively foster diversity and inclusion, Asyad shipping ensures equal employment opportunities, attracting, and retaining diverse talent, conducting learning and development programs, and providing work-life flexibility. Asyad shipping strives to create a corporate culture where every associate can contribute their unique strengths and be recognized for their contributions. By fostering equal opportunities and embracing diversity and inclusion, the company aims to create a workplace that is not only welcoming and respectful but also encourages the full potential and growth of each individual employee.

Key Targets Identified

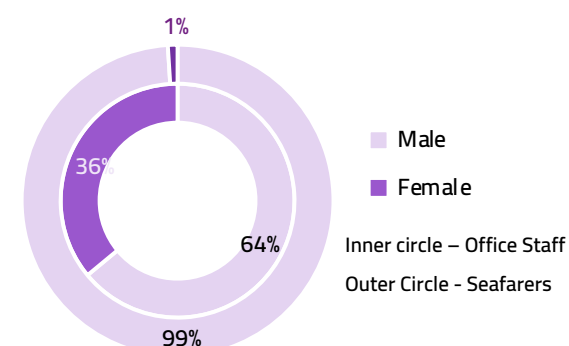
Key Target	FY 2022	FY 2023
Maintain Employee Engagement Rate above 70 %	>70%	>70%

Key Performance Indicators

Employee Distribution	Category	2022
Total no. of employees	ASC Office	157
	OSMC	73
	Seafarers	174
	Seafarers from other manning agencies	2239

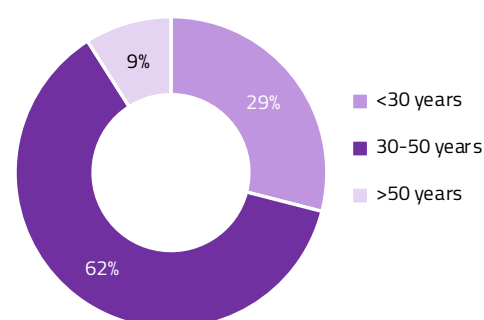
*Note: Includes all ASC, OSMC and direct employed seafarers. Seafarers employed through Manning agencies are not included

Employee Distribution



*Note: Includes all ASC, OSMC and direct employed seafarers. Seafarers employed through Manning agencies are not included

Employee Age Distribution



Other nationalities on board – Filipino, Russian, Pakistani, Bulgarian, Bangladeshi, Georgian, Singaporean, Turkish, Ukranian, Georgian, Korean, Malaysian, Iranian, Danish, Japanese etc.

Paternal Leave Policy and KPIs

Paternal leave policy is in line with the requirements laid out by the government. Maternity leave is for a maximum period of 60 calendar days on full pay. To support nursing mothers, Asyad Shipping grants 1 hour off work every day for a period of 1 year. 2 days of paternity leave is granted.

Education Completion Benefit

The Company provides this benefit to support Omanis to develop themselves in order to progress in their careers in the Company or do their jobs in a more professional manner and this can result to an increase in Omanisation as well as their retention in the long run.

Succession Planning

Succession planning is the process through which the Company ensures that key positions can be filled with competent



No. of incidents of discrimination and corrective actions

0

employees when vacancies occur. Succession planning is a proactive approach for reducing the risk of having key positions being vacant.

Diversity and Inclusion

Asyad Shipping hires, compensates, promotes employees solely based on their competency and skills. Our policies are designed to ensure all people feel respected and appreciated within the workplace. Diversity and Inclusion trainings are conducted for all Senior stakeholders to uphold our policies.

Equal pay

Pay scales are decided based on employee category and no gender or nationality-based distinction is made in the pay scales. Asyad Shipping conducts applicable reviews to ensure compliance to this requirement and will rectify any case if found.

Parental Leave and retention	Category	2022
Total no. of employees availing parental leave	Female	14
	Male	16
Total no. of employees returning to work after parental leave	Female	14
	Male	16

New hires and turnover	Category	2022
New employee hires	Female	7
	Male	17
	< 30 years of age	14
	30 – 50 years of age	9
	> 50 years of age	2
Employee turnover	Number	20
	Percentage	5%

*Note: Includes all ASC, OSMC and direct employed seafarers. Seafarers employed through Manning agencies are not included

Employee Turnover	Category	2022
Employee turnover	Junior officers	726
	Percentage	9.37%
	Senior officers	459
	Percentage	12.08%

*Note: Includes all ASC, OSMC direct hires and seafarers employed through Manning agencies

6.

