

CHARTING FORWARD WITH PURPOSE

Sustainability Report 2024



ABOUT THIS REPORT

Pacific International Lines (Pte) Ltd ("PIL") remains committed to sustainability with the publication of our 4th Sustainability Report on 1st September 2025.

This initiative reflects our efforts to transparently communicate to our stakeholders the actions and achievements related to the environmental, social and governance (ESG) aspects of our business and the progress on our journey towards sustainability.

The report covers our business activities from 1 January 2024 to 31 December 2024 for our global fleet and land-based operations, unless otherwise stated in the report.

Restatements were made for selected 2023 disclosures, and are elaborated in our methodology on page 78.

Reporting standards

This report has been prepared with reference to the GRI Standards and its latest Universal Standards 2021. The GRI Content Index can be found on page 83.

In anticipation of upcoming regulatory requirements in Singapore – where large non-listed companies will be mandated to report in line with the IFRS S2 Climate-related Disclosures starting from the 2030 financial year – we are proactively preparing for the adoption of the IFRS Sustainability Standards. Our TCFD report, based on

the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), is being progressively enhanced to incorporate additional details required by the IFRS Sustainability Standards towards a full adoption of the IFRS S2 over the coming years. The TCFD report can be found on page 88.

PIL has been a signatory to the United Nations Global Compact (UNGC) and its Ten Principles since 2022. This report also serves as our annual Communication on Progress (CoP) submission to the UNGC. Further information is available at www.unglobalcompact.org.

External assurance

We have engaged American Bureau of Shipping (ABS) to provide limited assurance of our greenhouse gas (GHG) emissions inventory. The independent assurance statement is available on page 95.

Feedback

We value the opinion of our stakeholders and welcome any comments, questions or suggestions that can help us improve our sustainability performance. Please address all feedback via email to PIL_Sustainability@sgp.pilship.com.

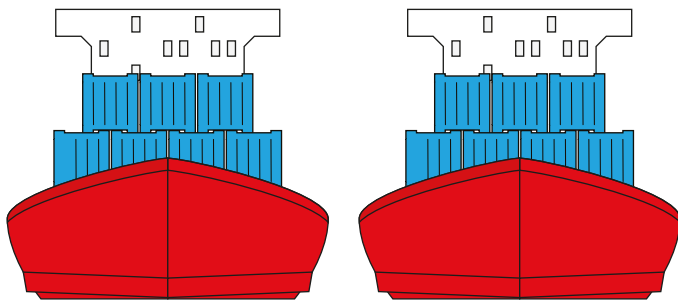
Our previous sustainability reports are available online and can be downloaded from PIL's website – <https://www.pilship.com/sustainability/our-esg-commitment/>



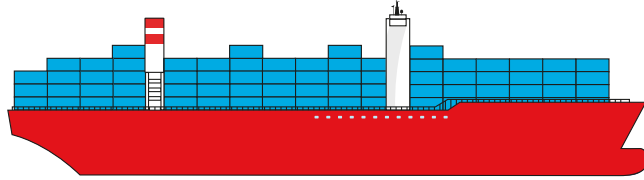
KEY HIGHLIGHTS

ENVIRONMENT

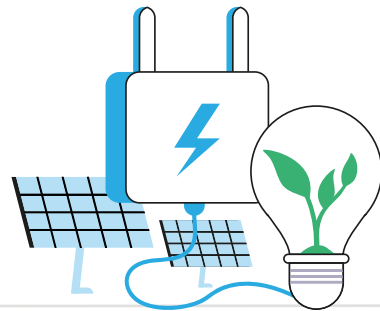
Delivered
two 14,000 TEU LNG dual-fuel vessels
in 2024, with 18 more to be delivered across 2025 to 2028



Eight LNG dual-fuel vessels (14,000 and 8,000 TEU) assessed to have met the technical screening criteria of the
EU Green Taxonomy



100% electricity matched with renewables
at HQ and Regional Offices, through locally sourced RECs



Enhanced GHG reporting
with expanded Scope 3 reporting and obtained independent third-party assurance



Implementation of
Monitoring, Reporting and Verification (MRV) system
for GHG emissions at ~60 global offices



SOCIAL

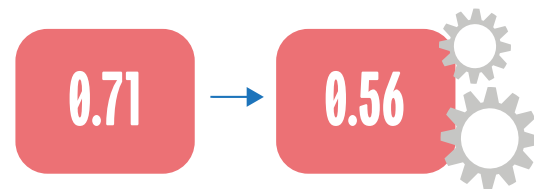
Expanded
mental health support programme
to 5 regional offices



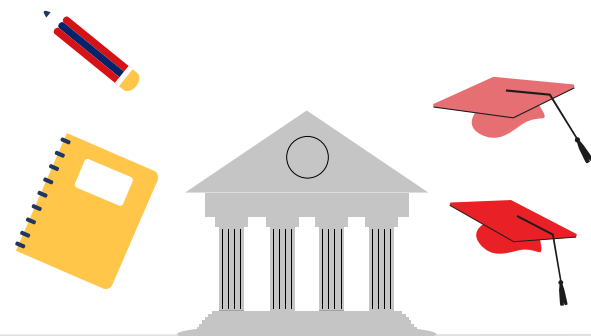
Introduced Group-wide
Labour & Human Rights Policy
as part of broader ESG strategy for transparent, accountable and equitable labour practices



Improved Lost Time Injury Frequency (LTIF) from
0.71 to 0.56
for sea operations



Delivered
77 in-person courses, empowering
>700 employees
through PIL Academy

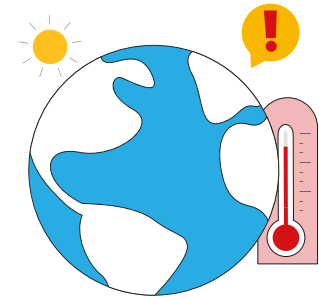


Donated ~US\$220k
to community uplifting projects across 13 countries

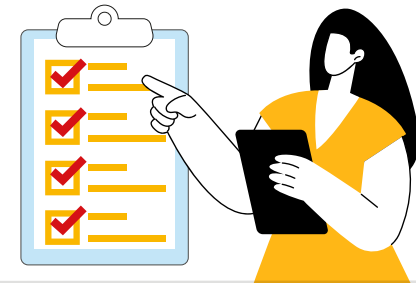


GOVERNANCE

Integrated climate risk
with the group-wide Integrated Assurance Framework



Initiated
on-site ESG assessments
starting with 2 strategic suppliers



Implemented
Security Orchestration, Automation and Response (SOAR), Remote Browser Isolation (RBI), and Global Centralised Firewalls
to strengthen cybersecurity and data protection management

Conducted
Sustainable Procurement training for key purchasers
to embed ESG considerations into Group-wide procurement decisions



Refreshed
Sustainable Procurement Policy
as part of PIL's approach to building a responsible and resilient supply chain



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INTRODUCTION

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 Company Profile

 Our Service Network

 Company Purpose and Core Values



MESSAGE FROM EXECUTIVE CHAIRMAN



S.S. Teo
Executive Chairman

Dear Friends,

I am pleased to present PIL's fourth Sustainability Report, detailing our progress since our last report. It has been a year of progression and positive developments, driven by our shared commitment to responsible and practicable sustainability practices.

COMMITMENT TO LOW-CARBON GROWTH AND INNOVATION

Sustainability remains central to our mission. In 2024, we introduced the first two LNG dual-fuel 14,000 TEU container vessels - Kota Eagle and Kota Emerald, which is part of our ongoing commitment to environmental responsibility. This is a testament to our fleet renewal journey and ongoing investment in a lower-carbon future.

We also received independent verification from DNV that our new vessels meet the EU Green Taxonomy rules. This highlights our commitment to deploy technology and innovation to run our business in a more sustainable way, meeting the changing expectations of our partners and stakeholders.

Our drive for sustainability is not limited to our ships. We have also adopted renewable energy sources where we can. In 2024, all electricity consumption in our headquarters and our offices in China, Chile, Ghana, Dubai, and India was matched with local renewable energy certificates. This helped us to reduce our GHG footprint in these countries.

EMPOWERING OUR PEOPLE

We also focused on helping our employees grow. In 2024, PIL Academy rolled out a wide selection of courses for staff development. These courses helped our staff improve their skills, learn about leadership, and gain technical knowledge so they are ready for the future. Workshops and leadership programs gave everyone the chance to build new skills and become better at their jobs.

To support our sustainability initiatives, we also launched mandatory climate training for all office employees in 2025. This training will help everyone understand how our work affects the environment and make choices that are in line with our sustainability efforts.

UPLIFTING OUR COMMUNITIES

In 2024, we continued to expand our positive impact through community projects in 13 countries. These projects focused on the supporting of humanitarian aid, providing basic necessities to communities in need, as well as environmental protection.

I am pleased to share about our partnership with Humanity Matters, a humanitarian non-profit organisation based in Singapore. Through this partnership, PIL will provide up to S\$1 million in resources and logistics over the next three years. This support will go towards supporting response to humanitarian crises in places like Gaza and Myanmar and supporting long-term community recovery.

A CONTINUAL EFFORT

These actions are not the end, but just part of our journey to create more positive change. We thank our partners and stakeholders for their support and trust. We encourage you to review this report on our activities in 2024 as we move together toward a more sustainable future.

Yours sincerely ,



S.S. Teo
Executive Chairman

CONVERSATION WITH CHIEF EXECUTIVE OFFICER



Lars Kastrup
CEO

Continuing from Sustainability Report 2023, in a context of ongoing change where resilience and sustainability are important factors, Pacific International Lines (PIL) continues its progression. We interviewed Chief Executive Officer Lars Kastrup to review significant developments from 2024 and discuss the plans influencing PIL's future direction.

ANCHORING PROGRESS IN STRATEGY AND ACTION

Lars, let's begin with 2024. What were some of the pivotal moments that stood out for you?

2024 was a defining year for PIL, as we made substantial progress in advancing our sustainability objectives and achieving operational milestones. One highlight was the introduction of our "E" class LNG dual-fuel vessels, which not only support greenhouse gas reduction but also provide improved fuel efficiency and

greater adaptability amid shifting global supply chains. Our latest fleet additions, including both 14,000 TEU and 8,000 TEU vessels, are aligned with the stringent EU Green Taxonomy's technical screening criteria. This accomplishment affirms our commitment to robust sustainability standards and deepens our engagement with stakeholders who value environmental, social, and governance excellence.

Fleet renewal is only part of our strategy. We have also embarked on a comprehensive retrofitting initiative for our existing ships. The implementation of energy-saving technologies, such as Propeller Boss Cap Fins and pre-swirl vanes, is already producing measurable improvements in vessel hydrodynamics and fuel consumption. These solutions exemplify our commitment to using innovation for practical, real-world impact, enhancing the performance and sustainability of our operations without compromising on efficiency.

Alongside our vessel renewal and retrofitting efforts, we have also successfully launched a global GHG accounting platform across our operations. This digital infrastructure allows us to collect, analyse, and report emissions data, providing detailed insight into our environmental footprint. The platform supports data-driven decision-making and ensures we remain transparent and accountable to our stakeholders, partners, and regulatory bodies.

Our actions in 2024 underscore a sense of urgency and stewardship, driving us to integrate sustainability at every level of our business, from ship design and fleet operations to data management and regulatory alignment. This holistic approach ensures that PIL is not only prepared to meet today's challenges but is also positioned to lead positive change within the maritime industry for years to come.

EMBRACING PARTNERSHIP AND INNOVATION IN PIL'S DECARBONISATION JOURNEY

How is innovation shaping PIL's progress under the new IMO net zero framework?

Innovation remains at the heart of our strategy, more relevant now than ever as we align ourselves with the International Maritime Organization's (IMO) newly established net zero framework. This global blueprint not only sets ambitious targets for the shipping industry but also charts clear trajectories for decarbonisation, which we are determined to follow.

At PIL, we are committed to progressively reducing our greenhouse gas emissions in line with the IMO's decarbonisation milestones, advancing toward our ultimate ambition of net zero by 2050. Our continued investments in LNG dual-fuel vessels, retrofitting existing vessels with energy-saving technologies, and deploying global GHG monitoring platforms form the backbone of our decarbonisation pathway. Strategic partnerships - such as those with PSA International, DNV, and Asuene enable us to adopt industry leading digital solutions, enhance emissions tracking, and build accountability across our operations.

By aligning our operational trajectory with the IMO's net zero framework, we are not only ensuring regulatory compliance but also actively supporting the industry's collective goal to achieve net zero emissions. This long-term ambition drives our innovation agenda, spurs continuous improvement, and shapes the way we serve our customers and communities for generations to come.

NURTURING OUR PEOPLE AND CULTURE

What strides have PIL made toward building a people-centric organisation?

We've taken deliberate steps to elevate the employee experience. PIL Academy rolled out dozens of courses this year, focusing on leadership, development and technical mastery. We've expanded our Employee Assistance Programme across more regions and embedded a target of 18 training hours annually per employee.

Moving forward, a cornerstone of our approach to people and operational excellence is the implementation of the PIL Standards - a set of common minimum standards to adopt across all global entities. These standards are designed to guarantee that every member of our workforce, regardless of location, is afforded a defined baseline of entitlements and privileges, or better. By harmonising policies and practices internationally, we ensure that all PIL staff benefit from consistent support, opportunities, and protections.

I believe that introducing a unified framework will enhance fairness and transparency. This approach will empower our teams to work more effectively and demonstrate our ongoing commitment to everyone within the organisation.

SHAPING GOVERNANCE FOR LONG-TERM RESILIENCE

How is PIL strengthening its governance practices and risk frameworks?

In 2024, we undertook a comprehensive enhancement of our Integrated Assurance Framework by incorporating assessments of physical climate risks alongside our ongoing decarbonisation efforts. This broader and more holistic approach equips us to anticipate and address a wider spectrum of potential disruptions - whether environmental, operational, or regulatory - thereby strengthening the resilience of our business and safeguarding both our assets and our people.

Recognising the escalating significance of digital threats in the maritime and logistics sectors, we also made substantial progress in fortifying our cybersecurity posture. Key advancements included the deployment of advanced technologies such as Security Orchestration, Automation, and Response (SOAR) tools, Remote Browser Isolation (RBI), and global firewalls. These measures are instrumental in protecting our critical systems against evolving cyber risks and ensuring the integrity and confidentiality of our data.

Looking ahead to 2025, our ambitions are set even higher. We are working towards full alignment with Zero Trust security principles, a framework that requires continuous verification and strict access controls at every level of our digital infrastructure. In addition, we are actively pursuing ISO 27001 certification, which represents the international gold standard for information security management systems.

These ongoing investments in governance and risk management reflect our steadfast commitment to building a robust, future-ready organisation that can adapt to new challenges while upholding the highest standards of integrity and accountability.

PROLIFERATING SUSTAINABLE PROCUREMENT PRACTICES

How is PIL elevating sustainable procurement practices to ensure ethical and responsible sourcing across its supply chain?

We are advancing the development of our sustainable procurement framework. As part of this process, we have systematically mapped out supplier categories that carry higher risks, carefully identifying specific suppliers within each segment for targeted engagement. Our teams are actively collaborating with these suppliers to understand their ESG practices, and to promote responsible business practices.

To further support these initiatives internally, we have implemented specialised training sessions for our procurement teams to ensure they possess up-to-date and pertinent knowledge regarding sustainability standards and ethical sourcing practices. In addition, we have commenced a thorough review of our Supplier Code of Conduct with the objective of updating and enhancing our requirements pertaining to social, environmental, and governance criteria.

These initiatives form essential building blocks for embedding integrity, accountability, and sustainability throughout our supply chain, and they reflect our steadfast commitment to conducting business with the highest ethical standards.

LOOKING AHEAD

What's your message to stakeholders as PIL moves forward?

The voyage towards sustainability is not one we sail alone. It demands courage, collaboration, and a clear compass. At PIL, we remain committed to delivering meaningful impact across our people, partnerships, and planet. I thank all our colleagues and partners who contribute to this journey. We will continue to evolve, adapt, and lead with purpose.

Yours sincerely ,

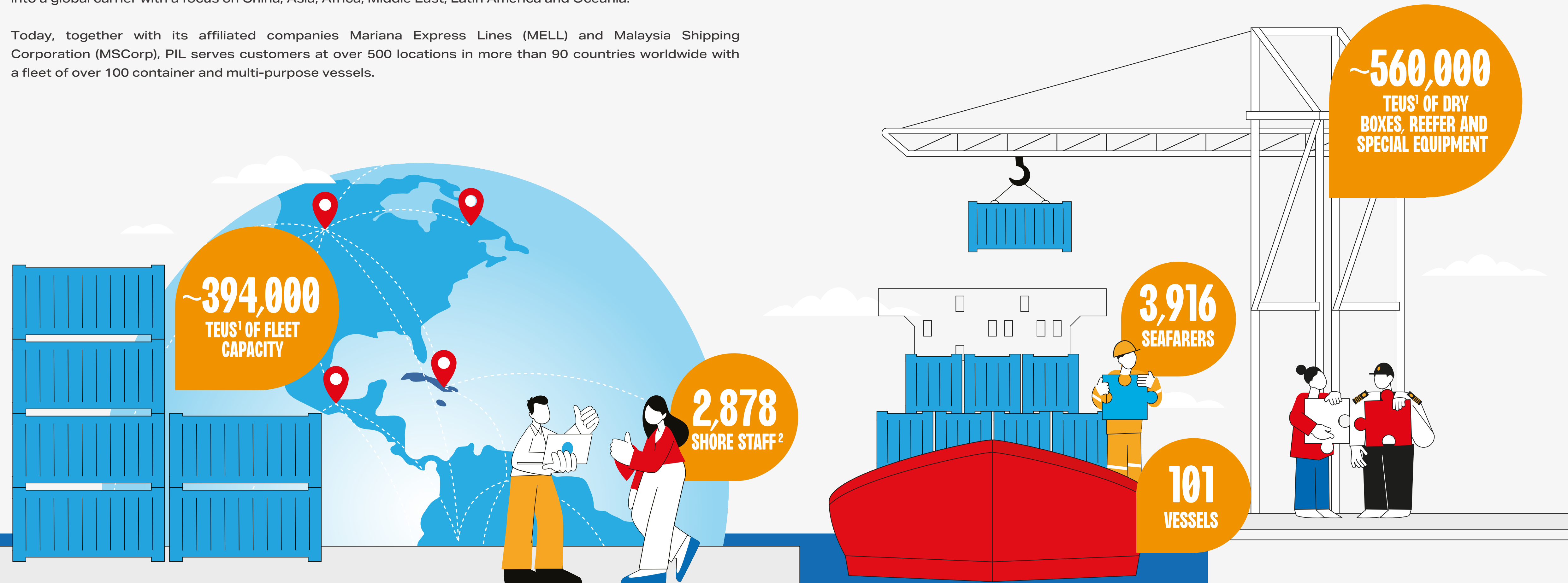


Lars Kastrup
Chief Executive Officer

COMPANY PROFILE

Incorporated in 1967, PIL is ranked 12th among the world's top container shipping lines and we are also the largest home-grown carrier in Southeast Asia. From a modest ship-owner in Singapore, PIL has developed into a global carrier with a focus on China, Asia, Africa, Middle East, Latin America and Oceania.

Today, together with its affiliated companies Mariana Express Lines (MELL) and Malaysia Shipping Corporation (MSCorp), PIL serves customers at over 500 locations in more than 90 countries worldwide with a fleet of over 100 container and multi-purpose vessels.



¹TEU – Twenty-foot Equivalent Unit, used as a measure of container size and cargo capacity

²Data covers PIL headcount from all entities that PIL has management control over

COMPANY PROFILE

Whatever the product – dry, refrigerated, breakbulk or special cargo – we will find a way to ship it in a safe and efficient manner. With our global network of agencies and intermodal corridors, we aim to bring value to our customers through end-to-end transportation.

At PIL, we are driving connectivity for our customers and partners with markets and communities. Our people-centric approach puts customers first, by leveraging expertise and technology to provide efficient and sustainable solutions.

We supplement our core liner shipping business with container manufacturing and logistics services to provide solutions across the supply chain.

Guided by a future-focused vision, we are committed to sustainability and making a positive impact on communities. For more information, visit www.pilship.com



Mariana Express Lines (MELL) is a container liner operator providing niche routes in the Asia-Pacific region. With Hong Kong and Kaohsiung, Taiwan, as hubs, MELL currently carries containers between China, Southeast Asia, Japan, Australia and islands in the Pacific such as Guam and Saipan.

MELL's capabilities complement PIL's liner business and global network, opening new opportunities for both their customers and stakeholders.



Malaysia Shipping Corporation (MSCorp) is an associate company of PIL and based in Klang, Malaysia. The container liner company specialises in serving trade lanes between Peninsular Malaysia, Borneo Malaysia and Brunei, offering services on fixed day schedules via its hub in Port Klang and covers locations in Malaysia and the region. MSCorp also serves destinations in India through its partners' vessels.

Additionally, MSCorp has 10 offices across Malaysia to provide value added land-based logistic services.



PIL Logistics is a wholly owned subsidiary of PIL, with operations spread over major cities in China and Southeast Asia. PIL Logistics provides supply chain management solutions, customs clearance, trucking, warehousing, rail transportation, international sea transportation and international air transportation.



Singamas Container Holdings Limited (Singamas) is a world-leading container manufacturer, and major operator of container depots and provider of logistics services.

Listed on the Hong Kong Stock Exchange (Stock Code: 716), the company currently has five container manufacturing facilities, strategically established in the vicinity of key coastal ports of China. Moreover, to enhance its strategic competitiveness, Singamas offers a wide range of products including dry freight containers, collapsible flat rack containers, open top containers, bitutainers, tank containers, offshore containers and other specialised containers.

OUR SERVICE NETWORK

- Far East
- The Indian sub-continent
- Red Sea / Gulf Africa Africa
- Australia
- New Zealand
- Latin America

We also have feeder services covering a wide range of ports in:

- Southeast Asia
- The Bay of Bengal
- The East Coast of India
- East and West African Coast
- Middle East / Red Sea
- The Pacific Islands

~70 SHIPPING ROUTES

PIL's global network enables us to facilitate international trade between the world's major economies, and among emerging markets across continents



COMPANY PURPOSE AND CORE VALUES

In today's rapidly evolving global business environment, PIL stands firm as a key Asian container shipping line dedicated to supporting the shipping needs of our customers. As part of our transformation journey, we have defined our Purpose, crystallising our long-term direction and guiding every decision we make at PIL. Rooted in who we are and the unique role we play in the industry, this Purpose serves as our compass for the future. To bring it to life, we have refreshed our Values – enduring principles that represent our true north and differentiate us from others.

OUR PURPOSE

OUR PURPOSE IS WHAT MOVES US EVERY DAY.

PUTTING CUSTOMERS FIRST, BY LEVERAGING EXPERTISE AND TECHNOLOGY TO PROVIDE EFFICIENT AND SUSTAINABLE SOLUTIONS.

At PIL, we are driven to create lasting and valuable connections. With a commitment to meeting our customers' needs, we go the extra (nautical) mile to connect them to markets and communities.

By leveraging our shipping expertise, technology, and innovative approaches, we aim to deliver efficient and sustainable solutions, today and for the future.



OUR VALUES

OUR VALUES DEFINE PIL – THEY REPRESENT OUR TRUE NORTH AND DIFFERENTIATE US FROM OTHERS.



PEOPLE-CENTRIC

People are at the heart of our "PIL family".

We care about our employees, customers, shareholders, suppliers, and stakeholders; and are committed to ensuring their growth and well-being. We respect and support one another, value diversity, and believe in fairness for all.



PUSHING BOUNDARIES

Challenge the status quo responsibly to provide better solutions.

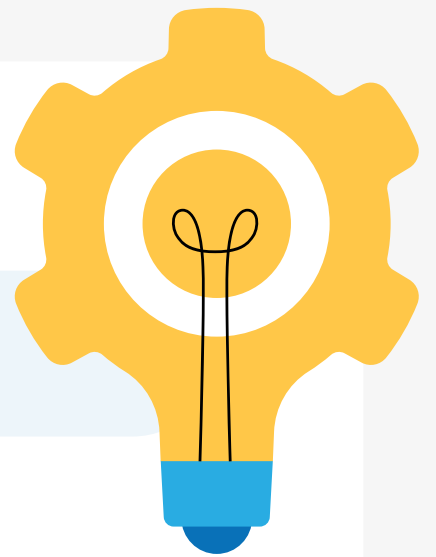
We challenge the status quo, think out of the box, and encourage innovative new ideas, with purpose and integrity. This, which is in keeping with the spirit of our founder, is so that we constantly improve the way we do things here at PIL, to provide better and cleaner solutions for our customers.



FUTURE-FOCUSED

We take action to drive a sustainable future.

We are not just in this to make a profit. We conduct our business with the aim of making the world a better place for future generations. Sustainability is at the core of what we do. With a future-focused lens, we leverage data and technology to deliver shipping solutions while minimising our environmental footprint; and we uplift communities wherever we operate.



SUSTAINABILITY APPROACH

 ESG Strategy

 Our Board of Directors

 Sustainability Governance

 Materiality Assessment









 Contribution to the SDGs

 Stakeholder Engagement

 Partnerships, Certifications and Awards



ESG STRATEGY

INTRODUCTION					
SUSTAINABILITY APPROACH					
ENVIRONMENT					
SOCIAL					
GOVERNANCE					
ANNEXES					
TOPIC	COMMITMENT		TARGET	PROGRESS 2024	
ENVIRONMENT	 Climate Response	We are committed to the goals of the 2023 IMO GHG Strategy, including its checkpoint targets and aim to achieve net zero GHG emissions by 2050 ³ .	<ul style="list-style-type: none">2030: 20% reduction in absolute GHG emissions against a 2010 baseline2040: 70% reduction in absolute GHG emissions against a 2010 baseline2050: Net zero GHG emissions	Achieved 33% reduction in absolute fleet fuel-related GHG emissions, against 2010 baseline	On track
	 Air Quality	We pledge to continually assess and improve our strategies to ensure that we not only meet but exceed regulatory air quality standards.	<ul style="list-style-type: none">100% Fleetwide compliance with IMO requirements in 2025	100% compliant with IMO requirements	On track
	 Waste Management and Circularity	As we look to minimise our environmental footprint, we strive to reduce the amount of waste we generate and maximise diversion from landfills.	<ul style="list-style-type: none">Zero containers lost at sea in 2025	Zero containers lost at sea	On track
	 Biodiversity and Ecological Footprint	We are committed to minimise the environmental footprint of our activities and ensure compliance with all relevant laws and regulations. Additionally, our Environmental Policy includes and addresses biodiversity and ecological impact.	<ul style="list-style-type: none">100% of vessels to have ballast water treatment systems (BWTSS) in 2025Zero significant oil spills in 2025	<ul style="list-style-type: none">100% vessels have BWTSSZero significant oil spills	On track
SOCIAL	 Labour and Human Rights	We aim to uphold high standards for our seafarers, including employment conditions, accommodation, facilities, health, and welfare.	<ul style="list-style-type: none">At least 95% of managers and seafarer officers trained on labour and human rights⁴ by 2025	<ul style="list-style-type: none">100% seafarer officers trained on labour and human rights	On track
	 Human Capital	We care about our employees and are committed to ensuring their growth and well-being. We are a people-centric company and aim to be an employer of choice.	<ul style="list-style-type: none">Provide at least 18 hours of training per employee per year by 2025Extend annual employee survey to at least 5 more countries by 2025Expand Employee Assistance Programme (EAP) to all locations by 2025	<ul style="list-style-type: none">Average of 39.8 hours of training per employeeEAP expanded to regional offices	On track
	 Occupational Health and Safety	We are committed to protecting the well-being and safety of our crew, staff, and partners.	<ul style="list-style-type: none">Achieve Lost Time Injury Frequency (LTIF) of not more than 0.8 in 2025Achieve zero major accident in 2025	<ul style="list-style-type: none">LTIF of 0.31Zero major accidents	On track
	 Community Impact	We strive to provide the best support we can, not only to our partners, employees and their families, but also to communities at large.	<ul style="list-style-type: none">Focus on humanitarian aid, underprivileged communities and marine or coastal conservation	<ul style="list-style-type: none">~US\$220k donated to focus areas	On track
GOVERNANCE	 Ethics and Compliance	We believe in achieving our corporate goals with integrity and in accordance with all laws and regulations by embedding compliance tenets into our policies, systems, and processes.	<ul style="list-style-type: none">At least 95% of in-scope⁵ shore staff trained on the following in 2025:<ul style="list-style-type: none">Anti-bribery and corruptionSanctions complianceCompetition compliance	% of in-scope shore staff trained: <ul style="list-style-type: none">Anti-bribery and corruption: 98.5%Sanctions compliance: 99.6%Competition compliance: 98.8%	On track
	 Risk Management	We plan to create a risk-aware strategy and integrate the TCFD Recommendations into our IAF to support the transition to a low-carbon economy.	<ul style="list-style-type: none">Implement TCFD recommendations and align with IFRS S2 standard by 2025	<ul style="list-style-type: none">Integrated climate risk into IAFIdentified climate risks and opportunitiesAdopted decarbonisation strategyPerformed climate scenario analysis	On track
	 Information Security and Data Protection	We are committed to securing our information, assets, and records by adopting a three-pronged approach of stakeholder engagement, investing in technology and upskilling, and risk management.	<ul style="list-style-type: none">At least 95% of employees trained on data protection in 2025	98.9% employees trained on data protection	On track
	 Sustainable Procurement	We aim to cultivate a supply chain that mirrors our ESG considerations and commitment to environmental protection, social responsibility and ethical practices.	<ul style="list-style-type: none">At least 95% endorsement of Supplier Code of Conduct by new and renewed strategic suppliers by 2025	Implementation in progress	On track

³ Scope: Fuel-related Fleet GHG emissions, covering Scope 1 and Scope 3 category 3

⁴ LHR training covers topics such as working conditions and child and forced labour

⁵ Excludes certain employee positions (e.g., drivers, security staff)

In 2023, we strengthened our ESG Strategy by introducing clear commitments and measurable targets, establishing it as a tangible, enterprise-wide effort to address the environmental and social challenges of our business and the wider world.

In 2024, we began implementing the strategy through its gradual rollout across the company. During the year, most of the targets and actions were distributed across the organisation to become part of our business-as-usual operations. The remaining topics and targets, which require attention beyond standard operations are addressed by dedicated working groups. These were considered as our priority topics in 2024.

ENVIRONMENT

At PIL, we are committed to the decarbonisation pathway defined in the 2023 IMO GHG Strategy. It targets net-zero emissions for international shipping by around 2050 with interim targets for 2030 and 2040. To accelerate our progress on climate response, we formed two cross-functional teams:

Decarbonisation Working Group

Work in 2024 included:

- Scanning of applicable digitalisation solutions, energy efficiency technologies (EETs) and fuel pathways for our container vessel fleet;
- Piloting and adoption of EETs in PIL's fleet.

Climate Risk and Response Working Group

Work in 2024 included:

- Identification of the climate-related risks and opportunities of PIL;
- Integration of the climate-related risks in the Integrated Assurance Framework; and
- Initiation of the climate scenario analysis focused on physical climate risks.

SOCIAL

Within the social pillar, PIL continued to strengthen and imbue our refreshed Purpose and Values into our standard way of business. One of the highlights of 2024 was the launch of PIL Academy, which aims to expand and build on our staff's capabilities in view of the rapidly evolving maritime industry. We aim to build a People-Centric organisation dedicated to our employees and to the communities we serve.

In line with our People-Centric value, we strengthened our approach to Labour and Human Rights, ensuring fair treatment of our people in line with international standards. We adopted a new global Labour and Human Rights Policy and initiated a labour and human rights assessment in our headquarters.

GOVERNANCE

We are committed to conducting our business in full compliance with all applicable laws and regulations, including those related to data protection, anti-bribery and corruption, fair competition, sanctions, and conflicts of interest. We expect our business partners and suppliers to uphold similarly high standards of integrity, compliance, and ethical conduct in all their dealings. Therefore, in 2024, we paid increased attention to Sustainable Procurement – we updated our Sustainable Procurement Policy, worked with the Group Procurement Committee to upskill members from procurement teams, and conducted a high-risk industry assessment to identify areas of potential risks of our suppliers.

We adopt a Future-Focused mindset in the development of our business strategy given the rapidly evolving industry, especially in terms of sustainability-related topics. The IMO MEPC 83, in particular, with its proposed mid-term measures to reduce emissions from shipping, has major implications for the entire industry. In order to build a strong and sustainable strategy, PIL stays on top of such developments, engages and collaborates with other shipping companies, value chain players and other crucial stakeholders such as regulators and NGOs to achieve shared goals.



OUR BOARD OF DIRECTORS

EXECUTIVE

NON-EXECUTIVE

NON-INDEPENDENT

INDEPENDENT



Mr. Teo Siong Seng
Executive Chairman



Mr. Lars Christian Kastrup
CEO



Mr. Teo Chew Seng @ Peter Chang



Mr. Eng Aik Meng⁶



Mr. Chandra Das s/o Rajagopal Sitaram



Mr. Lim Ming-Hui Andrew



Mr. Ng Kee Choe



Ms. Tan Beng Tee



Mr. Yap Chee Keong

A

 Audit and Risk Committee (ARC)

N

 Nomination and Remuneration Committee (NRC)

D

 Donations Committee (DC)

Chairman

PIL is anchored by an effective governance structure, guiding how we conduct our operations and maintain compliance with the legal and regulatory landscape of the countries that we serve.

