



Pacific Basin

With you for the long haul

Responsibility

from the bridge down



Corporate Social Responsibility Report 2016

Stock Code: 2343



Front cover: m/v Cape Nelson departing Picton, NZ
via Queen Charlotte Sound. Photo credit: Kevin Searles

This page: m /v Tiwai Point loading logs in Kultus Cove, BC
Photo credit: Megan Hanacek, RPF, RPBio

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Key to navigation symbols

Linkage to related details within this CSR Report

Linkage to related details in our Annual Report

Audited Information

Linkage to related details on our website www.pacificbasin.com

Information related to SEHK ESG Reporting Guide

Key Performance Indicators



A glossary covering many of the terms in this document is available on our website

Chairman and CEO's Message

2016 marked Pacific Basin's thirtieth year in business over which time we have built a strong name as a leading owner and operator of modern Handysize and Supramax dry bulk ships. Driving our success and reputation are a sustainable business model and culture, and the support of our customers and other stakeholders.

A Sustainable Business Model

We are focused on a specific ship segment that offers benefits of diversification in terms of geography, customers and cargoes, which means we don't experience the degree of earnings volatility that other segments do. That said, we have in recent years seen extraordinarily weak market conditions through which we have navigated safely.



We are passionate about our customers and we value long-term relationships over short-term gain. These are values that underpin a customer-focused business model. We invest our time and personalised, innovative efforts to offer a tailored, flexible and reliable service to customers, making it easier for them to do business with us. This is what earns us the customer support that is so valuable in this challenging market and throughout the cycles.

We are passionate about our people, and are caring, fair and treat everybody with dignity and respect. Safety comes first, and our investment in the development and training of our staff underpins our safety performance while

also driving knowledge, productivity, engagement, loyalty and a deeper sense of belonging to the company.

Our large fleet comprises high-quality, modern ships of efficient design, which delivers operational efficiencies for the benefit of our customers while generating lower atmospheric emissions than the average ship in our segment. We have long been early adopters of technological and operational measures to minimise our impact on the environment, and we continue to invest in technologies, systems and processes that reduce our environmental footprint not only because of the moral obligation to do so, but also because of the strong business case for taking action.

Staying on Top of Regulatory Challenges

New regulations for greener shipping will no doubt be good for the environment, but they pose potentially significant technical, operational and financial burdens of compliance on shipowners.

The Ballast Water Management Convention of 2004 enters into force in September 2017 requiring ballast water treatment equipment to be fitted on all our ships over the next several years subject to the outcome of implementation schedule discussions of the IMO's Marine Environment Protection Committee in July 2017. We are well positioned for the implementation of this "BWMC" legislation (see the sidebar for more on the Ballast Water Management Convention).

The International Maritime Organization's global 0.5% sulphur cap which enters into force in January 2020 – in addition to the 0.1% sulphur limit in the North American, US Caribbean, North Sea and Baltic Emission Control Areas – could be met by retrofitting ships with scrubbers costing millions of

dollars which is practically not feasible. We expect to meet the requirements by using cleaner fuel, even if such distillate fuel oil currently costs more than higher sulphur heavy fuel oil (used in conjunction with scrubbers).

Ballast Water Management Convention

Shipowners' compliance with the ballast water management convention is complicated by the fact that not all ballast water treatment systems (BWTS) approved under the IMO's convention will receive type approvals from the US Coast Guard or comply with United States' own ballast water management regulations.

While the US Coast Guard has currently approved only three makes of ballast water treatment system, they have established a system of approvals of alternate management systems (AMS) valid for five years from the retrofit date. They have also implemented a programme that allows for extended compliance dates for BWTS retrofits on a ship by ship basis, so global shipping does not need to grind to a halt. This also represents a practical approach to not penalising shipowners who fit equipment proactively, but there remains a technical risk that equipment fitted may not eventually obtain US Coast Guard approval and therefore become redundant five years after the retrofit date, with a considerable cost impact.

We have selected a ballast water equipment maker whose technology is well on the path to securing US Coast Guard approval, and which will enable us to manage our BWTS compliance in line with the IMO's eventual implementation schedule. In the meantime, we are installing test units on two of our ships in 2017-18.

The implementation of an Electronic Chart Display and Information System (ECDIS) for paperless navigation will be mandatory for our ships from July 2017. We commenced retrofitting ECDIS across our fleet in 2014, have trained our navigation officers in its use and rolled out ECDIS as a primary means of navigation on all our ships well in advance of the implementation date.

New EU regulations on Carbon Dioxide (CO₂) Monitoring, Reporting and Verification (MRV) for shipping came into force in July 2015, and the first reporting cycle commences in 2018 as the European Commission takes the first step towards setting reduction targets by mandating the collection and public reporting of CO₂ emissions data. We are liaising with recognised organisations for developing and integrating MRV procedures into our existing management system for compliance.

Meanwhile we are also monitoring closely the IMO's drafting of a roadmap for developing a comprehensive strategy on reduction of Green-house Gas emissions from ships. This roadmap will build on and consolidate the IMO's various streams of GHG emissions reduction activity to date, including the technical and operational measures (EEDI and SEEMP) in force since 2013, the adoption of a data collection system (DCS) and other technical cooperation activities and projects.

We are fortunate to have an excellent team of people who endow our company with world-class expertise and professionalism right across our business. Thanks in particular to our award-winning in-house technical operations, we are fully prepared to meet the challenges of new environmental and other maritime regulations.



This CSR Report

We have decided this year to produce our first standalone CSR Report, which is a more comprehensive CSR reference document to better satisfy the growing interest in the details of our CSR responsibilities and performance. It also serves to more clearly address the amended disclosure requirements of the Environmental, Social and Governance Reporting Guide ("ESG Guide") of The Stock Exchange of Hong Kong.

The focus of these pages is on how we tackle our responsibilities for the safety and wellbeing of our staff and ethical business practice, and our responsibilities towards the environment and the communities in which we operate.

As a large player in our sector with an ambitious vision for the future, we recognise our responsibilities in these areas which have a bearing on the long-term sustainability of our business.

Commentary relating to our economic sustainability and a detailed account of our corporate governance continue

to feature in our Annual Report. We remain committed to the concepts of "Integrated Reporting", and provide clear linkage between sections in our 2016 Annual Report and this CSR Report (and vice versa). We continue to publish a short summary of our CSR performance highlights for the year in our Annual Report.

We welcome any feedback from our stakeholders on our CSR programme and the scope and materiality of the contents of this report. A feedback form and contact details are provided on page 41. 



David Turnbull
Chairman



Mats Berglund
Chief Executive Officer

About Pacific Basin

Pacific Basin is a leading owner and operator of modern Handysize and Supramax dry bulk ships

Group Facts

-  Headquartered and listed in **Hong Kong**
-  Operating over **220** substitutable ships worldwide
-  Over **3,000** staff at sea
-  **330** shore-based staff in 12 key locations

Customer Focus

-  Over **490** customers – industrial users, traders and producers of dry bulk commodities
-  Spot and long-term freight contracts
-  Grains & agriculture products, logs & forest products, steel & scrap, cement, fertiliser, metal concentrates, etc



Awards

	Lloyd's List Global Awards 2016 Safety Award	Lloyd's List Asia Awards 2016 Dry Bulk Operator of the Year	Seatrade Maritime Awards Asia 2016 Safety Award	Hong Kong Marine Department Awards 2016 Outstanding performance in Port State Inspections
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Financial Highlights

Revenue

USD

1.09bn

1.26bn (2015)

Cash Flow

USD

49.5m

98.6m (2015)

Net Profit

USD

-86.5m

-18.5m (2015)

Handysize TCE

USD

6,630/day net

7,870 (2015)

Outperformance

% over BHSI index

34%

54% (2015)



Our dry bulk segment



Handysize

25,000-40,000 dwt



Supramax

50,000-60,000 dwt

Highly versatile self-loading and discharging ships

Minor bulk segments offers benefits of diversification in terms of geography, customers and cargoes enabling triangular trading and high utilisation

>90% loaded ratio

In a highly fragmented market, we operate approximately 6% of global 25,000-40,000 dwt Handysize ships of less than 20 years old



Other information

Fleet in operation

Ships

220

206 (2015)

Cargo Volumes

Tonnes

57m

55m (2015)

Global Network

Offices

12

12 (2015)

Ports Called

Ports & Countries

716/95

700/92 (2015)

Distance Travelled

Nautical Miles

12m

13m (2015)

Crew Employed

Seafarers

3,000

3,000 (2015)

Shore Staff

Staff

330

330 (2015)

Staff Training

48%

55% (2015)

Seafarer Retention

87%

84% (2015)

Sponsorship

USD

55,000

71,000 (2015)

Injury Frequency

TRCF

1.32

1.6 (2015)

Injury Frequency

LTIF

0.94

1.0 (2015)

Inspection Deficiency Rate

Deficiencies/inspection

0.74

0.9 (2015)

Fuel Purchased

Tonnes purchased

883,000

820,000 (2015)

CO₂ Emitted

Tonnes (equiv)

1,028,000

1,043,000 (2015)

CO₂ Index (EEOI)

Grams CO₂/tonne-mile

11.02

10.7 (2015)

About Our CSR Report

This is our first standalone CSR Report, although we have for several years reported on our CSR programme within the pages of our annual reports. In combination with the CSR content on our website, this report serves as a record of our main CSR initiatives and performance highlights, focusing on areas that are material to our business and stakeholders.

Through linkage in our Annual Report to information in this CSR Report and online, 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 CSR reporting discloses our CSR performance data for 2016 and summarises more permanent aspects of our CSR narrative, such as (a) key inputs and outputs of our business, (b) initiatives we pursue to tackle our responsibilities, and (c) materiality, reporting scope and CSR governance.

