



SUSTAINABILITY REPORT 2022



Table of Contents

1. About Penguin International Limited	1
2. About the Report	2
3. Our Key Accomplishments in FY2022	3
4. Our Approach to Sustainability	5
a. Sustainability Governance	5
Board Statement.....	5
b. Stakeholder Engagement	6
c. Materiality Assessment.....	9
d. Sustainability Strategy	10
5. Product Quality Stewardship	11
6. Economic Resilience	14
7. Our People, Our Assets	19
a. Staff Demographics.....	19
b. Workplace Diversity and Fairness	20
c. FY2022 Employment Statistics.....	25
8. Safety	26
a. Safety on board our vessels for crew and passengers	26
b. Occupational Health and Safety in our Shipyards	27
9. Environment	30
a. Our Shipyards' Energy Consumption and Greenhouse Gas (GHG) Emissions	30
b. Vessel Emissions	32
10. Corporate Governance	33
GRI Content Index.....	34

1. About Penguin International Limited

Penguin International Limited (“Penguin”) is a Singaporean publicly listed designer-builder-owner-operator of aluminium high-speed marine craft. The company was incorporated in 1976 and listed on SGX in 1997.

Since 1996, we have delivered more than 200 aluminium vessels comprising crewboats, patrol boats, passenger ferries, fireboats and windfarm support vessels to ship owners around the world. These include some 150 of our proprietary-designed “Flex” offshore oil and gas crewboats and “Flex Fighter” security boats.

Penguin is the world’s most prolific builder¹ of mid-sized crewboats/security boats for the offshore and maritime security industries. In some markets, our Flex brand has become *the* industry standard.

Our shipyards in Singapore and Batam build vessels for stock and to order, funded mostly by the company’s internal cash reserves. They also undertake a variety of repair and conversion projects.

In addition, we operate a fleet of our own Flex crewboats, passenger ferries and general workboats. These vessels primarily serve oil companies and government/corporate charterers around Southeast Asia.

Our owned-and-operated fleet are well maintained and professionally managed by an in-house ship management team, backed by our own shipyards.

Above all that we say and do, we prize *people over profit* and we abide by international standards of health, safety, environment and quality, corporate governance and sustainable business practices.

Figure 1: Penguin's Products and Services

Shipyards Services



Vessel Operations



¹ According to data compiled by IHS Sea-Web, an independent subscription-based database that captures all IMO-registered vessels worldwide.

2. About the Report

It is our pleasure to present you our FY2022 Sustainability Report (SR2022) covering the period 1 January 2022 to 31 December 2022. This report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards – Core Reporting Requirements and the SGX-ST Mainboard Listing Rule 711(B). We chose to follow the GRI Standards as they are a globally recognised reporting framework consisting of a comprehensive list of disclosures that are well suited to Penguin’s business and the industry that we operate in. We are currently in the process of implementing mandatory climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) and will report on our progress in the following year.

The SR2022 highlights our Economic, Environmental, Social and Governance (“EESG”) material matters that impact our business performance and key stakeholders across two business segments: (1) charter services, primarily in Singapore and Malaysia, and (2) shipbuilding, ship repair and maintenance services, primarily in Singapore and Batam, Indonesia.

This report was prepared by members of our Sustainability Reporting Committee in accordance with sustainability reporting requirements, principles and identified materials.

The Board has engaged Crowe Horwath First Trust Advisory Pte Ltd (“Crowe”), a reputable professional firm specialising in audit services, to assist the Board in its review of the adequacy and effectiveness of the company’s internal control systems in relation to sustainability reporting.

The scope of Crowe’s services is to review and verify the facts and figures in this sustainability report and ensure that standards and adequacies are met. Crowe’s findings are presented to the company’s Audit Committee for deliberation and recommendation to the Board. There were no significant weaknesses raised by Crowe in this sustainability report.

As a valued stakeholder in our sustainability reporting journey, we appreciate your support and we welcome you to contact our Sustainability Reporting Committee at sr@penguin.com.sg with feedback, if any. You may also visit our corporate website www.penguin.com.sg for more information, and our previous sustainability reports may be accessed [here](#).

3. Our Key Accomplishments in FY2022

6th annual

Sustainability Report published, disclosing Economic, Environmental, Social and Governance (“EESG”) material matters that impact our business performance and key stakeholders.



less emission intensity from shipbuilding activities.

Attained FIRST ISO14001:2015



Sustainable Profits

Despite logistical and cost challenges, we posted a net profit of \$10.6m on revenue of \$135m in FY2022. We factored inflation into our annual increment.

Sustainable Shipping

- Standardisation of IMO Tier III engines for our WindFlex-27 CTVs.
- Delivered Singapore's first hybrid-electric patrol boat to MPA.
- Solarised our first crewboat, Alkahfi Grace*.

Sustainable Safety ZERO



reportable incidents on board our vessels.

New Achievements

Europe became our largest shipbuilding market (\$43.3m and 41.5% share) for the **FIRST TIME**.



We prioritise people over profits

Signatory to Employers' Pledge of Fair Employment Practices since



2014

Awarded **LowCarbonSG Status** for the second year by Carbon Pricing Leadership Coalition Singapore.



Headcount of with employees from 9 countries.

715

1



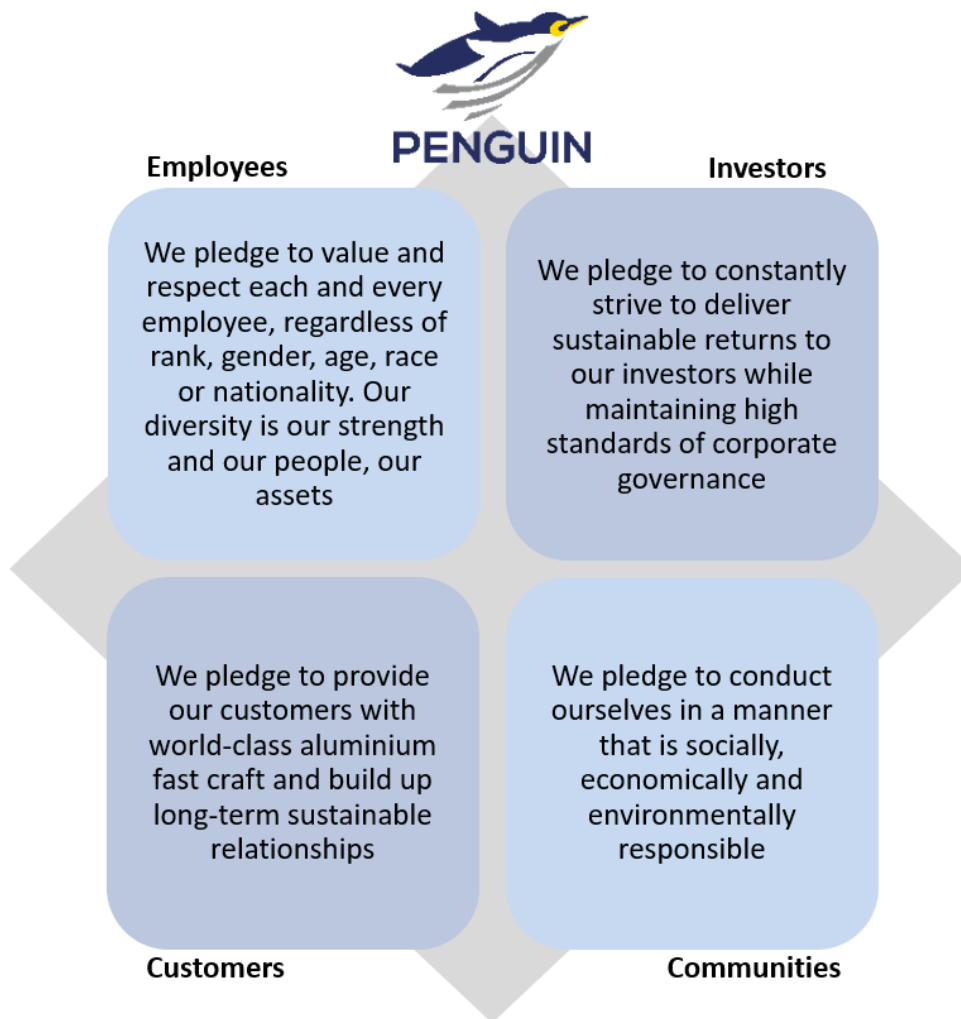
Family

* Solar energy harvested during the day is used to power overnight alongside activities by the crew living on board.

The Penguin Sustainability Statement

“As a global citizen, we believe in conducting our business in a sustainable and socially responsible manner. We believe that sustainability helps us achieve our full potential to become the world’s leading provider of aluminium fast craft.”

Our activities are aimed at creating value for all our stakeholders - Employees, Investors, Customers and the Communities in which we operate.



4. Our Approach to Sustainability

Sustainability lies at the core of Penguin. We prioritise *people over profit*. We believe in true value creation, which transcends the pure profit needs of the present and leads to the betterment of people, community and society.

From our goals and visions to our business model to our long-term strategic plans to our day-to-day operations, we strive to adopt and implement measures which result in and contribute to sustainable growth.

