



2023

SUSTAINABILITY REPORT





About this Report

Welcome to Bahri's fourth sustainability report. With ethics and good business in mind, we follow stringent environmental, social and governance (ESG) principles to integrate sustainability into every aspect of our operations. This report outlines our progress over the last year, and shares our achievements, challenges and future plans. We welcome feedback from our valued stakeholders. Our executive management team takes responsibility for the review and approval of the sustainability report, including material topics. Previous years' reports and data are available online and can be accessed through our official [sustainability page](#).

Report Scope

Reporting Period

This report covers Bahri's activities from 1 January 2023 to 31 December 2023. We provide information from previous years wherever applicable.

Reporting Guidelines

This report has been developed in accordance with the GRI Standards, aligns with the Tadawul (Saudi Exchange) ESG Disclosure Guidelines, and considers the GCC ESG metrics while also reflecting our commitment towards the United Nations Sustainable Development Goals (UNSDGs) and Saudi Vision 2030.

Report Boundaries

The scope of information covers Bahri's global network unless stated otherwise and reflects the information available at the time of writing. Based on the availability and relevance of data, we will extend the reporting scope to include further information on stakeholders, supply chain and contractors in the future.

We encourage all stakeholders to provide feedback on the report and Bahri's sustainability performance via the following channels:

Olaya Towers, Tower (B), 15-12 Floors,
Riyadh, Saudi Arabia, TOLL FREE: 920020007
sustainability@bahri.sa
www.bahri.sa



Cautionary Message

This report contains statements that may be deemed as "forward-looking statements" that express the way in which Bahri intends to conduct its activities. Forward statements could be identified by the use of forward-looking terminology such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

Bahri has made every effort to ensure that this report is as accurate and truthful as possible. However, by their nature, forward-looking statements are qualified to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond Bahri's ability to control and therefore do not represent a guarantee that events implied in these forward-looking statements will actually occur.



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CEO Message

As we reflect on 2023, I am filled with pride at Bahri's commitment to sustainability and the remarkable efforts we have made. This year has been transformative, marked by our dedication to integrating environmental, social, and governance (ESG) principles into every facet of our operations. Our journey towards sustainability is not just a strategic priority but a core value that defines who we are and what we aspire to achieve.

"Our adoption of cutting-edge technologies and operational efficiencies has enabled us to set ambitious targets aligned with the International Maritime Organization's (IMO) goals. We are proud to have set a goal of at least a 20% reduction in absolute greenhouse gas (GHG) emissions by 2030, with a further target of a 70% reduction by 2040."

Our commitment to safeguarding the environment has been a cornerstone of our sustainability efforts. In 2023, we achieved significant improvements in reducing our carbon footprint and enhancing our environmental performance. Our adoption of cutting-edge technologies and operational efficiencies has enabled us to set ambitious targets aligned with the International Maritime Organization's (IMO) goals. We are proud to have set a goal of at least a 20% reduction in absolute greenhouse gas (GHG) emissions by 2030, with a further target of a 70% reduction by 2040.

Our people are our greatest asset. We are committed to creating a diverse, inclusive, and dynamic workplace where every employee feels valued and empowered. This year, we launched several initiatives aimed at attracting, retaining, and developing top talent. Our training programs, in partnership with leading maritime institutes, are designed to equip our workforce with the skills needed to navigate the future of maritime industry.

Integrity and ethical business practices are at the heart of Bahri's operations. We have strengthened our governance frameworks and risk management practices to ensure that we operate with the highest standards of integrity. This commitment extends to our supply chain, where we advocate for responsible business practices and continuous improvement.

We believe in creating sustainable value for all our stakeholders. This year, we enhanced our economic performance and made strategic investments in projects that benefit our communities and supply chain. Our Asset-Based Community Development (ABCD) strategy and digitization initiatives have not only driven innovation but also significantly improved customer satisfaction by conducting frequent surveys as a key performance metric to identify areas for improvement and ensure the continued delivery of world-class services.

Our sustainability initiatives are closely aligned with Saudi Vision 2030, which aims to diversify the Kingdom's economy and develop sectors such as health, education, infrastructure, and tourism. As a leading business in the Middle East, we are committed to driving national growth in line with these goals. Our efforts in promoting environmental stewardship, reducing inequality, and building sustainable cities are contributing to the Kingdom's economic transformation.

As we move forward, our focus remains on fostering a culture of sustainability that permeates every aspect of our business. We will continue to innovate, adapt, ensuring that we create a positive impact on the environment, our people, and the communities we serve. I am confident that with the collective efforts of our dedicated team, we will achieve our sustainability ambitions and drive long-term value creation for all stakeholders.

Thank you for your continued support and partnership on this journey.

Eng. Ahmed Ali Alsubaey
Bahri CEO & Board Member





About Bahri

Established in 1978, Bahri is the Kingdom’s national shipping carrier and one of the world’s foremost logistics and transportation companies. With headquarters in Saudi Arabia, we are the Middle East’s largest owner and operator of chemical tankers and one of the world’s largest owners and operators of very large crude carriers (VLCCs). We are very proud of our fleet, which has carried the largest and heaviest pieces of cargo ever transported.

We serve a wide range of markets around the world, providing diverse services including: the transportation of cargo, oil, chemicals, oil products and dry bulk; ship management services and the sale and purchase of ships; and logistical services such as cargo clearance, stowage onboard ships and storage under the purview of all maritime shipping activities.

Our trusted reputation for quality, reliability and safety is complemented by a pioneering approach to innovation and technology. These principles are key to our continued growth and to our ongoing role in the critical transformation of the global shipping industry.

Bahri aims to bolster Saudi Arabia’s position as an international gateway for logistical services by strengthening the Kingdom’s position in global markets, while offering ambitious and superior operational capabilities that are poised to take us on a path towards new horizons of leadership and growth.

Our major institutional investors are the Public Investment Fund (PIF) and Saudi Aramco Development Co. with 22.55% and 20% of Bahri’s shares respectively, and the remaining owned by corporate and financial institutions, and individuals.



Bahri’s Shareholders Ownership by Type

34.5%



Individual

65.5%



Corporate / Institutional



Bahri Investors - [Bahri Group Investments](#)

Where We Operate



Bahri Oil



Bahri Integrated Logistics



Bahri Chemicals



Bahri Dry Bulk



Bahri Ship Management



Bahri Marine

39



very large crude oil carriers (VLCCs)

32



chemicals tankers

6



multipurpose vessels

11



dry bulk carriers

5



clean petroleum product tankers



Learn more about our profile in our [Annual Report](#)



Our Charter



Vision

To create value and share prosperity by connecting economies through excellence in global logistics solutions.



Mission

To be the best service provider, operating to world-class standards. We are relentless in applying responsible business fundamentals. We shall incorporate sustainable capabilities to provide fit-for-purpose solutions for our business partners and stakeholders, based on our values, to achieve mutual benefit.



Values

Considerate

Driven

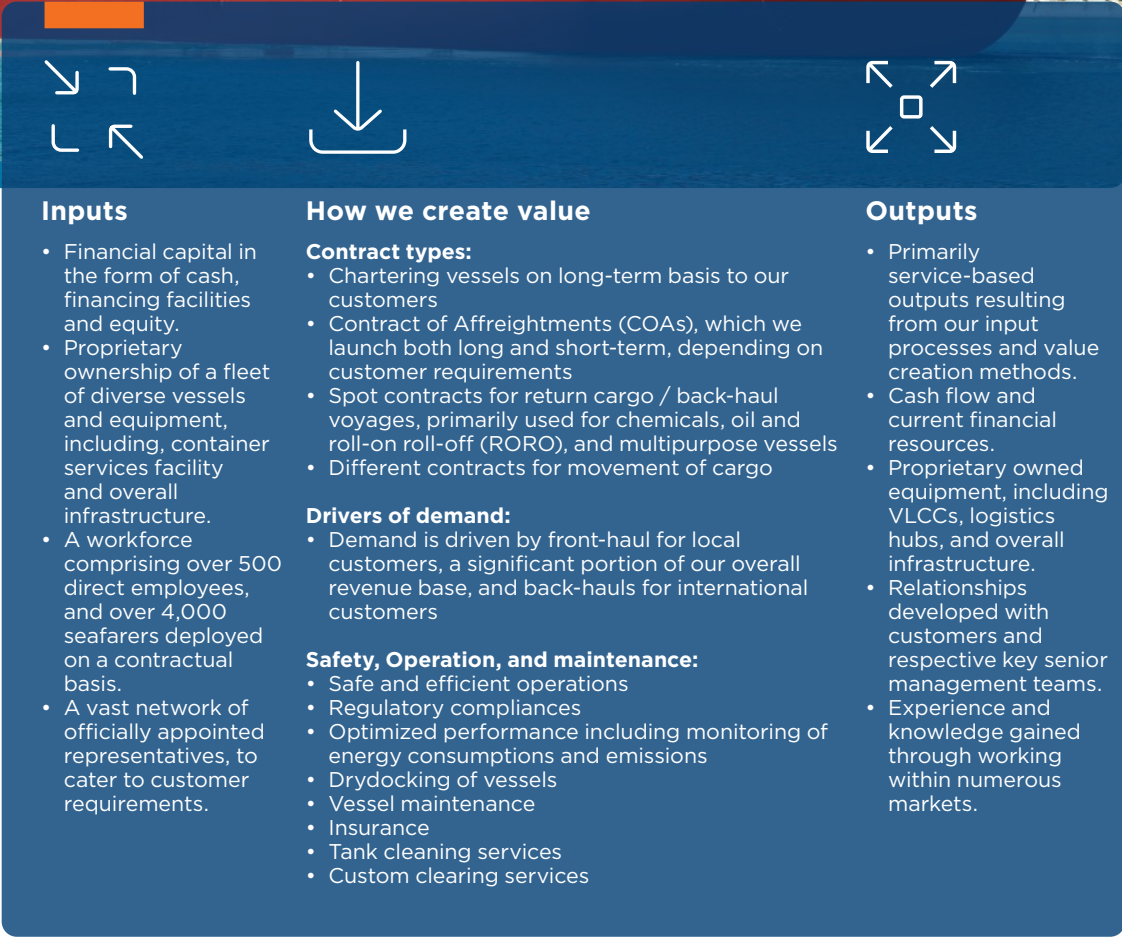
Relentless

Transparent



Our Business Model

Our business model is aligned to our vision, mission, and values, and follows a clearly defined input-output framework that guides us as a world-class global logistics provider that connects economies and drives prosperity. The framework is dynamic, always evolving in step with a changing economic and business environment to ensure we stay flexible and competitive, and continue to deliver the highest quality of service.





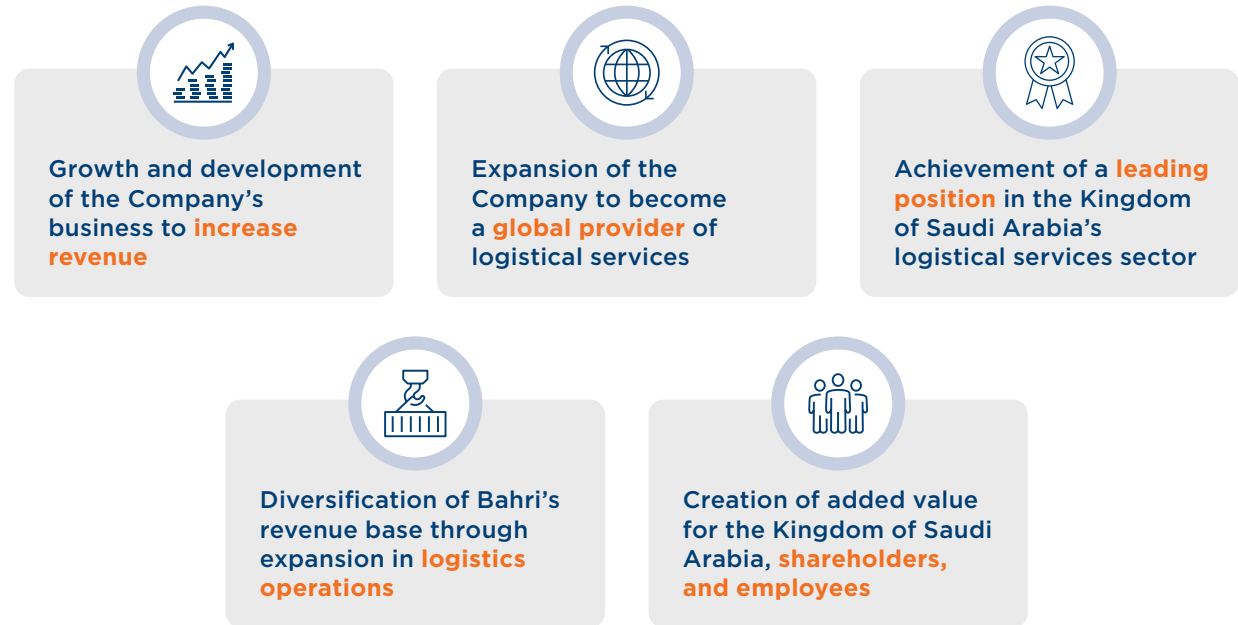
Our Strategy

Bahri’s long-term strategic goals remained at the forefront of its business and operations throughout 2023. This focused approach has enabled us to continue driving growth and embarking on a number of key changes to our processes and revenue base. Our ship management sector plays a vital role in the sustainability vision of Bahri and we recognize its importance to our long-term strategy. We have prioritized our core business segments, such as Bahri Oil, Bahri Chemicals, Bahri Logistics, and our Dry Bulk sector to further strengthen our relationships with key partners, including Saudi Aramco and SABIC, which helped support the stability of operations in the Middle East.

In line with our strategic aim of diversification and growth, we officially established the National Grain Company, which is a joint venture (JV) between Bahri and the Saudi Agricultural and Livestock Investment Company (SALIC). The JV aims to build and establish a terminal for handling grains at Yanbu Commercial Port, among other activities, which will play a major role in the grains import and trading business in the Kingdom of Saudi Arabia. Elsewhere, we are embarking on a new business

with a high potential growth by operating floating desalination plants to supply the local freshwater grid for the next 20 years (off take agreement).