Our CSR initiatives and reporting are guided by broad strategic objectives that relate to:

-  workplace and business practices (human capital)
-  environmental stewardship (natural capital)
-  community engagement (social & relationship capital)

CSR Reporting Framework

Our CSR reporting follows the Environmental, Social and Governance Reporting Guide (“ESG Guide”) of The Stock Exchange of Hong Kong (the “Stock Exchange” or “SEHK”), and draws on the guidelines and principles of the United Nations’ Global Compact and GRI’s sustainability guidelines as well as the International Integrated Reporting Council’s International <IR> Framework.

We have measured and tracked key aspects of our CSR performance for several years and we are on track to meeting the Stock Exchange ESG Guide’s disclosure requirements as they are phased in.

 [Page 40](#)  [SEHK ESG Reporting Guide Index](#)

Sustainable business practices are an important platform for preserving and creating long-term value and fundamental to being a successful, professionally-managed and reputable company. That platform is based on two overarching areas of corporate responsibility:



Corporate Social Responsibility



Corporate Governance

We address corporate governance separately in the governance section of our Annual Report  and website .

An Integrated Reporting Framework

In preparing our Annual Report, CSR Report and internal management reports, we follow the International <IR> Framework of the International Integrated Reporting Council which enhances the way we think, plan and report the story of our business.

Our integrated reporting demonstrates how we embed holistic, integrated thinking into our strategy and plans and make informed decisions and manage key risks to build investor and stakeholder confidence and improve future performance. We also show how we rely on and impact our resources and relationships – our Capitals – to protect and create value over the long term.

Scope

The scope of this report covers environment, workplace and community initiatives that reduce our environmental impact, reinforce our class-leading safety culture and mitigate safety and environmental risks, enhance job fulfilment and promote responsible engagement within the communities where we operate.

Our CSR reporting focuses on the majority portion of our core dry bulk fleet that comprises owned vessels that we control both commercially and technically. It is these 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 of inward chartered vessels. We also report on company-wide staff engagement and community initiatives and performance.

87 Average number of owned ships we operated in 2016

Reporting Period

The reporting period is 1 January to 31 December 2016.

Assurance

Our Energy Efficiency Operational Indicator (EEOI) and other environmental and safety KPI data have been measured or calculated in accordance with industry standards, and has been audited by Lloyd's Register Quality Assurance for ISO 9001, ISO 14001 and OHSAS 18001 certification.

Policies

The Group has published a number of documents to guide our actions and improve our performance in areas of Corporate Social Responsibility, such as:

- HSEQ Policy
- Commitment to a Healthy & Safe Workforce (OHSAS 18001)
- Environmental Policy Guide
- Drug & Alcohol Policy
- Code of Conduct
- Whistleblowing Policy – External
- Workplace Practices Policy Summary



We welcome your feedback on this CSR Report and our approach to CSR. Please refer to our CSR feedback form on page 41 of this report. 



Our Approach to CSR

A Sustainable Business Approach

We are a substantial shipping business that draws on and impacts the resources and relationships we rely on to create and protect value. These are called our "Capitals".

As a large player in our sector with an ambitious vision for the future, we recognise our responsibilities to these Capitals which have a bearing on the long-term sustainability of our business. We believe that many of the responsible actions we take – our commitment to Corporate Social Responsibility (CSR) – make us competitively stronger and enhance our financial performance, our reputation and the future value of our business.

These responsibilities and relationships are components of the key material matters we focus on to deliver our strategic objectives. Our active approach to CSR is therefore rooted in our culture and, governed by our policies and systems, integrated into our daily business behaviour and operating practices.

Page 11
Key Material Matters 

Our Resources in Action

We attach great importance to cultivating resources and relationships (our stores of value or Capitals) which we employ as optimally as we can to propel us towards our vision and benefit our shareholders and customers

B **OUR CAPITALS – THE RESOURCES AND RELATIONSHIPS WE RELY ON**

- 

Physical Capital
Our Fleet

	Handysize
	Supramax

 p16
- 

Financial Capital

 p24
- 

Human Capital
 Our Global Office Network
12 offices 10 chartering offices

 p13
- 

Social Capital & Relationship Capital

 p34
- 

Intellectual Capital

 p16
- 

Natural Capital

 p12

C **HOW WE CREATE OR PROTECT VALUE**

- Scale and Interchangeability
- High-quality Assets
- In-house Technical Operations
- Considered Treasury Activity
- Being Local
- Being Global
- Stakeholder Engagement
- Effective Business Model & Systems
- Environmental Responsibility

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

Our Focus Areas

Our CSR initiatives are guided by broad strategic objectives that relate to:



Workplace and operating practices

drawing mainly on human capital which includes the skills, experience, behaviour and loyalty of our staff that we reward and enhance with fair remuneration and a commitment to health and safety, development and training, equal opportunity and a comfortable and fulfilling workplace.



Environmental stewardship

drawing mainly on natural capital, predominantly through our fleet's consumption of fuel and other inputs and the resulting impacts of emissions on the atmosphere and marine environment.



Community engagement

drawing mainly on social and relationship capital which is the mutually beneficial partnership we strive to maintain with our customers, suppliers and other stakeholders in our communities, while recognising their rights and needs and always demonstrating responsible business practice.

These responsibilities are core to our culture, strategy and long-term vision, and it is our spirit and culture that turn sustainability efforts into reality and make a difference both within and outside of our organisation.

Our CSR initiatives enhance safety and workplace fulfilment, minimise our operations' environmental impact, and enrich engagement with the communities in which we operate.

Key:



Linkage to further details within this CSR Report



Please read our Annual Report for more information



MATTERS OF KEY STRATEGIC FOCUS

Investing in our fleet

Enhancing corporate and financial profile

Investing in our People
Deepening our relationships

Safeguarding health & safety
Evolving management & governance

Maximising vessel and fleet utilisation

Safeguarding the environment

Our Mission

To be the best in our field by continuously refining our business model, our service and our conduct in everything we do



OUTCOME

- Optimal ship design and efficiency
- Increased economies of scale and vessel utilisation
- Optimal scheduling and flexibility for our customers
- Enhanced technical and service reliability for customers
- Enhanced health / safety / quality / cost control  p10
- Sound financial liquidity
- Optimal balance of financial capital sources benefits shareholders and enhances returns  p24
- Safeguarding / enhancing quality / effectiveness / availability of staff on shore / at sea  p14
- Meaningful customer partnerships
- Access to comprehensive market intelligence
- Optimal trading and positioning of our fleet
- Builds and understanding trust and support between Pacific Basin, our staff, customers, tonnage providers, suppliers, investors, financiers, communities and other stakeholders
- Sector-leading service delivery
- Maximising vessel earnings and generating consistently respectable financial performance through the cycle
- Strong brand reputation
- Sector-leading efforts to minimise consumption of natural resources and impact on the environment

CSR Governance

The Board is responsible among other things for the development of our long-term corporate strategies and broad policies. In setting our standards, it considers the needs and requirements of the business, its stakeholders and the Corporate Governance Code and ESG Reporting Guide encompassed in the Stock Exchange's Rules Governing the Listing of Securities on The Stock Exchange.

Annual Report p.30
Board Responsibilities



As such, the Board has overall responsibility for, and is engaged in, our CSR strategy and reporting, including evaluating and determining CSR-related risks, and ensuring appropriate and effective CSR risk management and internal control systems are in place. Management provides confirmation to the Board of the effectiveness of these systems.

The Board delegates to the Audit Committee (comprising all six Independent Non-executive Directors) more specific responsibility for reviewing the effectiveness of the Group's internal control and risk management systems, and reviewing the work of the Risk Management Committee. In turn, our Risk Management Committee (comprising our CEO, CFO, Company Secretary, and Risk and Internal Audit Manager), reporting to the Audit Committee, is responsible for assessing and enhancing the Group's risk management, as well as CSR and corporate governance policies, strategies and performance.

The Chief Executive Officer is delegated responsibility by the Board for executing our corporate sustainability strategy and initiatives. In turn, his direct reports across the Group have functional responsibility for sustainable business practice in specific areas, most notably our Chief Technical Officer (until his retirement in April 2017), our Fleet Director and the senior managers of our Fleet & Newbuildings division (covering technical operations, fleet personnel and risk, safety & security) and our Human Resources and Administration department.



Key Material Matters

We assess all the matters that are material to the long-term success of Pacific Basin and the sustainable growth of our business and operations. This exercise – an analysis of opportunities and risks and how to balance them – also assists us in developing and achieving our strategic objectives. Sustainability is a key element of each of these material matters, and this is the driving force behind our long-term progress and success.

Through this process, we have identified the material matters below which are key components of our business model and key drivers of our Group’s performance and long-term viability.

What is material is defined as a matter that would impact our senior management, Board and Board Committees’ decisions, applying several criteria such as:

- the potential economic impact of a matter on the business and its value over the short, medium and long term;
- our main stakeholders’ concern with a matter and its likely effect on them; and
- the extent to which a matter is likely to grow in significance and impact in the future.

Annual Report p.18
Strategy Delivery & Risks



Materiality Matrix & Stakeholder Engagement

Pacific Basin engages in active two-way dialogue with our stakeholders – primarily customers, suppliers, employees, shareholders, financiers, industry associations and regulators. This enables us to map issues that are of greatest importance to our business and stakeholders, and determine the key matters for discussion in our CSR reporting. In addition to our day-to-day contact with customers, we conduct regular and in-depth customer and investor surveys that provide insight about our operations and ways we can improve. We also engage actively with associations that work to influence and respond to regulations that affect our industry.

We measure and report key performance indicators (KPIs) across our environmental and workplace performance. Through the reporting of these KPIs and information in our CSR Report, we disclose each element deemed to be of greatest impact to our business and stakeholders.

