

SUSTAINABLE DEVELOPMENT IMPACT DISCLOSURE REPORT

Logistics with a Green Footprint





SUSTAINABLE DEVELOPMENT IMPACT

The Asyad Group, which includes its subsidiaries, associates, and joint ventures (together “**Asyad**”) is applying the [Impact Disclosure Guidance](#) to produce a Sustainable Development Impact Disclosure (“**SDID**”). The Impact Disclosure Guidance was prepared by the Impact Disclosure Taskforce, a working group comprised of institutional investors, commercial and investment banks, and other stakeholders including non-governmental organizations, law firms and other capital markets stakeholders. Asyad’s SDID showcases the impact intentions that Asyad aims to achieve through its business strategy and operations in the Sultanate of Oman (“**Oman**”).

Based on its impact intentions, Asyad’s operations and strategy are expected to contribute to UN Sustainable Development Goals (“**SDGs**”) #7 (Clean and Affordable Energy), #8 (Decent Work and Economic Growth), #9 (Industry, Innovation, and Infrastructure), #13 (Climate Action) and #17 (Partnerships for the Goals).

Asyad is a closed Omani Joint Stock Company, which is 100% owned by the Oman Investment Authority, the Omani sovereign wealth fund. Asyad’s operations span maritime transportation, ports and free zones, public transport services, and logistics. Asyad’s mission is aligned to Oman’s Vision 2040, the aim of which is to establish a sustainable and diversified economy. Asyad operates in 90 regions across six continents, including

major trade centers in China, India, the United States, Saudi Arabia, the United Arab Emirates, and Bahrain

Asyad’s four strategic objectives are central to its mission of positioning Oman as a global logistics hub. These objectives shape its strategy and long-term direction, and intend to drive its sustained growth and continued success. These strategic objectives include: **(1) Grow and improve the commercial, financial, and operational performance of Asyad Group’s assets and subsidiaries, (2) Offer integrated logistics to establish Oman as a global logistics hub, (3) Develop the local logistics sector and enhance private sector access to new opportunities, and (4) Embed disruptive technologies to enhance local logistics capabilities and infrastructure.**

The SDID primarily highlights Asyad’s development impact across its non-financial strategic objectives, specifically intentions (2), (3) and (4) as outlined above. This section also highlights Asyad’s anticipated contributions to specific SDGs, its intentions to generate incremental positive impact in Oman, and the metrics and incremental targets for these metrics. Please refer to the Reporting Table for targets corresponding to each strategic impact intention and annual reporting..



Strategic Impact Objective *

SDG Contribution

Impact Intention: Offer integrated logistics to establish Oman as a global logistics hub



Impact Intention: Develop the local logistics sector and enhance private sector access to new opportunities



Impact Intention: Embed disruptive technologies and enhance local logistics capabilities and infrastructure

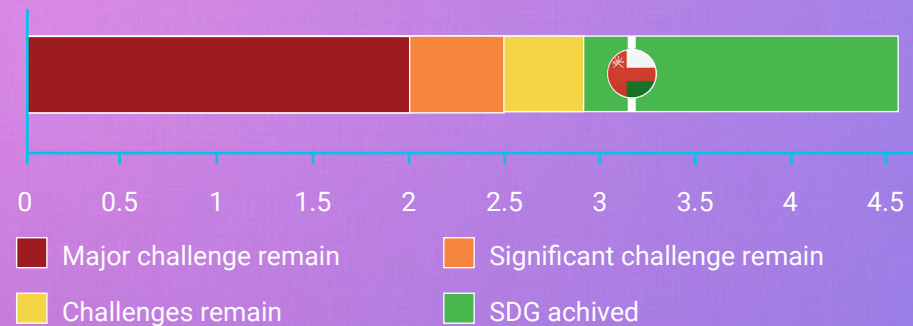


Impact Intention: Offer integrated logistics to establish Oman as a global logistics hub



SDG Target 9.1: Develop quality, reliable, sustainable, and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

Indicator: Logistics Performance Index: Infrastructure Score ²



Impact Intention:

Maritime: Develop new opportunities in sustainable development, zero-emissions shipping, and marine digitalization, as supported by a sea transport network that connects businesses to key ports across the region and the globe, through:

- **Drydock:** Undertaking 3 additional shipbuilding projects, 174 ship repair projects, and 2 industrial steel fabrication projects by 2030.
- **Fleet:** Expanding its current fleet by acquiring an additional 30 vessels to add to its mixed fleet from current baselines, including container ships, bulk carriers, product tankers, crude tankers, and liquefied natural gas ("LNG") carriers. This strategic expansion aligns with Asyad's national vision to become a leading supplier of green energy and to enhance its trade capacity.