The Board of PIL comprises a mix of executive, non-executive, and independent directors. With their wealth of experience and deep corporate expertise, they provide strong leadership and direction in the strategic vision and corporate governance of PIL.

While the Chairman of the Board of Directors is an executive, he does not have a veto. His role and activities are regularly reviewed by the Nomination and Remuneration Committee (NRC), which is made up of independent directors. In total, five out of nine directors on the Board are independent, and all directors submit an annual conflict of interest declaration. In addition, it is mandatory for our directors to declare any conflict of interest in transactions and recuse themselves when voting on decisions where applicable. Conflicts of interest declared by a director are reviewed by the Board.

The Board members are nominated and endorsed by the NRC and approved by the Board and the shareholders of the Company for a tenure of three years. A wide range of criteria is used for nominating and selecting the Board members, including but not limited to views of stakeholders, diversity, independence, competencies relevant to the impact of the organisation and sustainability-related skills and competencies.

Each year, an internal assessment is conducted to evaluate the performance of the Board and its committees. Further to this, in accordance with best practices, it is intended that evaluations will be carried out by an independent external facilitator at least every three years. Following the evaluation, the Board will review the result and determine required action plan(s).

In terms of remuneration, executive directors are remunerated as employees of the company. Non-executive directors are paid fixed directors’ fees and attendance fees in line with market practices.

⁶ Appointed in 2025

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee is responsible for overseeing the organisation's nomination and remuneration matters, as well as the effective implementation of related policies. In fulfilling its nomination and remuneration duties, the NRC's key responsibilities include:

- Establishing and maintaining the overall compensation framework and policies for both the Board and the organisation; and
- Overseeing the appointment of key management personnel.

Additionally, the NRC ensures that remuneration incentives are aligned with the organisation's risk culture and appetite. It also reviews the effectiveness of measures related to corporate culture and compliance, including:

- The Culture Playbook;
- The escalation policy, including whistleblowing mechanisms;
- The communication of professional standards and corporate values; and
- The organisation's policies and practices on corporate governance and sustainability.

AUDIT AND RISK COMMITTEE (ARC)

The Audit and Risk Committee's mandate comprises oversight responsibilities in relation to the governance of financial reporting processes, internal control, management of risks, as well as the internal and external audit processes.

In respect of the risk functions, the responsibilities of the ARC include:

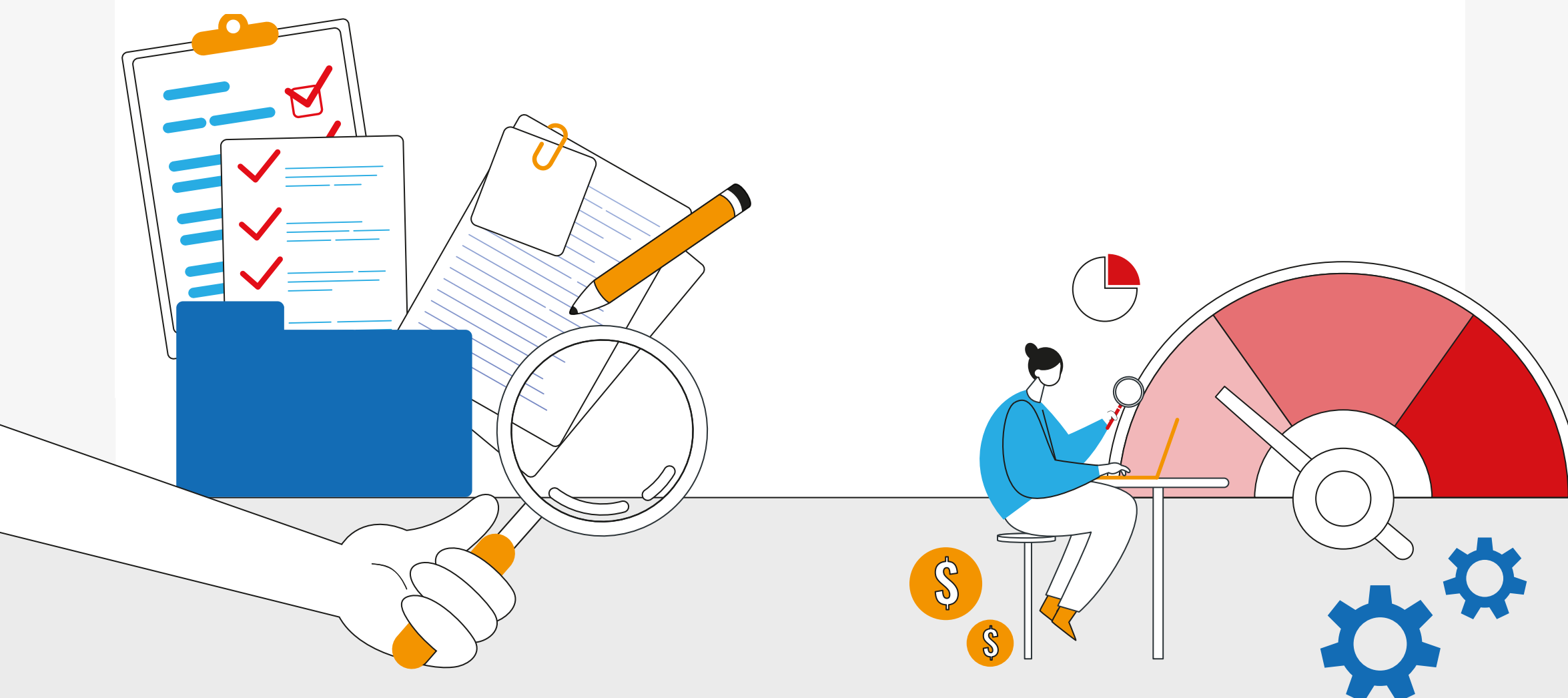
- Reviewing the adequacy and effectiveness of the risk framework, risk management policies and systems, and the Group's compliance controls; and
- Monitoring the risk profile of the Group and confirming it is consistent with the risk appetite of the Group.

DONATIONS COMMITTEE (DC)

The Donations Committee is responsible for providing direction on and overseeing the grant-giving initiatives of the Group, as part of its corporate social responsibility mission to benefit the local communities where the Group operates.

The responsibilities of DC include:

- Reviewing the strategic direction and policies of the Group's grant-giving;
- Reviewing the budget for grant-giving;
- Reviewing and approving the governance structure for grant-giving; and
- Reviewing and approving grants in alignment with the strategy, focus areas and budget.



SUSTAINABILITY GOVERNANCE

BOARD

SENIOR LEADERSHIP TEAM

BUSINESS FUNCTIONS AND UNITS



BOARD OF DIRECTORS

The Board is the highest governing body that provides oversight and strategic direction for sustainability efforts. They endorse the overall ESG strategy and ensure that sustainability is a core component of the company's mission and vision.

The Board receives regular updates on sustainability through board and board committee meetings, which discuss specific sustainability aspects relevant to their mandate.

At the Board level, sustainability is considered in business policies and practices including:

- Approving the strategy, objectives and purpose for the Group and monitoring of the progress thereof;
- Overseeing matters relating to corporate social responsibility and corporate ethics; and
- Engendering an appropriate corporate culture.

As of 2024, the Group started to closely monitor sustainability performance and targets as part of business metrics, influencing overall compensation. This inclusion highlights PIL's dedication to long-term corporate responsibility and stakeholder value.

SENIOR MANAGEMENT COMMITTEE

The committee meets weekly to co-ordinate, communicate and drive strategy implementation across the Group. The committee is chaired by our CEO, Lars Kastrup, and consists of senior management staff from various business functions. To enhance focus on our sustainability agenda, in 2024, the ESG Steering Committee was formed with delegated responsibilities for defining and implementing the ESG strategy.

ESG STEERING COMMITTEE













The committee comprises CEO Lars Kastrup and selected members of the company's Senior Management Committee. Until 2023, the committee met on a half-yearly basis to review the overall strategies and progress of PIL's sustainability journey. From 2024, the committee began to meet on a quarterly basis in view of PIL's increasing focus on sustainability.

In 2023, PIL established a dedicated Global Sustainability and ESG Department (GSE) to increase our focus on sustainability and expedite action. Other than the role of Secretariat of the ESG Steering Committee, GSE also functions as the operational arm in, amongst other things, co-ordinating and implementing sustainability initiatives and programs across the various geographical locations and business functions of PIL. It also steers Working Groups that address the key focus areas under the three ESG pillars.



MATERIALITY ASSESSMENT

In 2024, we conducted a review of the twelve material topics that form the foundation of our ESG strategy to assess any changes in their relevance. Based on an industry benchmarking study, all twelve topics remain pertinent and continue to reflect our strategic priorities.

MATERIAL TOPIC	OUR IMPACT
ENVIRONMENT	<div> Climate Response</div> <div>Shipping industry accounts for 3% of the world's GHG emissions⁷. The main source of our emissions come from fuel combustion onboard vessels. PIL is actively lowering fleet emissions through efficiency upgrades, LNG dual-fuel vessels, and alternative fuel trials – accelerating our alignment with the IMO 2023 GHG Strategy and long-term net zero goals.</div>
	<div> Air Quality</div> <div>Fuel consumption onboard our vessels also leads to emission of air pollutants. We are reducing our fleet's non-GHG emissions profile by using cleaner fuels, implementing emissions management technologies and voyage optimisation.</div>
	<div> Waste Management and Circularity</div> <div>PIL generates waste that primarily consists of plastics, domestic and operational waste. As part of our waste management approach, we actively seek to divert waste from landfills and adopt circularity principles in ship and container reuse and recycling.</div>
	<div> Biodiversity and Ecological Footprint</div> <div>Shipping activity can result in the spread of invasive species, biocides being released to sea water, incidents of oil spills, lost containers and illegal wildlife trade. PIL takes measures to prevent or reduce these negative impacts as much as possible to minimise marine ecosystem disruption.</div>
SOCIAL	<div> Labour and Human Rights</div> <div>Seafarers may be vulnerable to exploitation and labour violations. PIL ensures safe, dignified working conditions for our seafarers globally, contributing to better industry standards for human rights in maritime labour.</div>
	<div> Human Capital</div> <div>As a People-Centric organisation, we strive to have a positive impact on our workforce of over 6,000 employees working across more than 35 countries. Our people strategy, the Pillars of People Excellence, helps us create a supportive and positive workplace environment where our employees feel valued and engaged.</div>
	<div> Occupational Health and Safety</div> <div>The maritime shipping industry faces numerous health and safety challenges. With incident reporting systems, emergency response protocols, and safety audits in place, PIL has reduced workplace incidents and strengthened its safety culture across fleet and offices.</div>
	<div> Community Impact</div> <div>Through partnerships, donations, and community uplifting programs, PIL has extended positive socio-economic impact to local communities.</div>
GOVERNANCE	<div> Ethics and Compliance</div> <div>Compliance with applicable laws and regulations is a fundamental requirement. Beyond this essential baseline, PIL upholds robust ethical business conduct standards and promotes integrity, transparency, and accountability across all operations.</div>
	<div> Risk Management</div> <div>Effective risk management is critical in the maritime shipping industry, where operational, environmental, and geopolitical uncertainties can significantly impact performance and resilience. Our risk management framework integrates ESG-related risks (including climate risk) ensuring a comprehensive approach to long-term sustainability and business continuity.</div>
	<div> Information Security and Data Protection</div> <div>Digitalisation in logistics and operations has made the shipping sector increasingly vulnerable to cyberattacks and data breaches. We've strengthened cybersecurity infrastructure and data protection practices, safeguarding operational continuity and trust among customers, partners, and regulators.</div>
	<div> Sustainable Procurement</div> <div>PIL is strengthening responsible sourcing practices by integrating ESG criteria into supplier selection and contract management, helping to reduce environmental harm, uphold labour standards, and promote ethical conduct across our value chain.</div>

⁷ Source: World Economic Forum "How real-time emissions tracking can help decarbonise the maritime industry" <https://www.weforum.org/stories/2025/05/decarbonize-maritime-industry-real-time-emissions-tracking>

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

By addressing the material topics through our ESG strategy, PIL contributes both, directly and indirectly, to the UN Sustainable Development Goals (SDGs).



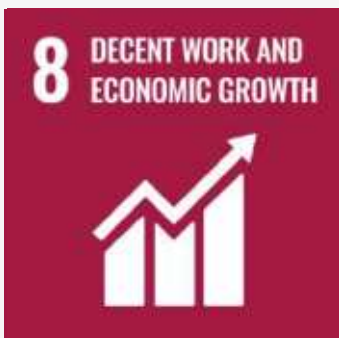
Safeguard the health and well-being of PIL's employees and the communities that we operate in by ensuring safe and healthy working conditions and supporting community care initiatives.



Prioritise crew education and training for safe and efficient operations. Well-trained crew members enhance safety, compliance, and overall performance.



PIL supports the transition to cleaner energy sources through the sourcing of renewable energy and alternative fuels to reduce our overall emissions footprint.



PIL is committed to prioritising fair wages, safe working conditions, and career development for our employees globally. A motivated workforce leads to better productivity, stability, and positive economic impact.



PIL supports and invests in innovation to modernise infrastructure and maintain competitiveness by embracing technology and operational efficiency.



PIL aims to manage our environmental footprint by reducing and properly managing waste, using resources efficiently, and adopting sustainable practices across PIL's operations and business activities.



PIL is committed to take climate action by cutting emissions to limit our contribution to climate change, while responding to the evolving climate risks and their impacts across our value chain.



Recognising the impact that shipping has on the marine environment, PIL is committed to protecting the marine ecosystems, minimising pollution and implementing responsible shipping practices to contribute to thriving oceans, sustainable fisheries, and coastal communities.



PIL further recognises the inter-dependency between marine and terrestrial ecosystems and believes in the interconnected stewardship needed to ensure ecological resilience for the good of the environment and the communities we operate in.



Ethical business practices, transparency, and anti-corruption measures are incorporated into PIL's daily operations and business activities.



PIL believes in fostering collaboration with our partners and stakeholders to enable collective impact and support sustainable goals within the maritime sector.



STAKEHOLDER ENGAGEMENT

At PIL, we drive the development of lasting and valuable connections with our stakeholders through multiple channels. Through these interactions, we observed, in general, increased interest in our ESG practices and decarbonisation approach during 2024.



KEY STAKEHOLDERS	ENGAGEMENT CHANNELS	TOPICS DISCUSSED
<div>Employees</div> <div></div>	<ul style="list-style-type: none">Daily interactionsDiscussions with labour unionsAnnual employee satisfaction surveyRegular performance reviewsESG engagement visits to regional officesReporting systemCEO Townhall	<ul style="list-style-type: none">PIL brand refresh and corporate valuesTasks and responsibilitiesPerformance and work satisfactionAdequate remuneration and benefitsLearning and growth opportunitiesESG practices and emissions reportingWorking conditionsOccupational health and safety
<div>Customers</div> <div></div>	<ul style="list-style-type: none">Customer relationsAccount managementESG criteria in tendersESG questionnaires for suppliersESG meetings and callsPartnerships	<ul style="list-style-type: none">Shipping solutionsPIL ESG practicesSolutions to lower GHG emissionsPIL brand refresh and strategic positioning
<div>Government and port authorities</div> <div></div>	<ul style="list-style-type: none">Bilateral discussionsStrategic co-operationsData requests and reporting	<ul style="list-style-type: none">ComplianceReporting and disclosureDecarbonisationLong term fuel transition plansAdaptation/resilience
<div>Investors</div> <div></div>	<ul style="list-style-type: none">Shareholders' meetingsInvestor relations, direct calls, surveysReports and disclosures	<ul style="list-style-type: none">PIL strategic positioningInvestor expectationsBusiness model resiliencePlans and commitmentsApproach to climate change
<div>Partners (business partners and industry associations)</div> <div></div>	<ul style="list-style-type: none">Projects and partnershipsDialogue and networkingAssociation meetings and eventsAnnual bankers night	<ul style="list-style-type: none">Decarbonisation and complianceSolutions to lower GHG emissionsSafety and securityEnvironmental and industry mattersFuture partnerships
<div>Suppliers</div> <div></div>	<ul style="list-style-type: none">Procurement processSupplier ESG engagementSupplier ESG questionnairesSupplier ESG on-site assessmentAlliances	<ul style="list-style-type: none">Supply/demand expectationsEthical business practicesSupplier Code of ConductSolutions to lower GHG emissionsSuppliers' ESG practicesPartnerships
<div>Local Communities</div> <div></div>	<ul style="list-style-type: none">Engagement with local representativesCommunity/local eventsPartnerships with NGOs	<ul style="list-style-type: none">Nature protectionHealth and safetyVolunteeringDonations/fundsNominations and awards

PARTNERSHIPS, CERTIFICATIONS AND AWARDS

At PIL, we believe collaboration drives meaningful progress toward a more responsible and resilient shipping industry. Our active involvement in leading global and regional partnerships enables us to stay ahead of emerging challenges, shape industry standards, and contribute to collective action. Certifications reinforce our commitment to safety, compliance, and environmental stewardship, while recognitions from respected organisations highlight the positive impact of our people, our leadership, and our contributions to supply chain transformation and stakeholder well-being.

PARTNERSHIPS



Member of the World Shipping Council (WSC), represented by the CEO on the Board



UNGC Participant



Member of SSA



Clean Cargo Participant in a collaborative partnership to reduce GHG emissions



Member of GCMD, a decarbonisation centre in Singapore



Partner in GPML to advance plastic solutions in oceans



Signatory to the Buckingham Palace Declaration



Member of CSSF aimed at improving safety performance in container shipping



Member of the Maritime Anti-Corruption Network

AWARDS



EcoVadis

PIL has been awarded the Silver Medal by EcoVadis for scoring among the top 15% of companies across all industries for sustainability performance.



PIL Logistics China awarded Best Logistics Service Provider 2024

The Shenzhen Branch of PIL Logistics China has been conferred the "Best Logistics Service Provider" for the year 2024 by Shenzhen CIMC Pallet Co., Ltd. This award recognises PIL Logistics' service capabilities and contribution to enhancing the supply chain cooperation.



Inaugural China Enterprises Friendship Award

PIL Executive Chairman Mr S.S. Teo was conferred the inaugural China Enterprises Friendship Award by the China Enterprises Association (Singapore) (CEA). This award recognises individuals who have made significant contributions in forging strong ties between Chinese and Singapore businesses.



DCN Awards 2024

PIL has been recognised as a "Highly Commended" shipping line on the Australia-Northeast Asia trade route highlighting our strong presence and direct services to major ports in China.



May Day Awards 2024

Medal of Commendation from Singapore's National Trade Union Congress (NTUC) to CEO, Mr Lars Kastrup for improving the welfare and well-being of all PIL shore and sea staff and transforming PIL into a People-Centric organisation.

CERTIFICATIONS



ISO 14001/2015

Environmental Management Systems certification for PIL's fleet and operations



ESI Certification

PIL has attained ESI Certification for vessels that are plying ESI ports

ENVIRONMENT



Integrated Environmental Management



Climate Response



Air Quality



Waste Management and Circularity



Biodiversity and Ecological Impact

INTEGRATED ENVIRONMENTAL MANAGEMENT

PIL adopts an Integrated Environmental Management approach (IEM) towards managing and improving our environmental impacts and performance.

The key elements of the IEM consist of **Environmental Management System** which translates the policy and assessment findings into our operational plans. Supporting this, our **Environmental Policy** outlines PIL's overarching approach, while **Environmental Risk Assessments** provides clarity on the potential impacts resulting from our fleet operations. Any knowledge and competency gaps are addressed via **Awareness and Training** measures.

100%
of fleet operations are
certified ISO 14001

ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM

PIL's fleet operations are certified to ISO 14001:2015 Environment Management Systems (EMS) standard. We actively monitor, assess, and address negative environmental impact, ensure alignment with industry best practices and compliance with all relevant laws, regulations, and conventions. Our efforts focus on conserving energy, reducing emissions and minimising waste generation across all aspects of shipping operations.

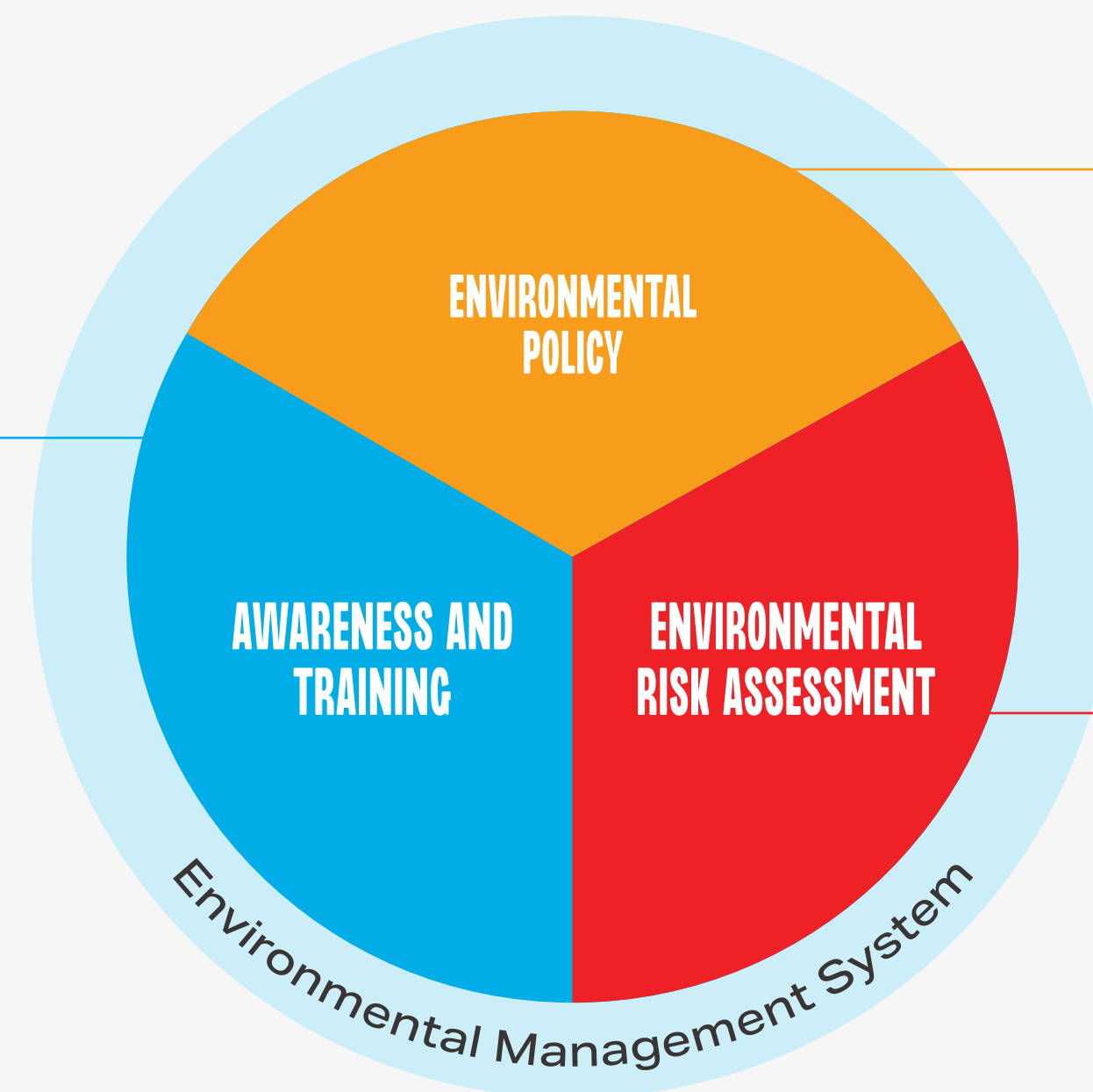
PIL'S ENVIRONMENTAL MANAGEMENT SYSTEM

● Environmental Awareness and Training

We strive to ensure that our employees are knowledgeable about environmental issues and current standards, policies and practices. Before sailing, seafarers receive mandatory training covering environmental topics like ISO 14001 and related KPIs, MARPOL regulations, and prevention and response to oil spills.

In 2024, PIL's senior management team received primers on sustainability, climate risks and opportunities, and TCFD/IFRS S2. Consequently, members of the newly established Climate Risk and Response working group were duly trained on the topic.

Moreover, climate training will be mandatory for all shore staff in 2025, in conjunction with our newly launched PIL Academy.



● PIL Environmental Policy

Our Environmental Policy guides on the scope and objective of the IEM, with the objective of minimising and managing the environmental impacts from our operations.

The policy applies to both fleet operations and shore-based entities, covering all our material environmental topics (Climate Response, Air Quality, Waste Management and Circularity; and Biodiversity and Ecological Impact). The policy is regularly reviewed and updated to align with changes in our strategies and the regulatory landscapes.

● Environmental Risk Assessment

To assess our environmental impact, our Quality, Safety, Security, and Environment (QSSE) department conducts annual risk assessments focusing on environmental impacts from all stages of our fleet operations. These assist us in understanding environmental risk exposure and in developing mitigation measures and regulatory compliance processes.

In 2025, we plan to launch third-party audits of the environmental management systems onboard our vessels to ensure compliance and drive continuous improvement.

MANAGEMENT APPROACH

We operationalise our decarbonisation strategy and progress in our transition towards a low-carbon economy. Our long-term decarbonisation approach focuses on the three key levers of enhancing fleet operations efficiency, harnessing of energy efficiency technologies, and investing in green fuel and fleet transition. We include internal carbon pricing in decision-making and capital allocation. In response to the physical effects of climate change, we are re-assessing existing countermeasures and formulating an adaptation strategy.

COMMITMENT

We are committed to the goals of the 2023 IMO GHG Strategy, including its checkpoint targets and aim to achieve net zero GHG emissions by 2050.

TARGETS

- 2030**

20% reduction in absolute GHG emissions against a 2010 baseline
- 2040**

70% reduction in absolute GHG emissions against a 2010 baseline
- 2050**

Net zero GHG emissions

Scope: Fuel-related Fleet GHG emissions, covering Scope 1 and Scope 3 category 3

PERFORMANCE 2024

33% reduction in absolute fleet fuel-related GHG emissions against a 2010 baseline.

Alignment with GRI Standards: GRI 302, GRI 305

CLIMATE RESPONSE

PIL’S GHG EMISSIONS FOOTPRINT

PIL developed its first group-wide GHG inventory in 2023, based on GHG Protocol’s financial control approach. In 2024, we adopted an emissions Measurement, Reporting and Verification (MRV) application to improve how we track and report our performance against targets. We also engaged a third-party auditor to independently assure our Scope 1, 2, and 3 (Category 3 and 6) emissions (page 95).

33% reduction
in emissions in 2024
against 2010 baseline

PIL’S GHG EMISSIONS INVENTORY (IN TONNES CO ₂ e)	2023	2024
Total GHG emissions Sum of Scope 1, Scope 2 (location-based), and Scope 3 (calculated categories)	3,437,384*	3,750,887
Scope 1 Direct GHG emissions	2,888,162*	3,136,226
Scope 2 Location-based GHG emissions from generation of purchased electricity	23,449	34,643
Market-based GHG emissions from generation of purchased electricity adjusted for purchased Renewable Energy Certificates (RECs)	22,284	33,923
Scope 3 Indirect GHG emissions created in PIL’s value chain, including emissions calculated across:	525,773*	580,018
Category 3 – Fuel-and energy-related activities	525,751*	575,918
Category 5 – Waste generated in operations	22	5
Category 6 – Business travel	-	1,765
Category 7 – Employee commute	-	2,330

* 2023 figures were restated for Scope 1 and Scope 3 Category 3 due to the use of the newly published emission factors from the IMO Guidelines on Life Cycle GHG Intensity of Marine Fuels. These substituted the previously applied emission factors of the UK Department for Environment, Food & Rural Affairs.

The primary source of PIL's emissions is fuel combustion onboard vessels, which accounts for more than 99% of the Group's Scope 1 emissions. Other sources of Scope 1 emissions include the consumption of fuel by land vehicles and the use of refrigerants onboard vessels and land facilities. Scope 1 emissions increased by 8.6% in 2024 compared to 2023, attributable to higher marine fuel consumption in line with the increase in fleet capacity (TEU) in 2024.

The majority of our Scope 2 emissions come from electricity used for reefer storage at ports and at our global offices. Additional sources include shore power and warehouse electricity use. Our Scope 2 GHG emissions increased in 2024, which was mainly attributable to the increased power consumption of our reefers. In 2023, the power consumption per reefer was 2 kWh (based on OEM data) while in 2024, this increased to 3.17 kWh (based on a study done by the Logistics team). For our headquarters and regional offices in Singapore, China, Ghana, India, UAE and Chile, we have an annual target of 100% renewable energy, which we achieved. In 2024, we purchased 1,427 MWh of locally sourced Renewable Energy Certificates (RECs), covering 100% of the electricity consumption in these offices.

In 2024, we expanded our Scope 3 emissions coverage to include not only categories 3 (Fuel- and energy-related activities) and 5 (Waste generated in operations), but also 6 (Business travel) and 7 (Employee commute). Both business travel and employee commute constitute less than 1% of our Scope 3 emissions. Our most material Scope 3 category calculated so far is category 3 (fuel- and energy-related activities). By incorporating this category, we have effectively accounted for the full life cycle emissions of fuel used on vessels, following the IMO's well-to-wake (WtW) approach to GHG accounting. Category 3 emissions of 2024 grew compared to the restated 2023 figures, in line with increased business activity.

Our decarbonisation initiatives are primarily concentrated on fleet operations, which represent the largest scope of emissions.

DECARBONISATION STRATEGY

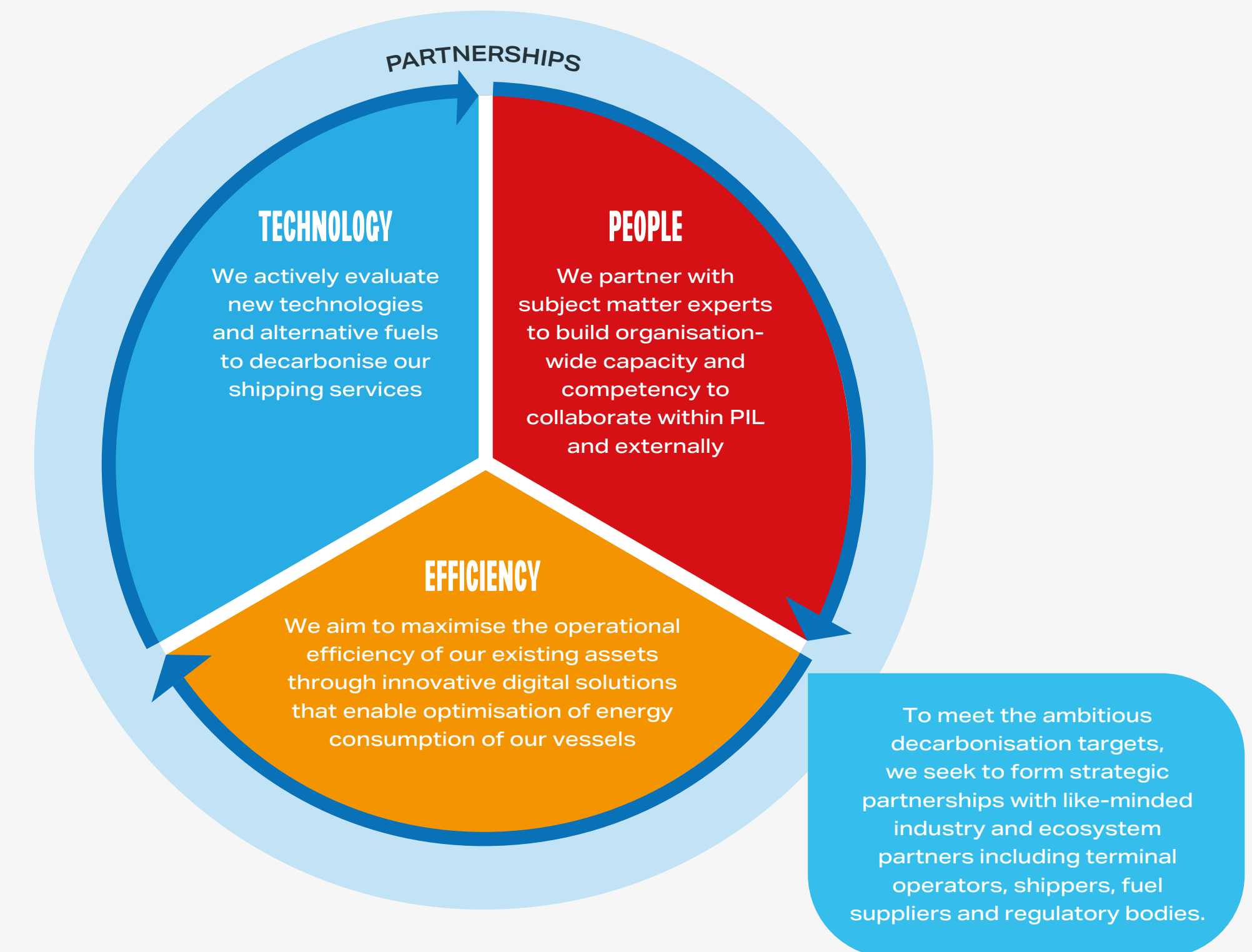
Our Decarbonisation Strategy, as outlined in the 2023 Sustainability Report, is designed to set us on a credible pathway toward net-zero emissions, balancing global ambitions with our available resources and the expected timing of technology readiness. We acknowledge that the shipping sector is responsible for 3% of annual global GHG emissions today and is expected to grow by up to 50%⁸ by 2050 (vs. 2018) due to continued growth in transport demand. The outlook is based on the assumption that maritime shipping will remain a less carbon-intensive mode of transport compared to aviation.

