



A CUSTOMER-FOCUSED PLATFORM FOR OUTPERFORMANCE & RESILIENCE



2025 ESG FACTS & FIGURES

Revenue 2,081
(USD million)

Net profit 58
(USD million)

Cargo volume carried 79.8
(million tonnes)

Tonne-miles work done 420,000
(million tonnes-miles)

Fuel consumed 1,020
(thousand tonnes)

Fleet GHG emissions 3,253
from ship operations
(thousand tonnes CO₂ equivalent)

Pollution incidents 1
(MARPOL violations)

Seafarer work hours 19.2
(million work hours)

Notable navigational incidents 0

Lost-time injuries 11
(0.57 injuries per million work hours)

Crew Retention 94%

Staff nationalities 41
(shore staff & seafarers)

Women on our Board 36%

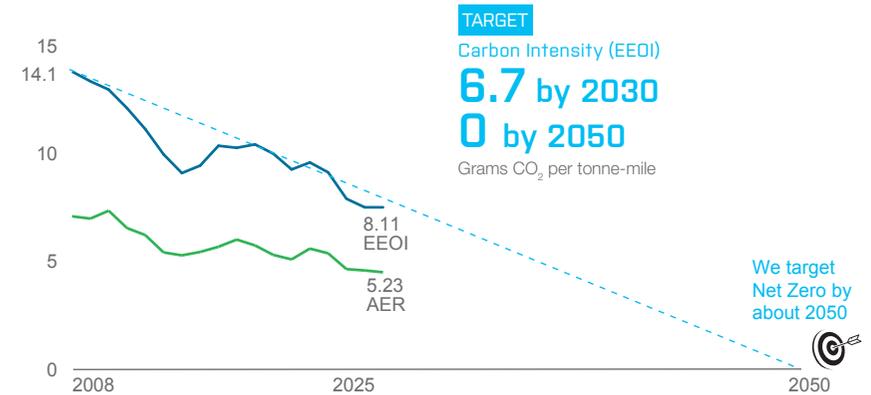
Women in workforce ashore 45%

Women on our ships 70



Our sustainability policies and initiatives have an overall aim to drive the resilience and long-term financial performance of our Company in an increasingly complex international business landscape

We continue to reduce our fleet's carbon intensity consistent with IMO goals and regulations



Disciplined fleet renewal strategy for growth and energy efficiency

Scaling our proprietary digital optimisation tools to enhance operational and fuel efficiencies



Enhanced Leadership Team Structure for setting strategy and priorities, aligning shared goals, and driving execution with collective accountability

Enhanced safety, security, health & wellbeing training programmes



Gold Award Winner, ESG Leader category at ESG Shipping Awards International

AA- Sustainability Rating by HKQAA



Thank you to our several Pacific Basin colleagues from across our owned fleet and office network who produced almost all the photos in this report

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 High-level KPIs (Key Performance Indicators)

About Pacific Basin

Pacific Basin is one of the world's leading owners and operators of modern Handysize and Supramax dry bulk ships

We own and operate dry bulk cargo ships. Our business is customer focused, providing over 600 industrial users, traders and producers of dry bulk commodities with a high-quality, reliable and competitive freight service under spot and long-term cargo contracts. We are listed in Hong Kong and operate globally with a large fleet of ships trading worldwide

 Our History



Our Purpose

To safely and sustainably deliver by sea the dry bulk commodities that are essential to society

Our Vision

To be the leading ship owner/operator in dry bulk shipping, and the first choice partner for customers and other stakeholders

 [p.71 The Value We Create](#)

What We Stand For

- Our customers, our people and our brand
- Honouring our commitments
- Long-term relationships over short-term gain
- Ease of doing business with us
- Personalised, flexible, responsive and reliable service
- A sustainable business approach
- Safety, wellbeing and environmental responsibility
- Care, good humour, fairness and respect
- Valuing diversity, equity and merit-based opportunity
- Excellence through dedication, teamwork and continuous improvement
- Collaboration to tackle challenges

With you for the long haul

 [p.8 Our Culture of Doing the Right Thing](#)

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Customer Focus

 Over **600** customers – industrial users, traders and producers of dry bulk commodities



Transporting grains & agricultural products, logs & forest products, steel & scrap, cement, fertiliser, metal concentrates, and other essential materials



Single spot voyages and longer-term multi-shipment freight contracts



Our Scale & Global Reach

Fleet in Operation

Handy & Supra Ships

255 (average)

277 (2024)

Owned Fleet

Handy & Supra Ships

108 (average)

111 (2024)

Voyages Completed

Voyages

2,040+

2,280+ (2024)

Cargo Volumes

Tonnes

79.8m

90.2m (2024)

Ports Called

Ports & Countries

448/60

882/100 (2024)

Distance Travelled

Nautical Miles

13.2m

14.9m (2024)

Global Network

Offices

14

14 (2024)

Shore Staff

employees

412

403 (2024)

PB Ships' Crew

seafarers

4,300 on owned ships

4,600 (2024)

Cargo Customers

companies

600+

600+ (2024)

 **IFC ESG Facts & Figures**
 **Our Fleet**

IFRS TR-MT-000.A

IFRS TR-MT-000.B

Our Dry Bulk Segment



Handysize

25,000-44,999 dwt



Supramax

45,000-70,000 dwt

Our geared bulk carriers are highly versatile self-loading and self-discharging ships

They transport mainly minor bulks including agricultural products, raw materials, construction materials and other essential bulk commodities

Our cargo mix comprises mainly non-fossil-fuel commodities

The minor bulk segment offers benefits of diversification in terms of geography, customers and cargoes, enabling triangular trading, high laden utilisation and, in turn, enhanced TCE earnings outperformance and carbon efficiency

Our ships are laden with cargo about 90% of the time

 **Annual Report**
p.5 Our Industry
85%

Non-fossil-fuel cargoes

90%

Laden utilisation

Financial Highlights

Revenue

US\$

2.1bn

2.6bn (2024)

EBITDA

US\$

263m

333m (2024)

Net Profit

US\$

58m

132m (2024)

Return on Equity

%

3%

7% (2024)

Available Committed Liquidity

US\$

756m

548m (2024)

 **Annual Report**
p.3 Financial Highlights

CHIEF EXECUTIVE'S SUSTAINABILITY REVIEW



Martin Fruergaard

Chief Executive Officer

Our strong environmental, social and governance (ESG) performance reflects the strength and scalability of our unique platform and the disciplined execution of strategies to continually reduce our environmental impact, keep our crews healthy and safe, and maintain robust controls and accountability to stakeholders. We have the people, values, assets, business model, strategies and financial health that together create durable competitive advantages and position us well for a sustainable future.

Striving for Sustainability Fit for a Global Business

2025 was a challenging year for global shipping, shaped by geopolitical turbulence, unexpected regulatory developments and an overall weaker freight market than the year before. Despite the headwinds, Pacific Basin navigated with agility and resilience, guided by our commitments to protect our competitiveness, create shareholder value, and do the right things for the environment, our people and other stakeholders.

AR Annual Report
p.16 Chief Executive's Review

Although financial results were lower due to weaker markets, they remained respectable. We preserved a strong financial position and made solid progress on our strategic priorities. Our environmental, social and governance (ESG) performance reflects disciplined execution of initiatives to reduce emissions, safeguard crew wellbeing and uphold robust governance. Supported by our people, culture, assets, strategy and financial strength, we remain well positioned for sustainable growth – a key priority for 2026 and beyond.

Our approach to sustainability is anchored in business performance, our vision to be the trusted partner of choice, and our culture of doing the right thing. Priority areas – such as crew security and safety, compliance with evolving energy efficiency and emissions regulations, inclusive and supportive teams, governance and risk management, and other material ESG topics – are embedded in our daily decision-making.

External recognition again validated our efforts, performance and strengths that continue to differentiate Pacific Basin in a highly competitive global market. Most of our ESG ratings improved in 2025, with a top 8% EcoVadis ranking and our other ESG ratings placing us among the top global industry leaders.

We again received multiple awards across sustainability, environment, social impact, governance, safety and port state control performance. Notably, we won the ESG Shipping

Awards International Gold Award in the ESG Leader category and Bulk Ship Operator of the Year at the IBJ Awards.

↔ **p.13** Our ESG Ratings and Awards

ESG excellence will always be a work in progress, as we challenge ourselves for continuous improvement, guided by a pragmatic approach and our culture of doing the right things.

Responsibility to Our People

Our colleagues at sea and ashore are fundamental to our success, so we invest in cultivating supportive and well-supported, diverse, competent, engaged and high-performing teams. We uphold high standards of safety and wellbeing, while equipping our people with the skills to excel in an evolving industry.

Our first priority remains the security, safety, wellbeing and engagement of our colleagues.

Security risks – including drug smuggling, militant activity and piracy – continue to require heightened vigilance. Consistent with our increased ambition around safety and security, we established a dedicated Security Team in early 2025 to strengthen oversight, preparedness and real-time support for our ships and people worldwide, and the benefits of that investment were immediately tangible during the year.

↔ **p.35** Security of Our Ships and Crews

In 2025, our fleet recorded 11 lost-time injuries over 19.2 million working hours. This corresponds to a lost-time injury frequency (LTIF) of 0.57, which is low by industry standards and among our best ever LTIF results, but we aspire to eliminate personal injuries entirely across our fleet. Our marine safety, training and crewing teams – in collaboration with our seafarers – will continue to identify opportunities to further strengthen our already well-established safety culture and risk awareness on board.

Connectivity and mental health at sea remain key focus areas: Low Earth Orbit (LEO) services now provide high speed, unlimited data internet across the fleet; our Wellness at Sea programme and updated manual support mental resilience; masters receive cross-cultural leadership training; crewing teams receive training to identify early signs of distress; and all our seafarers undergo psychometric screening before joining vessels. Our programme of crew wellbeing initiatives serve to build mental strength and harmony onboard, reaffirming our commitment to creating a safe, inclusive and caring workplace for every member of our team.

◀▶ p.42 Training & Development

Our shore-based colleagues represent 38 nationalities, and gender distribution is relatively well-balanced overall. However, diversity in senior roles and in some departments remains lower due to the demographics of candidates interested in shipping roles, but we are making progress in



leveraging our strong employer brand to attract diverse talent and build high-performing teams. Women now represent 36% of our Board, and our directors comprise seven nationalities and diverse professional backgrounds. And, at sea, a gradually increasing number of our ships have crews of mixed nationalities and gender, as we seek to ensure that diversity is done sustainably and in the best interests of our business.

Staff engagement remains strong, evidenced by solid retention, collaborative performance and high scores in independent engagement surveys in 2025 – 86% overall for our crews at sea, and 79% overall for staff shore. The detailed survey findings have provided us with useful insights for further enhancing the career experience at Pacific Basin.

◀▶ p.48 Diversity, Equity & Inclusion

Efficiency, Optimisation and Decarbonisation

Our long-standing fuel and energy-efficiency programme continued in 2025, with more of our ships using super-low-friction hull coatings and reshaped propellers, and fitted with flow-altering ducts and vanes, RPM optimisation computers, more efficient fuel injection nozzles and water pumps.

◀▶ p.21 Carbon-efficient operational measures

Our proven platform harnesses our scale benefits and many other value drivers to achieve maximum fleet utilisation and, in turn, outperforming time charter equivalent (“TCE”) earnings and reduced fuel-consumption and carbon intensity of our activities.

Our investments in digitalisation and optimisation in recent years led to several piloting and early-

adoption projects which evolved in 2025 into mature digital optimisation capabilities that we have scaled across our fleet. In a sector widely considered difficult to further optimise, we are embedding advanced technologies into everyday operations. Including our proprietary “digital twin” technology, this is delivering enhanced data availability and accuracy, improved insights and decision-making and, in turn, measurable improvements in efficiency, voyage economics, operational confidence and sustainability.

Next, we are upgrading our digital twin with AI-driven hull fouling prediction and introducing fleet performance digital visibility for real-time insights into compliance, maintenance and efficiency. We are also developing digital routing that integrates weather data into our commercial optimisation algorithms.

Our Bunker team is transitioning into a Sustainable Energy Solutions (SES) team, as we no longer view fuel merely as a cost centre but as a strategic enabler of competitiveness, efficiency and emissions performance. The team will secure priority access to conventional and green fuels and work closely with our optimisation efforts to unlock the full value of every voyage.

◀▶ p.22 Preparation for increasing decarbonisation regulations

91% of our owned fleet achieved CII ratings of A to C in 2025, with the rest rated lower (while still in compliance) due prolonged port delays. Our owned fleet’s EEOI carbon intensity was 43% below our 2008 baseline, with expectations to halve it by 2030 on our pathway to net zero by around 2050.

◀▶ p.19 Our CII Ratings

In 2025, we completed another review of our decarbonisation strategy, aligning ambitions and targets with evolving global expectations.

Renewed Uncertainty about Decarbonisation Regulations

In April 2025, the International Maritime Organization (IMO) agreed on a Net-Zero Framework (NZF), featuring greenhouse-gas pricing and fuel-intensity measures to drive the shipping industry’s transitioning to green fuels. However, political divisions between member states led to an October 2025 agreement to adjourn a decision on NZF adoption by one year. We expect protracted renegotiations, and the timing and final shape of the NZF are unclear.

While we expect an NZF-type global mechanism will eventually be adopted and we remain committed to playing a leading part in our industry’s decarbonisation journey, we believe it is financially prudent and in the best interests of our shareholders to limit our investment in more expensive dual-fuel vessels until new regulatory commitments provide clearer support.

◀▶ p.17 GHG Regulatory Momentum

Meanwhile, we continue investing in energy-efficiency and fuel-saving technologies and measures, while positioning ourselves for priority access to alternative fuels in readiness for tightening and future new GHG reduction regulations. In June 2025, we signed an MOU with The Hong Kong and China Gas Company Limited (Towngas) to strengthen our access to green methanol marine fuel – an important step in our preparation for dual-fuel vessels to comply with global and regional greenhouse gas fuel intensity rules in future.

◀▶ p.24 Developing access to green fuels

Our proactive approach positions us to navigate regulatory uncertainty and capture opportunities in the transition to green shipping.

Responsible Partnerships & Value Creation

Creating long-term value at Pacific Basin also depends on strong, responsible partnerships across our value chain. By working closely with our communities of stakeholders, we seek to support resilient and sustainable dry bulk supply chains while delivering reliable, high-quality service. Collaboration and innovation are a key part of our approach to promoting safety, integrity and transparency across our operations, supporting the most deserving causes in key communities that we rely on, and taking meaningful steps to reduce our energy needs and impact on the environment.

In practice, this includes collective action initiatives such as our participation in the

Maritime Anti-Corruption Network and TRACE, sustained support for the seafarer community, investment in education, internships and early-career employment, and active engagement with government, industry bodies and other organisations. It also extends to collaboration with our financial partners, reflected in a new US\$250 million sustainability-linked revolving credit facility we secured in July 2025, which aligns access to capital with our ESG performance and reinforces stakeholder confidence in our long-term strategy.

These partnerships all help to strengthen our business and reputation and enable us to contribute positively to society, tackle our industry's main challenges, promote careers in shipping, and support the long-term sustainability and resilience of global seaborne trade.

↔ p.71 How We Create Value

Responsible Business Fundamentals

Our culture of doing the right thing is grounded in strong corporate governance, ethical management and disciplined decision-making, supported by a commitment to best-in-class risk management, transparency, reporting and corporate stewardship. These foundations are critical to maintaining stakeholder confidence and safeguarding the long-term resilience and value of our business.

Effective governance underpins every aspect of how we operate and provides clarity, consistency and credibility in decision-making, particularly in an increasingly complex and volatile global environment. Our Board benefits from a high level of independence and a broad mix of international experience, skills and perspectives, enabling robust oversight, constructive challenge and sound judgment in support of the Company's long-term

strategy. Our 11 board members comprise eight nationalities, and about two-third are Independent Non-executive Directors (INEDs).

We continue to strengthen our approach to performance management to support disciplined execution, collaboration across the organisation and value creation at the Group level. In 2025, we enhanced our remuneration framework by introducing performance-linked variable remuneration designed to align leadership incentives more closely with the delivery of our strategy, long-term interests and sustainability objectives. Reflecting the importance of sustainable value creation alongside financial performance, ESG metrics – including emissions reduction and safety performance – now form part of the executive performance scorecard, reinforcing accountability and long-term alignment with shareholder expectations.



Management and a dedicated sustainability team are supported by a Sustainability Management Committee in coordinating and enhancing our approach to sustainable business practices, ensuring compliance with evolving ESG and regulatory requirements, and embedding more deliberate and consistent sustainability thinking into strategy and day-to-day operations. Together, these arrangements strengthen accountability, enhance risk awareness and capital discipline, and reinforce our confidence that Pacific Basin is well positioned to deliver resilient performance and sustainable long-term value for shareholders and other stakeholders.

This disciplined approach extends to the way we structure, govern and locate our organisation so that it remains robust, compliant and globally

accessible in the face of evolving geopolitical and protectionist risks. As reported in our Third Quarter Trading Update, we took proactive steps to reduce the impact of new US special port fees on Chinese-linked ships and reciprocal Chinese fees on US-linked ships. We expanded our Singapore structure so that about half our owned fleet will be under Singaporean ownership and flag, we shifted ultimate strategic leadership and commercial decision-making to Singapore while daily management continues across our global offices, and we adjusted our Board composition. These measures help protect our business and ensure Pacific Basin can continue serving global customers freely and competitively across all safe ports, including in China and the United States.

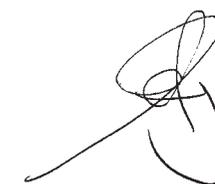
Looking to 2026, we have set clear strategic priorities centered on growth, efficiency and cost optimisation. These include pursuing disciplined fleet renewal and growth opportunities; protecting our cost competitiveness through productivity and optimisation initiatives; leveraging greater value from fuels and the energy transition; deepening voyage and fuel optimisation through advanced technologies; and further strengthening performance management to maximise value for customers and shareholders alike. Together, these priorities reflect a measured, value-focused approach to growth that builds on our platform and supports long-term sustainable returns.

↔ p.52 Sustainability Governance

Effective Platform for a Sustainable Business

Taken together, our people, culture, governance, assets, financial discipline and partnerships form a distinctive and hard-to-replicate platform that underpins Pacific Basin's long-term sustainability and value creation. This platform – built on scale, specialisation, operational excellence, data-driven optimisation and a customer-centric global operating model – enables us to perform consistently across cycles while managing risk and supporting the transition to a lower-carbon future. Reinforced by strong governance, disciplined capital allocation and a clear set of strategic priorities, this platform gives us the confidence to navigate uncertainty, invest prudently and continue compounding value for our shareholders and wider stakeholders.

We are fortunate to have excellent and dedicated people across the Pacific Basin family both at sea and ashore who I thank sincerely for their professionalism, resilience and commitment. They are true ambassadors for Pacific Basin. I thank also our shareholders, customers and other stakeholders for their continued trust and support.



Martin Fruergaard

Chief Executive Officer

Hong Kong, 3 March 2026



Our Culture of Doing the Right Thing

At Pacific Basin, we aim to achieve a healthy balance between growth, profitability, and the environmental and social issues related to our business. We believe that sustainability is a journey that the entire business is on together, propelled by our drive to compete and lead, and guided by our culture of doing the right thing.



Our Purpose

To safely and sustainably deliver by sea the dry bulk commodities that are essential to society

Our Vision

To be the leading ship owner/operator in dry bulk shipping, and the first choice partner for customers and other stakeholders

Our Slogan

With you for the long haul

 [p.71 How We Create Value](#)

Our Business Principles

- We are passionate about our customers, our people, our business and our brand
- We honour our commitments, and we value long-term relationships over short-term gain
- We offer a personalised, flexible, responsive and reliable service, and we look for ways to make it easier to do business with us
- We take a sustainable business approach and promote high standards of safety, wellbeing and environmental responsibility
- We are all corporate ambassadors and share a strong sense of belonging to our Pacific Basin family
- We are caring, good humoured and fair, and want all our colleagues to feel safe, supported, wanted and trusted
- We value diversity, and we treat everyone with dignity, respect and equality of opportunity
- We target excellence and success through dedication and teamwork
- We continuously look to enhance our business model, our service and our conduct in everything we do
- We look for collaboration to tackle our industry's challenges

4 Pillars of Sustainability at Pacific Basin

Our industry is facing an evolving and increasingly complex business landscape which poses both risks and opportunities for our company. To navigate the challenges of today and tomorrow, and to further define our role as industry leaders, we are harnessing our culture of “doing the right thing” and putting it to work in a pragmatic sustainability framework comprising four pillars of responsibility

ENVIRONMENTAL RESPONSIBILITY

Decarbonising our fleet, managing our waste and use of resources, and minimising our impact on biodiversity as we continue to grow our business



RESPONSIBILITY TO OUR PEOPLE

Safeguarding a decent, healthy and safe work environment and nurturing an empowered and inclusive organisation, while developing a diverse, well-supported and high-performing workforce



RESPONSIBLE BUSINESS FUNDAMENTALS

Embedding strong governance, ethical conduct and integrity, and robust risk management across our operations to ensure long-term resilience, accountability and trust with all stakeholders



RESPONSIBLE VALUE CREATION

Serving, helping and collaborating with customers, suppliers, the seafarer community and other stakeholders to support a responsible and resilient supply chain and PB community

With You for the Long Haul

Materiality

We determine in a number of ways what sustainability issues really matter to us. Several of them are risks and responsibilities that we are mandated to manage by our industry’s regulators and other authorities. Some sustainability issues are matters increasingly raised in our routine dealings with customers, employees, banks and investors.

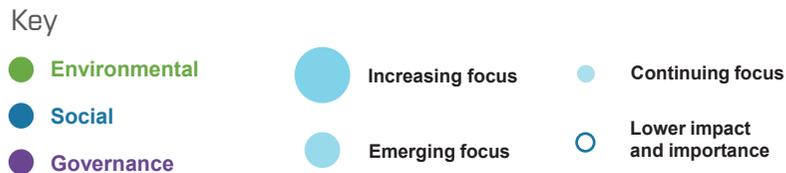
We also consider the requirements of reporting standards and frameworks such as GRI, IFRS S1 & S2 and the criteria of ESG ratings agencies and platforms as proxies for investors’ and other stakeholders’ expectations.

➡️ p.102 Sustainability Reporting Frameworks

➡️ p.13 Our ESG Ratings

We conduct ESG materiality surveys from time to time, reaching out to different stakeholder groups on a rotational basis. Our most recent stakeholder survey was enhanced by independently run focus group workshops with 45 stakeholders to clarify what sustainability issues are important to them and how they think we are doing. This was part of a larger sustainability strategy review, which also entailed ambition-setting for our various sustainability topics – a process that is ongoing and will be regularly revisited.

All these engagements enable us to map issues that are of greatest importance to our business, our stakeholders, society and the environment, and to determine the key issues for discussion in our sustainability reporting.



Our Sustainability Priorities

We further prioritise our ESG issues based on our assessments of what is currently most important to our stakeholders, our business, society and the environment, what is most urgent, and considering our levels of ambition towards the several sustainability topics that we deem material for our Company. We currently see these as our Company's top-most sustainability focus areas:



Safety, Security, Health & Wellbeing

↔ p.34

We constantly look for ways to safeguard the safety, security, health & wellbeing of our seafarers and office colleagues



Diversity, Equity & Inclusion

↔ p.48

We strive for a culture of care, respect and non-discrimination, creating a workplace where all colleagues feel included, supported and fairly treated, and where teams are successful and high-performing



GHG Emissions Reduction

↔ p.18

We aim to continually reduce our GHG intensity to comply with regulations, reduce our environmental impacts, unlock cost efficiencies, and capture monetisation opportunities and other advantages



Good Governance & Management

↔ p.52

We embed strong governance, ethical conduct, sound decision-making and robust risk management across our operations to strengthen accountability, build trust and support long-term, sustainable business development



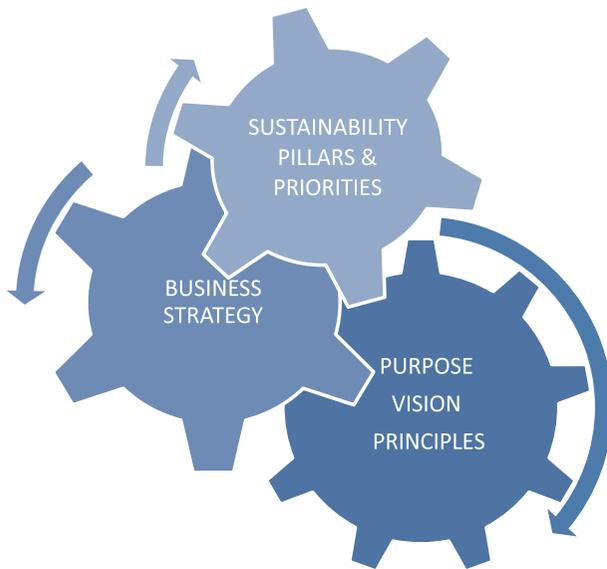
Ethical Business Practices & Cargo Carriage

↔ p.54

We apply sound business ethics and principles, and we carefully choose our suppliers, counterparties, cargoes and trading areas to manage risk and contribute positively to sustainable development

Achieving our ESG Goals

Integrating Sustainability and Activating ESG Awareness & Engagement



A sustainability strategy is effective only when it is anchored in our vision and values and aligned with our business strategy. While our ESG framework provides a compass and roadmap, its success ultimately depends on the active ownership, engagement and collaboration of colleagues across our business.

Sustainability at our company is not a standalone function — it is embedded in how we operate, make decisions and create value every day. To achieve our ESG goals, we challenge our colleagues to:

- Recognise that ESG is integrated into day-to-day operations and team responsibilities
- Apply ESG practices with greater intention, discipline and precision
- Remain curious, informed and creative in addressing ESG challenges and opportunities
- Engage openly, collaborate across functions and innovate within and beyond teams
- Identify and leverage ESG-driven competitive advantages
- Strengthen engagement to build ESG awareness and foster a strong sustainability culture

What it means to be a sustainable company will always evolve, and we do not have all the answers. Tackling challenges and achieving our goals requires collective effort, continuous learning and a willingness to adapt — with all of us working together to implement, refine and strengthen our strategy over time.

↔ p.9 4 Pillars of Sustainability

↔ p.52 Sustainability governance

Why do we Care?

Growing environmental concerns, increasingly complex regulations, and shifting stakeholder expectations drive the need for an enhanced sustainability strategy that aligns with and complements our business strategy. This serves to improve our resilience against and readiness for current and future challenges, and to position our business to capture opportunities and create value.

External and Internal Drivers

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ■ Climate Change ■ Global Biodiversity Loss ■ Rules & Regulations ■ Risk & Reputation Management ■ Resilience & Readiness for Challenges ■ Drives Performance ■ Business Differentiation | <ul style="list-style-type: none"> ■ Positions for Opportunity ■ Attracts & Retains Talent ■ Access to Shareholder/Lender Capital ■ Customer Expectation ■ Board of Directors Expectation ■ Alignment with our Purpose, Vision & Principles |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Our ESG Ratings

Our ESG ratings continue to improve and are among the best in the dry bulk shipping sector – if not among maritime transport companies overall – according to information available from various ESG ratings agencies.

The landscape of ESG ratings platforms is fragmented and complex, so we currently prioritise the following which are used by our investors and customers:

	2024	2025
HKQAA	AA-	AA-
Assessing the ESG performance of Hong Kong-listed companies on behalf of Hang Seng Indexes		
MSCI ESG	BBB	BBB
Used by about 70% of our largest shareholders for assessing the ESG performance of companies		
Sustainalytics	Low Risk	Low Risk
Used by about 40% of our largest shareholders for assessing the ESG risk exposure and management performance of companies		
EcoVadis	Silver Medal	Silver Medal
Used by several of our customers who conduct supplier/partner ESG assessments		



We are also rated favourably among our shipping peers by several other ESG ratings agencies and platforms, such as ISS, S&P Global, Bloomberg, Refinitiv, Sustainalytics, FTSE Russell and IntegrityNext. As we do not subscribe to them, we are unable to disclose their ratings for Pacific Basin.



ESG Awards

In 2025, Pacific Basin continued to receive strong external recognition for ESG excellence and related performance, including:

ESG Shipping Awards International

- Gold Award in ESG Leader category

Hong Kong Marine Department Awards

- Outstanding Performance in Port State Control Inspections
- Green Fleet Award (for achieving AER ratings of A or B)
- Award for Recruiting the Most Hong Kong Sea-going Cadets

HKICPA Best Corporate Governance and ESG Awards

- Commendation in Most Sustainable Organisations Awards – Elite Past Winners Section

HKMA Hong Kong Sustainability Award

- Distinction Award in Hong Kong Sustainability Awards (Large Organisations)
- Award for Excellence in Economic Sustainability Initiative

Hong Kong Awards for Environmental Excellence

- Certificate of Merit in Transport and Logistics

Hong Kong ESG Reporting Awards

- Grand Award for Best ESG Report (Mid-cap)
- Grand Award for Excellence in ESG Governance
- Grand Award for Excellence in Social Positive Impact
- Commendation for Excellence in Environmental Positive Impact

➡ p.33 Award-winning Safety & Quality at Sea

ENVIRONMENTAL RESPONSIBILITY

Drawing on our Natural Capital

The primary environmental impacts of shipping are emissions and discharges. At sea and in port, these outputs are substantially all regulated, and compliance is enforced across international, regional and local jurisdictions.

We recognise our responsibility to reduce our operations' impact on air, sea and land, and our Pacific Basin Management System is designed to measure and continually improve every aspect of our fleet operations, including our environmental outputs.

During the reporting period, no non-compliances in relation to GHG emissions, discharges into sea and on land, or generation of hazardous and non-hazardous waste violations were found. However, there was one MARPOL violation relating to the use of high sulphur fuel oil during a scrubber malfunction, which did not result in any regulatory consequences. Lessons learned were shared with our ships' crews.



Environmental Responsibility



Ambition

As a leading dry bulk ship owner and operator, Pacific Basin seeks to further improve our fleet scale, optimise our performance and offer flexible and reliable service while striving to minimise environmental impact. We take responsibility for decarbonising our fleet, managing our waste, marine discharges and resources consumption, ensuring our ships are primed for proper recycling and minimising our biodiversity impacts as we continue to grow our business.

Commitment to

Decarbonising our fleet

We target to become net zero by about 2050 by adopting technical and operational measures, preparing for and complying with market-based and other regulatory measures, and supporting the development and deployment of green fuels and vessels.

Minimising our environmental impact

We manage and operate our fleet and offices with a commitment to reducing our resource consumption, waste footprint and biodiversity impacts. We ensure that our older ships that we sell are primed for proper recycling at end of life.

Enhancing and optimising green & safe ship operations

We strive to adopt industry best practices and promote a culture of high standards to ensure environmentally-responsible and safe ship operations through continued investment in training, systems, procedures and technology.

Related material topics

Carbon & GHG emissions reduction

Innovation & Digitalisation

Regulatory & Sanctions Compliance

Climate Change Risks to PB

Industry & Legislative Engagement

Waste Management & Ship Recycling

Accident & Oil Pollution Prevention

Environmental Impacts on Biodiversity

Environmental Initiatives Ashore

Water Consumption

Innovation & Digitalisation

Regulatory & Sanctions Compliance

Development & Training



In support of the UN Sustainable Development Goal 13, we pursue measures to reduce our emissions and minimise our contribution to air pollution and its impact on climate change



In support of the UN Sustainable Development Goal 14, we pursue measures to improve safety, training and environmental stewardship to prevent pollution and reduce our impact on marine biodiversity



Aspect A1 (Emissions) General Disclosure

Decarbonisation Challenges and the Role of Regulation

Bulk carriers are by far the most energy-efficient mode of transportation, meaning also that they generate significantly less carbon emissions per tonne-mile of cargo carried than any other mode using fossil fuels.

However, we recognise that shipping's share of global greenhouse gas emissions (currently about 3%) will rise if left unchecked and that an ambitious approach is needed if shipping is to align with the 1.5°C limit and net zero by 2050 goal of the UNFCCC, and so we – and our industry – need to do our bit to constantly find ways to reduce our emissions and ultimately decarbonise altogether.

Challenges

Achieving our industry's Paris-aligned 2050 decarbonisation ambition will require both the maximum possible improvement in the fuel efficiency of existing and new conventionally fuelled ships, and a timely transition to new low-emission vessels (LEVs) capable of operating on sustainable fuels such as green hydrogen, methanol or ammonia.

This transition presents significant and interrelated challenges. For conventional ships, many energy-efficiency retrofits are either prohibitively expensive, unsupported by current freight earnings, or impractical on certain vessel types. For newbuilding LEVs, ship prices are significantly higher for designs with dual fuel capability than single-fuel conventional designs. In parallel, sustainable fuels are expected to be significantly more expensive than fossil fuels for some time, and their availability to shipping in adequate volumes remains uncertain.

There is also ongoing uncertainty about how and when the higher capital and operating costs associated with LEVs and green fuels and technologies can be passed along the supply chain, particularly in the highly competitive market for tramp shipping of low value dry bulk commodities.

Regulation

Against this backdrop, regulation must lead. Regulatory mandates and carbon pricing are critical to making sustainable fuels competitive with conventional fossil fuels and to signalling the need for large scale investment in renewable energy capacity and the production of sustainable fuels and ships.

Global and regional regulations are beginning to drive early decarbonisation efforts. In 2023, the International Maritime Organization (IMO) implemented the first global energy efficiency and carbon intensity measures for shipping through the Energy Efficiency Index for Existing Ships (EEXI) and the Carbon Intensity Indicator (CII).

At the regional level, shipping was included in the European Union Emissions Trading System (EU ETS) from 2024 requiring operators engaged in European trades to buy EU Allowances for their carbon emissions. In addition, the EU's FuelEU Maritime regulation took effect in January 2025, mandating a gradual uptake of green fuels (to achieve required reductions in the GHG intensity of fuels used) for vessels trading in, to and from the EU.

At the global level, IMO member states agreed in principle in April 2025 on elements of a Net-Zero Framework, including a carbon pricing mechanism intended to drive the industry's transition to green fuels. However, political differences subsequently emerged, and in October 2025 the adoption of the framework was postponed by one year. As a result, the details and timing of an effective global scheme remain uncertain.