Through our visionary management team led by the principles of servant leadership and our unique collective capabilities as an integrated designer-builder-owner-operator of high-speed aluminium vessels, we embrace challenges and change, and we strive for constant improvement and innovation.

Together, we stand strong in the face of adversity as we work together to stay close to our clients and ahead of our competitors, as we pursue sustainable returns for all our stakeholders.

a. Sustainability Governance

Penguin’s Board of Directors (the “Board”) oversees our sustainability strategy and the management of critical sustainability matters. Under the leadership of our Managing Director, the Sustainability Committee comprises our Finance and Administration Director, key executives and senior staff. The committee ensures the implementation of our sustainability strategy and the evaluation of progress against our commitments.

Department and unit heads ensure the successful implementation of our strategies through integration of sustainable practices into our day-to-day operations and provide regular feedback and updates to the committee for evaluation of performance and advice where needed.

The Board reviews our sustainability performance annually in February, as part of our overall enterprise risk management process. The review includes key elements and materials for sustainability reporting to ensure their continued relevance.

For more information on overall Corporate Governance, please refer to pages 29 to 53 in our FY2022 Annual Report.

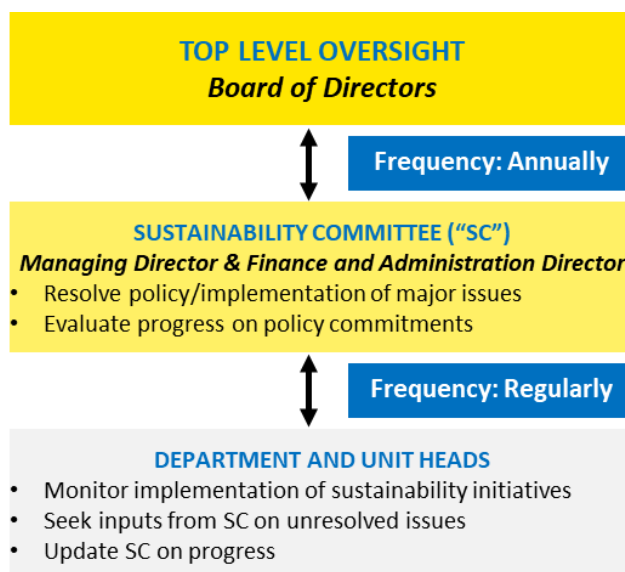


Figure 2: Our Sustainability Governance Structure

Board Statement

The Board is pleased to present its sixth Sustainability Report prepared in accordance with GRI Standards and SGX-ST’s Sustainability Reporting Guidelines for listed companies in Singapore. The Board, together with the Sustainability Committee considers sustainability matters as part of the Group’s growth strategy. The Board has approved the material ESG factors and determined them to be relevant for the current year. The Board shall ensure that these ESG matters are monitored and managed.

As we make progress in our sustainability journey, we urge all our stakeholders to partake in our commitment to sustainability as we work together towards a common goal of improving the economic, environmental, and social well-being of the world that we live and work in.

b. Stakeholder Engagement

The Sustainability Committee is responsible for ensuring that channels of communication are open and accessible to all stakeholders. Through regular engagement, we can better identify and respond appropriately to key issues and interests. For details on our stakeholder engagement platforms, please refer to Figure 3 below.

Figure 3: Our Approach Towards Stakeholder Engagement

Stakeholder Groups	Key Concerns/Interests Raised by Stakeholder Groups	Penguin's Response	Methods of Engagement	Frequency of Engagement
Employees, Workers and Crew Members	<ul style="list-style-type: none"> Fair and inclusive workplace Safe working environment Career progression and personal development 	<ul style="list-style-type: none"> Maintaining an "open-door" culture Ensuring timely feedback and interaction between management and employees to ensure alignment of expectations between both parties Maintaining robust Health, Safety, Environment and Quality management systems Ensuring consistency in Human Resource policies across the operating entities while ensuring compliance with prevailing local labour laws Giving recognition to staff members performing supervisory roles Identification of training roadmap for skills upgrading of respective trades 	Appraisals	Annually
			Regular management and HR memos	Quarterly
			Safety toolbox meetings Safety Memo Safety Workshop	Daily Weekly Half Yearly
			Recognition ceremony to present shipyard supervisor's identifications	As and when required
			Training briefings by HoD/Trade Heads Attending courses, webinars, seminars and workshops	Quarterly briefings Relevant courses/workshops when available
Clients	Provision of consistent and <i>world-class</i> quality products and services from Penguin	<ul style="list-style-type: none"> Building long-term relationships with clients to ensure sustainable business growth Maintaining a feedback loop with clients to align expectations and improve products/services Knowledge management of client/operator feedback and lessons learnt for product improvement Provision of service levels as per ISO 9001 	Regular client visits around the world	Monthly and quarterly
			Regular operations and warranty feedback	As and when required
			Platform for collating of client and operator feedback/lesson learnt	As and when required

Stakeholder Groups	Key Concerns/Interests Raised by Stakeholder Groups	Penguin's Response	Methods of Engagement	Frequency of Engagement
			ISO audits by external auditor	Annually
Shareholders and Investors	Provision of sustainable investment returns	<ul style="list-style-type: none"> • Transparent and timely disclosure of financial information and corporate developments through company website and SGXNet. • Having a dedicated channel via company website for investors' questions and feedback 	Annual General Meeting (AGM)	Annually
			Annual Report	Annually
			Financial news and announcements	As and when required
Suppliers and subcontractors	<ul style="list-style-type: none"> • Creating and maintaining a symbiotic eco-system with key suppliers and subcontractors in which sacrifices and successes are equitably shared. • Inculcating sustainable business practices within the eco-system 	<ul style="list-style-type: none"> • Clear communication on Penguin's expectations and standards of service and product quality, as well as health, safety and environmental practices • Monitoring practices to ensure compliance by suppliers and subcontractors 	Performance evaluation	Annually
			Safety meetings with subcontractors	Monthly
			On-site engagement with employees	Daily
			Ad-hoc meetings	As and when required
Regulators	Compliance to relevant laws and regulatory requirements in all jurisdictions in which we operate	<ul style="list-style-type: none"> • Adopting sustainable practices and complying with workplace health, safety, and environmental practices, as well as corporate governance guidelines. • Participation in Public-Private dialogues and working groups to assist in shaping sectoral policies and best practises. 	Meetings and discussions with relevant authorities	At regular Public-Private platforms As and when required
Local Communities	Singapore: Provision of services contributing to public safety and security, and jobs creation for Singaporeans	<ul style="list-style-type: none"> • Providing vessels deployed for national emergencies and other public essential services • Contributing to various charity organisations and community outreach programmes • Participating in sectoral manpower capability development programmes and job creation 	Always ready to support emergency exercises and response.	As and when required
			Sponsorships and donations	Periodic

Stakeholder Groups	Key Concerns/Interests Raised by Stakeholder Groups	Penguin's Response	Methods of Engagement	Frequency of Engagement
			Internship placement for tertiary level students Course sponsorship and job placement for crew	Ongoing
	Batam: Contributing to a safe, healthy and happy community in the vicinity of the company's shipyard	<ul style="list-style-type: none"> • Maintaining a healthy symbiotic relationship with local communities through acts of consideration, compassion and kindness • Contributing to the socio-economic growth of villages through local job creation and economic spin-offs in the vicinity of the shipyard 	Offering job opportunities to villagers. Volunteering for grassroots' activities, including providing monetary and in-kind donations	Periodic

c. Materiality Assessment

Prior to embarking on our first Sustainability Report for FY2017, we conducted a formal materiality assessment in September 2017 to identify Penguin’s key economic environmental, social and governance matters. The sustainability material matters were reviewed again in FY2021 and determined to be relevant for the year.