- **Liquid Hydrogen:** Producing new infrastructure and a green hydrogen ecosystem, by pursuing development under the historic agreement at the Port of Duqm, establishing a liquid hydrogen ("LH2") corridor with the Port of Amsterdam. Asyad is actively procuring LH2 vessels as part of its energy transition plan, which will foster new infrastructure and a green hydrogen ecosystem. If executed successfully, this green hydrogen ecosystem has the potential to create up to 70,000-80,000 jobs during the construction period, in addition to 30,000-40,000 support jobs in areas such as transportation, nutrition, health, and occupational safety by 2030.

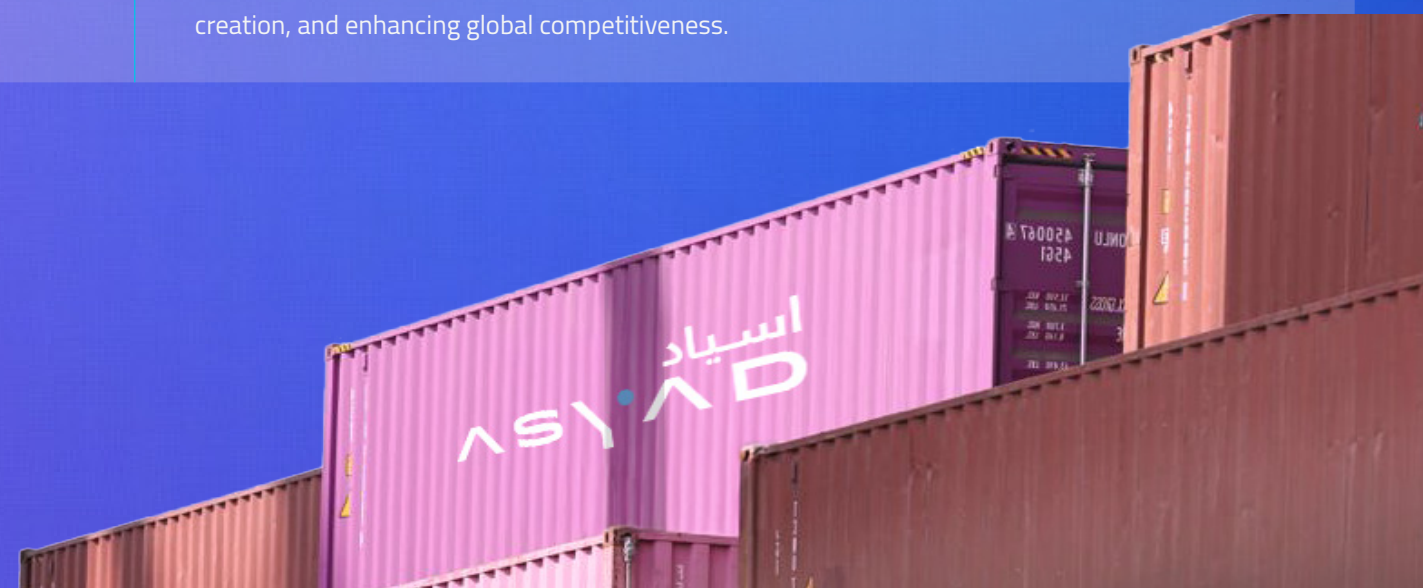
Logistics: Scale multi-modal, low-carbon logistics solutions, including AI-driven route optimization and expanding green warehousing powered by renewable energy, increasing the number of twenty-foot equivalent units ("TEUs") managed from a baseline of 4.6 million TEUs managed in 2023.

Public transport: Achieve net zero emissions by 2050 through electrifying a significant portion of Asyad's fleet by 2040 in alignment with Oman's environmental commitments, and to promote green, accessible, and inclusive transport infrastructure.