We welcome our stakeholders’ feedback on our approach to CSR and the key material matters we discuss in our CSR reporting. Please refer to the feedback form and contact details on page 41 of this report.



Our Key Impacts & Responsibilities

Propelling a vessel across oceans and operating a network of offices require many resources, the outputs of which impact the environment, our staff and the communities in which we operate. To minimise these impacts, Pacific Basin has ship and shore-based initiatives focused on reducing atmospheric emissions, marine discharges and resource consumption, enhancing the safety and wellbeing of our staff, and enhancing the quality of the relationships and interactions we have with our communities.

At Sea

Inputs

Key resources and relationships we rely on (our Capitals)

Human Capital

Staff at sea

Physical & Natural Capital

- Steel & vessel materials
- Fuel oil
- Paints
- Ballast water
- Food & packaging
- Cargo packing materials
- Lubricants
- Chemicals

Social & Relationship Capital

- Customers
- Suppliers
- Ports & local community
- Dock/port workers
- Agents
- Local regulators



Outputs

Our impacts and CSR responsibilities

Physical Impacts

Accidents & illness, personal fitness, productivity & effectiveness

Mental Impacts

Separation from family & friends, absence of normal life ashore, mental wellbeing, boredom

Atmospheric Emissions

CO₂, Greenhouse gases, SOx, NOx, PM, VOCs

Marine Discharge

Bilge and ballast water, sewage and gray water, garbage/food waste, toxic leaching from paint, cargo residue and accidental discharges

Shore Discharge

Garbage, waste dunnage, cargo residue, sludge, hazardous waste, expended parts

Other impacts

Steel and other resources consumption (for vessel construction), and noise, odor and visual impact

Goodwill & Reputation Impacts

Ship/crew performance and cooperation impact support from customers. Courtesy, cooperation and professionalism impact support from shore-side workers, authorities and other service providers. Poor performance and attitude impact brand reputation and vessel turnaround time in port.



KPI A1.1
Type of emissions and data

On Shore

Inputs

Human Capital

Staff ashore

Physical & Natural Capital

Business travel
Commuting
Electricity
Paper supplies
Water & Sewage
General waste

Social & Relationship Capital

Customers
Suppliers
Regulators & policy makers
Communities



Our Worldwide Network

12 office locations including:

- 10 commercial offices
- 3 technical & crewing offices

Our Hong Kong headquarters is home to commercial, technical, crewing and comprehensive other functions

Outputs

Physical Impacts

Accidents & illness, personal fitness, productivity & effectiveness

Mental Impacts

Work-life balance

Atmospheric Emissions

CO₂, Greenhouse gases, SO_x, NO_x, PM, VOCs

Other Impacts

Non-recyclable, non-biodegradable waste, water pollution, fuel & resources consumption

Goodwill & Reputation Impacts

Courtesy, fairness, cooperation and professionalism impact support and goodwill from customers and other partners/stakeholders

Workplace & Safety



Drawing on our Human Capital

The health, safety and behaviour of our employees underlies every aspect of how we operate. They are driven by policies, procedures, a team culture and 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 advance and develop within the Company are key to the well-being and fulfilment of our staff and the success of Pacific Basin.

We strive to be the employer of choice for our existing staff and for talented potential employees in our industry. We are passionate about our people and do what we can to provide our multi-national colleagues with a safe, supportive, enjoyable and fulfilling working environment.



Aspect B1 (Working Conditions)
General Disclosure

In-house Ship Management Expertise Ensures Safety & Quality at Sea

As ship owners, our service reliability is enhanced by an innovative and comprehensive in-house technical 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 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 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 and all other local and international laws and regulations. Their combined efforts are key drivers of stakeholder satisfaction and our Pacific Basin brand value.

Our comprehensive technical ship management function covers:

- Newbuilding ship design input and contracting support
- Newbuilding supervision
- Technical support for ship sale and purchase activities
- Technical and crew management of ships

- Procurement
- Marine & safety quality management and superintendence
- Regulatory compliance
- Dry docking supervision
- Safety & security assessments and training
- Internal/external audit corrective action implementation

We operate our own Pacific Basin crewing and training centres in Dalian and Manila where our crew recruiting, training and management activities are based. Our pool of 3,000 seafarers are mainly from China and the Philippines, and some of our officers are from Russia and Ukraine (FSU) and Hong Kong.



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:

- Health & Safety
- Training & Development
- Labour Standards & Workplace Conditions
- Diversity & Equal Opportunity
- Responsible Business Practices
- Responsible Procurement

Health & Safety

We put 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**

Our HSEQ policy and our Pacific Basin Management System embody a number of broad actions designed to achieve this objective:

- We employ and train qualified seafarers in accordance with requirements of flag state and STCW (Standards of Training, Certification & Watchkeeping) Convention
- We have implemented risk assessment systems to review all identified risks to our ships, personnel and the environment, and to identify and establish appropriate safeguards and practices
- We seek to continuously improve quality, health & safety and environmental performance and management skills of personnel ashore and at sea, through a system of audits, analysis and feedback
- We keep personnel appropriately informed of HSEQ matters by circulating pertinent information and providing training resources
- We provide a safe and healthy work environment and ensure the welfare of the staff
- We enforce a drug and alcohol policy on board our ships and ensure all watch-keeping personnel undergo drug and alcohol tests before embarking on any of our vessels
- We conduct anti-piracy training, follow best practices and adhere to Internationally Recommended Transit Corridor mandates covering areas threatened by piracy attacks



SEHK
ESG

Aspect B2 (Health & Safety)
General Disclosure

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.

Some of our established home-grown concepts and programmes that seek to maximise our crews' engagement and risk mitigation and safety performance include:

- Our “22 Crew, 22 Owners™” concept to empower our teams at sea to manage our vessels – and think like owner/managers – with a proactive safety culture
- Five focus areas to “Make Complacency History” (see side bar)
- “5 levels and 5 rules of leadership” to influence and develop staff on board to lead by example and inspire colleagues to follow
- “Zero defects in external checks through good self-checks” using our paperless “3W” risk assessment prior to each task
- Crew rest periods after tiring operations (even if delaying a ship's departure) to reduce the risk of fatigue and stress-related accidents
- Our “Zero Lost Time Injuries” programme including enhanced pre-joining and on-board training, and monthly alerts to the fleet with reminders of earlier injuries sustained on our ships
- Analysis of industry and internal incidents and near-misses to learn from one's own and other people's mistakes (OPM)
- Near-miss reporting generating valuable advice to help our seafarers avoid similar occurrences in the future
- Providing our teams at sea with the best and most understanding shore-based support with a ratio of one former Master or Chief Engineer ashore for every two ships in our owned and finance-leased fleet

“Make Complacency History”

We highlight five focus areas in our campaign to eradicate complacency across our fleet, including:

- Safety of Crew
= Zero Lost Time Injuries
- Safety of Environment
= Zero MARPOL violations
- Safety of Navigation
= Zero navigational accidents
- Safety of Machinery
= Zero issues from improper overhaul
- PB Brand & Business
= Zero issues from neglect of care and maintenance

This campaign has been expanded to engage with our seafarers' families through family newsletters and informal participation during our regular safety seminar dinners and through our family welfare officer in our recruitment centres for a more holistic and effective approach.



KPI B2.3
Description of occupational health & safety measures adopted

Health & Safety Performance in 2016

We have steadily reduced our Total Recordable Case Frequency by an average of 6% per year since 2004.

In 2016, we recorded near record low total injuries and injury frequency on our ships, most arising from relatively minor slips, trips and falls.

Our total recordable case frequency (TRCF) reduced 18% to 1.32 in 2016, and we have steadily reduced our TRCF by an average of 6% per year since 2004.

Our lost time injuries frequency (LTIF) improved marginally year on year, having registered 15 such injuries in 2016.

Our aim is to substantially eliminate our personal injury incidents and to improve on our best ever LTIF result of 0.85.

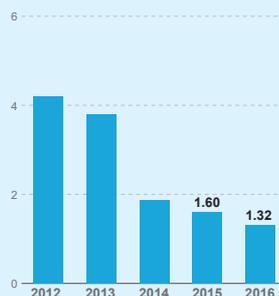
KPI

Total Recordable Case Frequency (TRCF)*

1.32

↓ 18%

injuries per million man hours



Lost Time Injury Frequency (LTIF)*

0.9

↓ 1%

injuries per million man hours



Our safety performance is driven by effective policies and procedures in our Pacific Basin Management System and a comprehensive programme of seafarer training and development at sea and ashore.

We have responded by reinforcing our established safety programme with a campaign to target “Zero Lost Time Injuries” which includes enhanced pre-joining and on-board training, and monthly alerts to the fleet with reminders of injuries sustained on our ships. Our “Make Complacency History” campaign now reaches out to our seafarers’ families for a more holistic and effective approach.

Very sadly, one of our deck cadets died in February 2016 from a fall overboard while assisting with the lashing of deck cargo in the port of Tauranga. The main lesson learned from this fatal accident was that crew must attach their safety harness to a fall arrestor while working close to the edge of the cargo stack in accordance with our company requirement to do so. The lessons were well noted and steps were taken to mitigate the risk of a repeat of such accident and to ensure that the Company’s Safety Management System and our safe working procedures are strictly adhered to on all our vessels. In its report on the accident, the Transport Accident Investigation Commission of New Zealand (TAIC) endorsed our follow-up safety actions which they said negated their need to make any recommendations. We sincerely regret and were deeply saddened by the accident, and our thoughts continue to be with the family of the deceased cadet.