Figure 4: Our Four-Step Materiality Assessment Process

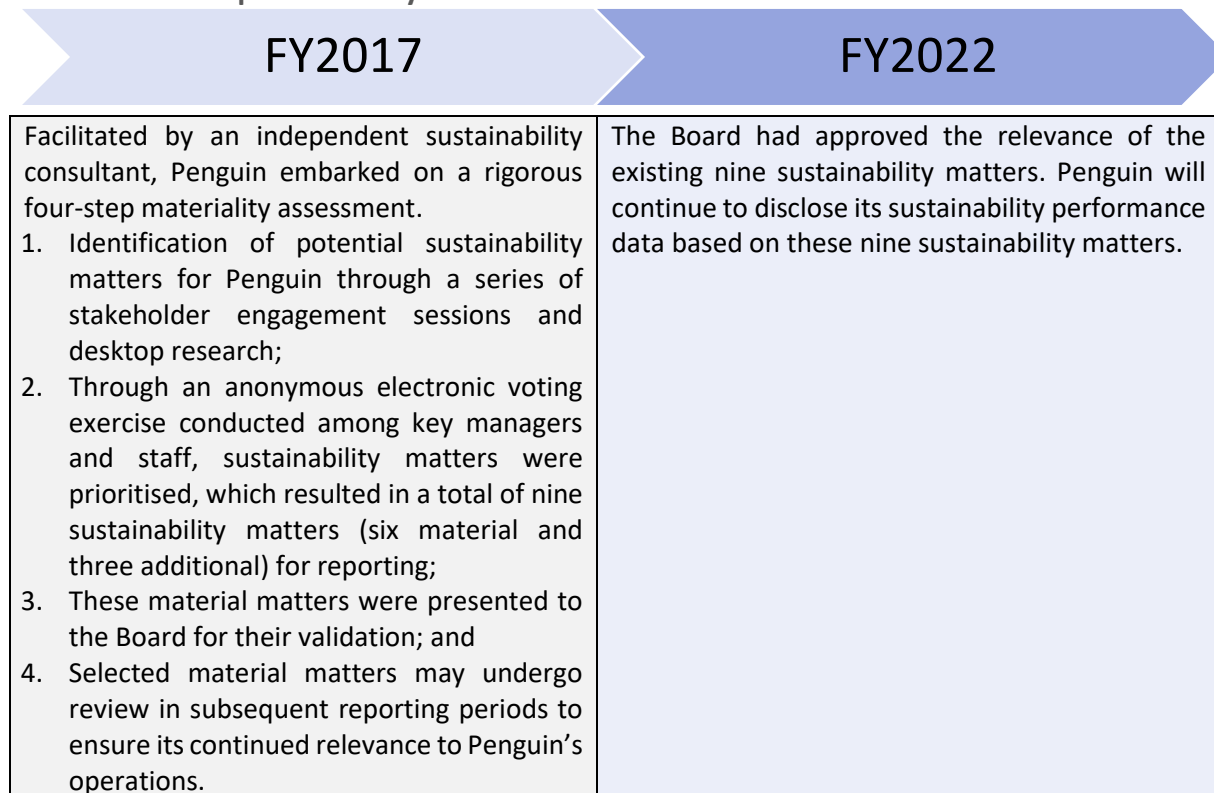


Figure 5: Our Sustainability Matters Chosen for Reporting in FY2022

Material Matters		Page	Additional Matters		Page
1	Economic Resilience	14-18	7	Product Quality & Stewardship	11-13
2	Safety ²	26-29			
3	Energy Consumption Management	30-31	8	Workplace Diversity, Fairness and Retention	20-21
4	Vessel Emission	32			
5	Regulatory Compliance	33	9	Greenhouse Gas (GHG) Emissions	30-32
6	Business Ethics	33			

For detail information on the materiality assessment process and details of each sustainability matter, please refer to our SR2017.

² Safety comprises “Shipboard safety for our crew and passengers” and “Occupational health and safety at our shipyards”.

d. Sustainability Strategy

Figure 6: Economic Resilience; Our People, Our Assets; Integrated Sustainability



Our comprehensive strategy incorporates key sustainability matters mapped across our unique designer-builder-owner-operator value chain. Please refer to Figure 8 in SR2017 detailing how these material matters were identified and integrated into Penguin's way of life.

5. Product Quality Stewardship

As a global market leader in the construction of mid-sized aluminium workboats, Penguin is constantly striving to stay ahead through regular improvement and innovation, from design through to construction and operation, drawing on our core capabilities as a designer, builder, owner and operator of high-speed vessels.

Here are some examples of our commitment to product quality stewardship in FY2022:

Redesigned 40m multi-role crewboat

In FY2022, Penguin redesigned its flagship Flex-40 Series crewboat to give it better space utilisation and layout, added functionality and improved aerodynamics. The upgraded 40m crewboat also features a new high-speed engine by Germany's MAN that reduces fuel consumption and CO₂ emissions by up to 10% compared with the standard Caterpillar engine currently in use. The new model type with the MAN engines is called the Flex-40MX.



The new Flex-40MX with MAN engines and business class seats with USB chargers

Singapore's first hybrid-electric patrol craft

In FY2022, Penguin delivered Singapore's first hybrid-electric patrol boat, a 34m catamaran with multi-role capabilities including command-and-control, drone surveillance, oil spill response, search-and-rescue and firefighting. The vessel, MPA Guardian, was delivered to the Maritime and Port Authority of Singapore ("MPA") on schedule in March 2022.

In full electric mode, MPA Guardian can run continuously (and silently) at 6 knots for up to 3 hours. In full diesel mode, she can run at a top speed of 27 knots. Significantly, the hybrid-electric system on MPA Guardian could potentially reduce the vessel's carbon footprint by up to 20%, depending on the vessel's operating profile.

Jointly developed by Penguin and its project partners - Praxis Automation, Razor Blunt Labs and BMT - in collaboration with Singapore's Defence Science and Technology Agency, MPA Guardian features a complex hybrid-electric propulsion and energy storage system that offers unique operational redundancies and efficiencies. In addition, Penguin and BMT developed from scratch an innovative launch-and-recovery system ("LARS") that enables a dedicated daughter craft to be deployed and retrieved from MPA Guardian while she is underway.

MPA Guardian is being crewed and maintained by Penguin under a long-term service agreement signed with MPA. This is the company's third maintenance agreement, following similar agreements entered into with the Singapore Civil Defence Force and the Ghana Navy.



MPA's Hybrid-Electric Patrol Boat MPA Guardian

Penguin's first IMO Tier III vessel

In November 2022, Penguin delivered its first vessel with IMO Tier III engines (with special catalytic reduction equipment attached) to a repeat customer from Germany. The lower emission IMO Tier III engines, compared to the more common IMO Tier II's, are typically found only in ships that trade in designated Emission Control Areas in parts of North America and Europe. Therefore, most IMO Tier III ships are built in Europe and North America. Rarely are they built in Southeast Asia.

The aforementioned vessel is an 18m, 50-pax passenger ferry built for a 150-year-old German shipowner, AG EMS, which had earlier taken delivery of a 46m, 450-pax passenger ferry from Penguin. The client has since ordered two more sister 18m ferries from Penguin.

Significantly, each IMO Tier III ferry will reduce NOx emissions by about three times compared to a similar-sized ferry with IMO Tier II engines.

Going forwards, Penguin has committed to building its stock windfarm Crew Transfer Vessels (CTV), the WindFlex-27, with only IMO Tier III engines as a standard spec - a move that will further reduce NOx emissions in the maritime industry.



18m passenger ferry with IMO Tier III engines

Electric Dream to Reality: Singapore's first zero-emission seagoing ships

In FY2022, Penguin and its design partner Incat Crowther UK commenced construction of three pure electric 200-pax, single-deck passenger ferries that will transport staff, workers and contractors of Shell between Pasir Panjang Ferry Terminal and Shell's Energy and Chemicals Park on Pulau Bukom, off southern Singapore.

Concurrently, Penguin and its project partners - Danfoss, Razor Blunt Labs and Gema Engineering - started infrastructure works on Pulau Bukom to prepare for the installation of rapid shore chargers and automatic overhead charging jibs.

Due to come on stream in 2Q2023, the landmark Electric Dream project will feature Singapore's first pure electric seagoing ships and Singapore's first rapid maritime shore chargers. The ferries will transport some 3,000 passengers a day, or 1.8 million passenger trips a year, between Singapore's mainland and Pulau Bukom, replacing conventional diesel-powered ferries that are currently in use. This marine electrification project is also a first for Shell worldwide.

Significantly, the Electric Dream ferries will eliminate 6,258 tonnes of CO₂ emissions a year from the skies over Singapore.



Electric Dream: Singapore's first fully electric seagoing ships and rapid maritime chargers

The above examples demonstrate Penguin's ongoing commitment to decarbonisation, product quality stewardship, continuous improvement and innovation, as well as diversification of products and markets, in our never-ending journey of sustainability.

6. Economic Resilience

As a global leader in our sector, we continue to harness the numerous opportunities generated by our unique and dynamic capabilities as an integrated designer-builder-owner-operator-repairer-rebuilder of high-speed aluminium vessels. Here are some examples:

Investing In Our Future

While FY2021 was marked by high shipyard CAPEX activities arising from the upgrading of our Batam shipyard and the construction of new shipbuilding facilities in Singapore, FY2022 was marked by high fleet CAPEX activities.

In early 2022, Penguin Singapore relocated to its new premises at 21 Tuas Road, which has double the land area, a better layout and a more accessible waterfront than its previous premises at 18 Tuas Basin Link. Works are ongoing for the next phase of the 21 Tuas Road development, with the construction of a third workshop and enhancement works to the jetty. When fully developed, our shipyard at 21 Tuas Road will be able to accommodate the construction of up to 10 vessels in the workshops and perform repair and maintenance works on up to 8 vessels in the open-air hard stand.

In FY2022, we added 9 new crewboats to our chartering fleet, bringing our total fleet size to 22 crewboats as at 31 December 2022, with an average age of 1.8 years per crewboat (down from 2.1 years the previous year). The fleet expansion resulted in a record \$25.9m in crewboat chartering revenue in FY2022.

The higher CAPEX activities over the past two years necessitated increased borrowings. In FY2022, total bank borrowings rose 56.8% year-on-year to \$23.9m, of which \$15.9m was long-term debt. Notwithstanding the increased borrowings, Penguin's gearing ratio remained modest at 0.16 as at the end of last year. As always, Penguin refrains from borrowing to build stock vessels.