Oman Rail: Transition freight from road to rail freight, to target emissions reduction and logistics efficiency and promote electrification readiness and integration with green hydrogen hubs to future-proof the network.

Theory of Change:

Asyad's strategic enhancements in maritime, free zones, logistics, and public transport infrastructure, including rail systems, help Oman progress towards the goals of Oman's Vision 2040 to become a global logistics hub, by positioning the port and logistics sector as the second largest contributor to Oman's gross domestic product ("GDP"). These improvements facilitate increased port throughput and strengthen import and export activities, aligning with Vision 2040's goals of economic diversification and growth, while reducing reliance on oil revenues³. By adopting sustainable transport solutions and enhancing trade capabilities, Asyad supports global supply chain efficiency and economic integration, particularly benefiting emerging markets, fostering job creation, and enhancing global competitiveness.

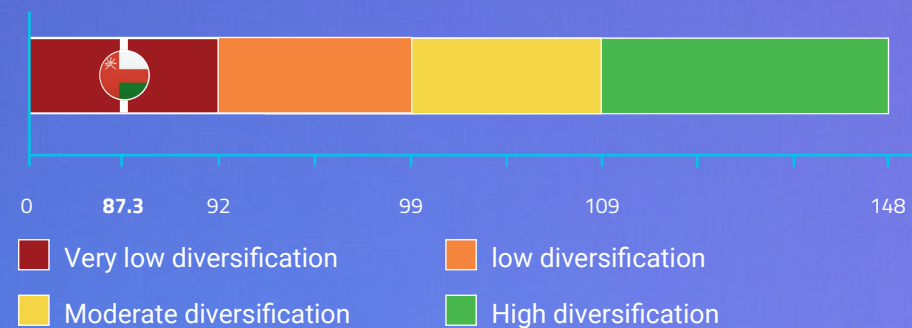


17



SDG Target 17.11: Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

Indicator: Global Economic Diversification Index ⁴



Impact Intention:

- Facilitate trade, increasing exports from a baseline of 33.5 million tons of general cargo and 6,877 vessel calls handled in 2023;
- Expand global reach from over 90 global destinations, by expanding strategic port partnerships and reinforcing Oman's ports as green trade gateways; and
- Contribute to foreign direct investment ("FDI") in Oman's free zones, building on its 2023 contribution to FDI of \$2.7 billion, by supporting strategic hubs like Sohar, Salalah, and Duqm, which enhance trade corridors, foster economic diversification.

Theory of Change:

Asyad's strategic initiatives in trade facilitation, global reach expansion, and foreign direct investment attraction are anticipated to advance Oman's Vision 2040, transforming the nation into a global logistics hub and diversifying its economy beyond oil dependency.⁵ By increasing export volumes, expanding strategic port partnerships, and enhancing investment in free zones, Asyad contributes to strengthening Oman's trade infrastructure, fostering economic growth and integration into global markets.

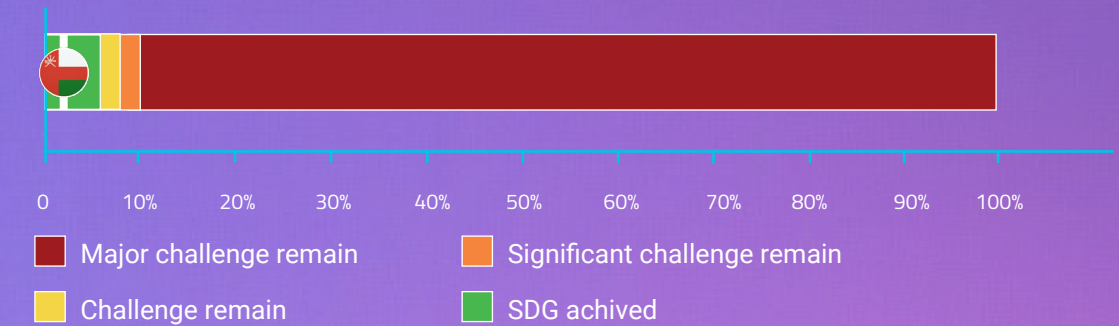
Impact Intention: Develop the local logistics sector and enhance private sector access to new opportunities