GOVERNANCE

6.1 Corporate Governance

Good governance policies and structures are the backbone of a thriving and growing organization. Corporate governance is critical to the success of the organization and should aim to employ high ethical standards and promote transparency.

Management Approach

Asyad Shipping profoundly believes that good corporate governance creates a business environment conducive to long-term growth. To maintain good governance practices, Asyad Shipping utilizes a variety of policies and processes to uphold high ethical standards and promote transparency. These efforts are supported by board of directors and the different committees that work in tandem to provide strategic and independent oversight to any problems and monitor our progress. All policies prepared are in accordance with the Oman Investment Authority – Code of Governance and OIA Policies and Procedures.

Nominating and Selecting the Board

The systems and processes for nomination



Asyad Shipping profoundly believes that good corporate governance creates a business environment conducive to long-term growth.

to the Board are well documented, clear and in accordance with the OIA – Code of Governance. The selection process takes into account the existing Board structure, size, composition and diversity (including independence, skills, knowledge, educational backgrounds and areas of expertise). The recommendations for members of the Board are shared with the OIA for necessary approvals. A skill board matrix is prepared to ensure the board comprises of a diverse mix of skills and expertise for effective oversight:

- Strategic insight and ability to direct by encouraging innovation
- Expertise in financial accounting and corporate finance
- Understanding of management trends in general and maritime industry
- Ability to perform during periods of both short term and prolonged crisis
- Proper experience relevant to the maritime business
- Commercial experience in global markets
- Chair of the highest governance body is not an executive officer.



List of Committees

Committee	Designation	Role	Key Responsibility
Risk Investment Committee	CEO	Chairman	<ol style="list-style-type: none"> Review and approve the strategies, policies, frameworks, and procedures in place to govern the risk identification, risk assessment, and risk management processes Define and endorse the organization's overall risk tolerance and strategy relating to key risks Promote a risk aware culture and risk management competence
	Acting CFO	Member	
	COO	Member	
	CCO	Member	
	Senior Legal Manager and Board Secretary	Member	
	Manager - Governance, Risk and Compliance	Member	
	General Manager Corporate Planning	Non-Voting Member	
Business Continuity Management Committee	VP Marine	Chairman	<ol style="list-style-type: none"> Custodian of our business continuity plan Continually evaluate pressing risks and update business continuity plan as required. Ensure organizational resilience towards unexpected adverse events and opportunities, and excel in managing incidents, crises, and disasters.
	GM – Corporate Strategy & Risk Management	Member	
	General Manager - Commercial Tankers	Member	
	General Manager - Dry Bulk	Member	
	SVP - ASYAD Line	Member	
	Superintendent - Operations	Member	
	Manager - Governance, Risk and Compliance	Member	
	HR Manager	Member	
	Director Administration	Member	
	Senior Manager - Operations	Member	
	C&P Marine Business Partner Director	Member	
Human Resource Committee	CEO	Chairman	<ol style="list-style-type: none"> Assess and prepare our HR policies and manuals are required Evaluate any matter related to conflict of interest or escalation or violation of code of conduct
	Acting CFO	Member	
	COO	Member	
	CCO	Member	
	HR Manager	Non-Voting Member	
Audit Committee	Board of Director	Chairman	<p>Preparation of our financial information for disclosures:</p> <ol style="list-style-type: none"> Recommendations for appointment and review of external auditors Performing the internal audit process Supervising financial transactions as well as related policies and strategies Identify and monitor business risks to ensure that we fully meet all disclosure requirements set by regulatory authorities
	Board of Director	Member	
	Group Chief Financial Officer	Member	
	Group Chief Audit Executive (CAE) & AC)	Non-Voting Member	