Our Response

Our fleet is in compliance with IMO's EEXI and CII requirements and is well positioned to continue to comply and trade for the foreseeable future. Under the EU ETS, we pass the cost of compliance through to our cargo customers by incorporating the cost of required EU Allowances into our freight rates for EU-related voyages.

We comply with FuelEU Maritime by using sufficient compliant biofuel on selected ships, combined with the pooling of EU-related emissions across our fleet engaged in EU trades.

In this evolving regulatory environment, Pacific Basin continues to invest in energy efficiency and fuel savings while positioning ourselves for priority access to alternative fuels. Our proactive and disciplined approach is designed to manage regulatory uncertainty, maintain competitiveness, and prepare the Company to navigate and capture opportunities as decarbonisation requirements tighten over time. We will continue to closely monitor and prepare for new and evolving GHG reduction measures applicable to international shipping.



Our Compliance with Decarbonisation Rules

IMO EEXI

52% of our owned ships needed and received EPL retrofits to comply with EEXI, reducing the average maximum operating speed of our fleet by 0.5 knots

IMO CII

We finished 2025 with 91% of our owned ships achieving CII ratings of A, B or C. The rest rated lower (while still in compliance), mainly due to long periods held up in port

EU ETS

We include the cost of EUAs in our freight rates for EU-related voyages, thus passing the cost up to cargo customers. In 2025, we purchased EUAs for compliance on 198 EU-related voyages

FuelEU MARITIME

We are using compliant biofuel on some ships for compliance of all our pooled EU-trading ships, which is cheaper than paying the Fuel EU penalty

GHG Regulatory Momentum

EEDI & SEEMP, EU MRV, IMO DCS regulations 

EEXI energy efficiency rules 

CII carbon intensity rules 

Reinforced by Poseidon Principles & Sea Cargo Charter (banks, insurers & cargo customers)

2013-2019

2023

EU Emissions Trading System (ETS) 

2024

FuelEU Maritime 
Fuel GHG intensity rules

2025

IMO Net-Zero Framework?

(GHG fuel intensity rules with carbon pricing component)

More regional regulations from China, UK, USA and elsewhere?

2027+

 regulations forcing continual carbon intensity improvements in vessel operations

 regulations forcing energy efficiency technical improvements in vessels

 regulations forcing gradual uptake of sustainable fuels

 regulations attaching a heavy price on carbon

IMO GHG Strategy

Revised in 2023, IMO's GHG strategy includes goals for international shipping to achieve:

- net-zero emissions by about 2050
- CO₂ intensity reduction of 40% by 2030 compared to 2008 level
- total GHG emissions reduction of 20-30% by 2030 and 65% by 2040 compared to 2008 levels
- 5-10% of energy use to come from zero GHG emissions technologies and fuels by 2030

Pacific Basin's own net zero by 2050 target to which we committed in 2021 is closely aligned with IMO's target, but this will be very difficult to achieve without an IMO package of global regulatory measures to support IMO's strategy goals.



Our Decarbonisation Strategy

Our longer-term goal of complete decarbonisation requires a multifaceted, holistic approach.



Roadmap to net zero by about 2050



Tracking a Course to Net Zero by 2050

We strive to improve the Group’s decarbonisation performance to comply with existing and expected new regulations and to achieve our 2050 net zero emissions target, and to enhance the overall sustainability of our business. While our absolute emissions may increase further as our fleet grows, our average emissions per ship per unit of transport work done (our carbon intensity) continues to improve long term.

Reducing Our CO₂ Intensity

Short and Long-term Goals

Our long-term target is to achieve net zero emissions by about 2050. Enroute to this 2050 target, we expect to have reduced our EEOI carbon intensity to 6.7 by 2030, representing a reduction of over 50% compared to our 2008 baseline*. This exceeds IMO’s target of a 40% reduction in CO₂ per transport work over the same period.

We aspire for our ships to achieve a CII AER rating of “C” or better, but we will prioritise EEOI with high laden-to-ballast utilisation while managing our AER to ensure CII compliance.

Key Motivators

- Fuel saving
- Decarbonisation
- Eliminating our climate impact
- IMO regulations
- EU rules

2025 Performance

Our fleet’s carbon intensity in 2025 remained steady at 8.11 grams of CO₂ per tonne-mile, as calculated using the ship Energy Efficiency Operational Indicator (EEOI) method. This was due to simultaneous year-on-year reductions in tonne-mile work done and fuel consumption.

Our fleet’s AER carbon intensity improved by 1.5% to 5.23 in 2025 due to an increase in the average size of our ships and energy efficiency initiatives, partially offset by slightly more time in port.

91% of our ships finished the year with an AER rating of A, B or C. Less than 10% of our vessels were rated D due to long port stays, higher speed instructions and fouled hulls.

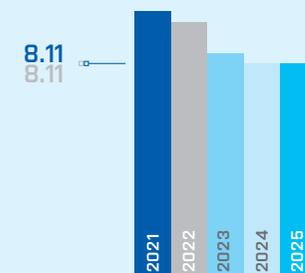
KPI

Carbon Intensity (EEOI)

8.11

Grams CO₂ per tonne-mile

– 0%



Our AER Carbon Intensity Ratings

Rating	2025
A	19
B	35
C	42
D	10
E	0
No. of owned ships	106

TARGET

Carbon Intensity (EEOI)

0 by 2050 (6.7 by 2030*)

Grams CO₂ per tonne-mile



Our 35 owned ships that are subject to Energy Efficiency Design Index (EEDI) rules attained an average EEDI of 4.74 grams of CO₂ per tonne-nautical mile, which exceeds the average required EEDI of 7.39 grams of CO₂ per tonne-mile.

All of our owned ships comply with the Energy Efficiency Existing Ship Index (EEXI) rules with 52% of our ships needing engine power limiters (EPL) to comply.

IFRS TR-MT-110a.4

Our Main Decarbonisation Measures

Energy-efficient technology adoption

We continue to investigate and invest in innovative technological enhancements to improve the energy efficiency of our ships including, for example:

- Fitting propeller boss cap fins, non hub-vortex propellers, rudder bulbs, Mewis ducts and recently also pre-swirl vanes (PSV) to improve water flow through the propeller and to improve propulsion hydrodynamics
- Reshaping propellers to improve torque characteristics and efficiency
- Engine tuning to optimise combustion pressure
- Applying anti-fouling paints over a larger hull area to reduce drag even when fully laden
- Applying silicone coatings to hull and propeller for better anti-fouling and surface smoothness
- Retrofitting LED lights throughout our ships to reduce demand for auxiliary power
- Installing engine power limiters where required to meet EEXI rules
- Installing harbour seawater pumps and smaller main engine preheat pumps that consume less power



Pre-swirl vanes (PSV) and silicone hull & propeller coatings



Small freshwater preheat pump

Silicone hull paint significantly reduces drag

In 2025, we applied silicone hull coating to an additional 25 vessels. Our experience indicates fuel savings of around 8% in good weather conditions, and we will continue to roll out silicone coatings across our fleet.

Where ambient humidity or temperature makes silicone application unsuitable, we use other advanced high-performance antifouling paints, which typically deliver fuel savings of about 5% in good weather. Since 2023, approximately 70% of our owned fleet has been coated with either silicone or high-performance paint.

Biofouling such as algae and barnacles increases hull drag, fuel consumption and emissions. Unlike conventional biocide-based coatings, which deteriorate between dockings, silicone paint maintains low-friction performance for longer, delivering fuel savings, lower emissions and potential cost savings over the docking cycle.

We also apply silicone or other advanced coatings to propellers to avoid efficiency deterioration of around 1% due to biofouling.



13

CLIMATE ACTION



In support of the UN Sustainable Development Goal 13, we pursue measures to reduce our emissions and minimise our contribution to air pollution and its impact on climate change



KPI A1.5
Emission targets & measures



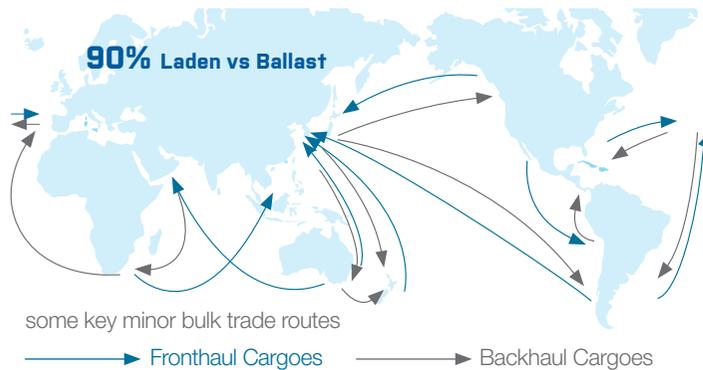
KPI A2.3
Energy efficiency targets & measures

IFRS TR-MT-110a.2

Carbon-efficient operational measures

We continue to investigate and make vessel operations and deployment decisions that improve the carbon intensity of our activities, such as:

- Maintaining our high laden-to-ballast ratio – Our ships are laden with cargo about 90% of the time because the uniformity and scale of our fleet and our ship operating and cargo expertise enable us to optimally schedule and combine our ships and cargo for high utilisation. That is a significant advantage compared to many ships in our sector that spend more time in ballast
- Becoming increasingly selective, as may be more necessary in the future, about vessel employment to optimise our ships' sea-to-port time ratio for CII compliance
- Fuel-efficient voyage planning, enhanced by the latest strategic power weather routing services which determine optimal routing and engine RPM speeds based on forecast and real-time weather and sea conditions
- Reducing rudder movements and improving course-keeping using advanced self-tuning autopilot systems that automatically adapt to load and weather characteristics
- Using hull condition analysis to optimise hull cleaning frequency for reduced drag
- Speed optimisation using PB Right Speed Programme so that our ships are not sailing faster than is necessary – for economy and to achieve desired carbon intensity performance



Scaling Digital Optimisation for Greater Impact

In 2025, we moved beyond piloting and early adoption to mature and scale our digital optimisation capabilities across the fleet. This evolution reflects our commitment to embedding advanced technology into everyday operations, delivering measurable improvements in efficiency, compliance and sustainability.

By investing in strong digital and operational foundations, we've unlocked US\$14.2 million in direct financial gains driven solely by two flagship optimisation products: AI Redelivery Bunker Optimisation and Optimal Speed Instructions. These products are driven by our Digital Twin technology, working in combination with and leveraging commercial voyage data. These tools have enabled smarter, faster decisions on speed, consumption and bunkering, significantly improving voyage economics and operational confidence.

Our Commercial Voyage Optimisation team focused on scaling proven solutions and refining processes to maximise impact:

- **AI Rolled out at Scale:** predictive fuel-efficiency modelling is now embedded into day-to-day operations, supporting emissions reduction, improving reporting accuracy, and ensuring compliance with EU ETS and FuelEU Maritime
- **Enhanced Data Validation:** automated verification processes have been strengthened to cover all time-chartered voyages, improving data integrity and supporting accurate emissions reporting
- **Hull Performance Monitoring:** complementing the use of Remotely Operated Vehicles (ROVs) on our owned ships, AI-driven algorithms now assist in identifying hull fouling early. This enables timely intervention, reducing drag and improving fuel efficiency
- **Performance Visibility:** development work has delivered enhanced monitoring dashboards, providing greater transparency and supporting the effectiveness of AI-driven predictive fuel algorithms

Dynamic Maximum Continuous Rating Optimisation

We optimise vessel routing using advanced weather-routing services that account for winds, currents, wave height and direction, and adverse weather conditions. Building on this, we dynamically adjust each vessel's Maximum Continuous Rating (MCR) using our digital twin technology and proprietary algorithms.

This allows us to fine-tune engine output to actual operating conditions, improving fuel efficiency while maintaining safety and schedule reliability. By avoiding unnecessary engine loading, this supports lower fuel consumption and reduced emissions across a wide range of trading conditions.

Strong governance underpins this process. Our in-house meteorological capability provides independent oversight of routing and MCR decisions, ensuring they are applied consistently, safely and in line with our operational and decarbonisation objectives.



We will work hard to extract value from our conventionally-fuelled assets, optimising their deployment as best we can, applying technical and operational measures to meet tightening decarbonisation rules for as long as possible

Fleet renewal and growth for energy efficiency

We have long invested in the growth and renewal of our fleet, which has ensured that we have the capacity and the reliable and increasingly efficient ships with which to serve our expanding customers' needs and reduce the energy and carbon intensity of our activity.

- We aim to continue to grow our fleet and to continue to gradually replace our oldest ships with modern, larger and more efficient second-hand ships, prioritising vessels with fuel-efficient hull designs and machinery
- Having not ordered newbuilding ships for several years, we started to order newbuild vessels in late 2024
- In 2025, we purchased 8 ships of 0.34m dwt including ordering four Handysize newbuildings, and we sold 8 older vessels of 0.33m dwt
- Since 2021, we purchased 32 ships of 1.7m dwt (including our recent newbuildings), and sold 35 older vessels of 1.2m dwt



17 PARTNERSHIPS FOR THE GOALS



In support of the UN Sustainable Development Goal 17, we engage and collaborate with our peers, industry associations, NGOs and other stakeholders on matters that drive the sustainable development of our industry

Invest in Low-Emission Vessels

Our long-term ambition is to operate a zero-emission fleet by about 2050, subject to technological progress, fuel availability and effective global regulation.

In recent years, we have engaged with shipbuilders, engine makers, classification societies, industry peers and others to monitor developments in alternative fuels, new propulsion technologies and new vessel designs, ensuring we remain informed and prepared as decarbonisation pathways become clearer. This work has included design collaboration on dual-fuel vessel concepts and, in 2024, we ordered four 64,000 dwt Ultramax dual-fuel low-emission

vessels (LEVs) capable of running on green methanol as well as conventionally fuel oil and biofuel.

In light of the postponed adoption of IMO's planned Net-Zero Framework (NZF) and the resulting uncertainty regulatory support, we have adopted a cautious approach to further investment in higher-cost dual-fuel vessels. While we expect a global NZF-type mechanism to be adopted in time and remain committed to contributing to the industry's decarbonisation, we believe it is financially prudent and in the best interests of shareholders to limit our investment in LEVs, prioritising capital discipline and flexibility until new regulatory commitments provide clearer support.

Preparation for Increasing Decarbonisation Regulations

Effective regulation will be critical to driving the transition to zero-emission fuels and vessels. Global and regional decarbonisation measures already in force, and those still in development, are increasing complexity and compliance demands for ship owners and operators worldwide.

We actively track current and emerging regulations and assess their implications for our current fleet, conventionally fuelled vessels generally, and for our growth strategy, taking early steps to prepare appropriately. As a large dry bulk operator with dedicated sustainability, decarbonisation, optimisation and energy solutions teams, and capabilities spanning technical, marine, commercial, chartering, research and financial planning functions, we are well positioned to navigate this increasingly complex regulatory landscape.

Beyond compliance, our scale and customer base support opportunities to monetise regulatory expertise. Industrial companies are seeking book-and-claim solutions to address Scope 3 emissions, while operators and major cargo interests are looking to manage FuelEU Maritime exposure through emissions credit purchases or pooling arrangements. Our new Sustainable Energy Solutions (SES) offerings supports these needs, creating new revenue streams and strengthening strategic partnerships.

Decarbonisation Training for a Just Transition

We invest in the development and wellbeing of our workforce to ensure our office staff and seafarers are prepared for the industry's transition to a low-carbon future. Through targeted training programmes, we equip them with the skills required to operate new low-emission vessels and handle alternative fuels. We also support the Maritime Just Transition Task Force, recognising the importance of preparing the global seafaring workforce for a successful transition to net zero.

We have delivered in-house training about decarbonisation regulations to all technical managers and crew, supported by updates to our ships' EU MRV and FuelEU reporting plans, fleet regulations, risk documentation and on-board checklists to ensure readiness for new requirements, including the FuelEU Maritime regulations effective from 2025.

Biofuel training has been provided to all technical and training managers and incorporated into our crew training programme, ensuring all crew members are familiar with the safe use and handling of biofuels. The same will be provided in respect to methanol as a fuel, before we take delivery of our first methanol-capable vessels.



p.16 Decarbonisation Challenges and the Role of Regulation
p.17 GHG Regulatory Momentum

A summary of decarbonisation gains from our energy-efficiency initiatives

We continue to research and invest in innovative technological enhancements and operational measures to improve the energy efficiency of our ships, and have long invested in the growth and renewal of our fleet for enhanced efficiency. As our investors and other stakeholders seek to understand the real-world pathways to net-zero emissions, we present below a summary of energy-efficiency initiatives we have adopted together with an approximate estimate of fuel/emissions savings from each in ideal conditions. We also list examples of technologies that, after investigations and/or trials, we have not adopted or discontinued (at least for now) on account of them being inadequately effective, economical and/or practical for our type of ships and trades.

Our main initiatives currently	Approx. Emissions Reduction (%)*	Dismissed or discontinued initiatives	Reasons**
Energy Efficiency Technologies	19-20	Air lubrication	Poor ROI
Silicone & other advance hull coatings	8	Battery packs	Poor ROI
Propeller boss cap fins (PBCFs)	2-3	CO ₂ capture	Commercially impractical
Mewis ducts & pre-swirl vanes (PSV)	2-3	Flettner rotors	Commercially impractical
Eco fuel injection nozzles	2	Hydrogen fuel cells	Commercially impractical
Propeller trimming	1	Kites	Commercially impractical
Silicone propeller coating	1*	Propeller renewal	Poor ROI
Slide valves	1	Shaft generator	Poor ROI
Fuel additives	1	Shore power	Commercially impractical
LED lights	<1	Solar panels	Inadequate emissions reduction
Small SW pumps	<1	Ultrasound hull fouling prevention device	Inadequate emissions reduction
Small FW preheat pumps	<1	Waste heat recovery	Commercially impractical
Carbon Efficiency Operational Measures	12-13	Wind turbine	Poor ROI
PB Right Speed programme	5	Trim optimisation	Inadequate emissions reduction
Speed & consumption optimisation module with use of optimal weather routing	5	Graphene propeller coating	Inadequate emissions reduction
High frequency data	2	Automatic control of main engine power	Inadequate emissions reduction
Self-tuning autopilot systems	1		
Main engine performance monitoring	—#		
Fleet Renewal (gains from trading up our conventionally-fuelled ships)	16-17		

* Accurate actual emissions reduction of each energy-efficiency measure is difficult to ascertain, as challenges in acquiring quality data from vessels, variations in operating conditions and the lack of efficient benchmarking all pose significant difficulties in performance analysis. Additionally, decoupling the performance of the hull, propeller and machinery complicates the assessment of real benefits.

We adopt these initiatives to avoid energy efficiency losses due to deterioration in the underlying technology.

← p.20 Energy-efficient technology adoption



Pre-swirl vanes (PSV)



Applying silicone hull coating in dry dock

Progress on our decarbonisation journey so far

We believe that we have already extracted most of the decarbonisation potential available through technical and operational measures (subject to new innovation), so we will mostly need to rely on the use of sustainable biofuel and transition to LEVs (green ships) running on green fuels to get us the rest of the way to zero.



All numbers on this page are approximate and indicative only

Developing our access to green fuels

To meet its 2050 net-zero ambition and comply with evolving decarbonisation regulations, our industry will require very large volumes of sustainable biofuels and other green fuels. Availability remains uncertain, so we are developing the relationships we need to secure priority access for our future low-emission vessels.

- We are in contact with the world's leading marine fuels and green fuels companies to share updates on our future green fuel needs, and to learn about developments in green fuel production and supply.
- We engage with Hong Kong authorities about our sectors' green fuel needs, contributing to the Hong Kong governments' policy planning and signalling demand for green fuel production in China.
- We engage with some of our cargo customers who are also in the business of producing biofuel, bio-methanol and similar green fuels, with a view to collaborating on the sustainable fuelling of our future green vessels when they eventually join our fleet.
- We remain open to possibly making investments in green fuel infrastructure.
- We are gradually increasing our green fuels as a proportion of our fuel mix as necessary to comply with regional and eventually also global Greenhouse Gas Fuel Intensity (GFI) rules.

New Sustainable Energy Solutions Team

In 2025, we announced the transformation of our Bunker team into the new Sustainable Energy Solutions (SES) team. We view fuel not merely as a cost, but as a strategic enabler of competitiveness. This evolution reflects a fundamental shift: we must view fuel not just as a cost, but as an energy strategy that underpins our competitiveness. The SES team will leverage Pacific Basin's scale to secure priority access to conventional and green fuels, while aligning closely with our optimisation initiatives to maximise efficiency, reduce emissions and unlock the full value of every voyage.

Prioritising Green Fuel Sourcing

In June 2025, we signed a Memorandum of Understanding (MOU) with The Hong Kong and China Gas Company Limited (Towngas) to establish a framework for the potential supply of internationally certified green methanol. This collaboration represents an important step in building access to the green fuel volumes our fleet will require as decarbonisation regulations tighten.

The Towngas MOU builds on our earlier engagement with fuel suppliers, including an MOU signed in 2024 with Mitsui & Co., and supports our long-term strategy to secure reliable access to green fuels. Strengthening fuel supply partnerships is critical to enabling compliance with emerging global and regional GFI rules and supporting our pathway towards net zero emissions by 2050.



Engaging with Government and Green Fuel Producers

In 2025, Pacific Basin became one of 25 companies and industry organisations to join the Green Maritime Development Communication Platform launched by the Transport and Logistics Bureau of the HKSAR. The platform brings together fuel producers, shipping companies and port operators to strengthen collaboration across the green maritime fuel bunkering supply chain and accelerate Hong Kong's development as a green fuel hub.

This engagement builds on our earlier participation in the Government's Methanol Bunkering Task Force following the 2024 Action Plan on Green Maritime Fuel Bunkering, through which we contributed industry input to policy development.

In parallel, we continue to engage with green fuel producers and suppliers — many based in Hong Kong and mainland China — to develop access to bio-methanol, e-methanol and biofuels, supporting future fuel availability and regulatory compliance.



Our Progress on Other Key Emissions

Reducing our Nitrogen Oxides (NOx) Intensity

Nitrogen oxides (NOx) emissions arise from marine fuel combustion and are closely linked to engine design, fuel consumption and combustion temperature.

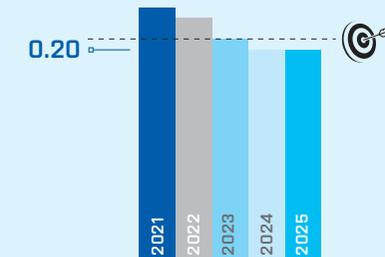
We target a reduction in NOx intensity to 0.21 by 2030. In 2025, total NOx emissions from our owned fleet were 32,000 metric tonnes, with intensity remaining stable.

We manage NOx emissions primarily by improving fuel efficiency and operating vessels equipped with modern, IMO-certified low-NOx engines. All vessels in our fleet are fitted with NOx-controlled engines that comply with applicable IMO standards.

Target
Nitrogen oxides (NOx) intensity

0.21 by 2030

Grams NOx per tonne-mile



Reducing our Sulphur Oxides (SOx) Intensity

IFRS TR-3T-110a.1

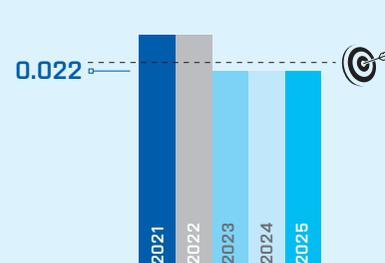
The IMO 2020 global sulphur cap reduced the maximum sulphur content of marine fuels from 3.5% to 0.5%, requiring ship owners to adopt lower-sulphur fuels or install exhaust gas cleaning systems.

We target a reduction in SOx intensity to 0.023 by 2030. In 2025, total SOx emissions from our owned fleet were 3,600 metric tonnes, with intensity remaining stable. Compliance has been achieved primarily through the use of fuels with sulphur content below 0.5%, or 0.1% in emission control areas, supplemented by the use of exhaust gas scrubbers. At year-end, 32 of our Supramax vessels were scrubber-fitted.

Target
Sulphur oxides (SOx) intensity

0.023 by 2030

Grams SOx per tonne-mile



Reducing our Particulate Matter (PM) Intensity

Particulate matter (PM), including black carbon, results from incomplete combustion and fuel impurities and is closely correlated with fuel consumption and CO₂ emissions.

We target a reduction in PM intensity to 0.011 by 2030. In 2025, total PM emissions from our owned fleet were 1,700 metric tonnes, with intensity remaining stable.

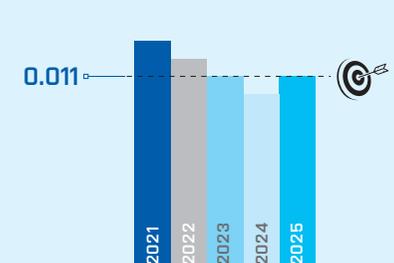
We control PM emissions through the use of low-sulphur fuels, the selective use of exhaust gas scrubbers, continued improvements in fuel efficiency, and the operation of vessels equipped with fuel-efficient engines.

Target

Particulate matter (PM) intensity

0.011 by 2030

Grams PM per tonne-mile



Conserving Marine Biodiversity

As a maritime shipping company, we are committed to minimising our impacts on marine biodiversity by adopting environmentally responsible measures in our operations and by monitoring advances in more eco-friendly paints, technologies and practices.

We invest in and adopt environmentally-friendly equipment and operational practices, including those that comply with the MARPOL convention and all applicable regulations, such as ballast water treatment systems, biocide-based but non-toxic paints and biodegradable oils for oil-to-sea interfaces, as well as some of a voluntary nature, to help protect the marine environment. Our ships occasionally sail through marine protected areas or areas with conservation status, for which we always comply with relevant local laws and regulations often involving slow-steaming or using ultra-low sulphur fuel to protect marine biodiversity or reduce emissions.

We reduce risks to wildlife

Pacific Basin continues to participate in speed reduction and voyage planning programmes where they exist to protect endangered species from collisions, propeller strikes, noise and disruption.

Three notable initiatives where our ships trade are:

- Vancouver Fraser Port Authority’s Enhancing Cetacean Habitat and Observation (ECHO) Program
- US NOAA’s programme to protect the North Atlantic Right Whales in the Stellwagen Bank National Marine Sanctuary on the US East Coast
- Southern California’s Protecting Blue Whales & Blue Skies Programme – Gold tier

We gladly play our part to reduce the disruption to sensitive habitats such as these and voluntarily slow and reroute our ships where requested to do so by relevant authorities.

Ballast Water Management

The Ballast Water Management Convention has required that ballast water treatment systems (BWTS) be fitted on all ships since 2024 to substantially eliminate the harmful transfer of invasive aquatic organisms between marine ecosystems where they do not belong. All our owned ships are fitted with BWTS – mostly systems based on filtration and electrocatalysis. We have implemented ballast water management plans to ensure our ballast water management procedures are carried out to the standards set out by IMO, US Coast Guard and relevant coastal states, including no ballast water exchange when in certain types of port.

In 2025, our owned ships discharged 11 million cubic metres of seawater through ballast water treatment.

IFRS TR-MT-160a.2

Priming our ships for safe, green recycling

Ships sent for demolition may contain hazardous materials such as asbestos, heavy metals and ozone-depleting substances, which can harm scrapyard workers and the environment.

Although we typically sell older ships for further trading well before the end of their economic lives, we maintain a Ship Recycling Policy aligned with sustainable ship recycling practices, including compliance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (the Hong Kong Convention). The policy sets out best practices across the design, operation and eventual recycling of vessels to ensure retired ships are recycled safely and responsibly.

Each of our ships is supported by a certified Inventory of Hazardous Materials (IHM), a key requirement of the Hong Kong Convention. The IHM identifies all hazardous materials on board and their locations, and is maintained throughout a vessel’s life to ensure safe and environmentally sound recycling at end of life.



Our colleagues in the Philippines took part in a coastal cleanup campaign to help protect coastal biodiversity

Oil Pollution, Resource Consumption & Waste Management

Eliminating Oil Pollution Incidents

Short-term Goal:

We target never to have any oil pollution incidents.

Key Motivators:

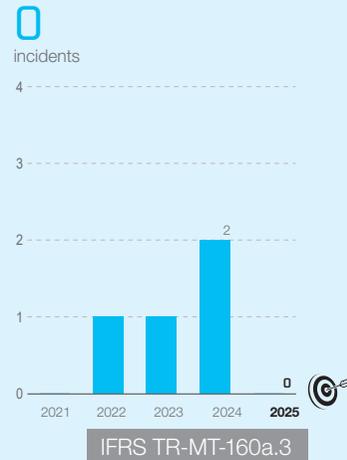
- Comply with IMO regulations
- Protect marine biodiversity

Current YOY Performance:

In 39,440 owned vessel days in 2025, we recorded zero oil pollution incidents.

- Our ISM and ISO-compliant safety management system prescribes system controls, procedural safeguards and training to prevent and respond to oil spillage.
- Oily water separators prevent the risk of inadvertently pumping out contaminated bilge water.
- Stringent bunkering procedures prevent inadvertent oil pollution during bunkering.

Oil Pollution Incidents KPI



Minimising our Garbage Landed

Short-term Goal:

We target to produce less than 1.8 m^3 per month per ship of garbage landed in 2026. We also target a 2% reduction in plastic waste generated on board.

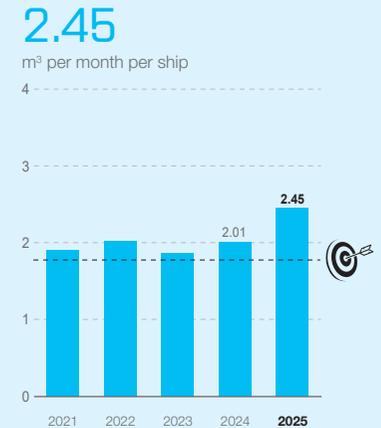
Key Motivators:

- Reduce resources use

Current YOY Performance:

In 2025, our garbage landed volume increased 22% due to a higher number of shipments that required larger volumes of dunnage and lashing materials. We continue our efforts to reduce the volume of domestic and operational garbage generated on our ships through initiatives such as equipping our ships with drinking water purifiers (reducing the need for bottled water) and requesting our suppliers to try to eliminate the use of plastic packaging.

Garbage Landed



Managing our Fresh Water Consumption

Short-term Goal:

In 2026, we target to consume less than 47 tonnes per month per ship of fresh water sourced from ashore. We always try to rely more on desalinated seawater.

Key Motivators:

- Reduce resources use

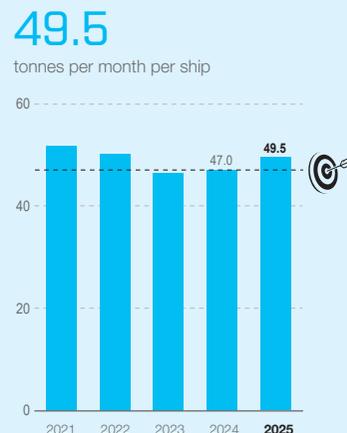
Current YOY Performance:

Our fresh water sourced from ashore increased 5% to 49.5 tonnes per month per ship in 2025.

Over 70% of fresh water that we consume is produced by desalinating seawater using fresh water generators on board our ships. It is the fresh water sourced from ashore that we consider to be material for disclosure. Fresh water is consumed primarily for drinking, cooking and other domestic purposes as well as for boiler, machinery cooling, and deck and hold cleaning.

How much water we need from ashore depends on the capacity of our fresh water generators and the amount of time ships are in port where desalination is not possible.

Fresh Water Sourced from Ashore



Plastic Litter & Waste Management

Marine plastic and microplastic pollution is harmful to marine biodiversity and human health. In 2021, IMO adopted the Strategy to Address Marine Plastic Litter from Ships to strengthen the international framework to achieve zero plastic waste discharges to sea from ships by 2025. At Pacific Basin:

- We do not allow any plastic waste discharges to sea, in compliance with regulations
- We use receptacles for garbage segregation and waste compactors on our ships to facilitate easy storage of plastic and other operational garbage (excluding food waste and cargo residues) until it can be disposed of responsibly ashore
- Oily water separators and bilge evaporation equipment prevent the risk of inadvertently contaminating sea water
- We install freshwater purifiers on board to discourage the use of plastic bottled water which helps reduce plastic waste

p.84 Performance Data Summary
Our emissions & discharge performance data

KPI A1.6
Handling of waste and reduction initiatives

Our policies and guidelines are designed to promote environmental awareness, mandate environmentally-friendly activities and promote similar behaviour at work and in the communities where our ships trade and our employees live and work.

Green Efforts Ashore

Across our shore-based offices, we seek to minimise our environmental footprint through practical initiatives focused on areas within our control. These include:

- Using Grade 1 low-flow water taps in our Hong Kong office, the highest efficiency rating under Hong Kong's voluntary water efficiency labelling scheme
- Eliminating plastic rubbish bin liners at desks
- Continuously upgrading to more energy-efficient office equipment and, when fitting out or renovating offices, prioritising motion-activated lighting, fewer light fittings, greater use of natural light, and more efficient air-conditioning
- Actively reducing air-conditioning use, particularly during summer months, and supporting initiatives under the Environment and Ecology Bureau's "4T Charter"
- Promoting responsible resource use through regular communication of policies and reminders on energy, water, materials consumption and recycling

Smart Office Efficiency Upgrades

In September 2025, our Hong Kong office completed its transition from traditional desktop phones to IP telephony via Microsoft Teams (Teams Phone), improving workplace mobility, flexibility and productivity. As part of this upgrade, we responsibly recycled 3.1 kg of metal, 424 kg of small electrical appliances and 8 kg of waste electrical and electronic equipment through 121C Society (Green@Aberdeen).

Alongside this initiative, we continue to upgrade computers and related equipment to support efficiency, ergonomics and performance. We also participate in the building-managed Computer and Communication Products Recycling Programme and, during the year, donated 20 laptops and four monitors for reuse.

Energy Saving and 4T Charters

Our Hong Kong office is a signatory to the Energy Saving Charter and 4T Charter of the Environment and Ecology Bureau. Under these commitments, we maintain average indoor temperatures of 24–26°C during the summer months, switch off electrical systems when not in use, procure energy-efficient equipment, and actively engage staff to adopt energy-saving practices.