SDG Target 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and



growth of micro-, small- and medium-sized enterprises ("SMEs"), including through access to financial services

Indicator: Unemployment (% of total labor force, ages 15+) ⁶



Impact Intention:

- Create capacity building programs to promote SMEs and encourage innovation in sustainable logistics;
- Create new jobs from a baseline of 400 jobs created for Omani nationals in 2023;
- Empower SMEs through the Vendor Development Program by matching them with logistics contract opportunities and building their technical and compliance capacity to meet procurement sustainability standards; and
- Prioritize sourcing from local SMEs and suppliers in warehousing, transport, and shipping services, increasing contracts to local suppliers from a 2023 baseline of OMR 38 million (\$98.7 million) in contracts allocated to local suppliers and OMR 10 million directed to over 600 SMEs.

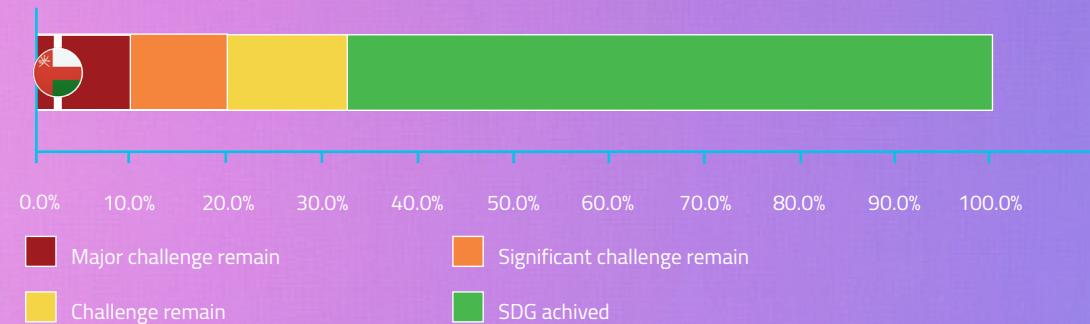
Theory of Change:

Omani SMEs frequently struggle to gain access to large-scale procurement contracts, logistics infrastructure, and digital platforms, which are critical for business growth and national competitiveness. Many SMEs are excluded from participating in major logistics and infrastructure projects due to scale, compliance, or operational capacity limitations. According to Ridaya, Oman's Public Authority for SME Development, over 70% of registered SMEs operate in low-growth, fragmented sectors and face difficulties integrating into structured supply chains. Asyad's strategic initiatives are designed to integrate local SMEs into national and regional logistics value chains and increase their market competitiveness, thereby directly addressing their exclusion from major procurement pipelines.

Impact Intention: Embed disruptive technologies and enhance local logistics capabilities and infrastructure



SDG Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix

Indicator: Renewable energy share in total final energy consumption (%) ⁸

Impact Intention:

- Implement its [Green Hydrogen Strategy](#), which targets renewable project logistics, storage, mobility, and export through shipping, while laying the groundwork to transform ports into hydrogen and green fuel hubs, focusing on three deep-sea ports: Port of Sohar, Port of Salalah, and Port of Duqm. Asyad's Green Hydrogen Strategy details Asyad's intentions to support the hydrogen value chain globally through:
 - Ship refueling:** Refueling ships with low-emission ammonia or e-methanol during unloading or loading;
 - Heavy industry:** Supporting use of green hydrogen for industrial production including steel, coking coal, sponge iron, and cement;
 - Refineries:** Replacing steam methane reforming through use of electrolysis using renewable energies; and
 - Mining:** Providing alternative propulsion for mining vehicles, conventional power plants, and batteries, reducing diesel consumption.
- Develop dedicated hydrogen transport and storage infrastructure, including a 1,000 kilometer ("km") pipeline from north to south of Oman, with an estimated transport capacity of 500,000 tonnes of hydrogen per annum ("t H₂/a").