To ensure our competitiveness in terms of carbon intensity, PIL revised its decarbonisation strategy in 2023 to align with IMO's 2023 revised GHG reduction strategy for global shipping. We aim to reduce our GHG emissions by 20% and 70% by 2030 and 2040 respectively, in comparison to a 2010 baseline, and to achieve net zero GHG emissions by 2050 on a well-to-wake basis. While mitigating the risks from decarbonisation, we aim to pursue opportunities that will bring new resources and support the transition.

The Group has assembled a cross-functional team that integrates critical expertise across the organisation to ensure design of a cohesive strategy and its coordinated delivery. Our decarbonisation approach focuses on three key levers - enhancing fleet and operational efficiency, harnessing of energy efficiency technologies, and investing in green fuels and fleet transition.

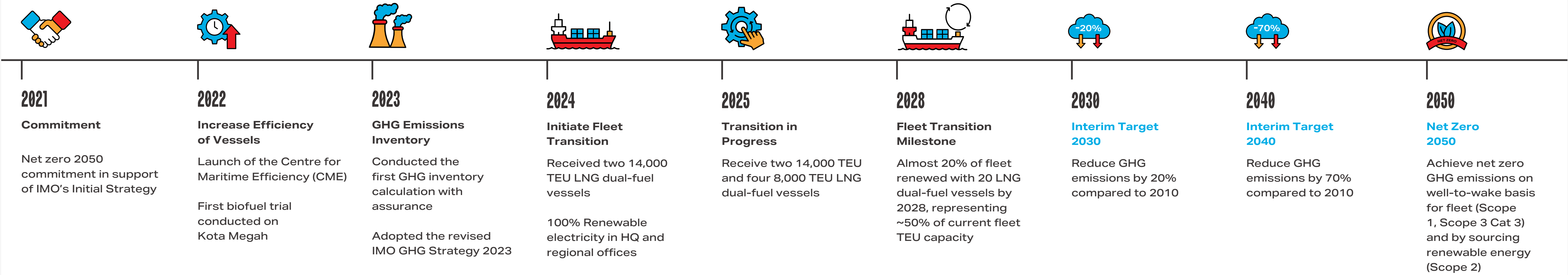
PIL's journey towards decarbonisation encompasses People, Efficiency, Technology and Partnerships.

KEY ELEMENTS OF PIL'S DECARBONISATION JOURNEY



⁸ Fourth IMO GHG Study 2020. <https://www.imo.org/en/ourwork/environment/pages/mid--and-long-term-ghg-reduction-measures.aspx>

PIL'S DECARBONISATION STRATEGY



SCOPE 1

LEVER 1: Enhancing fleet operations efficiency

LEVER 2: Harnessing of energy efficiency technologies

LEVER 3: Investing in green fuel and fleet transition

SCOPE 2

Sourcing of renewable energy for offices

PEOPLE

As one of the first steps in our decarbonisation journey, we are focused on building the necessary organisational capacity and expertise to address this challenge effectively. In 2024, we organised a series of primers for the senior management team on sustainability and materiality, climate risks and opportunities, and the TCFD/IFRS S2. Building on the success of the initial series, we are continuing the efforts in 2025 with the next climate response primer and an expanded lineup of sessions on selected sustainability-related material topics.

Following the primers for the senior management team, a working group on Climate Risk and Response was established and the members were duly trained on the topic and on the internal risk management processes of PIL. This enabled them to identify climate-related risks and opportunities that PIL faces, and to integrate them into the enterprise-wide risk management system.

In 2025, we plan to educate our shore staff globally about climate matters in cooperation with:

1. **Asuene.** We will collaborate with Asuene for the global rollout of their emissions Measurement, Reporting and Verification (MRV) application. That includes specialised training of employees across our operations globally to ensure the robustness of PIL's emissions data.
2. **AXA Climate School.** Our newly launched PIL Academy provides mandatory courses on climate for all shore staff in partnership with AXA Climate School. These will comprise three levels:
 - **Beginner** (as of early 2025): Basics of climate change and climate science
 - **Intermediate** (launch by end 2025): Human impact on the natural environment and climate change's impact on human society
 - **Advanced** (launch in 2026): Taking action and how each job in the company can contribute to climate response

EFFICIENCY

ENHANCING FLEET AND OPERATIONAL EFFICIENCY

A critical step in enhancing operational efficiency was the launch of the Centre for Maritime Efficiency (CME) in 2022. The CME leverages digitalisation to achieve more energy-efficient management of our vessels, leading to lower GHG emissions. In 2024, the CME enabled better scheduling of activities and fleet management, including "just-in-time" arrivals, speed management alerts and efficient re-routing thanks to 24/7 real-time vessel tracking, weather monitoring and route analysis. These measures have brought about 23,500 Mt of fuel savings in 2024. By integrating weather data into route planning, our ships are able to navigate more effectively, balancing safety, efficiency, costs, as well as environmental considerations.

TECHNOLOGY

HARNESSING OF ENERGY EFFICIENCY TECHNOLOGIES (EETs)

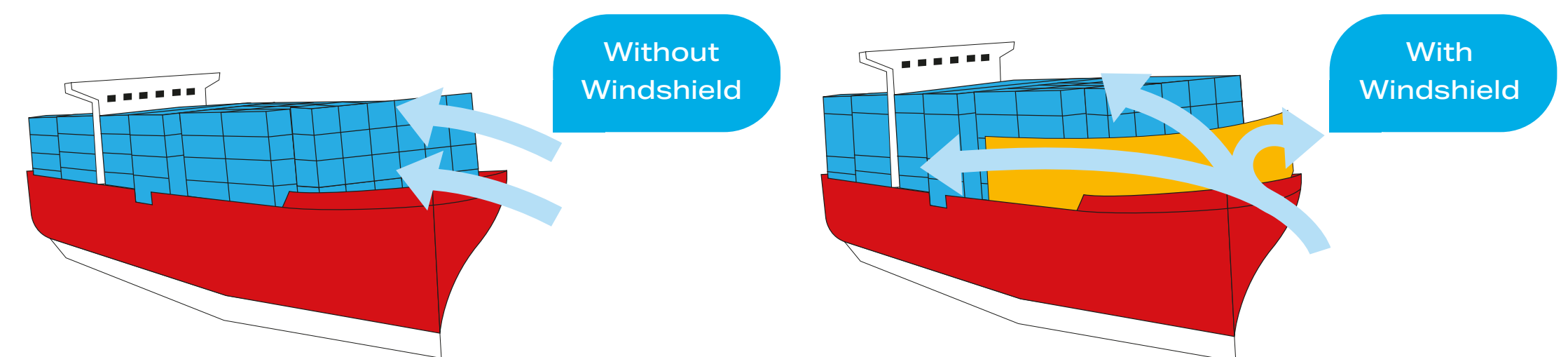
To maintain an efficient fleet, PIL engages in regular cross-functional discussions on efficiency improvement plans, including evaluation by our technical team to determine the suitability and efficacy of these EETs before implementation. From the financial perspective, feasibility of these technologies is assessed using the Marginal Abatement Cost Curve (MACC) analysis, which helps us identify the most cost-effective options to reduce emissions.

In 2024, we began with retrofitting of EETs such as **propeller boss cap fins (PBCF)** and **pre-swirl vanes** across our vessels as they enter their 5-year dry docking cycle in order to reduce vessel fuel consumption while maintaining operational efficiency. Kota Layang underwent propeller optimisation to better fit the vessel's current operational profile while eight of our S-class vessels were fitted with PBCFs and pre-swirl vanes. On top of this, all new builds will also feature pre-swirl vanes to streamline water flow and reduce energy losses.

Moving forward, all newbuilds will be equipped with **Alternative Marine Power (AMP)** systems that enable the use of shore power at port berths through cold ironing, allowing vessels to turn off their auxiliary engines. In 2024, existing vessels with AMP systems used almost 400 MWh from the shore power connection systems in several ports of China, an 11.6% increase from 2023.

BOW WINDSHIELD ON KOTA EMBUN

Our 8,000 TEU newbuild, Kota Embun, will be fitted with a bow windshield to reduce wind resistance by allowing air to flow around the vessel's bow more smoothly as compared to the usual design, where there is increased resistance against containers.



The following list features EETs that have been implemented in PIL's existing fleet or will be featured in our upcoming newbuilds:

- **Exhaust waste heat recovery systems** capture and repurpose otherwise wasted thermal energy generated from the engine. The recovered heat is used to generate steam for various heating purposes onboard.
- **Shaft generators** efficiently convert mechanical energy from the rotating propulsion shaft into electricity, powering onboard systems and reducing reliance on auxiliary engines. These technologies allow for substantial fuel savings, resulting in lower operational costs and emissions footprint.
- **Variable Frequency Drive** motors for large pumps and ventilation fans.
- **Retrofits**, such as propeller optimisation and bulbous bow optimisation to reduce hydrodynamic drag and improve fuel efficiency.
- **Full LED lighting**, including the numerous high powered flood lights deployed for safe cargo operations.
- **Premium, low friction hull coatings** to reduce water resistance and improve fuel consumption.
- **Predictive maintenance** for turbochargers, in partnership with ARTC, A*Star and TruMarine.
- **Regenerative deck cargo crane** and winches.
- **Rudder modifications** such as rudder bulbs and rudders with a twisted edge to streamline water flow around the rudder and propeller, and to increase propulsion efficiency.
- **Ultrasonic anti-fouling system** to prevent marine organisms from colonising solid surfaces that are exposed to raw seawater to reduce biofouling.

INVESTING IN GREEN FUELS AND FLEET TRANSITION

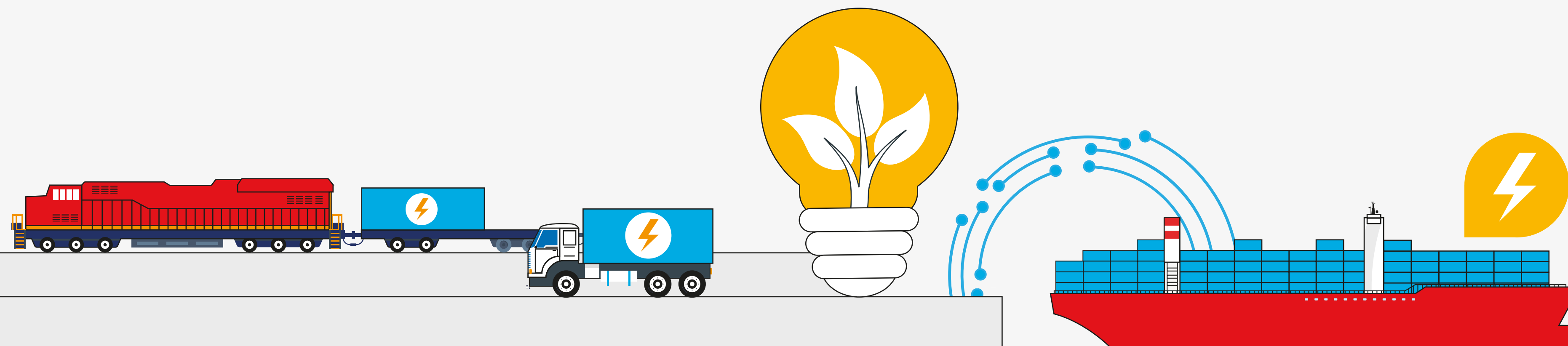
As part of PIL's commitment to achieving net zero by 2050, we continuously upgrade our fleet by investing in more efficient and environmentally-friendly vessels. In 2022, PIL became the first Asian container shipping line to invest in LNG new builds. The first two 14,000 TEU LNG dual-fuel (DF) vessels were delivered in 2024. This represented more than 7% of our current TEU fleet capacity. Two more 14,000 and four 8,000 TEU LNG DF vessels are expected in 2025.

With 20 new LNG dual-fuel vessels in the pipeline, we are conscious of the potential impact of methane slip and therefore worked with engine makers to install an **intelligent exhaust gas recirculation** system (ICER) into all of our newbuilds to substantially reduce methane slip during LNG combustion.

Besides LNG, PIL actively reviews and considers several alternative fuels options to support our decarbonisation goals. These include methanol and ammonia, as well as their respective biogenic and synthetic variants. The decision-making landscape is complex given that there is no one clear option now, due to a mix of various challenges including limited supply, nascency of infrastructure as well as safety and security issues, among others.

Meanwhile, PIL stays flexible and proactive, working with stakeholders and industry experts to grasp the evolving landscape. We actively engage in forums such as the World Shipping Council (WSC) and Clean Cargo Working Group (CCWG) to advance actions on alternative fuels and shape our decarbonisation strategy accordingly.

We acknowledge the urgency of addressing climate change and are committed to playing our part by transitioning to lower-emission alternative fuels as required.



DELIVERY OF THE FIRST TWO LNG DUAL-FUEL VESSELS

On October 15, 2024, PIL took delivery of our first two LNG DF vessels. These 14,000 TEU vessels are the largest in PIL's fleet and mark the start of the fleet renewal and modernisation programme that comprises 20 vessels in total.

Being the first vessels in the fleet to run on cleaner fuels, the names "Eagle" and "Emerald" convey PIL's aim to be a sustainable shipping line which co-exists harmoniously with nature and the environment. They will contribute to reducing our carbon footprint as part of our strategy to transition to net zero emissions by 2050.



LNG BUNKERING COLLABORATION WITH SHANGHAI SIPG ENERGY SERVICE (SSES)

In October 2024, PIL and SSES completed its inaugural LNG bunkering of PIL's first LNG dual-fuel 14,000 TEU container ship.

In the ship-to-ship LNG bunkering operation conducted at Yangshan port in Shanghai, Kota Eagle, our first LNG DF vessel, received about 8,000 cbm of LNG from the Hai Gang Wei Lai bunkering vessel. Kota Eagle's LNG dual-fuel engine is complemented with various energy saving technologies that further reduce its greenhouse gas emissions.

The use of LNG as a marine fuel is a pragmatic option, enabling the shipping industry to achieve tangible and immediate reduction in GHG emissions. This LNG bunkering operation underscores the commitment of both companies to achieving the IMO's net zero emissions target by 2050.



First LNG bunkering partnership with SIPG Energy



LNG Bunkering Vessel alongside Kota Emerald during LNG bunkering

"The completion of PIL's first LNG bunkering operation, together with our continued investments in a newbuilding programme focused exclusively on greener dual-fuel vessels, demonstrate PIL's commitment to sustainable shipping. We believe the expedient transition to cleaner fuels is achieved through collaboration between various stakeholders in the value chain."

We would like to thank our suppliers, SSES, and SIPG port group for the close coordination which contributed to the safe and efficient operation."

Chia Yujin

Head of Sustainability, Decarbonisation and Marine Fuels

PARTNERSHIPS TO DECARBONISE

PIL'S KEY DECARBONISATION INITIATIVES

2022				2023			2024	
	PIL's trial use of marine biofuel on Kota Megah	PIL joined "The Silk Alliance" to develop a green corridor cluster beginning with intra-Asia container trade	PIL joined the World Shipping Council to support the progress of decarbonisation and other sustainability agenda		PSA Singapore and PIL signed a Memorandum of Understanding (MOU) to jointly develop sustainable solutions	PIL and DP World have signed a Memorandum of Understanding (MOU) to jointly develop green solutions to decarbonise global supply chains		As part of the MOU signed in 2023, PSA Singapore and PIL completed their first B24 biofuel trial on Kota Ratna

PIL recognises that meeting IMO’s ambitious target of net zero emissions by 2050 requires a collective effort and thus requires forming strategic partnerships with like-minded industry and ecosystem partners including terminal operators, shippers, fuel suppliers and regulatory bodies. This collaborative approach was demonstrated by PIL at COP28 in the UAE, where we stressed the importance of integrating efforts across various stakeholders to amplify the impact of sustainability initiatives and achieve end-to-end low carbon cargo connections.

As an extension of this, we have cultivated deeper collaborations with our industry partners across different spectrums of our value chain and ecosystem to advance various decarbonisation aspects. In 2023, we progressed the signing of two notable memorandum of understanding (MOU) with PSA Singapore and DP World respectively, to form partnerships crucial for sharing knowledge, resources, and innovations, thereby accelerating the shift towards sustainable shipping, port and logistics practices.

Furthermore, we are also a participant in the Silk Alliance, which entails regional and global partnerships with the overarching aim of establishing green corridors to seed and accelerate the maritime sector’s transition towards low-carbon operations. The shipping industry's role in mitigating global warming is multifaceted, requiring a concerted effort from all players.

As PIL works towards our net zero by 2050 goal, we will continue to collaborate with players across the industry to deepen decarbonisation efforts across a greater network.

GREEN SHIPPING CORRIDOR TRIAL WITH PSA SINGAPORE

In 2024, PIL and PSA Singapore concluded the first trial of low-carbon shipments under the Memorandums of Understanding (MOU) signed between the two parties in 2023 as a commitment to supply chain decarbonisation.

Under the pilot, several green levers were deployed for the warehouse-to-warehouse cargo flow from Singapore to Chongqing.



ADAPTATION STRATEGY

The impacts of climate change are already being experienced today. PIL is taking steps to minimise the impact of climate change on our fleet and operations, especially with regards to warmer temperatures, unpredictable weather and sea level rise. We have embarked on a programme to renew and modernise our fleet that comprises 20 new vessels. These newbuilds are designed with climate adaptability in mind. For example, the 9,000 and 13,000 TEU vessels will have bigger seawater coolers and allow for an increased number of cooling plates in the future, preparing for times when seawater temperature rises and more cooling is required. The 9,000 TEU vessels in particular will be equipped with HVAC systems that account for the anticipated increase in ambient temperatures in view of global warming.

To further identify blind spots in our operations and ensure resilience, we initiated an analysis of our strategy in a physical risk climate scenario in 2024, further described in the TCFD report on page 88. The findings of this exercise are expected to inform our next steps in adaptation to climate change.

MANAGEMENT APPROACH

PIL is dedicated to preserving air quality to ensure the health and safety of both our crew members and the communities where we operate, while adhering to international regulations. As part of our Integrated Environmental Management approach (IEM) and vessel SEEMPs (Ship Energy Efficiency Management Plan), we regularly review our practices, engage with stakeholders, and adopt further measures to enhance our air emission management.

COMMITMENT

We pledge to continually assess and improve our strategies to ensure that we not only meet but exceed regulatory air quality standards.

TARGETS

- 100% compliance with IMO requirements in 2025.

PERFORMANCE 2024

- 100% compliance with IMO requirements.

Alignment with GRI Standards: GRI 305

AIR QUALITY

PIL recognises that air pollution directly affects both our operational efficiency as well as the health and safety of our crew, port personnel and local communities. Our approach to managing air quality is guided by three core principles:

COMPLIANCE WITH INTERNATIONAL STANDARDS

SOx emissions are regulated under the premises of the IMO International Convention for the Prevention of Pollution from Ships (MARPOL), with stricter limits imposed for designated Emission Control Areas (ECAs) which are close to populated locations. To meet compliance requirements under IMO 2020, we adhere strictly to the IMO’s regulations, including the use of low-sulphur fuel and the implementation of energy-efficient operational measures. This ensures that our vessels meet the highest standards for emissions with minimal contribution to air pollution.

AIR POLLUTANTS	UNIT	2023	2024
Sulphur oxides (SOx)	Tonnes	44,936	48,255
Nitrogen oxides (NOx)	Tonnes	68,470	74,021
Particulate matter (PM)	Tonnes	6,692	7,192
Particulate matter (PM2.5)	Tonnes	6,151	6,611

In 2024, our emissions increased by about 7%, attributable to higher marine fuel consumption in line with an increased fleet capacity.

INNOVATION AND TECHNOLOGY

We invest in technologies and solutions to reduce harmful tailpipe emissions. These include the use of emissions management technologies and the adoption of alternative fuels such as liquefied natural gas (LNG), which produces ~90% less pollutants compared to conventional marine fuels⁹.

We also conduct trials on biofuels with the objective of incorporating these on a sustained basis. Since 2022, PIL has commissioned 20 newbuild vessels, which account for ~50% of PIL’s current fleet TEU capacity. Each of these vessels will feature LNG dual-fuel capability, enabling them to operate on cleaner LNG fuels.

Where conventional fuels are used, we apply **scrubbers** and **selective catalytic reduction** (SCR) systems to mitigate the sulphur oxides (SOx) and nitrogen oxides (NOx) pollutant emissions respectively. In 2024, 33 of our existing vessels were scrubber-fitted and 10 of 20 of our newbuild vessels will be fitted with scrubbers as well.

On top of our 20 newbuilds, 10 of our existing vessels are also equipped with shore power infrastructure which enables them to tap on shore power where available, helping to reduce tailpipe emissions. As an additional benefit, the reduction in noise pollution due to the cessation of ships’ auxiliary engines when alongside at these ports improves working conditions for port workers and nearby residents.

CONTINUOUS IMPROVEMENT

Our seafarers play a pivotal role at the core of managing air pollution. To ensure that our crew adheres to best practices and latest regulations, we provide essential **training** in critical areas such as fuel-efficient navigation techniques and comprehensive engine maintenance protocols. We adhere to regular **maintenance schedules** for engines to ensure high levels of engine efficiency and apply energy efficiency technologies and **voyage planning** to reduce fuel consumption and, consequently, lower emissions. Our CME utilises artificial intelligence tools to ensure route optimisation and savings are realised through timely arrivals. CME’s optimisation measures have helped us to achieve **fuel savings of about 23,500 Mt** in 2024.

⁹ Source: Wartsila. Compared to diesel fuel oil, LNG produces about 90% less NOx, 99% less SOx and almost no particulate matter. <https://www.wartsila.com/insights/article/lng-fuel-for-thought-in-our-deep-dive-q-a>

MANAGEMENT APPROACH

Our approach is rooted in the belief that sustainability extends beyond mere compliance; it is about creating a regenerative cycle that minimises waste and maximises resource efficiency. Through our Integrated Environmental Management system, we actively monitor, evaluate, and address negative environmental impacts, ensuring alignment with industry best practices and relevant laws, regulations, and conventions.

COMMITMENT

As we look to minimise our environmental footprint, we strive to reduce the amount of waste we generate and maximise diversion from landfills.

TARGETS

- Zero containers lost at sea in 2025.

PERFORMANCE 2024

- Zero containers lost at sea.

Alignment to GRI Standards GRI 303, GRI 306

WASTE MANAGEMENT AND CIRCULARITY

At PIL, we believe that effective waste management and the adoption of circularity principles are crucial to sustainable operations in the container shipping industry. We are committed to reducing our environmental footprint by going beyond compliance and implementing strategies that encompass reducing, reusing, and recycling waste generated from our operations.

Our waste management practices adhere to the International Convention for Prevention of Marine Pollution for Ships (MARPOL) and to all applicable regulations in the countries where we operate.

In 2024, we accounted 3,411 m³ of solid waste generated onboard our vessels, down from 4,239 m³ in 2023. About 57% of the solid waste was classified as hazardous waste, mainly plastics and operational waste. This year, the reporting scope was expanded to include sludge generation, which amounted to 14,213 m³ in 2024.

Moving forward, we intend to further expand the scope to other waste streams. On our mission to improve our waste management processes and reduce waste generation across our land and sea operations, we are guided by three principles:

- Minimisation of waste** – We implement strict waste sorting and reduction practices.
- Circular economy integration** – We aim to design out waste and extend the useful life of our assets as far as possible.
- Recycling and reuse** – Materials that can be recycled or reused are identified and processed accordingly.

HAZARDOUS MATERIAL MANAGEMENT

The management of hazardous materials is critical to protecting the health, safety, and well-being of our people. In addition to complying with all applicable regulations and standards, such as MARPOL, all vessels are required to follow a standard procedure for the responsible handling of hazardous waste, including its storage, transport, and disposal.

We ensure that waste is properly segregated onboard vessels and provide regular training to keep crew members informed of best practices and emergency response protocols. To strengthen our approach, we also conduct regular audits and risk assessments to identify potential hazards and implement corrective actions proactively. This helps minimise risks to both human health and the environment.

PLASTIC WASTE

In 2024, plastic waste was our biggest waste stream, representing 33% of our solid waste generated onboard. Compared to 2023, plastic waste volume dropped by 17%. All our vessels are equipped with water filtration systems in the effort to minimise the use of single-use plastics.

In Q4 2024, we initiated a trial initiative to collect plastic waste from our vessels for recycling, rather than treating it as general waste. The trial was conducted on two vessels and resulted in the collection of 0.45m³ of plastics during the three months period. PIL will strive to expand efforts on such trials to operationalise these initiatives on a wider scale.

Looking ahead, we are also exploring other solutions and collaborating with industry partners to work on marine plastic reduction as part of ongoing efforts towards cleaner oceans and environmental stewardship.



WATER RESOURCE MANAGEMENT

At PIL, water resource management is primarily addressed on two fronts: water consumption, and water and waste discharge at sea.

WATER CONSUMPTION

In 2024, water consumption onboard vessels was reported for the first time. We consumed 211,164 m³ of water, sourced from both **municipal sources** and **desalinated water** onboard ships. In addition, we bunkered ~60,000 m³ of freshwater. Going forward, we will continue to monitor water consumption levels, identify areas for improvement and optimise water usage.

WATER AND WASTE DISCHARGE AT SEA

We ensure that our vessels are compliant with international conventions such as MARPOL and local regulations on waste and effluents treatment and discharge. Management of any water and waste discharge at sea must comply fully with MARPOL and its annexes. Our vessels adhere to strict procedures to ensure that no discharge, including garbage or wastewater, occur outside permitted conditions and 100% of our vessels have a sewage treatment plan in place.

PIL also adheres to a robust ballast water management system, which includes the deep-sea exchange of ballast water and the adoption of highly reliable ballast water treatment systems (BWTS) by 100% of our vessels. These measures significantly reduce the likelihood of introducing invasive non-native marine species into specific marine ecosystems, thereby protecting local biodiversity and maintaining ecological balance.

Furthermore, three key measures are deployed to reduce our impact on water - minimising onboard leakages through rigorous preventive maintenance practices, using air seals and environmentally friendly hydraulic oils for underwater machinery parts, as well as ensuring that seafarers are trained and adhere to operational best practices.



SHIP LIFECYCLE AND RECYCLING

From a waste minimisation perspective, container vessels and shipping containers represent two of the most significant sources of material use for PIL.

We maximise the operational lifespans of our vessels through regular preventive maintenance to uphold vessel integrity and performance, reducing the likelihood of major repairs and unplanned downtime. We also upgrade our fleet with energy-efficient technologies to meet IMO's Carbon Intensity Indicator requirements, lowering fuel use and emissions while maintaining high operational standards.

When our vessels reach the end of their operational life, they are sold to third parties for refurbishment and reuse. This extends the vessels' lifecycle and reduces the need for premature dismantling.

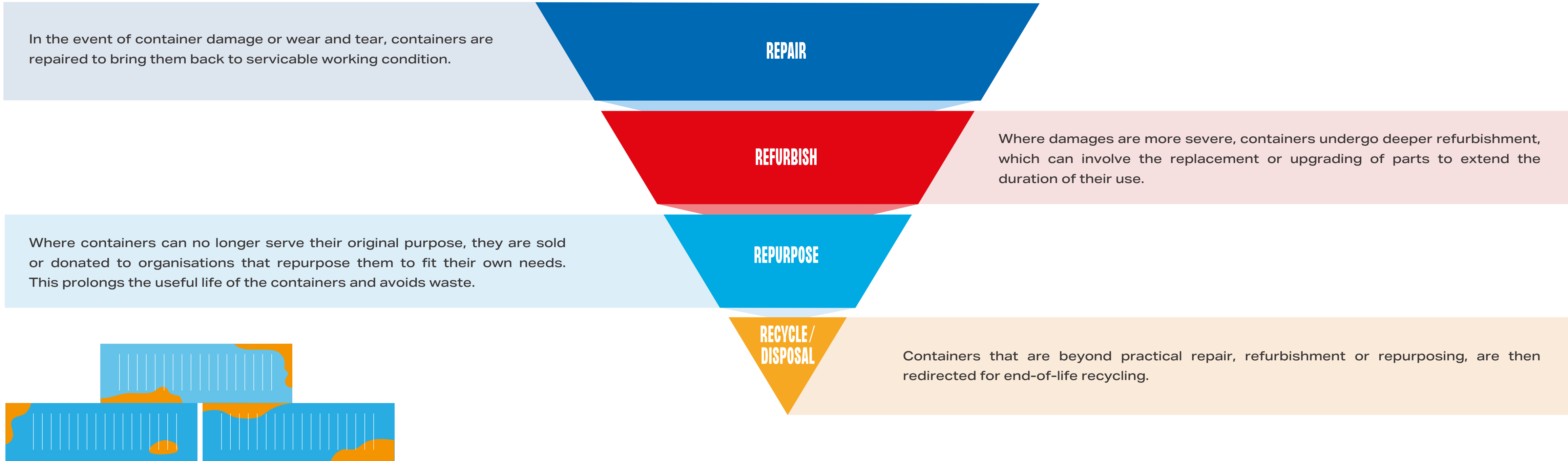
We also ensure compliance with the Hong Kong Convention by maintaining an up-to-date Inventory of Hazardous Materials (IHM) on board. This supports safer handling of materials during dismantling and helps minimise environmental and safety risks.

CONTAINER LIFECYCLE AND RECYCLING

PIL is committed to extending the useful life of our shipping containers, starting by designing for durability. We recently switched from 100% plywood floorboards to a mix with bamboo to increase elasticity and have switched from mild steel to Corten steel that is stronger and more resistant to corrosion.

To further extend the life cycle of our containers, we follow the principles of: Repair, Refurbish, Re-purpose and Recycle. We implement rigorous inspection protocols to identify and address wear and tear early. In 2024, we completed over 500,000 container repairs, including refurbishments to extend their service life.

EXTENDING THE LIFECYCLE OF CONTAINERS



LOST CONTAINERS

PIL had zero containers lost at sea in 2024. Container loss is a key area of concern for PIL, especially in light of the increase in adverse climatic events attributable to global warming, which has contributed to a noticeable increase in industry incidents of containers being lost at sea.

We regularly train employees on proper container securing methods, as well as maintain our lashing equipment and systems so as to minimise the loss of containers. All our employees adhere to stringent handling and security measures which includes management of containers in storage or transit, reducing the risk of loss. To maintain our commitment to zero container loss, our team is constantly refining our operational procedures to ensure alignment with best practices.

WASTE MANAGEMENT TRAINING

Prior to sailing onboard our vessels, all our seafarers are required to undergo training on waste and garbage management as per standards set by the International Convention for the Prevention of Pollution from Ships (MARPOL). These trainings are followed by assessments, ensuring that all PIL seafarers are aware of the proper procedures for sorting and treating waste onboard vessels.

MANAGEMENT APPROACH

We actively cultivate a culture of environmental consciousness among our employees. Together with our partners, we look to minimise the impact of our activities on biodiversity and ecosystems. PIL's Integrated Environmental Management (IEM) system enables continuous monitoring of our ecological impact and timely response to any negative effects, ensuring alignment with all relevant laws, regulations and standards.

COMMITMENT

We are committed to minimise the environmental footprint of our activities and ensure compliance with all relevant laws and regulations. Additionally, our Environmental policy includes and addresses biodiversity and ecological impact.

TARGETS

- 100% of vessels to have ballast water treatment systems in 2025
- Zero significant oil spills in 2025

PERFORMANCE 2024

- 100% of vessels had ballast water treatment systems
- Zero significant oil spills

Alignment with GRI Standards: GRI 101, GRI 303

BIODIVERSITY AND ECOLOGICAL EFFECT

BIODIVERSITY AND MARINE LIFE

PIL is committed to minimising our impact on biodiversity as part of our broader environmental sustainability goals. Recognising the vital importance of healthy marine ecosystems to global biodiversity, we implement various rigorous measures that reduce our operations' ecological footprint, including ensuring that our fleet of vessels complies with all established protocols to protect marine life set by maritime authorities at both local and regional levels.