These efforts – and others, such as digitalization and enhanced IT infrastructure – underpin our continued contribution to Saudi Vision 2030, driving growth, connectivity and sustainability within our industry and throughout the Kingdom.





Memberships & Certifications

Partnerships and accreditations are vital not only to our own continued growth, but in driving transformation across the wider industry. We are proactive within a range of reputable membership bodies and associations, and lead by example by aligning our operations with international best practice standards, such as ISO (International Organization of Standardization) certifications.



Memberships

Maritime Anti-Corruption Network (MACN) - renewable annually.

Gulf Petrochemicals and Chemicals Association (GPCA).

Tanker Structure Cooperative Forum (TSCF).

Fleet Consortium Membership Agreement with King Abdullah University of Science and Technology (KAUST).

INTERTANKO - renewable annually.

International Seafarers Welfare and Assistance Network (ISWAN)



Certifications

ISO 14001:2015 Environmental Management Systems.

ISO 9001:2015 Quality Management Systems.

ISO45001:2018 Occupational Health and Safety (OH&S) Management Systems.

ISO 50001:2011 Energy Management Systems.

ISO/IEC 27001:2013 Information Security Management Systems (ISMS).

ISO 22301:2019 Business Continuity Management Systems (BCMS)



Partnerships

We are committed to driving strategic collaboration and sustainable growth through partnerships and Memorandums of Understanding (MoUs) with critical partner organizations. These MoUs formalize agreements, foster collaboration, and establish trust between Bahri and its partners while also providing a foundation for future negotiations and joint initiatives. This year we embarked on a range of new partnerships, including:

- **Saudi Aramco:** This year-long term deal expands Bahri's medium-term oil product shipping capacity by adding clean tankers from the USA, Japan and Greece.
- **Jeddah Islamic Port:** A new shipping route through Jeddah Islamic port connects Asia to Europe and supports Bahri's expansion plans to widen its liner network, strengthen supply chains and diversify shipping options.



- **Suez Canal Authority:** An MoU with Suez Canal Authority will see Bahri invest USD\$499 million in providing maritime transport services to the Egyptian market.
- **Shareek Program:** Partnering with private sector partnership reinforcement program Shareek will support Bahri's objectives of entering and investing in the gas transportation sector, enabling the company to meet future demand for gas transportation.
- **Saudi Railway Company (SAR):** An agreement with SAR will see Bahri Logistics provide global logistics support, including customs clearance and consultancy services, for a three-year period.
- **Saudi Maritime Congress:** As a founding partner of the Saudi Maritime Congress Bahri underlined its support for global maritime events and affirmed its critical role in driving growth in the regional logistics sector.
- **Saudi Investment Recycling Company (SIRC):** This MoU signals a plan to foster collaboration in the field of sustainable shipping and aims to drive environmental stewardship, promote circular economy principles and advance sustainable practices within the maritime industry.
- **Bayan Credit Bureau:** This membership agreement gives Bahri access to a wide range of Bayan's credit advisory services, enabling the business to make informed decisions through clear sight of potential clients' creditworthiness.

These partnerships help Bahri expand its reach, enhance its operations and contribute to the global sustainability agenda through collaborative efforts that leverage the strength and expertise of all involved parties.



Chapter 1

Sustainability at Bahri

Bahri aspires to foster the growth of a thriving, ethical and resilient enterprise that not only contributes to the Kingdom's economic well-being but also enhances the quality of life for our people and local communities, all while safeguarding the health of our environment.

According to the IMO, the global shipping industry's annual GHG emissions total more than one billion tons. Reducing shipping industry emissions is therefore critical in the fight against climate change. Firms are increasingly required to comply with a spectrum of evolving ESG regulations and standards, so there is a growing need for companies to transparently demonstrate how they address the diverse ESG factors and risks that emerge. The maritime sector has a significant role to play in mitigating the impacts of

climate change, and we are actively exploring ways to respond to new sustainability trends, risks and challenges.

At Bahri, we are committed to responsible business, integrating sustainable practices into all of our operations and ingraining ESG principles into the DNA of our corporate culture. Our sustainability framework, management approach, materiality process and engagement with key stakeholders are all designed to promote long-lasting change within our business and throughout the wider industry.

Our activities are aligned with the UNSDGs, which provide a framework of 17 sustainability principles. These include making health and education more accessible, reducing inequality, building smart and sustainable cities, and tackling climate change - all of which will contribute to economic growth. As a leading business in the Middle East, our ambitions also support Saudi Vision 2030, which aims to diversify the country's economy away from oil dependence and develop sectors such as health, education, infrastructure, recreation and tourism. As such, we drive national growth in line with our own goals.



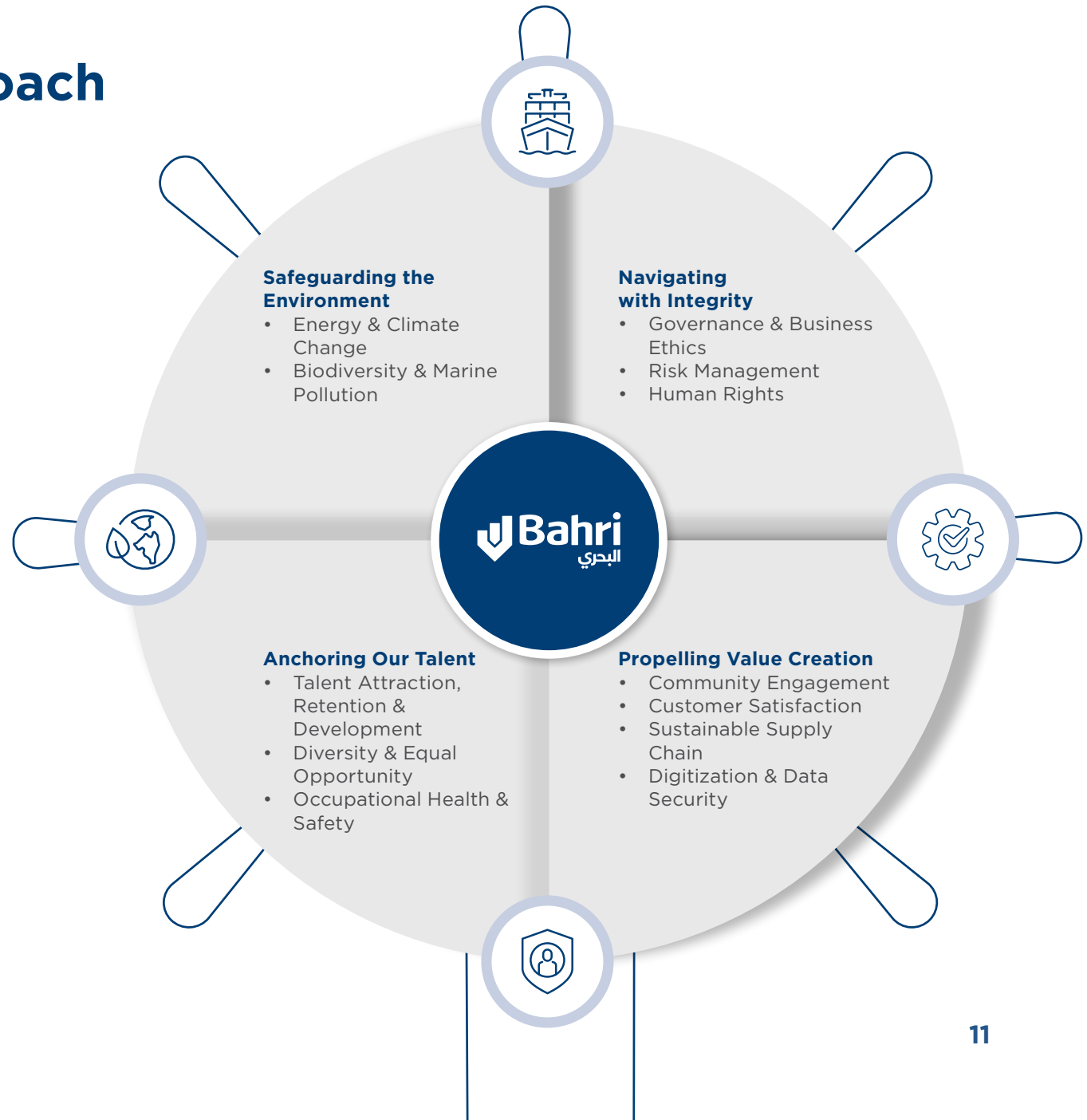


Our Sustainability Management Approach

In 2023, we developed a new sustainability framework based on our refreshed materiality assessment. The four main pillars of the framework – Safeguarding the Environment, Anchoring Our Talent, Navigating with Integrity, and Propelling Value Creation – encompass the key ESG topics that are crucial to our business and align with the company’s overall strategy and targets.

Our sustainability framework and related activities are ultimately overseen by the Board, which is responsible for setting, supervising and reviewing principles and policies in this area. The health, safety, environment and quality (HSEQ) team – headed by the HSEQ Director – also has oversight of our environmental activities, and is responsible for regulatory compliance, audits and best practice.

Additionally, it was decided that Bahri’s sustainability department will work under Integrated Planning to better align with the company’s strategy and achieve valuable goals.





Our Stakeholders

Sustainability is driven and owned by everyone we interact with, from our people, customers and business partners to our suppliers, investors and the communities in which we operate. Cultivating long-term relationships with each of these stakeholder groups and empowering them is a key priority for Bahri, and we engage them on all relevant news and decisions.





Our Materiality Process

Our approach to sustainability relies on our materiality assessment. This process helps us to pinpoint the most pertinent and consequential areas – material issues – that require our attention, as well as our areas of top priority.



This year we conducted a materiality assessment refresh, to ensure our sustainability priorities remain focused, effective and responsive to evolving trends within our industry. The refresh comprised a number of thorough measures, including benchmarking, peer evaluations, best practice analysis, and one-to-one engagement sessions with key internal stakeholder groups to dive deeper into Bahri’s impact across the most relevant ESG issues.

This yielded a list of 12 key ESG topics that are both material to our business and closely aligned to our vision and goals, and to our stakeholders. Each material topic was ranked according to the significance of impact.

Key ESG Topics

Energy and Climate Change
Governance and Business Ethics
Occupational Health and Safety
Human Rights
Biodiversity and Marine Pollution
Risk Management
Digitization and Data Security
Customer Satisfaction
Diversity and Inclusion
Sustainable Supply Chain
Talent Attraction, Retention and Engagement
Community Engagement

- High Impact
- Moderate Impact
- Low Impact



2023 Sustainability Highlights



Safeguarding the Environment

Bahri is committed to minimizing its negative environmental impacts and adhering to the highest standards of environmental management.



Installed Smartship® performance monitoring tool on 57 vessels to improve energy use and reduce emissions



Retrofitting existing ships with LED lighting, high-performance hull coatings, Mewis ducts, propeller boss cap fins, and electric heaters to lower fuel consumption and GHG emission



Fuel oil intensity decreased from 158 kg/mile in 2022 to 146 kg/mile in 2023



Total energy consumption decreased from 41,400,343 GJ in 2022 to 36,143,540 GJ in 2023



Navigating with Integrity

Bahri is committed to operating with the highest standards of integrity and ethical business at its core.



Maintained zero breaches against Bahri's code of conduct for three consecutive years



No specific instances of fraud, corruption or anti-competition were reported



Recognized with multiple awards including Excellence in Corporate Governance and 3G SDGs Champion Award



522 employees successfully completing risk management training programs



Anchoring Our Talent

Bahri is committed to building a diverse and dynamic workforce where people are valued and empowered.



Best Employer of the Year at the ShipTek International Awards, Excellence in Talent Management at the GCC HR Awards



The number of Saudi nationals in total workforce increased by 6.2% in the Kingdom and 8.0% globally



18% increase in female full-time employees.



Propelling Value Creation

Bahri is committed to combining ESG priorities and business goals to create sustainable value for everyone.



Amount of community investment increased from SAR 2,000,294 in 2022 to SAR 4,897,645



Number of suppliers subjected to audit decreased from 31 in 2022 to 24 in 2023



Maintained zero incidents of data breaches and loss of customer privacy for three consecutive years



Maintained ISO 27001 certification and achieved an 89.9% score in the NCA-ECC assessment



2023 Awards & Recognitions



- Shipping Company of the Year Award
- The Maritime Standard Personality of the Year Award: Eng. Ahmed Ali Alsubaey, Bahri CEO & Board Member
- Ship Manager of the Year Award
- Bulk Shipping Company of the Year Award

The Maritime Standard (TMS) Awards



Shipping Line of the Year

Multipurpose Operator at Maritime and Logistics Awards (MALA)



- 3G SDGs Championship Award
- 3G Excellence in Corporate Governance Award

8th Global Good Governance (3G) Awards



- Sustainable Organization of the Year Award
- Ship Operator of the Year Award

16th ShipTek International Awards



Leading Logistics Solutions Provider Saudi Arabia Award

World Business Outlook Awards



Supplier Spirit of Alliance Award

General Electric "GE"





Chapter 2

Safeguarding the Environment

‘Safeguarding the Environment’ is our commitment to protecting the natural environment, particularly the marine environment, underpinned by initiatives in energy and climate change, waste and water management, and the conservation of biodiversity. By reducing energy consumption and improving operational efficiencies, we aim to significantly reduce our carbon footprint and help mitigate the impacts of climate change. We are dedicated to safeguarding biodiversity and reducing ecological impacts through waste management protocols, careful planning and operational excellence, ensuring the health of our oceans for future generations.

We have set a range of targets that support action against climate change, in line with the IMO’s ambitions and indicative checkpoints to reach net-zero GHG emissions from international shipping. These targets include reducing the total annual GHG emissions from international shipping by at least 20%, striving for 30%, by 2030, compared to 2008 levels, and reducing the total annual GHG emissions from international shipping by at least 70%, striving for 80%, by 2040, compared to 2008 levels. These indicative checkpoints are integrated into our ISO 14001:2015-accredited Environmental Management System (EMS) and ISO 50001:2018-accredited Energy Management System, which form the foundation of our environmental safeguarding approach.