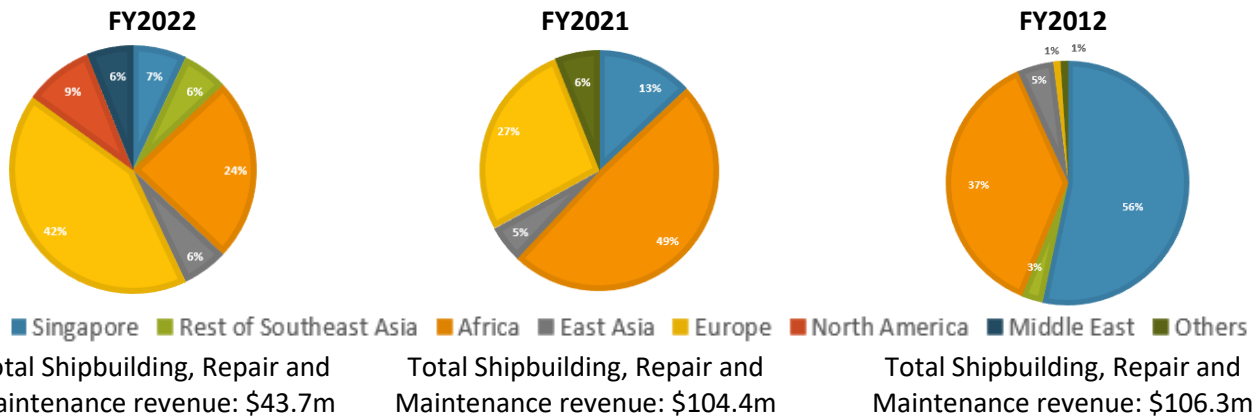


New HOME OF THE FLEX: Freshly renovated office and one of three new workshops

Venturing into new markets

In FY2022, Penguin further expanded its product portfolio and diversified its geographical reach. New products included our first IMO Tier III vessel and our first cruise tenders. And for the first time ever in FY2022, Europe became our largest shipbuilding market, driven by CTVs for the offshore windfarm industry. Also for the first time last year, Penguin signed a shipbuilding contract with a Japanese ship owner. The vessel was a WindFlex-27 and the buyer was NYK, Japan's oldest commercial shipowner.

Please refer to the pie charts below for a visual representation of Penguin's diversification journey over the last decade.



Innovation Grant

In September 2022, Penguin and Reygar from the UK were jointly awarded a cash grant from agencies in Singapore and the UK under a Collaborative R&D Call. The project involves Penguin and Reygar upgrading the latter's "BareFLEET" remote vessel monitoring system with new features and technologies, including Artificial Intelligence.

Staying Ahead

On the fleet expansion front, we continue to operate one of the crewboat industry's youngest fleets. In FY2022, we added 9 new crewboats to our fleet and sold 2, compared with 6 and 2 respectively in the previous year.

Beyond the numbers, we introduced the newly redesigned Flex-40MX crewboat to our build-for-stock programme.

Financially, Penguin reported a profit after tax in FY2022 of \$10.6m on revenue of \$135m, which was down 16.7% and up 1.9% respectively from the previous year. Gross profit margin over the period fell to 26.6% from 28.0% as supply chain issues, cost escalation and intense competition continued to plague the company's shipbuilding activities.

Financial Results ³	FY2022 S\$'000	% change from FY2021	FY2021 S\$'000
<i>Economic Value Generated</i>			
Revenue	138,803	^ 1.80%	136,355
<i>Economic Value Distributed</i>			
Operating costs	91,701		86,466
Employee wages and benefits	23,729		21,848
Payments to capital providers	5,322		251
Payments to government	2,127		1,966
Community investment	32		19
Total	122,911	—	110,550
<i>Economic Value Retained</i>	15,892	▼ 38.42%	25,805

Beyond financials, everyone in Penguin owes a huge debt of gratitude to our migrant workers and crew, who truly suffered during the pandemic.

³ Information in this table is derived from Penguin's audited financial statements and other accounting/financial data. This information is intended to summarise the overall contribution of Penguin to its stakeholders and is not meant to replace or provide an alternative to the audited financial statements which is made available in Penguin's Annual Reports.

Sharing the Joy: Making a Difference in Batam and Singapore

On the community engagement front, we continue to be involved in various personalised outreach programmes. In Batam, we regularly support and sponsor various grassroots and development activities at villages in the vicinity of our shipyard. Our volunteers from our Batam subsidiary PT Kim Seah Shipyard Indonesia (PTKS) have expressed a sense of fulfilment and joy in their community engagement work. In Singapore, we regularly contribute to non-profit organisations such as Singapore Cancer Society and Yellow Ribbon.

Welcoming Hari Raya Idul Fitri at Tanjung Riau village

On 23 April 2022, PTKS organised an event at the nearby Tanjung Riau Village to celebrate Hari Raya Idul Fitri, as our volunteers gave out daily necessities to some 300 needy families. The community event was conducted in accordance with health and safety protocol prescribed by the Indonesian authorities. Our volunteers together along with neighbourhood heads distributed the assistance packages at the village office and at the homes of elderly and immobile.



Villagers receiving their love packages from the management representative of PTKS and neighbourhood heads at the Tanjung Riau Village Chief's Office.

Donations to Divine Mercy Parish

On 15 October 2022, PTKS donated mattresses and pillows to support the Divine Mercy Parish in Tiban, Batam. Our volunteers from PTKS accompanied the pastor to distribute the donations to the parishioners.



Parishioner receiving donated mattress

Singtel Race Against Cancer 2022

Last year, Penguin made a donation to an annual fund-raising event to raise awareness for cancer prevention and treatment and also sent a 21-person strong team to participate in the mass run on 18 September 2022 at East Coast Park.



Penguin runners at Singtel Race Against Cancer 2022

In preparation for the race, the Penguin runners trained together weekly, which fostered staff cohesiveness and a healthier lifestyle outside the workplace.

Cultivating Mindshare for Future Generations

The easing of pandemic measures in FY2022 enabled us to organise outreach programmes among the young in Singapore to generate awareness of our shipbuilding and shipping sectors and pique interest in the many career opportunities in Penguin and our industry at large.

Singapore Institute of Technology

On 21 September 2022, Penguin hosted for the first time a learning journey visit for Year One undergraduates from the Singapore Institute of Technology (SIT). Altogether, 80 students and faculty members from SIT's Naval Architecture and Marine Engineering programme toured Penguin's new shipyard at 21 Tuas and witnessed the various stages of shipbuilding, from designing to construction. At the end of the tour, the students and faculty members were treated to a harbour tour on board our own ferry, Penguin Redeem.



SIT students and faculty with Penguin volunteers

Good day Mr. James!

This is Yong Kang from SIT Naval Architecture and Marine Engineering, Year 1 student.

On behalf of my batch, I would like to thank you for allowing us to visit your shipyard and being so accommodating to us! It is definitely an eye opener for all of us, especially for the students without marine background. I believe everyone benefitted greatly from this visit which broaden their perspective on the maritime industry. This will be a big step forward for them towards an exciting career in the maritime industry.

Once again, thank you for making this possible despite your busy schedules and we are grateful from the bottom of our hearts. Hope operations go smoothly and may Penguin soar to greater heights!

Best Regards,

Yong Kang

Appreciation letter to Penguin from Mr. Tan Yong Kang,
Class Leader, SIT's Year One Naval Architecture and Marine Engineering programme.

Little Day Out

On 2 December and 3 December 2022, Penguin hosted for the first time a group of primary school students and their parents at our 21 Tuas shipyard. The visit was organised jointly with Little Day Out, a website and newsletter that offers outdoor activity ideas to parents with young children.

The tour included a behind-the-scenes tour of the shipyard and interactions with Penguin personnel from various departments.

The post-event feedback received from the participants were positive. The following are some abstracts of the participants' feedback.

- "I was very touched by the level of pride of the employees of Penguin. Their commitment to their jobs and their willingness to share the passion they have is impressive. Congratulations on an incredible adventure."
- "We enjoyed the entire trip. Penguin has been very hospitable and engaging. Appreciate their efforts and time to do this for the kids."
- "All was great, and we could feel all staff are very passionate in what they do. They are good at what they specialise in and provided very informative knowledge to all of us. Appreciate it!"



Attendees at "Maritime Sea-Venture" organised by Little Day Out at Penguin Shipyard

7. Our People, Our Assets

Through one of the three fundamental principles in our sustainability strategy, Penguin prioritises people over profit. We firmly believe that our people are our greatest asset.

In FY2022, Penguin employed more than 700 staff, workers and crew in Singapore, Indonesia and Malaysia.

At all times, we maintain a culturally diverse, fair and inclusive workplace that nurtures and cultivates a passion for excellence, innovation and sustainable value creation.

a. Staff Demographics

Our workforce has been steadily increasing over the past three years, in line with an increase in our shipbuilding and chartering activities. In FY2022, we employed 715 men and women, up from 670 employees in 2021. Most of our employees are working full-time and under permanent employment, with part-time/temporary staff accounting for only 18% of our total workforce.

While the marine and offshore industry has traditionally been male-dominated, Penguin constantly strives for gender diversity in its offices, shipyards and ships. We are proud to have a female Executive Director on our Board of Directors and female employees in the ship design and ship repair departments. Please refer to Figures 7 and 8 below for a breakdown of our workforce statistics.