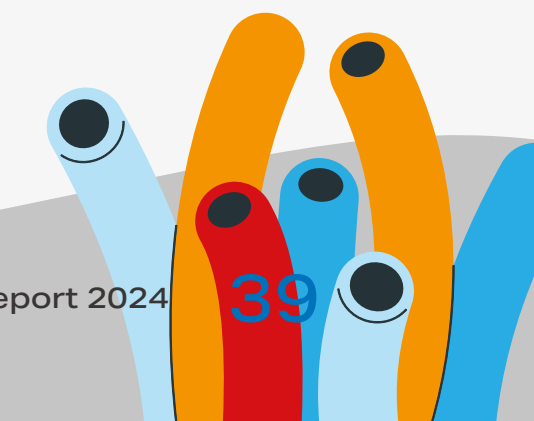
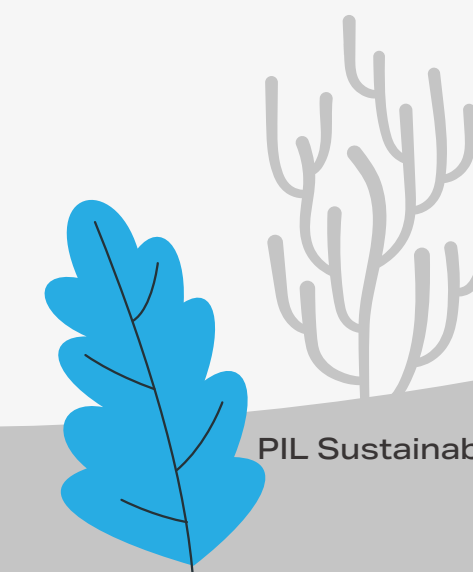
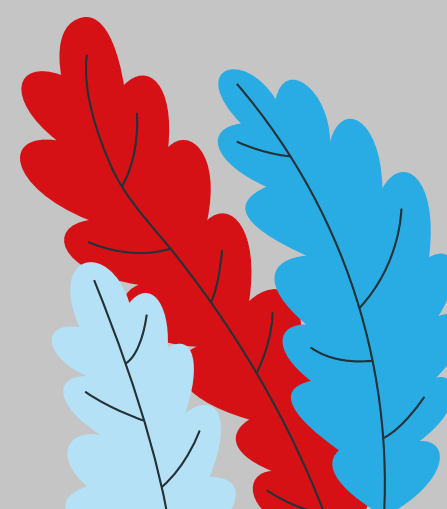
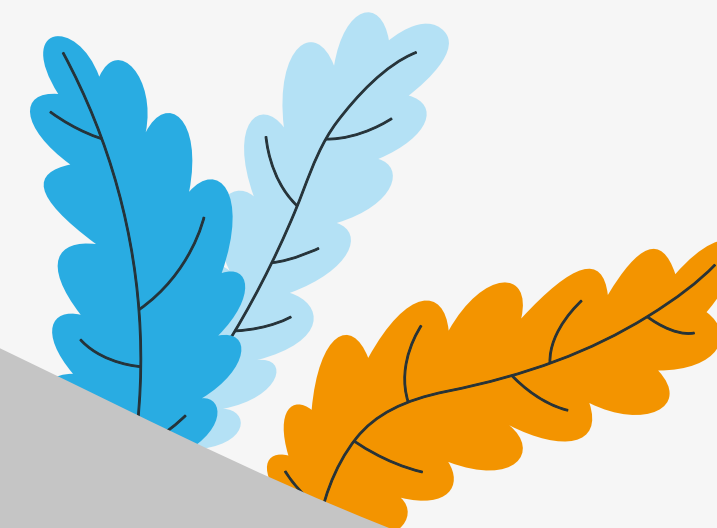
Currently, **100% of our vessels have a biofouling management plan**, supported by staff training to ensure effective implementation. Our robust approach to biofouling management includes regular hull inspections and cleaning, helping to prevent the spread of invasive species and safeguard the integrity of marine ecosystems.

TRIALLING MORE ENVIRONMENTALLY-FRIENDLY COATINGS

To minimise our impact on marine organisms in waters where our ships trade to, we have started reducing our use of traditional biocidal copper oxide coatings on our ships' hulls and replacing this with alternatives. Our pilot programmes include:

- **Hard silicone coating:** Hard silicone coatings are touted to have a smoother surface than soft silicone coatings, on top of being more impact resistant. We initiated a patch trial for hard silicone coating on Kota Lambai in 2023 and following this, we have since entered into discussions to trial the coating on the entire hull of a vessel in 2024.
- **Ultrasonic anti-fouling system:** In 2024, an ultrasonic anti-fouling system was installed on the propeller of Kota Ocean, one of our newest DF LNG vessels. This system releases ultrasonic energy in pulses to create a pattern of increasing and decreasing pressure on the hull surface, which creates and implodes microscopic bubbles that destroy surface algae, thereby preventing biofouling without releasing harmful chemicals into the ocean.

Biodiversity protection also involves preserving native marine ecosystems from invasive marine species from other regions. All our vessels are equipped with a **ballast water treatment system** as part of our systemic approach towards mitigating ecological impacts. Together with ballast water exchange procedures, these enable us to curb the introduction of invasive species into an existing ecosystem, thereby safeguarding the delicate balance of local biodiversity in areas we trade to.



OIL SPILLS

PIL is committed to preventing any spills to safeguard marine ecosystems. To avoid accidental discharges at sea from PIL’s vessels, we regularly maintain our vessels and conduct regular simulations and exercises. In addition, we ensure that all sea staff are trained to respond appropriately to such situations, as per our emergency response plan.

In 2024, there were zero cases of significant oil spills, and we aim to maintain this moving forward.

ILLEGAL WILDLIFE AND TIMBER TRADE

Illegal wildlife trade and sanctioned timber exports pose significant threats to global biodiversity and conservation. Since 2015, we have prohibited shark fin shipments and, in 2021, affirmed our commitment by signing the Buckingham Palace Declaration with the United for Wildlife Transport Taskforce.

We continue to strengthen our due diligence processes by enhancing customer screening and reinforcing the need for accurate cargo declarations. As a member of the World Shipping Council (WSC) and its Safety and Security Committee, PIL stays engaged with industry-wide initiatives to prevent wildlife trafficking. We also work to raise awareness among employees on these critical issues.



SOCIAL



Labour and Human Rights



Human Capital



Occupational Health and Safety



Community Impact



MANAGEMENT APPROACH

Respecting human rights is the first step to treating our employees fairly. We work to ensure high standards of labour and human rights for the staff in PIL's global operations and expect the same from our business and ecosystem partners.

COMMITMENT

We aim to uphold high standards for our seafarers, including employment conditions, accommodation, facilities, health, and welfare.

TARGETS

At least 95% of managers and seafarer officers trained on labour and human rights¹⁰ by 2025.

PERFORMANCE 2024

100% of seafarer officers trained on labour and human rights.

Alignment with GRI Standards: GRI 407, GRI 408, GRI 409

LABOUR AND HUMAN RIGHTS

PIL maintains a firm zero-tolerance stance towards any violations of labour and human rights and we recognise the policies and legislations of where we operate in protecting human rights. Our practices are aligned with key international human rights principles, including the United Nations Guiding Principles on Business and Human Rights and the Maritime Labour Convention of 2006 by the International Labour Organisation (ILO).

As a participant of the United Nations Global Compact (UNGC) since 2022, we are committed to the Ten Principles in the areas of human rights, labour, environment and anti-corruption. We strive to promote the protection of human rights and fundamental freedoms across all aspects of our operations, including those of our subcontractors and suppliers.

NEW PIL LABOUR AND HUMAN RIGHTS POLICY

In 2024, we formally introduced our group-wide Labour and Human Rights Policy, which codifies our commitment to ethical business conduct and respect for human rights throughout our activities. The policy is accessible to all employees via the PIL intranet and articulates our firm position on child and forced labour, fair working conditions, freedom of association and collective bargaining, anti-discrimination and harassment, and occupational and mental health and safety.

Our Labour and Human Rights Policy is complemented by our existing Whistleblower Policy, which provides employees and external stakeholders with a secure and confidential avenue to report concerns or complaints without fear of retaliation. These reporting channels are designed to safeguard anonymity and ensure that both the identity of the reporter and the content of the report are treated with strict confidentiality.

MANDATORY LABOUR AND HUMAN RIGHTS TRAINING

As part of our Labour and Human Rights Training programme, all seafarers, regardless of rank, are required to complete training on the Maritime Labour Convention, 2006 (MLC, 2006) prior to deployment.

The MLC, 2006 is an international treaty that sets minimum working and living standards for seafarers, safeguarding their rights to fair employment conditions, health and safety, and welfare while working at sea.

This training addresses key labour and human rights issues relevant to seafarers, including minimum standards for age, wages, working hours, and rest periods. In addition, it covers essential requirements for accommodation, recreational facilities, and food and catering, among other critical aspects. Training and development are further reinforced through follow-up sessions conducted onboard to ensure continued awareness of applicable regulatory and ethical standards.

In the coming years, we intend to progressively extend the mandatory Labour and Human Rights training programme to all shore staff, with an initial focus on managers. This phased approach reflects our commitment to embedding human rights principles across all levels of the organisation.

In 2025, we will focus on conducting a thorough labour and human rights risk assessment to proactively identify, mitigate, and remediate actual and potential risks across our operations.

¹⁰ LHR training covers topics such as working conditions and child and forced labour.



SHIPMONEY E-WALLET: INSTANT ACCESS TO WAGES – ANYTIME, ANYWHERE

The ShipMoney e-wallet offers seafarers secure, instant access to their wages – anytime, anywhere. Designed to give seafarers flexibility in managing their wages, PIL is rolling this out specifically for seafarers from regions affected by sanctions, civil unrest, or conflict, leveraging this solution to overcome restrictive banking systems, enabling safe salary storage and internal fund transfers.

Initially rolled out for our Burmese seafarers, the solution was extended to Ukrainian crew members in 2025, promoting financial independence and dignity at sea.

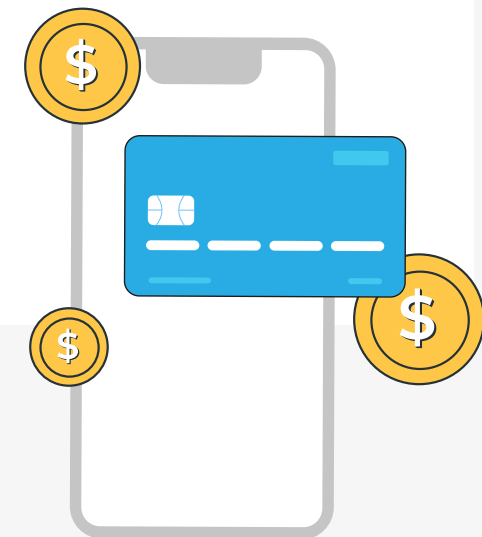
“Before ShipMoney was introduced, managing my salary remittance was quite challenging due to the ongoing political and banking conditions in Myanmar. Many local banks experienced operational difficulties, and access to funds could be inconsistent. ShipMoney has provided a practical solution by allowing me to receive my salary directly and manage my finances independently, reducing my reliance on traditional banking systems.

Zaw Han Muang
Chief Engineer

“Due to economic conditions in our country during recent years, the exchange rates in the banks have been fluctuating, leading to less favourable exchange rates during salary remittances. Most of us were using foreign bank accounts of our relatives, which took time, and we still faced the issue of less favourable exchange rates since our salaries went through two currency conversions.

After ShipMoney was rolled out, we were able to access more favourable exchange rates and could safely keep our salaries in our cards before transferring funds to any other banks whenever needed, with reasonable transfer charges.”

Kaung Htet Wai
Second Officer



STARLINK INTERNET ACCESS: ENHANCING SHORE CONNECTIVITY FOR SEAFARERS

PIL has completed the rollout of Starlink internet access for personal use by crew members fleetwide. Each crew member will receive 2GB of complimentary data monthly, in addition to their currently existing 2GB complimentary data from another provider. This initiative enhances digital communication, helping seafarers maintain close ties with loved ones and reducing feelings of isolation. In 2025, we will focus on integrating Starlink into shipboard operations, further strengthening connectivity and operational efficiency.

“Sailing for months on end can be quite lonely at times but with the improved internet onboard, I feel much more connected with my friends and family back home.”

Pyei Thiha
Second Officer



NOURISHING FOOD AT SEA

Food is more than sustenance – it is a source of comfort, culture, and community. Guided by the principles of MLC, 2006, PIL has increased the victualling allowance across our fleet and introduced comprehensive training programs for onboard cooks. These efforts ensure that meals served at sea are nutritious, culturally respectful, and of high quality, contributing to the overall well-being and morale of our seafarers.

INTERNATIONAL SOS SERVICES: 24/7 ACCESS TO MEDICAL HEALTH CONSULTATIONS

On top of the existing International Seafarers’ Welfare and Assistance Network (ISWAN) that offers our seafarers round-the-clock access to free, confidential helplines for mental well-being support, PIL provides complimentary access to International SOS services for all seafarers as well. Through this added service, seafarers now benefit from 24/7 access to medical consultation services, ensuring timely support and care while at sea. Together, these services help to foster a safer and more resilient working environment at sea.



MANAGEMENT APPROACH

Championing our people is the right thing to do and also ensures our organisation's success and sustainability. In PIL, we are guided by our Culture Playbook that focuses on ensuring a positive workplace environment where our people feel valued and engaged. In addition, we have put in place human resource processes that govern aspects such as recruitment, remuneration, performance and appraisal, training and development, and career management.

COMMITMENT

We care about our employees and are committed to ensuring their growth and well-being. We are a people-centric company and aim to be an employer of choice.

TARGETS

- Provide at least 18 hours of training per employee per year by 2025
- Extend annual employee survey to at least 5 more countries by 2025
- Expand Employee Assistance Programme (EAP) to all locations by 2025

PERFORMANCE 2024

- Provided an average of 40 hours of training per employee
 - Average training hours per shore staff: 7.4
 - Average training hours per seafarer: 63.5
- Expanded Employee Assistance Programme (EAP) to all regional offices, on top of HQ

Alignment with GRI Standards: GRI 401, GRI 404, GRI 405

HUMAN CAPITAL

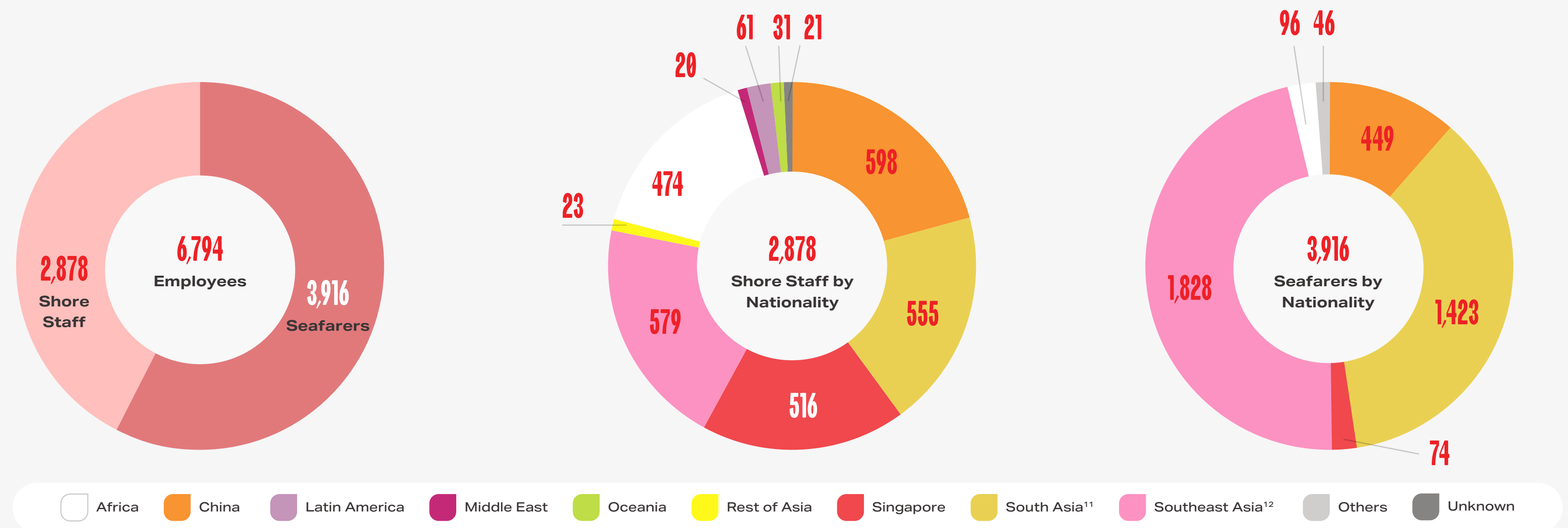
OUR PEOPLE

Our employees, including and especially our seafarers, are the cornerstone of sustained growth and success. Our people strategy centres on fair recruitment, employee welfare, and career development to cultivate a high-performing and valued workforce.

As of end-2024, PIL employed 6,794 staff – 3,916 seafarers and 2,878 shore staff. Our workforce spans multiple geographies and reflects a wide range of backgrounds and nationalities.

To meet growing industry needs, we are focused on our ability to recruit, develop and retain exceptional, top-tier talent to sustain our market position. Through targeted recruitment strategies and strong core values, PIL aims to attract high-calibre professionals seeking rewarding careers in shipping.

Retaining experienced employees is critical to operational continuity and mentoring new employees. PIL is committed to providing a positive work environment that supports talent growth and career progression to encourage employee retention. In 2024, we welcomed 976 new hires.



¹¹ India, Pakistan, Bangladesh, Sri Lanka

¹² Except Singapore

PEOPLE STRATEGY

Our People Strategy is anchored in our Culture Playbook, which defines standards of conduct applicable to all employees within our organisational control. It serves as a single, central reference for all relevant policies employees should be aware of in their day-to-day responsibilities. Derived from the Playbook, the Pillars of People Excellence comprises six pillars which inform the initiatives we adopt to promote people excellence and position PIL as an employer of top choice.

● Compensation Management

Compensation management involves designing and administering PIL's pay structure to attract and retain employees. This includes setting competitive salaries, managing bonuses and benefits, and ensuring fair and equitable compensation practices. To maintain salary competitiveness, we conduct annual reviews of pay equity and market comparisons.

● Learning and Development

Learning and development encompasses organisational efforts aimed at enhancing employees' knowledge, skills, and abilities. Learning focuses on improving specific job-related skills, whereas development adopts a broader, long-term approach to support overall employee growth and potential. These initiatives may include workshops, courses, on-the-job learning, and other methods. By investing in these initiatives, we foster a skilled and engaged workforce, ensuring employees are ready to meet future challenges and drive organisational success.

● Leadership Development

Within the broader scope of development, our emphasis is on fostering leadership. We have developed a framework to identify the key skills and competencies necessary for these roles. Development opportunities may include international assignments and job rotations, all aimed at enhancing learning and growth.



● Culture Management

Workplace culture has a direct bearing on staff morale and workplace dynamics. PIL is committed to cultivating a positive workplace culture which aligns with our beliefs, purpose and values on all people-related matters, processes, systems and ways of working. This involves prioritising employee well-being and addressing diversity, equity, and inclusion (DEI) considerations. Culture management and the continuous improvement of this is core to PIL's goal of becoming a great place to work.

● Succession and Talent Management

This pillar is essential for maintaining organisational stability and achieving long-term success. It involves a systematic approach to identifying and developing individuals for key roles within PIL. By recognising high-performing employees and preparing them for seamless transitions into critical positions, we ensure that skilled and motivated staff are ready to step into leadership and specialised roles when needed.

● Performance Management

Performance management is one of the key areas for assessing employee performance. To implement a systematic approach, a policy has been put in place to define processes, roles, and responsibilities clearly. Before the final appraisal, briefing sessions are conducted to ensure that all employees fully understand the appraisal system. This is a continuous process involving goals setting, providing feedback and mid-year reviews, and performance evaluation over an agreed period to ensure alignment with PIL's business goals.

TALENT ATTRACTION AND RETENTION

To reinforce our new values introduced in 2023 and promote a culture of open dialogue, we launched a series of fireside chats in 2024. These sessions offer a structured yet informal avenue for senior leaders to connect with employees, encouraging honest dialogue and the exchange of perspectives. This initiative is part of our broader strategy to cultivate a speak-up culture and improve collaboration across teams. We are confident that embracing diverse insights will help us advance toward our goal of becoming a Great Place to Work.

KEY HIGHLIGHTS FROM FIRESIDE CHATS IN 2024



10 SESSIONS



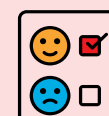
548

Staff attended
at least 1
session



82%

of the staff **will**
recommend fire-side
chats to their colleagues



87%

of the participants
agreed that the **sessions**
were engaging



88%

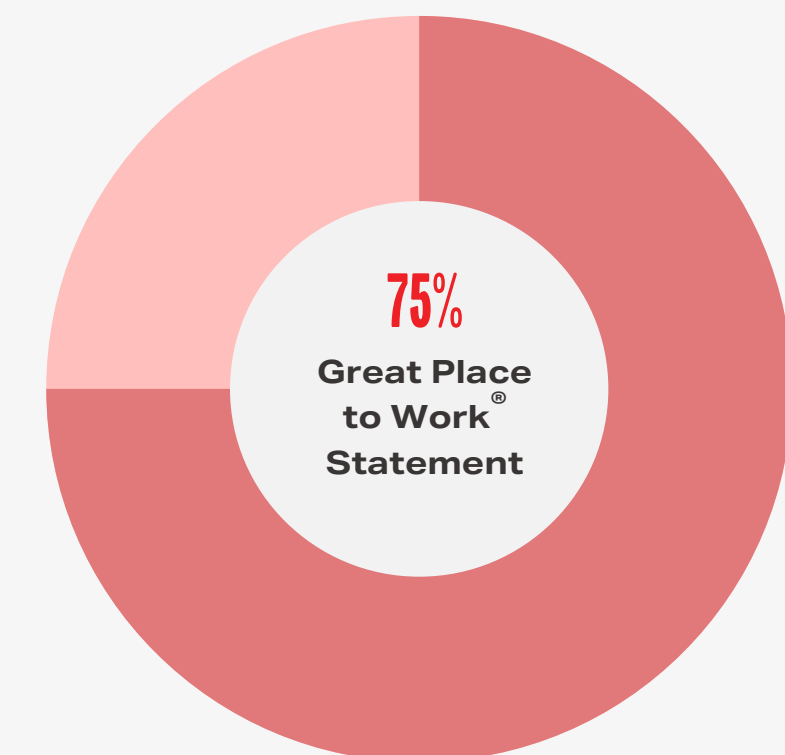
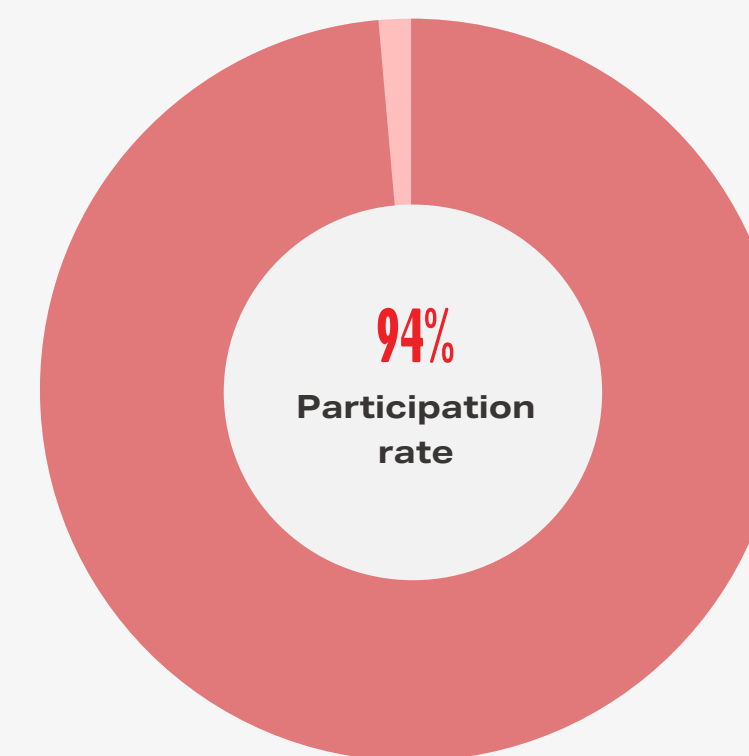
of the participants
find the sessions
informative



PIL strives to understand employee sentiments on the company as a workplace and recognises the importance of hearing the voice of our workforce. After the first pilot survey in headquarters in early 2024, we expanded the employee engagement survey to all shore staff globally, using the **Great Place to Work®** model¹³.

Across our global shore workforce outside headquarters, 94% participated in the survey, with 75% considering PIL a Great Place to Work. Moving forward, we will focus on enhancing the areas in need of improvement based on the survey results while remaining receptive to feedback from our employees.

Moving forward, we plan to roll out a dedicated survey for our seafarers to gain actionable insights into the key dimensions of their work environment, wellbeing and overall experience.



DIVERSITY, EQUITY AND INCLUSION

With employees from over 35 countries, it is crucial for the various PIL entities to maintain consistent standards across all regions. Our Culture Playbook serves as a key internal reference, articulating our core values – mutual respect and support, inclusivity, and a commitment to fairness for everyone.

In line with Singapore's Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) guidelines, we embrace fair, responsible, and progressive practices. We ensure that all employees are treated with respect, hired and promoted based on merits, and recognise the value of a diverse and inclusive working environment. Moreover, we do not tolerate discrimination, bullying, harassment, or any behaviour that contradicts our values.

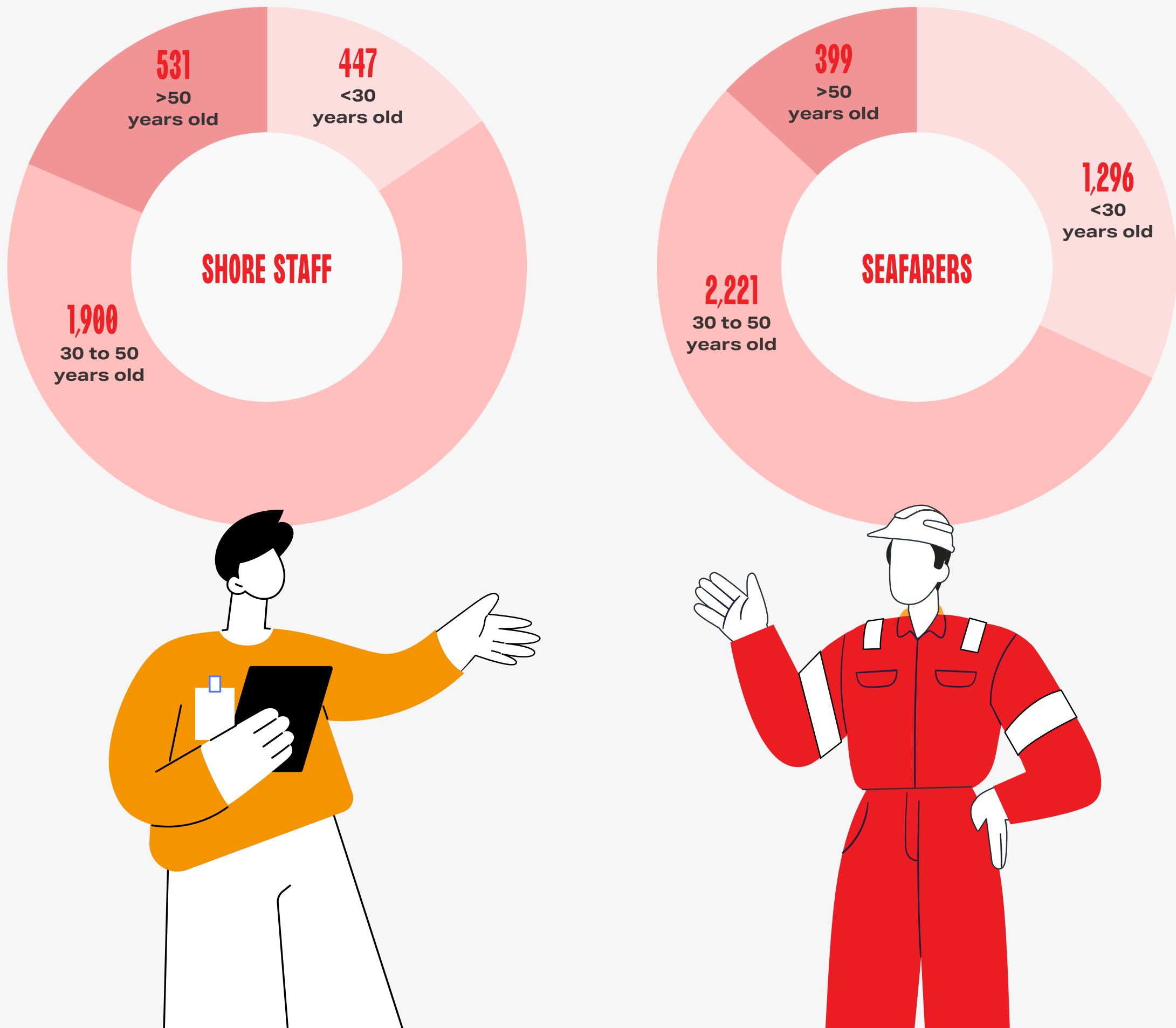
0
incidents of
discrimination
reported in 2024

¹³ The Great Place to Work Model is a widely recognised global standard for measuring workplace culture, leadership impact and employee experience

Our employees are encouraged to report any cases of discrimination or other concerns through multiple avenues, including their managers, HR, Legal or Compliance, or the Whistleblower¹⁴ channels available via email, online form and phone. We do not tolerate retaliation against colleagues for voicing concerns or reporting issues.

In terms of age diversity, most of our seafarers and shore staff are between 30 and 50 years old.

AGE DIVERSITY



In 2024, women represented approximately 20% of our total workforce, including 46% of shore-based staff, along with 24 female seafarers. While the maritime industry has historically been male-dominated, PIL remains committed to advancing gender diversity across all roles.

At the leadership level, 3 out of 14 Senior Management Committee members are women. PIL is pleased to announce the appointment of Ms. Tan Beng Tee to the Board, where she will be a member of the Nomination and Remuneration Committee. Ms. Tan Beng Tee is a highly accomplished leader in maritime development, recognised for her significant contributions to Singapore's status as an International Maritime Centre.

GENDER DIVERSITY

	MALE	FEMALE	TOTAL
Shore Staff	1,547	1,331	2,878
Seafarers	3,892	24	3,916
Senior Management	11	3	14
Board	8	1	9

Our employment practices are guided by principles of fairness and merit, ensuring equal opportunity and recognition based on performance and contribution. We firmly believe that gender is not a barrier to advancement in PIL; we will continue to foster an inclusive environment where talent is valued, and diversity is actively supported.

¹⁴ PIL's whistleblowing channel is accessible from our website. WhistleBlower | PIL - Pacific International Lines (pilship.com)

HONOURING WOMEN IN MARITIME: A GLOBAL CELEBRATION ACROSS PIL OFFICES

In May 2024, PIL offices worldwide marked International Day for Women in Maritime with events that celebrated and recognised the contributions of our female colleagues. In Singapore, the Head Office team hosted a “Ladies’ Night Happy Hour”, offering an evening of appreciation and camaraderie. In Shanghai, PIL China held a parallel celebration attended by CEO Lars Kastrup, whose remarks, broadcast live to Singapore, highlighted the value women bring to PIL and the broader maritime industry. He reiterated the company’s people-first approach to gender equality and its dedication to building an inclusive and respectful workplace.



EMPLOYEE WELL-BEING

At PIL, we recognise that employee well-being is integral to our ambition of becoming an employer of choice and a driver of operational excellence. Our Employment Assistance Programme (EAP) provides 24/7 confidential mental health support across our global offices in Singapore, India, China, Ghana, Chile, and the UAE. The programme includes counselling services, wellness resources, guided meditations, and digital learning tools. We aim to extend EAP coverage to all global entities by 2025.

For our seafarers, PIL partners with the International Seafarers’ Welfare and Assistance Network (ISWAN) to offer round-the-clock helplines. We also ensure seafarers’ welfare through competitive victualling allowances, a dedicated shipboard recreation fund, and family engagement initiatives. Onshore, our offices foster employee engagement through local programmes, including Club Pacific in Singapore and China, which offer a diverse range of recreational, cultural, and learning activities.



HONOURING OUR SEAFARERS

On 25 June 2024, PIL commemorated the Day of the Seafarer, a global observance recognising the indispensable role of seafarers in international trade and the global economy. In tribute to their dedication and the personal sacrifices they endure, CEO Lars Kastrup visited Kota Layang to engage directly with the crew and present tokens of appreciation.

Aligned with the year's theme, "Safety at Sea," Mr. Kastrup received a comprehensive briefing from Captain Chu Xing Peng, Deputy General Manager, Quality, Safety, Security & Environment Division, on PIL's adherence to industry-leading safety protocols. He also held discussions with the crew to understand their daily practices in maintaining safe working conditions and operational integrity aboard the vessel.



WELLNESS AT WORK: ENHANCING EMPLOYEE HEALTH

In May 2024, PIL organised a three-day onsite health screening and lunch talk series in Singapore, aimed at enhancing employee well-being through education and preventive care. The sessions covered a range of topics including how diet is linked to mental wellness, preventive health and retirement planning. To further support staff health, a separate programme also featured on-site eye screenings and chiropractic adjustments, reinforcing our commitment to holistic wellness in the workplace.

Looking ahead, we are focused on developing the PIL Standard – a global framework that establishes minimum guarantees across key welfare areas such as leave entitlements, remuneration, training hours, safe workplace, amongst others.

TALENT MANAGEMENT

PIL fosters continuous learning and development by offering internal job rotation opportunities, allowing employees to broaden their skillsets and career paths within the company. For seafarers, we provide a sea-to-shore job rotation programme, where selected seafarers are rotated to work as shore employees at the headquarters in between their sea stints. This programme aims to upskill our sea staff by developing an appreciation of operational considerations in the office whilst providing exposure to broader perspectives and strategic considerations.

We also have a programme to encourage global mobility of our employees by facilitating employee transfers between our regional offices, and this includes opening our headquarter to qualified employees from other countries. The goal is to break down silos by building relationships and facilitate knowledge sharing and cross-learning opportunities between employees from different geographies.