We are committed to driving positive change throughout the shipping industry, and this year assumed the role of gold sponsor at the Sustainable Maritime Industry Conference in Jeddah, Saudi Arabia. Here, we showcased our ambition for a greener future in the international maritime industry with a focus on research and development into alternate fuels, improved fleet fuel consumption rates and innovative AI-driven technologies.

Material Topics Covered

- Energy & Climate Change
- Biodiversity & Marine Pollution

Contribution to the UNSDGs



Contribution to Vision 2030

Achieving Environmental Sustainability



Environmental Management

We take a highly structured, robust approach to the environmental administration of all our operations, and in particular for Bahri Ship Management (BSM), as it represents our greatest area of impact. The HSEQ team – headed by the HSEQ Director – has oversight of our environmental activities, and is responsible for regulatory compliance, audits and best practice.



BSM is certified for ISO 14001, and its EMS is outlined in our HSEQ Policy published publicly online. This is reinforced by our Environment and Energy Policy which states, among other things, that Bahri is complying with all regulations set by maritime bodies, continually improve its energy and environmental performance, actively promote training and awareness, and that all employees will be vigilant to any waste of resources they encounter.

We conduct regular environmental impact assessments and monitor performance across vessels, offices, and operations, both for compliance and to identify areas for

improvement. We also have a dedicated fleet performance department which monitors and analyses the operational performance of all our vessels. This includes but is not limited to implementing and managing planned maintenance systems, monitoring, and analysing hull and energy performance, reporting and analysing environmental target data, and integrating digitization across ship management functions.

Through these measures we can track and monitor key environmental indicators in energy, waste, and water management, and take swift corrective actions when needed.



Energy & Climate Change

We are committed to decarbonizing our activities and have set an ambitious Scope 1 (direct fuel consumption) goal of at least a 20% reduction in absolute GHG emissions compared to 2008 levels by 2030, and a 70% reduction by 2040.

Data plays a key role in managing our energy consumption. Our Fleet Performance Monitoring Center (FPMC) is a centralized support system that utilizes high-frequency data to provide data-driven guidance and energy performance insights for technical, safety, and crewing operations. This has helped us better understand and improve upon energy efficiencies by minimizing fuel consumptions during idle conditions, for example. The FPMC has supported us with various compliance measures implemented throughout 2023. They have developed dashboards for regularly monitoring the Carbon Intensity Indicator (CII) ratings for each vessel which are available for the Technical teams and commercial Business Units.

These efforts support our Ship Energy Efficiency Management Plans (SEEMPs) for each vessel, developed in accordance with IMO requirements. SEEMPs provide guidelines on main engine fuel efficiency, hull resistance reduction, propeller efficiency, heat balance efficiency, auxiliary generators efficiency, passage planning, weather

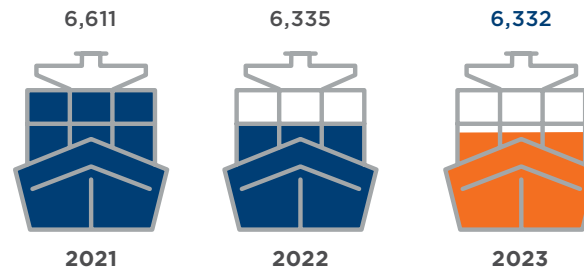
routing, speed optimisation, and more. These are reviewed every quarter-end covering voyages completed during a calendar quarter.

All of our energy related targets are aligned to IMO's GHG regulations, detailed in its methodology of defining targets and calculations, including accountable inputs. Bahri uses the most commonly-used metrics within the shipping industry: EEOI (Energy Efficiency Operational Index) and AER (Annual Efficiency Ratio). The AER is also the method used to calculate the CII rating as per IMO. Both of these are intensity metrics measured and tracked by

BSM at a 'per ship' level. The intensity metric of kg of fuel used per nautical mile is also measured and reported. The AER-related data is reported through a Data Collection System (DCS) and is verified by an IMO approved verifier.

This year's decrease in energy consumption is attributable to the enhanced monitoring of energy consumption trends leading to optimized consumption behaviors, and the reduction in Bahri's fleet size due to the exit of 11 tankers.

Electricity generated on board per vessel (MWh/ship)



Electricity generated onboard (MWh)



[See all performance data on page 53](#)



Total energy consumption (GJ)

2021	41,782,821
2022	41,400,343
2023	36,143,540

Direct GHG emissions (Scope 1) intensity (Kgs of CO₂eq/Nautical mile)

2021	546
2022	538
2023	499

Energy and environment KPIs are set every year and are tracked against established set targets. We are mindful of the challenges present in our industry, such as those around alternative fuels and commercial data analysis, but we remain committed to meeting our decarbonization goals through research and development, industry collaboration, data analytics and innovative technologies.

 See all performance data on page 53



To monitor daily emissions and improve energy use, Bahri has developed an in-house dashboard. The Smartship[®] performance monitoring tool has been installed and commissioned on 57 vessels, allowing for energy efficiency analysis and optimization to reduce fuel consumption and carbon emissions.



While we are designing-in sustainability measures for our new build ships, we are also retrofitting existing ships with technologies such as LED lighting, high-performance hull coatings to reduce vessel drag, Mewis ducts, propeller boss cap fins and electric heaters, all designed to lower fuel consumption and reduce GHG emissions. This retrofitting project is being implemented in a phased manner, replacing the existing fluorescent tubes and lamps with LED types as they become due for replacement.



Biodiversity & Marine Pollution

We are extremely mindful of our ecological footprint and recognize that our industry has a significant impact on marine life. As such, we are fully compliant with all relevant IMO regulations and guidelines and have our own dedicated policy on the reduction of marine pollution and protection of biodiversity. This policy contains vessel specific targets, aiming to reduce plastics and operational waste as well as clean bilge generation by controlling discharge and reducing cooling water leakages.



We strictly adhere to IMO guidelines when sailing in Emission Control Areas or Special Areas defined under MARPOL (the International Convention for the Prevention of Pollution from Ships). We avoid sensitive sea areas and comply with local laws, and we have preventative measures in place to minimize accidental and operational discharges, such as the temporary conversion of unused tanks on certain vessels to store sewage, eliminating the need for discharge during port calls. Our commitment extends to using compatible fuels, exhaust gas cleaning systems, and restricting solid and liquid waste discharges into the sea.

Our ships are fully compliant with the IMO 2020 regulations regarding sulphur in fuels and align with the Hong Kong and European Union (EU) conventions governing the Inventory of Hazardous Materials (IHM). Some 67% of Bahri's vessels now comply with the D2 standards of the IMO's Ballast Water Management Convention on discharging treated water. This represents a 39%

increase over the past two years, subsequently increasing the amount of treated water discharged.

For vessels yet to comply, they will be fitted with ballast water treatment systems, ensuring adherence to the D2 standard by their individual compliance dates. This approach ensures that ballast water is either treated or exchanged in open seas away from coastal areas. Ballast water treatment systems also help prevent the introduction of invasive species from one environment to another, which commonly occurs through traditional ballasting and de-ballasting operations.

We are also counteracting underwater noise pollution in the design of new vessels. Our newly-delivered chemical vessels, which arrived in 2022, adhere to IMO guidelines for propeller and hull design, ensuring environmentally responsible and efficient operations.



These guidelines cover model testing and computational fluid dynamics (CFD) evaluations for speed and power, propeller open water tests, and cavitation assessments to analyse the effects on full-scale pressure fluctuations. Additionally, the vessels feature resilient mountings for auxiliary engines and comply with IMO vibration and noise level requirements for machinery and accommodation.

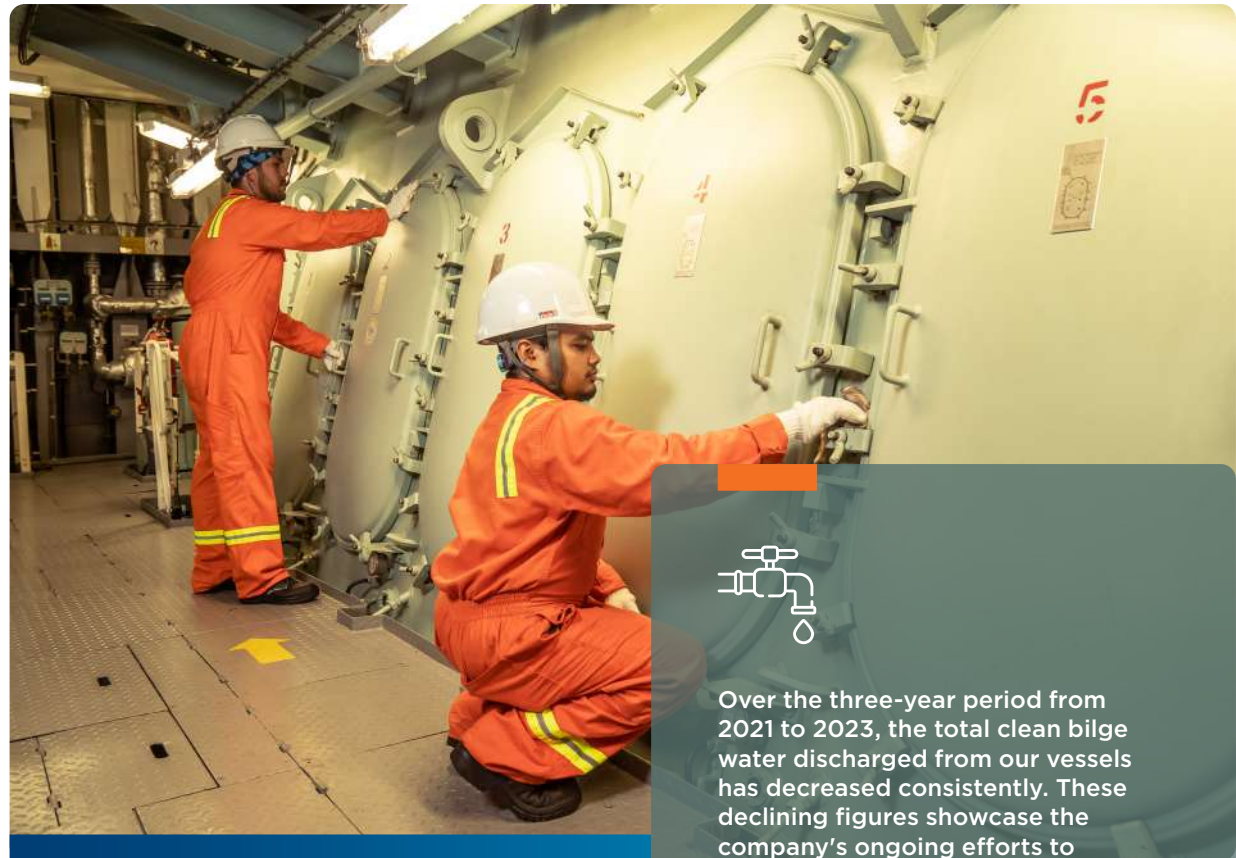
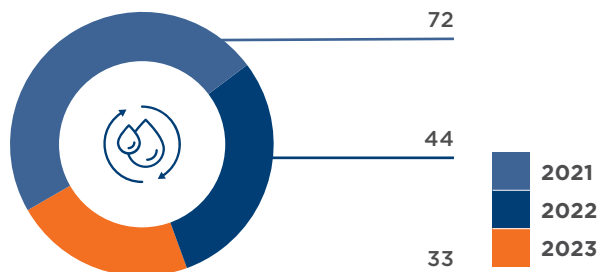
We conduct inspections of the hull and propeller of every vessel in operation at least once a year. This helps ensure that hulls and propellers are in optimum condition, further reducing cavitation and minimizing hull resistance, which are additional causes of noise pollution.

Total Clean Bilge water discharges to sea* (m³)



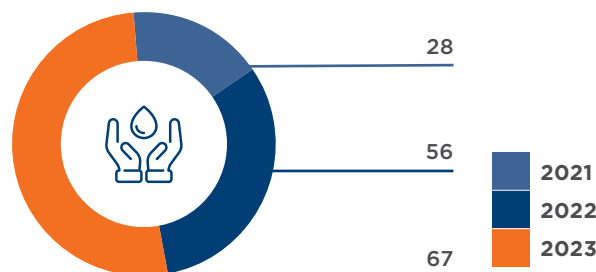
* This KPI has been restated to reflect scope of information provided.

Ballast water exchange - D1 Standard (%)



Over the three-year period from 2021 to 2023, the total clean bilge water discharged from our vessels has decreased consistently. These declining figures showcase the company's ongoing efforts to minimize its environmental impact and promote water resource preservation. By consistently monitoring and reducing water discharges, the company is actively contributing to a more sustainable future.

Ballast water treatment - D2 Standard (%)



See all performance data on [page 54](#)



Waste and Water Management

We recognize we have an important role to play in the conservation of natural resources, so we take sustainable waste and water management seriously in order to preserve marine ecosystems and mitigate pollution.

Our vessels are fitted with freshwater generators that use waste-heat energy to evaporate sea water and create clean, fresh water suitable for all domestic and technical

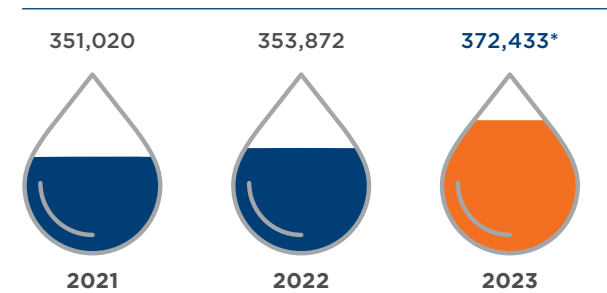
consumption on board. Our vessels are also fitted with vacuum toilet flush systems to conserve water usage.