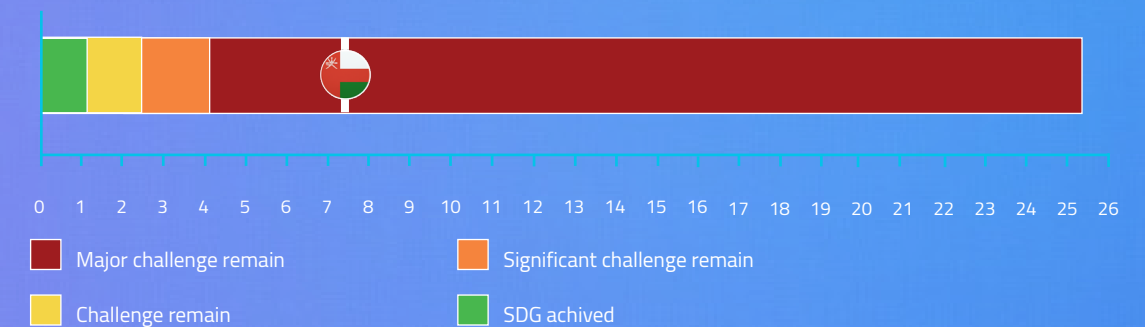
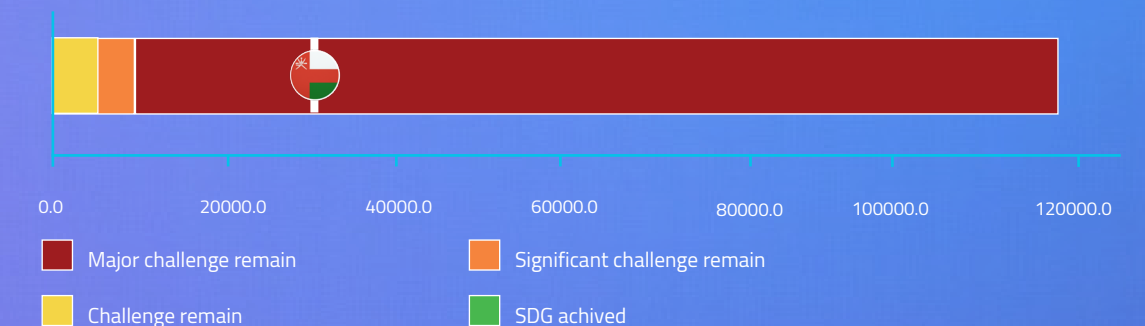
Theory of Change:

Currently, renewable energy constitutes approximately 2% of Oman's economy. ⁹ Achieving its ambitious transition targets, which includes producing over 1 million tonnes of green hydrogen

annually by 2030, requires substantial infrastructure development and strategic planning. ¹⁰ Asyad's initiatives are key in this transformation, given their focus on promoting green hydrogen and building the necessary infrastructure. This initiative not only supports the reduction of greenhouse gas emissions but also fosters economic growth and innovation, aligning with Oman's renewable energy targets to generate 30% of electricity from renewable sources by 2030 and 35-39% of electricity from renewable sources by 2040. ¹¹



SDG Target 13.2: Integrate climate change measures into national policies, strategies and planning

Indicator: GHG emissions embodied in imports (tCO₂/capita) ¹²Indicator: GHG emissions embodied in fossil fuel exports (kg/capita) ¹³

Impact Intention:

- Increase fuel efficiency and reduce maritime fleet emissions by implementing advanced fuel optimization methodologies, which include propeller boss cap fins, pre-swirl ducts, and rotor sails;
- Study the feasibility of eMethanol production, positioning Asyad's ports in Oman as a "Low Carbon Molecule Hub" and supporting Oman's transition to a low-carbon economy;

- Achieve net zero greenhouse gas emissions by 2050 across Asyad;
- Through Mwasalat, transition public transport fleet towards clean energy solutions, with a roadmap to reduce emissions by 3% by 2030, by 34% by 2040, and achieve net zero by 2050; and
- Increase the proportion of the fleet classified as “Eco/Green fleet” from 30% in 2023 to 86% by 2033.

Theory of Change:

Oman’s economy has historically been heavily reliant on hydrocarbons, with natural gas contributing to 75% of CO2 emissions from fuel combustion. ¹⁴ Through its strategic initiatives, Asyad intends to contribute to Oman’s overall reduction in hydrocarbon reliance, by improving fuel efficiency in the maritime sector, exploring eMethanol production, and transitioning public transport to clean energy solutions. These efforts collectively aim to reduce greenhouse gas emissions and reliance on natural gas, while fostering economic diversification in line with Oman’s Vision 2040.