PIL INTERNSHIP PROGRAMME: A LAUNCHPAD FOR MARITIME CAREERS

PIL's internship programme provides a 3 to 6-month experience to equip aspiring maritime professionals with the exposure, skills, and knowledge required for success in the industry. Interns gain hands-on experience by working on real-world projects, contributing to ongoing operations while developing their skillsets.



MANAGEMENT ASSOCIATE PROGRAMME

Established since 2022, the Management Associate (MA) programme is designed to help fresh graduates and early-career talents fast-track their career in the maritime industry. The comprehensive programme seeks to develop a global mindset and provide hands-on experience through strategic job rotations, overseas attachments and a real-case project involvement.

A key feature of the MA programme is the rotational attachments. Over the course of two years, MAs will undertake two 8-month attachments within PIL's core shipping business departments, followed by a final 8-month stint at one of PIL's regional offices. These rotations are crafted to immerse MAs in various facets of the business, including commercial activities, operations and logistics.

"The Management Associate Programme at PIL was a really fulfilling experience. I had the chance to rotate through the Trade and Risk Management teams, where I gained a strong understanding of the commercial side of shipping and how to assess and manage business risks."

One of the key skills I developed was stakeholder management – working closely with internal teams and external partners taught me how to communicate effectively, align different interests, and build strong working relationships across regions."

The highlight was the overseas rotation to our regional office in Ghana, which gave me a global perspective and the chance to collaborate in a new cultural and business environment. The exposure and support I got through this programme has helped me grow both professionally and personally."

Ryan Foo
Senior Executive, Group Commercial & Agency Management



Ryan visiting a vessel during his stint in Ghana with colleagues from the region

SEA-TO-SHORE CAREER ADVANCEMENT FOR SEAFARERS

To support the professional growth of seafarers and facilitate their transition into shore-based roles, a structured pathway has been established that offers both exposure and development opportunities within the company's headquarters.

For several years, the company has been running a roving attachment programme, enabling seafarers to gain firsthand experience in various shore-based departments. These attachments typically span a minimum of three months and involve placements in key divisions such as the Centre for Maritime Efficiency (CME), Marine Personnel Department (MPD), and the Fleet Technical team.

Before our senior officers assume command onboard, they are attached to the head office to prepare them for higher responsibilities by immersing them in fleet operations, commercial decision-making, and corporate strategy.

Through this office attachment, they gain a holistic understanding of the business – aligning their operational perspective with the company's broader vision and mission. The programme supports a smoother transition to leadership roles onboard by fostering cross-functional collaboration and long-term planning aligned with business strategy.

"My 3-month roving officer attachment with PIL's CME department was transformative for my career. Having dedicated 20 years to seafaring, this shore-based experience under Captain Leo's mentorship provided invaluable insights into commercial shipping operations. I gained invaluable insights into shipping's commercial aspects—understanding port turnaround times, container operations, and bunker budgets across services. The experience enhanced my knowledge of fleet-wide weather systems and their impact on vessel and port schedules."

I also learned how CME optimises voyage planning to minimise carbon emissions, aligning operational efficiency with environmental responsibility. On top of that, I learned corporate communication protocols essential for shore-based operations. Most importantly, this attachment helped me realise I could successfully transition to shore life, something I had previously thought would be very difficult after two decades at sea. The program opened new career possibilities I hadn't imagined."

Captain Sayed Zoheb Shabir
Manager, Centre for Maritime Efficiency



Captain Zoheb in PIL's CME room, under the guidance of Captain Leo

NEW MANAGEMENT ASSOCIATE PROGRAMME FOR SEAFARERS

Extended to seafarers in 2024, the Management Associate (MA) programme marks a significant enhancement in career development for seafarers. Mirroring the MA programme designed for shore-based staff, this initiative offers a comprehensive rotational experience across multiple departments at headquarters.

The first seafarer selected will commence the programme in 2025, embarking on a journey that includes an 8-month overseas posting, designed to broaden their global perspective and strategic acumen.

REMUNERATION

Our reward philosophy is based on merit of performance and ensuring alignment with market standards. We conduct salary reviews annually to ensure competitive pay for retaining and attracting seafarers by consulting industry benchmarks and collecting feedback from our staffing agents and current seafarers.

We provide insurance coverage for our shore-based staff which is aligned to the domestic market median. For our seafaring workforce, insurance coverage extends to their families and includes periods when they are not sailing. In early 2025, we rolled out enhancements to our flexible benefits programme in Singapore, integrating incentive mechanisms that reward employees for making healthier lifestyle choices.

NEW COMMITMENT TO LIVING WAGE

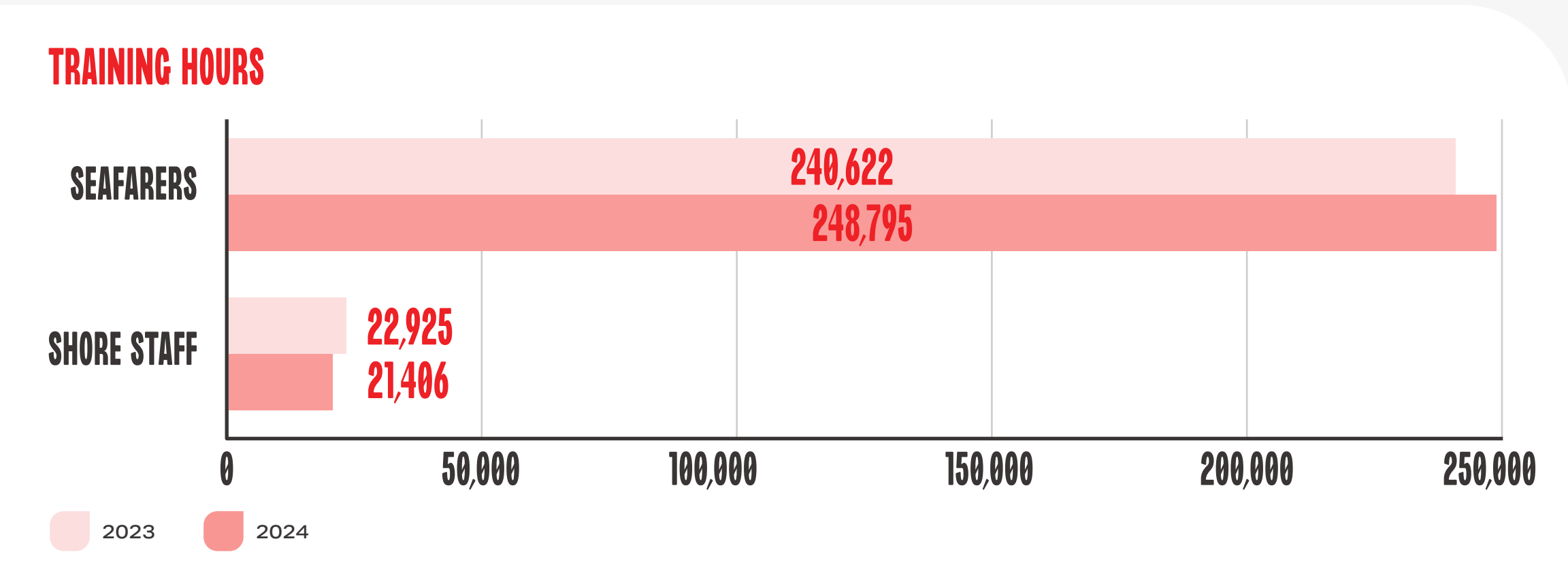
PIL is dedicated to ensuring that all our employees receive a living wage. We have initiated our living wage assessment for 67.5%¹⁵ of our global entities and plan to extend this initiative progressively to include additional office locations. Our benchmarks are aligned with the Global Living Wage Coalition (GLWC)¹⁶ database, ensuring our standards meet global best practices. Where country-specific data is unavailable, we will continue to actively explore other credible databases.



TALENT DEVELOPMENT

We build our organisational strength on operational finesse and the continuous development of our people. Central to this is harnessing the talent of each staff and nurturing their potential so that they can better contribute to the organisation. We also have initiatives to develop leaders who will guide and support PIL amidst our transformation and train the next generation of maritime personnel for our industry.

We are committed to providing equal opportunities for all employees to grow and develop in their careers. In 2024, we achieved an average of 7.4 hours of training per shore-based staff and 63.5 hours per seafarer. We remain committed to advancing learning and development, with a target to provide a minimum of 18 training hours annually to each employee, on average, by 2025.



	2023	2024
Average training per Staff	37.9	39.8
Shore staff	7.5	7.4
Seafarers	62.0	63.5

¹⁵ This indicates that we have achieved coverage in 67.5% of the countries where PIL has both office presence and management control. Data for 30% of such countries were not available on the GLWC.
¹⁶ The Global Living Wage Coalition (GLWC) is an organisation that provides knowledge and information to promote a decent standard of living for workers worldwide, using the Anker Methodology to estimate living wages.

PIL ACADEMY

PIL has launched PIL Academy, a centre of excellence for learning and development, to equip our workforce with the skills and knowledge required to thrive in a rapidly evolving maritime and logistics landscape. The Academy is designed to deliver comprehensive training for staff development, with a focus on essential skills and knowledge applicable to the maritime industry, supported by strategic collaborations with industry organisations and technology partners. This is achieved through accredited courses and flexible learning pathways tailored to employee needs and PIL's strategic objectives.

In addition, PIL Academy has signed a series of Memorandums of Understanding (MOUs) with various partners, including:

- Singapore Institute of Technology (SIT): Co-development of micro-credentials under the Competency-Based Stackable Micro-credential pathway, where staff can choose specialist certificates based on their current roles and potentially stack them towards a degree or higher qualification.
- JobKred: An AI-powered skills management and development platform that enables employees to identify relevant courses and learn at their own pace.
- Maritime Training Academy: Collaboration to offer bespoke remote-learning diplomas in maritime studies, expanding access to specialised education for our global workforce.

These developments reflect PIL's commitment to continuous learning, talent development, and operational excellence.

MISSION

Empower the PIL team with the key skills and knowledge to excel in maritime transport and logistics sectors

VISION

A leading academy distinguished for innovative and superior training in maritime transport and logistics



WHAT WE WANT TO ACHIEVE

Increased Productivity

- Streamlined operations through advanced skills and innovative solutions
- Reduced operational inefficiencies with expert-trained staff

Enhanced Employee Engagement

- Upskilled workforce aligned with organisational goals
- Greater career satisfaction through structured growth paths

Maritime Industry Growth

- Advocacy for the maritime sector as a career of choice
- Collaboration with partners to strengthen industry standards

STRATEGIC INITIATIVES



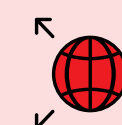
Custom Learning Pathways

Tailored programs for diverse roles



In-house Expertise Development

Empowering employees as trainers



Global Exposure

Collaborations with industry leaders and institutions



Innovation Labs

Practical applications driving sector transformation

2024 ACHIEVEMENTS

77 in-person courses launched

- 29 Tailored courses
- 48 In collaboration with external partners

>700 Employees trained in-person

Diverse courses, including:

- Data visualisation
- Risk management
- Workplace safety and health



Moving forward, PIL Academy will continue to develop and launch courses while focusing the rollout to our global workforce. Emphasis will also be placed on developing our own people as trainers in their respective fields, enabling us to provide in-house training in the context of PIL. At the same time, we will continue to engage specialised trainers within the maritime industry to support the growth of our workforce.

MANAGEMENT APPROACH

We drive a “safety first” culture, with health, safety and security being amongst our top priorities. We maintain a comprehensive Workplace Safety and Health Policy, ensuring all employees worldwide adhere to legal and industry standards. This commitment extends to both maritime and onshore activities, complying with ISM, International Ship and Port Facility Security, and local safety regulations globally.

COMMITMENT

PIL is committed to protecting the well-being and safety of our crew, staff, and partners.

TARGETS

- Achieve Lost Time Injury Frequency (LTIF) of not more than 0.8 in 2025
- Achieve zero major accidents¹⁷ in 2025

PERFORMANCE 2024

- Achieved Lost Time Injury Frequency (LTIF) of 0.31
- Zero major accidents

Alignment with GRI Standards: GRI 403

OCCUPATIONAL HEALTH AND SAFETY

HEALTH AND SAFETY MANAGEMENT SYSTEM

Our health and safety management is anchored in our Workplace Safety and Health Policy, which applies across all operational contexts, both shore-based and offshore. The policy mandates strict adherence to Standard Operating Procedures (SOPs) and comprehensive risk assessments, particularly for all offshore activities where risk exposure is elevated.

The Workplace Safety and Health Committee plays a critical role in operationalising this policy and serves as a formal oversight mechanism. This joint management-worker body represents all employees and contributes significantly to upholding operational integrity, ensuring legal compliance, and cultivating a proactive culture of safety excellence. Employees are encouraged to bring forward to the Committee any safety concerns, including feedback on SOPs, ensuring that safety decisions are informed by operational realities and addressed transparently.

STRENGTHENING OPERATIONAL SAFETY CREDENTIALS

PIL is currently in process of obtaining ISO 45001 certification for our Singapore headquarters and fleet management system, on track to marking a significant milestone in our occupational health and safety journey. This certification is meant to strengthen our safety credentials, following the attainment of BizSAFE Level 4 certification in 2022 by the Workplace Safety and Health (WSH) Council – a statutory body under Singapore’s Ministry of Manpower. BizSAFE Level 4 recognises that PIL has conducted risk assessments for all work activities and processes in accordance with the WSH Risk Management Regulations. In parallel, we remain committed to maintaining 100% compliance with the ISM and ISPS codes for our fleet, including the completion of the health and safety risk assessments onboard ships.

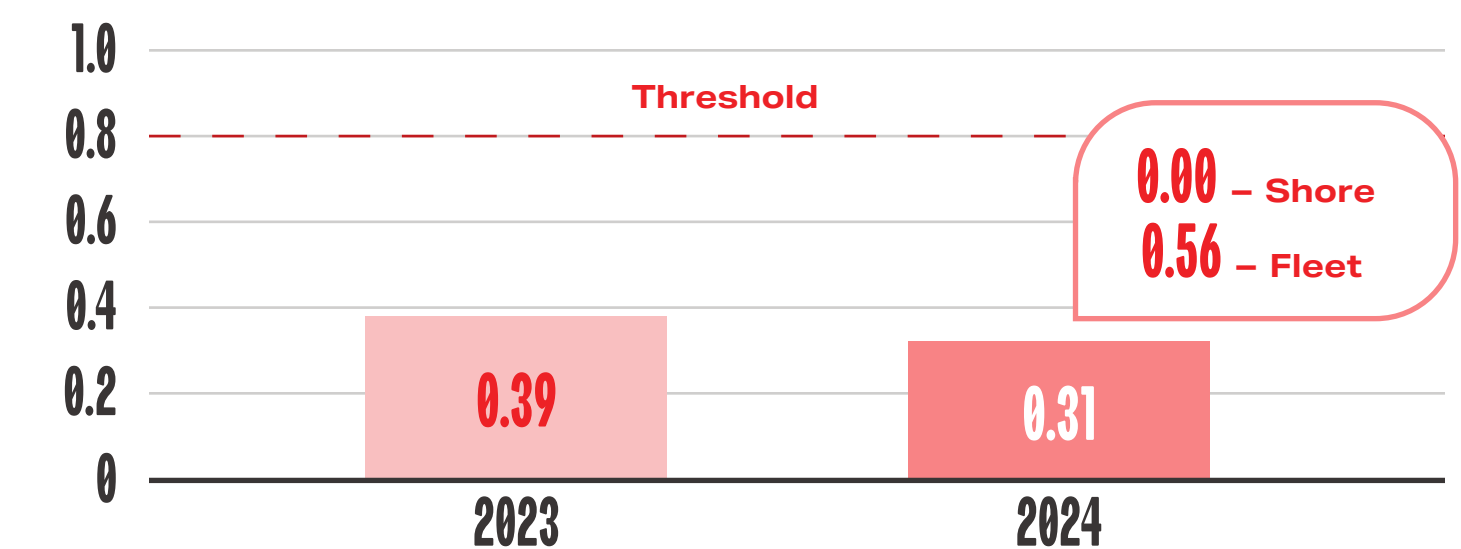
MANDATORY OCCUPATIONAL HEALTH AND SAFETY TRAINING

We implemented mandatory health and safety training for all employees in 2024. This will be maintained as an annual standard across the organisation to support a consistent and informed safety culture.

In 2024, PIL recorded zero fatalities and no high-consequence cases of work-related injuries or ill-health. Our offshore Lost Time Injury Frequency (LTIF) improved to 0.56, down from 0.71 in 2023, reflecting continued progress in our safety performance.

100%
of seafarers and shore staff globally trained on occupational health and safety in 2024

LOST TIME INJURY FREQUENCY (LTIF)



Looking ahead, the QSSE department will continue to collaborate closely with the Fleet department and other operational units to strengthen our safety systems, enhance reporting mechanisms, and drive continuous improvement in workplace health and safety performance.

¹⁷ Accidents resulting in at least the loss of one life, or at least 3 casualties (life threatening or long-term impact) due to operations

EMERGENCY PREPAREDNESS AND RESPONSE

Our emergency preparedness and response is governed by our Safety and Emergency Manual (SEM). This manual articulates a foundational directive: the safety of life shall be the foremost priority in all emergency situations. The SEM covers sixteen categories of shipboard emergencies from fire, flooding, spills, collisions, serious injuries and death to rescue operations.

Each vessel adheres to a Ship Specific Contingency Plan, with designated officers responsible for executing emergency procedures. The SEM outlines the roles of individual crew members and the Emergency Response Team, along with reporting channels. All shipboard emergencies shall be reported as soon as practicable to the head office via the shore emergency contact number and addressed with urgency to ensure safety of life, vessel, and the marine environment.

To ensure preparedness of staff, PIL conducts shipboard training and emergency response drills in compliance with relevant requirements, such as the Convention for the Safety of Life at Sea (SOLAS Convention). In addition, we conduct annual emergency ship shore exercises to ensure that vessel crew and shore teams are well coordinated in the face of emergencies. Detailed records of all emergency drills and ship shore exercises are kept and evaluated, and lessons learnt are promptly disseminated to the Shore Emergency Response Team and vessels.

In 2024, we had zero major accidents at sea and on shore.

SEARCH AND RESCUE OPERATIONS

PIL's focus on safety and security extends beyond that of the company. We recognise the importance of safety across the maritime industry and are committed to proactively extend our assistance when called upon.

PIL'S SEARCH AND RESCUE EFFORTS

On 30 June 2024, the Kota Kamil, under the command of Captain Li Fuqiang, carried out a successful rescue operation, saving two fishermen in distress off the coast of Hambantota, Sri Lanka.

In recognition of the crew's swift and courageous actions, PIL was awarded the Safety@Sea Award 2025 by the Maritime and Port Authority of Singapore (MPA).



MANAGEMENT APPROACH

PIL has a presence in over 500 locations in more than 90 countries around the world and our business has an impact on many local communities. Our Grant-Giving Policy, Culture Playbook and social commitments guide our efforts in creating a lasting positive impact on these communities.

COMMITMENT

We strive to provide the best support we can, not only to our partners, employees, and their families, but also the communities at large.

TARGETS

Focus on humanitarian aid, underprivileged communities and marine or coastal conservation.

PERFORMANCE 2024

~US\$220k donated to humanitarian, community, and marine conservation.

Alignment with GRI Standards: GRI 413

COMMUNITY IMPACT

With a presence spanning over 500 locations in more than 90 countries, PIL embraces its role as a responsible corporate citizen. We are committed to improving lives in the communities we touch by promoting sustainable development, supporting local economies, and ensuring our actions are guided by both ethical standards and legal integrity. Our efforts to create a lasting impact on communities are guided by our Grant-Giving Policy and Culture Playbook.

In 2024, the fourth pillar of Supporting Seafarers was explicitly added to our Grant-Giving Policy to recognise the vital role of seafarers.

FOCUS AREAS

	Empowering communities <ul style="list-style-type: none">• Providing communities in need with necessities with the aim to enhance food security and public health• Investing in education and capacity-building
	Humanitarian aid <ul style="list-style-type: none">• Providing relief to victims of natural disasters and geopolitical conflicts through logistical support and partnerships with non-governmental organisations (NGOs)
	Conservation of the natural environment <ul style="list-style-type: none">• Contributing to projects that protect and improve the environment, with a particular focus on marine ecosystems
	Supporting Seafarers <ul style="list-style-type: none">• Contributing to initiatives that champion the wellbeing of seafarers across the globe



¹⁸ Decrease in donations was due to more targeted focus areas from 2024 and revised calculation method for in-kind donations

EMPOWERING COMMUNITIES

In 2024, PIL engaged in several community engagement initiatives across the globe, be it in terms of staff volunteers or donations, including in-kind contributions. We are committed to contributing to and supporting the communities we operate in.

REMAR ASSOCIATION & AGAPE GOSPEL MISSION – GHANA



In support of youth across Ghana, PIL donated food and essential supplies to orphanages through Remar Association and Agape Gospel Mission. This outreach effort benefited over 400 youths, helping to meet their daily needs.

TANA RIVER LIFE FOUNDATION – KENYA



In 2024, PIL provided four complimentary 40-foot container shipments of used furniture from Singapore to Kenya. These donations help furnish schools in underserved communities, creating more conducive learning environments for students.

UPALABDHI FOUNDATION – BANGLADESH



The Upalabdhi Foundation houses about 70 girls who have been affected by homelessness and abandonment and seeks to provide them with formal education. To support their digital learning journey, PIL funded the setup of a new computer lab, equipping it with desktops and laptops to enhance access to education and digital literacy.

LITTLE HEARTS COMMUNITY VOLUNTEER CLUB – VIETNAM



Through our partnership with LHCVC, PIL funded the construction of three 10,000-litre water filtration tanks in Vietnam's Lao Cai province. This initiative now provides clean drinking water to schools serving approximately 300 students, improving health and well-being in the region.

PROJECT LIGHTHOUSE – SINGAPORE



PIL, the Singapore Maritime Foundation (SMF), and the Society of Naval Architects and Marine Engineers Singapore (SNAMES) proudly organised Project Lighthouse – a youth outreach initiative aimed at inspiring the next generation of maritime leaders.

In 2024, more than 40 youths from across Singapore embarked on a guided exploration of the Singapore Maritime Gallery and the historic Raffles Lighthouse. This immersive experience was made possible through the heartfelt dedication of over 20 staff volunteers, whose passion and commitment helped to introduce the maritime industry to these youth.



PROJECT LIGHTHOUSE – SINGAPORE

“Volunteering with PIL to bring youth to the Raffles Lighthouse was a deeply rewarding experience. I chose to take part because I believed that this would be an enlightening experience for the youth. On top of that, this initiative truly embodied PIL’s core values. It was people-centric, focusing on creating meaningful experiences for the children. It was future-focused, as we aimed to spark curiosity and expand their view of what’s possible.

And it certainly involved pushing boundaries, by bringing them to a place few Singaporeans have the chance to visit, in addition to being the first time we have organised such an activity. Watching the youth be engaged during the tour reminded me of the power we have to make a difference when we come together with purpose. I’m grateful to PIL for fostering a culture that empowers us to give back meaningfully. This was more than a field trip – it was a moment of connection, growth, and inspiration.”

Aario Chia
Management Associate

REMAR ASSOCIATION & AGAPE GOSPEL MISSION – GHANA

“In December 2024, our team at PIL Ghana donated to Remar Ghana and Agape Children’s Home. These two organisations do extraordinary work to support children in vulnerable situations. We were deeply moved by the safe, nurturing environment Agape provides for children who have been abandoned or orphaned and Remar’s commitment to rehabilitating lives and restoring dignity, especially for children.

What inspired us most was seeing the resilience in these young people and the unwavering dedication of the caregivers. It reminded us that real impact happens when we step outside of our routines and connect with our communities in meaningful ways.

This initiative strongly reflects PIL’s values. It was people-centric, focused on supporting and uplifting others. It pushed boundaries by challenging us to go beyond corporate – giving into personal engagement, and it was future-focused because when we invest in children, we invest in a better tomorrow.

Beyond a donation, this was a moment of connection, and a reminder of the kind of world we want to help build.”

Elliotte Dadson,
PIL Ghana, Finance Manager

Eric Duker,
PIL Ghana, HR Manager

HUMANITARIAN AID

GAZA RELIEF EFFORTS

PIL facilitated the shipment of one 20-foot and six 40-foot containers filled with relief items including canned food, ready-to-eat meals, and care packs to support individuals and families affected by the crisis in Gaza. These shipments were carried out in partnership with various NGOs and charitable organisations, ensuring that aid reached those who needed it most.

Through these efforts, we reaffirm our commitment to compassion, solidarity, and the belief that logistics can be a lifeline in times of crisis.



CONSERVATION OF THE NATURAL ENVIRONMENT

LEARNING AND TAKING ACTION

In 2024, we embraced a holistic approach to environmental education in Singapore, guiding our staff through a meaningful journey from learning to taking action. The initiative began in the classroom, where participants were introduced to the rich biodiversity of our marine ecosystems and the pressing threats they face, including the impact of global shipping.

Then, we moved from classroom learning to experiential learning. Staff took part in an intertidal walk along Changi Beach and explored the mangroves of Pulau Ubin by kayak. The journey culminated in purposeful action, as our team came together for a beach cleanup, transforming awareness into tangible care for the environment.

While these initiatives may have limited impacts on the environment, we believe in first working on building awareness before moving to higher impact initiatives.



SUPPORTING SEAFARERS

SUPPORTING THE MISSION TO SEAFARERS SINGAPORE

PIL donated to the Mission to Seafarers Singapore (MtSS), an organisation which aims to improve the physical and mental wellbeing of all seafarers passing through Singapore’s ports. MtSS offers a compassionate lifeline through counselling services, access to necessities, and the loan of portable internet routers that allow crew members to reconnect with their families abroad, among many other services. Through this meaningful contribution, PIL reaffirms its commitment to the global maritime community, recognising the vital role seafarers play in the industry.



GOVERNANCE

 Ethics and Compliance

 Risk Management

 Information Security and Data Protection

 Sustainable Procurement



MANAGEMENT APPROACH

Our governance framework supports compliance with applicable laws and regulations across the Group. We run a risk based ethics and compliance programme spanning policies and training, third party due diligence and screening, monitoring and testing of controls, accessible speak up and investigation channels, and regular reporting to the Audit & Risk Committee, with continual enhancements as risks evolve.

COMMITMENT

We believe in achieving our corporate goals with integrity and in accordance with all laws and regulations by embedding compliance tenets into our policies, systems, and processes.

TARGETS

- At least 95% of in-scope¹⁹ shore staff trained on the following in 2025:
 - Anti-bribery and corruption
 - Sanctions compliance
 - Competition compliance

PERFORMANCE 2024

- % of in-scope shore staff trained on:
 - Anti-bribery and corruption training: 98.5%
 - Sanctions compliance: 99.6%
 - Competition compliance: 98.8%

Alignment with GRI Standards: GRI 205, GRI 206

ETHICS AND COMPLIANCE

At PIL, we firmly believe that good governance is the foundation of sustainable, long-term success. We push boundaries and challenge the status quo with integrity and a steadfast commitment to full compliance with all applicable laws and regulations. All business engagements are done with accountability, fairness and transparency.

Strong governance fosters a culture of ethical conduct and sound decision-making, reflecting PIL's commitment to driving sustainable growth. At PIL, we recognise that responsible business practices are essential not only for people and the planet, but also for ensuring long-term business resilience. Our proactive governance approach places strong oversight at the core of our decision-making, reinforcing our commitment to sustainable growth.

GOING BEYOND COMPLIANCE

As a global corporation, we strive to go beyond basic compliance to laws and regulations by upholding high standards of governance and ethical business conduct throughout our organisation. By embedding strong corporate governance practices into every aspect of our business, we reinforce transparency and accountability, and strive to earn and uphold the trust and respect of all our stakeholders and the communities we serve.

ANTI-BRIBERY AND CORRUPTION

Bribery and corruption have far-reaching negative impact on the economy, business, environment and people. PIL adopts a zero-tolerance stance against such conduct, committing to uphold professionalism, fairness and integrity in all our business dealings and relationships. In line with this commitment, PIL joined the Maritime Anti-Corruption Network (MACN) as a member, reinforcing our dedication to promoting transparency and ethical conduct across the maritime industry.

PIL complies with all applicable anti-bribery and corruption laws, including the Singapore Prevention of Corruption Act 1960 (the "PCA"), as well as any relevant local legislation in all jurisdictions where PIL operates in. These commitments are reflected in PIL's Anti-Bribery and Corruption Policy which extends to all business dealings and transactions across all countries in which we, our agents, subsidiaries, and associates operate. In 2024, the Compliance Workplan focused on online training for onshore employees on key topics of anti-bribery and corruption, competition, sanctions, and data privacy and protection. This set of training has since been made mandatory for all shore employees, therefore elevating awareness and knowledge on recognising the mentioned compliance risks. In 2024, PIL achieved our target, with 98.5% of all shore staff completing the anti-bribery and corruption training, further strengthening our commitment to ethical business practices.

Furthermore, we conduct comprehensive risk assessments, implement protective measures such as contractual safeguards, perform risk-appropriate due diligence screening, and maintain vigilant monitoring for any breaches of our anti-bribery and corruption policies. In 2024, there were zero public legal cases regarding corruption brought against PIL.

Consistent with these standards, PIL expects all suppliers to fully comply with all applicable laws and regulations related to anti-corruption, anti-bribery, anti-trust (competition), sanctions, and trade export controls. Our zero-tolerance stance on bribery and corruption is also clearly communicated through the PIL Supplier Code of Conduct, which we strive to have suppliers acknowledge and endorse.



¹⁹ Excludes certain employee positions (e.g., drivers, security staff)

COMPETITION LAW COMPLIANCE

Competition law is designed to protect businesses and consumers from anti-competitive behaviour and ensure a fair and effective competitive environment. This is especially relevant to the liner shipping sector which has been subject to scrutiny by competition authorities in recent years.

All employees are guided by our Competition Compliance Policy, which clearly outlines their responsibilities in observing and upholding compliance with competition laws. The policy provides essential information and guidance on key competition compliance principles relevant to the Group's business. As part of our Compliance Workplan, a new cycle of training sessions was conducted in 2024, with 98.8% of in-scope shore staff completing the training on competition compliance.

WHISTLEBLOWING PROGRAMME

PIL upholds a firm non-tolerance policy towards malpractice, impropriety, statutory non-compliance, or any form of wrongdoing. Employees are encouraged to speak up against such cases, not only to protect the interests of our organisation but also to make the workplace a more inclusive, empathetic and accountable one.

Our Whistleblower Policy and reporting channels have been facilitating anonymous, responsible and secure whistleblowing, enabling employees and external stakeholders to report concerns or complaints without fear of retaliation. In 2024, we received 35 whistleblower reports, of which 5 were from internal and 30 from external stakeholders. Among these reports, one case was related to alleged corruption and handled in accordance with our established internal investigation and assessment procedures, reflecting our zero-tolerance approach to unethical conduct.

The whistleblowing programme is overseen by the PIL Whistleblower Committee comprising Mr S.S. Teo, Executive Chairman and Mr Lars Kastrup, Chief Executive Officer, with dedicated support from the Internal Audit Department. All investigated cases are reported to the Audit & Risk Committee, which comprises Independent Directors, ensuring impartial oversight and governance.

Our whistleblowing form is publicly accessible, enabling employees, partners and external stakeholders to confidentially report any concerns. Reports can be submitted anonymously and are handled in accordance with our internal investigation procedures. For more information, visit <https://www.pilship.com/whistleblower/>.

SANCTIONS COMPLIANCE

With our global network and operations, it is essential that PIL remains committed to full compliance with all applicable sanctions laws. In light of the dynamic global environment, we have reinforced our sanctions compliance program to proactively manage emerging risks. Our commitment includes a strict policy against engaging in any business that could breach sanctions regulations. To support this, we have established comprehensive policies, controls, and procedures, which includes:



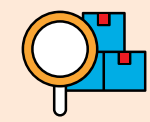
Leadership endorsement

Support and oversight from senior management on our sanctions policy



Targeted risk assessments

Regular evaluations of sanctions-related risks, especially in high-risk jurisdictions where we operate



Screening and due diligence

Rigorous processes to screen and assess customers, counterparties, and suppliers

In 2024, we achieved a strong completion rate of 99.6% among in-scope shore staff for sanctions compliance training. This outstanding level of participation reflects our steadfast dedication to ethical conduct and adherence to regulatory standards. By cultivating a culture of compliance, we not only reduce potential risks but also strengthen our standing as a responsible and trustworthy organisation.

Our due diligence process is a critical component of our sustainability strategy, designed to identify, assess, and manage potential ESG risks across our operations and supply chain. With a robust due diligence process, we are better able to identify and assess red flags or potential risks when engaging with our business partners. This supports informed decision-making, strengthening risk mitigation whilst allowing us to maintain strict compliance with legal and regulatory requirements, protecting the organisation from involvement in prohibited or unethical activities.

To further enhance the precision and efficiency of our due diligence process, we have digitalised and implemented an automated functionality that instantly generates due diligence screening results of searched entities or individuals. This system leverages machine learning and generative AI to improve accuracy of detection during assessments and automate intervention. Our risk management capabilities are strengthened by enabling more reliable screening and blocking of sanctioned entities, thereby lowering sanctions risk exposure. Coupled with clearly defined roles and responsibilities, it enables consistency and traceability of compliance reviews, ensuring that potential issues are addressed proactively and systematically. These advancements strengthen our ability to uphold the highest standards of ethical conduct and regulatory adherence throughout the organisation.