Committee	Designation	Role	Key Responsibility
Miner Tender Committee	Acting CFO	Chairman	<ol style="list-style-type: none"> Review the reports in relation to its meetings and the tenders awarded within its limit. Submit its meetings' reports, in addition to a brief quarterly report about its activities to the Board of Directors or Major Tender Committee. Perform any other responsibilities as defined in this Policy or assigned by the Board of Directors
	SVP C&P – ASYAD	Deputy Chairman	
	C&P Marine Business Partner Director	Member	
	VP Technical	Member	
	General Manager - Commercial Tankers	Member	
	Senior Legal Manager and Board Secretary	Non-Voting Member	
Procurement Committee	Manager Tendering & Contracts	Chairman	<ol style="list-style-type: none"> Updating and preparing the supplier selection criteria and matrix Assisting with decision making for large suppliers' selection
	Head of ICT - ASC & ADC	Deputy Chairman	
	Bulk Manager	Member	
	Manager Accounts	Member	
	Tech D Fleet Manager	Member	
	Senior Legal Advisor	Non-Voting Member	
Bunker Committee	Acting CFO	Chairman	<ol style="list-style-type: none"> Approve bunker purchase Monitoring the purchase process and make sure it's compliance with Tender/ rules and regulations
	VP Marine	Member	
	C&P Marine Business Partner Director	Member	
	General Manager - Commercial Tankers	Member	
	General Manager - Dry Bulk	Member	
	Senior Manager - Operations	Member	
Disposal Committee	Acting CFO	Chairman	<ol style="list-style-type: none"> Oversee the waste and hazardous waste management and disposal strategies Review the performance of the organization associated with disposal of wastes Set realistic targets and action plans for improved disposal mechanisms
	C&P Marine Business Partner Director	Deputy Chairman	
	VP Technical	Member	
ESG Committee	CEO	Committee chair Member Member Member Member Member Member Member Member member	<ol style="list-style-type: none"> Oversee the ESG strategy, policies, and business practices across the organization Review and approve ESG risks and opportunities that are of strategic importance to the company Oversee the ESG due diligence process on any potential investment and provide recommendations on the outcomes
	ESG Head		
	Committee Secretary		
	Senior member of the Regulatory and Compliance Team		
	Senior member of the HR Team		
	Senior member of the Vessel Performance / Technical Team		
	Senior member of the Finance Team		
	Senior member of the group Sustainability Team		

6.2 Business Ethics

Asyad Shipping upholds a Code of Business Ethics and Conduct that emphasizes adherence to laws, international standards, and fair practices. This includes preventing tax fraud, corruption, and bribery, promoting competition, providing equitable products and services, and preventing workplace discrimination. The company is dedicated to following these principles and applicable laws in all operating countries. It maintains a strong stance against bribery and corruption, actively working to prevent such issues within its operations in Oman and worldwide.

Management Approach

Asyad Shipping is committed to conducting business in compliance with the principles established in its Code of Conduct and the laws and regulations applicable in its areas of operation. Asyad Shipping does not encourage/promote bribery, corruption and other financial crimes and prohibit behaviours that are not consistent with fair, respectful, and decent business practices. All Employees, Consultants and Agents of Asyad Shipping are prohibited from offering, authorizing, giving, paying, soliciting, accepting or receiving, either directly or indirectly, any bribe to or from any Employee, official or agent of any government, public or commercial entity, or individuals, in connection with the business or activities.

Conflicts of interest

As a government owned company all Directors and Personnel are subject to the requirements set forth in the “Law for the Protection of Public Funds and Avoidance of Conflicts of Interest” (Royal Decree 112/2011). All employees are required to declare any specific conflicts of interest.

Mechanisms for advice and concerns about ethics

Incidence resolution is done through a Compliance process that determines whether a policy violation has occurred and determines the appropriate disciplinary action if required

. Code of conduct

Asyad Shipping upholds a comprehensive Code of Conduct to ensure ethical practices and foster a culture of honesty and accountability among its employees.

The Code aims to highlight areas of ethical risk and provide guidance on handling ethical issues, with mechanisms for reporting unethical conduct. Violations of the Code, including dishonesty, unethical behavior, or illegal actions, are strictly prohibited.

The Code applies to all directors, officers, and employees of Asyad Shipping, including those within its subsidiaries and related companies under its control. To reinforce compliance, the Company has established a Compliance Committee led by the Chief Executive Officer, General Manager- Support Services, and GM- Internal Audit, available to provide guidance on matters of concern.

Adherence to the Code is vital, as violations of certain Company Policies related to employees’ work activities may lead to disciplinary action.

Asyad Shipping implements a range of policies to govern workplace conduct, covering areas such as compliance with laws and regulations, handling conflicts of interest, managing gifts and entertainment, combating corruption and bribery, maintaining business integrity, political activities, safeguarding confidential information, upholding business and financial information, prioritizing occupational health and safety, monitoring drugs and alcohol usage, and promoting exemplary workplace practices.

Through this holistic approach, Asyad Shipping endeavors to cultivate integrity and excellence across its operations.



Anti bribery certificate



Member of Maritime Anti-Corruption Network

Key Performance Indicators

Key Performance Indicator (FY 2022 data)

100% *

Total percentage of employees

that the organization’s anti-corruption policies and procedures have been communicated to

100% **

Total number and percentage

of governance body members that have received training on anti-corruption

0

Confirmed

incidents of corruption and actions taken

936

Number

of port calls

0

Amount of legal

& regulatory fines & settlements associated with bribery & corruption

35

Number of calls

at ports in countries that have the 20 lowest rankings in Transparency International’s Corruption percentage Index

* All employees are communicated the anti-corruption policies during induction training. Executive management, authorized personnel and key staff go through annual anti-corruption training.