Signatory to the Packaging Reduction Charter

In October, Pacific Basin became a signatory to the Packaging Reduction Charter launched by the Environmental Protection Department of the HKSAR. The Charter brings together businesses and organisations to promote sustainable packaging practices, reduce packaging waste, and support Hong Kong's long-term goal of achieving carbon neutrality.



Our Shore-Based Carbon Emissions

Our global shore-based carbon emissions decreased by 25% year on year to 5,902 metric tonnes in 2025, reflecting reduced travel and continued efforts to limit emissions from areas within our operational control.

This total comprised 1,167 metric tonnes of scope 2 and 3 emissions from our Hong Kong office (our largest office where 55% of our shore-based staff are located), representing a 6% reduction, mainly due to lower business travel and greener commuting patterns. Scope 2 and 3 emissions from our 14 offices globally were estimated at 2,357 metric tonnes, while scope 3 emissions from seafarer air travel declined to 3,545 metric tonnes, a significant reduction compared with the prior year.

The measurement of energy consumption and environmental outputs from our Hong Kong office was independently audited under the WWF Low-carbon Office Operation Programme (LOOP^{PLUS}), providing assurance over our data and methodology.

Offsetting shore-based carbon emissions

Since 2020, we have offset the annual carbon emissions from our global shore-based activities, including office operations, employee commuting, business travel and crew travel. Offsets are sourced from Hong Kong-headquartered power company CLP and are independently verified carbon credits generated from CLP's wind and solar energy projects across Asia.

In partnership with CLP, we also offer our cargo customers the option to voluntarily offset voyage-related emissions using CLP carbon credits, supporting broader decarbonisation efforts across the value chain.



p.81 PB Carbon Neutral Voyage Programme

Shore-based emissions disclosure

We disclose our carbon footprint data through several channels, including:

- the **HKQAA** Sustainability Rating and Research for the Hang Seng Corporate Sustainability Index Series
- the **World Wildlife Fund** (WWF) Low-carbon Office Operation Programme (LOOP^{PLUS})
- our **Pacific Basin** Sustainability Report
- various **ESG ratings platforms** such as MSCI, ISS, Sustainalytics and EcoVadis



Our Pacific Basin Management System ashore and at sea conforms to the mandatory International Safety Management (ISM) Code. It is also certified by DNV to voluntary ISO 14001:2015 standards for our environmental management system.



RESPONSIBILITY TO OUR PEOPLE

Drawing on our Human Capital

The safety, security, health, wellbeing and behaviour of our employees underlies every aspect of how we operate. They are driven by policies, procedures, a safe and caring team culture as well as efforts to continually improve how we conduct ourselves in our business at sea and onshore. Providing healthy work conditions, a safe and supportive environment and opportunities to develop and advance within the Company are key to the wellbeing and engagement of our staff, the performance of our teams and the success of Pacific Basin.

 Our seafarers working on the bridge on our m/v Penguin Island



Responsibility to Our People



Ambition

Pacific Basin strives to develop a diverse, effective and motivated team. At sea and on shore, we continue to uphold the highest health and safety standards and train our colleagues to enable them to tackle evolving business challenges while looking after their – and each other’s – overall wellbeing. We strive to support each individual’s unique efforts to contribute to our business and to remove barriers to inclusion and equal opportunity based on merit.

8 DECENT WORK AND ECONOMIC GROWTH
 In support of the UN Sustainable Development Goal 8, we are a caring employer and seek to provide full and productive employment and decent work for all our seafarers and shore-based staff

3 GOOD HEALTH AND WELL-BEING
 In support of the UN Sustainable Development 3, we pursue measures to ensure safety at work, prevent human injury or loss of life and promote wellbeing for all of our seafarers and shore-based staff

SEHK ESG Aspect B1 (Employment)
 General Disclosure

Commitment to

Safeguarding a decent, healthy & safe work environment

We strive to eliminate injury, security and navigation incidents and promote a healthy work environment at sea and ashore. We will continue every effort to get our seafarers home quickly and safely even during crises. We enable fair, decent and productive livelihoods for all of our staff.

Nurturing an empowered and inclusive organisation

We value, respect, trust and care for our people. We invite and support each unique individual to contribute to our business and its positive impact. We value and encourage diversity of experience, perspectives and opinions, promote fair and merit-based access to opportunity, and strive to remove bias and barriers.

Investing in a well-supported and competent workforce

We invest in the growth of our teams to enhance safety, environmental protection, productivity, customer satisfaction and the success of our business overall. We strive to enhance our employer brand to attract talent, and we promote job fulfilment by unlocking potential and supporting career development.

Related material issues

- Employee Safety, Security, Health & Wellbeing
- Labour Standards & Working Conditions
- Accident & Oil Pollution Prevention

- Diversity, Inclusion & Equal Opportunity
- Seafarer Community Support
- Future of Work

- Training & Development
- Seafarer Community Support

We strive to be the employer of choice for our existing staff and for talented potential employees in our industry

In-house Fleet Management Drives Health, Safety, Quality and Environmental Focus

As ship owners, our service reliability is enhanced by a comprehensive, innovative and award-winning in-house ship management capability that assures the quality of our large fleet of owned ships and growing number of seafarers, while also driving our sector-leading safety, security, wellbeing and environmental performance.

Our experienced team of ship managers provide dependable shore-based support to our fleet so that our seafarers can manage our ships with a strong safety and wellbeing culture and meet the specific needs of our customers.

Our shore-based and ship-board teams work together to ensure operational readiness and service reliability of our ships at all times, as well as compliance with classification society and flag state rules, environmental regulations, labour laws and all other local and international laws and regulations. Their combined efforts are key drivers of stakeholder satisfaction and our Pacific Basin brand.

- Marine & Safety
- Technical
- Decarbonisation
- Crewing

Our comprehensive ship management function covers:

- Newbuilding and contracting support
- Newbuilding supervision
- Technical support for ship sale and purchase activities
- Technical and crew management of ships
- Marine & safety quality management and superintendence
- Procurement
- Regulatory compliance
- Dry docking supervision
- Safety & security assessments and training
- Internal/external audit corrective action implementation
- Decarbonisation & environmental compliance
- Projects and retrofits
- Innovations for operational and commercial efficiencies
- Training & Development

We operate our own Pacific Basin crewing and training centres in Dalian, Manila and Hong Kong where our crew recruiting, training and management activities are based. Our pool of 4,300 seafarers are mainly from the Philippines, India and China, and some of our officers and cadets are from Hong Kong, Ukraine, Bangladesh and elsewhere.

We believe that the right investment in our employees – both at sea and ashore – does much to increase safety, knowledge, productivity and contribution, and promote a deeper sense of belonging across our organisation.

That investment in our employees and their engagement broadly addresses the following areas:

- Safety, Security, Health & Wellbeing ↔ p.34
- Diversity, Equity & Inclusion ↔ p.48
- Oil Pollution Prevention ↔ p.27
- Seafarer Community Support ↔ p.76
- Training & Development ↔ p.42
- Responsible Business Practices ↔ p.54
- Labour Standards & Workplace Conditions ↔ p.46

Benefits of In-house Fleet Management

Having a world-class fleet management team in-house represents a significant advantage for us and our stakeholders:

- We can be directly involved with our seafarers, ensuring they benefit from our best shore-based support, sound labour standards and workplace conditions, and the investments we make in their safety, wellbeing, training, risk management and overall engagement
- We have better control of the quality of our core owned fleet of over 100 ships and the service reliability that we are able to offer our customers
- We can ensure that we adequately shoulder our responsibility to continually reduce the environmental impact of our operations and stay ahead of and comply with all relevant environmental and other laws and regulations in our highly regulated industry

Our shore-based fleet management team comprises experienced former ship captains and chief engineers who understand intimately the challenges and needs of our ships and crews and other stakeholders



Operating in a Highly Regulated Industry

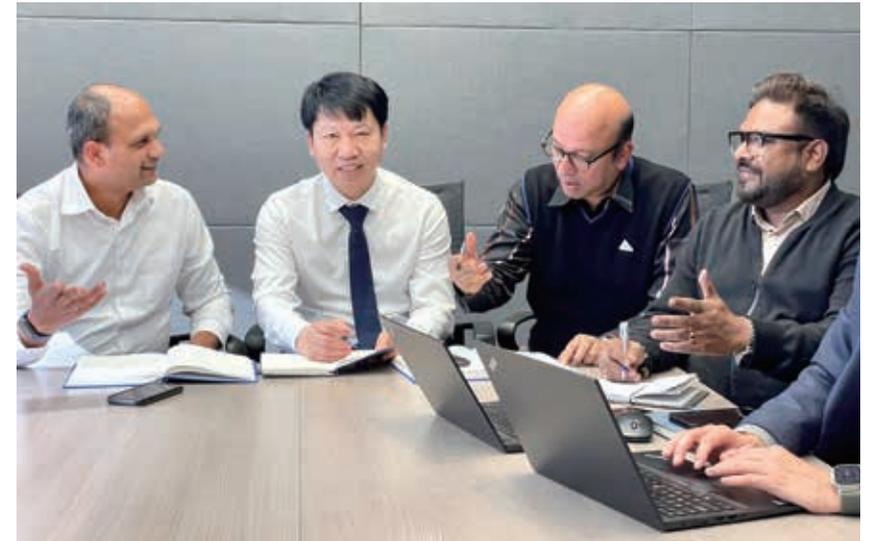
Our workplace safety, health and engagement metrics follow best practices as defined by the industry and our peers. Shipping is a highly regulated industry and Pacific Basin meets all requirements, is an early adopter of best practices and in some cases exceeds requirements determined by local, regional and industry mandates and customer expectations.

Our commitment to safety is manifested through (a) a proactive Pacific Basin Management System, (b) innovative home-grown initiatives and significant investment in seafarer training at sea and ashore to standards exceeding mandatory requirements, and (c) KPIs that are among the best in the industry.

Quality Assured

Our Pacific Basin Management System ashore and at sea conforms to the mandatory International Safety Management (ISM) Code and integrates the DryBMS standards. It is also certified by DNV to voluntary standards, including:

- ISO 9001:2015 for our quality management system
- ISO 14001:2015 for our environmental management system
- ISO 45001:2018 for our occupational health & safety management system



Award-winning Safety & Quality at Sea

The history of our fleet management team stretches back well beyond the founding of Pacific Basin, as our fleet management function has its roots in Jardine Ship Management which we acquired in 2000. Drawing on our team’s combined experience, a safety-first ethos and the prudent rules and guidelines enshrined in our Pacific Basin Management System, we are proud to be the stewards of best practices in technical, marine safety & security, quality and sustainability management. We frequently receive industry recognition for our commitment to and performance in these areas, as well as other areas such as corporate governance and investor relations.

In 2025, we won several top awards/recognitions for ship management and related performance, including:



Hong Kong Marine Department Awards

- Outstanding Performance in Port State Control Inspections (17 times in the past 18 years)
- Green Fleet Award (for achieving AER ratings of A or B)
- Award for Recruiting the Most Hong Kong Sea-going Cadets

International Bulk Journal Awards

- Bulk Ship Operator of the Year Award

Port of Long Beach’s Green Flag Program

- Green Flag Award

Protecting Blue Whales and Blue Skies Program

- Gold Award

Some notable other awards in recent years include:

- Dry Bulk Operator Award at Safety4Sea Crew Welfare Awards 2024
- Certificate of Merit at United States Coast Guard AMVER Awards 2023
- Bulk Ship Operator of the Year Award at International Bulk Journal Awards 2023
- Shipping Company of the Year at Seatrade Maritime Awards 2022

Safety, Security, Health & Wellbeing

Safety first at all times

Our Pacific Basin Management System provides clear policies and procedures for our ship and shore staff to follow and mechanisms for us to analyse our performance and facilitate improvement, with one main objective: Promoting and ensuring safety at sea and prevention of human injury or loss of life



Aspect B1 (Employment)
General Disclosure

Our HSEQ Policy and Pacific Basin Management System embody a range of actions designed to achieve this objective, including:

- Employing and training qualified seafarers in accordance with flag-state and STCW (Standards of Training, Certification & Watchkeeping) requirements
- Implementing risk assessment systems to identify and manage risks to our ships, personnel and the environment, and to establish appropriate safeguards and practices
- Continuously improving quality, health, safety and environmental performance, and the management skills of personnel ashore and at sea, through audits, analysis and feedback
- Keeping personnel appropriately informed of HSEQ matters through the circulation of relevant information and training resources
- Providing a safe and healthy working environment and ensuring staff welfare
- Enforcing a drug and alcohol policy on board our ships, including pre-embarkation testing for watch-keeping personnel
- Conducting anti-piracy training, following best practices and adhering to internationally recommended transit corridor requirements in piracy-threatened areas



People-focused Safety Innovation

We constantly strive to enhance our safety culture with commitments from senior management ashore driving this safety mind-set across our organisation and fleet.

Our commitment to safety is manifested not only through our proactive Pacific Basin Management System, but also through innovative proprietary initiatives and significant investment in seafarer training at sea and ashore to standards exceeding mandatory requirements, resulting in safety performance metrics (KPIs) that are among the best in the industry.

Our focus is to implement a safety culture where every crew member is well informed of the tasks at hand and the risks they entail, and is empowered to raise concerns and halt work if it is deemed unsafe. Initiatives to implement this include:

- Enhanced Formalised Risk Assessment for every critical activity
- Work planning meeting and toolbox talk onboard
- Incentives for reporting of unsafe conditions or acts on board without blame/penalty
- Safety feedback by every “Manager Participant”
- Unannounced checks on safety equipment
- Analysis of industry and internal incidents to enhance safety awareness
- Training of staff ashore and onboard with a focus on safe operation
- Increased focus on behavioural safety
- Enhanced interactions with Junior Officers and Ratings
- Collaboration with industry peers to enhance safety and crew wellbeing
- Empowering crew to exercise Stop Work Authority to prevent harm to individuals, the environment and property

Security of Our Ships and Crews

We prioritise the safety and security of our staff, ships and operations. We practice proactive vigilance and risk management especially amid heightened security threats in an increasingly complex and volatile international trading environment.

Key threats facing our industry currently include:

- Drug smuggling
- Piracy
- Robbery

Other threats include:

- Hijacking of ships
- Terrorist attacks on ships and port facilities
- Stowaway & human smuggling
- Shipping of illicit weapons
- Sabotage & bomb threats
- Tampering with documentation/cargo
- Cyber security

These risks underscore the importance of maintaining high security standards. We implement proactive security measures and continuous vigilance to mitigating threats, protect our crews and vessels, and safeguard the integrity of our operations. Our comprehensive security measures, plans and standards to ensure threat detection, assessment and prevention are audited at all organisational levels to ensure their effectiveness in preventing security incidents and unlawful actions onboard.

Our fleet's Security Policy includes:

- Providing a safe and secure work environment on vessels
- Implementing measures to prevent unlawful actions on board
- Cooperating with international bodies and states to deter maritime terrorism
- Enhancing security awareness among our seafarers

Each vessel has a designated Ship Security Officer responsible for implementing and maintaining the Ship Security Plan, coordinating drills and training, and liaising with the Company Security Officer and Port Facility Security Officers, in compliance with the International Ship and Port Facility Security ISPS Code.

When operating in high-risk areas, we implement enhanced security measures, including:

- Voyage risk assessments
- Patrol boats
- Gangway turnstiles
- Dog searches
- CCTV
- Perimeter cameras
- Security guards
- Underwater drone searches

New GSOC Delivers Transformational Security Gains in 2025

Pacific Basin's Global Security Operations Centre (GSOC) was established in early 2025 and, in its first year, delivered a step change in the Company's approach to maritime security. The GSOC evolved rapidly from a primarily compliance-focused function into a strategic, intelligence-led capability that enhances operational resilience, delivers measurable cost savings and strengthens Pacific Basin's competitive position in the dry bulk sector.

During the year, the GSOC delivered 246 Security Risk Assessments (SRAs), ensured zero narcotics-related or piracy incidents across the fleet, and generated significant security-related cost avoidance, despite vessels operating in some of the world's highest-threat environments. These outcomes underline the GSOC's role as a critical business enabler, safeguarding crews, vessels and commercial operations while strengthening relationships with international law-enforcement and maritime security partners.

Intelligence-Led Security and Cost Efficiency

Security cost management was a key value driver in 2025. Through optimisation of physical security arrangements, risk-appropriate deployment of guards, elimination of unnecessary third-party expenditure and the internalisation of Security Risk Assessments, Pacific Basin avoided or reduced security costs of approximately USD1.8 million by year-end.

Further efficiencies are expected from the planned rollout of the AI-powered Captain's Eye CCTV programme, which is projected to deliver annual savings of approximately USD2.2 million by replacing manual CCTV monitoring, particularly in Brazil where operator costs have historically been high.

Building a Future-Ready Security Capability

Alongside strong operational outcomes, the GSOC made substantial progress in building a scalable, future-ready security capability. Throughout 2025, it delivered the majority of milestones under its internally developed Modern Security Action Plan, including the recruitment of specialist intelligence and operations professionals, the design of dedicated Intelligence and Operations pillars, the development of dynamic SRA tools and methodologies, and the launch of the Vanguard Intelligence Platform.

The GSOC also advanced the evaluation of AI-enabled CCTV and RFID technologies and established a global network of intelligence and enforcement partners. Together, this foundational work has created an integrated, intelligence-led security model that is increasingly recognised by external agencies as an industry differentiator.

A More Resilient Security Framework

In less than 12 months, the GSOC has shifted Pacific Basin's security posture from reactive compliance to proactive, intelligence-driven risk management. Proven cost savings, an incident-free operational record and strengthened commercial resilience reinforce the GSOC's importance as a strategic capability. As the global threat landscape continues to evolve, Pacific Basin enters 2026 with a more resilient, informed and future-ready security framework.

Escalating Global Threats and Protecting Our Fleet

Risk Context

During 2025, geopolitical instability and transnational criminal activity intensified, increasing security risks across global shipping. Renewed piracy activity, rising cocaine production in Latin America, and more sophisticated trafficking methods heightened exposure for dry bulk carriers operating across multiple regions.

Our Response

Pacific Basin’s Global Security Operations Centre (GSOC) applied intelligence-led risk mitigation, enhanced voyage guidance and close coordination with international enforcement and maritime security agencies to manage this evolving threat landscape. The GSOC works with a growing network of partners, including the US Drug Enforcement Administration (DEA), US Customs and Border Protection (CBP), UK Maritime Trade Operations (UKMTO), the Brazilian Federal Police, the International Maritime Organization (IMO) and naval intelligence units, strengthening situational awareness and response capabilities beyond traditional third-party risk models.

Targeted intelligence support, port-specific security assessments and improved onboard mitigation measures were deployed to address narcotics-related and piracy risks, alongside continuous monitoring and rapid intervention where required.

Outcomes

Despite escalating threats, Pacific Basin recorded an incident-free year. No vessel was detained or compromised by narcotics trafficking, avoiding significant commercial, legal and reputational exposure. Piracy threats also increased in areas including Somalia, West Africa and Southeast Asia, yet timely GSOC intervention – including the redirection of a vessel facing a potential threat – ensured zero piracy incidents across the fleet in 2025.

Our Security Team Priorities for 2026 and Beyond

- Building on lessons learned, the GSOC has set out an ambitious 2026 strategy, prioritising:
- Counter-narcotics and LATAM security
- Enhanced piracy monitoring and forecasting
- Geopolitical risk analysis and rapid response preparedness
- Digitalisation and refinement of SRA processes
- Recruitment and upskilling to expand GSOC capacity
- Technology rollout, including AI CCTV and RFID systems
- Strengthened security culture across the organisation

We target USD1.5 million in annual cost avoidance in 2026, alongside objectives for full AI CCTV deployment, zero major security incidents, and expanded intelligence partnerships.

Recent Security Hotspots



Anti-Piracy

Although piracy incidents against merchant vessels have declined in recent years, risks persist in regions including the Gulf of Guinea, Southeast Asia, off the coast of Somalia, the Gulf of Aden and the wider Indian Ocean. Pacific Basin manages these risks through its intelligence-led security framework, coordinated by the Global Security Operations Centre (GSOC), and in line with IMO guidance and industry Best Management Practices for Maritime Security (BMP-MS).

Ahead of transits through high-risk areas, the GSOC conducts voyage-specific threat and risk assessments and reviews ship hardening measures for owned and chartered ships. Based on the risk type, threat level and ship security profile, GSOC recommends mitigation measures, including re-routing, improving hardening measures and, if necessary and in accordance with BMP-MS, external security measures such as armed guards and escort vessels. Furthermore, ships follow navy-patrolled Maritime Security Transit Corridors, including in the Gulf of Aden and Southern Red Sea. Crews also receive targeted training to ensure preparedness and effective response in the event of a piracy threat. Security measures are always applied in a balanced manner to make sure our crews and ships remain safe whilst avoiding unnecessary costs of deviation or ineffective security measures.

The GSOC maintains continuous communication with vessel operators, engages with industry and anti-piracy organisations to share intelligence, and provides round-the-clock support through Pacific Basin's in-house ship management team. Pacific Basin is also a signatory to the Gulf of Guinea Declaration on the Suppression of Piracy, supporting regional and international efforts to address piracy risks.



During the reporting year, there were no piracy attacks on our owned vessels.



Security of our Shore-Based Staff & Assets

In 2024, we introduced a Security Policy for Shore-Based Locations aimed at protecting Pacific Basin's shore-based staff, physical assets, and operations from identifiable security risks. This policy applies to all employees and visitors who have access to Pacific Basin's shore-based facilities, equipment, information and assets. The policy's primary objectives are to:

- Define our commitment to safeguarding our physical assets, facilities and information
- Establish a framework for annual security reviews
- Promote a culture of security awareness and responsibility
- Ensure compliance with applicable regulations and industry standards

Regular risk assessments will be conducted to identify potential security threats and mitigation strategies will be developed to minimise exposure to these risks.

Crisis Response

Emergencies can arise without warning, making effective planning and preparedness essential to maintain control, reduce confusion and avoid errors. Pacific Basin maintains a crisis management manual and conducts regular training and drills to ensure timely and effective response to emergency and crisis situations.

The manual sets out clear procedures and guidance for shipboard and shore-based staff in the event of a serious incident affecting a vessel or office, enabling resources to be deployed in a coordinated and effective manner.

In line with these procedures, vessels conduct monthly onboard emergency drills covering a range of scenarios. In addition, ship-shore emergency response drills are carried out at least three times annually, involving different Pacific Basin-managed vessels.

In 2025, we conducted emergency drills involving both our Hong Kong and Singapore offices.



KPI B2.3

Description of occupational health & safety measures adopted

Crew Wellbeing

Seafaring is a demanding profession, requiring extended periods away from home and exposing crews to physical, emotional and social pressures. Pacific Basin recognises these challenges and focuses on practical measures that support crew wellbeing, resilience and performance at sea.

The Covid-19 pandemic significantly intensified these pressures through prolonged contracts, travel disruption and extended quarantine. While crewing logistics have since normalised, the experience reinforced the importance of sustained, proactive support for seafarers' wellbeing.

Our wellbeing initiatives are designed to reduce isolation, improve access to care, and strengthen onboard support networks, enabling crews to remain healthy, engaged and supported throughout their service. Key outcomes include improved access to medical and mental health support, stronger wellbeing awareness across the fleet, and earlier identification of potential issues.

To achieve this, we:

- Enhance onboard living conditions through sports equipment, improved internet and communications access, and free mental health support
- Provide 24/7 remote medical and wellbeing support through Sea Bird Medicare and 3Cube, giving crews access to doctors, specialists, psychologists and wellness experts
- Promote consistent wellbeing standards across the fleet through our Wellness at Sea Manual, covering fatigue management, prevention of harassment and bullying, and recognising signs of depression
- Deliver regular wellbeing training during shore leave and through multimedia programmes, including the Sailors' Society Wellness at Sea coaching initiative
- Strengthen frontline support by training Crewing Assistants to identify signs of distress and equipping Masters to manage cross-cultural issues and onboard conflict effectively
- Support external wellbeing initiatives, including the Mission to Seafarers' Sustaining Crew Welfare Campaign

Together, these measures help foster a safer, more supportive working environment at sea and reinforce Pacific Basin's commitment to the long-term wellbeing of its crews.

We recognise the professionalism of our seafarers in maintaining safe operations, fostering strong teamwork and wellbeing on board, and delivering reliable, high-quality service to our customers

Supporting International Suicide Prevention Day

In support of International Suicide Prevention Day 2025, Pacific Basin partnered with The Mission to Seafarers to deliver SafeTALK suicide-alertness training to approximately 650 seafarers in the Philippines between August 2024 and June 2025. The training equips crew members to recognise early warning signs of suicide risk, engage in open and supportive conversations, and connect individuals in need with appropriate professional support. Participant feedback has been overwhelmingly positive, with the programme described as "essential" and "life-saving".

Importantly, the training has already translated into real-world outcomes. During the period, four critical interventions were undertaken by trained crew members who identified and responded to suicide risk among fellow seafarers. No suicide incidents occurred in our owned fleet in 2025.

This initiative reinforces our commitment to protecting mental wellbeing at sea and contributes to a culture of care, awareness and peer support across our fleet.

0 fatality cases

SEHK ESG KPI B2.1
Number and rate of work-related fatalities

High-Speed Internet for Enhanced Connectivity

We have deployed advanced satellite internet services from Starlink and Inmarsat's Low Earth Orbit (LEO) NexusWave to provide high-speed, unlimited and globally available connectivity across our fleet. These services deliver internet speeds exceeding 200 Mbps with ultra-low latency, enabling seamless communication and reliable data transmission.

Faster, more stable and free internet access allows our seafarers to stay better connected with family, friends and the outside world, supporting wellbeing while also enabling quicker access to critical applications, remote technical support and increased digitalisation onboard. All of our owned vessels are now equipped with Starlink or Inmarsat LEO NexusWave services.

Strong crew engagement across PB fleet

In 2025, we engaged independent consultants to conduct our first seafarer engagement survey. The results indicated a high level of satisfaction and strong engagement with our crew wellbeing initiatives, while also providing valuable insights into areas for improvement. Key findings highlighted the shift from physical to mental health concerns, ongoing issues with internet connectivity, challenges related to food and nutrition, workload pressures, the importance of wages and the need for enhanced recreational and mental support activities on board.

We are committed to providing a supportive environment for all crew members, understanding that their satisfaction and health are vital to our collective success. The survey results will guide us in further strengthening our crew wellbeing are engagement initiatives.

We are caring, fair and good-humoured, treating everyone with dignity and respect, and embracing diversity of cultures and viewpoints



Zero Tolerance of Harassment

We reaffirm our longstanding commitment to providing a safe, inclusive workplace free from discrimination, harassment and bullying of any kind. We operate a zero-tolerance policy towards sexual, racial and other forms of harassment and discrimination, and we investigate all allegations promptly, fairly and with respect for those affected.

Our Staff Code includes specific policies on sexual and racial harassment, and our Code of Conduct sets out clear reporting channels and procedures for handling reported incidents. Together with our whistleblowing policy, these frameworks support compliance with applicable laws, regulations and best practices.

2 harassment cases

In 2025, we recorded two cases of harassment in our fleet. Following the Company's investigations, the perpetrators were dismissed. We have enhanced harassment and bullying prevention training across the fleet to reinforce expected standards of behaviour.

Wellbeing Ashore

We are mindful of the needs and wellbeing of our colleagues ashore and support health and wellness through a range of initiatives across our offices.

We start by providing a comfortable and supportive physical work environment, including ergonomic workstations with adjustable desks and chairs, large monitors, good lighting and thoughtfully designed spaces that encourage collaboration and social interaction. Our principal office in Hong Kong also offers social and break-out areas, a private room for nursing mothers, an exercise room, and sports and gaming equipment, with selected facilities also available in our smaller offices globally.

We foster engagement through regular communications, town hall meetings, an open-door culture, and multiple digital channels, including our group-wide intranet, instant messaging and video conferencing platforms.

Beyond the workplace environment, we promote good physical and mental health by providing free fruit and healthy snacks, supporting colleagues who take part in physical challenges for charitable or team-building purposes, and encouraging staff to make use of local facilities and natural surroundings for fitness and wellbeing. We also support a healthy balance between work and family life.

↔ p.47 Workplace Conditions Ashore ↔ p.28 Green Efforts Ashore

Maternity Leave Enhancement

Our maternity and paternity leave enhancements are designed to support early childhood development, strengthen family stability and improve long-term employee wellbeing and engagement. By giving parents protected time to bond with their newborns and adjust to new responsibilities, these measures help reduce stress, support smoother transitions back to work and contribute to a more resilient and committed workforce.

To deliver these outcomes, we offer new mothers the option to work from home for a fully paid three-month period following completion of their statutory maternity leave. We have also increased paternity leave to one month, which is well above the statutory five days in Hong Kong. Together, these measures support shared caregiving, healthier family dynamics and sustained workforce participation.

Wellness Programmes

Recognising the growing importance of mental wellbeing in a fast-paced work environment, Pacific Basin introduced two new wellness programmes for colleagues in our Hong Kong office in 2025, aimed at supporting resilience, focus and overall employee wellbeing.

The first programme, “Freedom from Stress”, focused on practical techniques to help employees better understand and manage stress, combining guided instruction with immediate application through an interactive workshop format. The second initiative, “Aromatherapy Massage”, offered a short, structured session designed to promote relaxation and mental recovery through guided self-massage techniques and the use of natural oils.

These initiatives form part of our broader approach to fostering a healthy, supportive and engaged workplace for our colleagues.



Health & Safety Performance in 2025

REDUCING INJURIES TO OUR CREW

IFRS TR-MT-320a.1

Short Term Goals:

We target to reduce our LTIF to less than 0.5 in 2026 and aim to substantially eliminate injury incidents in the longer term.

Steps to achieve target:

- enact effective policies and procedures
- comprehensive training and development

Key Motivators:

- Crew safety
- Corporate reputation and goodwill

↔ p.38 0 Fatality cases

Current YOY Performance:

In 2025, our crews registered 11 lost-time injuries in over 19.2 million work hours, mostly arising from relatively minor slips, trips, falls and finger injuries, resulting in a return to one of our lowest ever pre-Covid* lost time injury frequency (LTIF) levels. Nevertheless, our injury rates remain low by historical industry standards.

* Much reduced injury rates in 2021-2022 were industry-wide due to less intensive ship maintenance activity during the Covid pandemic and substantially no doctors' visits to ships, resulting in fewer prescriptions for "time off" or repatriation.

KPI

Lost Time Injury Frequency (LTIF)

0.57 ↑ 6%

injuries per million work hours

1

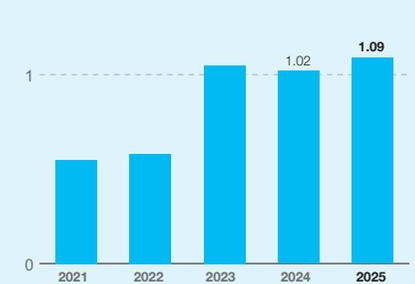
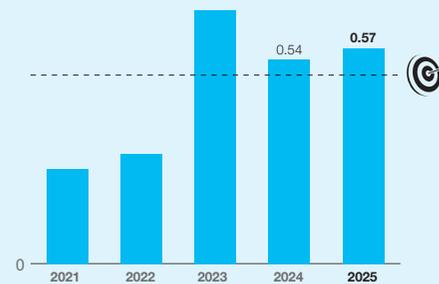
KPI

Total Recordable Case Frequency (TRCF)

1.09 ↑ 7%

injuries per million work hours

2



REDUCING SAFETY INSPECTION DEFICIENCIES

Short Term Goals:

We aim to achieve an inspection deficiency rate of less than 0.53 defects per inspection by maintaining our ships to a high standard, as assessed by external Port State Control (PSC) inspectors.

Steps to achieve target:

- enact effective policies and procedures
- comprehensive training and development

IFRS TR-MT-540a.3

Key Motivators:

- Crew safety
- Timely port turnaround
- Asset condition and longevity
- Corporate reputation and goodwill

↔ p.77 Ports Where Our Ships Trade

Current YOY Performance:

In 2025, our average deficiencies per inspection was 0.93 (2024: 0.72), and 71% of our Port State Control inspections found zero regulatory deficiencies.

We recorded fewer PSC deficiencies on our ships that are less than 15 years old.

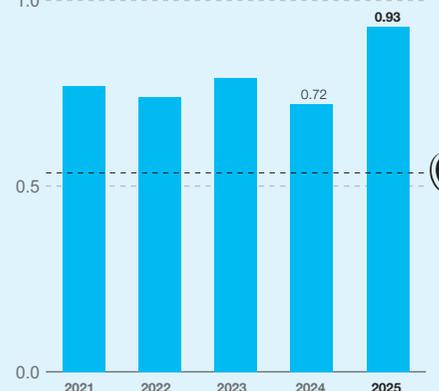
KPI

External Inspection Deficiency Rate

0.93 ↑ 29%

deficiencies per inspection

1.0



Other Safety Targets

- Zero major navigational incidents
- Zero fatalities
- Zero major security incidents (incl. innocent drug trafficking, piracy, military attacks)
- Zero drug & alcohol violations
- Zero detentions

SEHK ESG

KPI B2.2

Lost days due to work injury

Training & Development

We believe that our investment in the development and training of our staff at sea and ashore drives engagement, motivation and retention of our staff and is key to maximising their safety and productivity

Employees at Sea

We train our seafarers to standards equal to or exceeding those required by the International Maritime Organization's International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW). This significant investment we make in seafarer training at sea and ashore drives our safety and external inspection performance indicators which are consistently among the best in the industry.

- We host multiple officer and ratings training seminars biannually at our crewing centres in Philippines, China and India.
- In 2025, we conducted

3 officer training seminars attended by 178 seafarers

8 mini-training seminars attended by 377 seafarers

39 training webinars attended by 2,702 seafarers

258 external training attended by 3,624 seafarers



Examples of training topics in 2025

- Navigational safety
- Ballast water treatment system checks & troubleshooting
- Diversity, Equity and Inclusion
- Anti-modern slavery
- Crew safety
- Mental wellness & social wellbeing
- Sexual harassment & anti-bullying
- Prevention of drug trafficking and smuggling
- Cyber security
- Engine room watch-keeping
- Commercial operations
- Fuel & luboil purifier overhaul
- Main engine piston ring & scavenge manifold inspection & procedures
- Inventory of Hazardous Materials (IHM) familiarisation
- Log carriage procedure
- Deck maintenance
- Port state control inspections
- Electrical training for engineers
- International Maritime Dangerous Goods (IMDG) Code
- International Maritime Solid Bulk Cargoes (IMSBC) Code
- Cargo security
- Hatch cover operation & maintenance
- Finger and hand Injuries handling
- Voyage planning
- Exhaust gas cleaning system operation & troubleshooting

Through these one or two-day events, we engage with our “on-board managers” to reinforce our Company policies, practices and values, review regulatory changes and industry developments, share safety and navigation-related experiences, and analyse industry incidents and develop preventive measures with the involvement of our crew and managers.