All our ships follow waste management plans based on MARPOL Annex V. This plan provides written procedures for minimizing, collecting, storing, processing and disposing of waste, including the use of the compacting equipment on board. Any discharge of waste ashore, incinerations or food waste disposed of at sea is recorded in the waste disposal record book, as part of this plan. We are proactive in identifying waste reduction opportunities across our offices and fleet. Our waste management targets are based on cubic meters against parameters such as vessel type, age and operational area.

Despite the implementation of various measures to reduce waste, there has been an observed increase in waste generation, particularly in the categories of food waste and plastics waste. The increase in food waste is largely influenced by the increase in number of vessels undergoing long term maintenance in dry-dock which requires additional manpower. Plastics waste primarily originates from packaging materials of spares and consumables received on board from shore. While efforts are made to return these materials to the same port of delivery whenever feasible, logistical constraints sometimes prevent this, leading to an accumulation of plastics waste on board. Moreover, the increase in plastics waste may also be attributed to a higher volume of items delivered for the ship's drydock preparations and routine maintenance requirements. These factors collectively contribute to the overall increase in waste generation despite ongoing efforts to mitigate it.

While Bahri currently has no active ship recycling program, all of our vessels are compliant with relevant recycling requirements, including EU Ship Recycling legislation and the Hong Kong International Convention for the safe and environmentally sound recycling of ships, which will enter into force on 26 June 2025.

Total water consumption (m³)



Water consumption intensity (m³/Nautical mile**)



* The increase in total water consumption in 2023 is attributed to operational activities, with the type and number of operations influencing the water use.

** Unit has been restated to align with the appropriate measurement for sea travel.

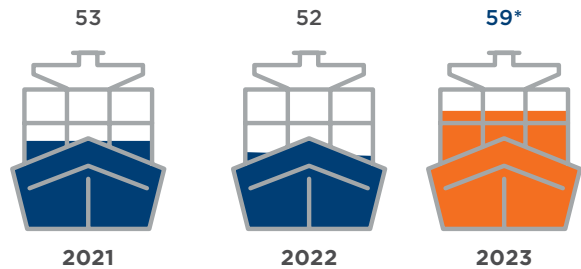
See all performance data on page 54



Total waste generated* (m³)



Total waste generated per vessel** (m³/ship)



* The increase in total waste generated in 2023 is attributed enhanced monitoring and reporting.

** The averages have been calculated based on the number or unique vessels that have submitted reports during the year.



Bahri entered the desalination sector in 2019 with a 20-year agreement with Saudi Arabia's Saline Water Conversion Corporation (SWCC). Since then, we have developed three relocatable floating desalination platforms producing a total of 150,000 cubic meters of water per day. This initiative helps tackle water scarcity and supports sustainable water consumption throughout the MENA region while driving the growth and development of the wider desalination industry.



Zero oil spills occurred in 2023



See all performance data on [page 54](#)



Chapter 3

Navigating with Integrity

‘Navigating with Integrity’ represents our commitment to responsible business. This principle guides our conduct in the business world, ensuring that we operate with the highest standards of ethics and corporate governance, including the Corporate Governance Regulations by the Capital Market Authority (CMA) and global best practices. Our governance framework emphasizes transparency, accountability and trust and underpins all business decisions.

With a robust foundation of integrity, we ensure that everyone who interacts with our business – from our employees and contractors to partners and suppliers – is treated with respect and dignity, and that our commitment to human rights is upheld across our operations. Our approach also enables us to clearly identify and mitigate potential threats to our business, and to ensure that we grow with resilience throughout all our functions.

Material Topics Covered

- Human Rights
- Risk Management
- Governance & Business Ethics

Contribution to the UNSDGs



Contribution to Vision 2030

Improving the Business Environment



Governance & Business Ethics

Board of Directors

Bahri’s administrative structure consists of the Board of Directors, three Board committees, and an executive team. The Board is responsible for setting, supervising and reviewing governance principles and policies to ensure compliance and promote growth and sustainability.

In 2023, we carried out a board performance assessment aligned with global best practice, allowing Board members to evaluate their board member peers and conduct a self-assessment. We also conducted an overall review of our governance systems and Board Secretaries’ performance to identify any gaps, eliminate risks, strengthen governance controls and identify potential opportunities.



Members of the Board are committed to attending General Assembly (GA) Meetings to answer shareholders’ enquiries and hear their suggestions and comments regarding the Company and its performance. Details of the 2023 GA Meeting can be found [here](#).



In 2023, the majority of board seats were occupied by independent directors.



For more information on our Board of Directors, meetings held and their biographies, please visit our [2023 annual report](#).

Board of Directors	Units	2021	2022	2023
Total number of Board of Directors members	#	9	9	10
Male members of the Board of Directors	#	9	9	10
Percentage of Board seats occupied by independent directors	%	44	44	70



See all performance data on [page 54](#)



Board Committees

Bahri has three supporting board committees: the Nomination and Remuneration Committee, the Audit Committee, and the Executive Committee.



Audit Committee Responsibilities	Nomination and Remuneration Committee Responsibilities	Executive Committee Responsibilities
<ul style="list-style-type: none"> • Examine and comment on interim and consolidated Annual Financial Statements. • Review external auditor reports and ensure the implementation of corrective measures. • Ensure the efficiency of internal control systems, policies and internal audit department. • Address regulatory authorities' reports and executive management's measures. • Recommend appointment of external auditor, define remuneration and assess performance. • Monitor risk management executives and managers' work and activities. • The Audit Committee is chaired by independent directors. 	<ul style="list-style-type: none"> • Ensure Board composition meets legal and governance standards. • Implement remuneration evaluation for Board members and senior executives. • Develop and review the remuneration policy for Board, committees, and executive management. • Define KPIs for Board and committees; conduct annual performance appraisals. • Control selection process for senior executives. • Ensure active, updated succession plans. • Develop governance standards and review human resources-related duties and policies. • Ensure compliance with corporate governance guidelines and regulations. • The Nomination and Remuneration Committee is chaired by independent directors. 	<ul style="list-style-type: none"> • Develop and review investment strategy and policy with executive management. • Ensure compliance with Bahri's Articles of Association and applicable laws for investment activities. • Conduct due diligence and feasibility studies for investment opportunities. • Approve investments within defined limits according to authority matrix. • Define standards for selecting investment managers/advisors and review their performance. • Oversee investment activities and develop evaluation measures for investment performance. • Monitor investments through periodic reports from executive management. • Evaluate investment performance against return targets. • Study and assess investment opportunities proposed by executive management.



Remuneration

Remuneration at Bahri is linked to individual performance at all levels. The Nomination and Remuneration Committee reviews the efficiency of the company's remuneration policy and uses a Board assessment survey to determine

how well Board members are meeting their responsibilities. Bahri discloses executive remuneration in line with the statutory requirements in the Corporate Governance Regulations, and according to the rules for offering securities and continuing obligations.

Board-level Remuneration	Units	2021	2022	2023
Chairman	SAR	500,000	500,000	1,113,000
Vice Chairman	SAR	600,000	570,000	736,000
Directors	SAR	3,020,000	2,688,333	6,039,967
Total	SAR	4,120,000	3,758,333	7,888,967*

* The increase in remuneration is due to an update in the Board Remuneration Policy which was approved in GA Meeting.

Governance & Compliance

Clear and transparent communication is crucial to the success of our operations, and we clearly communicate throughout the company our governance principles and the ethical culture we seek to instill in the workplace. Bahri is an official member of the Maritime Anti-Corruption Network (MACN), a global group of over 200 companies working

together to tackle corruption in the maritime industry. We also have our own publicly available Anti-Corruption/Anti-Competitive Practices Policy. All new hires are told about these policies and procedures as part of their induction, and employees have regular refresher sessions throughout the year to reinforce their understanding and cooperation.

Internal Audit

Our internal audit processes are aligned with our policies that outline the expected behavior of employees, suppliers, contractors, agents and partners. Our auditing process also covers crucial employee considerations such as disciplinary actions, labor laws and non compliance with regulation, policies and procedures ensure fairness and transparency, our audit process also includes the review of procedures for handling employee grievances, such as investigations, settlements, corrective action, and escalation processes.

Our internal audit also identifies red flags relating to anti-competition, employee corruption, and fraud. In 2023, no specific instances of fraud, corruption or anti-competition were noted.

Our last internal BSM health, safety, environment and quality (HSEQ) audit involved a thorough review of Bahri's HSEQ procedures, as well as compliance with international and national regulations and standards for ship management companies. HSEQ integrated management system audits includes following standards: ISM Code, MLC, ISPS which focuses on compliance with SOLAS, MARPOL, STCW, Flag, PSC and all ISOs standards requirements.

See all performance data on page 55



Risk Management

Controlling and mitigating risks are central components of Bahri's business strategy. By understanding the risks affecting our business and industry, we are well-positioned to build resilience and identify potential opportunities for Bahri and our stakeholders.

The Bahri Business Continuity and Resilience Committee has full oversight of risk matters. Our Enterprise Risk Management (ERM) framework is based on ISO 31000:2018 - Risk Management guidelines, and considers the entire spectrum of internal and external risk sources and impacts. This includes the addition of business continuity to the scope of the ERM team in 2021, and our accreditation to ISO 22301:2019 - Business Continuity Management Systems (BCMS) in 2022.



Bahri's greatest risk exposure is within the wider global economy - both in the specific markets in which we operate, and the direct and indirect demand impacts on the products we transport. We review and manage a wide range of operational, environmental, and legal/regulatory risks across the company on a daily basis. These include physical security incidents against vessels, and how the global economy impacts demand for the transportation of petrochemical products.

In 2023, we aimed to review 90% of planned risks each month. We are pleased to report that we exceeded this target, achieving a 100% completion rate. Additionally, we surpassed our goal of training 500 employees

in risk management, with a total of 522 employees successfully completing training programs covering Risk Management & Business Continuity Management System. Our commitment to fostering a robust risk management culture is further demonstrated by our risk maturity score target of 325 out of 450.



Human Rights

Respecting and protecting the human rights of our employees, clients, and the communities in which we operate is fundamental to our company. We stand as a human rights advocate through robust regulations and measures to prevent any kind of abuse, harassment, discrimination, child labor, or slavery – whether in our offices or onboard our vessels. We also have a strict policy to protect whistleblowers, which all employees are made aware of when they join Bahri.



To ensure that rights are protected across the whole supply chain, we only deal with reputable vendors that can demonstrate human rights best practices, especially in respect to child and forced labor. We strictly adhere to the labor laws of each country we operate in.



No whistleblower violations were reported in 2023

Chapter 4

Anchoring Our Talent

‘Anchoring Our Talent’ represents our commitment to building a dynamic and innovative workforce through the attraction, retention, and development of top-tier talent. Emphasizing diversity and equal opportunity allows us to leverage a wide array of perspectives and expertise, essential for continuous improvement in our operations.

The culmination of our efforts is most evident in our rigorous approach to health and safety. Recognizing the high risks faced by our crew, we deploy advanced safety measures and thorough training programs, not just meeting but exceeding industry standards to ensure that every team member is safeguarded against the unique dangers of maritime work.

The physical and mental well-being of both onshore and offshore employees is of utmost importance to us. We are fully committed to creating a supportive and inclusive atmosphere that allows individuals to thrive in their respective careers. This dedication has led to Bahri receiving prestigious recognition, including the Best Employer of the Year award at the ShipTek International Awards and the Championship Award in Human Resource Development at the Global Good Governance Awards.

Material Topics Covered

- Talent Attraction, Retention & Development
- Diversity & Equal Opportunity
- Occupational Health & Safety

Contribution to the UNSDGs



Contribution to Vision 2030

- Caring for Our Health
- Providing Equal Opportunities
- Attracting the Talent We Need
- Learning For Working



Our People

Our approach to people management is underpinned by the goals of Saudi Vision 2030, which aims to establish a dynamic society where every citizen has the opportunity to thrive. We want everyone at Bahri to fulfil their potential, and through a range of policies and initiatives—including competitive remuneration packages, flexible working options, training and career advancement—we strive to be a top employer in the Middle East and beyond.

Our workforce grew by 16.46% in 2023, and we are delighted to report that the number of Saudi nationals in our total workforce increased by 4.5% in the Kingdom and 3.5% globally.



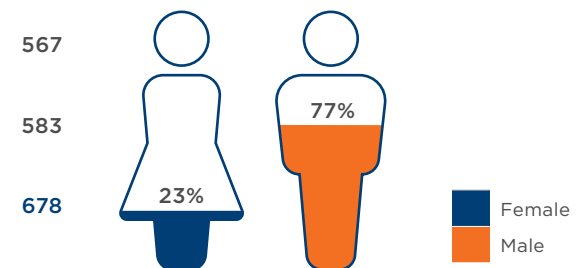
Full-time Employees	Units	2021	2022	2023
Female full-time employees	Number	113	131	153
Male full-time employees	Number	454	452	525

Crew Members	Units	2021	2022	2023
Total number of crew members	Number	4,376	4,387	4,205
Total number of male crewmembers	Number	4,376	4,387	4,200
Total number of female crewmembers	Number	0	0	5

Full-time employees



Full-time employees by gender



See all performance data on page 55



Talent Attraction, Retention & Development

We're committed to providing opportunities for our employees to grow and develop wherever possible. Our career development policy underscores the importance of a supportive and dynamic environment that empowers team members to excel both professionally and personally. This policy provides comprehensive information on career development, progression and promotion opportunities, and acts as a valuable resource for employees, guiding them on their journey towards success.



Effective employee training and development depend on understanding the unique requirements of the business. We are proactive in identifying areas of opportunity and tailoring them to meet individual employee needs. This is reinforced through the alignment of internal policies and procedures, careful budget forecasting and considered resource allocation.

Training our People

To help us stay ahead of our competitors, and to contribute to the goals of Saudi Vision 2030, Bahri needs to attract and maintain a talented workforce. Bahri is committed to equipping its people with the skills they need to thrive. Throughout 2023 we initiated a range of training programs covering all facets of our operations, including IT and data visualization, media awareness, marketing, leadership and management, health and safety, and technical skills for shipping.