MANAGEMENT APPROACH

Risk management is a critical enabler for PIL by ensuring that we manage all relevant risks while conducting our business activities. PIL adopts the Integrated Assurance Framework (IAF) to robustly identify and manage risks across the organisation. During the continuous assessment of risks, emerging risks like climate risks are identified and subsequently added to the IAF as deemed appropriate.

COMMITMENT

We plan to create a risk-aware strategy and integrate the TCFD Recommendations into our IAF to support the transition to a low-carbon economy.

TARGETS

Implement TCFD recommendations and align with IFRS S2 standard by 2025.

PERFORMANCE 2024

TCFD recommendations implemented in 2024 with the climate scenario analysis being continued through 2025. The TCFD report has been enhanced to incorporate additional details required by the IFRS S2 standard in preparation for its full adoption (page 88).

RISK MANAGEMENT

APPROACH TO RISK MANAGEMENT

PIL seeks to ensure the safety of our people, provide reliable service to our customers and create value for all stakeholders through the way we operate. Our Integrated Assurance Framework (IAF) remains central to our approach to effective risk management and mitigation, enabling us to minimise disruptions and maintain operational excellence.

The IAF receives direct oversight by our board-level Audit and Risk Committee (ARC), which also provides steer and accountability over risk management matters at PIL. The ARC met every quarter in 2024. As part of the IAF governing body, the ARC is supported by management via the Management Risk Committee (MRC) and its working group which meets formally every quarter to discuss PIL's risk landscape, including current risks, emerging risks and mitigations.

We continued to strengthen our IAF through 2024 to better anticipate and respond to emerging risks across our global operations. Building on the foundation already laid, we enhanced our IAF's risk universe to include additional emerging risks which pose significant risks to our operations and business activities. These include procurement risks, pandemic risks as well as physical climate risks, among others.

The establishment of procurement risks as a stand-alone risk category in the IAF underscores our progression to a more proactive approach towards responsible supply chain management and the integration of ESG principles. As part of this, we are concurrently revamping our group procurement system to incorporate advanced automation and enhanced reporting capabilities, such as improvements to the PIL spending analytics dashboard and the implementation of intelligent contract alerts. Other than improving overall process efficiency, these measures are expected to strengthen governance throughout our Group's procurement operations.

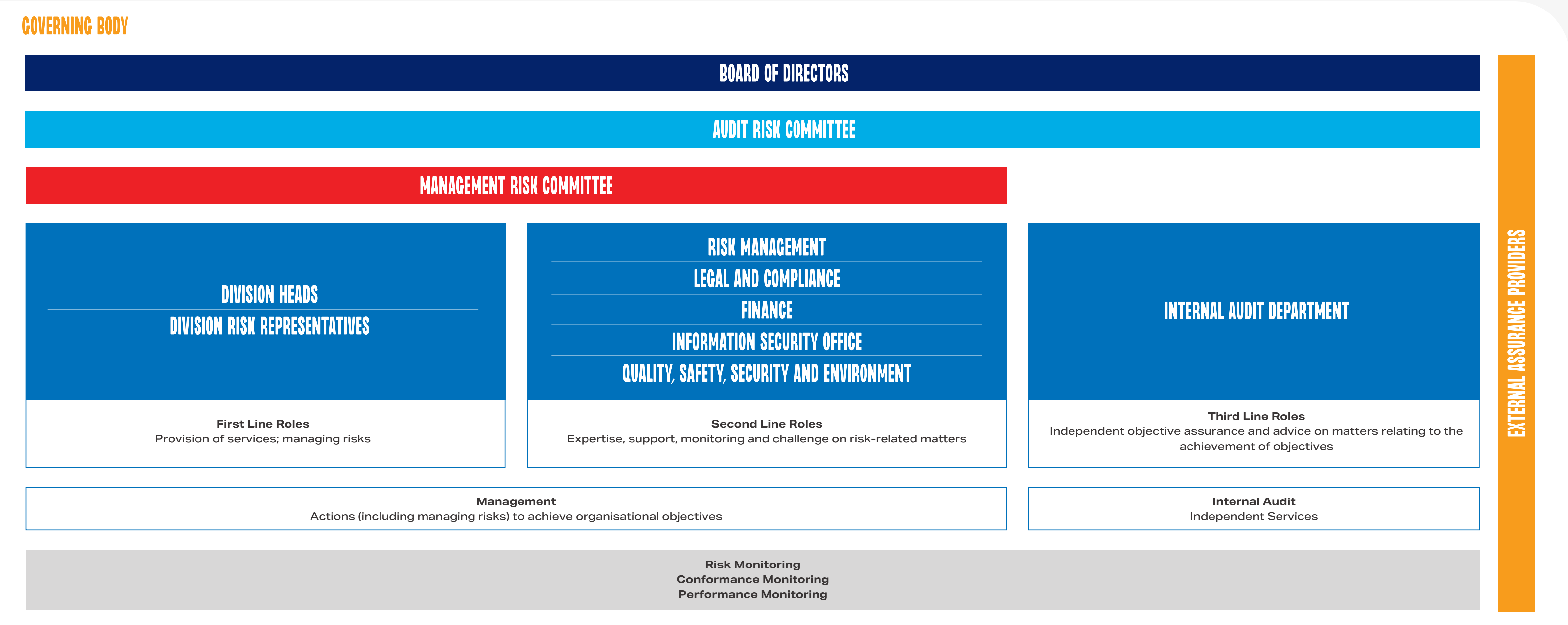
Previously grouped under the broader health and safety risks, pandemic risk has now been designated as a separate, stand-alone risk category within the IAF as well. This shift reflects the increasing significance and multifaceted impact of pandemics on PIL's operations and global business environment. Notably, the recent Mpox outbreak, declared a Public Health Emergency of International Concern (PHEIC) by the World Health Organisation in August 2024, has reinforced the necessity for proactive monitoring, scenario planning, and resilient response strategies specific to emerging infectious diseases and enhance our organisational resilience with respect to future public health threats.

In addition to the integration of transition risks associated with climate change (i.e., decarbonisation risks), our IAF has broadened its scope to formally encompass physical climate risks. In 2024, the cross-functional Climate Risk and Response Working Group continued its efforts in identifying and mitigating climate-related threats, both at strategic and operational levels. This included an in-depth assessment of the potential consequences of extreme weather events, rising sea levels, and shifting climate patterns on our global operations (page 88). In line with evolving regulatory expectations, these considerations are embedded within the IAF.



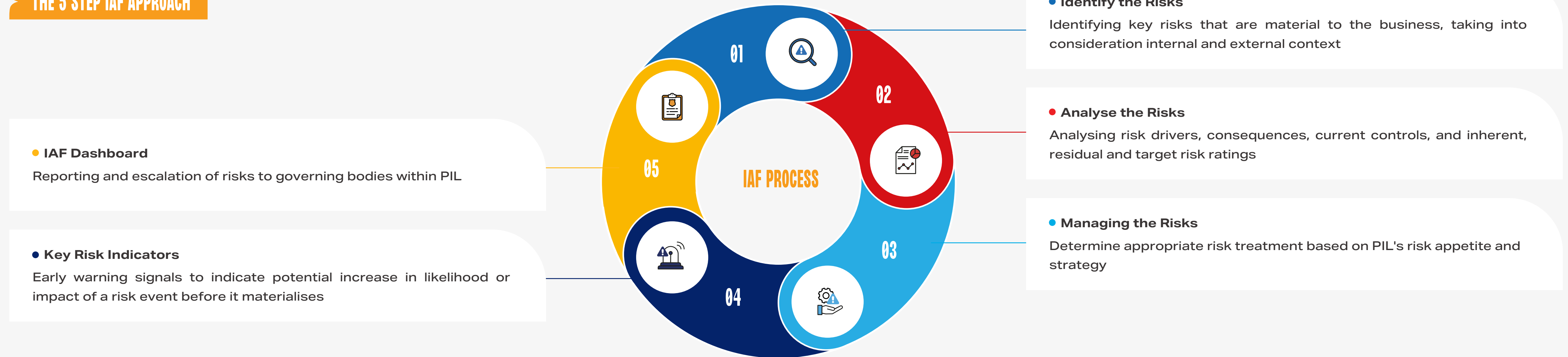
RISK GOVERNANCE

Our Integrated Assurance Framework (IAF) continues to adhere to the Institute of Internal Auditors’ Three Lines Model, implementing a well-defined structure with clearly delineated roles and a clear responsibilities matrix to ensure effective risk governance throughout PIL.



We have an extensive risk management process, which adopts an iterative cycle to manage and contain risks.

THE 5 STEP IAF APPROACH



BUSINESS CONTINUITY AND CRISIS MANAGEMENT

Business continuity management at PIL operates as an integral component of our enterprise risk management framework. Crisis management initiatives, including clear structures, incident classification, and the Crisis Management Group (CMG), are coordinated under the oversight of the Management Risk Committee. This unified approach ensures that critical business objectives are protected and organisational resilience is maintained during crises.

To better manage health and security risks, especially for business travel, PIL has partnered with International SOS (ISOS) in 2024. ISOS provides services such as 24/7 medical assistance, emergency evacuation, travel risk management, and safety training. These offerings ensure staff receive timely support and stay informed about medical or security risks wherever they are. ISOS also issues real-time alerts and up-to-date information on pandemics, security incidents, and natural disasters, enabling PIL to respond quickly and keep colleagues safe.

Recognising the importance of a structured approach to cyber threat management, in 2024 PIL advanced its IT Business Continuity Plan (IT BCP) by establishing clear protocols for incident detection, impact assessment, and countermeasures. In 2024, PIL conducted a Cybersecurity Table-Top Exercise (TTX) with realistic scenarios to test and refine its response capabilities and foster cross-departmental collaboration. Insights from these exercises were integrated into the IT BCP, ensuring comprehensive coverage of cyber threats and enhancing the organisation's resilience and ability to maintain critical functions during disruptions.

Moving ahead, in 2025, we plan to advance our IT BCP further, building on insights from the Cybersecurity TTX. The strategic roadmap encompasses several critical phases, including the simultaneous enhancement of recovery strategies, alignment with the IT Disaster Recovery Plan, and integration of relevant support functions. We target to complete the IT BCP In 2025. This initiative aims to strengthen PIL's business continuity capabilities and ensure a high level of preparedness for potential IT disruptions.

MANAGEMENT APPROACH

PIL is focused on delivering data-driven, innovative, and efficient digital solutions with robust data security. Our Information Security Policy guides our stringent security practices, including regular risk assessments and mandatory adherence to our standards by third-party partners. Our Data Protection Policy sets out our responsibilities and provides guidance to ensure protection of personal data. Additionally, all employees are required to complete cybersecurity and data protection trainings.

COMMITMENT

We are committed to securing our information, assets, and records by adopting a three-pronged approach of stakeholder engagement, investing in technology and upskilling, and risk management.

TARGETS

At least 95% of employees trained on data protection in 2025.

PERFORMANCE 2024

98.9% of employees completed data protection training.

Alignment with GRI Standards: GRI 418

INFORMATION SECURITY AND DATA PROTECTION

PROTECTING OUR DATA AGAINST THREATS

At PIL, we recognise the critical importance of securing our information, assets and records. We prioritise the security and protection of information as a core component of our sustainability strategy.

PRINCIPLES OF CYBERSECURITY

Our cybersecurity approach is guided by clearly defined organisational parameters and robust governance structures, including an established Cybersecurity Council and a dedicated cybersecurity team. By implementing core cybersecurity principles, which are incorporated into a comprehensive set of policies and procedures, we ensure holistic risk management in cybersecurity operations across the organisation. This integrated framework drives ongoing cybersecurity assurance and supports our transformation to a resilient and secure digital environment.



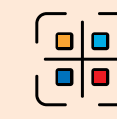
1. Identify

- Identify crown jewels
- Cyber risk assessment
- Asset management
- Supply chain risk management



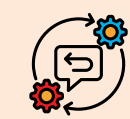
2. Protect

- Security by design
- Secured access
- Cyber defence technologies
- Data security
- Policies & procedures
- Standards & certifications
- Awareness & training



3. Detect

- Continuous security monitoring
- Detection technology
- Data events & exceptions management



4. Respond

- Business continuity management
- Cyber investigations
- Cyber incident response
- Cyber improvements



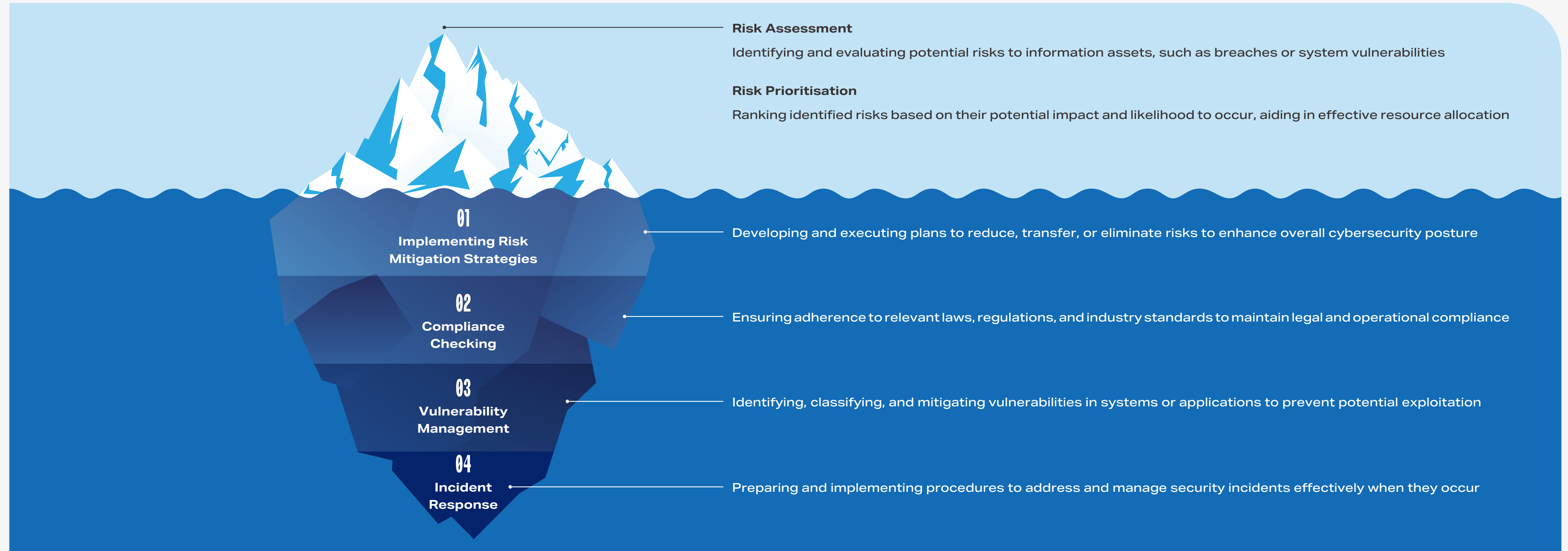
5. Recover

- Disaster recovery
- Recovery testing
- Cyber communication

Our cybersecurity policies are implemented both within the organisation and externally, taking an ecosystem-centric approach to cover all touch points. To effectively manage external threats, PIL evaluates and mitigates risks posed by vendors by ensuring they comply with contract security requirements, performing regular risk assessments, and creating incident response plans for handling third-party incidents.

RISK MANAGEMENT IN CYBERSECURITY OPERATIONS

As a prominent global shipping and logistics company, PIL places high priority on risk management in cybersecurity operations. The National Institute of Standards and Technology (NIST) Cybersecurity Framework 2.0, updated in February 2024, remains the foundation of our cybersecurity strategy and operations. This updated framework emphasises on cybersecurity governance, strategy, policy, and recognises cybersecurity as a key enterprise risk. As such, this complements our ESG assessments by adding a layer of digital risk evaluation, and ensures alignment with international cybersecurity standards. By focusing on high-level cybersecurity outcomes, the framework provides comprehensive guidance on how to manage and reduce cybersecurity risks, allowing organisations to better understand, assess, prioritise and communicate their cybersecurity efforts.



In 2024, several key initiatives were introduced to enhance our cybersecurity risk management capabilities and strengthen resilience against emerging threats:

- **Security Orchestration, Automation and Response (SOAR):** Implemented to improve and accelerate incident response capabilities, enabling more efficient handling of security events.
- **Remote Browser Isolation (RBI):** Deployed to reduce exposure and mitigate web-based threats, such as malware and phishing activities.
- **Global Centralised Firewalls:** Rolled out to establish a consistent and strengthened perimeter security across all regions.

The Group assesses and prioritises potential risks, such as system vulnerabilities and ranks them based on their potential impact and likelihood to occur. Based on this assessment, risk mitigation strategies are then developed to effectively manage these identified risks and prevent disruptions to our operations. This proactive approach supports our long-term stability and ensures the continued reliability of our services.

Furthermore, our Cybersecurity team tracks a set of internal key performance indicators (KPIs) to assess the effectiveness of cybersecurity controls and guide continuous improvement. These KPIs are reviewed regularly to inform risk-based decision making and strengthen our overall security posture.

Looking ahead, our strategic focus for 2025 and beyond includes strengthening cybersecurity controls to align with regulatory and industry standards, enforcing Zero Trust principles through robust authentication mechanisms, and pursuing ISO 27001 certification to demonstrate effective implementation of our Information Security Management System (ISMS) controls.



COMPLIANCE CHECKING

To ensure adherence to regulations and adopt best practices, our data protection and cybersecurity policies are developed in alignment with various standards and frameworks:

- Singapore Personal Data Protection Act (PDPA)
- NIST (National Institute of Standards and Technology) – Framework for handling cybersecurity risks across different functions
- Singapore Cybersecurity Act
- Singapore Computer Misuse Act
- European Union General Data Protection Regulation (GDPR)
- Payment Card Industry (PCI) Standards
- ISO 27000 / 31000
- IACS – UR E26/E27
- Any other relevant Personal Data Protection regulations

Aligning with industry best practices, PIL takes a proactive approach to managing cybersecurity risks. All applicable information security policies, frameworks, and best practices are communicated and implemented across all our global operations to ensure harmonised and resilient practices throughout the organisation.

CYBERSECURITY AWARENESS TRAINING

Cybersecurity awareness training has been rolled out to educate PIL employees on recognising threats such as phishing and malware, while promoting safe online practices. This aims to foster a culture of vigilance and resilience against potential cyber threats, thus helping to safeguard PIL's systems, data, and overall business interests. All new employees are required to complete cybersecurity training via our internal training platform as part of onboarding, and all employees are required to undergo annual refreshers to ensure that knowledge remains current and to reinforce best practices.

In FY24, 98.9% of employees completed the data protection training, reflecting our strong dedication to safeguarding data privacy.

CYBERSECURITY PHISHING EXERCISES

A cybersecurity phishing exercise was deployed across our global shore workforce to enhance employee awareness and enable informed decision-making, helping to prevent individuals from falling victim to phishing attacks. This exercise aims to reduce the success rate of such malicious attempts and instil a culture of vigilance and responsibility across the organisation. Ultimately, this initiative plays a critical role in safeguarding employees' personal information, assets, and identities across the organisation.

VULNERABILITY MANAGEMENT

Effective vulnerability management is essential to safeguarding the security and resilience of our organisation. PIL has a structured framework for identifying, assessing, managing and mitigating vulnerabilities in our IT infrastructure. With regular vulnerability scans and patch management, we are equipped to better identify weaknesses in systems and implement updates to close security gaps and ensure that critical threats are prioritised and addressed first.

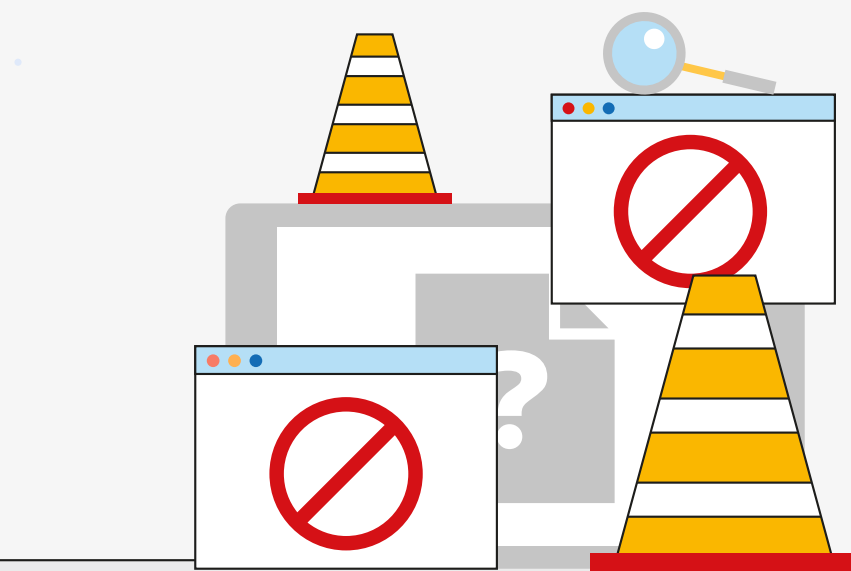
In addition, Vulnerability Assessment and Penetration Testing (VAPT) is conducted for all key application systems on an annual basis. Identified vulnerabilities are prioritised based on their risk level and rectified to an acceptable level within defined timelines according to 'critical', 'high' or 'medium' risk categories.

INCIDENT RESPONSE

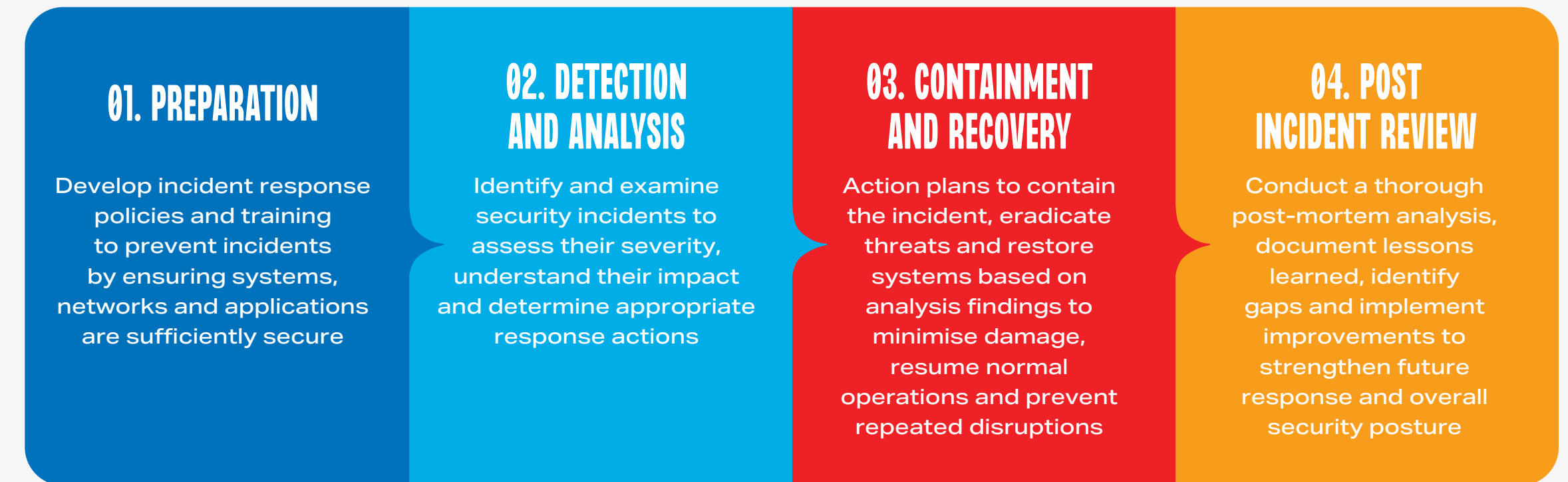
PIL has also established a Security Incident Response Plan ("SIRP") for cybersecurity incidents to provide a well-defined and systematic process for an expedited response to limit such impacts in our organisation. Our cybersecurity risk management plan ensures adherence to security protocols whilst enhancing the Group's resilience against cyber threats.

A dedicated Incident Management Team is in place with clearly defined roles and responsibilities to enable efficient responses to cybersecurity incidents. The team ensures timely escalation and communication with relevant stakeholders throughout the incident lifecycle.

Upon notification of a potential cybersecurity incident through designated reporting channels, the Security Incident Response Officer assigns it to one of three pre-determined severity levels, based on its potential impact on the organisation. These impacts may be assessed in terms of financial loss, risk exposure, operational disruption, service continuity or other related factors. Each severity level is supported by clear definitions and corresponding risk management and response protocols to ensure incidents are handled appropriately and effectively.



An incident response checklist is in place to guide the handling of cybersecurity incidents in a structured and consistent manner. This process follows a four-step approach, as outlined below:



In 2024, there were zero confirmed information security incidents, reflecting our ongoing commitment to maintaining a secure and resilient digital environment.

DIGITALISATION

Efficient use of resources is central to our sustainability efforts. In today's rapidly changing environment, leveraging software solutions, data and process optimisation are essential. As such, PIL is continually enhancing efficiency by streamlining and optimising our business processes. Some of the key initiatives we have implemented include:

CUSTOMER SOLUTIONS

With an electronic bill of lading (eBL), customers can enjoy a seamless experience in documentation, shorter delivery times, and increased operational efficiency. PIL is also working with the teams at Infosys and Infosys Consumer, Retail & Logistics on our digital transformation which aims to further improve our online experience for our customers. Infosys will help revamp PIL's existing customer portal and deploy a scalable and modern technology platform for PIL.

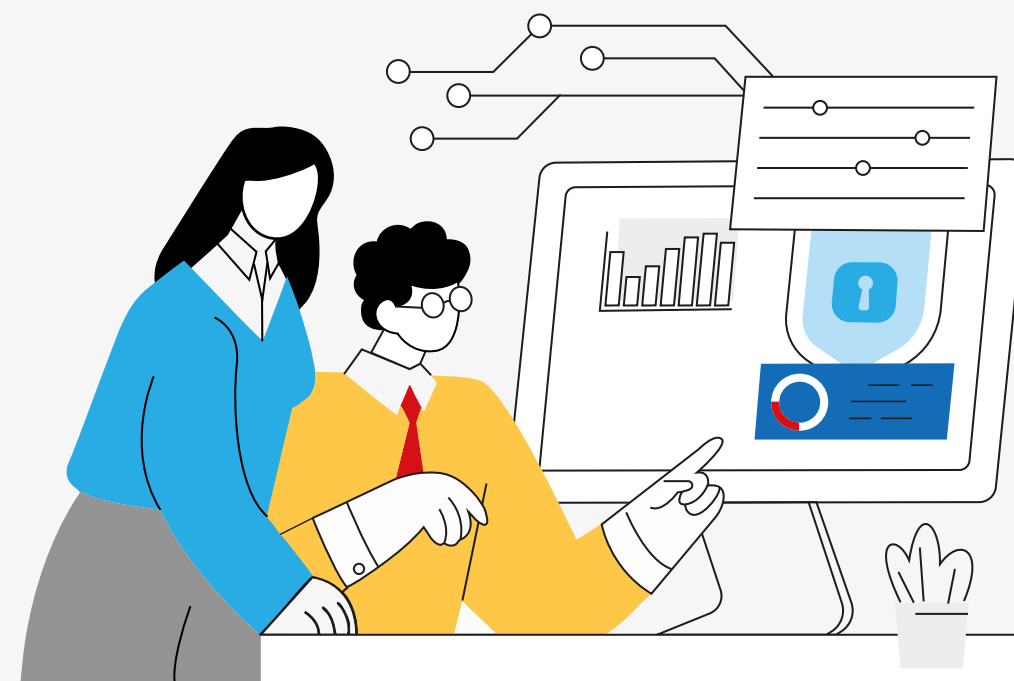
DIGITALISATION ONBOARD

To enable digitalisation onboard, ship to shore connectivity must first be strengthened. As such, PIL has deployed iO3's data acceleration technology that reduces latency in satellite communications and enables the transmission of high-resolution videos to shore. In 2024, we continued the rollout of iO3's surveillance system across our fleet to remotely monitor sensitive areas. Through this technology, the crew and team onshore can monitor areas such as blind spots to stay ahead of incoming danger, as well as the gangway to monitor movements on and off the vessel. This combined with the improved connectivity across sea and land significantly enhances the safety and security of our crew onboard.

In 2024, PIL continued the rollout of the Electronic Record Book (ERB) by MariApps, a digital solution designed to replace traditional paper logbooks used in maritime operations. It aims to streamline and automate record-keeping processes on ships, enhancing efficiency and accuracy. Key features include real-time data entry, easy access to historical records, automated reporting, and compliance with maritime regulations. By digitising logs and records, the ERB helps to reduce paperwork, minimise errors, and facilitate better decision-making for ship operators.

The ERB is highly scalable and is designed to comply with IMO, MARPOL, and other relevant requirements. Moreover, the usage of the ERB onboard PIL vessels has been approved by flag administration. This approval verifies that the system complies with the above-mentioned regulations, whilst verifying that requirements for accuracy, security, and data integrity are met. Moving forward, we will explore the use of MariApps beyond the ERB, for more efficient fleet management systems.

PIL will continue to leverage on technology to enhance our operations, be it in terms of efficiency or safety.



ADVANCING DIGITALISATION STANDARDS THROUGH STRATEGIC PARTNERSHIP WITH DCSA

On 18th April 2024, PIL joined the Digital Container Shipping Association (DCSA) to drive standardisation and digital innovation in the container shipping sector. DCSA is a non-profit organisation founded by major ocean carriers to accelerate digitalisation by streamlining and harmonising data standards. Through this participation, PIL and DCSA will collaborate on the development, alignment and validation of digitalisation standards to increase adoption across the industry. Such interoperable data standards will significantly enhance delivery schedules and improve the ease of communications and transactions across stakeholders in international trade. This collaboration reflects PIL's commitment to fostering digital innovation as a driver of data harmonisation, operational efficiency and improved stakeholder collaboration in global trade.

Looking ahead, we remain committed to leveraging technology as a key enabler to enhance our digital capabilities, improving the way we work and accelerating business value creation.



Signing of agreement with DCSA

MANAGEMENT APPROACH

We acknowledge our suppliers, vendors, and contractors as indispensable allies in our journey towards sustainable operations. Our Sustainable Procurement Policy serves as a guide for our sustainability considerations in procurement processes, while our Supplier Code of Conduct outlines our environmental, social and governance (ESG) related expectations from our suppliers.

COMMITMENT

We aim to cultivate a supply chain that mirrors our ESG considerations and commitment to environmental protection, social responsibility and ethical practices.

TARGETS

At least 95% endorsement of Supplier Code of Conduct by new and renewed strategic suppliers by 2025.

PERFORMANCE 2024

- Identified strategic suppliers²⁰ in our high-risk supplier categories to enable targeted sustainable procurement strategies
- Developed an overall sustainable procurement framework and structure
- Inclusion of Safety and Environmental Clauses into our contracts
- 100% of buyers for strategic suppliers trained on sustainable procurement

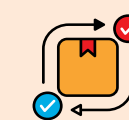
SUSTAINABLE PROCUREMENT

PIL places strong value on sustainable procurement initiatives and remains committed to reinforcing its role as a responsible business. We continuously evaluate our impact across ESG dimensions to drive positive change throughout our supply chain.

In 2024, we streamlined our approach to sustainable procurement by consolidating the previous six-step supplier selection and review process into an overarching Sustainable Procurement Framework, articulated across four key steps. This comprehensive 4-step approach enhances focus and clarity in our procurement strategy, while ensuring that our suppliers are compliant and aligned with our broader sustainability objectives.

OUR SUSTAINABLE PROCUREMENT FRAMEWORK IN 4 STEPS:

1. Sustainable Procurement Strategy



- Governance structure
- Employee training
- Sustainable Procurement Policy & SOP
- Supplier mapping

2. Supplier Onboarding and Renewal



- Supplier Code of Conduct
- Screening of new suppliers

3. Supplier Evaluation and Engagement



- ESG Assessment
- ESG Audit
- Supplier engagement strategies

4. Tracking and Monitoring



- Track and report KPIs

SUSTAINABLE PROCUREMENT STRATEGY

PIL introduced a Group Procurement Committee (GPC) in 2023 to harmonise procurement practices across the Group to foster cohesive implementation, ongoing evaluation, and continuous improvement of procurement policies. GPC serves as a governance body, ensuring consistency, fairness, and strategic alignment in purchasing practices across the organisation. This reflects our commitment to transparent governance and supports our efforts to embed sustainability and accountability throughout our procurement operations. The GPC operates under a clearly defined Terms of Reference (ToR) and reports to the Senior Management Committee (SMC). It plays a key role in shaping the procurement strategy, upholding compliance standards, and driving the digital transformation of procurement practices across PIL.