Our dedicated crew training team develops and delivers a structured, fleet-wide training programme to enhance seafarer safety, performance and engagement



In support of the UN Sustainable Development Goal 4, we invest significantly in the development and training of our seafarers which drives safety, environmental protection, professionalism and fulfilling work on board

←→ p.34 Safety, Security, Health & Wellbeing



Aspect B3 (Development & Training)
General Disclosure

- We organise monthly topical training for all deck and engineering departments staff conducted by Masters and Chief Engineers under the guidance of our shore-based training managers.
- We conduct enhanced pre-joining briefings for all our sea staff.
- Our senior crewing managers review all staff's training needs during annual performance appraisals to ensure skill gaps are identified and plugged and further development training is on offer.
- We have run officer cadet recruitment and training schemes in our crewing centres in China since 2005, the Philippines since 2010, Hong Kong since 2013, as well as in Ukraine since 2017 and India since 2022.
- We have officer cadets training on all of our ships and are growing our intake of female cadets.
- Our safety training materials are available to marine university students to raise their safety awareness, regardless of whether they plan to join our Company after graduation.

2 officer cadets per ship

- We employ Marine & Safety Managers and Training Managers ashore who conduct fleet safety inspections, navigation audits and pre-joining briefings and provide shore-based support on marine and safety issues to our ships' crews.

9 ships per safety/training manager

- In addition to our Marine & Safety Managers ashore, we deploy 8 Fleet Training Managers to sail periodically on our owned vessels and deliver on-the-job training to our crew.
- Our in-house technical department communicates shore-based advice and support to our ships' staff to enhance the safety of our operations at sea and the consistency of our service quality.
- We review incidents and near-misses, analyse root causes and develop and implement preventive measures, all of which we communicate back to our ships.
- We collaborate with training centres that integrate anonymised fleet incident data into our Bridge Resource Management (BRM) and Engine Resource Management (ERM) courses, enabling our seafarers to benefit from real-world scenarios presented in a simulated environment.
- We promptly notify our ships of relevant regulatory changes and industry developments.
- We circulate monthly alerts to our fleet with reminders of lessons learned from past accidents and injuries sustained on our ships.



- Examples of non-STCW training on-board, in classrooms and via computer include regular simulator-based training in Bridge Team Management and the types of ECDIS (Electronic Chart Display Information System) fitted on our ships, and Maritime Resource Management, in partnership with the Swedish Club. We cultivate leadership qualities through monthly leadership and MRM remote training for both our shore-based and on-board managers, because we believe the success of our safety management system depends on the trained skills of our managers and how these leaders approach our safety management system's implementation at sea, onshore and at the ship-shore interface.
- Our crew training conferences, seminars, webinars and cadet programmes offer a clear path of career advancement within the ranks of our crew.
- We deploy an advanced Learning Management System (LMS) for online training and support crew development.

Target **100%** attendance/compliance with training matrix

Crew Mental Wellness Training

We arrange mental wellness training programmes for our crew, encouraging them to recognise the importance of mental health and develop strategies to manage stress, build resilience, and maintain a positive mindset. By fostering awareness and equipping our crew with practical tools, we aim to promote a healthier and more balanced approach to personal and professional challenges.

Employees Ashore

For shore-based employees, we conduct a training needs analysis as part of our annual performance appraisal to identify gaps between current and required knowledge, skills and capabilities. This enables us to design targeted training and development programmes that support continuous improvement.

We invest in staff training and leadership development at all levels of the organisation. This investment supports productivity, engagement, retention and succession planning, and helps build a strong and sustainable talent pipeline. Our investment in shore-based training includes:

- Classroom- and seminar-based external training
- On-the-job training, site visits and company visits
- Understudy programmes for early-career executives
- Team-building activities that promote high-performance collaboration and high standards
- Leadership and management training, including executive coaching for high-potential employees
- Training in specialised management tools
- Group-wide digital platforms, including intranet access, instant messaging and video conferencing, to support real-time knowledge sharing

The Company maintains a dedicated budget for training and development, with typically around half of shore-based employees participating in external training each year through local providers and leading international business schools.

52% staff receiving external training



11 average training hours per onshore employee



SEHK ESG KPI B3.1
Percentage of employees trained by category

SEHK ESG KPI B3.2
Average training hours per employee

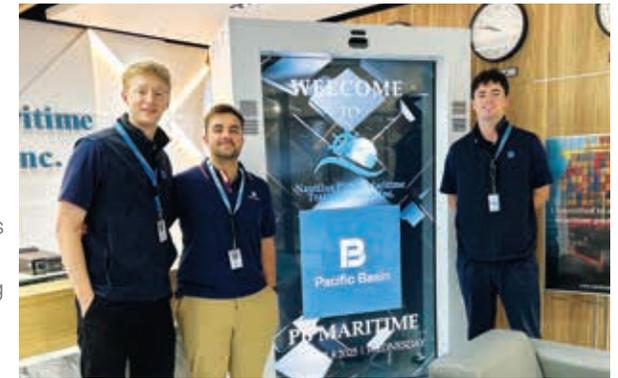
Enhanced Commercial Graduate Trainee Programme

In 2025 we further enhanced our Commercial Graduate Trainee Programme into a more structured two-year programme designed to develop high-calibre graduates through practical, hands-on experience across Pacific Basin's commercial and operational functions.

The programme features rotational placements across Commercial Operations, Chartering, Bunkers and Commercial Claims, providing exposure to the core drivers of our business. Trainees also gain broader insight into a fully integrated shipowner through time spent with supporting functions such as Technical, Sustainability, Finance and Investor Relations, building a holistic understanding of the shipping industry and Pacific Basin's operating model.

Progress is assessed throughout the programme based on performance, skills and demonstrated interests. Successful trainees may be offered permanent roles aligned with their strengths and the Company's immediate talent needs, as well as longer-term succession planning.

The programme is designed for graduates seeking to build a broad commercial skill set, explore diverse career pathways within maritime, and develop into future leaders of the organisation.



Building our Talent Pipeline

Our long-standing recruitment and development of international graduates and early-career professionals has built a strong pipeline of capable and motivated executives who are now contributing across all levels of the organisation and in offices worldwide.

In 2025, eight early-career employees participated in our structured commercial graduate trainee programme, which provides broad exposure to the dry bulk shipping business. The programme includes rotations across key departments, time at sea, visits to dry docks, and engagement with shipping agents, shipbrokers and customers, giving participants a comprehensive understanding of Pacific Basin's operations and the wider industry.

We also expanded our internship programme in 2025, welcoming a diverse group of 10 interns, primarily in our Hong Kong office.

In parallel, we continue to support the development of maritime talent through our involvement in Hong Kong Maritime Week, recruitment of interns from Hong Kong's Maritime Services Training Institute, and sponsorship of scholarships at Hong Kong Polytechnic University, several recipients of which now work at Pacific Basin.

8 graduate & other young recruits in 2025

10 student interns in 2025

Careers at Pacific Basin

p.78 Our Local Community Maritime Education

ISO, ISM, ISPS, MLC & MARPOL Awareness Training

Each year, Marine & Safety specialists within our Fleet Management team deliver awareness training for shore-based staff, particularly new joiners, on Pacific Basin’s implementation of ISO 9001, ISO 14001 and ISO 45001 through the Pacific Basin Management System. The training also covers the ISM Code, International Ship and Port Facility Security (ISPS) Code, MLC 2006 and the MARPOL Convention.

In 2025, colleagues from our global offices participated in these sessions, either in person or via video conference, to refresh and strengthen their understanding of our certification standards and internal control frameworks. The consistent and effective execution of the Pacific Basin Management System has underpinned our strong safety and environmental performance over many years.



Enhancing Business Productivity through AI Training

Artificial intelligence (AI) and digital technologies are increasingly important in reducing manual workloads and improving operational efficiency. By adopting AI-enabled tools, our colleagues can work more productively through greater automation, data-driven decision-making and more efficient ways of working.

In December 2025, Pacific Basin partnered with Twimbits to deliver a Copilot AI training programme for colleagues in our Hong Kong office. The programme focused on practical applications of AI to support day-to-day tasks and enhance productivity. Building on this initial rollout, we are extend AI training to colleagues across our global offices in 2026.



Labour Standards & Workplace Conditions

Through the commitment we make to providing decent work, sound workplace conditions and fair employment terms, we benefit in return from strong retention of high-quality, loyal seafarers and safe operations

↔ p.49 Seafarer Retention

Our labour standards, human rights practices and workplace conditions adhere to all conventions where our ships trade and our offices are located, including those applicable to our Hong Kong- and Singapore-flagged vessels.

Our labour policies and minimum standards are determined with reference to the conventions of the International Labour Organization (ILO) – the United Nations agency that shapes policies to promote decent working conditions for seafarers and other workers. We are also committed to the internationally recognised principles of human rights as expressed in the UN Guiding Principles on Business and Human Rights.

The ILO conventions relating to seafarers are consolidated in the Maritime Labour Convention 2006 (MLC), which has been ratified by China and Singapore and the requirements of which have been largely incorporated into Hong Kong and Singapore flag-state legislation, including Hong Kong CAP 478 Merchant

Shipping (Seafarers) and relevant Singapore maritime regulations. Accordingly, the MLC requirements are mandatory for our Hong Kong- and Singapore-flagged dry bulk ships.

Where ILO conventions have not been ratified by our flag state, we voluntarily comply with or exceed their requirements through a Collective Bargaining Agreement (CBA) with ITF-affiliated seafarer unions. Pacific Basin was actively involved in drafting the current Hong Kong flag-state CBA, which applies to all Hong Kong employers of seafarers under the ITF.

We have also adopted the Sustainable Shipping Initiative Code of Conduct, which reinforces compliance with the MLC and other relevant maritime conventions and places additional emphasis on valuing seafarers and protecting their human rights.



SEHK ESG We are not aware of any incidents of human rights violations, discrimination or labour rights issues during the reporting period. The Group complies with applicable standards, rules and regulations covering compensation and dismissal, recruitment and promotion, working hours and rest periods, equal opportunity, diversity, anti-discrimination, and employee benefits and welfare.



Seafarers' Bill of Rights

The Maritime Labour Convention 2006 (MLC) is an international agreement of the International Labour Organisation (ILO) which sets out seafarers' rights to decent conditions of work.

More than 100 pages long, the MLC 2006 sets minimum requirements for nearly every aspect of working and living conditions for seafarers such as:

- freedom from forced labour
- minimum age
- prevention of child labour
- conditions of employment
- hours of work and rest
- occupational safety & health
- health protection & medical care (including crew family)
- payment of wages
- annual leave & repatriation
- accommodation, food & catering
- social protection
- right to collective bargaining
- prevention of violence and harassment

Our compliance with ILO conventions and CBA terms is audited by Port State Control inspections and Class

SEHK ESG Aspect B4 (Labour Standards)
General Disclosure

SEHK ESG KPI B4.1
Description of measures to review employment practices to avoid child and forced labour

SEHK ESG KPI B4.2
Description of steps taken to eliminate child and forced labour when discovered

Workplace Conditions Ashore

Our shore-based offices comply with all relevant local workplace health and safety requirements and related codes, providing employees with a safe, comfortable and productive working environment. Office design emphasises preventative measures and good workplace standards, including appropriate lighting, air quality and ventilation, noise control, and ergonomic workstations with adjustable desks and chairs to support healthy working practices and reduce physical strain.

In recent years, we have refurbished and upgraded our global office network to improve energy efficiency, modernise facilities and enhance collaboration. These upgrades include more flexible workspaces, improved meeting and

break-out areas, and layouts that support both focused work and effective teamwork.

Beyond the physical environment, we promote positive workplace conditions through clear policies, effective internal communication and access to appropriate tools and technology. Digital platforms enable collaboration, information sharing and flexible working arrangements, supporting productivity while accommodating different working styles and personal needs.

Together, these measures help create a professional, inclusive and supportive working environment ashore, contributing to employee wellbeing, engagement and effective office operations worldwide.

↔ p.28 Wellbeing Ashore

Future of Work

Pacific Basin is committed to expanding access to careers in shipping by adopting more flexible, inclusive and forward-looking approaches to work. We recognise structural challenges facing the industry, including declining interest in seafaring careers and an ageing workforce, and are focused on building a sustainable pipeline for talent attraction, development and retention.

To address these challenges, we are exploring new ways of working that better integrate shipboard and shore-based roles, including opportunities for shore teams to support seafarers and assume selected tasks where appropriate. We also review workflows to identify improvements that can be incorporated into new vessel designs or retrofits, enabling more modern and efficient working practices. In parallel, we are examining opportunities for seafarers to remain engaged with the industry during off-duty periods and

post-retirement, allowing the Company to retain valuable experience and expertise.

Since 2021, our Remote Working Policy has provided greater flexibility for shore-based employees. We believe well-designed flexibility supports performance, engagement and work-life balance, benefiting both employees and the Company.

Looking ahead, Pacific Basin's future of work will continue to feature a hybrid working model and an increased emphasis on artificial intelligence (AI) education and digital capability. Technological advances and evolving societal expectations will continue to reshape how work is performed. As we adapt, we remain focused on ensuring technology enhances human capability, supports inclusion and enables a more resilient and adaptable organisation.

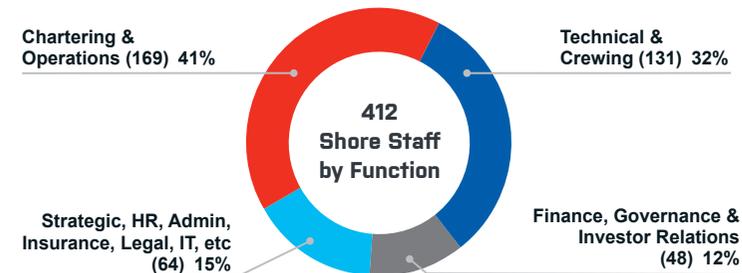
📡 Careers at Pacific Basin

↔ p.86 Shore Staff by Region

SEHK ESG KPI B.1.1
Total workforce by employment type



Led by Director of Human Resources & Administration, Sari Suono-Rasehorn, our HR and Admin teams support our colleagues' wellbeing, development and engagement, and ensure the smooth operation of our global offices



Diversity, Equity & Inclusion

Building high-performing teams and a more resilient company

We recognise that a diverse workforce – bringing together different skills, experiences, backgrounds, perspectives and ideas – strengthens our business, improves decision-making and supports long-term success.

We seek to foster a culture of care, respect, non-discrimination and inclusion, and a workplace where colleagues have fair, merit-based access to opportunity. We aim to ensure that ideas are heard, decisions are made on merit, and colleagues are supported in contributing to our business' success and resilience.

Our shore-based workforce comprises colleagues of 38 nationalities, with a broadly balanced gender and age profile overall. We acknowledge the lower representation of women in middle and senior management, reflecting the relatively small pool of female applicants in the shipping industry. We continue to leverage our employer brand and development programmes to attract, retain and advance diverse talent.

Pacific Basin was an early adopter of the Hong Kong Equal Opportunities Commission's Racial Diversity and Inclusion Charter, supporting its mission to promote racial equality and inclusive workplaces.

At sea, we are investing in the development of a growing number of female seafarers. We currently employ 70 female seafarers on our owned vessels, including 21 officers. We are also a corporate member of the Diversity Study Group and the Women's International Shipping & Trading Association (WISTA International), which provide platforms for engagement on diversity and inclusion within the shipping industry.

Our ongoing team-building and employee engagement initiatives support an inclusive workplace with strong staff engagement. This has helped us navigate business challenges, maintain good retention, and achieve high employee satisfaction as verified in an independent study conducted in 2025.

Our long-service and retention figures reflect a workplace where colleagues feel valued, supported and able to build lasting careers during a period of significant growth

92% shore staff retention rate

37% shore staff with 10+ years service

85% enjoy working at Pacific Basin (2025)

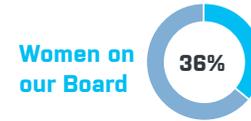
79% overall engagement score (2025)



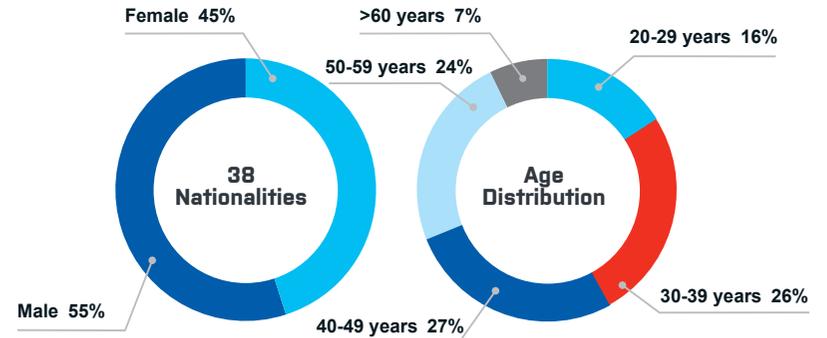
Aspect B1 (Employment)
General Disclosure



KPI B1.2
Employee turnover rate



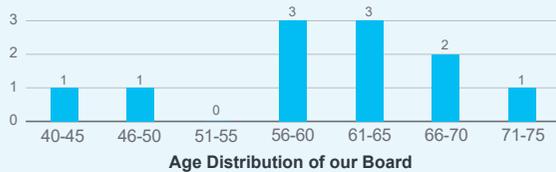
412 Shore Staff



Board Diversity

Our Company recognises the value of a diverse board, and our Nomination Policy and Board Diversity Policy contain criteria and principles for identifying suitably qualified Board candidates with appropriate education, qualifications, skills, knowledge and experience that can benefit the Company's business and development, as well as other forms of diversity such as cultural, background, ethnicity, gender and age.

After an extensive global search, on 1 February 2025 we welcomed two new appointees to our Board as Independent Non-Executive Directors who also serve on our Sustainability Committee and other committees. We also welcomed one executive director to the Board in 2025 and two new non-executive directors in February 2026. Our Board now comprises 11 members of eight nationalities. Seven are Independent Non-executive Directors. Four women directors comprising 36% of the Board.



8 nationalities on our Board

36% women on our Board (target 30%+)

64% Independent Non-executive Directors on our Board



In support of the UN Sustainable Development Goal 5, we support gender equality and empower women and all staff across our global office network, and we are making progress in developing female seafarers on our ships

Making Diversity at Sea Sustainable

We recognise every employee's right to be treated fairly and with respect, regardless of individual differences. We also acknowledge that greater diversity at sea can present practical and cultural challenges, which require thoughtful and well-designed responses.

Our focus is therefore on making diversity sustainable—implementing it the right way, not the fast way—through practical measures that support inclusion, safety and wellbeing on board. Key initiatives for our seafarers include:

- Gradually increasing female seafarer buddy teams to a minimum of four women on board
- Providing shore-based female crewing assistants to support female seafarers
- Enhanced training for all seafarers on the value of diversity and our zero-tolerance approach to harassment, bullying and discrimination
- Strengthened pre-joining briefings covering gender diversity, harassment and bullying
- Provision of separate toilet facilities for female seafarers
- Supply of female-fit boiler suits and tailored female toiletries kits

↔ p.38 Crew Wellbeing ↔ p.42 Training Topics in 2025

4,300 seafarers

94% officer retention

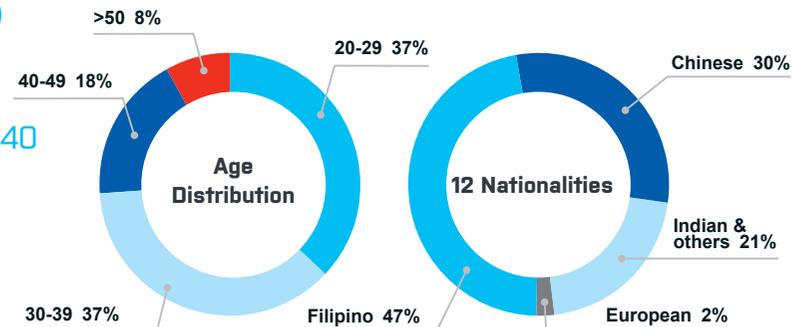
94% overall crew retention

86% crew engagement score

1.6% women on our ships (70)

Target **5%** female seafarers by 2040

Ensure **NO** gender pay gap



RESPONSIBLE BUSINESS FUNDAMENTALS

Drawing on our Intellectual and Human Capital

We are committed to conducting our business in adherence to high ethical standards, and we recognise the importance of good corporate stewardship in driving sustainability and enhancing our brand and shareholder value. Through responsible, experienced staff and an effective business model and organisational systems, we are able to maximise efficiencies and create intangibles associated with a strong reputation.

Responsible Business Fundamentals



Ambition

Pacific Basin aims to embed best-practice governance, ethical conduct and robust risk management across its operations, to safeguard long-term resilience, accountability and stakeholder trust. We are committed to transparent reporting, responsible stewardship and the fair consideration of stakeholder interests as core elements of sustainable value creation and good corporate governance.



In support of the UN Sustainable Development Goal 16, we strive for effective, accountable and inclusive management and corporate governance, and responsible business practice where there is no place for corruption and bribery

Commitment to

Governing with efficiency and discretion

We continue to bolster and streamline management decision-making, risk mitigation, due diligence and board governance procedures and systems, ensuring alignment between ship and shore operations.

Building trust through integrity and transparency

We increase stakeholder confidence by tackling corruption with ethical practices, transparent reporting and regular multi-level engagement.

Strengthening resilience and business continuity

We mitigate accidents which pose material risks not only to the business but to our people and the environment. We futureproof the business by assessing and managing disruptions from climate risks, global pandemics and cyber security.

Maintaining financial health and access to capital

We continue to manage our financial resources and funding, work within our financial gearing targets, maintain the financial health of the Group drawing on our access to capital, and strive for best-in-class reporting, transparency and corporate stewardship.

Related material issues

Good Management & Corporate Governance

Innovation & Digitalisation

Responsible Procurement & Supply Chain

Ethical & Responsible Business Practices
(including Anti-Corruption)

Transparency & Disclosure

Public Image

Crisis Response

Accident & Oil Pollution Prevention

Regulatory & Sanctions Compliance

Climate Change Risks

Cyber Security

Financial Sustainability

Sustainability Governance

Sustainability is a Board Responsibility SEHK ESG Part D – 19(a)

The Board is responsible for the development of the Group’s long-term corporate strategy and broad policies, taking into account the needs of the business and its stakeholders, as well as the Corporate Governance Code and the ESG Reporting Code set out in the Listing Rules of The Stock Exchange of Hong Kong Limited.

Accordingly, the Board has overall responsibility for the Group’s sustainability strategy and reporting. This includes identifying, assessing and managing ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. Management provides regular confirmation to the Board on the effectiveness of these systems, and the Board reviews progress against ESG-related goals and targets on an ongoing basis.

The Board delegates more regular oversight of the Group’s sustainability programme to the Sustainability Committee.

 **Annual Report p.45**
Board Responsibilities

Dedicated Board-level Oversight SEHK ESG Part D – 19(a)

The Sustainability Committee comprises three Independent Non-executive Directors (INEDs) with diverse and relevant skills to provide effective oversight of ESG and climate-related risks and opportunities. Appointed by the Board, the Committee assists the Board by overseeing management’s approach to sustainability, advising on matters material to the Company’s long-term sustainability, monitoring progress against sustainability priorities and targets, and overseeing sustainability-related disclosures. The Sustainability Committee met three times during the year.

 **p.49** Board Diversity

Sustainability Management Committee SEHK ESG Part D – 19(b)(i)

The Group’s Sustainability Management Committee (SMC) comprises the CEO, CFO, Director of Sustainability & Corporate Affairs, and senior executives from Chartering, Operations, Fleet Management, Human Resources & Administration, and Risk & Governance. Reporting to the Sustainability Committee at least twice a year, the SMC is responsible for reviewing and enhancing the Group’s sustainability strategy, policies, targets and performance, and for ensuring compliance with ESG requirements. This cross-functional structure ensures that sustainability considerations are embedded across the business and translated into meaningful outcomes.

Day-to-day Implementation SEHK ESG Part D – 19(b)(ii)

The Group has a dedicated sustainability team to help coordinate sustainable business practices and investments in sustainable assets. Day-to-day implementation is led by managers across the business, supported by the sustainability team, and most notably by the Fleet Director (with support from technical, personnel, marine & safety, and decarbonisation & environmental compliance managers), the Commercial Operations Director, and the Human Resources & Administration Director.

 **Annual Report**
p.45 Corporate Governance

 www.pacificbasin.com
Sustainability > Corporate Governance

While we summarise our sustainability governance here, we address the wider subject of corporate governance separately and in detail in the Governance section of our Annual Report and website.



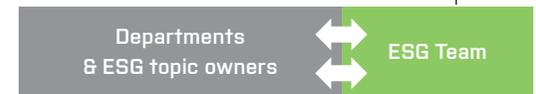
 Board Composition

Introducing our ESG-linked Remuneration

SEHK ESG Part D – 35

In 2025, we introduced a new Remuneration Policy that sets out the principles of remuneration design, the components of total remuneration, and how they support the Company’s strategy, long-term interests and sustainability objectives. Reflecting the importance of sustainability alongside financial performance, our remuneration framework incorporates ESG targets—specifically emissions and safety performance—into the overall performance scorecard, reinforcing our commitment to sustainable long-term value creation.

Our annual Remuneration Report provides a comprehensive overview of remuneration arrangements for the Board of Directors, Executive Directors and all Pacific Basin employees. The report is included in our Annual Report and is available on our website.



Sustainable Shipping

Our Sustainability team is lean and centralised, and serves to shape ESG strategy and oversee execution, measure and report performance, act as ambassadors to engage, inspire, transform ESG into a differentiator, and embed sustainability in our culture.

Relevant departments own our ESG topics and execute the detailed planning and implementation of initiatives to meet our sustainability goals

The Sustainability Committee

Membership

Chairman: Kirsi K. Tikka (INED)

Members: Mats H. Berglund (redesignated from NED to INED in November 2025), Kalpana Desai (INED, appointed in February 2025), Wang, Xiaojun Heather (INED, stepped down in December 2025), Stanley Ryan (INED, stepped down in February 2025)

Main Responsibilities

1. Monitor and review emerging ESG responsibility trends and issues, with a focus on those most relevant to the dry bulk shipping industry.
2. Oversee the Company's ESG management approach, strategy and the process used to identify, evaluate and manage material ESG-related issues including the risks and opportunities they represent for the Company and to recommend any improvements.
3. Oversee the development and execution of the Company's ESG policies and practices, provide direction to Management on the Company's ESG vision and objectives/priorities, ensure alignment with the Company strategy and make recommendations to the Board.
4. Review the internal procedures and system for the generation and maintenance of appropriate and accurate sustainability data.
5. Review Management's ESG performance reports, including progress made against material ESG-related goals and targets, steps taken to achieve these targets, and covering any other relevant ESG issues; such ESG reports to be submitted to the Board at least two times a year.
6. Consider ESG investments proposed by Management and make appropriate recommendations to the Board.
7. Review the annual "Sustainability Report" to ensure the balance, transparency and integrity of published information as well as proper disclosure and compliance with the ESG Code, and make appropriate recommendations to the Board.
8. Review the ESG-related performance of and work done by Management and the SMC.
9. Ensure that a sustainability culture is promoted across the Company, with sufficient resources and training provided to manage the Company's material ESG issues and the risks and opportunities they represent.
10. Conduct an annual review to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget to manage the Company's ESG performance and reporting.

Work Done in 2025

The Sustainability Committee held three meetings in 2025 and, together with e-mail communication, the work undertaken included:

- review and approve the Sustainability Report 2024 for recommendation to the Board;
- review adequacy of ESG resources, key ESG programmes, performance metrics and targets;
- review compliance with recent and coming decarbonisation regulations and other ESG challenges; and
- endorse proposed strategies for managing some of our most material ESG priorities.

The Sustainability Management Committee

Membership

Chairman: Chief Executive Officer

Members: Chief Financial Officer, Director of Sustainability & Corporate Affairs, Director of Chartering, Director of Operations, Director of Fleet Management, Director of Group HR & Admin, Director of Risk, Group Company Secretary

Main Responsibilities

1. Oversee and execute the Company's sustainability strategy;
2. Review and ensure proper disclosure and compliance with the ESG Code;
3. Review the assessment of the Company's material ESG issues;
4. Ensure appropriate ESG KPI targets and steps taken to achieve them;
5. Review the internal procedures and system for the generation and maintenance of appropriate and accurate ESG KPI data;
6. Foster cross-functional collaboration and coordination on ESG issues;
7. Ensure strong ESG engagement and commitment, and ensure that ESG is treated as a strategic business issue, promoting a culture of sustainability across the Company;
8. Make recommendations to enhance sustainability strategies, practices and investment; and
9. Present and regularly report to the Sustainability Committee and the Board on the Group's sustainability performance.

Work Done in 2025

In 2025, the SMC met three times and reported to the Sustainability Committee on the Group's Sustainability programme, performance and work done. The work undertaken included:

- review the materiality of ESG topics and risks in the context of Company strategy and industry relevance;
- review progress in building ESG awareness across the Company and strategies for managing key ESG priorities;
- review adequacy of ESG resources, key ESG performance metrics, corporate ESG ratings, peer ESG benchmarking and proposed ESG targets, with recommendations to the Sustainability Committee for approval;
- review of noteworthy ESG initiatives and projects;
- review recent and coming decarbonisation regulations and industry measures; and
- review crew safety and wellbeing initiatives.



Board ESG Training SEHK ESG Part D – 19(a)(i)

Board members continue to enhance their ESG expertise through ongoing training, regular updates on ESG strategy, risks and opportunities, and active participation in ESG-related Board discussions. Targeted training in May and July 2025 covered the challenges of latest developments around maritime decarbonisation regulations, IMO's global fuel standard, green fuels and our approach to voyage optimisation.

Responsible Business Practices

Strong corporate ethics and sensible business values

In the pursuit of our vision and objectives, we always seek to apply sound and internationally accepted business ethics and principles. Our business principles cover a range of tenets and traits designed to maximise the trust, respect and friendship between the Company and its stakeholders, highlighting the fairness and responsibility with which we approach our business.

Anti-Corruption

Our Code of Conduct prohibits our staff from offering or accepting bribes or engaging in fraud, forgery, collusion, money laundering, anti-competitive behaviour or other forms of corruption. To bolster the Company's anti-corruption culture and maintain a zero corruption record, we continually review our anti-corruption policies and practices and convey them to our staff via regular training.

We require our staff to abide fully by local anti-corruption laws such as the Prevention of Bribery Ordinance under Hong Kong law for staff in our Hong Kong office and the UK Bribery Act 2010 for staff in the UK, etc.

We provide anti-corruption training for our directors and shore-based and seafaring staff through an online e-learning portal and in-house workshops. Every new joiner receives training in anti-corruption, whistleblowing and our Code of Conduct as part of their orientation. Anti-corruption refresher training is arranged for all staff every three years.

In 2025, 100% of our new joiners completed anti-corruption training. All our directors have received anti-corruption training in the past three years.

0 cases of corrupt practice

SEHK ESG During the reporting period, we were not, are not and have never been involved in any legal cases regarding corrupt practices.

SEHK ESG	KPI B7 (Anti-Corruption) General Disclosure
SEHK ESG	KPI B7.1 Number of legal cases regarding corrupt practices
SEHK ESG	KPI B7.3 Description of anti-corruption training provided

Pacific Basin has been certified by globally recognised anti-bribery organisation TRACE since 2017, signifying that our Company has been thoroughly vetted and certified by TRACE.

Pacific Basin is an active member of the Maritime Anti-Corruption Network (MACN) which strives through collective action to eliminate all forms of corruption in ports and elsewhere in the maritime industry. MACN does this by:

- raising awareness of the challenges faced
- implementing the MACN anti-corruption principles and co-developing and sharing best practices
- collaborating with governments, NGOs and civil society to identify and mitigate the root causes of corruption
- creating a culture of integrity within the maritime community

Through adopting the MACN anti-corruption principles and its toolkits, we are better able to avoid, respond to and report incidents of bribery, facilitation payments and other forms of corruption through appropriate monitoring, comprehensive risk assessment and training.



In support of the UN Sustainable Development Goal 16, we strive for effective, accountable and inclusive management and corporate governance, and responsible business practice where there is no place for corruption and bribery

↔ p.8 Our Culture of Doing the Right Thing

Our ships' officers occasionally encounter the need to make facilitations payments under duress – essentially extortion in which local officials threaten harm to our crews and/or improper fines and delays to our vessels. Our ships' captains will always refuse such extortion attempts, but payments are not always avoidable when our crews' safety is at real risk. All incidents of attempted or successful extortion are reported to our head office and recorded in MACN's Incident Reporting System.

In 2025, we registered 2 incidents of facilitation payments under duress on our owned vessels involving total payments of about US\$6,800 in cash or in kind. This was the lowest number of such incidents we have ever recorded.

In 2025, we recorded 4,772 port calls of which 14 (0.3%) were in countries ranked among the 20 lowest on Transparency International's Corruption Perceptions Index.

IFRS TR-MT-510a.1

IFRS TR-MT-510a.2



Anti-Collusive Behaviour

We operate in highly competitive and fragmented markets and do not collude with competitors or otherwise cooperate in a covert manner to gain unfair pricing advantage. The size and market share of our dry bulk fleet and the nature of our dry bulk freight activity are deemed not to breach competition regulations in any markets in which we are engaged.

Sanctions

Our vessels operate globally, and we only engage in trades that comply with international laws and do not contravene applicable trade sanctions or local and national regulations.