Figure 7: Employment Breakdown by Gender

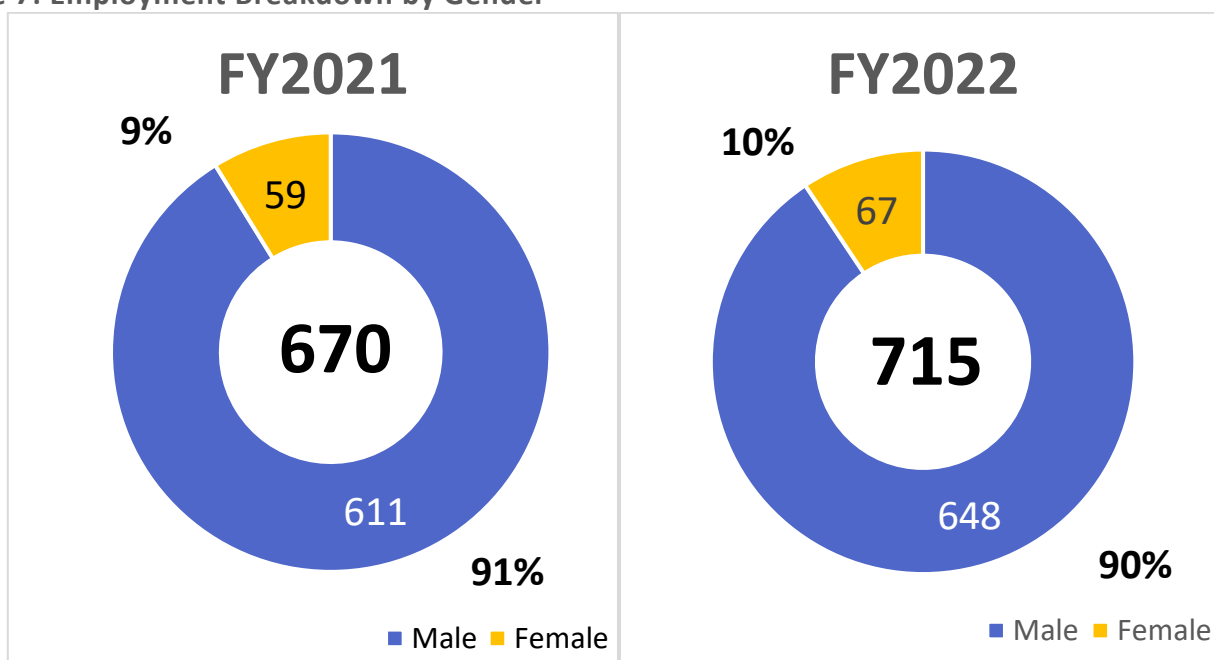


Figure 8: Employment Breakdown by Employment Contract and Region

Region	By Employment Contract			
	FY2021		FY2022	
	Permanent	Temporary	Permanent	Temporary
Singapore	357	0	378	0
Indonesia	9	109	11	126
Malaysia	195	0	200	0

b. Workplace Diversity and Fairness

Policies and Practices

Penguin has been a signatory to Singapore’s Tripartite Alliance for Fair & Progressive Employment Practices (TAFEP) since 2014, a commitment that we reaffirm year after year. As a TAFEP signatory, we believe in fair employment which is merit-based and non-discriminatory.

Over the years, we have been able to attract and retain talent with the right skillsets, attitudes and capabilities to contribute to our sustainable practices. Our management practises an open-door policy where employees, regardless of rank, are encouraged to reach out and always speak up. This practice is enshrined in Penguin’s Whistle Blowing Policy, which aims to provide an avenue for employees to raise concerns about possible improprieties and obstructive action within the group that they become aware of, and to provide reassurance that they will be protected from reprisals or victimisation for whistle blowing in good faith and without malice.

In addition, management regularly communicates updates on the company’s developments and strategies in a timely manner.

Our Human Resource Policies and Procedures

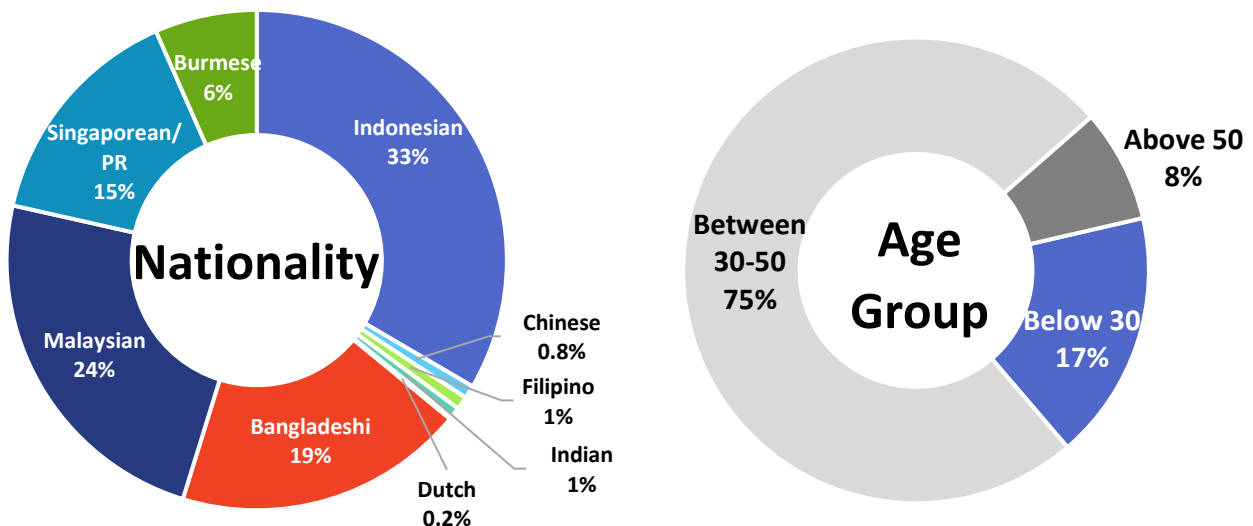
Penguin is committed to fair employment practices and does not discriminate any person based on his or her race, religion, gender, age, marital status, nationality, disability or medical condition. We value and respect each and every employee and are committed to training, developing, rewarding and promoting employees based on their attitude and performance at work.

Penguin’s human resource policies and procedures include, but are not limited to, the following areas of employments:

- Fair Employment Practices
- Dispute Resolutions
- Harassment
- Performance Management

For details of each respective policy, please refer to our FY2017 Sustainability Report.

Figure 9: FY2022 Workforce Diversity by Nationality and Age Group



We have procedures in place to ensure that our human resource policy and practices are consistently applied across all our operating units regardless of where they are located. We always comply with local laws and regulations. Depending on an employee's level of employment, they also enjoy a range of welfare and benefits listed below.

Employment Benefits

All full-time employees enjoy a range of employment benefits from health care insurance⁴, disability coverage, parental leave and retirement provision.

Training and Development

We encourage lifelong training and development among all our employees. Our crew, for example, are required to keep their relevant certificates of proficiency updated as they gain shipboard experience and rise through the ranks. Our shipyard workers undergo both mandatory induction and situational training as they journey with us in their career growth. Our ship design engineers and naval architects are encouraged and given opportunities to attend workshops and seminars to broaden their exposures and knowledge.

Performance Appraisals

All our employees are appraised annually by their superiors, and their appraisal results will go into determining their annual bonuses, if bonuses are due for that year. In this process, there is no distinction or discrimination between office staff and yard production staff members. Crew members working on board our vessels are assessed by their respective ship masters and are endorsed by their respective crewing officers and managers.

⁴ As stipulated by respective regulatory bodies in operating countries; including, Ministry of Manpower (MOM) in Singapore, Badan Penyelenggara Jaminan Sosial in Indonesia and Social Security Organisation (SOSCO) in Malaysia

Staff Welfare and Sports Events

May 2022: Safety Workshop and Penguin Power Party

In May 2022, Penguin Singapore organised a Safety Workshop and Penguin Power Party at our new premises at 21 Tuas Road following the lifting of pandemic restrictions.

The safety workshop served as a refresher for our shipyard employees as they were engaged in quizzes to affirm their knowledge. Following that, a sumptuous buffet was served by members of our management team to everyone, as colleagues sang and danced. The sense of joy and relief was truly palpable.



Our Managing Director, James Tham, addressing our employees at the event.



Mr. Yap Chee Chong, head of HSE, quizzing Abdul Baten from the Hull & Outfitting team.



Members of our management team serving our employees at the buffet line.



Our Pelican ship management team comprising staff and crew

International Migrants Day 2022

To commemorate International Migrants Day 2022 in Singapore, volunteers distributed fresh fruit to all staff and workers in Singapore.



Workers residing in dormitories and crew on board our ships

After a two-years hiatus due to the pandemic curbs, our Sports and Wellness Committee reconvened and organised two major sporting events for our staff, workers and crew:

Penguin Soccer Tournament 2022

In the early morning of 9 October 2022, nine soccer teams comprising staff, workers and crew gathered at Terusan Recreational Centre bright for a long-awaited soccer tournament.

Cheered on by supporters, all the teams played their hearts out and fought hard. In the end, our Hull and Outfitting team, “NSB Kings”, won the championship!