SEHK ESG

KPI B2.1

Number and rate of work related injuries

SEHK ESG

KPI B2.2

Lost days due to work injury

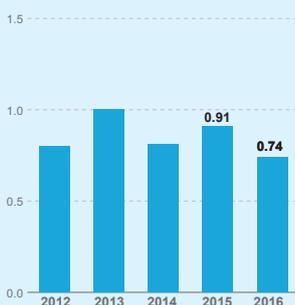
KPI

External Inspection Deficiency Rate

0.7

↓ 19%

deficiencies per inspection



We aim to achieve an inspection deficiency rate of less than 1.0 by maintaining our ships to a high standard, as assessed by external Port State Control (PSC) inspections.

In 2016, our average deficiencies per inspection improved by 19% to 0.74.

72% of our Port State Control inspections found zero regulatory deficiencies (2015: 70%).

These results are among the best in the industry, especially considering the scale of our activity in the Far East where defects are typically raised in larger numbers.

We sustained no navigational accidents in 2016. Our navigational performance has benefitted from an extensive engagement exercise which collected wide-ranging feedback from our ships’ officers and managers as well as company-specific Bridge Team Management training for all our navigating officers, which we introduced in 2013.

We encourage near-miss reporting which in 2016 accounted for 783 reports (2015: 539) through which officers and crew described safety incidents and near-misses, however minor, which serves as a valuable tool for the prevention of injury and loss.

Staff wellbeing ashore

We believe that exercising and staying fit is very important for all of us. In 2017, we will implement a global health, well being and fitness initiative to encourage our staff to be more physically active and spend more time outdoors.

Award-winning Safety Culture & Performance



We frequently receive industry recognition for our commitment to and performance in safety and related areas.

In June, we won the Hong Kong Marine Department’s “Best Performing Ship Management” award for outstanding performance in global port state control inspections – for the eighth time in nine years.

In September, we won the Safety Award at the Lloyd’s Global Awards 2016.

Page 28

More on our award-winning Safety & Quality at Sea



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 minimum requirements 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. It is also certified by Lloyd’s Register Quality Assurance (LRQA) to voluntary standards, including:

- ISO 9001:2008 for our quality management system
- ISO 14001:2004 for our environmental management system
- OHSAS 18001:2007 for our occupational health & safety management system



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.

High-performance teamwork at Pacific Basin is vital to our success. We foster high crew standards and teamwork at sea, and our shore-based technical and operations managers are experienced former ship captains and chief engineers. This encourages a culture where problems are shared openly and officers can rely on the very best, consistent support from ashore.



Aspect B3 (Development & Training)
General Disclosure

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 (or 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.

Here are a number of training and development investments we make to ensure a class-leading safety culture, service delivery and workplace fulfilment:

- We host at least four officer training seminars annually at our crewing centres in Manila and Dalian. Through these 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.

4 training seminars in 2016
(2015: 4)

- We conduct enhanced pre-joining briefings for all our sea staff.
- Our experienced Masters and Chief Engineers voluntarily run training seminars for our ratings whilst both teachers and students are on shore-leave.



- Our senior crewing managers review all staff's training needs during 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 and in Hong Kong since 2013.
- We train between one and four officer cadets on each of our ships.

2.0 officer cadets per ship
in 2016





- 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.

8 Ships per safety/training manager in 2016

- In addition to our Marine & Safety Managers ashore, we deploy 8 Fleet Training Managers to sail periodically on our owned vessels and offer our crew on-the-job training.
- 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 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.
- Some of the investments we make in 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 MRM 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, on shore and at the ship-shore interface.
- Our crew conferences, training seminars and cadet programmes offer a clear path of career advancement within the ranks of our crew.



Employees ashore

Ashore, we make a concerted investment in staff training and leadership development at all levels of the organisation, which has resulted in enhanced productivity, engagement, loyalty and retention and a strong foundation for our succession planning. That investment ashore broadly takes the following forms:

- Independently-run classroom and seminar-based training
- On-the-job training, site visits and company visits
- Understudy programmes for young executives
- Social and team-building exercises promoting high-performance teamwork and a culture of high standards
- Leadership and management training for high-potential employees identified as future leaders
- Training in specialised management tools
- Group-wide intranet connectivity, instant messaging and web-based video supporting real time information sharing

The Company has a healthy budget for training and development of shore-based staff, of which typically more than half receive some form of external training each year provided by local trainers or leading business schools internationally.

48% received external training in 2016 (2015: 55%)



Our recruitment and training of international graduate and other young recruits in recent years has armed our teams with keen, talented executives who are now demonstrating their value in our offices around the world. In 2016, 12 young staff members attended our structured three-month trainee programme in which trainees cycle through our various departments, travel on ships, visit dry-docks, spend time with our shipping agents, shipbrokers and customers, and receive an in-depth experience in all facets of dry bulk shipping.

12.5 training hours (average) per employee (2015: NA)
12 graduate and other young recruits in 2016 (2015: 3)



KPI B3.1
 Percentage of employees trained by category



KPI B3.2
 Average training hours per employee

Labour Standards & Workplace Conditions

Through the commitment we make to our crews' training, safety, motivation and overall job fulfilment, we benefit in return with increased retention of high-quality, loyal seafarers and safe operations.

Our labour standards, human rights practices and workplace conditions adhere to all conventions where our ships trade and our offices are located.

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.

These ILO conventions relating to seafarers have been consolidated into a single, coherent instrument – the Maritime Labour Convention 2006 (“MLC”) – which has been ratified by China and Hong Kong and has been incorporated in Hong Kong flag state legislation under Hong Kong CAP478 Merchant Shipping (Seafarers) and other ordinances. As such, the conventions are mandatory for us to follow in respect of our Hong Kong-flagged dry bulk ships.

Where ILO conventions have not been ratified by our flag state, we voluntarily comply with or exceed the requirements of such conventions by way of a Collective Bargaining Agreement (“CBA”) with the International Transport Federation (“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 modernised our ship communications in 2016 with KVH's mini-VSAT broadband service with enhanced data transfer to facilitate ship-to-shore crew training and support, and to enable our seafarers to stay in touch with family and friends.



Aspect B4 (Labour Standards)
General Disclosure

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
- payment of wages
- annual leave & repatriation
- accommodation, food & catering
- social protection
- right to collective bargaining

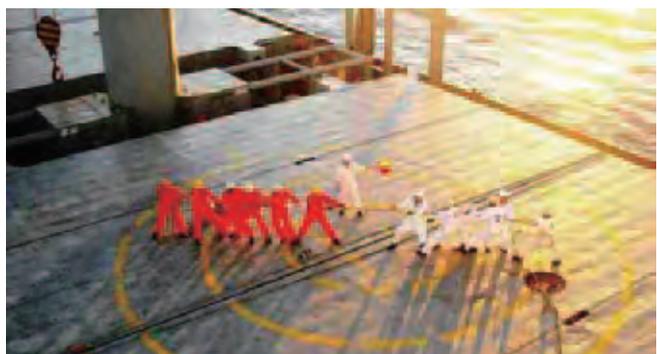
Our compliance with ILO conventions and CBA terms is audited by Port State Control inspections



KPI B4.1
Description of measures to review employment practices to avoid child/forced labour



KPI B4.2
Description of steps taken to eliminate child/forced labour when discovered



Ashore, our offices adhere to all relevant local workplace health and safety and related codes, offering our employees a safe, comfortable and productive work environment. This includes good lighting and air conditions, and ergonomic workstations.

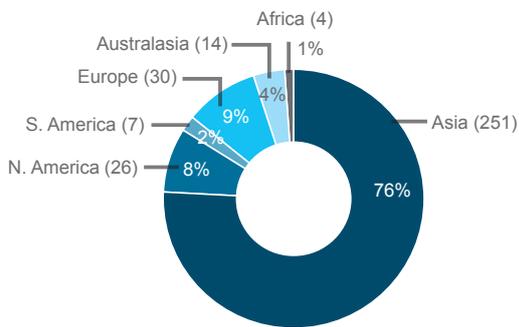
We encourage a healthy balance between family life and work.

We keep our employees engaged through newsletters, information circulars, town hall meetings, an open-door policy, and multiple means of staying connected through a group-wide intranet, instant messaging and video conferencing systems.

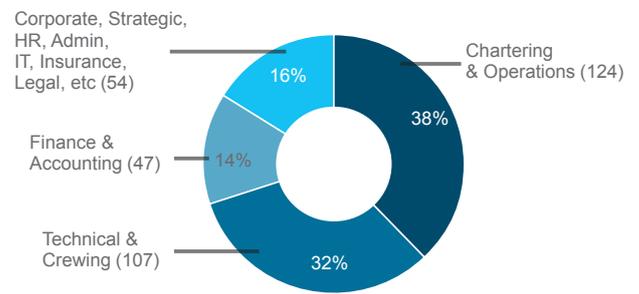


Aspect B1 (Working Conditions)
General Disclosure

Shore Staff by Region



Shore Staff by Function



KPI B1.1
Total workforce by employment



Diversity & Equal Opportunity

We take pride in the diversity of our staff – including the diversity of cultures and age that exists among our shore-based staff comprising executives of 27 nationalities.

The gender and age distribution of our shore-based workforce is well-balanced.

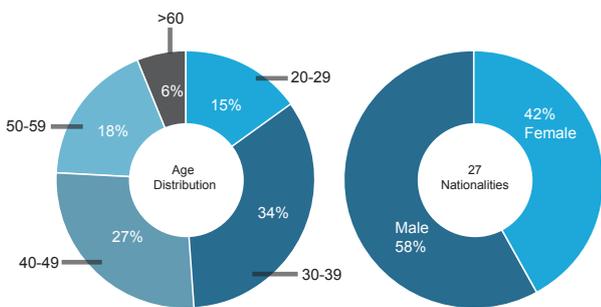
31% of our shore-based staff have worked for Pacific Basin for over 10 years, which is testament to the job fulfilment at Pacific Basin over a period of significant growth.