As well as a variety of additional certifications, our BSM crew members undergo a number of core training programs. These include cognitive and soft skills for seafarers, and for our junior team members, our Cadet Training Program, which trains and supervises deck, engine and electro-technical officer (ETO) cadets to the highest standards. The program offers practical on-the-job training that allows cadets to apply theoretical classroom knowledge in real-world scenarios, ultimately developing them into qualified junior officers. BSM also provides an e-learning platform with 75 customized courses to all crew members, available to access at home and on board.

We also offer the Bahri Training Program (BTP) for the professional development of our employees. As part of BTP, we have several initiatives, including the Graduate Development Program (GDP), which is designed for recent graduates. The GDP aims to cultivate



Bahri is committed to boosting the participation of women within its operations, and we are delighted to showcase the inspirational stories of our female employees. Fueled by a fascination for the sea and ships, Reem Abdullah Alkhowaiter joined Bahri Ship Management in 2019 as a trainee, following the completion of a bachelor's degree in mechanical engineering. She had faced multiple challenges in her studies of what is a traditionally male-dominated subject, but undeterred, she became the first female co-op trainee in her group and following a job offer from Bahri, went on to become associate engineer. She also became the first Saudi female to undertake the MEC MAN energy solutions course in South Korea, focusing on new engine technologies.

In addition to her technical achievements, Reem has assumed a pivotal role in advocating for gender diversity within the shipping sector. Chosen to represent Bahri on International Women's Day, she emphasizes the importance of increasing female representation in maritime roles and challenging stereotypes about women's roles within the industry. Her contributions were further recognized on an international scale when she was appointed by the IMO to represent the ship and design subcommittee. She has also received the prestigious Ship Tech Award as the youngest female achiever of 2023, underscoring her significant contributions to the field.



a continuous flow of inventive talent by offering a structured rotation through multiple departments and business units. Over a period of 10 to 12 months, depending on the location, participants acquire essential knowledge and skills to accelerate their career growth. Upon completion of the training, participants are offered full-time positions. Another initiative is the Cooperative Training Program (COOP). Directed at undergraduate students, this program imparts essential knowledge and provides hands-on, practical experience over the course of seven months.

We continually assess the effectiveness of our crew training through a raft of measures, including practical tests, senior member observations, analysis of operational data and crew feedback. We want to foster a culture of continuous learning and development and recognize that creating a two-way dialogue between trainers and trainees is critical to that objective.

Developing our Leadership Capabilities

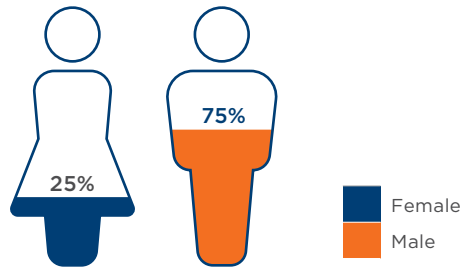
We believe that effective leadership is critical to the success of our company. Strong leaders boost morale, enable innovation, inspire confidence and enhance communication. We're committed to supporting our leaders on their journeys of continuous learning and growth through a number of dedicated leadership training initiatives. These include our intensive Leading for Impact program, and our Executive Leadership Program, developed in conjunction with the renowned Thunderbird School of Global Management.

Within BSM, we operate the LANE program, which is designed for senior officers and focuses on essential skills such as situational awareness, leadership, performance-shaping behavior, decision-making, communication, teamwork, and navigation. These skills foster proper leadership and communication, benefiting not only senior officers but other seafarers and our business as a whole.



Despite the wealth of training on offer, this year's data does show a reduction in training programs and hours. This is primarily due to renewed efforts by our talent development team to conduct an in-depth analysis and study of job needs, skill gaps, and other areas, with the aim of creating individual development plans for our employees. Factors such as employee turnover rates have also contributed to this decrease and our updated Talent Development Policy stipulates that an employee is only eligible for training once probation period is completed.

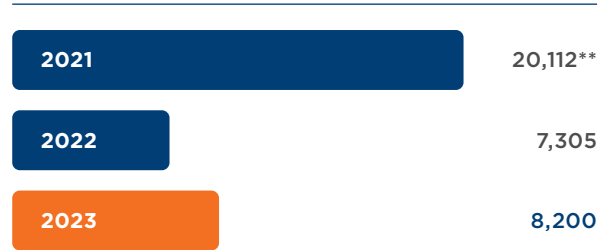
Total number of females and males trained in 2023*



In 2023 8,200 hours of training was conducted averaging to 12.09 hours per employee.

See all performance data on [page 55 and 56](#)

Total hours of training for workforce (Hours)



Average hours of training per year per employee* (Hours)**



Training and Development - Crew	Unit	2021	2022	2023
Average hours of training per year per crew member	Hours	21.7	26.6	34.8
Number of members that participated in the Cadet Training Program	Hours	161	359	282

Total hours of training for crew members (Hours)



Number of environment and/or sustainability related training provided to employees, contractors and suppliers

2,028 Hours

39 participants in the Bahri Training Program in 2023.

* In certain cases one employee took multiple trainings
 ** Figures are significantly higher due to a focus on online training during Coronavirus Disease 2019 (COVID-19).
 *** 2021 and 2022 figures have been restated to align with a new calculation used in 2023



In 2023 our total turnover decreased

2.8%

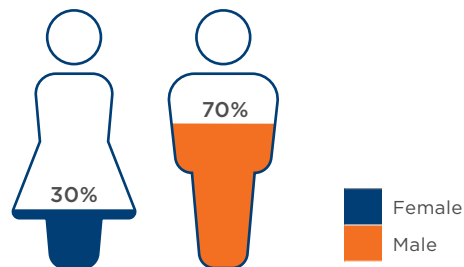
reflecting our commitment to employee retention and well-being.



Total number of new employees who joined the organization



New employee hires by gender (2023)



Employee Engagement

We know a business functions at its best with an engaged workforce, so we strive to create an environment where every employee feels valued and appreciated as a member of the team. Our dedicated People and Culture Committee represents staff across all our business units in matters relating to talent management, people-related risk and employee satisfaction. It also oversees all employee engagement activities, including our Employee Engagement Survey.

We are delighted to report that our 2023 annual employee engagement survey received an outstanding response rate of 78% from our valued employees. This comprehensive survey covered a range of topics such as company values, training opportunities, rewards and remuneration, communication and more.



See all performance data on [page 56](#)



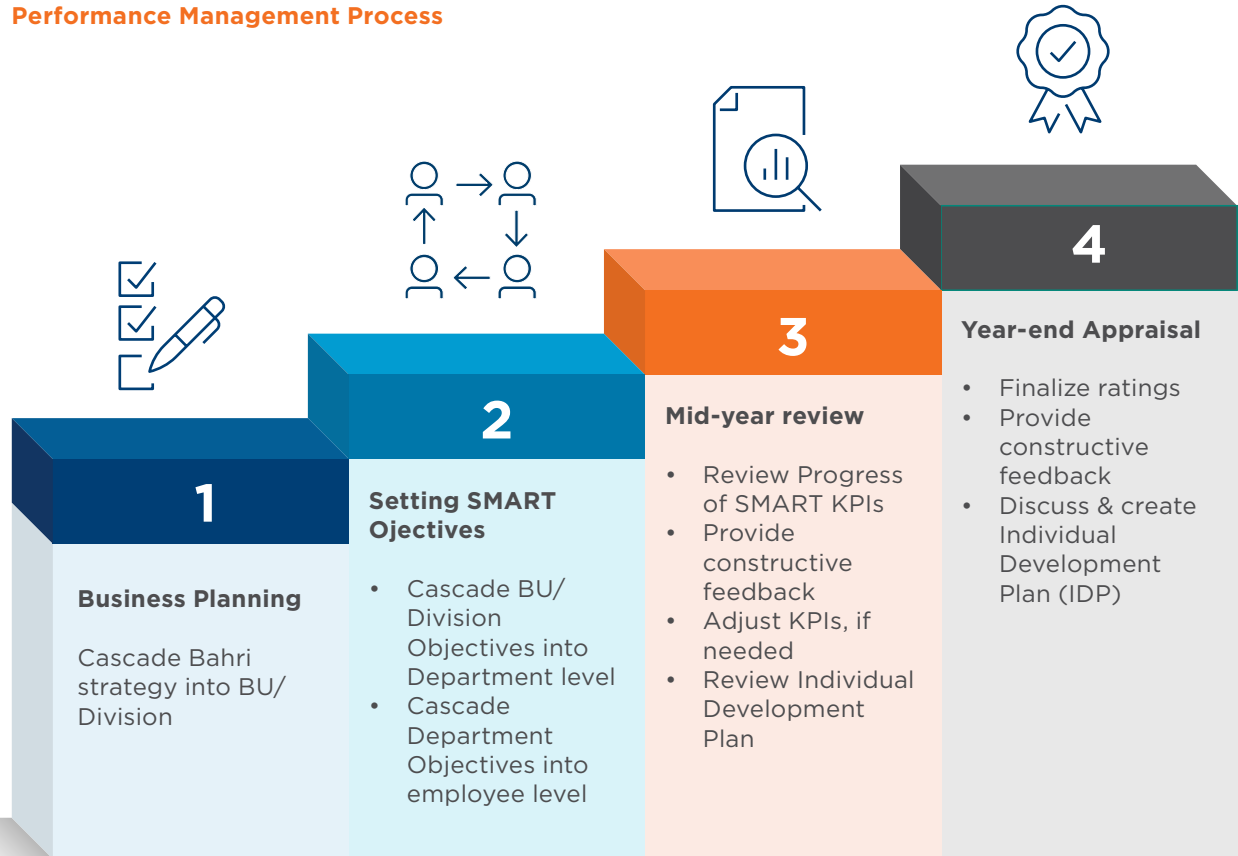
The results show that our employees' overall engagement score was a high 77%, reflecting their positive attitude towards job satisfaction and organization culture. This strong level of employee engagement is a testament to our commitment to creating a work environment that fosters growth, development and collaboration, and ensuring that our employees feel valued and supported.

Performance Review


Every employee is supported through a comprehensive performance evaluation based on established SMART objectives, a balanced scorecard framework and a core competencies framework. A mid-year review takes place between June and July, where all employees complete self-evaluations and line managers provide assessments.

The year-end appraisal period then takes place in January, and involves one-on-one meetings between employees and managers to discuss challenges, opportunities and review individual development plans. We work closely with employees that are not meeting their objectives to create a Performance Improvement Plan (PIP) to support them in succeeding in their roles.

Performance Management Process




89% of employees received regular performance and career development review during 2023

 See all performance data on [page 57](#)



Diversity and Equal Opportunity

As a global organization, Bahri believes that diversity and inclusion are fundamental components of sustainability, and we celebrate the broad range of nationalities, cultures and backgrounds of our employees and stakeholders.

To ensure that we create a workplace that is inclusive, respectful and supportive of diversity, we strive to implement tools and strategies that foster effective communication and understanding among our employees. One such tool we have found to be effective is the Marlin's test, which provides a thorough assessment of a seafarer's ability to understand and speak English – the language of the sea. This has enabled us to bridge communication divides between seafarers of different nationalities and cultures.

Nationalization

In line with Saudi Vision 2030, we remain committed to nationalization and increasing the presence of Saudi nationals in our global workforce. As of 2023, Saudi nationals constitute 47.5% of the company's total full-time global workforce, up from 44% in 2022 and 43% in 2021. Moreover, within the Kingdom of Saudi Arabia, the percentage of Saudi nationals among the total full-time workforce has risen to 77.5%, showcasing a significant improvement from the previous year's figure.



To further demonstrate our commitment to nationalization, we offer a range of benefits to our Saudi employees. For example, national employees may elect to receive an additional year of medical insurance coverage from the date of their retirement, with all associated costs covered by the company, including insurance for their children.



Bahri trained 5 female seafarers and successfully deployed them on its fleet, marking them the first Arab females to serve on VLCC.



In 2023, our workforce represented 52 nationalities.

Nationalization	Units	2021	2022	2023
Saudi Nationals among senior management	Percentage	56	61.5	67

Saudi Nationals among total full-time workforce in KSA (%)



See all performance data on [page 57](#)



Wages & Benefits

Our employees are critical to the growth and success of our business, so we offer competitive remuneration and workplace benefits to ensure they feel valued for the important work they do. Our employees are compensated solely based on their job grading, and not factors such as age or gender. We also offer a wide range of employee benefits including bonuses, medical insurance, flexible working, annual ticket allowance, communication allowance, seniority awards, housing bank loan support, sales incentives and retirement benefits for Saudi employees.



Wages and Benefits	Units	2021	2022	2023
Employees' total wages and benefits	SAR million	279*	319*	386

* Data has been restated due to rectification of an error.

Parental Leave

At Bahri, we place great importance on promoting a healthy work-life balance for our employees, especially during significant life events such as welcoming new members to their families. For this reason, we offer paid leave for expectant mothers and fathers as part of our benefits package. Female employees are entitled to 10 weeks of paid maternity leave; a maximum of four weeks prenatal and a minimum

of six weeks postnatal. If the child is born with a disability, the employee is eligible for one month of paid leave with an additional month of unpaid leave. Male employees are entitled to three days of paid paternity leave. Our UAE office is also subject to a law that grants all employees five days of paid parental leave on top of the established maternity leave period.

Parental Leave*	Unit	2021	2022	2023
Total number of employees that took parental leave	#	18	21	22

* 2022 and 2023 data include both paternity and maternity leave. The data for 2021 only includes maternity leave



100% of employees returned to work after parental leave



See all performance data on [page 57](#)



Occupational Health & Safety (OH&S)

Bahri takes health and safety extremely seriously in all functions of its business, and in particular within the activities of BSM, which is our core business function.

BSM is accredited to ISO 45001:2018 - Health and Safety Management, which means we comply with all applicable rules and guidelines, including:

- The Maritime Labor Convention (MLC)
- International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW)
- International Safety Management (ISM) Code
- The International Convention for the Safety of Life at Sea (SOLAS)
- International Safety Guide for Oil Tankers and Terminals (ISGOTT)
- UAE federal regulations covering workers' occupational health and safety

We are also members of a range of industry forums and proactively engage with stakeholders on OH&S matters.