A total of nine soccer teams fought for the “World Cup”

Penguin Bowling Tournament 2022

On 16 November 2022, 10 teams gathered for a bowling tournament at Westwood Bowl in Bukit Batok.

Amidst cheers and friendly bantering, the teams bowled the night away with the team “PIL Ballbarians” topping the group. Johari and Vidya were conferred the best male and female bowler title respectively.



Bowlers and supporters at the event

Ship Management Team Cohesion Day

On 14 May 2022, Pelican Ship Management organised a trip to St John's Island for a half-day cohesion event. About 50 staff and crew joined in this fun-filled teambuilding event.



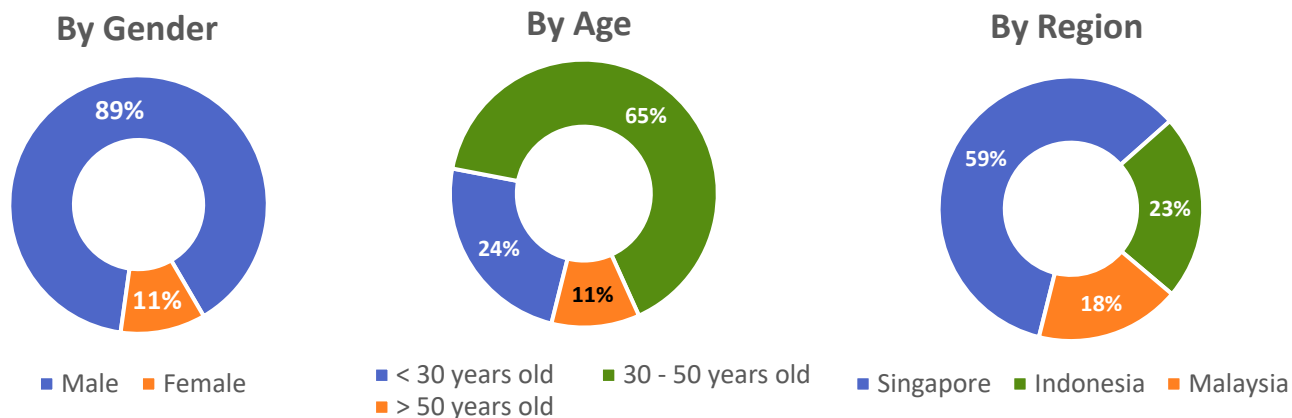
Pelican Ship Management team basking in the sun

c. FY2022 Employment Statistics

In FY2022, we recruited 141 new employees, partly to keep up with the growth of our shipbuilding and chartering businesses and partly to fill vacated positions. In our recruitment process, we sought out the most-qualified candidates with the right experience, attitude and job fit - regardless of age, gender or race.

Figure 10: FY2022 New Hires and Turnover by Gender, Age Group and Region

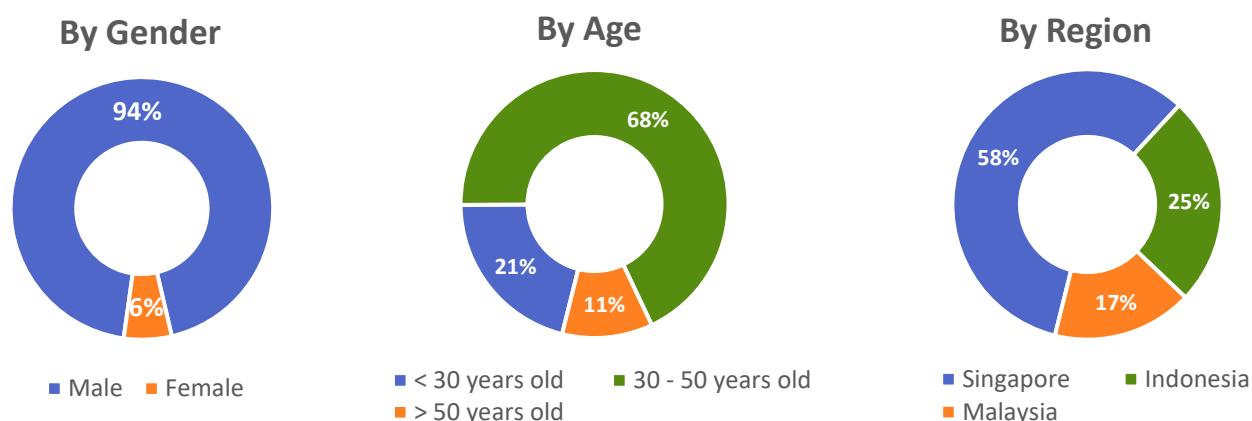
New Hires in FY2022: 141



In FY2022, we had a total of 119 cessations, most of them among our crew. This is a common occurrence. Crew members on Seafarers' Agreements are typically employed on a one-year contract and will tend to cease their employment after that. This is a common practice within the maritime and offshore industry. In between employment, many of our crew will use the time to undergo training to upgrade themselves and return to work with their higher certifications. Most of our crew are Indonesian males who belong to the younger age group. Other reasons for cessation are foreign workers who wish to return home after working in Singapore for a few years. Amongst the Singaporean employees, many leave for a different career or a higher salary or better perceived prospects. A handful of cessations are involuntary ones initiated by the company through disciplinary dismissal or contractual termination.

Figure 11: FY2022 Employee Turnover by Gender, Age Group and Region

Employee Turnover in FY2022: 119



Note: Total new hire and employee turnover rates are calculated as a percentage of staff on payroll as of 31 December 2022.

8. Safety

a. Safety on board our vessels for crew and passengers

We believe that a good safety record is an important indicator of a company's leadership. We believe that safety contributes to a truly sustainable business over the long term. We believe that employees prefer working for a company with a strong safety culture that is driven by the top.

In our fleet operations, both local and overseas, we believe that everyone has a role in ensuring a safe working environment on board. We strive to go beyond regulatory marine requirements and compliance by adopting the more stringent Oil and Gas Producer ("OGP") standards⁵, as the majority of our clients are in the oil and gas industry.

In our fleet management teams, our respective General Managers, with the support of our Designated Persons Ashore ("DPA"), oversee the management of safety, training and pollution prevention practices on board our owned and operated vessels, in accordance with the International Management Code for the Safe Operation of Ships and for Pollution Prevention ("ISM Code").

On board our vessels, our Masters have day-to-day responsibility over the health and safety of their crew and passengers, and the sanctity of the environment. Our Masters ensure the shipboard management operates in accordance with the approved Safety Management System ("SMS").

Our company's SMS fundamentals are derived from the ISM Code. Its motivation is to achieve three important goals: People on board are safe. Ship and cargo or passengers are safe. The marine environment is safe.

”

On the ground, we promote a no-blame safety culture amongst our stakeholders and cultivate safety awareness with the following on-going campaigns.

- One Point Lesson ("OPL") is introduced to increase seafarers' knowledge on key safety procedures, such as chemical handling, confined space entry, fall from height, lock-out/tag-out and so on. These OPL will be read out and reflected upon during daily toolbox meetings. They serve to remind our seafarers the importance of maintaining safety standards on board at all times.
- The Monsoon Safety Campaign is conducted annually to heighten alertness during the seasonal changes and serve to remind everyone to maintain safe operations during the monsoon season.

1. To bring up the awareness & alertness of all parties throughout the monsoon season.

2. To identify specific hazard, its risk and best control measures and mitigation.

3. To achieve zero incident & zero accident throughout the monsoon season for the entire fleet.

4. To always maintain safe operations during monsoon season.

Penguin Group has a suite of policies governing safety on board our vessels for crew and passengers. These include but are not limited to:

- Safety and Environment Policy Statement
- Stop Work Authority Policy
- Navigation Policy
- Drug and Alcohol Policy Statement

In FY2022, there were no significant changes made to the content of these policies. For details of each policy referenced above, please refer to our 2017 Sustainability Report.

⁵ Oil and Gas Producers (OGP): <https://www.iogp.org/oil-and-gas-safety/>

In FY2022, we launched the following new initiatives to further enhance our SMS:

- To cultivate an intervening culture, our seafarers are encouraged to share cases or raise safety issues at the daily toolbox meetings, and where necessary to call a “Stop Work Order” for unsafe work practices.
- Mandatory “Wednesday Safety Standstill” are conducted weekly, to share case studies of incidents within our company (if any), and lessons learnt from sectoral incidents.
- To encourage seafarers to report unsafe acts, near misses, or contribute safety suggestions, a “Safety Observation Card” was introduced.
- “Operations Audits” were introduced to maintain the professional competencies of our ship masters and crew. During these visits, ship masters and crew are required to demonstrate their currency in navigation and seamanship practices, as well as familiarity with shipboard emergency procedures.

Fleet Safety Performance

Safety statistics for our fleet operations are collated and evaluated regularly. Quarterly safety reports are submitted to the Penguin board for review.

We operate a no-blame safety culture and we set our targets for zero fatalities, zero lost workday cases, zero restricted workday cases and zero medical treatment cases. While we actively work towards achieving these targets, incidents nevertheless may occur. In such instances, we respond swiftly to establish root causes, learn from these incidents and seek to prevent reoccurrence.

In FY2022, we recorded no reportable incidents on board our vessels.