Our high officer and crew retention rate speaks volumes about the job fulfilment we offer our seafarers.

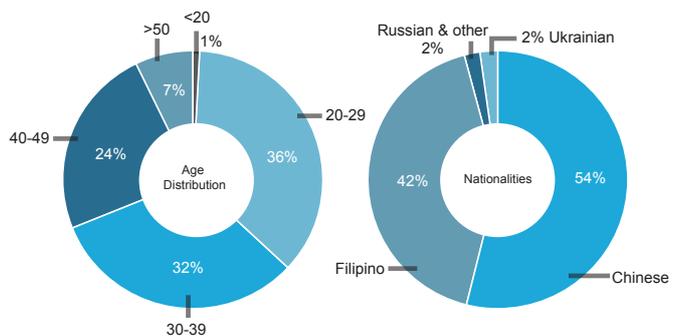
We are caring, good humoured and fair, and treat everybody with dignity and respect, encouraging diversity of opinions and cultures.



330 Shore Staff



3,000 Seafarers



80% shore staff retention (2015: 80%)

23% shore staff under equity incentive scheme (2015: 36%)

31% shore staff with Pacific Basin for over 10 years

92% officer retention (2015: 90%)

87% overall crew retention (2015: 84%)



KPI B1.2
Employee turnover

Responsible Business Practices

In the pursuit of our vision, mission 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.

Our Vision, Mission & Business Principles

Our vision is to be a leading ship owner/operator in the dry bulk shipping space, and the first choice partner for customers and other stakeholders.

Our mission is to be the best in our field by continuously refining our business model, our service and our conduct in everything we do.

The guiding **business principles** that dictate our behaviours and actions:

- We are passionate about our customers, our people, our business and our brand
- We honour our commitments and 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 target excellence and success through dedication and teamwork, and we see everyone in Pacific Basin as a corporate ambassador
- We take a sustainable business approach and promote high standards of safety and environmental stewardship
- We are caring, good humoured and fair, and treat everybody with dignity and respect, encouraging diversity of opinions and cultures

Anti-Corruption

Our Code of Conduct prohibits our staff from offering or accepting bribes or engaging in fraud, forgery, collusion, anti-competitive behaviour or other forms of corruption.

Cases of corrupt practices

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 headquarters. Similar anti-corruption laws (such as the UK Bribery Act 2010) and expectations apply to all our staff around the world.

We provide anti-corruption seminars run by external trainers for our Hong Kong staff on a rotational basis.

We were not in 2016, are not currently and have never been involved in any legal cases regarding corrupt practices.



Aspect B7 (Anti-Corruption)
General Disclosure



KPI B7.1
Number of legal cases regarding corrupt practices

Whistleblowing

We are committed to providing a workplace free of dishonest, illegal or discriminatory activities. As part of our efforts in this area, we have whistle-blowing procedures in place for seafarers, shore-based staff and external stakeholders to raise serious and genuine concerns, in confidence, following procedures that are published on our intranet (for our shore-based staff) and on our website (for external stakeholders).



KPI B7.2
Preventative measures & whistleblowing practices

Anti-Collusive Behaviour

We operate in highly competitive and fragmented markets and we 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 ships operate globally and we engage in trades that comply with international laws and do not contravene international trade sanctions or relevant local or national laws.

Our customers are required not to ship illegal goods on our vessels, and our global chartering organisation follows the key rule of “knowing your customer and their business” which enhances our understanding of their cargo.

Our customers are mainly reputable, blue-chip organisations who we know well. For newer potential customers, we may seek advice on their background, verbal and written references, formal counterparty risk appraisals, and we check if they appear on US, UK, EU and UN sanction lists.

We also consider where voyages are from and to, and monitor the layers of sanctions prevailing around the world so as not to risk exposure to criminal penalties.

There are also safety nets that give us additional comfort that trades we engage in do not violate relevant laws. Importantly, banks do not provide letters of credit or finance to, or otherwise transact with, customers if the cargo or trade breach sanctions, thus preventing the customer from executing a freight contract with us. A second check arises when the cargo and/or freight invoice is payable, at which point banking systems automatically vet the countries and counterparts involved in the transaction.

We know our customers and their business and adhere to trading practices that follow the letter of local, regional and international maritime law.

Responsible Procurement

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 selection and continued support of suppliers is heavily influenced by the outcome of our reviews of their and their products' 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)



Aspect B5 (Supply Chain Management)
General Disclosure



KPI B5.2
Description of practices related to engaging suppliers



In 2016, our procurement department's list of vetted suppliers numbered approximately 240, of which over 160 suppliers were evaluated or re-evaluated in 2016.



KPI B5.1
Number of 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 position through website searches and through our network of contacts and other resources in the bunker and shipping industry.

We source no more than 30% of our annual fuel needs from any single supplier. We sourced over 80% of our fuel from 11 major bunker suppliers in 2016. The remainder was sourced from about 15 smaller suppliers for spot bunkering in remote ports.

240 suppliers
(2015: 280)

26 bunker fuel suppliers
(2015: 27)

Award-winning Safety & Quality at Sea

The history of our technical team stretches back well beyond the founding of Pacific Basin, as many of our technical management colleagues served at the venerable Jardine Ship Management which we acquired in 2000. Drawing on our technical 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, safety, quality and CSR 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 2016, we won three top global and regional industry awards for safety and best dry bulk ship operator including:

Lloyd’s List Global Awards 2016

- Safety Award

Lloyd’s List Asia Awards 2016

- Dry Bulk Operator of the Year

Seatrade Maritime Awards Asia 2016

- Safety Award

Hong Kong Marine Department Award

- Outstanding performance in Port State Control Inspections



Some notable other awards in recent years include:

- Best CSR Award at Asian Excellence Recognition Awards 2015
- Safety Award at Lloyd’s List Global Awards 2014 and IBJ Awards 2013
- Shipmanager of the Year and Environment Award at Lloyd’s List Asia Awards 2011
- Environment Award at Lloyd’s List Global Awards 2011 and IBJ Awards 2012
- Seafarer of the Year at Lloyd’s List Global Awards 2011 (Captain Zhu Qianchun)
- Hong Kong Marine Department award for Outstanding Performance in Port State Control Inspections (eight times in the past nine years)
- Shipping Company of the Year at BIMCO Awards 2014
- Ship Operator Award at Lloyd’s List Awards Asia 2015 and Global Awards 2013

www.pacificbasin.com
[Company > Awards](#)



Environment



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

Our environmental philosophy is centred on our commitment to being a responsible company at the forefront of environmental efforts within the dry bulk shipping industry.

We have embedded across our global footprint at sea and ashore environmental programmes and initiatives that embrace environmental stewardship and, specifically, serve to reduce our atmospheric emissions, marine discharges and resource consumption. Broadly speaking, we achieve this by:

Adopting environmentally-friendly technologies and practices across our business

Pursuing environmental initiatives at sea and on land that meet or go beyond what is required of us by law and regulations

Promoting more modest practices even if they only bring relatively small benefits to the environment, as we believe group-wide and individual contributions make a difference

- One of the ways we reduce the environmental impact of our operations is by our efficient operation of modern ships designed and equipped for efficiency.
- Through our largely counter-cyclical acquisition of newbuilding vessels and modern second-hand ships, we renew our fleet with new or modern ships of the best, efficient designs and equipped with technical enhancements that reduce atmospheric emissions and marine discharges.
- Similarly, we retrofit our existing ships in operation with technical enhancements that reduce atmospheric emissions and marine discharges, and we adopt operational measures to minimise our ships' fuel consumption and emissions.
- Environmental measures embraced by our employees at sea and ashore include training and defined policies and practices such as reducing our consumption of electricity, water and other materials, and recycling.
- 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.
- The first step to improving the environmental performance of our fleet is to monitor, measure and analyse the outputs of our vessels. From there, we can assess and adopt measures to reduce our environmental impacts, with performance improvements achieved through both technical and operational enhancements.



Aspect A1 (Emissions)
General Disclosure

Tackling our Environmental Responsibilities

Propelling a vessel across oceans requires many resources, the outputs of which impact the environment, as summarised on page 12 . We take a holistic approach to reducing our operations' impact on the atmosphere, sea and land. Our Pacific Basin Management System ashore and at sea conforms to the mandatory International Safety Management (ISM) Code and is also certified by Lloyd's Register Quality Assurance (LRQA) to voluntary standards, including ISO 14001:2004 for our environmental management system. We track the effectiveness of our Environmental Management Systems using KPIs.

Environmental Responsibilities

We seek to minimise our impact on the environment from atmospheric emissions, resource consumption and marine discharges

through the adoption of energy-efficient and environmentally-friendly ship designs, technologies and practices at sea and ashore. The information below is a summary of significant initiatives we pursue to reduce our environmental impact.



Atmospheric Emissions & Fuel Efficiency

The main measures and technologies we use to minimise our emissions include:

Fuel-efficient Operational Measures

- Upgraded adaptive autopilot systems reduce rudder movements and improve course-keeping by automatically adapting to load characteristics and weather conditions.
- Our proprietary Right Speed Programme determines optimal operating speeds based on prevailing freight rates and fuel prices.
- Optimal scheduling of our fleet coupled with fuel-efficient voyage planning minimises ballast passages resulting in fuel savings.