** 5 Board members and 10 Executive managers have received anti-corruption training



6.3 Systemic Risk Management

Risk and crisis management are crucial components of the company’s operations. This helps to identify, understand, and manage unanticipated events. Asyad Shipping’s risk governance approach is continuously enhanced through the adoption of leading practices related to Enterprise Risk Management (ERM), Business Continuity Management (BCM), and Compliance.

Management Approach

Asyad Shipping has an enterprise risk management framework that looks at risk management strategically from the perspective of the entire organization. The ERM determines company’s overall risk position. The ERM framework detail the step of assessing risk by understanding the likelihood and financial impact of risks. The likelihood ranges from improbable to frequent and the financial impact is categorized from insignificant to catastrophic. The framework provides a systematic approach to identify, assess, and mitigate risks across the organization. Asyad Shipping has identified several risks it faces at an organizational level including financial risks, regulatory risks, strategic risks, operational risks etc.

Process for Assessing Key Impacts, Risks and Opportunities

The Top Risks Assessment is an annual process where the top risks are identified that can potentially hinder Asyad Shipping’s ability to achieve its strategic objectives. The Risk Assessment methodology is outlined below:

- 1. Each Top Risk is mapped and definitions for each Top Risks are developed, as well as the quantification of the impact &

“Asyad Shipping has an enterprise risk management framework that looks at risk management strategically from the perspective of the entire organization.

- likelihood ratings.
- 2. The identified top risks are then categorized according to the severity levels and assessed under inherent risk (before applying controls), residual risk (during applying controls) and target risk level is identified.
- 3. This mapping, with all relevant data, is then presented to the Risk Committee in Asyad Shipping, for their approval and endorsement.
- 4. Once the Top Risks are approved, the Risk team works with respective risk owners to identify controls and develop treatment/mitigation plans.
- 5. The Risk Committee’s role is to look at the Top Risks identification, severity levels and mitigation plans from a holistic perspective, and provide an unbiased opinion.

Asyad Shipping has adopted Enterprise Risk Management (ERM) framework as a guideline for the basis of its ERM framework and governance structure. ERM is defined as the process through which an organization’s risks are continuously identified, analyzed, evaluated, treated, and monitored. Risk evaluation is the process of comparing the results of risk analysis with risk criteria to determine whether the risk and its severity level are acceptable or tolerable. The purpose of risk evaluation is to help Asyad Shipping make decisions regarding how it will address the outcomes of risk analysis. Asyad adopts a five by five matrix for the evaluation of the impact and likelihood of its risks. ERM is designed to provide a framework for adequate decision-making and create value for shareholders, employees, customers and the organization.



The Risk Matrix maps the ‘Financial Impact on Business’ from a scale of Insignificant to Catastrophic and the ‘Likelihood of Risk’.

The Risk Matrix scores the identified risk on a scale of 1-25.

Risk and Investment Committee

The Risk and Investment Committee assists the Board of Directors in fulfilling their responsibilities in evaluating risk management and internal controls adequacy as part of the corporate Governance Guidelines & principles. The Committee consists of three non-executive members and meets every quarter. Its key responsibilities are as follows:

- 1. Fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the company’s process for monitoring compliance with laws and regulations and the code of conduct.
- 2. Validating and verifying the overall efficiency of the Executive Management in implementing the operational directives and guidelines set up by the Board.
- 3. Evaluating and monitoring the adequacy of internal control systems and their efficiency
- 4. Ensuring that adequate policies are created for safeguarding Asyad Shipping’s human, material and intellectual resources and assets.
- 5. Reviewing the level of risk and measures taken by Executive Management to mitigate/manage the risk exposure.
- 6. Reviewing the structure and arrangement established by management for compliance with regulatory and financial reporting requirements.

Identified Risks and Opportunities for Asyad Shipping

Risks	Opportunities
Impairment risk	Business Continuity Plan
Vessel performance/ earnings	Robust Charter Contracts & Client Relationships
Aging vessel risks	Vessel replacement & renewal plan
VLCC freight rate volatility risk	Long Term Charter Contracts
Container line market changes	Route Optimisation & Planning Strategy
LNG deployment risks related to the expiry of key strategic contracts	Contract Renewal Strategy & Diverse Client Base
Non - agile processes	Process Optimisation Plan
Implementation of a new ERP system	Process Standardisation
Manpower risk	Vessel Manning & Sourcing Plan
Maritime QHHSC risks	Periodic HSEQ review and improvements
Major payments and contracts	Sourcing Strategy & Alternatives

6.4 Business Model Resilience

Asyad shipping maintains an effective business continuity and recovery plan so that it can continue to support its customers and other stakeholders even in times of unforeseen crises or disruptions. Asyad’s Business Continuity Plan describes the active planning, control and safeguarding Asyad’s success as an organization.