POLICIES AND PROCEDURES TO MITIGATE NEGATIVE IMPACTS ¹⁵

Asyad has the following measures in place to ensure its operations are undertaken in a responsible manner:

Waste reduction: Asyad plans to reduce waste by implementing procedures to offset emissions. This includes recycling food waste, identifying and eliminating fuel waste, and collaborating with stakeholders to develop waste management strategies across various business verticals.

Biodiversity: Asyad minimizes its operations in sensitive and protected areas such as green corridors, installing a Ballast Water Treatment System to prevent the introduction and spread of invasive aquatic species through ballast water discharge from ships, which helps to maintain the ecological balance of marine environments and protect native species from being outcompeted or harmed by non-native species.

Health, Safety, Environment and Quality (“HSSEQ”): Asyad implements HSSEQ into its business operations, working with local authorities and encouraging partners and customers to embed Al-Qahtani SSEC Engineering and Contracting Co (“AQSS”) priorities in day-to-day business

Code of Conduct: Outlines the ethical standards and responsible behavior expected from all employees, including roles, responsibilities, and various aspects such as Conflict of Interest, Anti-Fraud, Anti-Harassment, Health and Safety, Supplier Relations, and Information Security

Environmental, Social, and Governance (“ESG”) Policy: Guides Asyad to manage its environmental, social, and governance risks, impacts, and opportunities

Corporate Social Responsibility (“CSR”) Policy: Outlines the organization’s commitment to creating long-term social benefits and empowering local communities in Oman

The Muscat Stock Exchange’s ESG Disclosure Guidelines: Focuses on sustainable practices by including stakeholder engagement and materiality, defining reporting boundaries and scoping, ensuring balanced reporting, providing benchmarks, and establishing mandatory standards, formats, and metrics for consistent and transparent disclosures.



Asyad aligns its operations with the following international standards:

Asyad Ports and Terminals LLC

- ▶ ISO 9001: 2015: Quality Management System
- ▶ ISO 14001: 2015: Environmental Management System
- ▶ ISO 45001: 2018: Occupational Health and Safety Management System

National Ferries Co LLC

- ▶ ISO 9001: 2015: Quality Management System

Oman Post/Asyad Express

- ▶ ISO 9001: 2015: Quality Management System – Requirements
- ▶ ISO 14001: 2015: Environmental Management System
- ▶ ISO 45001:2018: Occupation Health and Safety Management System

Salalah Free Zone Company SAOC

- ▶ ISO 9001: 2015 Quality Management System
- ISO 14001: 2015 Environmental Management System
- ISO 45001: 2018 Occupational Health and Safety Management System
- ISO / IEC 27001: 2013: Information Security Management System

Mwasalat Training Institute – Oman National Transport Company S.A.O.C. (Mwasalat)

- ▶ ISO 9001: 2015: Quality Management System

Oman Ship Management Company S.A.O.C

- ▶ ISO 9001: 2015: Quality Management System
- ▶ ISO 14001: 2015: Environmental Management System

REPORTING TABLE

Asyad has committed to annually monitor and report on all metrics below, including those with no explicit targets.

Anticipated Impact				
Metric	Baseline	Baseline Year	Target	Target Year
Impact Intention: Offer integrated logistics to establish Oman as a global logistics hub				
Shipbuilding projects completed (#)	-	2025	3	2030
Ship repair projects completed (#)	-	2025	174	2030
Industrial steel fabrication projects completed (#)	-	2025	2	2030
Container ships in fleet (#)	5	2025	Asyad intends to acquire and add 30 vessels to its mixed fleet, operated by its subsidiary Asyad Shipping, and will report annually on the realized number of vessels added to each category.	
Bulk carriers in fleet (#)	23	2025		
Product tankers in fleet (#)	34	2025		
Crude tankers in fleet (#)	22	2025		
LNG carriers in fleet (#)	10	2025		
Jobs created through development of green hydrogen infrastructure (#, construction period)	0	2025	70,000-80,000	2030
Support jobs created in support areas, including transportation, nutrition, health, occupational safety (#, construction period)	0	2025	30,000-40,000	2030
TEUs managed (#, millions)	4.6	2023	-	
Exports through ports (tons of general cargo, millions)	33.5	2023	-	
Vessel calls handled (#)	6,877	2023	-	
Global destinations (#)	90	2025	-	
Contribution to FDI (\$, billions)	2.7	2023	-	