We require our customers not to ship illegal goods on our vessels. Our global chartering organisation applies a strict “know-your-customer” approach to enhance our understanding of counterparties and their cargoes. While our customers are reputable organisations, including many blue-chip companies, all are required to comply with our Counterparty Code of Conduct, including sanctions-related requirements.

For newer counterparties, and periodically for existing counterparties, we conduct enhanced due diligence, which may include background checks, verbal and written references, formal counterparty risk assessments, and screening against US, UK, EU and UN sanctions lists. We also assess voyage routes and monitor evolving global sanctions regimes to minimise the risk of regulatory breaches.

We have implemented automated sanctions screening to further strengthen our sanctions compliance programme, building on enhancements made in recent years. Our zero-tolerance approach to bribery and corruption is supported by thorough due diligence of all chartering counterparties, conducted by a dedicated team using third-party due diligence reports and a comprehensive sanctions screening platform provided by a reputable risk intelligence provider.

In addition, banks involved in customer transactions conduct independent sanctions checks and will not provide trade finance or process payments where a cargo or trade breaches sanctions. Further screening occurs at the invoicing and payment stage through automated banking controls.

Responsible Cargo Carriage

Our commitment to responsible cargo carriage and sustainable trade is reflected in our Trading Restrictions Policy, which sets out restricted trading activities, approval requirements and related procedures.

We know our customers and their business and adhere to trading practices that follow the letter of local, regional and international maritime law and do not contravene sanctions

Customers' ESG Due Diligence

Several of our cargo customers require us to complete EcoVadis and IntegrityNext ESG questionnaires as part of their supplier due diligence processes. Each year, we respond to these assessments to meet customer ESG requirements.

In 2025, Pacific Basin was again awarded a Silver Medal in our EcoVadis sustainability assessment, with our overall score improving year-on-year from 72 to 75 out of 100. This places us in the top 8% of all companies across all industries, reflecting improvements in our performance across Environment (+4%), Ethics (+1%), and Sustainable Procurement (+52%).

 **p.13** Our ESG Ratings

Grievance Handling Process

Our grievance handling process provides a clear framework for addressing concerns raised by employees and ensures that all matters are handled promptly, consistently and in strict confidence.

Employees are encouraged to raise any work-related concerns in the first instance with their supervisor. If a matter cannot be satisfactorily resolved, employees may escalate their concern to the Human Resources Department for further review and resolution. This process is designed to safeguard fairness, confidentiality and appropriate handling at every stage.

Where employees believe that the established grievance procedure is inadequate, or that a concern involves serious misconduct, they may use the Whistleblowing Mechanism described below.

We are caring, fair and supportive, and strive to create an environment where every colleague feels safe, valued and trusted.

Whistleblowing

We have whistleblowing procedures in place for seafarers, shore-based staff and external stakeholders to raise serious and genuine concerns in confidence. These procedures are published on our intranet for shore-based staff and on our website for shipboard crews and external stakeholders.

Whistleblowers may raise concerns without fear of victimisation, discrimination or disadvantage by contacting the Chairman of the Audit Committee, who is an Independent Non-executive Director of the Company.

Attention: John Williamson, Audit Committee Chairman
Email: whistleblowing@pacificbasin.com
Tel: +852 2233 7296

We are committed to providing a workplace free from dishonest, corrupt, illegal or discriminatory activities, and to ensuring that concerns are raised and addressed in a fair, confidential and responsible manner.

SEHK
ESG

KPI B7.2

Preventive measures & whistle-blowing procedures

Financial Sustainability

We are committed to maintaining the long-term financial wellbeing of the Group by managing risk effectively and leveraging our business model to deliver sustainable returns across the shipping cycle.

Financial resilience is fundamental to our ability to operate, invest and grow. It underpins all other aspects of our strategy and enables us to withstand market volatility, support sustainable development and create enduring value for our stakeholders.

To achieve this, we prioritise a strong cash position and balance sheet, aim to lead the industry in daily earnings, exercise disciplined cost control, and apply our business model and strategy to generate long-term shareholder value. Through prudent gearing and diversified access to capital – via operating cash flows, debt, convertible bonds and equity – we seek to remain a dependable and financially sustainable business over the long term.



Transparency and Disclosure

We believe that transparency, supported by active stakeholder engagement, strengthens our brand and ultimately enhances shareholder value. At Pacific Basin, we are committed to disclosing relevant risks, practices and performance data to help stakeholders better understand our challenges and how we are performing.

In relation to ESG, we recognise the importance of clear and consistent communication of our sustainability agenda and ambitions. We continue to refine our messaging and narrative to ensure stakeholders understand our commitment to, and approach towards, sustainability.

We aim to streamline data collection through greater automation and training, improving the efficiency and quality of our reporting. We also regularly review our alignment with relevant reporting frameworks to ensure we provide decision-useful and relevant information.

To communicate our sustainability strategy and ambitions more clearly, we developed a new sustainability framework in 2022, which is described in this report together with our decarbonisation roadmap and long-term ESG targets, milestones and progress indicators to support continuous improvement.



ESG-linked and Sustainable Finance

There has been a significant increase in green, social and sustainability-linked lending in recent years. Industry bodies such as the Loan Market Association and the Green Loan Principles have strengthened market standards, enhancing the credibility and momentum of sustainable finance instruments. This includes greater expectations for banks and borrowers to disclose the sustainability features of loans for public scrutiny. As investment in the energy transition continues to grow, there is also increasing focus on classification frameworks and taxonomies for sustainable finance activities.

ESG-linked investment through direct financing is assessed against a range of factors, including alignment of ethical standards between borrowers and lenders, risk-return considerations, the delivery of environmental and socio-economic outcomes, and the measurement and reporting of those outcomes. Banks and financial institutions play a critical role in scaling up sustainable finance, adopting a holistic approach to support corporates and investors in their transition.

In July, we announced the successful closing of our new US\$250 million sustainability-linked 7-year secured revolving credit facility. This second sustainability-linked financing extends our funding profile, reinforces our commitment to sustainable shipping, and strengthens our financial capacity as we pursue growth opportunities amid uncertainty and turbulence. The facility's competitive pricing and oversubscription reflect strong market confidence in Pacific Basin, our growth strategy, and our initiatives to drive resilience and long-term financial performance in an increasingly complex global business landscape. Our US\$250 million sustainability-linked loan won the Best Sustainability-Linked Loan (Shipping) award at The Asset Triple A Awards in March 2026.

Since 2023, we have secured a total of US\$400 million in sustainability-linked financing to drive our long-term sustainable growth.

Public Image

We consider ourselves to be a reliable freight service provider and a proactive and responsible corporate citizen within the shipping industry and, as such, we seek to enhance the public perception and overall profile and reputation of Pacific Basin to attract talent, build support and goodwill, drive positive change and enhance our position as a preferred partner for all stakeholders.

To achieve this, we:

- regularly assess feedback and perceptions of Pacific Basin to identify areas for improvement
- publish press releases, social media posts and corporate reports to highlight initiatives and successes that we have achieved (while being transparent about bad news too)
- maintain regular communication with stakeholders beyond routine reporting and media releases
- provide information on our longer-term plans and progress, enhancing transparency about our strategy

Political Contributions Policy

In 2025, the Company did not make any political contributions.

We introduced a Political Contributions policy in 2024 to meet the expectations of our stakeholders, ESG rating agencies and ESG reporting standards, and to align with best practice. The Policy clearly prohibits political contributions of any kind by the Company, or by employees on behalf of the Company.

It does not restrict employees from participating in political activities in their private capacity, including making personal political contributions.



Tax Transparency

Tax Approach and Governance

We are committed to high standards of corporate governance and tax compliance. We recognise that effective tax systems support sustainable development by funding public services, infrastructure and investment in communities.

Our tax strategy, which is updated annually and published on our website, aims to ensure that the Group operates in a tax-efficient manner while fully complying with the laws and regulations in all jurisdictions in which we operate. Tax considerations form part of all significant investments and business decisions.

The Group's tax affairs are managed centrally, with oversight by the Risk Management Committee, chaired by the CFO and reporting to the Audit Committee. Day-to-day tax management is carried out by designated personnel with appropriate expertise, who report to the CFO and provide input into commercial decisions to ensure tax implications are properly understood. Where appropriate, the Group utilises tax incentives and reliefs in line with legislative intent and seeks external advice where matters are complex or uncertain.

Engagement with Tax Authorities

We engage with tax authorities openly, transparently and in a spirit of co-operative compliance. We provide fair, accurate and timely disclosures, respond promptly to enquiries, and seek to resolve any disputes through constructive dialogue. Any inadvertent errors are disclosed and corrected as soon as practicable.

Global Tax Reform and BEPS

We continue to monitor global tax reform developments, including the OECD's Base Erosion and Profit Shifting (BEPS) framework. OECD BEPS Pillar Two applies to the Group from 2025, with a minimum effective tax rate of 15% for non-shipping income. International shipping income is excluded. Following assessment with external tax advisers, we do not expect Pillar Two to have a material impact on the Group.

Cyber Security

Cyber security has become increasingly important in the shipping industry as digital systems and communication channels face growing and more sophisticated threats. Our operations depend on a secure and resilient digital environment supported by robust systems, clear processes and an informed workforce.

Oversight of IT strategy, policies and cyber risk is provided by the IT Steering Committee, chaired by the CEO. The Committee approves IT budgets, reviews significant security matters and monitors cyber-risk assessments. We maintain an Information Security Policy and regularly promote cyber-security awareness across the organisation to strengthen employees' ability to recognise and respond to potential threats.

In line with the IMO's Maritime Cyber Risk Management requirements, we have enhanced our Safety Management System to address cyber risks affecting onboard operations. Vessel systems and hardware are reviewed periodically to maintain security and performance.

We have a formal Business Continuity Plan in place, supported by regular drills, to ensure readiness in the event of IT or communications disruptions. We also carry commercial crime insurance and work with reputable IT service providers, including ISO 27001-certified vendors, and regularly review cloud-service controls and assurance reports.

Our IT team continues to strengthen our security posture through proactive risk identification and mitigation across business-critical systems, including the adoption of Zero Trust principles, Multi-Factor Authentication and enhanced cloud security controls. As we expand our use of AI technologies, we apply structured security assessments and governance measures to ensure responsible adoption and prevent data exposure or misuse.

We continue to enhance monitoring and threat-detection capabilities to further strengthen our ability to identify and respond to security events.



The Group has not experienced any information security breaches or cyber-security incidents in the past three years, or previously.

Digitalisation

Digitalisation is now embedded as a core capability of the Group, underpinning how we operate, allocate capital, manage risk and make decisions across our global network and expanding owned fleet.

During the year, our focus shifted from system rollout to scaling value from a connected digital ecosystem. Our operational, commercial and corporate functions are supported by an integrated suite of cloud-based platforms that provide real-time access to data, secure collaboration across geographies, and stronger resilience against cyber and operational risks. These platforms support chartering, commercial operations, bunker execution, claims, technical management, marine operations, crewing, finance and HR, enabling greater consistency, speed and transparency.

Our scale and global presence provide access to extensive proprietary and market data, which we increasingly convert into insight through advanced analytics, automation and optimisation tools. These capabilities support both day-to-day operational decisions and longer-term strategic planning. As industry data becomes more accessible, our ability to combine external data with deep internal operational knowledge remains a key differentiator.

We continue to expand our use of internal and external data sources, including AIS signals from the global bulk carrier fleet. These inputs enhance market intelligence, voyage optimisation and execution, performance monitoring, and our ability to manage fuel consumption and carbon intensity, supporting cost efficiency and decarbonisation objectives.

Digitalisation increasingly enables predictive and automated decision support, reducing reliance on manual processes and individual experience alone. Our digital tools assist teams in optimising speed, routing, cargo planning and bunker decisions, improving consistency and outcomes across the fleet while allowing shore-based teams to focus on higher-value activities.

Our dedicated Digitalisation Team drives this programme in close partnership with teams across the organisation, combining selective use of external technology providers with in-house development to deliver practical, scalable and value-accretive solutions.

Looking ahead, our digital programme will further leverage data, automation and artificial intelligence to enhance decision quality, operational resilience and environmental performance, supporting sustainable value creation and competitive advantage.

Climate-Change Resilience

Climate-related Financial Disclosures

We try to understand and prepare ourselves for tomorrow's potential challenges, including the physical and transition risks of climate change on our operations. The Hong Kong Stock Exchange requires us to assess our most material climate-related risks, including their potential financial impacts in various scenarios, and to disclose these under enhanced requirements that align with IFRS S2.

In 2025, we engaged the American Bureau of Shipping (ABS) to conduct an updated, independent IFRS-S2-aligned study comprising: (i) a climate risk assessment, (ii) a market-based/regulatory measures impact assessment and (iii) a net zero transition plan comparing our most viable pathways to achieving net zero emissions by about 2050. [SEHK ESG Part D – 22\(a\)\(iv\), 27\(a\)\(vi\)](#)

The index on p.92 provides a guide on where (in this Sustainability Report and in our Annual Report) to find information relating to each of the key recommendations.

Key Findings

We have the platform, scale and other strengths that enable us to manage our climate risks well.

- **Physical risks** at sea are largely manageable with weather routing technologies, and our tramping model generally allows us to avoid chronically challenging climate-affected parts of the world if necessary; our rented-offices model mitigates physical risk exposure ashore
- Rising ocean and air temperatures will lead to more machinery wear, cargo damage, and impact to crew health and wellbeing, meaning we need to consider accelerating adoption of higher-capacity cooling systems in our vessels
- **Transition risks** are largely manageable as long as we prepare for and comply with regulatory mandates, applying the most technically feasible and economically optimal pathway (including early investment in energy-efficiency retrofits, secure priority access to green fuels, and monitor regulatory developments, fuel price trends and technological advancements, enabling agile strategy adjustments), and continue to take steps to protect our reputation as a sustainable company
- **Net Zero Transition Pathways** – ABS identifies a scenario of “a Combination of Advantages” including fleet renewal favouring dual-fuel ships, efficiency improvements, adoption of biofuel and green methanol, phase out of fossil fuels, and integration of carbon capture technology as the most technically feasible and economically optimal pathway to net zero by 2050
- ABS' decarbonisation pathways analysis suggests we are on the right track, except that carbon capture technology will be necessary to get us the last 20% to net zero

Climate Risk Assessment

Introduction [SEHK ESG Part D – 26\(b\)\(i\),\(ii\),\(iii\)](#)

Our climate risk assessment and scenario analysis (in conjunction with American Bureau of Shipping in 2025) consider the impacts of +1.5°C, +2.7°C and +4°C scenarios over timescales ranging from the short term (2030), medium term (2040) to the long term (2050). [SEHK ESG Part D – 20\(d\)](#)

Three SSP scenarios defined by the IPCC were applied to assess climate risk exposure. SSP1-1.9 represents an aggressive decarbonisation pathway aligned with Paris goals, emphasising high transition risk and low physical risk. SSP2-4.5 serves as a baseline with moderate action and balanced risks. SSP5-8.5 reflects a high-emission, worst-case trajectory, highlighting severe physical risks while transition risks remain low.

The scope of this climate risk assessment covers Pacific Basin's global operations and business activities, including our owned fleet and global offices. Both internal and external data sets were applied to quantify the potential financial impacts of material climate physical and transition risks. Internal data sources included cost information linked to climate-related impacts, verified fuel consumption data from the IMO DCS and EU MRV, as well as operational activity data. External data sources included meteorological and climatological data, fuel price forecasts and relevant research inputs. [SEHK ESG Part D – 27\(a\)\(i\)](#)

Impact Pathway Mapping and Portfolio Heatmapping

The climate risk assessment began with compiling the portfolio to understand our business model and asset profile. This is followed by a risk assessment referencing IPCC Sixth Assessment Report (AR6), where hazards are identified through a financial materiality assessment.

Impact pathway mapping was applied to establish clear links between climate-related hazards and impacts to our business. Aligned with IFRS S2 recommendations, this approach identified relevant climate physical and transition risks to our business before any financial quantification.

We prioritise the identified climate-related risks were than prioritised by assessing their differing levels of impact and exposure across Pacific Basin's business activities through a climate-risk heatmap. By incorporating qualitative and quantitative considerations of climate hazards and our operational exposure and vulnerability, the heatmap provides a concise overview of the magnitude of our material risks, helping us better understand the most material risks to focus on. [SEHK ESG Part D – 27\(a\)\(iii\)](#)

The risk level of each prioritised risk is calculated using the following equation, consistent with the IPCC risk framework: $Risk = Hazard \times Exposure \times Vulnerability$

Climate-related Physical Risks SEHK ESG Part D – 20(b)(c), 21(a)(b)

Seagoing Assets

Extreme Weather Events: Increased frequency and intensity of acute physical risks such as hurricanes, typhoons, and coastal flooding threaten vessel safety, port infrastructure and supply chains

- **Ocean Temperature & Acidification:** Rising ocean temperatures and acidification increase costs due to greater cooling needs, biofouling and machinery wear
- **Extreme Heat:** High air temperatures impact crew health and cargo quality, and increase cooling costs

Onshore Assets

- **Extreme Weather & Flooding:** Office and port infrastructure face higher risks of damage, leading to increased repair, insurance and relocation costs
- **Water Scarcity & Heat Stress:** While less material for Pacific Basin due to operational flexibility, rising utility costs and employee productivity impacts are anticipated

Sea going		On shore
Increased frequency of extreme weather events such as hurricanes, typhoons and droughts	Increased ocean temperatures and acidification	Increased frequency of extreme weather events such as floods, heatwaves, landslides and wildfires
Coastal flooding	Extreme heat	Sea level rise and coastal flooding
Changes in ocean currents and wave patterns	Sea level rise due to ice melting	Water scarcity and heat stress



Adaptation and Mitigation Efforts SEHK ESG Part D – 22(a)(i),(ii)

Shipping has over many decades developed resilience and mitigation measures (e.g. weather routing technology, enhanced ship design and maintenance) that prepare us well for extreme weather events. See our Net Zero Transition Plan for details of our adaptation and mitigation efforts.

Climate-related opportunities from physical risks

We focus on diverse minor bulks and grain trades, supported by an agile tramping business model that enables us to rapidly adjust our vessels' deployment and trading patterns in response to climate-related physical risks. This operational flexibility allows us not only to mitigate disruption from extreme weather events and port or infrastructure constraints, but also to identify and pursue alternative cargoes, routes and markets as conditions evolve.

Our versatile, craned vessels with "handy" dimensions can access ports and terminals constrained by shallow drafts or limited cargo-handling infrastructure, including in regions where physical climate impacts may restrict the operability of larger or less-equipped ships. This adaptability enhances our resilience and positions Pacific Basin to capture climate-related opportunities arising from shifting trade flows and changing port accessibility.

Risk Type	Opportunity Drivers	Potential Financial Impacts
Chronic Physical Risk (longer-term events)	Rising sea levels and increased drought events due to changes in precipitation patterns	Less efficient alternative routing drives reduced supply supporting stronger market freight rates



Climate-related Transition Risks SEHK ESG Part D – 20(b)(c), 21(a)(b)

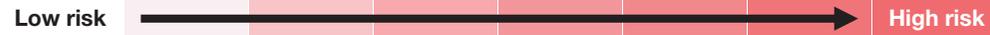
Regulatory Mandates

- **Energy Efficiency & Emission Regulations:** Compliance with IMO EEXI, CII, EU ETS and FuelEU and a global IMO GFS/GFI will require significant capital investments in retrofits, new technologies and alternative fuels
- **Carbon Pricing:** Expanding carbon pricing and emissions trading schemes introduce material cost volatility and require robust emissions monitoring and reporting systems

Market & Supply Chain

- **Shifting Customer Preferences:** Demand for sustainable shipping is rising, with potential for higher TCE earnings and market share for early movers; conversely, failure to decarbonise risks reputational damage and exclusion from ESG-focused investment
- **Supply Chain Disruptions:** Climate-induced delays and cargo damage can erode client trust and revenue, with negative media attention amplifying reputational risks

Regulatory mandates	Supply chain changes	Carbon pricing
Mandatory energy efficiency standards for vessels	Increased demand for sustainable shipping and green supply chains	Implementation of carbon taxes/emissions trading schemes
Stricter emission regulations (IMO, EU ETS, FuelEU)	Supply chain disruptions due to climate related events	Carbon Border Adjustments Mechanism (CBAM)
Push to energy transition	Shifting consumer preferences towards sustainable products and services	



Adaptation and Mitigation Efforts SEHK ESG Part D – 22(a)(i),(ii)

We have the scale and sophisticated, experienced team that enable us to navigate challenging regulatory, technological, commodity demand and other transition-related changes. See our Net Zero Transition Plan for details of our adaptation and mitigation efforts.

Climate-related opportunities from transition risks

Our expert staff, scale, strong balance sheet, established access to capital and other strengths enable us to respond proactively to increasingly stringent decarbonisation regulations. These strengths allow us to make the substantial and sustained investments required to enhance vessel efficiency, adopt low-carbon fuels and low-emission vessels, and comply with evolving regulatory requirements. They also position us well to capture monetisation and other opportunities arising from growing customer demand for lower carbon shipping and other solutions that help them with compliance and achieving their climate goals. Such opportunities will further strengthen our competitive position as the industry transitions towards a net-zero future.

Risk Type	Opportunity Drivers	Potential Financial Impacts
Policy and Regulation	Decarbonisation rules, including tightening energy efficiency and carbon intensity requirements	Costs may reduce due to improved energy efficiency
	Introduction of carbon pricing or “market-based measures” such as implementation of an emissions trading system or a carbon levy on fuel	Early movers may develop a new revenue source by selling ETS allowances from operating zero emission ships
Market	Increasing customer demand for carbon-efficient or carbon-neutral shipping	Increased support and revenue from a growing number of sustainability-minded customers
Reputation	Increasing exposure and litigation risk	Positive reputation results in stronger customer support and higher profits
Technology & Innovation	Increased adoption of new fuels and propulsion systems	Increased support and/or revenue from a growing number of sustainability-minded customers

Climate Scenario Analysis and Financial Impacts

Building on the heatmapping results, we conducted a climate scenario analysis to assess how these material climate risks may evolve under different emissions pathways.

To reasonably estimate the potential financial implications, the climate scenario analysis draws on reputable and internationally recognised datasets, including those from the IPCC, IEA, OECD and the World Bank, supplemented with relevant industry publications. [SEHK ESG Part D – 27\(a\)\(ii\)](#)

The financial implications of the assessed risks on our portfolio have been evaluated to assess the climate resilience of our business model and strategy. These insights also inform the ongoing development of our net-zero transition plan, including potential mitigation actions and indicative cost estimates. [SEHK ESG Part D – 26\(a\)\(i\)](#)

There are several areas of uncertainty within our Climate Risk Assessment and Scenario Analysis, primarily due to limitations in data availability. Financial quantification is subject to constraints, as many climate-related impacts—particularly indirect or long-term effects—are interdependent and supported by limited or variable data. Further uncertainty arises from the timing and geographical distribution of potential physical risks. Transition-related uncertainty also remains significant given the evolving regulatory landscape, including the IMO's Net-Zero Framework, which is currently defined only up to 2035 and continues to be under discussion. [SEHK ESG Part D – 26\(a\)\(ii\)](#)

Financial Implications of Climate-related Risks

Our scenario analysis indicates that climate-related risks could have material financial implications across short, medium and long-term horizons if no active mitigation measures are taken and the fleet continues operating with current technologies and practices. Under the short-term (2030) assessment, total potential annual climate-related costs range from approximately US\$400 million to US\$406 million, primarily driven by transition risks such as compliance with emissions regulations and fuel consumption. By 2040, projected potential annual costs increase significantly to around US\$850 million, reflecting heightened regulatory obligations and physical risk impacts. In the long term (2050), total potential annual costs could reach US\$1.3 billion, with transition risks remaining dominant but physical risks becoming increasingly significant under the high-emission scenario.

[SEHK ESG Part D – 20\(a\)\(b\)](#)

Summary of Financial Impact Assessment (2030-2050) [SEHK ESG Part D – 24\(a\)\(b\), 25\(a\)\(b\)](#)

A note on the interpretation of scenario-based financial impacts – In accordance with IFRS S2 requirements, the modelled cost impacts presented below assume that the Group will continue to operate its fleet using existing technologies and practices, without any additional mitigation measures in the years ahead. This includes no adoption of enhanced cooling systems, biofuels or other sustainable fuels, low-emission vessels, carbon capture technologies, or other abatement actions. Under this assumption, the Group is effectively assumed to incur the full cost of compliance and emissions-related charges (i.e. a “pay-to-pollute” outcome). The escalation of costs over time and across scenarios is derived from scientifically defined climate pathways and impact factors published by the IPCC (or other recognised bodies), as required to ensure cross-sector comparability under the standard.

Accordingly, these figures should be interpreted as a stress test designed to illustrate potential financial exposure under adverse climate scenarios in the absence of mitigation. They are intended to demonstrate directional risk, relative sensitivity and areas of potential vulnerability, rather than to provide precise forecasts of future costs or actual expected outcomes.

We have the scale, operational capability and flexibility to manage climate-related risks effectively, and the structure of the dry bulk shipping market will support an efficient pass-through of reasonable decarbonisation-related costs to cargo customers as global regulations evolve.

Physical Risks	Potential Impact	SSP1-1.9 Estimated financial effect (USD)			SSP2-4.5 Estimated financial effect (USD)			SSP5-8.5 Estimated financial effect (USD)		
		2030	2040	2050	2030	2040	2050	2030	2040	2050
Extreme weather events	Annual cost for vessel repair and maintenance	\$1-\$2m (+33%)	\$1-\$2m (+33%)	\$1-\$2m (+33%)	\$1-\$2m (+33%)	\$2-\$3m (+83%)	\$2-\$3m (+117%)	\$2-\$3m (+33%)	\$2-\$3m (+100%)	\$3-\$4m (+167%)
Increased ocean temperatures and acidification	Annual cost for dry docking for total fleet & increase in fuel consumption due to drag per vessel for total fleet	\$50-\$60m (+0%)	\$70-\$80m (+33%)	\$80-\$90m (+50%)	\$70-\$80m (+30%)	\$80-\$90m (+56%)	\$100-\$110m (+90%)	\$70-\$80m (+40%)	\$90-\$100m (+80%)	\$120-\$130m (+140%)
Onshore extreme weather events and coastal flooding	Annual office rental	\$3-\$4m (+10%)	\$3-\$4m (+8%)	\$3-\$4m (+18%)	\$3-\$4m (+12%)	\$3-\$4m (+15%)	\$4-\$5m (+22%)	\$3-\$4m (+12%)	\$4-\$5m (+22%)	\$4-\$5m (+33%)
Water scarcity and heat stress	Annual cost for water bills and energy consumption	\$0.5-\$0.7m (+3%)	\$0.5-\$0.7m (+5%)	\$0.5-\$0.7m (+6%)	\$0.6-\$0.8m (+10%)	\$0.6-\$0.8m (+15%)	\$0.6-\$0.8m (+20%)	\$0.6-\$0.8m (+17%)	\$0.7-\$0.9m (+25%)	\$0.7-\$0.9m (+34%)
Transition Risk	Potential Impact	2030	2040	2050	2030	2040	2050	2030	2040	2050
Mandatory energy efficiency standards for vessels	Capital investment in energy efficient technology and cost from fuel consumption per year	\$220-\$230m (-2%)	\$220-\$230m (-3%)	\$220-\$230m (-4%)	\$220-\$230m (-2%)	\$220-\$230m (-2%)	\$220-\$230m (-3%)	\$220-\$230m (-1%)	\$220-\$230m (-1%)	\$220-\$230m (-1%)
Stricter emissions regulations	Annual cost for EU ETS, FuelEU Maritime and IMO GFI (starting from 2028) compliance	\$110-\$120m (+79%)	\$550-\$560m (+754%)	\$980-\$990m (+1,409%)	\$100-\$110m (+65%)	\$520-\$530m (+699%)	\$910-\$920m (+1,302%)	\$90-\$100m (+50%)	\$480-\$490m (+643%)	\$840-\$850m (+1,194%)
Total modelled financial effects of physical and transition risks		\$385-\$417m	\$845-\$877m	\$1,285-\$1,317m	\$395-\$427m	\$826-\$858m	\$1,237-\$1,269m	\$385-\$417m	\$797-\$829m	\$1,188-\$1,220m
(modelled cost escalation relative to our relevant current costs)		(+13%)	(+143%)	(+266%)	(+16%)	(+137%)	(+253%)	(+15%)	(+131%)	(+242%)

Market-based Regulatory Measures Impact Assessment

SEHK ESG Part D – 26(B)

Climate transition risks, particularly policy and legal risks, are considered the most material climate-related risks in our industry. We conducted a Market-Based Measures (MBMs) Impact Assessment to evaluate the financial and operational implications of evolving regulations that are just beginning to drive the transition towards green fuels and ships. It assesses the cost burden of complying with international and regional energy efficiency and emission standards, such as IMO EEXI, CII, EU ETS and FuelEU, and assumes that a Greenhouse Gas Fuel Intensity (GFI) metric will form part of IMO's global GHG-reduction strategy. The assessment projects a steep rise in annual compliance costs, driven by retrofits, new technologies and alternative fuels, and highlights the volatility created by carbon pricing mechanisms, underscoring the need for robust emissions monitoring and reporting systems.

We estimate worst-case compliance costs under the EU ETS and FuelEU Maritime regulations by assuming full payment of GHG penalties for 2025-2050. Based on our 2024 operational data, the assessment assumes that no mitigation measures are implemented, fleet size remains constant, vessels retire after 25 years of service and are replaced on a like-for-like basis through to 2050. On this basis, annual EU ETS and FuelEU Maritime compliance costs are projected to increase significantly from US\$12.5M in 2025 to over US\$384M by 2050. Cumulative compliance costs over the assessment period are estimated to exceed US\$3B.

Under the IMO Net-Zero Framework, ships will be required to progressively reduce their annual GFI. Ships exceeding prescribed limits will be required to acquire remedial units to offset their excess emissions. We estimate worst-case GFI compliance costs by assuming full payment of the associated GHG penalties for 2025-2035. The assessment is based on our 2024 operational data and assumes that no mitigation measures are implemented and that fleet size remains constant. GFI compliance cost projections for 2040 and 2050 are indicative, as the IMO Net-Zero Framework is currently defined only up to 2035 and remains under discussion. While formal adoption of the framework is still pending, projections for 2040 and 2050 are derived from assumptions aligned with the IMO's 2023 revised greenhouse gas reduction strategy. Under these assumptions, annual compliance costs associated with IMO GFI requirements are projected to increase materially from US\$55M in 2025 to over US\$570M by 2050.

As a result, continuing to operate under a business-as-usual scenario through to 2050 – assuming no mitigation efforts – would expose us to an increasingly significant financial burden and materially undermine the long-term viability of our operations, amid the tightening decarbonisation regulations in our industry. Further details on how we are addressing these risks are set out in the Net Zero Transition Plan section of this report, which includes our decarbonisation roadmap, strategies and measures.

Integrating Climate-related Risks into our Risk Management Framework

Climate-related risks are incorporated into our Company's overall risk management framework. Risk management and internal control systems are embedded in our business functions and we believe they enhance long-term shareholder value. The risks of the Company are subject to and are directly linked to the Company's strategy. Our risk management and internal control framework is consistent with the COSO (the Committee of Sponsoring Organisations of the Treadway Commission) Enterprise Risk Management (ERM) - Integrated Framework. [SEHK ESG Part D – 27\(c\)](#)

Our risk governance structure follows the "Three Lines of Defence" model, with oversight provided by the Board and the Audit Committee. As part of our annual integrated risk assessment, senior management completes a structured questionnaire and participates in an executive risk workshop to identify emerging risks, evaluate potential business impacts, and review the effectiveness of internal controls. Any changes in the risk profile and related mitigating measures, new risks or other risk management proposals are evaluated and documented in the Group's risk registry. [SEHK ESG Part D – 27\(a\)\(v\)](#)

The findings from our climate risk assessment are incorporated into the above process, reported to senior management, and documented in our risk registry. This approach ensures that climate-related risks are systematically embedded within our broader risk oversight framework to inform strategic planning and long-term organisational resilience. Further details of our risk management approach are set out in the "Risk Management" section of the 2025 Annual Report. [SEHK ESG Part D – 27\(a\)\(iv\)](#)

Our climate-related opportunities are identified and assessed through climate-related scenario analysis across a range of emissions pathways over the short, medium and long term. [SEHK ESG Part D – 27\(b\)](#)

Net Zero Transition Plan: Transition Pathways to Net Zero by 2050

SEHK ESG Part D – 22(a)(iii)(iv), 26(a)(iii)

Based on the physical and transition risks we identified and assessed through our Climate Risk Assessment and Market-based Measures Impact Assessment, we develop and identify the most cost-effective and technically feasible pathways over the short, medium and long term for Pacific Basin to achieve net zero emissions by about 2050.

We adopt a structured approach combining qualitative insights and quantitative analysis to develop our net zero pathways. The process began with interviews across sustainability and technical departments to understand fleet composition, operational practices and strategic priorities. We also reviewed our existing decarbonisation strategies based on our latest validated IMO DCS data. These inputs informed the design of scenario models aligned with our business model, long-term strategy, and regulatory requirements.

With the developed scenarios, we evaluated multiple scenario combinations, including fuel strategies and emission reduction measures. The goal is then to develop a roadmap that strikes the optimal balance between environmental performance and economic viability, ensuring that we remain competitive in a market increasingly driven by stringent regulations and sustainability requirements.

Each scenario is assessed across two key dimensions:

- **Environmental performance:** the ability to achieve net zero emissions by 2050, assessed through projected CO₂e reduction trajectories
- **Economic feasibility:** analysis of fuel expenditure and compliance-related costs to assess the overall cost-effectiveness

Our scenario modelling applies industry-standard emission factors, lower calorific values (LCV), fuel lifecycle data, and cost benchmarks for fuels and GFI compliance. Predictive analysis was also applied to address uncertainties related to fuel price volatility, technology maturity and evolving regulatory requirements.

After evaluating multiple decarbonisation pathways and options, we identified one scenario to be the most technically feasible and economically optimal route to achieving net zero by 2050. This scenario combines the advantages of six key decarbonisation drivers: vessel replacement, fleet performance improvement (energy efficiency), use of biofuel (B30 & B100), use of methanol and the adoption of carbon capture, utilisation and storage (CCUS).