Management Approach

Asyad Shipping is committed to implement a business continuity plan to ensure their business resiliency in compliance with relevant legal and regulatory requirements. The framework is designed to ensure the continued provision of services, protect stakeholder’s interests, and minimize the impact of adverse events. Business continuity is managed consistently throughout the organization by addressing the business dependence on critical business process, identifying critical business functions, processes and process owners along with key resources and tools needed for implementation. By identifying and addressing potential threats, Asyad Shipping strives to maintain operational resilience and fulfil the commitment to environmental, social and governance principles.

Development efforts in the Business Continuity Management System are guided by the following principles:

1.

BCM roles and responsibilities are clearly defined for ensuring the implementation of effective BCM framework. Centralized overview, accountability and management of business continuity in Asyad Shipping Company and its subsidiaries are established for effective governance and response.
2.

Business continuity are managed, consistently throughout Asyad Shipping Company and its subsidiaries, by, addressing the business dependence on critical business processes. Identifying critical business functions, processes and process owners, along with key resources and tools needed for implementation.
3.

The protection and safety of people are the ultimate objective of this Policy, both under normal circumstances and during a crisis resulting from a disaster.
4.

BCM and process should aim to eliminating harm to the environment as a result of any business interruption event.
5.

All departments shall designate representatives in the various areas with appropriate experience and knowledge to actively participate in the preparation, implementation, review, verification, and enhancement of the Business Continuity Plans.
6.

A BCM Manual is developed and implemented that describes the activities to be performed as part of the business continuity process.
7.

Preparation of plans for human resources, facilities, IT & data storage, customers, and suppliers, etc.- and crisis management.
8.

Critical business processes are identified and prioritized through a structured organizational Business Impact Analysis (BIA) process involving Asyad Shipping Company and its subsidiaries departments’ heads, and Corporate Strategy and Risk Management Department.
9.

Environmental concerns must be taken into consideration while developing the business continuity plan and analysis.

Business Impact and Continuity Risk Assessment

Asyad Shipping evaluates the potential impact of a disruption to ‘business as usual’, ranging from customers to suppliers, employees to stakeholders including impacts on financial reporting to reputation. Risks that affect the continuity of business processes are identified, along with their impacts and likelihood, including IT systems risks (Office and Offshore IT Risks) in the Business continuity Management framework.



Asyad Shipping is committed to implement a business continuity plan to ensure their business resiliency in compliance with relevant legal and regulatory requirements.

Business Continuity Planning Framework

The business continuity planning operational policy aims to provide a clear communication of the management’s expectations in relation to Business continuity management system throughout the organization. This policy establishes the framework for the development, implementation, review and improvement of Asyad Shipping’s business. The business continuity plan describes the general approach to ensuring information and systems availability, escalation processes and conditions, as well as the teams and individuals responsible for executing each component of the plan. The business continuity plan is developed to conduct operations in a way that provides a safe and healthy working environment to protect employees from risk and accidents and to protect environment from any harm. This plan maintains a robust business continuity management system to ensure resilient operations and continuous delivery of all critical services.

Testing, Maintaining, Reviewing and Reassessing Business Continuity Plan

The Business Continuity Plan is enforced through Semi Annual Self – Assessments conducted by the Corporate Strategy and Risk Management Department and other department heads.

Risk management and Compliance Audit is performed annually by the Corporate Strategy and Risk Management Department. ISO Internal Audit Checks are performed by the Internal Audit Department through corporate function.

6.5 Data Protection and Cyber Security



Data security is of utmost importance and is a critical component of brand-building and reputation for Asyad shipping. The company has in place a set of information security management policies and practices designed to protect the security and confidentiality of company data. To protect sensitive information, including customer details, financial data and operational data, Asyad shipping uses the services of Oman Data Park, a premier IT managed services provider.

The Oman Data Park is a state-of-the-art data center facility established to support the digital transformation initiatives in Oman. It offers secure and reliable hosting, cloud computing, and managed IT services to businesses and government entities.



Asyad shipping benefit from reliable and secure infrastructure for the IT operations, allowing to focus on the core business activities without having to invest heavily in establishing and maintaining the data centres.