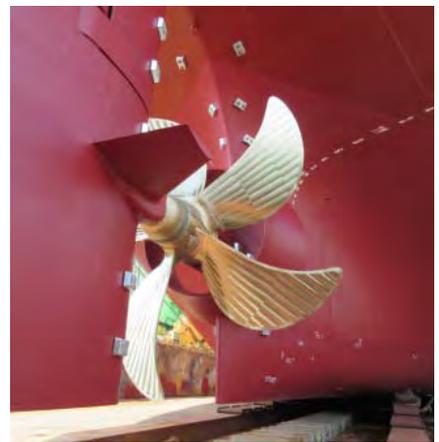
Improving Hull and Propulsion Hydrodynamics

- Fitting propeller boss cap fins improves propulsion hydrodynamics, which improves fuel efficiency and reduces emissions.

- Application of anti-fouling paints over a larger hull area reduces drag and improves fuel efficiency even when fully laden.
- Computer-aided calculation and monitoring of hull performance over time allows us to optimise hull condition management.
- By continually renewing our fleet, we introduce ships with fuel-efficient hull designs and machinery which reduces fuel consumption.

Improving Engine Performance

- Fuel combustion catalysts facilitate more complete and cleaner combustion. This leads to fuel savings and reduces the frequency of engine overhaul maintenance.
- Computer-aided optimisation of cylinder lubrication and machinery overhaul intervals leads to reduced fuel and lubricating oil consumption.



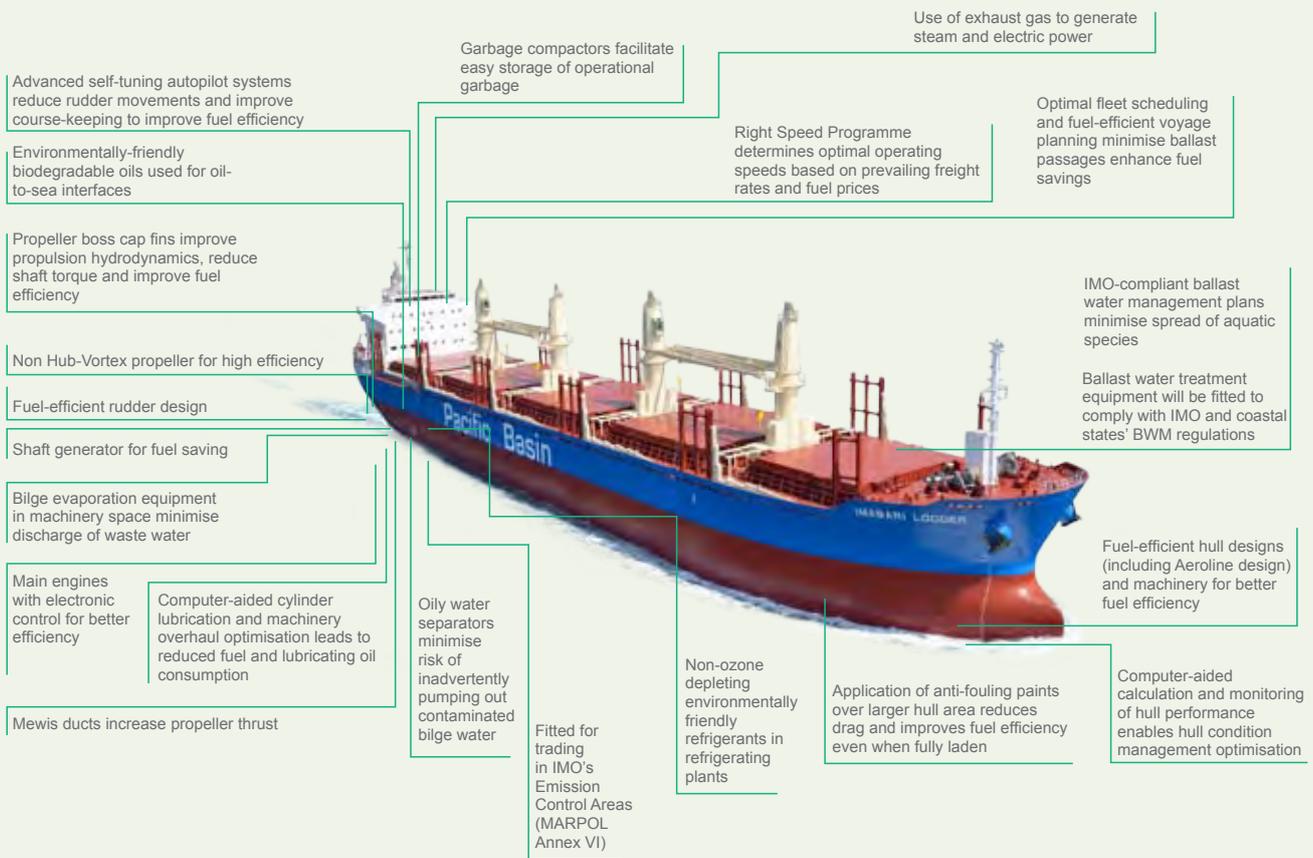
KPI A1.5
Measures to mitigate emissions



KPI A2.3
Energy efficiency measures



Environmentally-friendly Features



CO₂ Emissions Performance in 2016

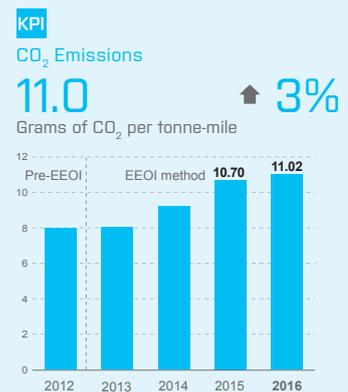
Due to the above technological and operational measures and the overall efficiency of our large, modern fleet, our carbon intensity remains among the lowest in our segment.

Our aim is to maximise cargo carried per tonne of energy consumed.

Our fleet's carbon emissions in 2016 increased 3% to 11.02 grams of CO₂ per tonne-mile, as calculated using the industry-standard ship Energy Efficiency Operational Indicator (EEOI) method. The increase was due to our faster average operating speeds as optimised by our proprietary Right Speed Programme based on prevailing

freight rates and fuel prices. The increase was positively partly offset by the increased efficiency of our fleet as our newbuilding programme delivers. We continued to apply technologies and practices that we implemented in earlier years to minimise our fuel consumption and emissions, and benefitted from the delivery into our fleet of new ships of efficient design.

In 2016, we added six modern ships to our fleet on the water, and the average age of our owned ships was 8.5 years as at 31 December 2016. Four more have delivered in early 2017 and three further ships remain contracted to deliver into our owned fleet by mid-2017 – all efficient and of the best design for our trades.



Marine Discharges & Waste Management

The main measures and technologies we use to minimise our marine discharge and waste include:

Reducing Marine Discharges

- Our ISM-compliant safety management system prescribes system controls, procedural safeguards and training to prevent and respond to oil spillage.
- Oily water separators minimise the risk of inadvertently pumping out contaminated bilge water.
- IMO-compliant ballast water management plans set out strict practices to minimise the spread of aquatic species.
- We use biocide-based paints and monitor advances in more eco-friendly paints.

Waste Management

Garbage compactors on our ships facilitate easy storage of operational garbage (excluding food waste and cargo residues) until it can be disposed of responsibly on shore.



KPI A1.6
Handling of waste and reduction initiatives

Marine Discharge, Pollution and Waste Performance in 2016

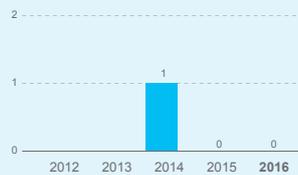
We aim to not have any pollution incidents.

In 31,700 ship days in 2016, our owned fleet committed no marine pollution violations (2015: no pollution violations). This MARPOL performance is indicative of the effectiveness of our Pacific Basin Management System and the high standard of professionalism of our seafarers.



Environmental Pollution Incidents

0 Incidents → 0



Green Efforts Ashore

Across our offices ashore, we do what we reasonably can to minimise our footprint by addressing environmental elements that are within our control.

Guidelines and communications are regularly posted and policies and practices are in place across our network of offices to:

- Reduce consumption of electricity, water and materials
- Recycle office waste



Pacific Basin was awarded a Silver Label in the WWF’s Low-carbon Office Operation Programme that measures and tracks outputs and Energy Consumption from our headquarters in Hong Kong.

An independent audit of our environmental performance determined that our office in Hong Kong (where 59% of our shore-based staff work) produced carbon emissions of 1,067 metric tonnes for the 2015/2016 audit year (2014/15: 1,329).

Our Hong Kong headquarters’ carbon intensity in 2016 reduced 20% to 5.3 tonnes CO₂ per employee due to a number of initiatives including:

- eliminating ten computer servers;
- more Skype-based video meetings reducing the need for air travel; and
- switching from business class to economy class air travel.



20% Carbon intensity reduction in Hong Kong headquarters



Our Pacific Basin Management System ashore and at sea conforms to the mandatory International Safety Management (ISM) Code. It is also certified by Lloyd’s Register Quality Assurance (LRQA) to voluntary ISO 14001:2004 standards for our environmental management system.

We also disclose our carbon footprint data through:

- the Carbon Footprint Repository (CFR) developed by Hong Kong’s Environment Bureau for listed companies in Hong Kong; and
- the HKQAA Sustainability Rating and Research for the Hang Seng Corporate Sustainability Index Series.



Community



Drawing on our Social & 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 sustainability.

We achieve this by:

- Maintaining regular engagement with stakeholders and organisations connected to the shipping industry and the places and jurisdictions in which we operate;
- Ensuring we comply with the laws and regulations of the jurisdictions in which we operate;
- Being mindful of the implications of our business activities on our communities and stakeholders;
- Supporting through activities and donating financially to the most deserving communities and causes most closely connected to our business – in particular seafarer welfare; and
- Supporting and sponsoring our employees who get involved in the communities in which they and Pacific Basin are active or reside, and who participate in groups and associations related to aspects of the shipping industry

Our engagement in and contributions to the communities in which we operate are an important part of sustainability at Pacific Basin. We continue to donate to and be actively involved in good causes, the majority of which relate to seafarer causes and other staff-driven initiatives.