Impact Intention: Develop the local logistics sector and enhance private sector access to new opportunities

New jobs created for Omani nationals through SME support (#)	400	2023	-	2030
Contracts to local suppliers (\$, millions)	98.7	2023	-	2030
Local SMEs supported through contracts (#)	600	2023	-	2030

Impact Intention: Embed disruptive technologies and enhance local logistics capabilities and infrastructure

Pipeline length, hydrogen transport pipeline (km)	0	2025	1,000	Upon completion of projects
Transport capacity created, hydrogen storage and transport infrastructure (tH2/a)	0	2025	500,000	Upon completion of projects
Total greenhouse gas emissions (tCO2e metric tons)	1,847,787	2022	0	2050

Anticipated Impact

Metric	Baseline	Baseline Year	Target	Target Year
Emissions reduction, Mwasalat (Baseline: CO2e metric tons; Target: percent reduction) ¹⁶	29,146	2022	3	2030
			34	2040
			100	2050
Proportion of fleet classified as "Eco/Green" (% of fleet)	30	2023	86	2033
Total employees (#, insourced and outsourced)	3,234	2025	3,651	2026

¹ Asyad's Strategic Objective 1, "Grow and improve the commercial, financial, and operational performance of Asyad Group's assets and subsidiaries," is excluded in the SDID, as the SDID highlights Asyad's non-financial strategic objectives.

² Source: Logistics Performance Index, World Bank. Data sourced from Sustainable Development Report, Oman country profile. Oman's Logistics Performance Index score is 3.2 as of 2023. The long-term objective for this indicator is a value of 3.8.

³ Sources: [Invest Oman](#) and [Oman Vision 2040](#).

⁴ Source: The Global Economic Diversification Index (EDI), developed by the Mohammed Bin Rashid School of Government, is a quantitative tool designed to assess economic diversification across three key dimensions: Production & Output, Trade, and Government Revenue. Spanning 115 countries from 2000 to 2022, the index is interpreted such that a higher value indicates greater economic diversification. Please note that, due to the of this indicator, which has been chosen to illustrate the unique circumstances of the Sultanate of Oman, the chart and legend may differ from other SDG charts within this document.

⁵ Sources: [Oman Vision 2040](#).

⁶ Source: International Labour Organization. Data sourced from Sustainable Development Report, Oman country profile. Oman's unemployment rate is 1.5% as of 2024. The long-term objective for this indicator is a value of 0.5%.

⁷ Source: Riyadh Annual Report 2023.

⁸ Source: International Energy Agency, IRENA, UNSD, World Bank, World Health Organization. Renewable energy includes hydro, solid biofuels, liquid biofuels, biogases, modern biomass, wind, solar, geothermal, tide/wave/oceans and renewable municipal waste. Data sourced from Sustainable Development Report, Oman country profile. Oman's renewable energy share in total final energy consumption is 0.10% as of 2020. The long-term objective for this indicator is a value of 55%.

⁹ Source: [IEA, Oman Profile](#).

¹⁰ Source: World Economic Forum. 'This is how Oman can become a clean hydrogen producing powerhouse', August 2023.

¹¹ Source: Oman NDC.

¹² Source: Lenzen et al. (2022). Data sourced from Sustainable Development Report, Oman country profile. Oman's GHG emissions embodied in imports are 7.4 tCO2/capita as of 2021. The long-term objective for this indicator is a value of 0.

¹³ Source: UN Comtrade. Data sourced from Sustainable Development Report, Oman country profile. Oman's GHG emissions embodied in fossil fuel exports are 29,645.6 kg/capita as of 2022. The long-term objective for this indicator is a value of 0.

¹⁴ Source: [IEA, Oman emissions](#).

¹⁵ For further details, please visit the Asyad website and refer to our [Sustainability Report](#).

¹⁶ Asyad will report annually on its realized emissions values, as well as the percent decrease from current baselines.