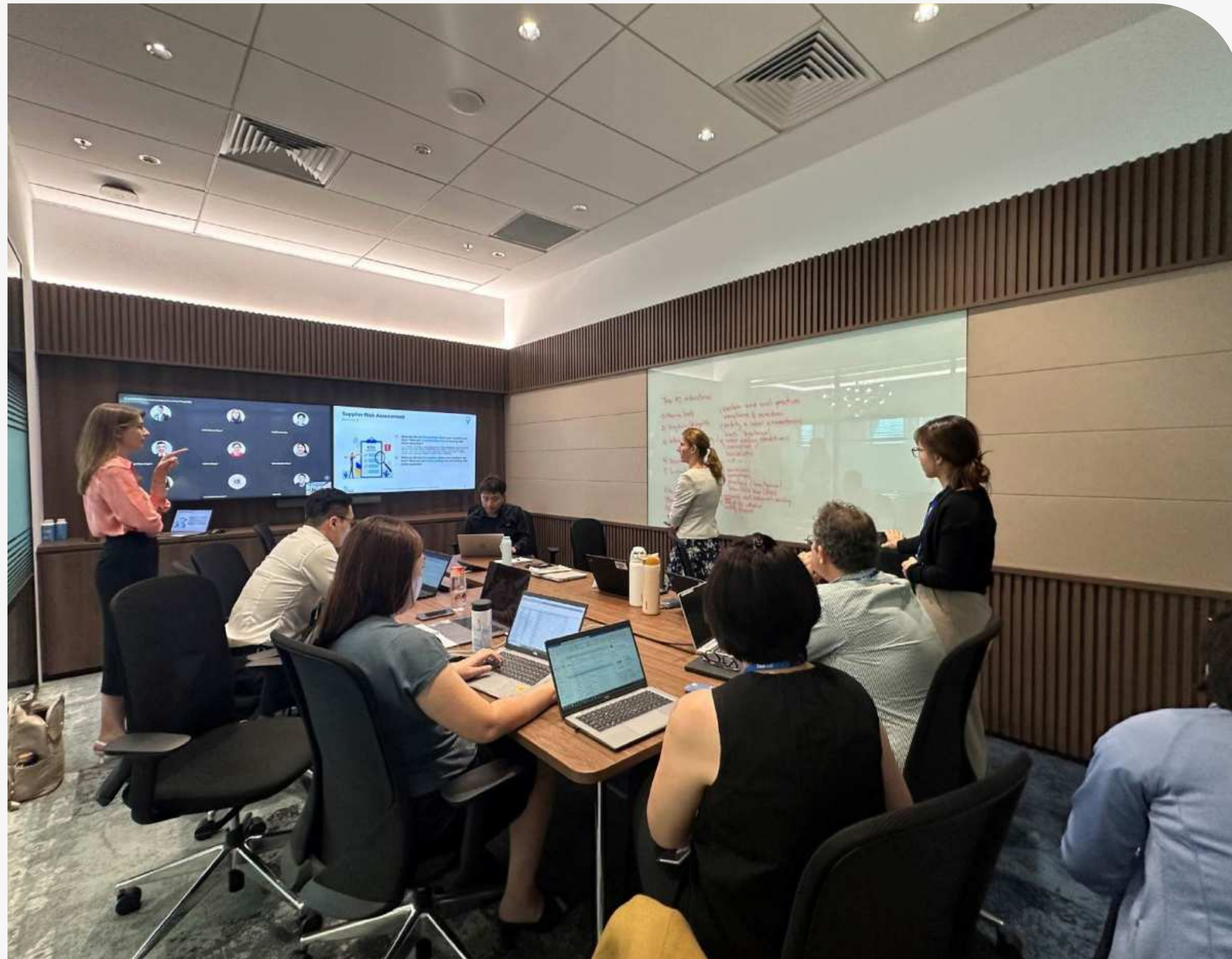
The GPC comprises representatives from various divisions across the organisation, enabling us to harness cross-functional expertise for more holistic and informed decision making. The integration of diverse perspectives strengthens governance and ensures our procurement practices are inclusive, equitable, and strategic.

The committee plays a pivotal role in aligning procurement activities with broader organisational objectives, including our commitment to sustainability. Through responsible sourcing, vendor engagement, and conscious investment choices, the team enables PIL in contributing to our long-term sustainability goals.

To strengthen accountability and governance, a 'four eyes principle' has been incorporated into our procurement process - whereby individual business units at the Group headquarters maintain separate procurement teams to ensure that the 'buyer' is independent from the 'user'. This structure enhances transparency through dual approvals and ensures that procurement decisions are well-documented. It further increases accountability and strengthens ethical standards by preventing any single individual from having unchecked control over procurement decisions.

²⁰ Strategic suppliers refer to suppliers that make up the top 80% spend within each high-risk supplier category (refer to page 71 for high-risk supplier categories)

Training and communication are conducted regularly to ensure that all buyers for strategic suppliers are aware of and understand relevant ESG considerations during procurement activities.



Sustainable Procurement training was conducted to relevant PIL personnel in February 2024

Recognising that procurement is a key lever for driving sustainability, our Sustainable Procurement Policy guides all procurement processes within PIL, establishing minimum standards, for processes related to the procurement of goods, services, and works to ensure fairness, transparency and accountability. Moreover, as PIL operates and procures in various jurisdictions, our policy further defines and embeds sustainability considerations into our global procurement framework, outlining our responsibilities whilst guiding consistent, responsible practices.

SUPPLIER RISK MAPPING








In 2024, we conducted a supplier mapping exercise to gain deeper insights into our high-risk and strategic suppliers, and to assess their exposure to ESG-related risks.

This evaluation identified key risks areas faced by our suppliers, including:

1. Health and Safety
2. Labour and Human Rights
3. Environmental impacts
4. Business Ethics and Corruption
5. Sanctions and Compliance



By gaining deeper insights into potential challenges, we are empowered to take proactive steps that enhance resilience, foster stronger supplier relationships, and reinforce our dedication to sustainability and ethical standards throughout our supply chain. Based on our assessment, we have identified the following **top 7 high-risk supplier categories**:

	1. Fuels and chemicals This category includes suppliers of marine fuels, chemicals, and gases, with primary risks involving environmental impacts like oil spills, collisions, safety incidents, siphoning, and purchases from sanctioned countries.
	2. Operational and logistical facilities Facilities like depots, warehouses, and terminals may face risks related to employee health and safety, human and labour rights practices, environmental impacts such as spills and hazardous materials, waste, air pollution, high energy use, and ethical issues like bribery, conflicts of interest, fraud, money laundering, and trade embargoes.
	3. Marine services Marine service providers like ship chandlers and pilotage face risks such as non-compliance with environmental and safety protocols, excessive overtime, child labour in some areas, and working with companies from sanctioned countries.
	4. Shipyard services Suppliers offering shipyard services and vessel spare parts might encounter risks related to bribery, corruption, or anti-competitive practices. Additional concerns encompass compliance with working hours, workplace safety, along with significant energy consumption and emissions.
	5. Chartering The key risks in this category include ensuring adherence to regulatory requirements, sanctions and preventing corruption and bribery. Additionally, it is crucial to follow health and safety protocols and manage the environmental impact of chartered vessels.
	6. Trucking/Intermodal Trucking and intermodal service partners face ESG risks such as failing to adhere to occupational health and safety standards, unfair wages and poor working conditions, incidents of bribery and anti-competitive behaviour, money laundering and fraud, violations of trade regulations and sanctions, and growing pressure to reduce GHG emissions from transportation.
	7. Ship recycling services Ship demolition and recycling companies might face risks including non-compliance with environmental and safety protocols, long working hours, child labour in some regions, as well as issues like corruption, bribery, and anti-competitive practices.

After identifying high-risk supplier categories, we identified the suppliers that make up the top 80% of spend within each category to derive our strategic suppliers. This allows us to have a targeted approach by enabling us to prioritise high-impact supplier relationships and drive the adoption of tailored sustainable procurement initiatives.

To support these efforts, we are developing mechanisms that will provide greater visibility into our suppliers' current sustainability practices. By fostering collaborative partnerships, we intend to share resources that empower both parties on our collective sustainability journey. This joint effort will not only enhance accountability but also encourage continuous improvement across our supply network.

Through engagement, transparency, and joint problem-solving, we strive to build a supply ecosystem that supports sustainable development while reinforcing our business integrity.

SUPPLIER ONBOARDING AND RENEWAL

As part of our commitment to ethical and sustainable procurement, we have established a robust supplier onboarding and renewal framework that incorporates comprehensive due diligence practices. These procedures ensure alignment with our sustainability standards and strengthens resilience across our supply chain.

Key measures as part of this process include:



We are enhancing our existing supplier pre-qualification questionnaire to better integrate ESG performance indicators into our supplier selection process. This initiative will be rolled out across our strategic suppliers and eventually be embedded into our procurement system, enabling a seamless and efficient evaluation process across our entire supplier base.

To support the integration of ESG principles into PIL’s procurement processes, PIL’s Supplier Code of Conduct is mapped to include various ESG principles as follows:

- 1. Labour and Human Rights
- 2. Business Integrity
- 3. Health and Safety
- 4. Environmental Management

Our Supplier Code of Conduct sets out the minimum requirements expected of our suppliers in respect of the four categories above. It also provides information on our whistleblower channels, enabling our suppliers to raise concerns confidentially. To ensure continued alignment with our sustainability objectives, the PIL Supplier Code of Conduct, along with ESG-related clauses are negotiated in new or renewal contracts.

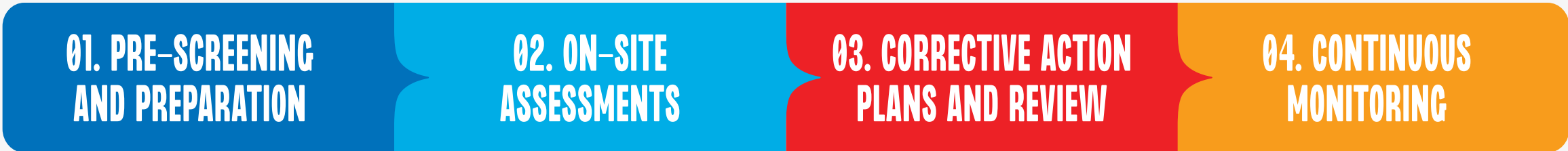
Looking ahead, PIL is in the process of sourcing and implementing a new source-to-contract (S2C) procurement platform designed to embed sustainability across critical workflows. This includes the integration of the Supplier Code of Conduct endorsements for both new and renewing suppliers, ESG assessment questionnaires and risk management across the supply chain, among other features. The platform, scheduled to go live in 2026, will incorporate various aspects of ESG components in our source-to-contract process. By consolidating these functionalities into a single platform, PIL aims to promote transparency, streamline processes, strengthen supplier accountability and effectively mitigate ESG risks in procurement decisions.

SUPPLIER EVALUATION AND ENGAGEMENT

We encourage periodic performance monitoring and assessment of our suppliers to verify that they consistently meet our specifications. Business units are also required to maintain records of such procurement activities, so that progress can be tracked, and areas of improvements can be identified.

As part of our sustainable procurement framework, all strategic suppliers in the identified high-risk categories will be evaluated using ESG assessments, with on-site assessments being conducted where concerns have been identified.

To guide implementation of ESG on-site assessments, we have established a comprehensive framework and playbook comprising of four steps:



In 2024, we conducted our first on-site supplier ESG assessments, covering **13% of suppliers by spend in the stores category**, under the broader marine services category (identified as a high-risk supplier category). These assessments provide an in-depth evaluation of supplier practices and demonstrates our commitment to proactive engagement with our suppliers. The on-site assessment serves as a vital tool in our sustainable procurement strategy, allowing us to directly assess supplier practices, verify compliance with ESG standards, and identify opportunities for improvement. Where gaps are identified, the findings will be translated into clear, actionable steps for suppliers to implement. Corrective action plans will be developed in collaboration with our suppliers, accompanied by ongoing monitoring to support long-term ESG improvement and ensure sustained compliance.



Assessing warehouse storage and safety practices as part of our supplier on-site assessment



Inspecting rooftop solar panel installations to verify supplier adoption of renewable energy solutions

In 2024, we have initiated efforts to incorporate ESG assessment components into the supplier evaluation and selection criteria for our logistics clients. This included reviewing the appropriate weighting and complementary evaluation elements to ensure meaningful integration. This initiative will eventually be rolled out across all business units as part of our source-to-contract process, reinforcing our commitment to embedding sustainability into procurement practices enterprise-wide.





TRACKING AND MONITORING

Tracking and reporting on KPIs strengthens our sustainable procurement performance, supports ESG rating improvements such as EcoVadis, enhances compliance and helps mitigate supply chain risks. It also reinforces accountability and ensures we remain on track with our sustainable procurement commitment and targets.

PIL will continue to periodically monitor and review our internal procurement processes to identify opportunities to further integrate sustainability considerations in our internal procurement processes and enhance our overall sustainability efforts. We believe that this approach not only helps us to maintain rigorous standards in our supplier selection and review process, but also fosters a collaborative relationship with our suppliers, encouraging continuous improvement and sustainability throughout our supply chain.

At least 95% endorsement of our Supplier Code of Conduct by new and renewed strategic suppliers by 2025.

ANNEXES

-  ESG Data
-  Methodology
-  GRI Content Index
-  TFCD
-  Independent Assurance Statement



ESG DATA

	UNIT	2023	2024
ENVIRONMENT INDICATORS			
ENVIRONMENTAL MANAGEMENT AND COMPLIANCE			
% of fleet operations covered by ISO 14001	%	100	100
% of owned vessels for which an environmental risk assessment was conducted	%	100	100
% of owned vessels compliant with EEDI and EEXI	%	100	100
ENERGY CONSUMPTION			
Total Energy Consumption	MJ	36,873,121,091	40,061,421,599
Total Fuel Consumption	MJ	36,703,358,178	39,791,177,767
- Vessel	MJ	36,690,418,067	39,778,334,133
- Heavy fuel oil	MJ	31,187,029,926	36,358,738,664
- Light fuel oil	MJ	4,431,565,309	1,810,029,382
- Diesel/Gas oil	MJ	1,071,822,833	1,515,616,167
- Liquefied Natural Gas (LNG)	MJ	0	93,949,920
- Land	MJ	12,940,111	12,843,634
- Petrol	MJ	10,533,121	8,942,692
- Diesel	MJ	2,406,989	3,899,572
- Natural gas	MJ	0	1,369
Total Electricity Consumption (MJ)	MJ	169,762,912	270,243,832
- Vessel	MJ	1,280,413	1,428,901
- Land	MJ	168,482,499	268,814,931
Total Electricity Consumption (MWh)	MWh	47,156	75,068
Electricity Consumption matched with Renewable Energy Certificates (RECs)	MWh	2,445	1,427

	UNIT	2023	2024
CARBON MANAGEMENT			
Total GHG Emissions	tCO ₂ e	3,437,384	3,750,887
Scope 1 emissions	tCO ₂ e	2,888,162 ²¹	3,136,226
Scope 2 emissions (location-based)	tCO ₂ e	23,449	34,643
Scope 2 emissions (market-based)	tCO ₂ e	22,284	33,923
Scope 3 emissions	tCO ₂ e	525,773	580,018
- Category 3: Fuel- and energy-related emissions	tCO ₂ e	525,751 ²²	575,918
- Category 5: Waste generated	tCO ₂ e	22	5
- Category 6: Business Travel	tCO ₂ e	-	1,765
- Category 7: Employee Commute	tCO ₂ e	-	2,330
Reduction in absolute GHG emissions ²³ against 2010 baseline	%	-	33
AIR QUALITY			
Sulphur oxides (SOx)	tonnes	44,936	48,255
Nitrogen oxides (NOx)	tonnes	68,470	74,021
Particulate matter (PM)	tonnes	6,692	7,192
Particulate matter (PM2.5)	tonnes	6,151	6,611
Fleet compliance with IMO requirements	%	100	100
WASTE MANAGEMENT AND CIRCULARITY			
Total fleet waste	m ³	4,239	3,411
Total hazardous waste	m ³	2,491	1,938
- Plastics	m ³	1,354	1,120
- Incinerator ashes	m ³	41	27
- Operational waste	m ³	1,061	776
- E-waste	m ³	35	15

²¹ 2023 Scope 1 emissions were restated following a recalculation using updated emission factors from the IMO Guidelines on Life Cycle GHG Intensity of Marine Fuels

²² 2023 Scope 3 emissions and Category 3: Fuel- and energy-related emissions were restated following a recalculation due to use of the newly published emission factors from the IMO Guidelines on Life Cycle GHG Intensity of Marine Fuels, which substituted the previously applied emission factors of DEFRA

²³ Refers to the fleet's fuel-related emissions across Scope 1 and Scope 3 Category 3

	UNIT	2023	2024
Total non-hazardous waste	m³	1,748	1,473
- Food waste	m³	536	444
- Domestic waste	m³	1,187	1,013
- Cooking oil	m³	25	16
% of vessels with water filtration systems	%	100	100
Number of containers lost at sea	Number	2	0
Volume of sludge produced by fleet	m³	-	14,213
Total water consumption onboard vessels	m³	-	211,164
BIODIVERSITY AND ECOLOGICAL IMPACT			
% of vessels with sewage treatment system	%	100	100
% of vessels with ballast water treatment system	%	100	100
Number of uncontained hydrocarbon spills >10 m³	Number	0	0
Total volume of hydrocarbon spills	m³	0	0
SOCIAL INDICATORS			
LABOUR AND HUMAN RIGHTS			
% of seafarers covered by collective bargaining agreement	%	100	100
HUMAN CAPITAL - HEADCOUNT			
Total number of employees	Headcount	6,960	6,794
Employees by Gender			
- Male	Headcount	5,438	5,439
- Female	Headcount	1,522	1,355
Employees by Segment			
Seafarers	Headcount	3,881	3,916
- Male	Headcount	3,869	3,892
- Female	Headcount	12	24
Shore staff	Headcount	3,079	2,878
- Male	Headcount	1,569	1,547
- Female	Headcount	1,510	1,331

24, 25, 26 Includes Bangladesh, India, Pakistan, Sri Lanka

	UNIT	2023	2024
Shore Staff by Region			
China	Headcount	637	567
Singapore	Headcount	1,824	699
South Asia ²⁴	Headcount		465
Southeast Asia (except Singapore)	Headcount		468
Rest of Asia	Headcount		22
Africa	Headcount	512	490
Middle East	Headcount	66	72
Latin America	Headcount	8	63
Oceania	Headcount	32	32
Others	Headcount	0	0
Seafarers by Nationality			
China	Headcount	491	449
Singapore	Headcount	3,240	74
South Asia ²⁵	Headcount		1,423
Southeast Asia (except Singapore)	Headcount		1,828
Africa	Headcount	99	96
Others	Headcount	51	46
Shore staff by Nationality			
China	Headcount	-	598
Singapore	Headcount	-	516
South Asia ²⁶	Headcount	-	555
Southeast Asia (except Singapore)	Headcount	-	579
Rest of Asia	Headcount	-	23
Africa	Headcount	-	474
Middle East	Headcount	-	20
Latin America	Headcount	-	61
Oceania	Headcount	-	31
Unknown	Headcount	-	21

	UNIT	2023	2024
Employees by age			
<30 years old	Headcount	-	1,743
30-50 years old	Headcount	-	4,121
>50 years old	Headcount	-	930
New hires	Headcount	1,125	976
- Male	Headcount	826	796
- Female	Headcount	299	180
Turnover	Headcount	1,326 ²⁷	1,350
- Male	Headcount	1,037	1,026
- Female	Headcount	289	324
HUMAN CAPITAL - TRAINING AND DEVELOPMENT			
Training and Development	Hours	263,547	270,201
Training for Seafarers	Hours	240,622	248,795
Training for Shore Staff	Hours	22,925	21,406
- Male	Hours	11,503	11,656
- Female	Hours	11,422	9,750
Average training hours per employee	Hours/Employee	37.96	39.77
Seafarers	Hours/Employee	62.0	63.5
Shore staff	Hours/Employee	7.5	7.4
- Male	Hours/Employee	7.3	7.5
- Female	Hours/Employee	7.6	7.3
Employee Engagement			
Employee engagement survey participation rate	%	87	94
Performance and career development reviews			
% of staff who undergo regular performance and career development reviews	%	100	100
Number of locations (countries) with Employee Assistance Programme (EAP)	Number	1	6

²⁷ 2023 Turnover figures have been restated due to erroneous reporting in Sustainability Report 2023

	UNIT	2023	2024
OCCUPATIONAL HEALTH AND SAFETY			
Fatalities	Number	0	0
Major Accidents	Number	0	0
Recordable Injuries	Number	44	47
- High-consequence Injuries	Number	0	0
Lost Time Injury Frequency (LTIF)	Rate	0.39	0.31
- Lost Time Injury Frequency (LTIF) at sea	Rate	0.71	0.56
- Lost Time Injury Frequency (LTIF) on shore	Rate	0.00	0.00
Health and Safety Preventive Measures			
% of employees who completed health and safety training	%	100	100
% of employees represented in joint management-worker health and safety committees	%	100	100
% of all operations for which an employee health and safety risk assessment has been conducted	%	100	100
COMMUNITY IMPACT			
Donations			
Total amount contributed to CSR initiatives	USD	329,847	220,450
Volunteering			
Total volunteering hours	Hours	283	514
GOVERNANCE INDICATORS			
CORPORATE GOVERNANCE			
Board Composition	Headcount	7	8
Executive Directors	Headcount	2	2
Non-executive Directors	Headcount	5	6
- Of which are independent	Headcount	4	5
Board Composition by Gender			
- Male	Headcount	7	7
- Female	Headcount	0	1

	UNIT	2023	2024
Senior Management ²⁸ Composition by Gender			
- Male	Headcount	12	11
- Female	Headcount	4	3
Senior Management Composition by Nationality			
Australian	Headcount	1	0
Chinese	Headcount	1	1
Danish	Headcount	1	1
French	Headcount	1	1
Singaporean	Headcount	12	11
BUSINESS ETHICS			
Shore staff trained on Ethics and Compliance topics			
Anti-bribery and corruption	%	-	98.5
Sanctions compliance	%	-	99.6
Competition compliance	%	-	98.8
Whistleblowing			
- Number of whistleblower reports	Number	24	35
- Number of public legal cases of corruption	Number	0	0
- Number of confirmed incidents of corruption	Number	-	1
Total number of confirmed information security incidents	Number	0	0
Shore staff and Seafarers trained on data protection	%	-	98.9
SUSTAINABLE PROCUREMENT			
Buyers for strategic suppliers trained on sustainable procurement	%	-	100

²⁸ Senior Management refers to employees that are part of PIL’s Senior Management Committee

METHODOLOGY

BASIS OF REPORTING

REPORTING PERIOD

This report covers PIL activities from 1 January 2024 to 31 December 2024 and outlines the environmental, social and governance (ESG) strategy, initiatives, and performance material to PIL and its stakeholders. It was published in September 2025.

REPORTING BOUNDARIES AND USE OF REPORTING FRAMEWORKS

This report has been prepared with reference to the Global Reporting Initiative (GRI) Universal Standards 2021. The GRI Content Index can be found on page 83. This report also makes reference to global reporting standards and frameworks such as the UN Sustainable Development Goals (SDGs), the Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the IFRS Sustainability Standards, namely IFRS S2.

This report is recommended to be read together with the sustainability section on our corporate website, as well as additional annexes including the ESG Data, the GRI Content Index, the TCFD Content Index and the Independent Assurance Statement.

SCOPE AND CONSOLIDATION

Unless stated otherwise, the scope and consolidation methods of the Environmental section of this report correspond with financial reporting principles of PIL. The report covers any assets or operations that PIL treats as wholly owned or controlled, and that are operated by PIL, including offices and vessels.

The entities referred to as “PIL” include:

- Pacific International Lines
- Mariana Express Lines
- Malaysia Shipping Corporation
- PIL Logistics

Singamas is excluded from this report, as they fulfil the requirements of Hong Kong Stock Exchange (HKEX) since 2017.

The scope of GHG inventory entails all transportation-related business and operational activities of PIL based on the financial control approach as described in the GHG Protocol’s guidance. Vessels chartered in for at least one year are included in PIL’s GHG scope, while vessels chartered out for more than one year are excluded.

The scope of social data covers all PIL staff from entities under the Group’s management control. Initiatives to connect and unify the systems and records from these locations have commenced.

Occupational Health and Safety data is consolidated based on operational control method that covers offices, logistics facilities as well as vessels owned and operated by PIL, including chartered out vessels.

RESTATEMENTS

1. The 2023 Scope 1 emissions were restated to 2,888,162 tCO₂e, representing a 0.3% increase from the previously reported 2,880,549 tCO₂e. This restatement follows the use of updated emission factors obtained from the IMO Guidelines on Life Cycle GHG Intensity of Marine Fuels.
2. The 2023 Scope 3 Category 3 emissions were restated to 525,751 tCO₂e, a 19.9% decrease from the previously reported 656,228 tCO₂e. This restatement follows the use of the newly published IMO emission factors instead of the DEFRA emission factors. Consequently, the overall 2023 Scope 3 emissions were also restated to 525,773 tCO₂e from the previously reported 656,251 tCO₂e.
3. As a result, the 2023 Total GHG emissions were restated to 3,437,384 tCO₂e, a 3.5% decrease from the previously reported 3,560,249 tCO₂e.
4. The training-related targets listed under the Governance section of the 2023 report relating to anti-bribery and corruption, sanctions compliance, and competition compliance training, have been restated in this report. The targets have been revised from “% of employees trained” to “% of shore staff trained” to better reflect the reporting boundaries and to enhance data accuracy.
5. The turnover number in 2023 was restated to 1,326 from the previously reported 1,686 due to misstatement in the 2023 report.

These restatements affect how performance will be measured and reported moving forward.

ENVIRONMENT

ENVIRONMENTAL MANAGEMENT AND COMPLIANCE

% of fleet operations covered by ISO 14001

Refers to the percentage of fleet operations that are certified to the ISO 14001:2015 Environment Management Systems (EMS) standard.

% of owned vessels for which an environmental risk assessment was conducted

Refers to the percentage of owned vessels that underwent an environmental risk assessment, a process that is conducted annually by our QSSE department. This assessment evaluates environmental impacts from all stages of our fleet operations.

% of owned vessels compliant with EEDI and EEXI

Refers to the percentage of owned vessels that comply with Energy Efficiency Design Index (EEDI) and the Energy Efficiency Existing Ship Index (EEXI), both of which are regulatory measures established by the IMO to indicate and improve vessel energy efficiency.

ENERGY CONSUMPTION

Total Energy Consumption

Total Energy Consumption refers to the sum of the Total Fuel Consumption and Total Electricity Consumption, measured in Megajoule (MJ).

Fuel Consumption

Total Fuel Consumption encompasses the use of fossil fuels such as heavy fuel oil, light fuel oil, gas oil, diesel and petrol, liquified natural gas and natural gas in the vessel engines, boilers, land vehicles, incinerators and electricity generators of PIL. The amount of biofuels used for pilot projects in 2023 and 2024 was insignificant and therefore omitted.

Electricity Consumption

Electricity consumption refers to the use of electricity on land and the use of shore power by vessels. The source of electricity is the national grid. The use of renewable energy is separately reported as the electricity consumption matched with Renewable Energy Certificates (RECs).

CARBON MANAGEMENT

Scope 1: Direct Greenhouse Gas (GHG) Emissions

Direct GHG emissions for scope 1 comprise of CO₂ equivalent emissions from mobile combustion of sea and land vehicles, incineration of waste onboard vessels, on-site electricity generators and fugitive emissions from air-conditioning on vessels, offices and reefers. Emission factors for different types of fuel were sourced from IMO 2024, DEFRA 2024 and 2014 IPCC Fifth Assessment Report.

Scope 2: Indirect GHG Emissions (Location-based)

Indirect GHG emissions in Scope 2 are the CO₂ equivalent emissions based on purchased electricity in the offices and other facilities, PIL-owned reefers during port storage and vessels, using the location-based approach from the GHG Protocol. Emission factors were sourced from IEA 2021, IRENA 2021 and JICA 2024.

Scope 2: Indirect GHG Emissions (Market-based)

Market-based Scope 2 emissions equal location-based Scope 2 emissions reduced by the amount of purchased Renewable Energy Certificates (RECs), in accordance to RE100 guidelines and with reference made to the Singapore Standard (SS) 673.

Scope 3: Indirect GHG Emissions in the Value Chain

Indirect GHG emissions of Scope 3 include CO₂ equivalent emissions from PIL’s value chain. In 2024, the following categories were calculated:

- Category 3 (Fuel and energy-related activities): Upstream emissions related to the production of fuel and energy consumption reported in Scope 1 and Scope 2, and generation and T&D losses of electricity (i.e. well-to-tank emissions). Emission factors were sourced from IMO 2024, DEFRA 2024 and IEA 2021.
- Category 5 (Waste generated in operations): Reported based on amounts, types and treatment of waste generated onboard vessels and in the HQ office. Emission factors were sourced from DEFRA 2024.
- Category 6 (Business travel): Emissions from flights taken by our staff for business travel purposes. Emission factors were sourced from DEFRA 2024.
- Category 7 (Employee commuting): Emissions from employee commuting to and from the workplace. Emission factors were sourced from DEFRA 2024 and several national sources.

Reductions in absolute GHG emissions against 2010 baseline

Refers to the reduction of absolute fuel-related fleet GHG emissions, measured against a 2010 baseline year. This includes Scope 1 emissions and Scope 3 (Category 3) emissions, covering the well-to-wake emissions of vessel fuels. The 2010 baseline was calculated using emission factors from IMO 2024.

AIR QUALITY

Total Weight of Air Pollutants

The weight of sulphur oxides (SOx), nitrous oxides (NOx), particulate matter (PM and PM2.5) was calculated based on the methodology outlined in the IMO Fourth GHG Study 2020.

Fleet compliance with IMO requirements

Refers to the percentage of vessels in the fleet in compliance with IMO requirements on air pollutant emissions, including sulphur limits under IMO 2020 and applicable requirements under MARPOL Annex VI.

WASTE MANAGEMENT AND CIRCULARITY

Total Fleet Waste

The total volume of waste from vessels was reported in cubic metres, split into hazardous and non-hazardous waste and categorised as per MARPOL Annex V.

Vessels with Water Filtration Systems

Percentage of vessels that have a water filtration system installed onboard as part of a voluntary initiative to reduce the use of plastic bottles on vessels.

Number of Containers Lost at Sea

Total number of containers lost at sea during the reporting year.

Volume of sludge produced by fleet

The total volume of sludge produced by vessels whereby sludge disposal is arranged by PIL. Chartered in and chartered out vessels are included or excluded depending on contractual arrangements.

Total Water Consumption Onboard Vessels

Total volume of water consumed onboard vessels, sourced from both municipal sources and desalinated water onboard vessels. This includes chartered in and chartered out vessels.

BIODIVERSITY AND ECOLOGICAL IMPACT

Vessels with Sewage Treatment System

The percentage of vessels with sewage treatment systems in place to treat black water in compliance with MARPOL Annex IV.

Vessels with Ballast Water Treatment System

The percentage of vessels with ballast water treatment systems in place, in compliance with the Ballast Water Management Convention.

Hydrocarbon Spills

Hydrocarbon spills refer to the total number of uncontained hydrocarbon spills over 10 m³, and the total volume of those spills in cubic metres.

SOCIAL

LABOUR AND HUMAN RIGHTS

% of seafarers covered by collective bargaining agreement

Refers to the percentage of seafarers whose working conditions and terms of employment aligned with the standards set forth by one or more collective bargaining agreements.

HUMAN CAPITAL - HEADCOUNT

Number of Employees

Consolidated numbers of PIL employees include shore staff and seafarers as of the end of the reporting period. This includes all employees who had an employment contract with PIL’s entities that are under the Group’s management control at year end.

Training and Development

The total number of hours of training provided during the year, including in-house, external and e-learning.

The average training hours per employee is the total number of training hours divided by the headcount.

Employee Engagement

The Employee engagement survey participation rate represents the percentage of employees who participated in the annual employee engagement survey. In SR 2023, we presented data derived from the survey administered at our Singapore headquarters. In SR 2024, we provided information concerning the same survey for the rest of our shore staff outside of headquarters.

Performance and career development reviews

Percentage of staff who undergo regular performance and career development reviews.

Number of locations (countries) with Employee Assistance Programme (EAP)

Refers to the number of locations (countries) where the EAP has been implemented and is formally available to employees during the reporting period.

OCCUPATIONAL HEALTH AND SAFETY

Fatalities

Fatalities are calculated as the headcount number of work-related accidents leading to employee death whether at sea or on shore.

Major Accidents

Major accidents refer to accidents resulting in at least the loss of one life, or at least 3 casualties (life threatening or long-term impact) due to operations.

Recordable Injuries

Number of recordable injuries includes work-related injury with or without lost time. This excludes suicide, commute to and from work.

High-consequence injuries are those work-related injuries from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.

Lost Time Injury Frequency (LTIF)

Lost-time injury frequency is the number of lost-time injuries occurring in workplace per 1 million hours worked. Lost-time injuries (LTI) include all injuries that occur on the job and that require a person to stay away from work for more than 24 hours or which result in death or permanent disability.

Health and Safety Preventive Measures

% of employees who completed health and safety training refers to the proportion of employees who successfully completed the mandatory occupational health and safety training within the required deadlines during the reporting year.

% of employees represented in joint management-worker health and safety committees is the percentage of employees with formal representation in joint committees comprising of both management and worker representatives to address occupational health and safety matters.

% of all operations for which an employee health and safety risk assessment has been conducted is the percentage of operations that have completed the risk assessment for occupational health and safety risks, in accordance with the WSH Risk Management Regulations.

COMMUNITY IMPACT

Donations

The total monetary amount contributed by the company to beneficiaries during the reporting year. This aligns with the company’s commitment to creating a positive community impact, focusing on areas such as humanitarian aid, underprivileged communities and marine or coastal conservation.