Compared with the other seven scenarios, this chosen scenario involves the aggressive adoption of Biofuel 100 (up to 36%) and green methanol (up to 56%) by 2050, the phased-out use of fossil fuels, and the integration of CCUS technology. The adoption of CCUS is to eliminate the 20% residual greenhouse gas emission, assuming that carbon capture technology will mature and become widely adopted in the medium to long term.

The total cost of implementing the selected scenario for 2025 to 2050 is estimated at US\$7.3 billion, based on the assumption of declining biofuel prices over the long term. By contrast, the baseline scenario, assuming no mitigation measures are implemented and that the Company fully pays the CO₂-related penalties, results in a significantly higher total cost of US\$13.3 billion, driven primarily by elevated GFI compliance cost. The selected scenario therefore delivers a materially lower overall cost due to substantial reduction in GFI compliance cost, despite the increase in CAPEX and OPEX in building and operating the low-emission vessels. [SEHK ESG Part D – 22\(b\), 25\(a\)\(i,ii\),\(b\)](#)

To better reflect uncertainty around future fuel prices, we conducted a sensitivity analysis to assess the impact of higher long-term biofuel prices. The results indicate that, even under scenarios of escalating biofuel costs, the selected pathway remains the most cost-effective and technically feasible option when compared with the baseline scenario and alternative scenarios involving the use of ammonia fuel. While higher biofuel prices increase overall fuel expenditure, the selected scenario continues to benefit from substantially lower GFI-related costs relative to the baseline scenario, and from lower infrastructure requirements and operational complexity compared with ammonia-based pathways.

We recognise that shipping decarbonisation will require a multi-fuel transition, and that ammonia should continue to be treated as a key strategic alternative. We will therefore monitor the ongoing development of ammonia as a marine fuel, including its technological maturity, safety and the global supply network.

 [p.18 Our decarbonisation strategy](#)

Other S2 disclose requirements

Metrics and Targets

We monitor and disclose key metrics to measure our Scope 1-3 greenhouse gas emissions (GHG), including fuel consumption for the owned and chartered fleet in absolute and intensity terms. For details on the metrics, please refer to p.28 (Green Efforts Ashore, Scope 3 supply chain, Performance Data Summary) of our Sustainability Report 2025. [SEHK ESG Part D – 28\(a\)\(b\)\(c\), 29\(c\)\(d\)](#)

We report our GHG emissions in accordance with the GHG Protocol: Corporate Accounting and Reporting Standard, applying the operational control approach. This approach is appropriate for our business model comprising owned and operated assets as well as operating chartered-in vessels, and is consistent with our financial reporting boundaries. It also enables a structured and consistent assessment of emissions performance by clearly assigning managerial accountability for operational decisions (29(b)(ii)). We adopt an estimation-based calculation approach to quantify our greenhouse gas emissions, whereby emissions are calculated by multiplying activity data by an emission factor. No significant changes were made to our measurement approach, inputs or assumptions during the reporting period.

[SEHK ESG Part D – 29\(a\)\(iii\)](#)

Climate-related Metrics [SEHK ESG Part D – 30, 31, 32, 33](#)

Pacific Basin uses metrics and targets to assess and manage the climate-related risks and opportunities that are material to the Company. The table below provides key metrics related to the impacts of GHG emissions, energy efficiency, fleet renewal, operational measures and newbuilding development on financial performance, including capital and financing, expenditures and assets.

Financial Category	Climate-related Category	Metric	Unit of Measure	2021	2022	2023	2024	2025
Assets	Risk Adaptation and Mitigation	Fleet renewal through vessel purchase	US\$ million	188	38	190	43	59
Assets	Risk Adaptation and Mitigation	Committed capital investment in newbuilding programme of fuel-efficient vessels	US\$ million	-	-	-	147	285
Capital and Financing	Risk Adaptation and Mitigation	Amount of capital raised from sustainability-linked finance	US\$ million	-	-	150	-	250
Expenditures	Energy/Fuel	Total bunker consumed	US\$ million	462	644	591	624	459
Expenditures	Operation	Vessel operating expenses	US\$ million	56	62	64	59	56
Expenditures	Risk Adaptation and Mitigation	Dry dockings and other additions	US\$ million	37	47	62	46	57
Expenditures	Energy/Fuel	Scope 1 emissions from ship operations	Thousand metric tonnes CO ₂ -e	3,406	2,592	2,870	3,156	2,433
Expenditures	Energy/Fuel	Carbon intensity (EEOI) of owned fleet	Grams CO ₂ per tonne-mile	10.10	9.66	8.49	8.11	8.11

Although this quantitative information is not presented as separate line items in our Financial Statements, it is reflected in the Notes to the Financial Statements in our Annual Report 2025, including disclosures on bunkers consumed, vessel operating expenses, capital expenditure on dry dockings and newbuildings capital commitments. Please refer to our Annual Report 2025 for further details. [SEHK ESG Part D – 24\(a\),\(b\)](#)

Energy Use

[IFRS TR-MT-110a.3](#)

[AR Annual Report p.54 Risk Management](#)

[AR Annual Report p.93 Notes to the Financial Statements](#)

Our total energy consumption from non-renewable sources for the owned fleet decreased by 7% to 17,220,712 GJ in 2025. This reduction was primarily due to decrease in nautical miles travelled, resulting in lower fuel consumption. Heavy fuel oil accounted for 89% of our total owned fleet energy consumption, while renewable energy represented 0.1%. For details of our fuel types used, please refer to p.83 Performance Data Summary.

Internal Carbon Prices [SEHK ESG Part D – 34](#)

We apply carbon prices in our return-on-investment calculations for newbuilding investment and other capital expenditure decision-making processes. Such carbon prices are based on existing and planned or emerging shipping decarbonisation regulations and range from US\$100 to US\$380 per metric tonne of CO₂-e.

Climate-related Targets [SEHK ESG Part D – 37\(a-c\),38\(a-d\), 40\(b\)](#)

Our long-term goal of complete decarbonisation requires a multifaceted and holistic approach. To regularly monitor the progress of the transition towards a lower-carbon economy, we have set the following GHG emission targets. Please also refer to p.18 (Decarbonisation Strategy) for other decarbonisation targets.

Target Information

Target set	We target 100% reduction in our total Scope 1 & 2 emissions (from fuel and electricity consumption) and 90% reduction in our Scope 3 emissions (from our supply chain) by about 2050.
Target type	Absolute
Objective of target	To align with IMO's GHG Strategy and comply with existing and emerging decarbonisation rules (EU ETS, FuelEU Maritime, IMO EEXI, IMO CII and IMO GFI) to reach net zero. Our target aligns with the Paris Agreement's goal to limit warming to 1.5°C above pre-industrial levels.
Monitoring progress	Our Sustainability Committee reviews the target and our performance on GHG emissions reduction on a regular basis and assesses whether any revision is required. Our GHG emissions data disclosed in the Sustainability Report has been independently validated by American Bureau of Shipping (ABS).
Scope of target	Covers our ship and office operations worldwide, representing 100% of our total revenue. Our GHG emissions include CO ₂ , CH ₄ and N ₂ O and are converted into CO ₂ -equivalent emissions. Our emissions target reflects the IMO's GHG Strategy as the sectoral decarbonisation pathway for the shipping industry aligned with a 1.5°C trajectory. SEHK ESG Part D – 37(d-f), 40(a)(c)(d)

Note about financial effects of climate-related opportunities

We do not provide quantitative information about the current or anticipated financial effects of our climate-related opportunities arising from physical and transition risks as the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful. Notwithstanding this uncertainty, drawing on our assessment of both physical and transition risks, we have identified and developed the most cost-effective and technically feasible decarbonisation pathways over the short, medium and long term to support our ambition to achieve net zero emissions by about 2050. Further details of these pathways are set out in the Transition Pathway section on p.63.

Targets Set

	Scope 1 & 2 GHG emissions (^{'000} mt CO ₂ -e)	Reduction from base year 2021 (%)
Gross emissions - Base period (2021)	3,406	-
Gross emission target - Target period (2050)	0	100%
	Scope 1 & 2 GHG emissions (^{'000} mt CO ₂ -e)	Reduction from base year 2021 (%)
Progress to date SEHK ESG Part D – 39		
2021	3,406	-
2022	2,592	-24%
2023	2,870	-16%
2024	3,156	-7%
Current period (2025)	2,433	-28%

During the reporting period, a year-on-year reduction in our activities as well as our continued focus on energy efficiency, carbon-efficient operational measures and disciplined fleet renewal contributed to a reduction in our total GHG emissions.

Since 2020, we offset the annual carbon emissions from our office activities, commuting and business and crew travel, with carbon credits supplied by Hong Kong power company CLP whose independently verified carbon credits are derived from CLP's wind energy projects in Asia.

[SEHK ESG Part D – 40\(e\)\(i-vi\)](#)

Information about our purchased carbon credits in 2025:

Type of carbon credit:	Verified Carbon Standard (VCS)
Third-party credit verification:	Yes – by Verra
Intended use of carbon credits :	5,902 mt of CO ₂ e

Responsible Supply Chain

As a global shipping business that relies on many suppliers, we are committed to managing our supply chain in a socially and environmentally responsible manner, sourcing from approved suppliers who meet our sustainability requirements

Strategies and Procedures

We have established policies for responsible supply chain management to identify environmental and social risks along our supply chain, and to ensure suppliers align with our procurement standards and sustainability performance requirements.

- Our Pacific Basin Management System manual requires that, in all but some exceptional circumstances, stores and spares for our fleet are purchased from approved suppliers who are vetted before approval and reviewed at regular intervals thereafter
- Our Counterparty Code of Conduct sets out minimum standards and practices for our suppliers and other counterparties relating to legal and regulatory compliance, human rights, labour standards, working conditions, health & safety, business ethics, sanctions & trading restrictions and environmental protection
- Our Counterparty Form requires our suppliers and other counterparties to declare that they agree to abide by the principles contained in our Counterparty Code of Conduct and strictly adhere to:
 - all applicable laws, including global anti-corruption laws
 - relevant labour practice requirements
 - all environmental protection laws and regulations relevant to their operations and industry

All new suppliers are required to complete this form prior to the procurement process.

Enhanced Counterparty Onboarding

In 2025, we launched the MYPB Counterparty Portal, a digital platform designed to automate onboarding, reduce manual input and integrate seamlessly with our internal systems, enabling more efficient and streamlined operations.

Automated checks improve accuracy and completeness, reducing errors and unnecessary back-and-forth, while counterparties benefit from real-time status tracking and automated notifications on progress and required actions. All documentation is securely uploaded to a centralised platform, strengthening data management, security and accessibility.

This digital transformation accelerates submissions and approvals, enabling faster onboarding and supporting new business opportunities. Automated screening also enhances compliance, while connected counterparty data provides deeper insights and enables faster, better-informed decision-making across the organisation. We plan to enhance the portal in due course through the introduction of an ESG module, strengthening our approach to counterparty ESG due diligence.

Responsible Procurement & Monitoring

Our selection and continued support of suppliers is heavily influenced by the outcome of our supplier vetting process, the quality of our suppliers' products and their performance affecting occupational health, safety, quality and the environment.

Examples of vetting criteria we require of our suppliers and subcontractors include, as appropriate:

- Certification to a recognised international standard
- Approval by regulatory authorities
- Authorised agents or original equipment manufacturers, and/or
- Membership of a reputable organisation such as International Ship Suppliers Association (ISSA) or the International Marine Purchasing Association (IMPA)

 **p.55** Sanctions Compliance

Re-evaluation & Redressal Procedures

To promote consistency and continuous improvement in our procurement practices, we apply case-based redressal alongside ongoing oversight. This includes monthly vendor re-evaluations, during which the Purchasing Manager reviews at least five cases to assess product knowledge and identify issues, recommending suspension from the approved vendor list where necessary. We also conduct monthly audits of at least ten purchase cases to ensure full compliance with established procurement procedures.

Where suppliers fall below required standards, we initiate an investigation, analysing relevant supply or service data from our fleet and gathering feedback from internal users. If a complaint is substantiated, we issue a formal warning and meet with the supplier to agree improvement actions. Performance is monitored over a 2–4 month review period, and if satisfactory improvement is not achieved, the supplier's service or contract is terminated.

Our Vendors

In 2025, our approved vendor list comprised 1,308 suppliers, of which we vetted approximately 111 during the year, including all new suppliers and existing suppliers re-evaluated on a rotational basis.

The total number of suppliers declined slightly in 2025 following the deactivation of vendors with no business or transactions over the past two years. Overall, our supplier pool remained largely stable, continuing to support our global operations.

Key Suppliers by Region in 2025	Bunker Suppliers	Other Suppliers	Total*
Africa	4	50	54
Asia	10	694	704
Central America	4	20	24
Europe	5	208	213
Middle East	3	32	35
North America	5	120	125
Oceania	2	52	54
South America	7	129	136
The Caribbean	3	3	6
	43	1,308	1,351

* excluding 486 providers of ships we charter

SEHK ESG Aspect B5 (Supply Chain Management) General Disclosure

SEHK ESG KPI B5.1 Number of suppliers by geographical region

SEHK ESG KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain

Bunker Suppliers

Similarly, we purchase bunker fuel only from reputable and reliable suppliers, most of whom we have long-term relationships with. We vet our bunker suppliers at least annually, checking their financial standing based on website searches and insights from our network and other bunker and shipping industry sources.

We source no more than 20% of our annual fuel needs from any single supplier. In 2025, we sourced 94% of our fuel from 15 major bunker suppliers, with the balance sourced from about 20 smaller suppliers for spot bunkering (mostly LSMGO) in remote ports.

Tonnage Providers

Our large fleet includes chartered ships over which we do not have control over management of technical, environmental, crewing and other compliance matters, and so these ships represent greater reputational and ESG risk for us. We therefore charter from reputable tonnage providers who we know well and who understand our expectations as responsible ship charterers/operators. We especially prioritise first-class modern vessels when chartering in ships for longer periods.

Our charter contracts contain Fair Crew Employment Practice clauses and other clauses and warranties that bind tonnage providers to ensure that they and their ship, certificates and practices comply with all relevant labour, health & safety and environmental laws and regulations.

We regularly evaluate the performance of our tonnage providers, bunker suppliers and other counterparties, and we integrate ESG considerations in the evaluation process through our Counterparty Form and Counterparty Code of Conduct.

SEHK ESG KPI B5.2 Description of practices related to engaging suppliers

SEHK ESG KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers

Understanding our Major Scope 3 Value-chain Emissions

Beyond their own direct and indirect greenhouse gas emissions, companies are expected to understand and develop an inventory of the most material indirect emissions across their value chains. These are referred to as Scope 3 emissions under the Greenhouse Gas Protocol (GHG Protocol).

The GHG Protocol defines 15 categories of Scope 3 emissions, providing a framework for measuring, managing and reducing emissions across corporate value chains. We have undertaken Scope 3 mapping to identify our material sources of Scope 3 emissions across our value chain, as summarised below. We apply a hybrid approach to measuring Scope 3 emissions, combining supplier-specific data with proxy data derived from activity data and relevant emission factors.

Category	MT CO ₂ e in 2025
1 – Purchased goods and services (currently only purchased paints, lube oil & grease, and chemical)	14,448
2 – Capital goods (construction of newbuilding & other purchased vessels)	0
3 – Fuel-and energy-related activities (well-to-tank emissions of purchased fuel)	547,800
5 – Waste generated in operations (paper use, fresh water & sewage)	3
6 – Business travel	5,407
7 – Employee commuting	133
8 – Upstream leased assets (third-party ships chartered in and out)	365,000
13 – Downstream leased assets (owned ships on outward period and trip time-charter)	455,000

For Category 1, we currently track our Scope 3 emissions from purchased paints and lubricating oil only. In 2026, we will review the sources of our Category 1 emissions and may expand our inventory, subject to materiality.

Category 2 emissions are reported as zero, as we did not take delivery of any newbuilding vessels during the year, and construction-related emissions data is unavailable for the second-hand vessels acquired during the period.

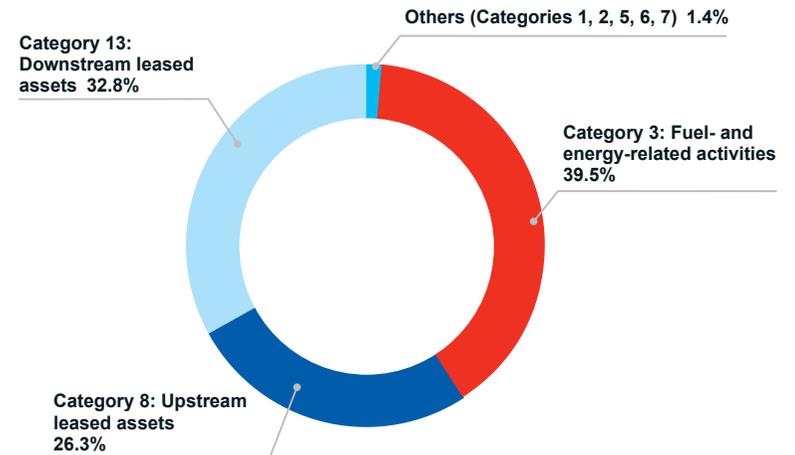
Our Category 3 well-to-tank (WTT) emissions from purchased fuel are estimated based on actual fuel consumption, applying a WTT conversion factor from the 2025 UK Government GHG Conversion Factors for Company Reporting. These WTT emissions represent approximately 23% of our fuel's total value-chain emissions after onboard consumption and align closely with specific WTT data provided by certain fuel suppliers for fuel sold to Pacific Basin.

All other reported Scope 3 value-chain emissions are based on data obtained directly from suppliers and service providers, adjusted on a pro-rata basis where necessary.

GHG Protocol Scope 3 categories 4, 9, 10, 11, 12, 14 and 15 are excluded from our summary as they are not applicable to our business activities, are expected to be immaterial, offer limited opportunity for influence over emissions reductions, or because complete, accurate and consistent data is not yet available. Our value-chain emissions inventory is subject to regular review and updates.

For our full GHG Scope 1, 2 and 3 emissions inventory, please refer to the Performance Data Summary section.

Scope 3 GHG emissions breakdown (2025)



RESPONSIBLE VALUE CREATION



Drawing on our Social and Relationship Capital

We recognise our obligations as a responsible member of the communities in which we operate, and we seek to ensure that the interests of these communities are represented within Pacific Basin and vice versa. Our engagement in and contributions to these communities takes a number of forms, in an effort to support their – and our – longer-term effectiveness, resilience and sustainability



Responsible Value Creation



Ambition

Pacific Basin is in it for the long haul – valuing long-term relationships over short-term gains with our customers, suppliers, investors, finance providers, regulators, local communities and other networks. Leveraging our scale and influence in the dry bulk industry, we seek to promote a responsible, ethical, inclusive and resilient global marketplace by working together with our stakeholders.



In support of the UN Sustainable Development Goal 17, we engage and collaborate with our peers, industry associations, NGOs and other stakeholders on matters that drive the sustainable development of our industry

As the world decarbonises and we continue to grow, we will increasingly carry the non-fossil-fuel commodities that will be the mainstay of future global seaborne trade

Commitment to

Serving our customers

We strive to deliver to our customers a class-leading, personalised, flexible, responsive and reliable service. We wish to make sustainability an opportunity for differentiation, such as by engaging and collaborating with our customers to decarbonise their supply chains.

Serving society and sustainable trade

We move diverse and essential commodities that support the global economy and sustainable development. We are discerning with our suppliers, service providers, ports, cargoes and customers – managing our exposure to risky, controversial and destructive trades.

Serving our stakeholders

We recognise our obligations and respond to the interests of our stakeholder networks – our investors, shipping industry organisations, regulating bodies, jurisdictions in which we operate, the seafarer community and the wider global supply chain.

Related material issues

Carbon & GHG emissions reduction

Employee Health, Safety & Wellbeing

Responsible Cargo Carriage

Responsible Procurement & Supply Chain

Financial Sustainability

Seafarer Community Support

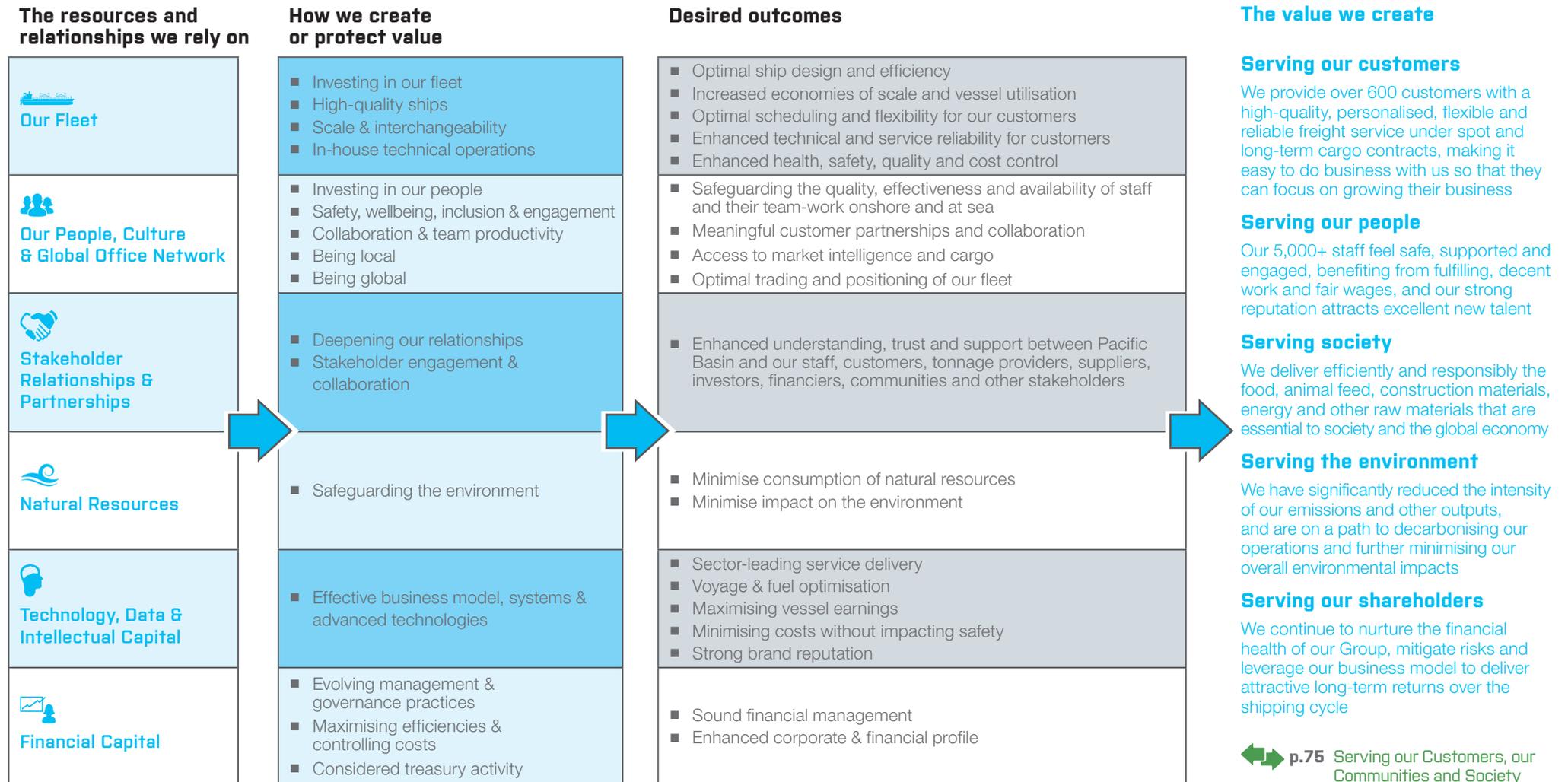
Industry & Legislative Engagement

Non-Seafarer Community Engagement



How We Create Value

We attach great importance to cultivating the relationships and resources that we need to propel us towards our vision and create better outcomes for our customers, our people, our shareholders, society and the environment



Our Platform for Outperformance

Our integrated platform combines our core strengths and competitive advantages to deliver excellent service and create powerful value drivers that convert freight income into superior financial performance and returns.



Scale & Asset Optionality

- Large, modern fleet of substitutable ships for maximum utilisation
- Disciplined, countercyclical fleet investing and renewal
- Sector-leading S&P experience and priority access to opportunities
- Supplementing owned with short- and long-term chartered ships
- Significant optionality on chartered ships, including purchase options
- But our platform value is greater than our steel value alone...



Specialist Trading Model

- Focus on minor bulks to leverage benefits of diversification and triangulation
- Diversified exposure to geographies, customers and commodities
- Optimal matching of ships, cargoes and routes
- Triangulated trading reduces ballast legs for enhanced utilisation and TCE earnings
- Supplementing dry bulk with high-value, operationally intensive parcelling activity
- Industrial business model focusing on spot trading where we can differentiate ourselves
- Investing in strong, long-term customer relationships



Optimisation through Digitalisation

- Digital pilot programmes scaled into fleet-wide capabilities
- Data-driven decisions for measurable gains
- Voyage and fuel optimisation
- Data-backed fleet scheduling
- Delivering enhanced efficiency, voyage economics and sustainability



Powerful Value Drivers

- Our strengths and advantages drive consistent market outperformance
- Pacific Basin structured TCE earnings premium vs the market indices
- Cost leadership maximises value capture from freight income
- Resilient earnings and cash generation across shipping cycles
- Compounding shareholder value over time



Global Network & Market Insight

- Global office network puts us close to customers
- Strong access to local markets and cargo intelligence
- Global coordination enables optimum triangulation
- Faster, better-informed commercial decisions



Operational Excellence

- Loyal, engaged and professional staff with strong expertise
- Sector-leading experience in minor bulk cargo-handling, shipping and ports
- Award-winning, comprehensive in-house fleet management capability
- Service, reliability and uptime are priorities, and safety is non-negotiable



Financial Strength & Governance

- Enhanced resilience, trust and long-term value
- Strong balance sheet and liquidity
- Robust risk management
- High standards of governance
- Leadership depth and diversity



Cost Leadership

- Sector-leading cost structure
- Scale benefits across operations
- Strong systems and processes
- Strict cost discipline and low cash break-even mindset
- Low daily vessel cost supports stronger returns and resilience in downcycles

TRIANGULATED TRADING

The strong relationships we build with cargo customers around the world give us access to rare backhaul cargoes that are not widely available to most other operators. By combining these backhaul cargoes with more widely available fronthaul cargoes, we develop a global cargo system and triangulated trading patterns that reduce ballast legs, increase laden days, minimise our carbon intensity and enhance our vessels' utilisation and TCE earnings for outperformance throughout market cycles.

A Platform and Model for Enhanced Utilisation and Earnings



Examples of key minor bulk trade routes

→ fronthaul routes → backhaul routes

“Fronthaul” refers to shipping routes where there is high demand for vessels to transport commodities to areas where those commodities are needed. Conversely, “backhaul” refers to shipping routes where vessels transport commodities from areas with low demand for shipping services back to areas with higher demand

14 office locations

● 11 commercial offices ● 5 technical & crewing offices

The excellent relationships we have with cargo customers are made possible by locating our experienced commercial colleagues in our offices close to customers around the world

STAKEHOLDER ENGAGEMENT

Stimulating transparency and collaboration through engagement

Pacific Basin listens to and engages in active two-way dialogue with our stakeholders. We believe that the transparency stimulated by active stakeholder engagement enables collaboration to tackle key challenges, builds recognition of our brand and ultimately enhances value to our stakeholders.

STAKEHOLDER GROUP	WHY WE ENGAGE	HOW WE ENGAGE	OUTCOMES AND ACTIONS IN 2025
Customers 	<p>We strive to be the partner of choice for customers in our segment. Multi-faceted engagement helps us to better understand their business, their needs, and their views and expectations about our service and performance, while also facilitating dialogue and collaboration to tackle challenges that affect us both.</p>	<ul style="list-style-type: none"> Day-to-day chartering enquiries and vessel/cargo fixing Customer meetings & events Service feedback Customer survey calls ESG materiality survey Website publications & circulars 	<p>Feedback from our customer engagement indicates strong overall satisfaction. Customer interest in decarbonisation and regulatory compliance continues and we are well positioned to deepen collaboration to address these evolving challenges.</p> <p>Since 2023, we have been collaborating with our cargo customer Rio Tinto as part of their Designated Owners & Operators Standard initiative to enhance safety and crew welfare.</p>
Suppliers 	<p>We are committed to managing our supply chain in a socially and environmentally responsible manner, sourcing from approved suppliers who meet our ESG requirements and make efforts towards sustainable development.</p>	<ul style="list-style-type: none"> Supplier evaluations Code of Conduct forms ESG materiality survey Purchasing activity Website & publications 	<p>Throughout the year, we continued our regular evaluation of the performance of our suppliers. We launched our MYPB Counterparty Portal that automates onboarding, reduces manual input, and integrates seamlessly with our internal systems to deliver efficient and streamlined business operations. We integrate ESG considerations in the broader evaluation process which requires execution of a Counterparty Form with our latest Code of Conduct including ESG requirements and expectations.</p>
Employees 	<p>We are a caring employer that promotes a culture and actions that ensure our staff at sea and ashore feel safe, respected, welcomed and supported so that, in return, we benefit from a productive, healthy and loyal workforce. We strive to be the employer of choice for our existing staff and for talented potential employees in our industry.</p>	<ul style="list-style-type: none"> Training programmes Town hall meetings & intranet Open-door policy ESG materiality survey Performance feedback Social events 	<p>In 2025, we enhanced our safety, security, health and wellbeing programmes and continued to look for ways to improve engagement. Our fleet's safety KPIs were good by sector standards.</p> <p>We held 5 townhall meetings, adopting a refreshed format to deliver more engaging content. By communicating the Company's strategic goals and priorities more regularly and clearly, we aim to help colleagues better understand how their individual roles contribute to our wider organisational objectives.</p>
Investors and financiers 	<p>We strive to create long-term value for our shareholders over the shipping cycle, and we believe that transparency stimulated by active investor engagement enhances recognition of our brand, investor support and shareholder value.</p> <p>We maintain good dialogue and partnerships with our financiers to ensure access to competitive funding.</p>	<ul style="list-style-type: none"> Annual, Interim & Quarterly reporting Annual General Meetings Investor perception studies ESG materiality survey Vessel and cargo terminal tours Investor meetings and conferences Investor, analyst, bankers days Regular meetings with banks 	<p>We encourage active analyst coverage to help investors evaluate our Company. In 2025, we were covered by 8 analysts and 28 research reports.</p> <p>We continued to generate solid earnings and distribute value to shareholders through dividends and the completion of our 2025 share buyback programme of US\$40 million which was well communicated to the market and received robust shareholders' support.</p>
Communities 	<p>Engaging and collaborating with the communities we impact and belong to generates enhanced recognition, goodwill, support and opportunity for our Company.</p>	<ul style="list-style-type: none"> Seafarer philanthropy Being respectful visitors Maintaining good relations 	<p>We continued to sponsor and be involved in good causes, mostly relating to seafarer welfare, promoting maritime awareness, and support other staff-driven initiatives which help and enrich society and enhance our own brand.</p>
Shipping Industry & Regulators/Authorities 	<p>Collaborating within our industry and engaging with local and international regulators and authorities gives us a voice on regulatory and other matters, helps us to track and understand incoming rules so we can better prepare for compliance, and enhances goodwill, support and opportunity for our Company.</p>	<ul style="list-style-type: none"> Industry organisations Partnerships & coalitions Formal & casual meetings Our website & publications Public forums Audits 	<p>Active engagement with ship-building partners, industry associations, peers and other working groups has helped us to enhance our networks and knowledge and prepare better for decarbonisation regulations and other challenges we face.</p> <p>We adhere to all applicable laws and regulations and, in 2025, we registered no cases of legal and regulatory non-compliance.</p> <p>We won the Gold Award in the ESG Leader category at the ESG Shipping Awards International 2025.</p>



Serving our Customers



We strive to be the partner of choice for customers in our segment by delivering best-in-class service and performance. Our customer-focused business model drives customer engagement and service at a local level, solid service reliability, enhanced customer satisfaction and an excellent reputation globally.

We consider diligently and respond quickly to our customers' enquiries, cargo contract tenders, operational queries, opinions requests and complaints. Our global office network positions us close to our customers, enabling direct and frequent engagement, a clear understanding of their needs and localised customer support. Having a large, modern, uniform fleet and comprehensive in-house technical operations enhances our ability to deliver high-quality and reliable service.

We regularly conduct customer surveys comprising online questionnaires and/or candid telephone calls and face-to-face contact with a diverse sample of customers around the world to gather their views and expectations about our performance. This enables us to understand where we do well, where we do less well, and how we can further improve our service quality and enhance our competitiveness.

Beyond our customer survey and ESG materiality assessment, our ESG approach is informed by learnings from external consultant-led focus-group interviews with selected customers and other stakeholders.

We collaborate with our cargo customers to help them on freight matters so they can focus on growing their business. We stand ready to share information to help them understand the challenges and implications of new decarbonisation rules for their trades, including short-term mitigation options and long-term solutions that support compliance and environmental outcomes.

Collaborating with Customers for a Safer Dry Bulk Supply Chain

Since March 2023, we have been collaborating with our cargo customer Rio Tinto as part of their Designated Owners & Operators Standard initiative to enhance safety and crew welfare in the dry bulk industry. Our collaboration has extended to participation in a panel at Rio Tinto's annual Designated Owners and Operators (DOO) Programme event. This initiative is an example of the growing level of engagement and collaboration with like-minded stakeholders that we consider necessary to better tackle our industry's main challenges.

Serving Society

Shipping facilitates world trade which helps to house and feed populations and drive prosperity

Largely hidden from view, the shipping industry transports more than 80% of global trade volume from which everyone in the world benefits. Countries are not entirely self-sufficient and therefore rely on maritime trade to sell what they have and buy what they need – commodities, raw materials, components or finished products. In that respect, shipping underpins modern life and helps ensure that the benefits of trade are more evenly spread. The livelihoods of billions of people in the developing world, and standards of living in the industrialised and developed world, depend on shipping. As the world's population continues to grow, particularly in developing countries, low-cost and efficient maritime transport has an essential role to play in growth and sustainable development.