The Oman data park focuses on ensuring data security, privacy, and compliance with international standards (ISO 27001 and ISO 20000). It employs advanced technologies and robust security measures to protect the data stored within its facilities. By leveraging the Oman data park's services, Asyad shipping benefit from reliable and secure infrastructure for the IT operations, allowing to focus on the core business activities without having to invest heavily in establishing and maintaining the data centres.

Management Approach

All policies clearly define acceptable use of the assets, ownership and return policies, information classification and processes and controls with respect to handling of assets and information.

Asyad Shipping is committed to protecting its employees, partners, and the company from illegal or damaging actions by individuals, either knowingly or unknowingly. Internet/Intranet/Extranet-related systems, including but not limited to computer equipment, printers, software, operating systems, storage media, network accounts providing electronic mail, www browsing, and FTP, are the property of Asyad Shipping These systems are to be used for business purposes in serving the interests of the company, and of our clients and customers during normal operations.

Asyad Shipping has implemented the following specific standards, procedures and protocols to ensure safe handling of assets and information:

1. IT Security Procedure and Manual
2. End User Information Security Standards
3. Change Management Procedure Plan – ERP Application
4. System Access Control Procedure
5. Backup Restoration Procedure Plan
6. System Restoration and Disaster Recovery Plan and Procedures
7. IT Asset Management Process

The processes and procedures clearly outline the general use and ownership of assets and data, security and proprietary information and detailed enforcement procedures for the policies. They outline roles and responsibilities of key members and procedures for changes and requirement handling.

Process and Controls

Asyad Shipping has specific policies and procedures in place to protect against external and environmental threats with appropriate firefighting devices, additional protection against natural



Asyad Shipping is dedicated to protecting customer information through stringent system design which incorporates legal, administrative and technical safeguards.

disasters, malicious attacks or accidents as deemed necessary. Asyad Shipping has a systematic equipment maintenance system in place to ensure its continued availability and integrity.

Asyad Shipping adheres to strict policies to ensure smooth functioning of all IT systems and data protection and cyber security. The policies describe specific

1. Information Asset Handling Policy
2. Mobile Policy
3. Access Control Policy
4. Identity and Access Management Policy
5. Information System Security Policy
6. Physical and Environmental Policy
7. Third Party, vendors and information Transfer Policy
8. Virus/Malware Protection and Patch Management Policy
9. Password Policy
10. Acceptable Usage Policy
11. Logging and Monitoring Policy
12. Compliance Policy
13. Information Security Awareness and Training
14. Configuration Management
15. Security Assessment and Treatment
16. Website and Data Hosting Policy
17. Email Usage Policy

Cyber security plan

Asyad Shipping has a detailed Cyber Response and Recovery Plan for the vessels that provides response actions and recovery measures to restore compromised systems due to cyber incidents.

The plan also specifies an Evidence Collection process and provides systematic processes for evidence maintenance and recording and appropriate escalation mechanisms. All actions taken, responses received and recovery measures implemented are required to be explicitly documented for review.

7.

APPENDIX



7.1 Global reporting initiative (GRI) content index

GRI 100 : General disclosures	Indicator and disclosure	Report section
Organizational profile	102-1 Name of the organization	4
	102-2 Activities, brands, products and services	12
	102-3 Location of headquarters	14
	102-4 Location of operations	14
	102-5 Ownership and legal form	14
	102-6 Markets served	14
	102-7 Scale of the organization	15
	102-8 Information on employees and other workers	15
	102-9 Supply chain	16
	102-12 External initiatives	17
	102-13 Membership of associations	16
Strategy	102-14 Statement from senior decision-maker	8
Ethics and integrity	102-16 Values, principles, standards, and norms of behaviour	14
	102-17 Mechanisms for advice and concerns about ethics	14
Governance	102-18 Governance structure	60
	102-19 Delegating authority	15, 60
	102-20 Executive-level responsibility for economic, environmental, and social topics	62
	102-22 Composition of the highest governance body and its committees	63
	102-23 Chair of the highest governance body	60
	102-24 Nominating and selecting the highest governance body	60
	102-25 Conflicts of interest	64
	102-26 Role of highest governance body in setting purpose, values, and strategy	63
	102-27 Collective knowledge of highest governance body	63
	102-28 Evaluating the highest governance body's performance	63
	102-29 Identifying and managing economic, environmental, and social impacts	29
	102-30 Effectiveness of risk management processes	66
	102-31 Review of economic, environmental, and social topics	28
	102-32 Highest governance body's role in sustainability reporting	24, 25
	102-33 Communicating critical concerns	64