Volunteering

Total volunteering hours refers to the total number of hours contributed by employees towards company-supported volunteering activities during the reporting year.

GOVERNANCE

CORPORATE GOVERNANCE

Board Composition

The data disclosed under Board Composition provides a breakdown of the company’s Board members by their role (Executive, Non-Executive, and Independent) and gender. This metric provides insight into the Board’s diversity and governance structure as of 31 December 2024.

Senior Management Composition

Senior Management refers to employees that are part of PIL’s Senior Management Committee. The data disclosed under Senior Management Composition provides a demographic breakdown of the committee based on gender and nationality as of 31 December 2024.

BUSINESS ETHICS

Shore staff trained on Ethics and Compliance topics

Refers to the percentage of shore staff who have completed training on Ethics and Compliance, covering topics including Anti-bribery and corruption, Sanctions compliance and Competition compliance, within the required deadlines during the reporting year.

Whistleblowing

Number of all whistleblowing cases recorded in the whistleblowing system regardless of whether they were reported by internal or external stakeholders and how they were received through any of the whistleblowing channels.

Public Legal Cases of Corruption

Number of public legal cases regarding corruption brought against the organisation or its employees, including but not limited to the cases raised through the Singapore Corrupt Practices Investigation Bureau (CPIB).

Number of confirmed incidents of corruption

Confirmed incidents of corruption are the number of substantiated cases of corruption recorded through PIL’s whistleblowing system during the reporting year.

Confirmed information security incidents

Total number of confirmed information security incidents including leaks, thefts and losses of customer data.

Shore staff and Seafarers trained on Data Protection

Refers to the percentage of shore staff and seafarers who have successfully completed training on data protection within the required deadlines during the reporting year. The training covers key topics including data privacy, cybersecurity, identification of threats (e.g. phishing, malware) and safe online practices.

SUSTAINABLE PROCUREMENT

Buyers for strategic suppliers trained on sustainable procurement

Refers to the buyers responsible for strategic suppliers who have successfully completed training on sustainable procurement. The training encompasses key ESG topics relevant to procurement, and may be delivered through various formats, such as in-house, external and e-learning.

GRI CONTENT INDEX

Statement of Use	Pacific International Lines (Pte) Ltd has reported the information with reference to the GRI Standards for the period 1 January 2024 to 31 December 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI STANDARD	DISCLOSURE	PAGE
GRI 2: General Disclosures 2021	The organisation and its reporting practices	
	2-1 Organisational details	02 – About this report, 10-13 – Company Profile
	2-2 Entities included in the organisation’s sustainability reporting	78 – Methodology
	2-3 Reporting period, frequency, and contact point	02 – About this report
	2-5 External assurance	95 – Sustainability Assurance
	Activities and Workers	
	2-6 Activities, value chain and business relationships	10-13 – Company Profile
	2-7 Employees	44 – Human Capital
	Governance	
	2-9 Governance structure and composition	17-18 – Our Board of Directors, 19-20 – Sustainability Governance
	2-10 Nomination and selection of the highest governance body	17-18 – Our Board of Directors
	2-11 Chair of the highest governance body	17-18 – Our Board of Directors
	2-12 Role of the highest governance body in overseeing the management of impacts	19-20 – Sustainability Governance
	2-13 Delegation of responsibility for managing impacts	19-20 – Sustainability Governance
	2-14 Role of the highest governance body in sustainability reporting	02 – About this report, 19-20 – Sustainability Governance
	2-15 Conflict of interest	17-18 – Our Board of Directors
	2-16 Communication of critical concerns	60 – Whistleblowing Programme
	2-18 Evaluation of the performance of the highest governance body	17-18 – Our Board of Directors
	2-19 Remuneration policies	17-18 – Our Board of Directors
	2-20 Process to determine remuneration	17-18 – Our Board of Directors

GRI STANDARD	DISCLOSURE	PAGE
GENERAL DISCLOSURES		
	Strategy, policies and practices	
	2-22 Statement on sustainable development strategy	06-07 – Message from Executive Chairman 08-09 – Conversation with CEO 15-16 – ESG Strategy
	2-23 Policy commitments	15-16 – ESG Strategy
	2-24 Embedding policy commitments	19-20 – Sustainability Governance
	2-25 Processes to remediate negative impacts	21 – Materiality Assessment 22 – Stakeholder Engagement 60 – Whistleblowing Programme
	2-26 Mechanisms for seeking advice and raising concerns	60 – Whistleblowing Programme
	2-27 Compliance with laws and regulations	59-60 – Ethics and Compliance
	2-28 Membership associations	24 – Partnerships, Certifications and Awards
	Stakeholder engagement	
	2-29 Approach to stakeholder engagement	22 – Stakeholder Engagement
	2-30 Collective bargaining agreements	75 – ESG Data – Social Indicators
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	21 – Materiality Assessment
	3-2 List of material topics	21 – Materiality Assessment
ENVIRONMENTAL		
CLIMATE RESPONSE		
GRI 3: Material Topics 2021	3-3 Management of material topics	27-34 – Climate Response
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	74 – ESG Data – Environment Indicators
	302-4 Reduction of energy consumption	27-34 – Climate Response 74 – ESG Data – Environment Indicators

GRI STANDARD	DISCLOSURE	PAGE
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	27 – Climate Response 74 – ESG Data – Environment Indicators
	305-2 Energy indirect (Scope 2) GHG emissions	27 – Climate Response 74 – ESG Data – Environment Indicators
	305-3 Other indirect (Scope 3) GHG emissions	27 – Climate Response 74 – ESG Data – Environment Indicators
	305-5 Reduction of GHG emissions	27-34 – Climate Response
AIR QUALITY		
GRI 305: Emissions 2016	3-3 Management of material topics	35 – Air Quality
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	35 – Air Quality 74 – ESG Data – Environment Indicators
WASTE MANAGEMENT AND CIRCULARITY		
GRI 3: Material Topics 2021	3-3 Management of material topics	36-38 – Waste Management and Circularity
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	37 – Waste Management and Circularity 39-40 – Biodiversity and Ecological Impact
GRI 306: Waste 2020	303-2 Management of water discharge-related impacts	39-40 – Biodiversity and Ecological Impact
	306-1 Waste generation and significant waste-related impacts	36-38 – Waste Management and Circularity
	306-2 Management of significant waste-related impacts	36-38 – Waste Management and Circularity
	306-3 Waste generated	74-75 – ESG Data – Environment Indicators
BIODIVERSITY AND ECOLOGICAL IMPACT		
GRI 3: Material Topics 2021	3-3 Management of material topics	39-40 – Biodiversity and Ecological Impact
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	39-40 – Biodiversity and Ecological Impact
	101-2 Management of biodiversity impacts	39-40 – Biodiversity and Ecological Impact
	101-6 Direct drivers of biodiversity loss	39-40 – Biodiversity and Ecological Impact

GRI STANDARD	DISCLOSURE	PAGE
SOCIAL		
LABOUR AND HUMAN RIGHTS		
GRI 3: Material Topics 2021	3-3 Management of material topics	42-43 – Labour and Human Rights
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	42-43 – Labour and Human Rights
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	42-43 – Labour and Human Rights 69-72 – Sustainable Procurement
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	42-43 – Labour and Human Rights 69-72 – Sustainable Procurement
HUMAN CAPITAL		
GRI 3: Material Topics 2021	3-3 Management of material topics	44-52 – Human Capital
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	76 – ESG Data – Social Indicators
	401—2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	48-49 – Human Capital
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	51 – Human Capital 76 – ESG Data – Social Indicators
	404-2 Programs for upgrading employee skills and transition assistance programs	49-52 – Human Capital 76 – ESG Data – Social Indicators
	404-3 Percentage of employees receiving regular performance and career development reviews	45 – Human Capital 76 – ESG Data – Social Indicators
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	47 – Human Capital 75–76 – ESG Data – Social Indicators 77 – ESG Data – Governance Indicators
OCCUPATIONAL HEALTH AND SAFETY		
GRI 3: Material Topics 2021	3-3 Management of material topics	53-54 – Occupational Health and Safety
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	53-54 – Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	53-54 – Occupational Health and Safety 76 – ESG Data – Social Indicators
	403-3 Occupational health services	48-49 – Human Capital 53-54 – Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	48-49 – Human Capital 53-54 – Occupational Health and Safety 76 – ESG Data – Social Indicators
	403-5 Worker training on occupational health and safety	53-54 – Occupational Health and Safety 76 – ESG Data – Social Indicators

GRI STANDARD	DISCLOSURE	PAGE
	403-6 Promotion of worker health	48-49 – Human Capital 53-54 – Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	53-54 – Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	53-54 – Occupational Health and Safety
	403-9 Work-related injuries	53-54 – Occupational Health and Safety 76 – ESG Data – Social Indicators
COMMUNITY IMPACT		
GRI 3: Material Topics 2021	3-3 Management of material topics	55-57 – Community Impact
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	55-57 – Community Impact
GOVERNANCE		
ETHICS AND COMPLIANCE		
GRI 3: Material Topics 2021	3-3 Management of material topics	59-60 – Ethics and Compliance
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	59-60 – Ethics and Compliance (Anti-bribery and Corruption)
	205-2 Communication and training about anti-corruption policies and procedures	59-60 – Ethics and Compliance (Anti-bribery and Corruption)
	205-3 Confirmed incidents of corruption and actions taken	77 – ESG Data – Governance Indicators
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	59-60 – Ethics and Compliance
RISK MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	61-63 – Risk Management
INFORMATION SECURITY AND DATA PROTECTION		
GRI 3: Material Topics 2021	3-3 Management of material topics	64-68 – Information Security and Data Protection
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	77 – ESG Data – Governance Indicators
SUSTAINBLE PROCUREMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	69-72 – Sustainable Procurement

TCFD

Aligned with our commitment to robust sustainability practices, PIL fully endorses the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. We are actively preparing to meet the forthcoming regulatory requirements mandating large non-listed companies to report in accordance with IFRS S2 Climate-related Disclosures from financial year 2030. Our approach ensures proactive integration of climate-related considerations into our governance and strategic decision-making frameworks.

GOVERNANCE

TCFD 1.a) Describe the board's oversight of climate-related risks and opportunities.

The Board provides direct oversight on strategic climate-related matters including decarbonisation strategies and plans, which are covered when necessary, during the quarterly Board meetings. In addition, board committees address climate-related issues that fall within the scope of their respective mandates, ensuring that relevant environmental considerations are integrated into decision-making processes. The Audit and Risk Committee (ARC), which meets quarterly, supervises all risk types, including those related to climate risk. The Nomination and Remuneration Committee (NRC) ensures alignment of remuneration schemes with our climate-related targets.

Our governance on climate-related risks and opportunities is designed to reflect the materiality of the risk, encompassing both transition risks (such as decarbonisation) and physical climate risks within our Integrated Assurance Framework (IAF). By embedding climate risk into all significant management and governance decisions, PIL reinforces its commitment to treating these issues as central elements of corporate strategy.

TCFD 1.b) Describe the management's role in assessing and managing climate-related risks and opportunities.

The ESG Steering Committee, led by CEO Lars Kastrup, is responsible for reviewing and overseeing the implementation of the ESG strategy. The committee works in coordination with the Group Sustainability and ESG (GSE) department as well as two cross-functional teams: the Decarbonisation Working Group and the Climate Risk and Response Working Group. These working groups address both mitigation and adaptation strategies and assist in implementing TCFD recommendations and IFRS S2 disclosure requirements. Members of the cross-functional teams are drawn from various departments including fleet, finance, occupational health and safety, operations, procurement, risk management, and strategy/transformation. In 2025, membership was expanded to include representation from the Centre for Maritime Efficiency (CME).

RISK MANAGEMENT

TCFD 3.a) Describe the organisation's processes for identifying and assessing climate-related risks.

Processes for Identifying and Assessing Climate Risk

The cross-functional Climate Risk and Response working group qualitatively assessed a comprehensive list of climate risks and opportunities before identifying those which are most material to PIL. The scope of the exercise included all four entities that are subject to this report, our geographic network and all stakeholder groups. Both physical and transition risk were analysed based on the TCFD framework and then included in our risk taxonomy accordingly. Key hazards, related risks and opportunities, and potential impacts over varying timeframes were identified and reported.

Decarbonisation risk (which includes transition climate risks in general) is formally included as a strategic risk under PIL's IAF, under the stewardship of the Chief Marine Officer, and is continually assessed using a Group-wide matrix that accounts for both financial and non-financial impacts. In the initial process, the working group conducted the assessment process which comprised workshops, thorough documentation, and validation by senior management. Final approval was given by the Audit and Risk Committee, following validation by the Group Risk Office and Management Risk Committee. In the second half of 2024, as the next step in the assessment, the Climate Risk and Response Working Group commenced with a climate scenario analysis for physical climate risks .

PARAMETERS OF CLIMATE SCENARIO ANALYSIS

Time Horizons		
Short-term	1-3 years (2026)	Duration of maritime commercial affairs and construction of new ships from the moment of purchase to delivery.
Medium-term	3-10 years (2030)	Longer planning cycles in maritime industry, time needed to implement new regulations, and to secure new fuel purchase channels.
Long-term	10-30 years (2050)	Defined by the investments into long-lived assets, such as vessels with a life span of around 30 years and by the long-term goals of the transition to net zero.

Scenarios	Locations		
SSP1-1.9 → 1.5°C Scenario SSP1-2.6 → Well Below 2°C SSP5-8.5 → Hot World Scenario	Ports	1. Singapore 2. Nansha & Shekou	3. Shanghai & Ningbo 4. Qingdao
	Seas	1. South Africa 2. Bay of Bengal 3. South China Sea	4. North China 5. Trans-Pacific 6. West Coast of America

Hazards
Heat stress Sea level rise

Types Of Impact	Assets
Health & safety incidents Financial losses (damage, OPEX) Service disruptions & delays	People Ships Cargo Key terminals

Based on the best practices in climate risk analysis and within the maritime industry, we selected three reference IPCC climate scenarios with maritime-related narratives. The selected IPCC scenarios included two sustainable pathways: one compatible with the Paris Agreement’s stretch goal of limiting temperature increase to 1.5°C (SSP1-1.9) and one aligned with our decarbonisation strategy leading to an increase of well below 2°C (SSP1-2.6). The third scenario was the high emissions scenario resulting from a fossil-fuelled development (SSP5-8.5), representing a “business as usual” outcome. This is the worst-case scenario with the highest physical climate risks pertinent to adaptation planning.

The locations selected for the assessment included six strategically important ports based on top handling volumes and six sea routes with increasing risk due to already observed extreme weather patterns. At each location, we considered the current state of the relevant hazards including heat stress and sea level rise, and then dived into the IPCC scenarios based on the Assessment Report 6 (AR6) and related detailed studies to determine the specific projections in the short-, medium- and long-term.

The assessment examined the impact on PIL’s people, ships, cargo, and terminals, with worst-case scenarios involving loss of life or assets.

To assess the likelihood of a climate-related event at these locations, we considered not only the hazard itself but also other factors influencing the probability of occurrence, such as whether port infrastructure has been designed to account for future climate risks.

The impact of each risk was assessed based on PIL’s Group-wide risk matrix under the IAF, allowing us to compare climate risk with all other risks within the Group’s risk universe. The risk matrix includes financial and non-financial impacts, such as health and safety, service disruption and delays. We then evaluated how hazard frequency and severity affect PIL across three time horizons for each selected IPCC scenario.

A series of trainings and workshops on climate risks and opportunities were arranged for senior management and representatives of relevant functions across the organisation in 2024. Furthermore, the GSE department was trained in the IAF by the Risk Office to ensure smooth integration of climate risks into the framework and their subsequent management in line with expectations. These trainings helped create a common language and understanding of the potential impacts of climate change as well as the transition to a low-carbon economy.

TCFD 3.b) Describe the organisation’s processes for managing climate-related risks.

Processes for Managing Climate Risk

Processes for managing and reporting climate risks follow the company-wide risk management process for all risk types as defined in our IAF (page 61) with ongoing monitoring and regular reporting of the Key Risk Indicators to relevant bodies up to the ARC of the Board. Both Decarbonisation and Physical Climate Risks are included into the IAF’s risk universe, with respective risk owners, mitigating measures, monitoring mechanism and pre-identified response measures under the purview of specific roles across the organisation.

As part of a continual monitoring and periodic review process, we review and adjust our mitigation and adaptation strategies in line with changes in the macro-economic environment and PIL’s overall risk appetite and long-term objectives.

TCFD 3.c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation’s overall risk management.

Climate Risk Integration

In 2024, physical climate-related risks were included in IAF’s risk universe, further to the original inclusion of transition risks as a strategic risk category (as Decarbonisation Risk), completing the inclusion of both risk types into PIL’s formal risk framework.

The identification and assessment of specific climate-related risks are conducted and validated by the cross-functional Climate Risk and Response Working Group. Risk management is carried out in accordance with IAF-defined key risk indicators, established controls, and the implementation of action plans. Overall responsibility for all risk aspects, including those related to climate, resides with designated Risk Owners, who are supported by the Risk Office and are subject to oversight from both the executive Management Risk Committee and the Board ARC.

STRATEGY

Our company strategy takes into account and addresses the risks and opportunities we face, including those related to climate change.

- TCFD 2.a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.
- TCFD 2.b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning.

CLIMATE RISKS AND OPPORTUNITIES









Following the identification of climate-related risks and opportunities, as reported in SR2023, the risks were grouped into two key categories and included in our company-wide Integrated Assurance Framework (IAF) as:

1. Decarbonisation risk and
2. Physical Climate risk















Decarbonisation risk covers the range of transition risks driven by evolving policies, regulations, technological developments, market dynamics and reputational considerations within the maritime sector. These considerations significantly impact our operations and business activities, and our approach to managing these is defined in our decarbonisation strategy (page 28) that takes into account the risks as well as the opportunities of the transition towards lower-GHG shipping.

Physical climate risk covers both acute and chronic risks associated with a changing climate and their impacts on our business activities. Our trade network is highly dependent on the efficient operation and reliability of existing port networks which face varying degrees of exposure and vulnerability to climate-related disruptions. Climate change also impacts our shipping routes, with potential impacts on our personnel, vessels and cargo in transit. The adaptation strategy seeks to address these impacts under the assumption of their occurrence, while accounting for variability in both magnitude and timing.

CLIMATE RISKS FOR PIL

RISK CATEGORY	DRIVERS	RISK DESCRIPTION	TIME HORIZON			IMPACT ON STRATEGY AND FINANCIAL PLANNING
			ST	MT	LT	
<div>DECARBONISATION RISK</div> <div></div>	Policy, litigation, technology, market and reputational drivers	Risk of failing to meet decarbonisation targets set by the International Maritime Organisation (IMO), other regulators, investors, customers, and PIL ourselves, which could lead to regulatory penalties, increased costs, and reputational damage.				<ul style="list-style-type: none">• Higher capital investments in new builds and retrofits to meet proliferating GHG-related requirements• Higher operational expenditures to procure lower-GHG fuels and comply with sustainability requirements• Higher operating costs due to carbon pricing on GHG emissions as per IMO's Net Zero Framework• Risks of fines and sanctions in case of non-compliance with GHG-related standards and regulatory requirements• Need to respond to the growing need for service solutions that assist customers in achieving their decarbonisation objectives
<div>PHYSICAL CLIMATE RISK</div> <div></div>	Acute hazards such as extreme weather events (typhoons, floods, strong winds etc.) Chronic hazards such as gradual climate shifts (changing precipitation patterns, winds, currents, sea level and rising temperatures)	The potential for financial losses and operational disruptions due to the physical impact of climate change. This includes health and safety incidents and damage to PIL's assets or its critical value chain. This risk impacts decision-making on future investments related to climate adaptation as well as business strategy in general.				<ul style="list-style-type: none">• Higher operational expenditure due to additional fuel consumption for rerouting and delays• Higher frequency of protocol reviews for operational safety protocols• Higher provisions for insurance and compensation expenses• Higher repair and maintenance costs due to increased wear and tear, damage to vessels and equipment• Higher frequency of disruption to vessel schedules, port berth availability, resulting in productivity and commercial losses

CLIMATE OPPORTUNITIES FOR PIL

OPPORTUNITY CATEGORY	OPPORTUNITY DESCRIPTION	TIME HORIZON			IMPACT ON STRATEGY AND FINANCIAL PLANNING
		ST	MT	LT	
<div>RESOURCE EFFICIENCY</div> <div></div>	Increased operational efficiency Achieved by meeting or exceeding requirements such as CII ²⁹ , EEDI ³⁰ , EEXI ³¹ .				<ul style="list-style-type: none">Enhancing operational efficiency represents a win-win solution, reducing both cost and GHG emissions by achieving operational efficiencies, with an emphasis on speed and route optimisation initiatives by CME.
<div>ENERGY SOURCE</div> <div></div>	Shift to low-carbon fuels Securing of lower-GHG fuels at competitive prices.				<ul style="list-style-type: none">The securing of lower-GHG fuels at competitive prices will allow PIL to achieve the dual goals of decarbonisation and optimising compliance costs under the NZF.
<div>PRODUCTS & SERVICES</div> <div></div>	Green service offerings Offering low-GHG transportation services as a premium service offering.				<ul style="list-style-type: none">The increasing demand from customers for information on shipment emissions and green offerings drives the development of new green service offerings (GSOs), which creates a new revenue stream.
<div>MARKETS</div> <div></div>	Green financing Tap on available green financing that require meeting of specific sustainability objectives.				<ul style="list-style-type: none">Align investments in low-GHG emission-ready assets with the organisation’s long-term decarbonisation strategy, considering relevant green taxonomies and their associated technical criteria. This approach facilitates access to green financing opportunities for PIL.

²⁹ Carbon Intensity Indicator
³⁰ Energy Efficiency Design Index
³¹ Energy Efficiency Existing Ship Index

TCFD 2.c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

STRATEGY RESILIENCE IN A CLIMATE SCENARIO

RESILIENCE TO TRANSITION RISK

PIL's business strategy is aligned with the Well Below 2°C Scenario (IPCC Shared Socioeconomic Pathway (SSP) 1-2.6), including our financial planning and capital allocation. Our decarbonisation and transition strategy are based on the IMO's 2023 GHG Reduction Strategy, which is in turn aligned to a Well Below 2°C Scenario as outlined in the Paris Agreement.

IMO has set targets for the industry to cut total GHG emissions by 20-30% by 2030 and 70-80% by 2040 vs. 2010 emissions levels, and to reach net-zero by around 2050. This strategy, supported by the IMO's Net Zero Framework (NZF), includes GHG pricing and global fuel standards to reduce emissions from marine fuels.

We believe these targets are achievable and that our business strategy is well aligned to them, but they will require strong collaboration across the industry. This includes advancing technological innovation, developing infrastructure and supply chains for alternative fuels, and establishing clear regulatory frameworks. It is also essential that these regulations are implemented globally to ensure a level playing field for all stakeholders.

We recognise that meeting the Paris Agreement's 1.5°C target (IPCC SSP 1-1.9) requires accelerating decarbonisation to achieve up to 45% emissions reduction by 2030 and net zero by around 2040. All related measures and investments would need to be fast-tracked to meet this scenario. As international shipping remains a hard-to-abate sector and the necessary conditions for effective decarbonisation capable of meeting such a trajectory are still emerging, we have decided not to pursue a SBTi-approved target at the moment. Nevertheless, we will continue to monitor industry developments and review this stance in response to changes in both market and technological contexts.

While we are committed to aligning our strategy with the goals of the Paris Agreement and the IMO's GHG Reduction Strategy, we remain cognisant of the potential emergence of a "business as usual" scenario (IPCC SSP5-8.5) as a worst-case scenario. This scenario, characterised by high GHG emissions and minimal climate policy intervention, could lead to significant global warming and severe climate impacts. Although we consider this scenario unlikely given the current global momentum towards decarbonisation, we recognise the importance of being prepared for all eventualities. As such, we continuously monitor global policy developments and climate trends to ensure that our strategy remains resilient and adaptable, even in the face of less favourable climate change outcomes to enable us to manage risks effectively, meet stakeholder expectations, and maintain our financial sustainability.

By adhering to the IMO's decarbonisation milestones, we seek to ensure regulatory alignment and concurrently, manage total cost of compliance. This approach positions PIL to mitigating regulatory risks and meeting our key stakeholders' expectations. Furthermore, various decarbonisation strategies pertinent to PIL, such as operational optimisation and the adoption of energy-efficient technologies, are expected to be financially beneficial while enhancing overall resilience and competitiveness within this rapidly evolving sector.

Moving forward, PIL would closely monitor the strategy and planning in response to changes in the regulatory, technological and overall macroenvironment affecting our industry.

RESILIENCE TO PHYSICAL RISK

The physical impacts of climate change on business are associated with considerable uncertainty. The quantification of these risks depends on many assumptions and limitations, given that most climate models offer limited resolution for oceanic conditions and do not adequately account for future marine climate conditions. On one hand, we observed that short- and medium-term projections from IPCC models suggest modest changes (ranging from negligible to limited) in specific climate impacts such as heatwaves and sea level rise. On the other hand, in certain locations, where current conditions already present significant risks, the projected climate shifts are likely to further exacerbate these impacts.

In the first half of 2025, for instance, the maritime shipping sector experienced an exceptional number of cases when extreme weather-related events resulted in numerous containers lost and vessels damaged. In addition, PIL's service network is largely concentrated in the global South, which is more vulnerable to the impacts of climate change. Therefore, in our climate scenario analysis, we assessed the applicable physical climate-related risks to evaluate their potential impact on our business and to prepare for adaptation measures in the event of the materialisation of any of the scenarios.

The preliminary climate scenario analysis commenced in the second half of 2024 using three IPCC scenarios to assess the impact of heat stress and sea level rise at 12 selected locations (page 89).

We acknowledge that exposure to physical climate-related risks is closely linked to specific geographic locations. Accordingly, our methodology involved selecting six of our most strategically significant ports based on handling volumes, as well as six vessel sea routes that are particularly vulnerable due to observed increases in extreme weather events.

During the initial analysis, we determined that locations already characterised by elevated risk levels are likely to experience further increases in risk. This is attributable to the anticipated rise in both the frequency and intensity of extreme weather events, resulting in a greater potential for adverse impacts. Notwithstanding uncertainties, drawing on the latest IPCC reports and multiple related supporting studies, our current analysis indicates that through 2030, climate change driven increases in the frequency or intensity of severe weather events at the assessed locations are not expected to cause disruptions or damages significant enough to materially impact earnings or compromise the strategy’s resilience.

In addition to assessing the potential impacts of climate change on physical assets, it is equally important to identify and address the associated effects on our personnel. Therefore, our primary response involves enhancing occupational health and safety measures, as well as improving onboard emergency protocols, to ensure the wellbeing of our personnel. Additionally, we are working in close engagement with port authorities and operators as necessary on ports’ preparedness for sea level rise.

As part of the next phase of PIL’s climate risk assessment efforts, in 2025 we will broaden the scope of hazards to include additional hazard types such as floods, storms, typhoons, rough seas and rouge waves. We will also expand the number of locations under evaluation, with the goal of developing a comprehensive climate risk heatmap that highlights critical vulnerabilities at each location to serve as a foundation for targeted modelling and contextual adaptation planning.

METRICS AND TARGETS

TCFD 4.a) Disclose the metrics used by the organisation to assess the climate-related risks and opportunities in line with its strategy and risk management process.

TCFD 4.b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

TCFD 4.c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

The following group-wide metrics are used to evaluate and manage climate-related risks and opportunities as part of strategy and financial planning, in accordance with the TCFD Recommendations. PIL sets targets and thresholds related to environmental pollution and community impact, with a focus on aligning with its defined risk appetite.

METRICS		UPDATE 2024
Decarbonisation (Transition) Risks		
Fleet’s Annual Efficiency Ratio (AER) ³²		<div>Within threshold</div> <p>We monitor performance against internal thresholds which are reduced annually, in support of the transition.</p>
CO ₂ e Emissions per TEU of Effective Capacity		
Bunker Consumption per TEU of Effective Capacity		
Breach of Annual Emission Cap		<div>On track</div> <p>We monitor performance against a CO₂e cap at 80% of 2010 levels by 2030, as aligned with the IMO 2023 GHG Reduction Strategy.</p>
Physical Climate Risks		
Climate Heatmap Rating, based on: 1. Severity of health and safety incidents 2. Financial losses as % of revenue 3. Duration of delays and business disruptions		<div>On track</div> <p>We aim to operationalise metrics to assess and manage physical climate risk by 2025.</p>
Capital Allocation		
Internal Carbon Price		<div>On track</div> <p>We aim to implement an Internal Carbon Price of US\$100 per tonne CO₂e by 2025.</p>
Amount invested in transition		<div>On track</div> <p>We monitor the amount of investments under the decarbonisation strategy. In 2024, US\$874.5m was invested in transition.</p>

For PIL’s greenhouse gas emissions reporting and performance against targets refer to page 27.

³² AER = CO₂ emissions / (Deadweight x Distance Travelled). Note: Covers all owned vessels, includes chartered out vessels but excludes chartered in vessels.

INDEPENDENT ASSURANCE STATEMENT

Independent Verification and Limited Assurance Statement of American Bureau of Shipping to Pacific International Lines Pte Ltd

We were engaged by Pacific International Lines Pte Ltd (“the Company”) to assure the selected greenhouse gas (GHG) emissions metrics (“the Metrics”) relating to the year ended 31 December 2024, in the form of a limited level assurance conclusion about the proper preparation of the Metrics, in all material respects, in accordance with the Company’s internal methodology for GHG emissions data compilation (“the Methodology”), as documented in the *Greenhouse Gas Emissions Reporting Manual – Version 2.5 (revised 26th June 2025)*.

This independent limited assurance statement is issued solely to the Company in accordance with the terms of our engagement (Doc. No: QUO-42346-K3G4Y). Our work has been undertaken so that we might provide limited assurance to the Company on those matters that we have been engaged to consider in this statement only and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the Company for our work, for this independent limited assurance statement, or for the conclusions we have reached.

Responsibilities of the Directors of the Company

The directors of the Company are responsible for the proper preparation of the Report, and the Metrics, information and statements contained therein, in accordance with the Methodology, specifically the *Greenhouse Gas Emissions Reporting Manual – Version 2.5 (revised 26th June 2025)*.

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

Responsibilities of American Bureau of Shipping

Our responsibility is to independently verify the GHG emissions stated by the Company in the submitted document *2024 PIL Consolidated GHG Inventory (for ABS) – Revised 15th July 2025* in accordance with the agreed Standard, express a limited level assurance conclusion to the Company, based on the procedures performed and evidence obtained, as to the proper preparation of the Report, in all material respects, in accordance with the referred Methodology. We conducted our work over the course of several weeks in June and July 2025, in accordance with the *International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements 3410: Assurance Engagements on Greenhouse Gas Statements* (“Standard”), issued by the International Auditing and Assurance Standards Board. The Standard requires that we obtain sufficient and appropriate evidence related to the Metrics that is free of material misstatement on which to base our conclusion.

Quality Control Requirements

ABS has a comprehensive quality control policy focused on ensuring the safety of life, property, and the marine environment. This policy is embedded within their broader Health, Safety, Quality, and Environmental (HSQE) management system, and it includes requirements for quality control procedures, documentation, and regular audits.

Compliance with Ethical Requirements

We have complied with the independence and other ethical requirements of the ABS Ethics & Compliance Policy, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Scope of Work

The limited assurance engagement for the Company involves planning and performing procedures following the agreed Standard to obtain sufficient appropriate evidence required for a limited level assurance over the Metrics stated below:

- Scope 1 GHG emissions from direct emissions sources (incl. vessels, vehicles, generators, data centers)
- Scope 2 GHG emissions from indirect emissions sources (incl. electrical energy procured, heating/cooling)
- Scope 3 GHG emissions: Categories 3 Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2 and Categories 6 Business Travel

The procedures selected depend on our judgment, on our understanding of the activities of the Company, the context of the Report and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

The procedures performed included:

- Investigating, observing, inspecting, and reporting on the processes and documents reviewed, and agreeing or reconciling with the underlying records to check errors or omissions in data analysis, consistency, and reasoning of reporting
- Reviewing the GHG emission metrics selected by the Company for FY2024
- Making inquiries into the Company’s management and personnel involved in the collection of activity data and the GHG emission Report preparation process, as well as the internal control system governing this process, regarding the selected metrics

- Data collection, including limited substantive testing, on a selective basis of the Company's owned fleet and chartered vessels to verify the Metrics stated
- Calculations were re-checked for representatively sampled limited data sets to verify data accuracy and adherence to GHG Protocol guides, IMO MEPC guides and IPCC AR5

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

Inherent Limitations

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

Being limited level assurance engagement, the verification procedures are conducted based on examining selectively sampled data from the submitted information and it is possible that irregularities, if any, in the unsampled data may remain undetected. The conclusion expressed in this statement must be read in conjunction with the inherent limitations stated in this assurance statement.

Conclusion

Based on the procedures performed and evidence obtained, and subject to the key assumptions and inherent limitations set out above, nothing has come to our attention that causes us to believe that the Metrics submitted to ABS by 21 July 2025 for the year ended 31 December 2024 have not been properly prepared, in any material respect, in accordance with the referred Methodology.

On behalf of American Bureau of Shipping:



Aditya Bose
Quality Reviewer and Greenhouse Gas Verifier



Dominic Wen
Greenhouse Gas Verifier

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Dated: 31 July 2025