These include the International Transport Workers' Federation (ITF) and INTERTANKO, a trade association that acts as the voice of independent tanker owners since 1970.

OH&S Policy

Bahri Ship Management has a comprehensive OH&S policy which is available to all employees onboard and ashore. In 2023, we conducted an internal health, safety, environment and quality (HSEQ) audit for our ship management office covering ISM Code, MLC, ISPS which focuses on compliance with SOLAS, MARPOL, STCW, Flag, PSC and all ISOs standards requirements.

This year, we also conducted an organizational culture diagnostic instrument (OCDI) survey on board and within BSM's offices. The OCDI

measures a specific set of factors predictive of safety performance using survey data and data from leadership, staff interviews and focus groups. A dedicated OCDI Committee was established to oversee the survey, and to identify and assess any safety hotspots flagged by the research.

Additionally, BSM conducted an Organization Health Index (OHI) survey, and implemented a new process for organizational health assessment and action planning for continuous improvement.



OH&S Committee

Our ship management office has an OH&S committee whose members represent workers from a wide range of functions. Elected for one year, the committee is responsible for issues such as investigating accidents, quarterly workplace inspections, reviewing the OH&S risk register and the management of employee concerns.

Throughout 2023 the committee also organized a range of important awareness sessions that provided valuable input to management, including first aid, fire safety, desk-based physical well-being and stress management.

OH&S Targets

We use a variety of leading and lagging indicators to assess our current standing and inform our future objectives. Based on our performance over the last decade, along with industry benchmarks, we have established both annual and near-term OH&S goals. These have also been guided by our 2022 Safety Culture Organization Assessment (SCORA) surveys, undertaken in collaboration with P&I Club, a leading organization for shipowners and charterers. We aim to:

- Achieve zero accident-fatalities
- Control and maintain the Lost Time Injury Frequency (LTIF) below 0.44 and the Total Recordable Case Frequency (TRCF) below 1.02 over a rolling 24-month period
- Progress towards 'Goal-Zero' by increasing the number of accident-free days, targeting 55 vessels with accident-free days greater than one year



OH&S Risk Assessments

Our OH&S activities are underpinned by a robust approach to risk management. Our risk assessment procedures and guidelines for planned routine and non-routine tasks are based on ALARP ('as low as reasonably practicable') principles, which apply the hierarchy of risk management controls: elimination, substitution, engineering, administrative and PPE.

We have 120 risk assessments within our library covering a wide range of tasks and remits, all available to both vessel crews and shore staff. Each risk assessment is reviewed and modified for the task at hand and define levels of approval authority based on a residual risk ranking. Operating procedures for each task are based on its risk assessment, and each generates a set of step-by-step guidelines.



The outcome of risk assessments triggers control measures to better safeguard worker health and risk exposure. Individual risk assessments and risk assessment processes are reviewed at least annually to account for any changes – such as changing control measures, for example.

All staff are trained in the risk assessment process, which forms part of the training matrix.

Empowering employees in OH&S

Bahri is committed to ensuring all our employees have the tools they need to ensure the highest standards of OH&S throughout our business.

Our personal protective equipment (PPE) requirements exceed industry standards, and our STOP Work Authority policy enables all onshore and offshore staff to halt any activity they believe will cause harm to people, property or the environment. Our Just Culture policy ensures that anyone involved in non-safe activities is held accountable but treated fairly.

As per our OH&S policy, anyone who observes a near miss or hazard should inform the department head as soon as possible,



reporting through our MIPS computerized system. All staff have access to MIPS and can report anonymously should they choose. Near-miss reports are reviewed by our onshore management team within 24 hours and selected employees are rewarded for impactful reporting.



The Ship Inspection Report Program (SIRE) is a unique tanker risk assessment tool used by charterers, terminal operators, and government bodies to assist in the assurance of ship safety standards. Today, SIRE inspections take place all over the world and are widely recognized as an invaluable tool for raising ship safety standards.

We are great believers in establishing a standardized, objective inspection process that systematically examines tanker operations and is shared by the Oil Companies International Marine Forum (OCIMF) members and other authorized recipients. The OCIMF SIRE Program has been instrumental in driving up expectations and behaviors relating to operational and safety standards in the industry. We joined this journey in 2004 and now Bahri is in an exciting position, having led the industry participation in SIRE.

Health and Safety Management System	Units	2021	2022	2023
Total workers covered by the health and safety management system	Percentage	100%	100%	100%
Total workers covered by the health and safety management system that has been internally audited	Percentage	100%	100%	100%
Total workers covered by the health and safety management system that has been audited or certified by an external party	Percentage	100%	100%	100%
Workforce represented in joint management-worker H&S committees	Percentage	25%	25%	25%



See all performance data on [page 57](#)



OH&S Training

All workers at sea are trained in risk assessment, the reporting of hazards and near misses, safe cargo operations, firefighting, survival at sea and first aid.

In 2022, we experienced the tragic loss of a crew member onboard one of our vessels. In response to this devastating event, we promptly conducted a thorough investigation to understand the factors contributing to the incident. One of the key findings from the investigation was the role of human behavior, which prompted us to take decisive action to mitigate future risks. As such, we have also implemented a diverse range of initiatives that focus on enhancing safe behaviors throughout our operations, helping to maintain a secure working environment and safeguarding the well-being of our valued workforce.

1. **Human Element Initiative:** Acknowledging that human error is often influenced by workplace conditions, leadership and organizational culture, this initiative put humans at the center of our approach and involved senior management training and fresh alignment of policy and procedure. Two management training sessions were conducted by human element experts, and a new human factor policy has now been integrated across BSM's operations.
2. **Safety Champions:** We recognize and celebrate safety champions onboard our vessels every quarter. These individuals lead by example, prioritize safety 24/7, actively engage in safety conversations, embrace new ideas, recognize factors that hinder compliance and encourage their colleagues to prioritize safety.

3. **Bahri OASIS:** Developed in collaboration with external consultant DEKRA, Bahri OASIS aims to increase safety consciousness and reduce at-risk behaviors. The initiative is guided by a dedicated steering committee of 12 ex-seafaring staff members responsible for its development, implementation and maintenance.
4. **High-Impact Low-Frequency (HiLo):** Utilizing advanced predictive modeling, HiLo identifies interconnected events that could lead to high-impact incidents. This approach allows us to better understand the likelihood of events progressing to undesired outcomes and therefore prioritize efforts to prevent them.
5. **Safety Training Officers:** Since 2022 we have employed five dedicated safety trainers who sail with vessels for approximately three weeks to improve safety culture, enhance safe work practices and ensure secure operations.

Crew Well-being

As well as ensuring our crew members have the tools and training to operate safely and efficiently, we want to empower them to look after their own health and well-being. Throughout the year we run a variety of sessions on topics such as building healthy habits, managing stress and staying active at sea.

Our crews aboard company vessels benefit from a robust mental health support system available 24/7, integrated into our BSM Safety Management System. This initiative is internally monitored by our Crew Welfare Officer based in Dubai and externally supported by entities like ISWAN (International Seafarers Welfare and Assistance Network), which provides a dedicated remote helpline. Additionally, our office provides ongoing support through healthy eating campaigns and initiatives. Furthermore, our commitment extends beyond



Achieved zero accident fatalities in 2023



100% of employees received HSE training



See all performance data on [page 58](#)

immediate support to proactive engagement. Our office staff actively participate in industry crew-support workshops, where we benchmark our programs and share best practices. This collaboration includes presenting a mental health protocol at each crew conference, in partnership with ISWAN. This comprehensive approach ensures the well-being of our crew members remains a top priority.

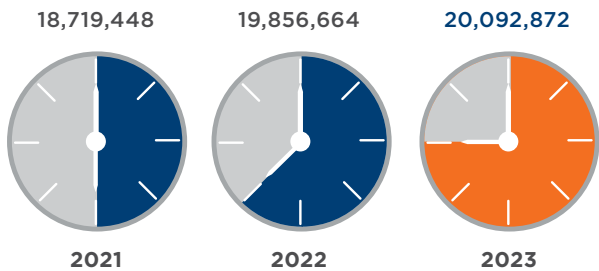
As well as fitness checks, all seafarers undergo psychometric assessments that evaluate competencies such as problem-solving, focused attention, stress management, interpersonal styles and work and safety ethics. We adhere to best practices by conducting one-on-one sessions with psychiatric professionals to ensure the most accurate results. Through these initiatives, Bahri demonstrates its unwavering dedication to the well-being and safety of all its crew members.



Bahri employees are covered under a comprehensive medical insurance plan, which boasts a broad range of coverage and is considered to be one of the most comprehensive offerings in the region. This medical insurance plan not only includes teleconsultation and mental health support, but also grants access to an extensive network of healthcare providers on a global scale.

Future initiatives to ensure the continued well-being of Bahri staff includes further mental health workshops, healthy snack options, flexible remote working, fitness challenges and rewards, and an employee well-being allowance, which can be used for activities such as gym memberships, wellness programs, or other health-related expenses.

Total employee manhours * (Number)



* Health and Safety table covers Bahri ships and crew only.

Total hours of HSE training provided* (Hours)



Seafarers, facing prolonged periods away from home in demanding conditions, are particularly susceptible to mental health challenges. Studies indicate higher rates of depression among seafarers compared to other professions, with factors such as work environment, job satisfaction, and self-rated health playing key roles. Highlighting this issue, a 2022 BSM survey underscored the necessity for increased awareness and supportive environments for mental well-being aboard vessels.

To address these concerns and uphold their commitment to a safe and healthy work environment, they implemented various shipboard programs in 2023. These initiatives, including "Let's Talk," fatigue risk management, individual awareness sessions, leadership training for crew well-being, and social engagement days with recreational activities, aim to bolster mental well-being among ship staff. Additionally, senior management interactions and visits were conducted to prioritize mental health discussions.

Furthermore, a comprehensive Mental Health Survey, conducted fleet-wide from October 13th to November 15th, in collaboration with the Maritime Coast Guard Agency (MCA), evaluated various well-being factors influencing onboard crew. The survey helped identify areas of strength and areas for improvement, serving as a foundation for enhancing seafarer well-being. Additionally, each participant received personalized advice on improving their well-being aboard.

106 health and safety audits conducted in 2023

See all performance data on [page 58](#)



Chapter 5

Propelling Value Creation

‘Propelling Value Creation’ reflects our commitment to blend our business goals with our social and environmental responsibilities. We create value for our stakeholders and the local economy by enhancing our economic performance and investing in projects that benefit our supply chain partners and local communities, as well as our business.

Through our Asset-Based Community Development (ABCD) strategy we implement targeted training programs for young people that uplift communities by fostering essential skills and knowledge. Our approach to supporting a sustainable supply chain emphasizes responsible business and best practice, and by harnessing digitization, we not only streamline our operations and drive innovation, but enhance customer satisfaction which in turn drives further value creation.

Material Topics Covered

- Community Engagement
- Customer Satisfaction
- Sustainable Supply Chain
- Digitization

Contribution to the UNSDGs



Contribution to Vision 2030

- Being Responsible in Business
- Being Responsible to Society
- Empowering our Society



Economic Performance

As we strive to create long-term value for all stakeholders, our focus remains on fostering responsible and sustainable business practices that drive both economic and social progress.




Economic Performance	Units	2021	2022	2023
Revenues	(000 SAR)	5,351,075	8,582,580	8,777,500
Operating costs	(000 SAR)	4,917,976	7,204,452	6,861,726
Payments to government (statutory payments*)	(000 SAR)	131,002*	107,056	120,823

* Statutory payments are government payments that are paid or payable to The General Authority of Zakat and Tax (GAZT) and the General Organization for Social Insurance (GOSI).

Bahri continues to contribute to economic and social progress in the communities where it operates, primarily in Saudi Arabia. In 2023, Bahri realized revenues of SAR 8.8 billion and incurred operating costs of SAR 6.9 billion, adding to business activity and opportunities in these communities. Full-time employment increased by 16% to 678, with SAR 912 million paid by Bahri in salaries and benefits to these employees.

Meanwhile, Bahri added to capital formation in the Kingdom with SAR 1.6 billion in capital expenditures during the year, 26% more than in 2022, while its payments to the government increased 13% to SAR 121 million.

The company grew its net profit by 55% to SAR 1.6 billion in 2023, 25% of which was distributed on 1st July 2024 as cash dividends to more than 34,000 shareholders. The remaining earnings has been retained by the company to ensure future financial sustainability.

 See all performance data on page 58



Community Engagement

As a leading company with global influence, we know we have a responsibility to positively impact the communities in which we operate. Our Asset Based Community Development (ABCD) approach drives social value through partnerships and collaboration with a range of organizations and institutions. We also encourage employees to volunteer their time to these causes, which not only strengthens local communities but also helps us attract and retain purpose-driven, motivated individuals.

Our community engagement efforts align with the Human Capability Development Program of Vision 2030 through several key programs:

- **National Maritime Academy (NMA) Training Agreement** - Designed to upskill Saudi youth in the maritime sector. Under the agreement, NMA is committed to providing training programs at its approved training facilities

in Al Jubail or other authorized institutes within Saudi Arabia. The program provides a comprehensive curriculum, instructional technology and necessary equipment for the duration of the three-year training period.

- **Graduate Cadet Training Program** - In partnership with institutes such as KAU, Saudi Aramco, National Maritime Academy, and International Maritime College Oman, Bahri provides comprehensive training opportunities for marine officers and engineers. These programs are conducted on board Bahri vessels, offering practical experience to marine science students. The training is provided at no cost to the students and includes benefits such as complimentary visas, airfare, transportation, and a monthly stipend. To date, more than 239 students have benefited from these initiatives.



We're proud that our amount of community investment has more than doubled this year, reflecting our commitment to the social and economic enrichment of the Kingdom in line with Saudi Vision 2030.