Figure 12: Fleet Safety Statistics

Safety Metrics	FY2021	FY2022
Reportable Incidents ⁶	0	0
Reportable Incident Frequency Rate (IFR) ⁷	0	0
Reportable Incident Severity Rate (ISR) ⁸	0	0

b. Occupational Health and Safety in our Shipyards

Penguin Shipyard is accredited as an ISO 45001:2018 organisation and certified bizSAFE STAR by the Workplace Safety and Health Council. bizSAFE STAR is the highest level of accreditation in the bizSAFE rankings and highlights Penguin’s achievements in Workplace Safety & Health.

Our Workplace Safety and Health committee, led by Penguin Shipyard’s General Manager, is responsible for Occupational Health and Safety Management. Our Occupational Health and Safety Management system

⁶ Reportable incidents include fatalities, lost workday cases, restricted workday cases and medical treatment cases which result in employee leaving the vessel to seek medical treatment on shore. First aid cases are excluded.

⁷ Reportable Incident Frequency Rate (IFR) is calculated as the total number of reportable incidents per 1 million man-hours worked.

⁸ Reportable Incident Severity Rate (ISR) is calculated as the total number of medical leave days taken consolidated from the reportable incidents per 1 million work hours.

complies with Singapore’s Workplace Safety and Health Act (Chapter 354A), Fire Safety Act (Chapter 109A) and Prevention of Pollution of the Sea Act (Chapter 243).

In FY2022, Penguin Shipyard embarked on a journey to integrate our management systems on Quality, Health, Safety and Environment, with the objective of earning certification for ISO 14001:2015, ISO 9001:2015 and ISO 45001:2018 by Lloyd’s Register Quality Assurance (LRQA). At the same time, PTKS in Batam successfully earned its certification renewal for ISO 9001:2015.

Regular workplace safety committee meetings are now streamlined to group and unit safety meetings, where group meetings are held quarterly and chaired by Penguin’s Managing Director and unit safety meetings are held monthly and chaired by the respective units’ General Managers.

The senior management team led by the Managing Director continues to demonstrate its commitment to workplace safety and health. In FY2022, the company organised a management-led “Safety Workshop” and initiated “Management Safety Listening Tours” at the company’s shipyards in Singapore and Batam, as well as at Shell’s Energy and Chemical Park on Pulau Bukom.

The objective of the safety listening tours is for the management team to walk the “shop floor” to identify good and bad safety practices, while engaging staff and workers through deliberate face-to-face conversations.

From FY2022 onwards, Singapore’s Ministry of Manpower (“MOM”) has broadened their definition of Reportable Incidents to include all workplace accidents, both major and minor. In previous years, MOM defined a Reportable Incident as one that only resulted in fatalities, lost work day cases, restricted work day cases and medical treatment cases resulting in four days or more in medical leave. Minor first aid injuries were excluded. Based on the previous definition, there were 4 Reportable Incidents and 14 Non-Reportable Incidents in FY2022.

Figure 13: Shipyards Safety Statistics

Safety Metrics	FY2021	FY2022
Reportable Incidents ⁹	3	18
Reportable Incident Frequency Rate (IFR) ¹⁰	0.96	0.73
Reportable Incident Severity Rate (ISR) ¹¹	6.43	22.84
Fatalities	0	0
High-consequence Injuries	3	4
Recordable Injuries	7	18
Work-related Ill Health Cases	0	0

⁹ Prior to FY2022, Singapore’s Ministry of Manpower defined Reportable Incidents include fatalities, lost work day cases, restricted work day cases and medical treatment cases which resulted in four or more days of medical leave. Minor first aid injuries are excluded. From FY2022, all accidents, major and minor, were classified as Reportable Incidents.

¹⁰ Reportable Incident Frequency Rate (IFR) is calculated as the total number of reportable incidents per 1 million man-hours worked

¹¹ Reportable Incident Severity Rate (ISR) is calculated as the total number of medical leave days taken consolidated from the reportable incidents per 1 million work hours



Current issue date: 22 December 2022
 Expiry date: 21 December 2025
 Certificate identity number: 19492398

Original approval(s):
 ISO 9001 - 22 November 2014
 ISO 14001 - 22 December 2022
 ISO 45001 - 8 September 2022

Certificate of Approval

This is to certify that the Management System of:

Penguin Shipyard International Pte Ltd

21 Tuas Road, Singapore 638489, Singapore

has been approved by LRQA to the following standards:

ISO 9001:2015, ISO 14001:2015, ISO 45001:2018

Approval number(s): ISO 9001 – 00037620-001, ISO 14001 – 00038850-001, ISO 45001 – 00037634-001

This certificate forms part of the approval identified by approval number: 00037620/ 00038850/ 00037634

The scope of this approval is applicable to:

ISO 9001:2015
 Ship design, Shipbuilding and Ship repair of aluminum fast crafts.
 ISO 14001:2015
 Ship design, Shipbuilding and Ship repair of aluminum fast crafts.
 ISO 45001:2018
 Ship design, Shipbuilding and Ship repair of aluminum fast crafts.

This certificate is a continuation of a previous approval from another certification body as follows:

Previous original ISO 45001 approval on 22-APR-2021, British Assessment Bureau certificate number 2033855

Previous original ISO 9001 approval on 22-Nov-2014, BUREAU VERITAS certificate number SG003620

Luis Cunha

Area Operations Manager - North Asia & SAMEA

Issued by: LRQA Limited



LRQA Group Limited, its affiliates and subsidiaries and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'LRQA'. LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.
 Issued by: LRQA Limited, 1 Trinity Park, Bickenhill Lane, Birmingham B37 7ES, United Kingdom

Page 1 of 1

ISO 14001:2015, ISO 9001:2015 and ISO 45001:2018



Current issue date: 22 December 2022
 Expiry date: 21 December 2025
 Certificate identity number: 19492398

Original approval(s):
 ISO 9001 - 22 November 2014

Certificate of Approval

This is to certify that the Management System of:

PT. Kim Seah Shipyard Indonesia

Kawasan Industry Sekupang Baru No 61, Kel. Tanjung Riau, Kec. Sekupang, Batam, Indonesia

has been approved by LRQA to the following standards:

ISO 9001:2015

Approval number(s): ISO 9001 – 00037620-002

This certificate forms part of the approval identified by approval number: 00037620

The scope of this approval is applicable to:

Shipbuilding of aluminum fast crafts.

This certificate is a continuation of a previous approval from another certification body as follows:

Previous original ISO 9001 approval on 22-Nov-2014, BUREAU VERITAS certificate number SG003620

Luis Cunha

Area Operations Manager - North Asia & SAMEA

Issued by: LRQA Limited



LRQA Group Limited, its affiliates and subsidiaries and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'LRQA'. LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.
 Issued by: LRQA Limited, 1 Trinity Park, Bickenhill Lane, Birmingham B37 7ES, United Kingdom

Page 1 of 1

ISO 9001:2015

9. Environment

a. Our Shipyards' Energy Consumption and Greenhouse Gas (GHG) Emissions

Our shipyards in Singapore and Batam account for the bulk of energy consumed at our workplaces, while our office in Kuala Lumpur accounts for only a fraction of total consumption. In addition to drawing electricity from their respective power grids, our shipyards also consume diesel and lubricants used in the operation of fork lifts, scissor lifts, cranes and other heavy machinery.

In FY2022, the total electricity, fuel and lubricants consumed by our shipyards was 14,204 GJ, a 3% drop from the previous year.

In FY2022, our Singapore office recycled and disposed of 876.2 kg of IT equipment and 83,450 kg of scrap metal through appointed contractors. Over in Batam, the shipyard started a bold initiative to phase out the use of Styrofoam boxes and plastic bags during lunchtime and phase in the use of reusable food containers. Prior to lunch time everyday, the reusable containers were filled up with food by external caterers and distributed to the workers during lunchtime. After lunch, the empty containers were collected by the caterers, washed and reused the following day. Considering that the workforce in PTKS is now more than 1,400 men, this initiative has drastically reduced the use of Styrofoam boxes and plastic bags.