GRI 100 : General disclosures	Indicator and disclosure	Report section
Governance	102-34 Nature and total number of critical concerns	67
	102-35 Remuneration policies	59
	102-36 Process for determining remuneration	59
	102-37 Stakeholders' involvement in remuneration	59
	102-38 Annual total compensation ratio	17, 59

GRI 200 : Economic performance	Indicator and disclosure	Report section
Economic performance	201-1 Direct economic value generated and distributed	20
	201-2 Financial implications and other risks and opportunities due to climate change	67
	201-3 Defined benefit plan obligations and other retirement plans	17
	201-4 Financial assistance received from government	17
Indirect economic impacts	203-1 Infrastructure investments and services supported	NA
	203-2 Significant indirect economic impacts	56, 57
Procurement practices	204-1 Proportion of spending on local suppliers	56, 57
Anti-corruption	205-1 Operations assessed for risks related to corruption	64
	205-2 Communication and training about anti-corruption policies and procedures	64
	205-3 Confirmed incidents of corruption and actions taken	64
Taxation transparency	207-1 Approach to tax	17
	207-2 Tax governance, control, and risk management	17
	207-3 Stakeholder engagement and management of concerns related to tax	17
	207-4 Country-by-country reporting	17

GRI 300: Environmental standards	Indicator and disclosure	Report section
Materials (Eg. Any materials used for service delivery)	301-1 Materials used by weight or volume	42, 43
	301-2 Recycled input materials used	42
	301-3 Reclaimed products and their packaging materials	NA
Energy	302-1 Energy consumption within the organization	45
	302-2 Energy consumption outside of the organization	45
	302-3 Energy intensity	45
	302-4 Reduction of energy consumption	45
Water and effluents	303-1 Interactions with water as a shared resource	36
	303-2 Management of water discharge- related impacts	36
	303-3 Water withdrawal	36
	303-4 Water discharge	36
	303-5 Water consumption	36
Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None
	304-2 Significant impacts of activities, products, and services on biodiversity	NA
	304-3 Habitats protected or restored	NA
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	NA
Emissions	305-1 Direct (Scope 1) GHG emissions	41
	305-2 Energy indirect (Scope 2) GHG emissions	41
	305-3 Other indirect (Scope 3) GHG emissions	41
	305-4 GHG emissions intensity	41
	305-5 Reduction of GHG emissions	41
	305-6 Emissions of ozone-depleting substances (ODS)	-
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	41
Effluents and waste	306-1 Water discharge by quality and destination	36
	306-2 Waste by type and disposal method	37
	306-3 Significant spills	37
	306-4 Transport of hazardous waste	37

GRI 300: Environmental standards	Indicator and disclosure	Report section
Effluents and waste	306-5 Water bodies affected by water discharges and/or runoff	36
Environmental compliance	307-1 Non-compliance with environmental laws and regulations	34
GRI 400 : Social standards	Indicator and disclosure	Report section
Employment	401-1 New employee hires and employee turnover	59
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	59
	401-3 Parental leave	59
Labour / Management Relations	402-1 Minimum notice periods regarding operational changes	-
Occupational Health and Safety	403-1 Occupational health and safety management system	50
	403-2 Hazard identification, risk assessment, and incident investigation	51
	403-3 Occupational health services	50
	403-4 Worker participation, consultation, and communication on occupational health and safety	51
	403-5 Worker training on occupational health and safety	51
	403-6 Promotion of worker health	50
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	50
	403-8 Workers covered by an occupational health and safety management system	51
	403-9 Work-related injuries	51
	403-10 Work-related ill health	51
Training and Education	404-1 Average hours of training per year per employee	55
	404-2 Programs for upgrading employee skills and transition assistance programs	54
	404-3 Percentage of employees receiving regular performance and career development reviews	54
Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	58

GRI 400 : Social standards	Indicator and disclosure	Report section
Diversity and Equality Opportunity	405-2 Ratio of basic salary and remuneration of women to men	59
Non - Discrimination	406-1 Incidents of discrimination and corrective actions taken	59
Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	NA
Child Labour	408-1 Operations and suppliers at significant risk for incidents of child labor	57
Forced or Compulsory Labour	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	57
Security Practices	410-1 Security personnel trained in human rights policies or procedures	Training provided through third party contractor
Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	NA
Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	NA
	412-2 Employee training on human rights policies or procedures	54
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	NA
Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	54
	413-2 Operations with significant actual and potential negative impacts on local communities	NA
Suppliers	414-1 New suppliers that were screened using social criteria	57
	414-2 Negative social impacts in the supply chain and actions taken	57
Public policy	415-1 Political contributions	NA
Customer health & safety	416-1 Assessment of the health and safety impacts of product and service categories	NA
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	NA
Marketing and Labelling	417-1 Requirements for product and service information and labeling	NA
	417-2 Incidents of non-compliance concerning product and service information and labeling	NA
	417-3 Incidents of non-compliance concerning marketing communications	NA
Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	70
Socio-economic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	Nil