Amount of community investment (SAR)



This year Bahri signed a Letter of Intent (LoI) with International Maritime Organization (IMO) and the Transport General Authority (TGA) to develop and implement 'Next Wave of Seafarers', a world-first initiative to provide advanced training for cadet seafarers. The pilot program intends to address the shortage of trained seafarers by working with IMO, its member states and global shipping companies by developing a cooperative framework. Bahri will participate as a project partner in the program.



The IMO and the TGA have recognized Bahri, as well as the master and crew of the NCC NAJEM, for their bravery at sea in rescuing 35 people from the water. This prestigious award highlights the exceptional courage and dedication demonstrated by the NCC NAJEM team during the rescue operation.



See all performance data on page 58



Customer Satisfaction

Our customers are critical to our success, so their satisfaction is of paramount importance to Bahri. We conduct frequent surveys as a key performance metric to identify areas for improvement and to ensure we continue to offer a world class service.



Service	Survey Type	Customer Satisfaction Score (out of 10)		
		2021	2022	2023
Chemicals	Executives survey	9	9.4	9.1
	Operations survey	9.5	9.2	-
Oil	Executives survey	9	9	9.2
	Operations survey	9.1	9.2	10
Dry bulk *	Executives survey	10	10	10
	Operations survey	-	10	10
Logistics	Executives survey	-	8.9	9.2
	Operations survey	7.5	8	8.5

Since 2022 we have been partnered with a number of platforms to provide industry-leading logistics across a full spectrum of solutions, including customs clearance assistance and storage provisions. These collaborations reinforce our commitment to innovation in serving our customers and supporting the Kingdom's economy.

 See all performance data on [page 59](#)



Sustainable Supply Chain

Ensuring sustainable supply chains is a vital part of generating long-term and resilient value for our stakeholders. While we cannot control the actions of every organization within our supply chain, we are committed to a range of proactive measures designed to mitigate supply chain sustainability risks wherever possible.

All suppliers must complete a comprehensive registration form which covers vendor information in depth, including details on:

- Financial statements
- Staff and workforce information
- Management and organizational structure
- Supply scope and facilities
- Manufacturing or service capabilities
- Industry experience
- Quality systems and procedures
- Occupational health and safety
- Environmental policies, including energy efficiency compliance
- Industry relations
- IT details



Following this, a team conducts an evaluation to determine if the vendor complies with Bahri Ship Management terms and conditions. This evaluation includes assessing the vendor's minimum two-year service history, references, ISO certification status and whether they are an equipment maker, OEM or authorized agent.

Suppliers are required to align with our Code of Conduct principles, uphold ethical business practices, and comply with occupational health and safety standards. Additionally, Bahri enforces a procurement policy, ensuring vendors comply with our Supplier Code of Conduct, accessible exclusively to our approved supplier list. All vendor contractors must sign procurement contracts incorporating conflict-of-interest and anti-corruption measures, along with termination clauses for any violations.

To ensure the protection of human rights throughout our entire supply chain, we engage with reputable vendors globally who adhere

to best practices, especially in relation to child and forced labor. By partnering with vendors committed to upholding human rights, we actively contribute to fostering a supply chain environment that prioritizes ethical and responsible practices.

Number of suppliers that were subject to audit



 See all performance data on [page 59](#)



Suppliers with which relationships were terminated as a result of audit

2021

12

2022

10

2023

16



Supply Chain Audits*	Unit	2021	2022	2023
Number of suppliers that were subject to audit	Number	25	31	24**
Number of suppliers identified as having significant actual and potential negative impacts	Number	0	0	1
Suppliers with which relationships were terminated as a result of audit	Number	12	10	16 (including one mentioned above)

* Auditing is mandatory for Critical Vendors, such as Manning Agencies, Riding Squads Suppliers, Drydocks/Shipyards, Security Service Providers, and External Auditors, meeting specific criteria. For Manning agencies, the procedure stipulates that agencies with crew numbers exceeding 30 on the Bahri fleet must undergo annual audits, while those with 30 or fewer crew members are audited every two years. Other vendors are audited biennially. Drydocks/Shipyards undergo procedural audits before assignments and are re-audited every five years.

** The decrease in the number of audited critical suppliers is attributed to the updated Bahri vendor management procedure for Manning agencies in 2023.

Suppliers (UAE)	Unit	2021	2022	2023
Total number of suppliers	Number	677	729	736
Total number of local suppliers	Number	29	38	39
Percentage of spending on local suppliers	Percentage	18	18	24.8

Bahri takes a proactive approach to supplier engagement on sustainability, recognizing that collaboration is key to driving industry-wide change. For instance, our partnership with Personal Protective Equipment (PPE) supplier involves around 80% of their production partners undergoing audits for social compliance. Additionally, this collaboration has led to Personal Protective Equipment (PPE) supplier replacing 90% of plastic packaging with more sustainable alternatives. Furthermore, we collaborate with selected shipyards in China for vessel repair and drydocking. Through the implementation of environmentally-conscious measures and equipment, this partnership has resulted in vessels achieving certificates of decarbonization. Bahri carefully selects

shipyards in China known for employing highly efficient methods to reduce carbon emissions, which in turn leads to the issuance of certificates of decarbonization for each vessel docking at their yards.

Within our own operations, we have implemented an improved ordering process for stores and spares, designed to enhance the onboard planning of procurement activities. This has resulted in consolidated quarterly requirements, optimized spending and logistics costs, and a reduction in the number of purchase orders. We also use benchmarking to optimize freight modes, ensuring efficient and cost-effective shipping and logistics outcomes.

 See all performance data on [page 59](#)



Digitization & Data Security

Due to the inherently complex nature of the maritime supply chain, we are making efforts to digitize and streamline our operations and processes to the greatest extent feasible.



Following initial measures such as launching our Fleet Performance Monitoring Center (FPMC) and data partnerships with Channels and Aventura Group, in 2023 we created the Digital Transformation Management Office (DTMO). The DTMO oversees our journey towards digitalization, which comprises an ambitious multi-pronged initiative designed to align with Saudi Vision 2030 and propel Bahri's growth ambitions.

The strategy encompasses several key areas:

- **Digital demand management**
Standardizing a robust digital demand process enables Bahri to align its technology efforts with business unit goals efficiently. This structured approach enhances IT delivery, facilitates rapid response to demands and supports strategic portfolio management.

- **Further enhance data and AI integration capabilities**
Utilizing advanced data analytics and artificial intelligence, Bahri focuses on enhancing vessel performance and operational efficiency. This approach includes predictive analysis for predictive maintenance and risk mitigation, alongside optimizing operational procedures to ensure seamless, efficient processes.
- **Increased automation via RPA and AI**
By implementing robotics process automation and AI, Bahri automates routine tasks, improving efficiency and accuracy. This shift not only streamlines operations but also reallocates staff towards more strategic, value-added activities.
- **Process reengineering**
Continuous process optimization and reengineering are pivotal. By reevaluating and streamlining workflows, Bahri will eliminate inefficiencies, fostering a lean, agile operational model that prioritizes performance and cost-effectiveness.

Implementing JIRA and Microsoft Planner within the Bahri management practices represents a strategic move towards enhancing agility, efficiency, and customer service in our digital transformation journey. These tools are integral to fostering a more dynamic, transparent and collaborative work environment, allowing teams to adapt swiftly to changes, manage tasks efficiently, and deliver exceptional service to customers.

This year we also implemented CargoWise, which enables Bahri to streamline end-to-end logistics operations from freight forwarding to financials on a single platform. This scalable solution enables better efficiency, compliance, real-time visibility and customer service, making it essential for logistics companies aiming for digital transformation and competitive advantage in the always evolving logistics industry.



Environmental changes in the shipping industry mean that Bahri must adhere to regulations regarding carbon emissions by its vessels. Working closely with the ship management team, the data team created a Carbon Intensity Index (CII) model to predict the emissions for Bahri's fleet of vessels. The tool predicts a given rating for specific vessels based on their history of emissions, and enables the optimization of variables, such as speed, to ensure adherence to Bahri's internal emissions guidelines.

Data Security

We have continuously improved our data privacy systems and implemented strong policy-driven cybersecurity procedures to comply with regulations from the National Cybersecurity Authority (NCA) and industry best practices. Over the past three years, Bahri has maintained a flawless record with no data breaches.

Bahri follows national and international Cybersecurity standards and regulations, as well as the principles of confidentiality (limiting data access), integrity (ensuring your data is accurate), and availability (making sure data is accessible to those who need it). We are certified to ISO 27001-Information Security, and our Security Operation Center (SOC) monitors incidents and threats 24/7.



Zero incidents of data breaches in 2023

We encourage a culture of Cybersecurity by implementing the best mitigation practices for employees, systems, and processes and emphasizing awareness through workshops, videos, brochures, and email campaigns. This year, relevant teams also undertook various security training, including Certified Information Systems Security Professional (CISSP).

This year, Cybersecurity conducted a survey and received a satisfaction score of 4.6/5. We also made significant progress in various Cybersecurity aspects: we maintained our ISO 27001 certification, achieved an 89.9% score in the NCA-ECC assessment, increased Cybersecurity awareness video and quiz participation by 70%, and improved phishing test email performance to 87.60. In 2024, we plan to further strengthen our Cybersecurity efforts through a comprehensive risk assessment, a review and update of our Cybersecurity strategy, incorporating Cybersecurity awareness into every



See all performance data on [page 59](#)

company policy, and enhancements to our data protection and privacy measures.

In addition, Bahri also conducted a separate survey for IT services provided. During 2023, 229 participants answered the IT survey, with a satisfaction score of 4.33/5. The objective of the annual IT survey was to gather comprehensive feedback from business and functional units regarding the IT infrastructure, applications efficiency, and support services. By identifying areas of strength and pinpointing challenges, the survey aimed to enhance overall user experience, streamline operations, and prioritize future IT demands.



Appendices





Appendix A: Performance Data Tables

All in accordance with our dedication to transparency and ethical business practices, we ensure that all stakeholders have access to extensive ESG data, showcasing our performance in these areas

Safeguarding the Environment:

Energy Consumption*	Units	2021	2022	2023
Total number of vessels	Number	90	92	97
Fuel oil intensity	Kg/mile	162	158	146
Gas fuels intensity	Kg /Nautical mile**	10	11	11
Total fuel intensity	Kg /Nautical mile	172	169	157
Electricity generated onboard	MWH	594,997	627,157	614,164
Other fuels	Tonne	0	0	0
Biofuels	Tonne	0	0	0
Total renewable energy consumption	kWh	0	0	0
Electricity generated onboard	MWh	594,997	627,157	614,164
Electricity generated on board per vessel	MWh/ship	6,611	6,335	6,332
Total energy consumption	GJ	41,782,821	41,400,343	36,143,540

* New initiatives have recently been put in place for monitoring and making operational changes and eventually increasing employee awareness. At this point, it is not possible to estimate the energy saved with these initiatives.

* Benchmarking tools that allow for a consistent evaluation of energy efficiency through metrics that monitor the different facilities and compare energy efficiency or consumption between facilities, Bahri uses Power BI driven analytics to monitor and evaluate energy consumptions and efficiency to compare across different groups of vessels as well as against benchmark targets.

** Unit has been restated to align with the appropriate measurement for sea travel.

GHG Emissions	Units	2021	2022	2023
Direct GHG emissions (Scope 1)	Kgs of CO ₂ eq	3,220,903	3,204,905	2,793,701
Direct GHG emissions (Scope 1) intensity	Kgs of CO ₂ eq/Nautical mile*	546	538	499
Indirect GHG emissions (Scope 2)**	Kgs of CO ₂ eq	111	100	105
Total GHG emissions (Scope 1 + 2)	Kgs of CO ₂ eq	3,220,903	3,204,905	2,793,701
SO _x intensity	Kg /Nautical mile*	1.26	1.30	1.00
NO _x intensity	Kg /Nautical mile*	11.92	11.75	10.89
CH ₄ intensity	Kg /Nautical mile*	8.60	8.48	7.85
CO intensity	Kg /Nautical mile*	0.63	0.62	0.58
Particles intensity	Kg /Nautical mile*	0.85	0.83	0.77

* Unit has been restated to align with the appropriate measurement for sea travel.

** Scope covers BSM office only



Bilge and Ballast Water	Units	2021	2022	2023
Total Clean Bilge water discharges to sea*	m ³	23,209	22,726	20,902
Ballast water discharge – D2 Standard	m ³	6,195,497	16,085,294	20,868,922
Ballast water treatment – D2 Standard	Percentage	28	56	67
Ballast water exchange – D1 Standard	Percentage	72	44	23

* This KPI has been restated to reflect scope of information provided.

Water Consumption	Units	2021	2022	2023
Total water consumption	m ³	351,020	353,872	372,433*
Water consumption intensity	m ³ /Nautical mile**	0.06	0.06	0.06

* The increase in total water consumption in 2023 is attributed to operational activities, with the type and number of operations influencing the water use.

** Unit has been restated to align with the appropriate measurement for sea travel.

Effluents and Waste	Units	2021	2022	2023
Total waste generated*	m ³	4,769	5,128	5,682
Total waste generated per vessel**	m ³ /ship	53	52	59
Paper consumption (Dubai office)	Kg	1,250	1,685	1,753
Paper consumption - all fleet	Kg	17,360	16,423	16,283
Paper consumption - per vessel	Kg	193	166	168
Plastic and packaging waste carried onboard total fleet	m ³	1,113	1,182	1,318
Plastic and packaging waste carried onboard total fleet per vessel	m ³ /vessel	12.37	11.93	13.58
Total waste recycled	Tonnes	0	0	0
Total number of oil spills	Number	0	1	0
Total volume of spills	L	0	0.2	0

* The increase in total waste generated in 2023 is attributed enhanced monitoring and reporting.