At Pacific Basin, we strive to be an efficient and responsible leader in our shipping sector, so that we can be confident that our service contributes positively to the global economy and sustainable development.



Our Service



p.74 Stakeholder Engagement



Serving our Communities

Serving The Seafarer Community

We are one of the largest foreign employers of Filipino and Chinese crew, and a significant employer of Indian crew and Ukrainian officers. We invest in recruitment and training activities in Dalian, Manila, Hong Kong and Mumbai, and focus our community initiatives and charitable donations primarily on seafarer welfare.

- Our Human Resources Director serves as an Asian Ambassador of the Sailors' Society, which we support in recognition of the demanding lives of seafarers and the importance of promoting their welfare and that of their dependents globally.
- We are a bronze sponsor of the Annual Maritime Charity Dinner and Seafarers' Awards organised by The Sailors' Home and Mission to Seafarers in Hong Kong. Through this sponsorship, we support seafarers by contributing to initiatives that provide assistance, training and guidance.
- In collaboration with the Mission to Seafarers, we organised safeTALK workshops, equipping about 650 seafarers with practical skills to help prevent suicide through compassionate and effective intervention.
- We organised a Wives and Mothers Wellness Day in the Philippines for spouses and parents of our seafarers, featuring activities promoting physical and mental wellbeing, from exercise sessions to health and hygiene seminars.
- We advocated for security, fair treatment and due process for seafarers and our colleagues in industry forums and conferences involving coast guards, law-enforcement and other security agencies.
- We give charitable donations to and collaborate with various seafarer-related organisations.



➡ p.38 Crew Wellbeing



US\$287,000 Charitable Donations & Sponsorships

In 2025, our charitable donations and committed sponsorship totalled US\$287,000. As always, significant contributions were directed towards initiatives supporting the seafarer community, including welfare, wellbeing and mental-health programmes, as well as organisations dedicated to improving the lives of seafarers and their families.

We also supported a range of shipping- and maritime-related organisations, including industry bodies, professional institutes, educational institutions and initiatives that promote maritime innovation, professional development and public understanding of the maritime sector.

The remainder of our contributions was allocated to broader social and community causes, including education, emergency relief, community engagement activities and grassroots sports and wellness initiatives in the communities where we operate.

SEHK ESG Aspect B8 (Community Investment) General Disclosure

SEHK ESG KPI B8.1 Focus areas of contribution

SEHK ESG KPI B8.2 Resources contributed

Ports Where our Ships Trade

Our ships trade globally and our crew and ships are considered ambassadors for Pacific Basin wherever they sail, so we inspire them to:

- strictly abide by requirements under applicable environmental law so as to minimise our impact on the cities, towns, ports and shorelines we visit;
- show skilful seamanship and act professionally in the way they conduct their ships' business;
- be respectful law-abiding visitors, to show warm hospitality towards visitors on board, and to be in every way becoming of Pacific Basin personnel; and
- establish and maintain good relations with port authorities, agents and other stakeholders in the places we visit.

448 ports & **60** countries
visited by our ships in 2025

IFRS TR-MT-000.F

One measure of our success in this area is the feedback we get from customers, stevedores, port operators and other stakeholders in the ports where we call.



Some of the commendations our crews received in 2025

- *The crews consistently demonstrated professionalism and efficiency, ensuring smooth inspections, repairs, cargo operations, and port calls with no deficiencies recorded*
- *Cargo loading and discharging processes were managed safely and efficiently, with strong coordination and cooperation between parties*
- *Thanks to your timely communication with our operations team and swift action, the issue was resolved, allowing the ship to stick to the schedule*
- *The ship was in good condition, with high safety standards, strong teamwork, and a positive attitude onboard, and we look forward to cooperating with the team in future*



Our Local Communities

We take an active role in supporting a range of maritime-related and community initiatives in cities where we have offices, most notably in Hong Kong, where we are listed and where over half of our shore staff are based, in London where we have our largest commercial presence, and increasingly in Singapore where a growing number of our ships is being flagged.

Shipping Associations and Registers

In Hong Kong, we are members of the Hong Kong Shipowners Association where we are represented on the Executive Committee, while also serving on the Hong Kong Fleet Operations Advisory Committee of the Hong Kong Marine Department. In Singapore, we are new members of the Singapore Shipping Association with a growing number of vessels registered under the Singapore flag.

Maritime Education and Talent Development

We regularly recruit interns from Hong Kong's Maritime Services Training Institute, some of whom progress into full-time PB roles. Our Fleet Personnel General Manager serves as Vice Chairman of the Maritime Education and Training Sub-committee of the Hong Kong Shipowners Association, working with government and academia to promote maritime education and careers.

We also fund scholarships at Hong Kong Polytechnic University, currently supporting three students in International Shipping and Transport Logistics. Six former scholarship recipients now work at Pacific Basin across our offices and fleet.

Senior commercial managers from our UK office and elsewhere regularly engage with students at universities to share insights into shipping, Pacific Basin and our graduate trainee programme, supporting the development of future maritime talent.

Supporting Local Employment and Inclusion

We employ Hong Kong senior officers across parts of our fleet and have operated an officer cadet recruitment and training scheme in Hong Kong since 2013. Our ships typically carry one or two officer cadets. Beyond shipping, we support education, mental health and public-welfare initiatives. In 2025, we welcomed 10 interns—mainly in Hong Kong—through our PolyU scholarship programme, our commitment to the Racial Diversity Charter, and our partnership with the Zubin Foundation's Emerging Talent Internship Programme for ethnic minorities.



Hong Kong Maritime Museum (HKMM)

We have been supporters of HKMM since its establishment in 2003. Our Head of Sustainability serves on the museum's board, and we regularly support programmes aligned with our shipping-related and community priorities. HKMM delivers community value through education, social enterprise, marine environmental initiatives and outreach to schools and minority groups. In June, we sponsored HKMM's Network by the Sea event, bringing together young professionals from shipping, the arts and other sectors. We also continued our tradition of sponsoring free public admission to mark the International Day of the Seafarer, attracting over 3,600 visitors to interactive activities, guided tours and workshops led by our ship officers, cadets and shore-based colleagues.



Industry and Community Engagement

In November 2025, we hosted the annual Pacific Basin Soccer Sixes, involving 20 teams and over 200 participants from Hong Kong's shipping and related services sectors.

We also regularly support Hong Kong Maritime Week, including sponsoring the Greater Bay Area Maritime Forum in 2025, which fostered regional collaboration and marked the launch of the Alliance for Maritime Talent Cultivation.

Marine Conservation

We also support local marine conservation, such as through donations to WWF Hong Kong's marine education programme and Hong Kong Maritime Museum's marine science programme in conjunction with PB staff and family participation in educational eco-tours.



The Shipping Industry

We are active contributors within the shipping community and have a voice in the international dialogue with legislators and other parties on topical issues and future legislation in our industry. Pacific Basin and its senior management ensure our regular engagement with the shipping industry and relevant governmental and regulatory bodies through membership of organisations such as:

- International Association of Dry Cargo Shipowners (Intercargo)
- Documentary Committee of the Baltic and International Maritime Council (BIMCO)
- The Baltic Exchange
- Executive Committee of the Hong Kong Shipowners Association (an influential organisation within the International Chamber of Shipping and, in turn, the International Maritime Organization)
- Ordinary Member of the Singapore Shipping Association
- Sub-committees of the Hong Kong Shipowners Association, including the Marine Sub-committee and the Maritime Personnel, Education and Training Sub-committee
- Hong Kong Fleet Operation Advisory Committee of the Hong Kong Marine Department
- Institute of Chartered Shipbrokers
- ClassNK Hong Kong Owners Committee
- ClassNK Technical Committee
- American Bureau of Shipping Marine Technical Committee and Greater China Committee
- DNV Hong Kong Machinery Group and Greater China Committee
- Maritime Anti-Corruption Network
- Getting to Zero Coalition
- Women's International Shipping & Trading Association (WISTA) Hong Kong
- Diversity Study Group (DSG is dedicated to DEI in the maritime sector)



17 PARTNERSHIPS FOR THE GOALS

In support of the UN Sustainable Development Goal 17, we engage and collaborate with our peers, industry associations, NGOs and other stakeholders on matters that drive the sustainable development of our industry

Pacific Basin Sponsors The Captain's Table

Pacific Basin is a Platinum Sponsor of The Captain's Table, a global maritime innovation competition connecting innovators and startup entrepreneurs with the maritime and logistics industry. Founded in Hong Kong and organised by the Young Professionals in Shipping Network (YPSN), the competition's objective is to build a sustainable future for the maritime industry by connecting innovators to corporates to develop solutions to the current and future industry-specific challenges.

In 2025, The Captain's Table showcased several solutions for reducing greenhouse gas emissions, supporting workforce transitions to zero-carbon operations, automating risk management and digitalising supply chains for greater efficiency. We have assessed these new projects and continue to explore innovative solutions for our own ESG, optimisation and decarbonisation programmes.

Our Director of Fleet, Harshavardhan Bhawe, is a member of the Captain's Table Advisory Committee.



Information-sharing and collaboration for decarbonisation

Information-sharing and collaboration foster a culture of knowledge exchange and collective action in support of our industry's long-term decarbonisation goal.

- We are expanding our emissions data sharing and related dialogue to raise carbon footprint awareness among our customers and other stakeholders
- We are increasingly harnessing data, digitalisation, innovation and collaboration to tackle decarbonisation
- We have selectively joined other voices calling for globally implemented carbon pricing and other measures that are necessary to drive or support the transition to LEVs and green fuels

Getting to Zero Coalition

We are members of the Getting to Zero Coalition (GTZ) of over 200 organisations committed to exploring how to get commercially viable deep sea zero-emission vessels powered by zero-emission fuels into operation by 2030, with the ambition of full decarbonisation by 2050. GTZ facilitates valuable knowledge and experience sharing, and our Head of Decarbonisation has participated in GTZ workshops and seminars.



We stand by our support of the Call to Action for Shipping Decarbonisation that GTZ and the Global Maritime Forum coordinated in 2021, which calls on governments to:

1. Commit to decarbonising international shipping by 2050
2. Support industrial scale zero-emission shipping projects through national action that de-risks first movers and accelerates innovation
3. Deliver market-based policy measures that will support the deployment of zero-emission vessels and fuels and will make zero-emission shipping the default choice by 2030

Voyage Emissions Reporting

In 2025, we expanded our Voyage Emissions Reporting to now cover cargo customers who together represent over 21% of our cargo volumes. Through this emissions data sharing and related dialogue, we hope to raise carbon footprint awareness among our customers and are open to collaboration in tackle in the decarbonisation challenges that we share.

Carbon Neutral Voyages on Offer

While not a core element of our decarbonisation strategy, we continue to offer customers the option to voluntarily offset voyage emissions where carbon-neutral shipping is requested. Under this programme, we partner with Hong Kong power company CLP to provide independently verified carbon credits sourced from CLP's wind and solar farms in Asia.

Environmental Ship Index Programme

We participate in the voluntary Environmental Ship Index (ESI) programme founded by the International Association of Ports and Harbors (IAPH, part of the World Ports Sustainability Program) which recognises and rewards ships that exceed the minimum international environmental standards, demonstrating commitment to reducing environmental impact, promoting sustainability and emphasising the importance of data sharing.



Poseidon Principles & Sea Cargo Charter

Shipping company stakeholders are increasingly embracing their shared responsibility in the decarbonisation of our industry. The ship finance sector established the Poseidon Principles in 2019, major charterers adopted the Sea Cargo Charter in 2020, and the marine insurance sector followed suit with the Poseidon Principles for Marine Insurance in 2021. These initiatives commit to track, assess and disclose the emissions and climate alignment of these businesses' shipping portfolios.

We collaborate by providing our partners with timely annual data. We expect these partners will in time become increasingly selective in choosing their clients in order to achieve their tightening carbon intensity targets.



Voluntary Speed & Emissions Reduction Programmes

Pacific Basin continues to participate in voluntary speed reduction and emissions reduction programmes in the vicinity of ports where they exist. Two most notable initiatives where our ships trade frequently are:

- Port of Los Angeles' Vessel Speed Reduction Program
- Port of Vancouver's EcoAction Program

Both programmes incentivise environmental practices with discounted harbour dues. We are happy to play our part to reduce air emissions as part of such programmes to benefit the areas' residents, visitors, maritime professionals and the local ecology.

- In 2025, Pacific Basin again received the "Green Fleet Award" from the Hong Kong Marine Department for having 62 ships rated AER categories A and B in 2024 (with a cash prize of about US\$2,500 per ship).

PERFORMANCE DATA & ASSURANCE

Providing transparency for fair assessment of our ESG performance

Our Sustainability KPIs and the disclosures in this Sustainability Report have been subject to an independent external assurance audit by American Bureau of Shipping (ABS)



 Our m/v Seal Island sailing pass the Golden Gate Bridge near San Francisco

Performance Data Summary

The following environmental and social metrics quantify material emissions, discharges and workplace impacts from our operations. We have tracked these for several years and they mainly represent normal, efficient operations.

	UNIT	2021	2022	2023	2024	2025	
GENERAL							
Owned ships operated (2025 average)¹	# ships	116	118	118	111	108	IFRS TR-MT-000.E
Chartered ships operated (2025 average)¹	# ships	143	130	155	166	147	
Cargo volume carried	million tonnes	79	68	85	90	80	
Revenue	US\$ million	2,972	3,282	2,297	2,582	2,081	
ENVIRONMENT							
Fuel Consumed by Owned Fleet	metric tonnes	505,800	487,000	468,100	457,500	424,450	IFRS TR-MT-110a.3
Heavy fuel oil (in conjunction with scrubbers since 2020)	metric tonnes	140,100	135,200	132,100	120,200	108,400	
Low sulphur fuel oil	metric tonnes	305,900	293,500	284,300	286,700	271,400	
Low sulphur marine gas oil	metric tonnes	59,800	58,300	51,700	50,600	44,200	
Biofuel (B100) ²	metric tonnes	–	88	59	–	450	
Fuel Intensity	'000 mt/ship	4.18	4.16	3.96	4.01	3.96	
Fuel Intensity	kg/dwt	104.6	97.3	89.8	88.3	85.6	
Emissions from Owned Fleet							
Direct CO ₂ emissions from our owned fleet	metric tonnes	1,592,000	1,530,000	1,466,000	1,432,000	1,326,000	p.19
EEOI CO ₂ index ³ KPI	grams CO ₂ per tonne-mile	10.10	9.66	8.49	8.11	8.11	
AER CO ₂ index	grams CO ₂ per DWT-mile	6.28	6.07	5.37	5.31	5.23	
AER average rating	–	B	C	B	B	B	IFRS TR-MT-120a.1
Sulphur Oxides (SO _x)	grams SO _x per tonne-mile	0.026	0.026	0.022	0.022	0.022	
Nitrogen Oxides (NO _x)	grams NO _x per tonne-mile	0.24	0.23	0.21	0.20	0.20	
Particulate Matter (PM)	grams PM per tonne-mile	0.013	0.012	0.011	0.010	0.011	
Fuel Consumed by Chartered Fleet							
Heavy fuel oil	metric tonnes	719,100	629,600	687,100	782,700	595,700	
Low sulphur fuel oil	metric tonnes	67,500	52,300	59,600	82,700	123,600	
Low sulphur marine gas oil	metric tonnes	584,400	517,200	570,400	634,200	418,300	
Low sulphur marine gas oil	metric tonnes	67,200	60,100	57,100	65,800	53,800	
Emissions from Chartered Fleet							
Direct CO ₂ emissions from chartered fleet	metric tonnes	2,267,000	1,983,000	2,169,000	2,467,000	1,871,000	
EEOI CO ₂ index	grams CO ₂ per tonne-mile	–	8.88	8.27	8.30	7.29	
AER CO ₂ index	grams CO ₂ per DWT-mile	–	5.56	5.28	5.44	4.74	
AER average rating	–	–	C	C	C	C	

	UNIT	2021	2022	2023	2024	2025
Greenhouse Gas Emissions (GHG)⁴						
Scope 1 direct emissions from owned fleet	metric tonnes CO ₂ e	1,615,000	1,026,000	1,020,000	932,000	897,000
Scope 1 direct emissions from chartered fleet	metric tonnes CO ₂ e	1,791,000	1,566,000	1,850,000	2,224,000	1,536,000
Scope 2 emissions from purchased electricity ⁵	metric tonnes CO ₂ e	371	343	346	351	359
Scope 3 indirect emissions from owned fleet TC out	metric tonnes CO ₂ e	–	528,000	473,000	527,000	455,000
Scope 3 indirect emissions from chartered in/out fleet	metric tonnes CO ₂ e	481,000	446,000	345,000	276,000	365,000
Scope 3 indirect emissions from purchased fuel, paints, lube oil, chemicals ⁶	metric tonnes CO ₂ e	764,000	581,682	651,065	724,471	562,248
Scope 3 indirect emissions from onshore activities ⁵	metric tonnes CO ₂ e	408	1,201	2,728	2,280	1,998
Scope 3 indirect emissions from PB crew travel	metric tonnes CO ₂ e	6,801	9,001	5,605	5,231	3,545
Total GHG emissions	metric tonnes CO ₂ e	4,658,580	4,158,227	4,347,744	4,691,333	3,821,150
Waste from our Owned Fleet						
Hazardous waste – sludge incinerated	m ³ /month/ship	1.33	1.27	1.33	1.26	1.37
Non-hazardous waste – garbage landed	m ³ /month/ship	1.91	2.02	1.86	2.01	2.45
Oil Pollution Incidents KPI						
	#	0	1	1	2	0 ⁷
Resources Consumption from our Owned Fleet						
Marine Lubricant Oil	litres	5,676,600	5,816,870	5,777,617	5,571,706	4,940,475
Grease	kg	64,671	40,386	39,438	37,833	38,615
Marine Paint	litres	–	1,014,021	1,038,592	897,526	982,593
Refilled Refrigerant – R134a (GWP value 1,530)	kg	–	4	10	–	–
Refilled Refrigerant – R404a (GWP value 3,920)	kg	–	1,597	1,632	1,466	991
Refilled Refrigerant – R407c (GWP value 1,770)	kg	–	156	352	153	150
Water Consumption, Reuse and Discharge						
Fresh water consumption	tonnes/month/ship	51.8	50.2	46.4	47.0	49.5
Seawater for ballast exchange	million m ³	–	–	–	12.1	11.0
Recycling – Main office						
Recycling – Paper	kg	–	742	1,348	578	439
Recycling – Print Cartridge/Toner	#	–	46	32	54	44

IFRS TR-MT-110a.1

IFRS TR-MT-160a.3

← p.27

¹ Our annual average fleet numbers are calculated from our total vessel days, and exclude one owned Capesize ship which is chartered out under a long-term bareboat charter and which we do not control either commercially or technically.

² We have been trialling the use of biofuel since 2022 and using biofuel for compliance with EU regulations since 2025.

³ In addition to the Carbon Intensity Index AER reporting requirement, we continue to track and disclose our ship Energy Efficiency Operational Indicator (EEOI) which is a more accurate indication of CO₂ emissions per actual transport work done.

⁴ Our Group's GHG emissions data is calculated in accordance with the methodology set out in the GHG Protocol, using the appropriate carbon emission factors and related Global Warming Potential (GWP) values obtained from The Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6). The applicable GWP values are 1 for CO₂, 29.8 for CH₄, and 273 for N₂O respectively.

⁵ Emissions from our onshore activities include from staff commuting and business air travel, air conditioning, lighting, computer and office equipment, and paper and fresh water consumption. We also disclose emissions from PB crew travel to and from our owned ships.

⁶ We are now tracking all upstream emissions (currently only cradle-to-gate) of our purchased fuel, paints, lube oil and chemical.

⁷ We recorded zero oil pollution incident in 2025. However, there was one MARPOL violation relating to the use of high sulphur fuel oil during a scrubber malfunction, which did not result in any regulatory consequences. Lessons learned were shared with our ships' crews.

Our EEOI, AER and other environmental and safety KPI data in this report has been measured or calculated in accordance with industry standards, and are subject to annual audit by DNV for ISO 9001, ISO 14001 and ISO 45001 certifications.



Our Sustainability KPIs and the disclosures in this Sustainability Report have been subject to an independent external assurance audit by American Bureau of Shipping (ABS).



← p.88 Independent Assurance Statement

SEHK ESG KPI A1.1 Type of emissions and data

SEHK ESG KPI A1.2 GHG emissions in tonnes

SEHK ESG KPI A2.1 Direct/indirect energy consumption

	UNIT	2021	2022	2023	2024	2025	
SOCIAL							
Health & Safety							
Total recordable injury case frequency (TRCF) KPI	per mil work hrs	0.55	0.58	1.05	1.02	1.09	 p.41 IFRS TR-MT-320a.1 IFRS TR-MT-540a.1 IFRS TR-MT-540a.3
Lost time injury frequency (LTIF) KPI	per mil work hrs	0.25	0.29	0.67	0.54	0.57	
Crew fatalities	#	0	2	2	1	0	
Cases of harassment and bullying	#	–	2	2	4	2 ⁸	
Deficiencies per PSC inspection KPI	#	0.60	0.93	0.79	0.72	0.93	
Zero deficiency rate in PSC inspections	%	77	74	72	72	71	
Near-miss, unsafe acts and unsafe condition reports	#	1,264	1,700	1,722	2,183	1,876	
Navigational & machinery incidents	#	2	3	2	3	0	
Security incidents	#	6	4	4	3	6 ⁹	
Development & Training							
Shore staff receiving external training	%	47	57	40	65	52	
Shore staff trained by gender							
Men	%	60	55	66	56	60	
Women	%	40	45	34	44	40	
Shore staff trained by function							
Strategic, HR, Admin, IT, Insurance, Legal, etc	%	9	12	15	10	16	
Chartering & Operations	%	34	37	53	48	38	
Finance, Governance & Investor Relations	%	12	11	12	11	11	
Technical & Crewing	%	45	40	20	32	35	
Shore staff trained by employee category							
Senior management	%	–	69	69	70	58	
Middle management	%	–	55	49	67	61	
General staff	%	–	59	25	63	42	
Average training hours per onshore employee	hours	12	10	9	10	11	
Shore staff average training hours by gender							
Men	hours	18	11	25	15	21	
Women	hours	4	8	14	14	19	
Shore staff average training hours by function							
Strategic, HR, Admin, IT, Insurance, Legal, etc	hours	9	9	10	6	5	
Chartering & Operations	hours	8	11	13	15	10	
Finance, Governance & Investor Relations	hours	9	12	9	7	8	
Technical & Crewing	hours	18	8	3	6	16	
Shore staff average training hours by employee category							
Senior management	hours	–	15	20	14	13	
Middle management	hours	–	12	12	10	16	
General staff	hours	–	7	2	8	6	
Seafarer/officer training webinars and seminars	#	11	49	68	179	308	
Ships per safety/training manager	#	11	11	9	9	9	
Officer cadets per ship	#	1.3	1.9	2	2	2	

	UNIT	2021	2022	2023	2024	2025	
Seafarers Demographics							
Seafarers headcount	#	4,600	3,900	5,100	4,600	4,300	IFRS TR-MT-000.A
Women on our ships	#	–	–	52	58	70	
Seafarers by age							
<20 years old	%	1	1	0	0	0	
20-29 years old	%	37	34	26	37	37	
30-39 years old	%	36	38	38	38	37	
40-49 years old	%	20	21	24	18	18	
>50 years old	%	6	6	12	7	8	
Seafarers by nationality							
Chinese	%	39	25	22	26	30	
Filipino	%	49	51	57	52	47	
Indian & others	%	6	18	18	20	21	
Europe	%	6	6	3	2	2	
Shore Staff Demographics							
Shore-based staff headcount	#	365	373	389	403	412	
Women on our board	%	18	22	33	25	36	
Women in senior management	%	19	17	19	17	22	
Women in middle management	%	25	24	24	26	27	
Women in general staff	%	66	65	65	66	65	
Women in total office workforce	%	45	43	42	44	45	
Shore staff nationalities	#	30	31	33	36	38	
Full-time	%	99	99	99	99	96	
Non-full-time	%	1	1	1	1	4	
Shore staff by age							
20-29 years old	%	14	13	15	16	16	
30-39 years old	%	29	29	28	28	26	
40-49 years old	%	29	30	28	26	27	
50-59 years old	%	22	22	24	25	24	
>60 years old	%	6	6	5	5	7	
Shore staff by location							
Asia	%	76	76	74	72	72	
Europe	%	10	10	11	12	13	
N. America	%	6	6	6	6	5	
Australasia	%	4	3	4	3	4	
S. America	%	3	4	4	3	3	
Middle East & Africa	%	1	1	1	3	3	
Shore staff by function							
Strategic, HR, Admin, Insurance, Legal, IT, etc	%	12	16	15	15	15	
Chartering & Operations	%	42	39	39	40	41	
Finance, Governance & Investor Relations	%	10	9	12	12	12	
Technical & Crewing	%	36	36	34	33	32	
Seafarer Turnover/Retention¹⁰							
Officer retention	%	91	91	94	94	94	
Overall crew retention	%	87	86	95	94	94	

	UNIT	2021	2022	2023	2024	2025
Shore Staff Turnover/Retention						
Shore staff retention	%	88	88	89	90	92
Shore staff under share award scheme	%	26	26	24	20	16
Shore staff turnover by gender						
Men	%	12	13	8	11	10
Women	%	14	12	13	8	5
Shore staff turnover by age						
20-29 years old	%	23	34	13	18	8
30-39 years old	%	17	9	11	11	7
40-49 years old	%	8	10	6	7	10
50-59 years old	%	6	7	8	6	3
>60 years old	%	19	10	35	14	19
Shore staff turnover by region						
Asia	%	12	13	12	11	7
Europe	%	5	14	5	0	13
N. America	%	23	9	13	13	14
Australasia	%	33	13	13	21	0
S. America	%	30	0	0	0	0
Middle East & Africa	%	0	0	0	17	8
Supply Chain Management						
Approved suppliers	#	1,249	1,411	1,389	1,404	1,351
Bunker suppliers	#	25	28	28	40	43
Community Investment						
Charitable donations & sponsorship	US\$'000	365	312	204	195	287
Labour/Management Relation						
Collective Bargaining Agreements (CBA)	%	100	100	100	100	100
GOVERNANCE						
Cases of corruption	#	0	0	0	0	0
Breach of sanction cases	#	0	0	0	0	0
Number of facilitation payments incidents	#	23	10	7	6	2
Total value of incidents of facilitation payments under duress	US\$	34,000	20,000	7,340	12,560	6,800
Corporate political contributions made	US\$	0	0	0	0	0
Whistleblowing cases (confirmed valid)	#	0	0	0	1	0
Communication of Anti-Bribery Policy to Employees	%	100	100	100	100	100
Sustainability Committee meetings	#	–	–	–	3	3
Sustainability Management Committee meetings	#	3	2	2	2	3
Board meetings	#	–	–	–	3	4
Board training	#	4	4	4	4	4
Management Systems						
Percentage of owned ships with ISO 9001, ISO 14001 and ISO 45001 Certifications	%	100	100	100	100	100

IFRS TR-MT-510a.2

⁸ We recorded two cases of harassment in our fleet in 2025. Following our investigations, all perpetrators were discussed.

⁹ We recorded six security incidents (three pilferage and three stowaway incidents), none resulting in any injuries or legal consequences. Lessons learned were shared across our fleet.

¹⁰ We applied the International Association of Independent Tanker Owners (INTERTANKO) formula to calculate our seafarer retention rate, in line with industry practice.

Independent Assurance Statement



Independent Verification and Limited Assurance Report of American Bureau of Shipping to Pacific Basin Shipping Limited

We were engaged by Pacific Basin Shipping Limited (“the Company”) to report on the ESG data, key performance indicators (KPIs) and other ESG-related metrics (“the Metrics”) and disclosures of the Company’s Sustainability Report 2025 (“the Report”) relating to the year ended 31 December 2025 in the form of a limited assurance conclusion about the proper preparation of the Metrics, in all material respects, in accordance with the Company’s own methodology for sustainability report development (“the Methodology”).

This independent limited assurance report is issued solely to the Company in accordance with the terms of our engagement. Our work has been undertaken so that we might provide limited assurance to the Company on those matters that we have been engaged to consider in this report only and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the Company for our work, for this independent limited assurance report, or for the conclusions we have reached.

Responsibilities of the directors of the Company

The directors of the Company are responsible for the proper preparation of the Report, and the Metrics, information and statements contained therein, in accordance with the Methodology.

It is the directors’ responsibility to develop, operate and maintain internal systems and processes relevant to the proper preparation of a Report that is free from material misstatement, whether due to fraud or error.

Responsibilities of American Bureau of Shipping

Our responsibility is to independently express a limited assurance conclusion to the Company, based on the procedures performed and evidence obtained, as to the proper preparation of the Report, in all material respects, in accordance with the Methodology. We conducted our work over the course of several months in 2025 and in early 2026, in accordance with the *International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information* (“Standard”), issued by the International Auditing and Assurance Standards Board. The Standard requires that we obtain sufficient and appropriate evidence related to the Metrics that is free of material misstatement on which to base our conclusion.

Scope of work

A limited assurance engagement involves planning and performing procedures to obtain sufficient appropriate evidence to obtain a meaningful level of assurance over the Metrics as a basis for our limited assurance conclusion. The procedures selected depend on our judgment, on our understanding of the Report and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

The procedures performed included:

- Investigating, observing, inspecting, and reporting on the processes and documents reviewed, and agreeing or reconciling with the underlying records to check errors or omissions in data analysis, consistency, and reasonableness of reporting.
- Reviewing the Company’s Sustainability Report for 2025 and identifying key Metrics and other ESG-related disclosures for review.
- Inquiries to the Company’s management and personnel involved in the sustainability report’s preparation process, the internal control system governing this process, and selected disclosures in the sustainability report.
- Data collection, including limited substantive testing, on a selective basis of Company’s owned fleet (excluding vessels chartered by the Company) to verify the Metrics stated in the report. Calculations were re-checked for limited data sets to verify the data accuracy.
- Evaluating if the sustainability performance disclosures have been presented with reference to the criteria set out in the GRI Standards and HKEX Environmental, Social and Governance Reporting Code (“ESG Code”).

The procedures performed in a limited assurance engagement vary in nature and timing and are not as extensive as a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent limitations

In providing our limited assurance conclusion, we relied on the information and documents provided to us by the Company. To the best of our knowledge, there are no circumstances which would render such information or documents unreliable. Because of such reliance, there may be errors or irregularities which may not have been detected.

Conclusion

Based on the procedures performed and evidence obtained, including the calculation methodology for the emission data of the Company’s owned and chartered fleets which has been reviewed, checked and validated, and subject to the key assumptions and inherent limitations set out above, nothing has come to our attention that causes us to believe that the Metrics and other key disclosures presented in the Report for the year ended 31 December 2025 have not been properly prepared, in any material respects, in accordance with the Methodology.

American Bureau of Shipping

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Singapore 119316
sustainability@eagle.org

13 February 2026

HKEX ESG Reporting Code Index

We have measured and tracked key aspects of our sustainability performance for several years and we meet the Stock Exchange ESG Code's latest disclosure requirements.

A. Mandatory Disclosure Requirements

Index Ref.	Description	Page
Governance Structure	A statement from the board containing the following elements:	
	(i) a disclosure of the board's oversight of ESG issues;	52-53
	(ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and	52-53
	(iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses	52-53
Reporting Principles	A description of, or an explanation on, the application of the Reporting Principles (Materiality, Quantitative and Consistency) in the preparation of the ESG report	102
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report	102

B. Environmental

Index Ref.	Description	Page
A1	Emissions	
	General disclosure statement	15
1.1	Types of emissions and data	83-84
1.3	Total hazardous waste produced	84
1.4	Total non-hazardous waste produced	84
1.5	Description of emission targets set and steps taken to achieve them	84
1.6	Description of handling of waste and reduction targets set and steps taken to achieve them	84
A2	Use of Resources	
	General disclosure statement	15
2.1	Direct/Indirect energy consumption	84
2.2	Water consumption	27, 84
2.3	Description of energy efficiency targets set and steps taken to achieve them	18-19
2.4	Issues in sourcing water and water efficiency targets set	27
2.5	Total packaging material used	NA*
A3	Environment and Natural Resources	
	General disclosure statement	15
3.1	Description of significant impacts of activities	26

Please note that KPI A1.2 and Aspect A4 (Climate Change) were repealed with effect from 1 January 2025.

C. Social

Index Ref.	Description	Page
B1	Employment	
	General disclosure statement	31
1.1	Total workforce by employment type	85-87
1.2	Employee turnover rate	86-87
B2	Health and Safety	
	General disclosure statement	34-41
2.1	Number and rate of work-related fatalities	85
2.2	Lost days due to work injury	41, 85
2.3	Description of occupational health and safety measures adopted	34-41
B3	Development and Training	
	General disclosure statement	42-45
3.1	Percentage of employees trained by category	85
3.2	Average training hours per employee	85
B4	Labour Standards	
	General disclosure statement	46-47
4.1	Description of measures to review employment practices to avoid child and forced labour	46-47
4.2	Description of steps taken to eliminate child and forced labour when discovered	46-47, 54-55
B5	Supply Chain Management	
	General disclosure statement	66-68
5.1	Number of suppliers by geographical region	67
5.2	Description of practices related to engaging suppliers	66-68
5.3	Description of practices used to identify environmental and social risks along the supply chain	66-68
5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers	66-68
B6	Product Responsibility	NA*
B7	Anti-Corruption	
	General disclosure statement	54
7.1	Number of legal cases regarding corrupt practices	54, 87
7.2	Description of preventive measures and whistle-blowing procedures	54-55
7.3	Description of anti-corruption training provided	54
B8	Community Investment	
	General disclosure statement	76
8.1	Focus areas of contribution	76-80
8.2	Resources contributed	76-80

Remarks:

* We do not address SEHK ESG subject areas A2.5 and B6 because we are a freight service business that does not require packaging material and does not manufacture and/or sell products.