7.2 Sustainability Accounting Standards Board (SASB)

Code	Topic	Accounting metric	Report section
TR-MT-000.A	Organizational profile	No. of shipboard employees	58
TR-MT-000.B		Total distance travelled by vessels	41
TR-MT-000.C		Operating days	days 18,264
TR-MT-000.D		Deadweight tonnage	14
TR-MT-000.E		Number of vessels in total shipping fleet	14
TR-MT-000.F		Number of vessel port calls	65
TR-MT-000.G		Total cargo in tonnage moved during the reporting year	67,691,517 tonnes
TR-301-09	Ethics & integrity	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption percentage Index	65
TR-301-10		Amount of legal and regulatory fines and settlements associated with bribery and corruption	65
TR-301-11	Occupational health & safety	Accident and safety management	50
TR-301-13			50
TR-301-14			50
RT-IG-130a.1	Energy	Energy consumption within the organization	45
TR-MT- 160a.1	Biodiversity	Shipping duration in marine protected areas or areas of protected conservation status	None
TTR-MT- 110a.1	Emissions	Direct (Scope 1) GHG emissions	41
TR-MT- 110a.2			41
TR-MT- 120a.1		Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	41
TR-MT- 110a.4		Fleet specific data	41
TR-MT-160a.3	Effluents & waste	Significant spills	42

7.3 Asyad Shipping Fleet Annual Efficiency Ratio (AER) and Energy Efficiency Operational Indicator (EEOI)

Vessel name	Ownership	AER	EEOI	CII	Age
Adam LNG	100%	7.31	22.22	C	9
Al Amerat	100%	9.66	19.14	E	15
As Suwayq	100%	2.11	7.15	C	12
Bahla	100%	1.8	4.52	A	3
Bukha	100%	2.21	5.66	C	11
Daba	100%	2.18	5.38	C	10
Dank Silver	100%	4.9	10.25	A	7
Dhalkut	100%	1.69	4.02	A	3
Fida	100%	2.17	5.01	C	11
Habrut	100%	2.31	5.77	C	11
Ibra LNG	80%	12.83	29.39	D	18
Ibri LNG	60%	10.04	22.58	B	17
Izki	100%	2.2	5.26	C	11
Jabal Al kawr	100%	4.97	8.62	C	9
Jabal Al misht	100%	4.97	6.98	C	4
Jabal Ar rawdah	100%	5.15	7.46	D	7
Jabal Hafit	100%	4.73	8.57	C	6
Jabal Harim	100%	4.9	7.22	C	7
Jabal Samhan	100%	5.11	7.62	D	8
Jabal Shams	100%	5.29	9.2	D	8
Khasab Silver	100%	5.2	11.06	A	7
Liwa Max	100%	2.64	4.84	E	12
Madha Silver	100%	5.7	12.74	A	7
Mahadah Silver	100%	5.46	10.61	A	8
Masirah	100%	28.62	101.03	E	17
Matrah	100%	7.34	15.48	C	15
Muhut Silver	100%	5.71	10.13	A	7
Muscat Silver	100%	6.06	10.4	B	8
Nakhal Silver	100%	5.78	13.04	A	7
Nizwa LNG	60%	11.31	29.53	C	18
Raysut	50%	4.01	8.7	B	15
Rustaq Silver	100%	5.84	10	A	8
Sadah Silver	100%	4.59	9.65	A	8
Saham	100%	1.94	4.69	B	13
Saham Max	100%	2.56	5.39	E	10
Saiq	100%	1.74	3.76	A	12
Salalah LNG	80%	11.62	28.98	C	18
Samail	100%	1.86	4.35	A	12
Seeb	100%	2.24	6.41	C	12
Shinas Max	100%	2.41	4.57	E	10
Sifa	100%	2.09	5.07	B	12
Sohar LNG	50%	18.59	37.95	D	22
Sohar Max	100%	2.7	6.53	E	11
Sur	100%	2.16	4.28	C	3
Taqah	100%	2.26	5.54	C	11
Wadi Bani Khalid	100%	9.40	18.51	C	14
Yankul Silver	100%	5.6	9.59	A	7



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30TH OCTOBER 2023