** The averages have been calculated based on the number or unique vessels that have submitted reports during the year.

Navigating with Integrity:

Board of Directors	Units	2021	2022	2023
Total number of Board of Directors members	Number	9	9	10
Independent members of the Board of Directors	Number	4	4	7
Non-independent members of the Board of Directors	Number	0	0	0
Executive members of the Board of Directors	Number	0	1	1
Non-executive members of the Board of Directors	Number	5	4	2
Male members of the Board of Directors	Number	9	9	10
Female members of the Board of Directors	Number	0	0	0
Percentage of Board seats occupied by independent directors	Percentage	44	44	70



Board-level Remuneration	Units	2021	2022	2023
Chairman	SAR	500,000	500,000	1,113,000
Vice Chairman	SAR	600,000	570,000	736,000
Directors	SAR	3,020,000	2,688,333	6,039,967
Total	SAR	4,120,000	3,758,333	7,888,967*

* The increase in remuneration is due to an update in the Board Remuneration Policy which was approved in GA Meeting.

Anchoring our Talent:

Full-time Employees	Units	2021	2022	2023
Full-time employees	Number	567	583	678
Female full-time employees	Number	113	131	153
Male full-time employees	Number	454	452	525

Employee Breakdown	Units	2021	2022	2023
Permanent employees	Number	567	583	678
Temporary employees	Number	3	10	4
Senior management	Number	57	58	66
Middle management	Number	140	156	171
Non-management employees	Number	370	369	441

Crew Members	Units	2021	2022	2023
Total number of crew members	Number	4,376	4,387	4,205
Total number of male crew members	Number	4,376	4,387	4,200
Total number of female crew members	Number	0	0	5

Training and Development - Crew	Unit	2021	2022	2023
Total hours of training for crew members	Hours	94,837	112,316	152,947
Average hours of training per year per crew member	Hours	21.7	26.6	34.8
Number of members that participated in the Cadet Training Program	Hours	161	359	282
Number of environment and/or sustainability related training provided to employees, contractors and suppliers	Hours	1,095	6,188	239



Training and Development	Units	2021	2022	2023
Total hours of training for females	Hours	-	-	1,759
Total hours of training for males	Hours	-	-	6,441
Total number of females trained*	Number	94	85	270
Total number of males trained*	Number	264	347	791
Total hours of training for workforce	Hours	20,112**	7,305	8,200
Total number of hours for senior management	Hours	-	1,712	815
Total number of hours for middle management	Hours	-	1,473	4,525
Average hours of training per year per female employee	Hours	-	-	11.5
Average hours of training per year per male employee	Hours	-	-	12.3
Average hours of training per year per employee***	Hours	35.47	12.53	12.09
Average hours of training per year for senior management	Hours	0.00	29.52	12.35
Average hours of training per year for middle management	Hours	0.00	9.44	26.93
Number of trainees	Number	196	29	39
Number of female trainees	Number	14	13	16
Number of trainees (Bahri Training Program)	Number	196	29	39
Number male trainees (Bahri Training Program)	Number	182	16	23
Number of female trainees (Bahri Training Program)	Number	14	13	16

* In certain cases one employee took multiple trainings

** Figures are significantly higher due to a focus on online training during Coronavirus Disease 2019 (COVID-19).

*** 2021 and 2022 figures have been restated to align with a new calculation used in 2023

New Hires and Turnover	Units	2021	2022	2023
Total number of new employees who joined the organization	Number	79	92	174
Total percentage of new employees who joined the organization (female)	Percentage	30	33	30
Total percentage of new employees who joined the organization (male)	Percentage	70	67	70
Total percentage of new employees who joined the organization (18-30)	Percentage	51	44	50
Total percentage of new employees who joined the organization (31-50)	Percentage	38	53	45
Total percentage of new employees who joined the organization (51+)	Percentage	11	3	5
Total turnover rate	Percentage	15	15	12.2



Performance Review	Units	2021	2022	2023
Percentage of total employee who received a regular performance and career development review during the reporting period.	Percentage	90	88	89

Workforce Diversity	Unit	2021	2022	2023
Number of nationalities	Number	52	52	52

Nationalization	Units	2021	2022	2023
Saudi Nationals among total full-time workforce globally	Percentage	43	44	47
Saudi Nationals among total full-time workforce in KSA	Percentage	69	73	74
Saudi Nationals among senior management	Percentage	56	61.5	67

Wages and Benefits	Units	2021	2022	2023
Employees' total wages and benefits	SAR million	279*	319*	386

* Data has been restated due to rectification of an error.

Parental Leave*	Unit	2021	2022	2023
Total number of employees that took parental leave	Number	18	21	22
Females	Number	2	3	4
Males	Number	16	18	18
Overall retention rate	Percentage	100	100	100

* 2022 and 2023 data include both paternity and maternity leave. The data for 2021 only includes maternity leave

Health and Safety Management System	Units	2021	2022	2023
Total workers covered by the health and safety management system	Percentage	100%	100%	100%
Total workers covered by the health and safety management system that has been internally audited	Percentage	100%	100%	100%
Total workers covered by the health and safety management system that has been audited or certified by an external party	Percentage	100%	100%	100%
Workforce represented in joint management-worker H&S committees	Percentage	25%	25%	25%



Health and Safety*	Unit	2021	2022	2023
Total employee manhours	Number	18,719,448	19,856,664	20,092,872
Total contractor manhours	Number	466,729	544,372	426,828
Employee fatalities as a result of work-related injury	Number	0	1	0
Contractor fatalities as a result of work-related injury	Number	0	0	0
Employee total recordable injuries	Number	27	11	13
Employee lost-time injuries	Number	10	6	7
Total recordable case frequency (TRCF)	Number	1.41	0.54	0.64
Lost time injury frequency (LTIF)	Number	0.52	0.29	0.35
Total number of health and safety audits	Number	114	118	106
Total hours of HSE training provided	Hours	210	320	1992
Percentage of employees who received HSE training	Percentage	100	100	100
Number of incidents related to transport products	Number	2	2	4

* Health and Safety table covers Bahri ships and crew only.

Propelling Creating Value:

Economic Performance	Units	2021	2022	2023
Revenues	(000 SAR)	5,351,075	8,582,580	8,777,500
Operating costs	(000 SAR)	4,917,976	7,204,452	6,861,726
Payments to government (statutory payments*)	(000 SAR)	131,002	107,056	120,823
Total operating income	(000 SAR)	424,828	1,493,290	2,169,710
Shareholders' equity	(000 SAR)	9,413,106	10,491,154	11,838,577
Profit/loss before depreciation (EBITDA)	(000 SAR)	1,670,381	2,885,204	3,841,530
CAPEX	(000 SAR)	1,150,964	1,310,352	1,647,220
Tax for the year	(000 SAR)	58,009	92,927	100,836

* Statutory payments are government payments that are paid or payable to The General Authority of Zakat and Tax (GAZT) and the General Organization for Social Insurance (GOSI).

Community Investment	Units	2021	2022	2023
Amount of community investment	SAR	2,633,434	2,000,294	4,897,645



Service	Survey Type	Customer Satisfaction Score (out of 10)		
		2021	2022	2023
Chemicals	Executives survey	9	9.4	9.1
	Operations survey	9.5	9.2	-
Oil	Executives survey	9	9	9.2
	Operations survey	9.1	9.2	10
Dry bulk	Executives survey	10	10	10
	Operations survey	-	10	10
Logistics	Executives survey	-	8.9	9.2
	Operations survey	7.5	8	8.5

Supply Chain Audits*	Unit	2021	2022	2023
Number of suppliers that were subject to audit	Number	25	31	24**
Number of suppliers identified as having significant actual and potential negative impacts	Number	0	0	1
Suppliers with which improvements were agreed upon as a result of audit	Number	12	10	16 (including one mentioned above)
Suppliers with which relationships were terminated as a result of audit	Number	0	0	0

* Auditing is mandatory for Critical Vendors, such as Manning Agencies, Riding Squads, Suppliers, Drydocks/Shipyards, Security Service Providers, and External Auditors, meeting specific criteria. For Manning agencies, the procedure stipulates that agencies with crew numbers exceeding 30 on the Bahri fleet must undergo annual audits, while those with 30 or fewer crew members are audited every two years. Other vendors are audited biennially. Drydocks/Shipyards undergo procedural audits before assignments and are re-audited every five years.

** The decrease in the number of audited critical suppliers is attributed to the updated Bahri vendor management procedure for Manning agencies in 2023.

Suppliers (UAE)	Unit	2021	2022	2023
Total number of suppliers	Number	677	729	736
Total number of local suppliers	Number	29	38	39
Percentage of spending on local suppliers	Percentage	18	18	24.8

Data Security	Unit	2021	2022	2023
Identified incidents of breach and/or loss of customer privacy	Number	0	0	0



Appendix B: GRI Content Index

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.



CONTENT INDEX
ESSENTIALS SERVICE

2024

Statement of use	Bahri has reported in accordance with the GRI Standards for the period of 1/1/2023 till 31/12/2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standards	None

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION AND/OR DIRECT ANSWER	OMISSION			GCC ESG REPORTING METRICS
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	3-8	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization's sustainability reporting	ii, 4				
	2-3 Reporting period, frequency and contact point	ii				
	2-4 Restatements of information	53-54, 56-57				
	2-5 External assurance	Bahri does not seek external assurance.				G9. External Assurance
	2-6 Activities, value chain and other business relationships	4-9				
	2-7 Employees	31, 34, 55				S5. Temporary Worker Ration
	2-8 Workers who are not employees	55				
	2-9 Governance structure and composition	25-26				
	2-10 Nomination and selection of the highest governance body	26				
	2-11 Chair of the highest governance body	Annual Report, page 131				
	2-12 Role of the highest governance body in overseeing the management of impacts	25				E9. Environmental Oversight
	2-13 Delegation of responsibility for managing impacts	26				E8. Environmental Oversight



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION AND/OR DIRECT ANSWER	OMISSION			GCC ESG REPORTING METRICS
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
	2-14 Role of the highest governance body in sustainability reporting	ii				
	2-15 Conflicts of interest	27-28, 48				
	2-16 Communication of critical concerns	29				
	2-17 Collective knowledge of the highest governance body	25				
	2-18 Evaluation of the performance of the highest governance body	25				
	2-19 Remuneration policies	27				
	2-20 Process to determine remuneration	27				
	2-21 Annual total compensation ratio	Not disclosed		Information unavailable/incomplete	Bahri doesn't calculate this KPI now.	S1. CEO Pay Ratio
	2-22 Statement on sustainable development strategy	2				
	2-23 Policy commitments	17, 20, 27, 29, 32, 34-35, 39, 48, 51				
	2-24 Embedding policy commitments	17, 20, 27, 29, 32, 34-35, 39, 48, 51				
	2-25 Processes to remediate negative impacts	20-23, 27				
	2-26 Mechanisms for seeking advice and raising concerns	24-27				
	2-27 Compliance with laws and regulations	27				
	2-28 Membership associations	8				
	2-29 Approach to stakeholder engagement	12				
	2-30 Collective bargaining agreements	Not applicable		Legal prohibitions	Collective bargaining agreements are not legal in KSA.	



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION AND/OR DIRECT ANSWER	OMISSION			GCC ESG REPORTING METRICS
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	13	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	3-2 List of material topics	13				
Energy and Climate Change						
GRI 3: Material Topics 2021	3-3 Management of material topics	18				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	18-19				E3. Energy Usage E4. Energy Intensity E.5 Energy Mix
	302-3 Energy intensity	18				
	302-4 Reduction of energy consumption	18				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	19				E1. GHG Emissions E2. Emissions Intensity
	305-4 GHG emissions intensity	19,53				
	305-5 Reduction of GHG emissions	19				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	19				
Governance and Business Ethics						
GRI 3: Material Topics 2021	3-3 Management of material topics	25-27				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	45,58-59				
	201-4 Financial assistance received from government	45				
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	No incidents of corruption in 2023				
GRI 207: Tax 2019	207-1 Approach to tax	Annual Report, pages 192-193				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION AND/OR DIRECT ANSWER	OMISSION			GCC ESG REPORTING METRICS
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Occupational Health and Safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	39				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	39				S7. Injury Rate S8. Global Health & Safety
	403-2 Hazard identification, risk assessment, and incident investigation	39-40				
	403-3 Occupational health services	39-40				
	403-6 Promotion of worker health	39-40				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	39-40				
	403-8 Workers covered by an occupational health and safety management system	41				
	403-9 Work-related injuries	58				
	403-10 Work-related ill health	58				
Human Rights						
GRI 3: Material Topics 2021	3-3 Management of material topics	29				S10. Human Rights
Biodiversity and Marine Pollution						
GRI 3: Material Topics 2021	3-3 Management of material topics	17-23				
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	20				
	304-2 Significant impacts of activities, products and services on biodiversity	20-23				
GRI 303: Water and Effluents 2018	303-4 Water discharge	20-21				
	303-5 Water consumption	22-23				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	22,23				
	306-3 Waste generated	22-23				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION AND/OR DIRECT ANSWER	OMISSION			GCC ESG REPORTING METRICS
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Customer Satisfaction						
GRI 3: Material Topics 2021	3-3 Management of material topics	47				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	59				
Diversity and Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	37				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	54				S4 Gender Diversity G1. Board Diversity
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	57				
Sustainable Supply Chain						
GRI 3: Material Topics 2021	3-3 Management of material topics	48				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	58				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	48				
	308-2 Negative environmental impacts in the supply chain and actions taken	48				
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	48				
Talent Attraction, Retention and Engagement						
GRI 3: Material Topics 2021	3-3 Management of material topics	32-34				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	35,56				S3. Employee Turnover S4. Gender Diversity S2. Gender Pay Ratio
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	38				
	401-3 Parental leave	38				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION AND/OR DIRECT ANSWER	OMISSION			GCC ESG REPORTING METRICS
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	55-56				
	404-2 Programs for upgrading employee skills and transition assistance programs	32-33				
	404-3 Percentage of employees receiving regular performance and career development reviews	57				
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	27				
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Annual Report, p. 134				
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	42				
Community Engagement						
GRI 3: Material Topics 2021	3-3 Management of material topics	46				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Annual Report, p. 79				
	203-2 Significant indirect economic impacts	46				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	46				
Bahri also reports on topics that are not in the GRI Topic Standards						
Digitization and Data Security						
GRI 3: Material Topics 2021	3-3 Management of material topics	50				
Risk Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	28				