D. Climate-related disclosures*

Index Ref.	Description	Page
Governance		
Governance	Disclose the issuer's governance process, controls and procedures used to monitor and manage climate-related risks and opportunities	52-53
Strategy		
Climate-related risks and opportunities	Disclose climate-related risks and, where applicable, opportunities faced by the issuer and their impact on the issuer's business operations, business model and strategy	58-65
Transition plans	Disclose issuer's response to the climate-related risks and, where applicable, opportunities identified above, including: <ul style="list-style-type: none"> (i) any changes to the issuer's business model and strategy, and any adaptation and mitigation efforts undertaken to address such risks and opportunities; and (ii) any climate-related targets the issuer has set for transition plans, and any GHG emission targets the issuer is required to meet by local legislation 	16-24
Climate resilience	Disclose the resilience of the issuer's strategy (including its business model) and operations to climate-related changes, developments or uncertainties, which shall be assessed using a method of climate-related scenario analysis that is commensurate with the issuer's circumstances	16-24, 58-65
Financial effects of climate-related risks and opportunities	Disclose the current (quantitative where material) and anticipated (qualitative) financial effects of climate-related risks and, where applicable, opportunities on the issuer's financial position, financial performance and cash flows	58-65
Risk Management		
Risk management	Disclose the process the issuer used to identify, assess and manage climate-related risks and, where applicable, opportunities	refer to Risk Management section of our Annual Report 2025
Metrics and Targets		
Greenhouse gas (GHG) emissions	Disclose scope 1, scope 2 and scope 3 emissions	84
Other cross-industry metrics	Disclose cross-industry metrics such as the percentage of assets or business activities (i) vulnerable to transition/physical risks or (ii) aligned with climate-related opportunities, and the amount of capital expenditure deployed towards climate-related risks and opportunities	83-84
Internal carbon prices	For issuers who maintain an internal carbon price, disclose the internal carbon price and explain how it is applied in the issuer's decision-making	NA
Remuneration	Disclose how climate-related considerations are factored into remuneration policy	52
Industry-based metrics	Consider industry-based disclosure requirements prescribed under international ESG reporting frameworks and make disclosures as the issuer sees fit	89-101

* Please refer to the ISSB IFRS S2 Climate-related Disclosures Content Index section for our compliance with Part D: Climate-related Disclosures of the HKEX ESG Reporting Code

 [p.92 ISSB IFRS S2 Climate-related Disclosures](#)

 [p.18 Our decarbonisation strategy](#)

 [p.63 Net zero pathways analysis](#)

ISSB IFRS S2 Climate-related Disclosures Index

INDEX REF.	DISCLOSURE DESCRIPTION	SECTION REFERENCES AND COMMENTS*
Governance		
(5)	The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reporting to understand the governance processes, controls and procedures used to monitor and manage climate-related risks and opportunities.	Sustainability Governance
6(a)	To achieve this objective, an entity shall disclose information about the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	Sustainability Governance
	(i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	Sustainability Governance
	(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Sustainability Governance
	(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Sustainability Governance; refer to Risk Management section of our Annual Report 2025
	(iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	Sustainability Governance; Materiality; Decarbonisation Challenges and the Role of Regulation
	(v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitor progress towards targets, including whether and how related performance metrics are included in remuneration policies.	Sustainability Governance
6(b)	management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	Sustainability Governance
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Sustainability Governance
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Sustainability Governance
Strategy		
(8)	The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reporting to understand an entity's strategy for managing climate-related risks and opportunities.	Our Decarbonisation Strategy; Climate-Change Resilience
9(a)	the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Refer to Our Principal Risks section of our Annual Report 2025
9(b)	the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain;	Climate-Change Resilience
9(c)	the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan;	Our Decarbonisation Strategy; Climate-Change Resilience
9(d)	the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning; and	Climate-Change Resilience; refer to Principal Risks section on our Annual Report 2025
9(e)	the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	Our Decarbonisation Strategy; Climate-Change Resilience

 [p.18 Our decarbonisation strategy](#)
 [p.63 Net zero pathways analysis](#)

*Unless otherwise specified, references are made to sections of this Sustainability Report 2025

INDEX REF.	DISCLOSURE DESCRIPTION	SECTION REFERENCES AND COMMENTS*
Climate-related risks and opportunities		
(10)	An entity shall disclose information that enables users of general purpose financial reporting to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	Climate-Change Resilience
10(a)	describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Refer to Our Principal Risks section of our Annual Report 2025
10(b)	explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	Climate-Change Resilience
10(c)	specify, for each climate-related risk and opportunity the entity has identified, over which time horizons - short, medium or long term - the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Decarbonisation Challenges and the Role of Regulation; refer to Our Principal Risks section of our Annual Report 2025
10(d)	explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Tracking a Course to Net Zero by 2050
Business model and value chain		
(13)	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	How We Create Value; Climate-Change Resilience
13(a)	a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	Climate-Change Resilience; refer to Our Principal Risks section of our Annual Report 2025
13(b)	a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated.	Climate-Change Resilience
Strategy and decision-making		
(14)	An entity shall disclose information that enables users of general purpose financial reporting to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:	Climate-Change Resilience
14(a)	information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	Climate-Change Resilience
	(i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities;	Climate-Change Resilience; Our Main Decarbonisation Measures
	(ii) current and anticipated direct mitigation and adaptation efforts;	Our Decarbonisation Strategy; Our Main Decarbonisation Measures
	(iii) current and anticipated indirect mitigation and adaptation efforts;	Our Decarbonisation Strategy; Our Main Decarbonisation Measures
	(iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and	Decarbonisation Challenges and the Role of Regulation; Our Decarbonisation Strategy
	(v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	Tracking a Course to Net Zero by 2050
14(b)	information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	Climate-Change Resilience
14(c)	quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	Environmental Responsibility; Performance Data Summary
Financial position, financial performance and cash flows		
(15)	An entity shall disclose information that enables users of general purpose financial reporting to understand:	
15(a)	the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects);	Climate-Change Resilience
15(b)	the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Climate-Change Resilience
(16)	Specifically, an entity shall disclose quantitative and qualitative information about:	
16(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Climate-Change Resilience

*Unless otherwise specified, references are made to sections of this Sustainability Report 2025

INDEX REF.	DISCLOSURE DESCRIPTION	SECTION REFERENCES AND COMMENTS*
16(b)	the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	Climate-Change Resilience
16(c)	<p>how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:</p> <ul style="list-style-type: none"> (i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and (ii) its planned sources of funding to implement its strategy; and 	<p>Our Main Decarbonisation Measures</p> <p>Our Main Decarbonisation Measures</p>
16(d)	how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Climate-Change Resilience
Climate resilience		
(22)	An entity shall disclose information that enables users of general purpose financial reporting to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances. In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:	Climate-Change Resilience
22(a)	<p>the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:</p> <ul style="list-style-type: none"> (i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the analysis of climate resilience; (iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: <ul style="list-style-type: none"> (1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities; (2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and (3) the effect of the entity's current or planned investments in climate-related mitigation, adaptation or opportunities for climate resilience; and 	<p>Our Decarbonisation Strategy; Climate-Change Resilience</p> <p>Climate-Change Resilience</p> <p>Climate-Change Resilience</p> <p>Our Main Decarbonisation Measures</p> <p>Climate-Change Resilience</p>
22(b)	<p>how and when the climate-related scenario analysis was carried out, including:</p> <ul style="list-style-type: none"> (i) information about the inputs the entity used, including: <ul style="list-style-type: none"> (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the entity has used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis; 	<p>Climate-Change Resilience</p> <p>Climate-Change Resilience</p> <p>Climate-Change Resilience</p> <p>Decarbonisation Challenges and the Role of Regulation</p> <p>Climate-Change Resilience</p> <p>About our Sustainability Report</p> <p>Climate-Change Resilience; About our Sustainability Report</p>

*Unless otherwise specified, references are made to sections of this Sustainability Report 2025

INDEX REF.	DISCLOSURE DESCRIPTION	SECTION REFERENCES AND COMMENTS*
	<p>(ii) the key assumptions the entity made in the analysis, including assumptions about:</p> <p>(1) climate-related policies in the jurisdictions in which the entity operates;</p> <p>(2) macroeconomic trends;</p> <p>(3) national- or regional-level variables;</p> <p>(4) energy usage and mix; and</p> <p>(5) developments in technology; and</p> <p>(iii) the reporting period in which the climate-related scenario analysis was carried out.</p>	<p>GHG Regulatory Momentum; Climate-Change Resilience</p> <p>Climate-Change Resilience</p> <p>Climate-Change Resilience</p> <p>Performance Data Summary</p> <p>Our Main Decarbonisation Measures</p> <p>Climate-Change Resilience</p>
Risk management		
(24)	The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	Climate-Change Resilience
(25)	To achieve this objective, an entity shall disclose information about:	
25(a)	the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	Climate-Change Resilience
	(i) the inputs and parameters the entity uses;	Climate-Change Resilience
	(ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	Sustainability Governance; Climate-Change Resilience
	(iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks;	Materiality; Sustainability Governance
	(iv) whether and how the entity prioritises climate-related risks relative to other types of risk;	Materiality
	(v) how the entity monitors climate-related risks; and	Climate-Change Resilience; refer to Governance section of our Annual Report 2025
	(vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;	Climate-Change Resilience
25(b)	the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	Climate-Change Resilience
25(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Climate-Change Resilience; refer to Governance section of our Annual Report 2024
Metrics and targets		
(28)	The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.	GHG Regulatory Momentum
28(a)	information relevant to the cross-industry metric categories;	Performance Data Summary
28(b)	industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and	See the reference for paragraph 32
28(c)	targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets.	Our Decarbonisation Strategy

*Unless otherwise specified, references are made to sections of this Sustainability Report 2025

INDEX REF.	DISCLOSURE DESCRIPTION	SECTION REFERENCES AND COMMENTS*
Climate-related metrics		
(29)	An entity shall disclose information relevant to the cross-industry metric categories of:	
29(a)	greenhouse gas emissions - the entity shall disclose:	
	(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent, classified as:	Performance Data Summary
	(1) Scope 1 greenhouse gas emissions;	Performance Data Summary
	(2) Scope 2 greenhouse gas emissions; and	Performance Data Summary
	(3) Scope 3 greenhouse gas emissions;	Performance Data Summary
	(iii) disclose the approach it uses to measure its greenhouse gas emissions including:	Performance Data Summary
	(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	Responsible Supply Chain; Performance Data Summary
	(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	Responsible Supply Chain; Performance Data Summary
	(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Responsible Supply Chain; Performance Data Summary
	(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)-(2), disaggregate emissions between:	Performance Data Summary
	(1) the consolidated accounting group; and	
	(2) other investees excluded from paragraph 29(a)(iv)(1);	
	(v) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions; and	Green Efforts Ashore; Performance Data Summary
	(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), disclose:	
	(1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and	Responsible Supply Chain, Performance Data Summary
	(2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions);	Not applicable
29(b)	climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	Climate-Change Resilience
29(c)	climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	Climate-Change Resilience
29(d)	climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities;	Climate-Change Resilience
29(e)	capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	Climate-Change Resilience
29(f)	internal carbon prices – the entity shall disclose:	
	(i) an explanation of whether and how the entity is applying a carbon price in decision-making; and	Climate-Change Resilience
	(ii) the price for each metric tonne of greenhouse gas emissions that the entity uses to assess the costs of its greenhouse gas emissions;	Climate-Change Resilience
29(g)	remuneration – the entity shall disclose:	
	(i) a description of whether and how climate-related considerations are factored into executive remuneration; and	Sustainability Governance; Refer to Remuneration Report section of our Annual Report 2025
	(ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	Not applicable
(32)	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	IFRS Industry-based Guidance – Marine Transportation

*Unless otherwise specified, references are made to sections of this Sustainability Report 2025

INDEX REF.	DISCLOSURE DESCRIPTION	SECTION REFERENCES AND COMMENTS*
Climate-related targets		
(33)	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
33(a)	the metric used to set the target;	Tracking a Course to Net Zero by 2050
33(b)	the objective of the target;	Tracking a Course to Net Zero by 2050
33(c)	the part of the entity to which the target applies;	Our Decarbonisation Strategy
33(d)	the period over which the target applies;	Our Decarbonisation Strategy
33(e)	the base period from which progress is measured;	Our Decarbonisation Strategy
33(f)	any milestones and interim targets;	Our Decarbonisation Strategy
33(g)	if the target is quantitative, whether it is an absolute target or an intensity target; and	Tracking a Course to Net Zero by 2050
33(h)	how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Decarbonisation Challenges and the Role of Regulation
(34)	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	Decarbonisation Challenges and the Role of Regulation
34(a)	whether the target and the methodology for setting the target has been validated by a third party;	Independent Assurance Statement
34(b)	the entity's processes for reviewing the target;	Sustainability Governance
34(c)	the metrics used to monitor progress towards reaching the target; and	Tracking a Course to Net Zero by 2050
34(d)	any revisions to the target and an explanation for those revisions.	Tracking a Course to Net Zero by 2050
(35)	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	Performance Data Summary
(36)	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:	
36(a)	which greenhouse gases are covered by the target.	Climate-Change Resilience
36(b)	whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Our Decarbonisation Strategy; Performance Data Summary
36(c)	whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target.	Our Decarbonisation Strategy
36(d)	whether the target was derived using a sectoral decarbonisation approach.	IFRS Industry-based Guidance - Marine Transportation
36(e)	the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including:	
	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	Climate-Change Resilience
	(ii) which third-party scheme(s) will verify or certify the carbon credits;	Environmental Responsibility; Green Efforts Ashore
	(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	Environmental Responsibility; Green Efforts Ashore
	(iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use.	Environmental Responsibility; Green Efforts Ashore

*Unless otherwise specified, references are made to sections of this Sustainability Report 2025

GRI Content Index

SEHK ESG Part D – 36, 41

Pacific Basin has reported on matters cited in this GRI content index (with reference to the GRI Standards) for the period 1 January to 31 December 2025.

GRI INDICATOR	DESCRIPTION	SECTION REFERENCES AND COMMENTS
GRI 2: GENERAL DISCLOSURES 2021		
The organisation and its reporting practices		
2-1	Organisational details	About Pacific Basin
2-2	Entities included in the organisation's sustainability reporting	About Our Sustainability Report
2-3	Reporting period, frequency and contact point	About Our Sustainability Report
2-4	Restatements of information	Not applicable
2-5	External assurance	Independent Assurance Statement
Activities and workers		
2-6	Activities, value chain and other business relationships	About Pacific Basin; How We Create Value
2-7	Employees	Performance Data Summary
2-8	Workers who are not employees	Performance Data Summary
Governance		
2-9	Governance structure and composition	Sustainability Governance; refer to Governance section of our Annual Report 2025
2-10	Nomination and selection of the highest governance body	Refer to Governance section of our Annual Report 2025
2-11	Chair of the highest governance body	Refer to Governance section of our Annual Report 2025
2-12	Role of the highest governance body in overseeing the management of impacts	Refer to Governance section of our Annual Report 2025
2-13	Delegation of responsibility for managing impacts	Sustainability Governance; refer to Governance section of our Annual Report 2025
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance; refer to Governance section of our Annual Report 2025
2-15	Conflicts of interest	Refer to Governance section of our Annual Report 2025
2-16	Communication of critical concerns	Refer to Governance section of our Annual Report 2025
2-17	Collective knowledge of the highest governance body	Refer to Governance section of our Annual Report 2025
2-18	Evaluation of the performance of the highest governance body	Refer to Governance section of our Annual Report 2025
2-19	Remuneration policies	Refer to Governance section of our Annual Report 2025
2-20	Process to determine remuneration	Refer to Governance section of our Annual Report 2025
2-21	Annual total compensation ratio	Refer to Governance section of our Annual Report 2025
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Achieving our ESG Goals
2-23	Policy commitments	About our Sustainability Report
2-24	Embedding policy commitments	About our Sustainability Report
2-25	Processes to remediate negative impacts	Sustainability Governance
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Governance
2-27	Compliance with laws and regulations	Refer to each section for details
2-28	Membership associations	Our Community Engagement
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Stakeholder Engagement
2-30	Collective bargaining agreements	Labour Standards & Workplace Conditions

GRI INDICATOR	DESCRIPTION	SECTION REFERENCES AND COMMENTS
GRI 3: MATERIAL TOPICS 2021		
3-1	Process to determine material topics	Materiality; Stakeholder Engagement
3-2	List of material topics	Materiality
3-3	Management of material topics	Refer to each section for details
GRI 101: BIODIVERSITY 2024		
101-1	Policies to halt and reverse biodiversity loss	Conserving Marine Biodiversity
101-2	Management of biodiversity impacts	Conserving Marine Biodiversity
101-4	Identification of biodiversity impacts	Conserving Marine Biodiversity
101-5	Location with biodiversity impacts	Conserving Marine Biodiversity
GRI 102: CLIMATE CHANGE 2025		
102-1	Transition plan for climate change mitigation	Climate-Change Resilience
102-2	Climate change adaptation plan	Our Decarbonisation Strategy
102-3	Just transition	Our Main Decarbonisation Measures
102-4	GHG emission reduction targets and progress	Performance Data Summary
102-5	Scope 1 GHG emissions	Performance Data Summary
102-6	Scope 2 GHG emissions	Performance Data Summary
102-7	Scope 3 GHG emissions	Responsible Supply Chain; Performance Data Summary
102-8	GHG emissions intensity	Tracking a course to Net Zero by 2050; Performance Data Summary
102-10	Carbon credits	Our Main Decarbonisation Measures
GRI 103: ENERGY 2025		
103-1	Energy policies and commitments	Responsible Business Fundamentals
103-2	Energy consumption and self-regeneration with organisation	Performance Data Summary
103-4	Energy Intensity	Tracking a Course to Net Zero by 2050; Performance Data Summary
103-5	Reduction in energy consumption	Performance Data Summary
GRI 205: ANTI-CORRUPTION 2016		
205-2	Communication and training about anti-corruption policies and procedures	Responsible Business Practices
205-3	Confirmed incidents of corruption and actions taken	Responsible Business Practices
GRI 207: TAX 2019		
207-1	Approach to tax	Tax Transparency
207-2	Tax governance, control, and risk management	Tax Transparency
207-3	Stakeholder engagement and management of concerns related to tax	Tax Transparency
GRI 303: WATER AND EFFLUENTS 2018		
303-4	Water discharge	Conserving Marine Biodiversity; Performance Data Summary
303-5	Water consumption	Performance Data Summary
GRI 305: EMISSION 2016		
305-1	Direct (Scope 1) GHG emissions	Performance Data Summary
305-2	Energy indirect (Scope 2) GHG emissions	Performance Data Summary
305-3	Other indirect (Scope 3) GHG emissions	Responsible Supply Chain Performance Data Summary
305-4	GHG emissions intensity	Tracking a Course to Net Zero by 2050; Performance Data Summary
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Our Progress on Other Key Emissions Performance Data Summary
GRI 306: WASTE 2020		
306-1	Waste generation and significant waste-related impacts	Oil Pollution, Resource Consumption & Waste Management
306-2	Management of significant waste-related impacts	Oil Pollution, Resource Consumption & Waste Management
306-3	Waste generated	Performance Data Summary

GRI INDICATOR	DESCRIPTION	SECTION REFERENCES AND COMMENTS
GRI 401: EMPLOYMENT 2016		
401-1	New employee hires and employee turnover	Diversity, Equity & Inclusion; Performance Data Summary
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018		
403-1	Occupational health and safety management system	In-House Fleet Management
403-5	Worker training on occupational health and safety	Safety, Security, Health & Wellbeing; Training & Development
403-8	Workers covered by an occupational health and safety management system	Safety, Security, Health & Wellbeing
403-9	Work-related injuries	Safety, Security, Health & Wellbeing; Performance Data Summary
GRI 404: TRAINING AND EDUCATION 2016		
404-1	Average hours of training per year per employee	Training & Development Performance Data Summary
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016		
405-1	Diversity of governance bodies and employees	Diversity, Equality & Inclusion; refer to Governance section of our Annual Report 2024
GRI 406: NON-DISCRIMINATION 2016		
406-1	Incidents of discrimination and corrective actions taken	Diversity, Equality & Inclusion
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Labour Standards & Workplace Conditions
GRI 415: PUBLIC POLICY 2016		
415-1	Political contributions	Performance Data Summary

IFRS Industry-based Guidance – Marine Transportation

SEHK ESG Part D – 36, 41

TOPIC	METRIC	CODE	SECTION REFERENCES AND COMMENTS
GHG emissions	Gross global Scope 1 emissions	IFRS TR-MT-110a.1	Performance Data Summary
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	IFRS TR-MT-110a.2	Our Main Decarbonisation Measures
	Total energy consumed, percentage heavy fuel oil and percentage renewable	IFRS TR-MT-110a.3	Performance Data Summary
	Average Energy Efficiency Design Index (EEDI) for new ships	IFRS TR-MT-110a.4	Tracking a Course to Net Zero by 2050
Air Quality	Air emissions for the following pollutants: NOx, SOx, and particulate matter (PM)	IFRS TR-MT-120a.1	Performance Data Summary
Ecological impacts	Shipping duration in marine protected areas or areas of protected conservation status	IFRS TR-MT-160a.1	To be introduced in due course
	Percentage of fleet implementing ballast water exchange and ballast water treatment	IFRS TR-MT-160a.2	Conserving Marine Biodiversity
	Number and aggregate volume of spills and releases to the environment	IFRS TR-MT-160a.3	Conserving Marine Biodiversity Performance Data Summary
Workplace health & safety	Lost time injury rate (LTIR)	IFRS TR-MT-320a.1	Performance Data Summary Performance Data Summary
Business Ethics	Number of calls in countries among the 20 lowest rankings in Transparency International's Corruption Perception Index	IFRS TR-MT-510a.1	Responsible Business Practices
	Amount of legal and regulatory fines and settlements associated with bribery or corruption	IFRS TR-MT-510a.2	Responsible Business Practices Performance Data Summary
Accident & safety management	Number of serious marine incidents	IFRS TR-MT-540a.1	Performance Data Summary
	Number of conditions of class or recommendations	IFRS TR-MT-540a.2	In-house Fleet Management
	Number of port state control deficiencies and detentions	IFRS TR-MT-540a.3	Performance Data Summary

UN Global Compact Index

Pacific Basin has reported with reference to the UN Global Compact for the period from 1 January to 31 December 2025.

THE TEN PRINCIPLES	SECTION REFERENCES AND COMMENTS
HUMAN RIGHTS	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Labour Standards & Workplace Conditions
Principle 2: make sure that they are not complicit in human rights abuses	Labour Standards & Workplace Conditions
LABOUR	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Labour Standards & Workplace Conditions
Principle 4: the elimination of all forms of forced and compulsory labour	Labour Standards & Workplace Conditions
Principle 5: the effective abolition of child labour	Labour Standards & Workplace Conditions
Principle 6: the elimination of discrimination in respect of employment and occupation	Labour Standards & Workplace Conditions
ENVIRONMENT	
Principle 7: Businesses should support a precautionary approach to environmental challenges	Environmental Responsibility
Principle 8: undertake initiatives to promote greater environmental responsibility	Environmental Responsibility
Principle 9: encourage the development and diffusion of environmentally friendly technologies	Environmental Responsibility, Our Main Decarbonisation Measures
ANTI-CORRUPTION	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	Responsible Business Fundamentals, Responsible Business Practices

SUSTAINABLE DEVELOPMENT GOALS

We are committed to taking steps to tackle the environmental and social challenges we face in our industry. Our sustainability priorities, strategy and targets are aligned with the United Nation's 2030 Agenda for Sustainable Development and consistent with several of the UN's Sustainable Development Goals (SDGs) designed to achieve a better and more sustainable future for all.



Environmental Responsibility

Minimising emissions, energy consumption, waste and impact on biodiversity



Responsibility to our People

Enhancing safety, security, health & wellbeing, decent work, human rights, diversity & equal opportunity, training & development



Responsible Business Fundamentals

Enhancing management and governance practices, controls, business resilience, ethics and trust



Responsible Value Creation

Serving customers, suppliers, seafarers and other stakeholders for a more responsible and resilient supply chain



About our Sustainability Report

This is our tenth standalone Sustainability Report, though we have reported on our sustainability programme within the pages of our annual reports since 2004, and in depth since 2011. In combination with the sustainability content on our website, this report serves as a record of our main sustainability initiatives and performance highlights, focusing on Environmental, Social and Governance (ESG) and other sustainability areas that are material to our business and stakeholders.

Through linkage in our Annual Report to information in this Sustainability Report and online (and vice versa), we create transparency about our operations so that stakeholders have a clear sense of our non-financial business practices and the linkage across our actions, policies and performance.

Our Sustainability Report discloses our ESG strategic approach and performance data for 2025, including environmental and social KPI targets against which we measure our achievements and which will help us to comply with regulatory requirements and meet our strategic goals.

Scope

The scope of this report covers the significant ESG initiatives of our business that reduce our environmental impact, reinforce our class-leading safety and wellbeing culture and mitigate ESG risks, enhance fulfilment at work and promote responsible engagement within the supply and value chains, networks and communities in which we operate.

Our sustainability reporting boundary focuses on the majority portion of our core fleet that comprises owned vessels that we control both commercially and technically. It also covers greenhouse gas emissions of our chartered-in vessels.

It is our owned vessels over which we have the authority to mandate and control Health, Safety, Environment and Quality (HSEQ) policies and actions. By contrast, we do not control HSEQ, crewing and other technical management aspects for chartered-in vessels, although we do hold our tonnage providers to ensure that they and their ships, certificates and practices comply with all relevant labour, health & safety, environmental, sanction and other laws and regulations and are consistent with our Counterparty Code of Conduct. We especially prioritise first-class modern vessels when chartering in ships for longer periods.

We also report on our company-wide staff engagement and our network and community initiatives.

Sustainability Reporting Frameworks

Our sustainability reporting follows the latest Environmental, Social and Governance Reporting Code (ESG Code) of as set out in Appendix C2 to the Listing Rules of The Stock Exchange of Hong Kong Limited. It is also prepared with reference to standards and recommendations of the GRI Standards, ISSB's IFRS Sustainability Disclosure Standards (IFRS S1 & IFRS S2), the United Nations Global Compact and the United Nations Sustainable Development Goals.

We have incorporated a content index based on the IFRS S2 Climate-related Disclosures requirements, which have been adopted in the HKEX ESG Code.

We monitor developments and trends in areas of sustainability and sustainability reporting to better meet the expectations of our stakeholders in light of evolving societal expectations as well as business and regulatory requirements.

We do not currently work with the Science Based Targets initiative (SBTi) mainly because SBTi Maritime Guidance advocates action to achieve net zero by 2040, while our ambition of net zero by about 2050 – consistent with IMO's target – is already very ambitious for hard to decarbonise sectors like our dry bulk tramp shipping sector.

We have measured and tracked key aspects of our sustainability performance for several years and we meet the Stock Exchange's ESG Code's disclosure requirements.

 [p.89 HKEX ESG Reporting Code Index](#)

 [p.92 Other Reporting Framework Indices](#)

Reporting Principles

Our reporting preparation draws on principles of materiality, quantitative, balance and consistency.

Reporting Period

Our reporting period is 1 January to 31 December 2025.

Assurance

Our Sustainability KPIs and the disclosures in this Sustainability Report have been subject to an independent external assurance audit by American Bureau of Shipping (ABS).

 [p.88 Independent Assurance Statement](#)

Our carbon intensity and other environmental and safety KPI data have been measured or calculated in accordance with industry standards, and are subject to annual audit by DNV for ISO 9001, ISO 14001 and ISO 45001 certifications.

 denotes high-level KPIs (key performance indicators)



Policies and Guidelines

The Group has formulated a number of documents to guide our actions and improve our performance in areas of sustainability, such as:

- Anti-Bribery Policy
- Board Diversity Policy
- Business Continuity Plan
- Code of Conduct for Staff
- Company Policy on Political Contributions
- Counterparty Code of Conduct & Form
- Diversity, Equity and Inclusion (DEI) Policy
- Drug & Alcohol Policy
- Due Diligence Process Policy
- Environmental Policy Guide
- Health, Safety, Environment and Quality Policy
- Information Security Policy
- IT/System Vendor Management Policy
- Policy on Harassment and Bullying
- Policy on Political Contributions
- Privacy Policy
- Remote Working Policy
- Seafarer’s Rights Policy
- Security Policy for Shore-Based Locations
- Social Media Policy
- Trading Restrictions Policy
- Whistleblowing Policy
- Workplace Practices Policy Summary

Sustainable business practices are important for preserving and creating long-term value and fundamental to being a successful, professionally-managed and reputable company. They are encapsulated in two overarching corporate responsibility frameworks:

ESG Environmental Social Governance

CG Corporate Governance

This report looks broadly at all our material sustainability (ESG) issues, but we address the wider subject of corporate governance in more detail in the Corporate Governance section of our Annual Report.

AR Annual Report
p.45 Corporate Governance



Thank you to our several Pacific Basin colleagues from across our owned fleet and office network who produced almost all the photos in this report

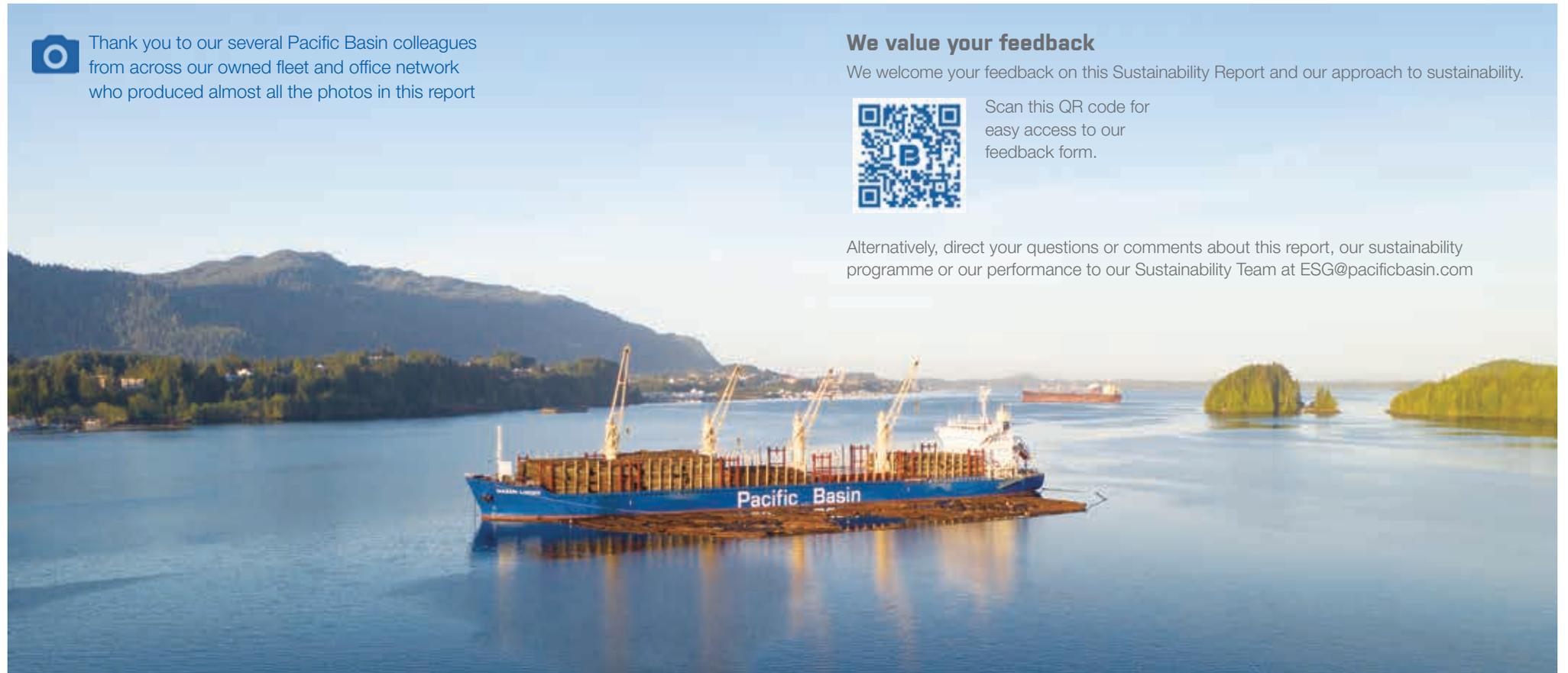
We value your feedback

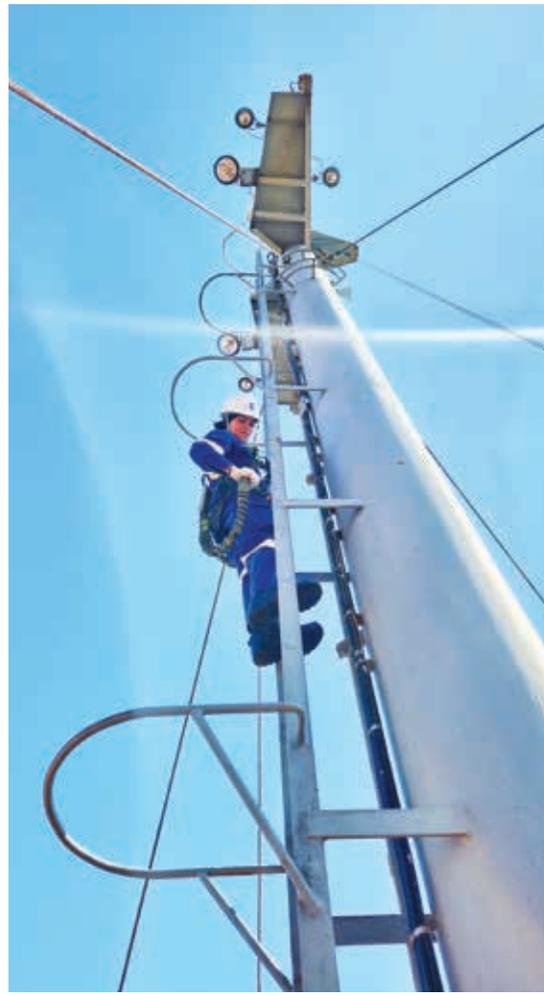
We welcome your feedback on this Sustainability Report and our approach to sustainability.



Scan this QR code for easy access to our feedback form.

Alternatively, direct your questions or comments about this report, our sustainability programme or our performance to our Sustainability Team at ESG@pacificbasin.com





We salute our loyal Pacific Basin colleagues at sea and ashore for their dedication and professionalism

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