Aspect B8
(Community Investment)
General Disclosure



KPI B8.1
Focus areas of contribution



KPI B8.2
Resources contributed

The Seafarer Community

As one of the largest foreign employers of Chinese crew and a significant employer of Filipino crew, we invest in recruitment activities and training programmes in Dalian, Manila and Hong Kong. Community donations are focused on seafarer welfare causes.

- Our Human Resources Director is an Asian Ambassador of the Sailors' Society, an organisation we support because of our particular interest in the welfare of seafarers and their dependents globally. Through this role, we promote regionally the need to support the welfare of seafarers whose lives at sea are not easy and who give so much to the business of shipping.
- In 2016, our charitable donations and sponsorship amounted to over US\$55,000, including donations to the Sailors' Society and the Mission to Seafarers.
- We sponsor a minibus in Manila for the use of the Sailors' Society to provide free transport to all seafarers in Manila and to facilitated ship visits by the Manila port chaplain.



- Funding other good causes, a Pacific Basin team completed the mountainous 100km Oxfam Trailwalker trek for the twelfth consecutive year in aid of Oxfam's poverty alleviation programmes.
- Our US colleagues also contributed to Dress for Success, an international not-for-profit organisation that empowers women to achieve success in the workplace.



"Our sponsors' long-term support is crucial to sustaining our welfare output. And continuation of these crucial alliances and the industry's recognition of seafarers' recognition of seafarers' need for our welfare work is fundamental to being able to sustain our free provision of services."

The Sailors' Society



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.

One measure of our success in this area is the feedback we get from stevedores, port operators and other stakeholders in the ports where we call. Here are examples of commendations we received in 2016:



We commend the vessel for the level of professional courtesies, cooperation and hospitality this crew demonstrated at both ports. If an issue arose, the crew were prompt in addressing it without hesitation. This is typical of Pacific Basin vessels, however this crew was above and beyond in their efforts and this goes a long way to keeping a smooth operation. We look forward to seeing this vessel and crew again in Longview or Coos Bay.

Stevedores and International Longshore and Warehouse Union in Longview and Coos Bay, USA

The Captain, Chief and crew were of the most professional crew that we have worked with. It was a great loading, we enjoyed having them as a part of our operations in Kodiak AK, and will welcome them at any time again to our port.

Customers in Kodiak, Alaska

In 2016 our ships called at **716** ports
95 countries



Our Hong Kong Community

We take an active role in Hong Kong where we are headquartered, listed and where our owned dry bulk fleet is flagged. We are members of the Hong Kong Shipowners Association executive committee, the Shipping Consultative Committee of the Hong Kong Administration and the Seafarer Advisory Board. We also support various maritime and related causes in Hong Kong.

- Hong Kong Maritime Museum (HKMM) – We have been supporters of HKMM since its establishment in 2003 and we are inaugural partners under the museum’s CSR Partner Programme which matches the museum’s programmes and initiatives with our shipping and Hong Kong community-focused social responsibility priorities.

Public and education programming expanded further in 2016, with visitors almost doubling to 181,000 (including over 20,000 student and community group visitors) to the museum’s permanent galleries. In addition to showing its permanent collections, which expanded with important new acquisition and gifts in 2016, the museum arranges special presentations and events, and its most notable special exhibitions in 2016 included “Trading China” – a scholarly look at the fine porcelain trade between China and the West during the 18th and 19th centuries.

HKMM installed a state-of-the-art bridge simulator in 2016. We occasionally turn to the museum and its exhibits for tools that enhance the quality of training of our young staff.

- Maritime Awareness Week – We frequently support Hong Kong’s “Maritime Awareness Week” to generate enthusiasm amongst young Hongkongers for shipping as a worthwhile career.
- Maritime Education – We regularly recruit interns from Hong Kong’s

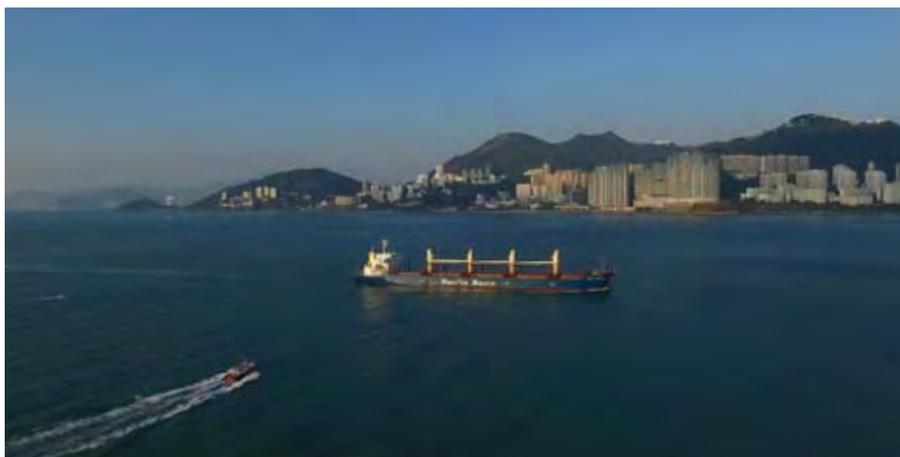
Maritime Services Training Institute, which is part of the Vocational Training Centre, some of whom transition into full-time employees.

- Our Human Resources Director serves as vice chairman of the Maritime Education and Training Sub Committee of the Hong Kong Shipowners Association, helping to work with government and academia to raise the profile of maritime education in Hong Kong and promote shipping careers to young Hongkongers.
- Student Scholarships – In 2016, we funded two more scholarships at Hong Kong Polytechnic University where three students are currently pursuing a bachelor’s degree in International Shipping and Transport Logistics under our sponsorship. Three recipients of our scholarship now work at Pacific Basin in Hong Kong, London and Vancouver, and one is on track to join Pacific Basin’s fleet.
- Supporting local employment – We employ on some of our ships a number of senior officers from Hong Kong, and we have run an officer cadet recruitment and training scheme in Hong Kong since 2013.
- Pacific Basin Soccer Sixes – In June, we hosted the fifth instalment of the Pacific Basin Soccer Sixes intercompany football tournament in which Hong Kong’s shipping and



related services companies fielded 16 teams in friendly competition. Pacific Basin was very proud to have been crowned champions for a third consecutive year while also facilitating this increasingly popular sporting event for the Hong Kong shipping hub.

- Pearl River Delta Emissions Control – The voluntary Fair Winds Charter which we signed up to in 2013 resulted in new Hong Kong regulation, effective 1 July 2015, requiring ocean-going vessels to switch to clean marine fuel with sulphur content not exceeding 0.5 per cent while at berth in Hong Kong. This first such regulation in Asia has led to similar standards being adopted by neighbouring Shenzhen Port effective 1 October 2016 and several other key Pearl River Delta ports effective 1 January 2017. This is expected to result in reduced air pollution in the region and create an even playing field for Hong Kong and other southern Chinese ports.



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 appropriate industry organisations such as:

- International Association of Dry Cargo Shipowners (Intercargo);
- The Baltic and International Maritime Council (BIMCO);
- The Baltic Exchange;
- Lloyd's Register Asian Shipowners Committee;
- ClassNK Hong Kong Owners Committee;
- Lloyd's Register and ClassNK Technical Committees;

- Safety and Loss Advisory board of the Standard (Asia) P&I Club;
- Hong Kong Shipping Consultative Committee
- Executive Committee members of the Hong Kong Shipowners Association, an influential organisation within the International Chamber of Shipping and the International Maritime Organization (IMO);
- Sub committees of the Hong Kong Shipowners Association, such as the Marine Sub Committee and the Maritime Education and Training Sub Committee; and
- Customer Relations Group of the Hong Kong Shipping Register.

In 2016, our senior management assumed one new notable shipping association position: our Operations Director was appointed as a Substitute Director of the Board of Directors of The Baltic and International Maritime Council (BIMCO).



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	2012	2013	2014	2015	2016
General						
Owned ships operated (average)	# ships	46	61	80	84	87
Cargo volume carried	million tonnes	41	50	52	55	57
Revenue	US\$ million	1,443	1,709	1,718	1,260	1,087
Environment						
Emissions (owned fleet)						
<i>At Sea</i>						
EEOI CO ₂ Index ¹	grams CO ₂ per tonne-mile	7.98	8.02	9.22	10.70	11.02
CO ₂ (Scope 1 emissions from our owned dry bulk fleet)	metric tonnes	528,300	705,100	902,000	1,043,000	1,028,000
Chlorofluorocarbons (CFCs)	kg/month	0.50	0.58	0.45	0.30	0.46
<i>On Shore</i>						
CO ₂ (Scope 2+3 emissions from headquarter activities) ²	metric tonnes	1,260	1,269	1,293	1,329	1,067
Fuel Purchased (owned & chartered fleet)³						
Heavy fuel oil	metric tonnes	583,600	716,000	727,400	749,700	804,500
Low sulphur fuel oil	metric tonnes	33,200	69,500	61,700	0	0
Low sulphur marine gas oil (& diesel prior to 2015)	metric tonnes	10,100	11,500	20,600	69,200	78,000
Waste						
Garbage landed	m3/month/ship	2.61	4.03	3.57	2.63	2.97
Garbage discharged to sea (foodwaste + cargo residue)	m3/month/ship	3.76	1.64	1.58	1.18	0.94
Engine room bilge water discharged to sea	m3/month/ship	10.10	8.71	7.97	8.44	6.80
Sludge incinerated ⁴	m3/month/ship	3.21	2.53	2.26	2.14	2.23
MARPOL pollution incidents	#	0	0	1	0	0
Social						
Working Conditions						
Shore-based staff	# staff	320	380	340	330	330
Women in workforce	%	42	41	42	45	42
Shore staff nationalities	#	30	30	31	31	27
Shore staff by age						
20-29 years old	%	17	16	17	14	15
30-39 years old	%	33	31	32	35	34
40-49 years old	%	27	26	29	28	27
50-59 years old	%	17	20	16	18	18
>60 years old	%	6	7	6	5	6
Shore staff by region						
Asia	%	63	62	68	74	76
Europe	%	9	8	10	10	9
N. America	%	3	3	4	5	8
Australasia	%	3	3	4	5	4
S. America	%	21	23	13	5	2
Africa	%	1	1	1	1	1
Seafarers (dry bulk fleet)	#	1,600	2,300	2,900	3,000	3,000
Seafarers by age						
<20 years old	%	2	4	2	2	1
20-29 years old	%	37	35	37	33	36
30-39 years old	%	31	32	32	33	32
40-49 years old	%	22	21	22	25	24
>50 years old	%	8	8	7	7	7



KPI A2.1
Direct/indirect energy consumption

KPI A1.2
GHG emissions in total tonnes

	Unit	2012	2013	2014	2015	2016
Seafarers by nationality						
Chinese	%	55	56	56	52	54
Filipino	%	40	40	40	44	42
Ukrainian	%	2	2	2	2	2
Russian & other	%	3	2	2	2	2
Shore staff retention	%	92	84	80	80	80
Shore staff under share award scheme	%	40	37	36	36	23
Seafarer retention						
Officers	%	78	81	88	90	92
Overall	%	72	76	80	84	87
Health & Safety						
Injury frequency (TRCF)	# per million man hours	4.54	3.57	1.44	1.60	1.32
Injury frequency (LTIF)	# per million man hours	2.05	1.24	0.85	0.95	0.94
Crew fatalities	#	2 ⁴	0	1	0 ⁴	1
Deficiencies per PSC inspection	#	0.8	0.4	0.91	0.91	0.74
Zero deficiency rate in PSC	%	75	71	68	70	72
Near-miss reports	#	743	676	689	539	783
Navigational accidents	#	2	3	0	0	0
Development & Training						
Shore staff external training	staff %	51	32	57	55	48
Seafarer/officer training seminars	#	5	5	5	4	4
Ships per safety/training manager	#	6	6	6	7	8
Officer cadets per ship	#	3.0	3.7	3.0	2.4	2.0
Supply Chain Management						
Suppliers	#	195	200	220	280	240
Bunker suppliers	#	42	32	38	27	26
Anti-Corruption						
Incidents of corruption	#	0	0	0	0	0
Community Investment						
Sponsorship & donations	US\$,000	16 (donations only)	80	218	71	55

- ¹ Our carbon emissions have been calculated using the industry-standard ship Energy Efficiency Operational Indicator (EEOI) method since 2013. 2012 carbon emissions are based on an earlier CO₂ Index formula.
- ² Emissions from our headquarter office consumption and activities includes emissions from staff commuting and business air travel, air conditioning, lighting and computer and office equipment, as well as paper and fresh water consumption (audit period: July 2015 to June 2016).
- ³ In 2016, we purchased more low sulphur marine gas oil (and no low sulphur fuel oil or marine diesel oil) in order to meet emission regulations limiting fuel sulphur content to no more than 0.1% in designated emission control areas where our ships frequently trade.
- ⁴ In 2015, the fatal fall of an Indian stevedore who entered a cargo hold without authorisation was deemed to be outside our scope of responsibility. Two deaths in 2012 were non-work related, including one of natural causes.

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Our Key Impacts

Key inputs and outputs of our ships and our office activities



Our EEOI and other environmental and safety KPI data in this report has been measured or calculated in accordance with industry standards, and has been audited by Lloyd's Register Quality Assurance for ISO9001, ISO14001 and OHSAS18001 certification.

SEHK ESG Reporting Guide Index

We have measured and tracked key aspects of our CSR performance for several years and we meet the Stock Exchange ESG Guide's disclosure requirements and recommendations for 2016.

A. Environment

SEHK ESG Index Ref.	Description	Cross-references & Comments	Page
A1	Emissions		
	General disclosure statement		29
1.1	Type of emissions and data		12-13
1.2	GHG emissions in total tonnes		38-39
1.3	Hazardous waste produced		38-39
1.4	Total non-hazardous waste produced		38-39
1.5	Measures to mitigate emissions		30-31
1.6	Handling of waste and reduction initiatives		32
A2	Use of Resources		
	General disclosure statement		12-13
2.1	Direct/Indirect energy consumption		38-39
2.2	Water consumption (total)	Not applicable as our business does not require sourced water	NA ^a
2.3	Energy efficiency measures		30-31
2.4	Issues in sourcing water	Not applicable as our business does not require sourced water	NA ^a
2.5	Total packaging material	Not applicable as our business does not require packaging material	NA ^a
A3	Environment and Natural Resources		
	General disclosure statement		8-9
3.1	Description of significant impacts of activities		

B. Social

SEHK ESG Index Ref.	Description	Cross-references & Comments	Page
B1	Working Conditions		
	General disclosure statement		14
1.1	Total workforce by employment		23
1.2	Employee turnover		24
B2	Health and Safety		
	General disclosure statement		15
2.1	Number and rate of work related injuries		17
2.2	Lost days due to work injury		17
2.3	Description of occupational health and safety measures adopted		16
B3	Development and Training		
	General disclosure statement		19
3.1	Percentage of employees trained by category		21
3.2	Average training hours per employee		21
B4	Labour Standards		
	General disclosure statement		22
4.1	Description of measures to review employment practices to avoid child/forced labour		22
4.2	Description of steps taken to eliminate child/forced labour when discovered		22
B5	Supply Chain Management		
	General disclosure statement		27
5.1	Number of suppliers		27
5.2	Description of practices related to engaging suppliers		27
B6	Product Responsibility	Not applicable as our business does not manufacture or trade in products	NA ^a
B7	Anti-Corruption		
	General disclosure statement		25
7.1	Number of legal cases regarding corrupt practices		25
7.2	Description of preventative measures and whistleblowing		26
B8	Community Investment		
	General disclosure statement		34
8.1	Focus areas of contribution		34-37
8.2	Resources contributed		34-37

Remarks:

- We do not address SEHK ESG subject areas A2.2, A2.4, A2.5 and B6 because we are a freight service business that does not require sourced water or packaging material and does not manufacture and/or sell products.
- Items in bold text are "comply or explain" matters for 2016, while the disclosure level for all other items is "recommended" only.

Feedback

Thank you for your interest in Pacific Basin’s Corporate Social Responsibility Report 2016. We welcome your feedback on the content of this CSR Report so that we can better shape our future CSR strategy and improve our CSR performance and reporting.

Please send any comments to our corporate communications team at:

E: comms@pacificbasin.com

T: +852 2233 7000

Stakeholder Feedback Survey

1. Which of the following best describes you and your relationship to Pacific Basin ?

- | | | |
|---|---|--|
| <input type="checkbox"/> Shareholder | <input type="checkbox"/> Customer | <input type="checkbox"/> Industry association |
| <input type="checkbox"/> Bondholder | <input type="checkbox"/> Tonnage provider | <input type="checkbox"/> Non-government organisation |
| <input type="checkbox"/> Potential or past investor | <input type="checkbox"/> Supplier | <input type="checkbox"/> Government Department |
| <input type="checkbox"/> Analyst | <input type="checkbox"/> Employee | <input type="checkbox"/> Other stakeholders (please Specify) |
| <input type="checkbox"/> Banker/financial institution | <input type="checkbox"/> Media | |

2. How would you rate the content of our CSR Report in terms of quality and quantity of information and level of disclosure/ transparency? (5= Excellent, 1= Poor)

- 5 4 3 2 1

3. Please rate the content and quality of our CSR Report according to the following criteria. (5= Excellent, 1= Poor)

Stakeholder Inclusiveness	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Balance	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Clarity	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Comparability	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Materiality/Relevance	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Completeness	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Sustainability Context	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Accuracy	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Transparency	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Structure	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Design and layout	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1

4. What existing or potential new aspect(s) of the report would you like us to elaborate on in our future CSR reporting?

5. Please share with us your any other comments or requests regarding Pacific Basin’s CSR Report:

6. From your perspective as a Pacific Basin stakeholder, what sustainability-related issues are most important and least important to you? Please rate the following issues in terms of their importance to you.

- 5 = top importance
- 4 = high importance
- 3 = medium importance
- 2 = low importance
- 1 = not important

Healthy, Safety & Accident Prevention	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Anti-Piracy	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Employee Engagement & Labour Relations	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Labour Standards & Working Conditions	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Diversity & Equal Opportunity	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Compliance in a Highly Regulated Industry	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Development & Training	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Responsible Business Practices	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Responsible Procurement	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Anti-Corruption & Whistleblowing	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Anti-Collusive Behaviour	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Sanctions	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Energy Efficiency	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Marine Pollution	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Carbon Emissions	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
NOx & SOx Emissions	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Other Environmental Impacts (e.g. ballast water, other marine discharges, shore discharges & waste management)	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Environmental Initiatives Ashore	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Seafarer Community	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Local & Related Communities	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Management & Governance Practices	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1
Industry & Legislative Engagement	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1

7. What other sustainability-related issues are important to you in regards to Pacific Basin and, on a scale of 1-5, how do you rate their importance to you?

- a)
- b)
- c)
- d)
- e)



With you for the long haul



2016 Online Annual Report



All reports are now available at www.pacificbasin.com/ar2016



Please send us your feedback via our online feedback form

2016 Annual Report 2016 CSR Report





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