Figure 14 (below): Shipyards' (i) Fuel and Lubes and (ii) Electricity Consumed

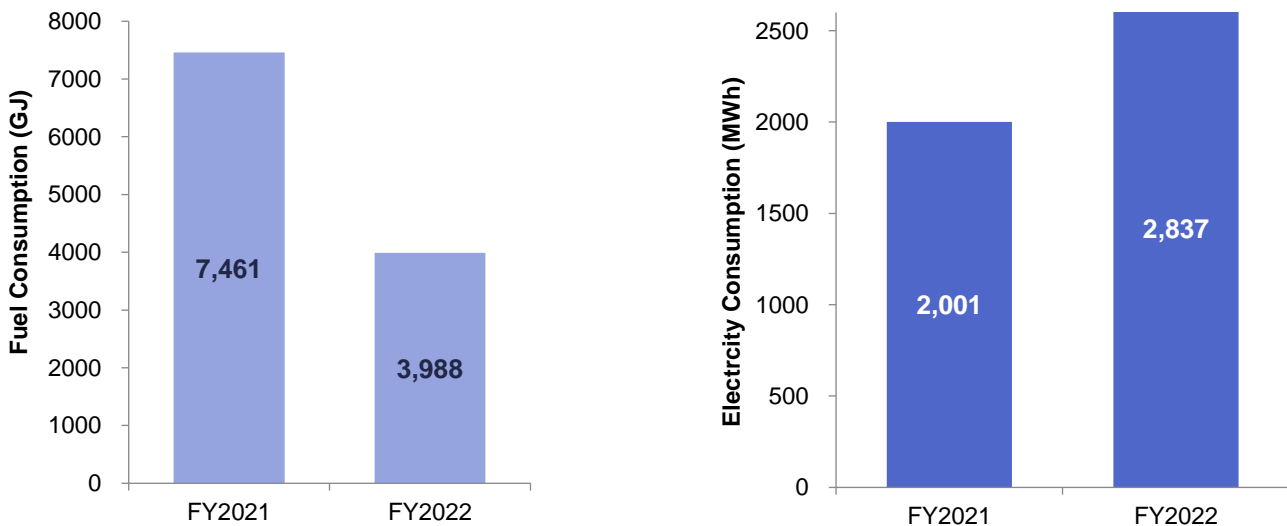


Figure 15 (below): Shipyards' Energy Consumed vs. Energy Intensity per Vessel Under Construction

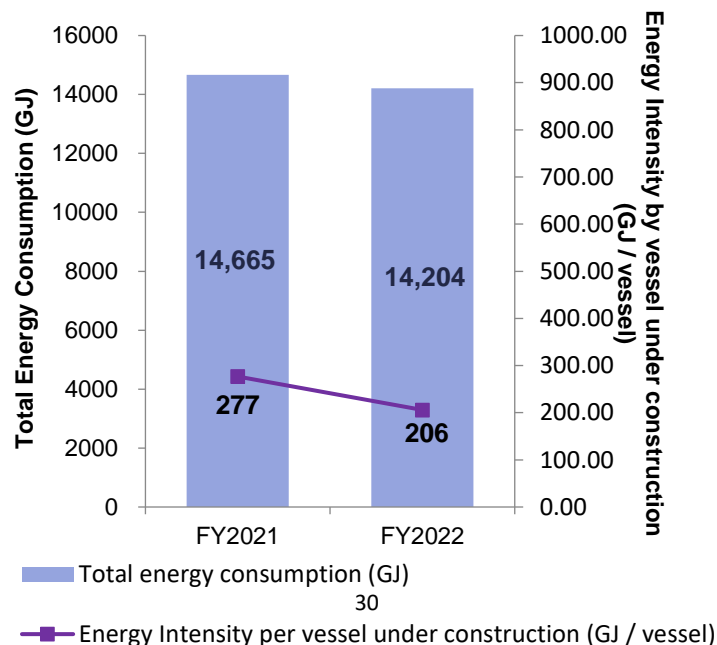


Figure 16 (below): Shipyards' (i) Direct (Scope 1)¹² and (ii) Indirect (Scope 2)¹³ GHG Emissions

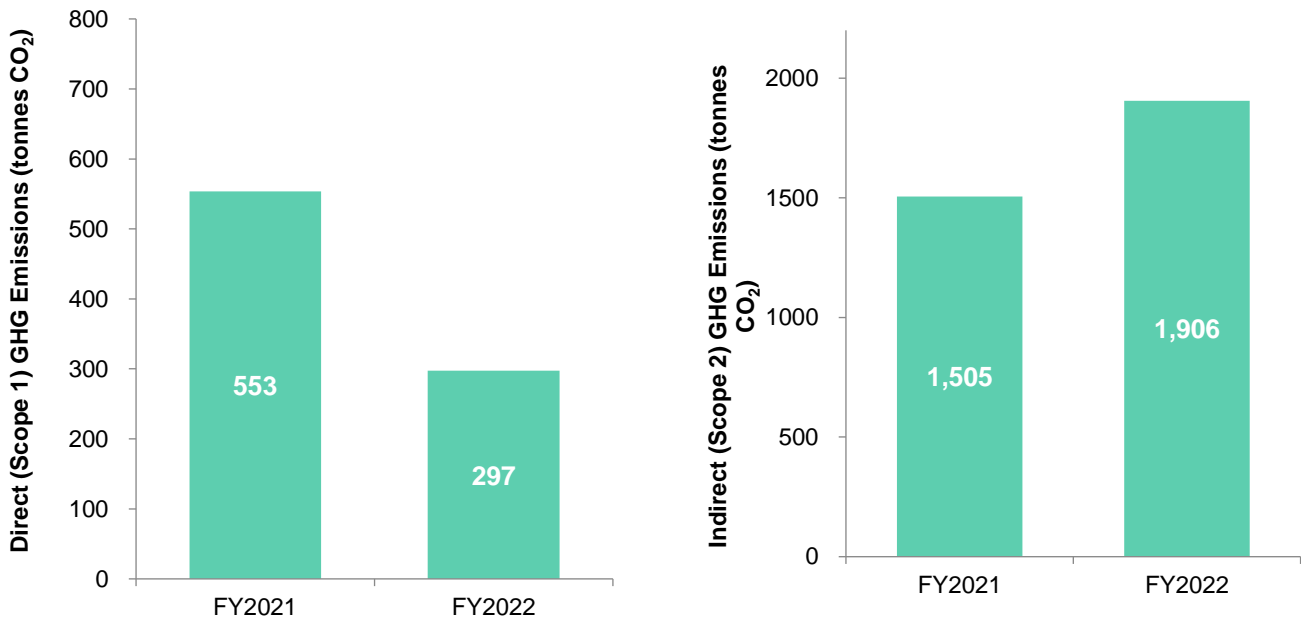
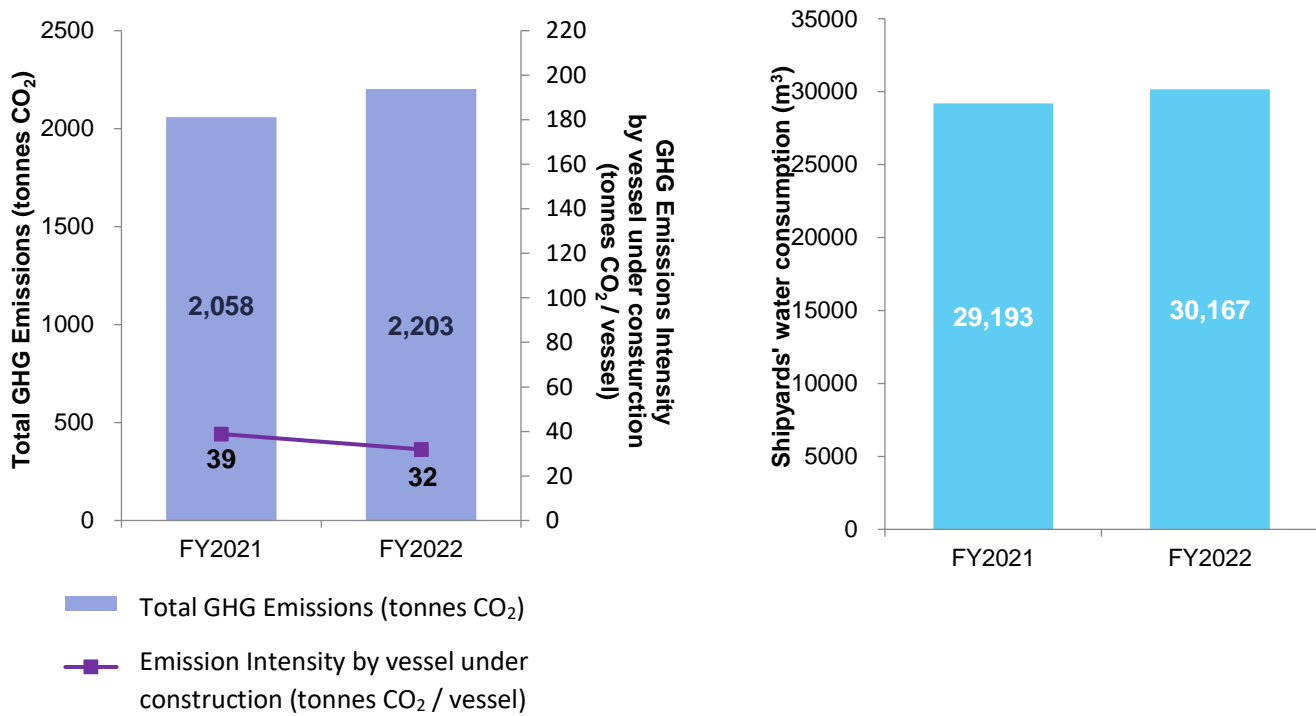


Figure 17 (below): Shipyards' GHG Emissions and Intensity and Water Consumption



¹² For calculation of Scope 1 emissions, they were derived from the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories.

¹³ For calculation of Scope 2 emissions, grid emission factors for Singapore were derived from "Electricity Grid Emission Factor and Upstream Fugitive Methane Emission Factor, 2005-2021", published by the Energy Market Authority of Singapore. For Indonesia, grid emission factor was derived from Directorate General of Electricity, Ministry of Energy and Mineral Resources, Indonesia. Latest available values are for 2019.

b. Vessel Emissions

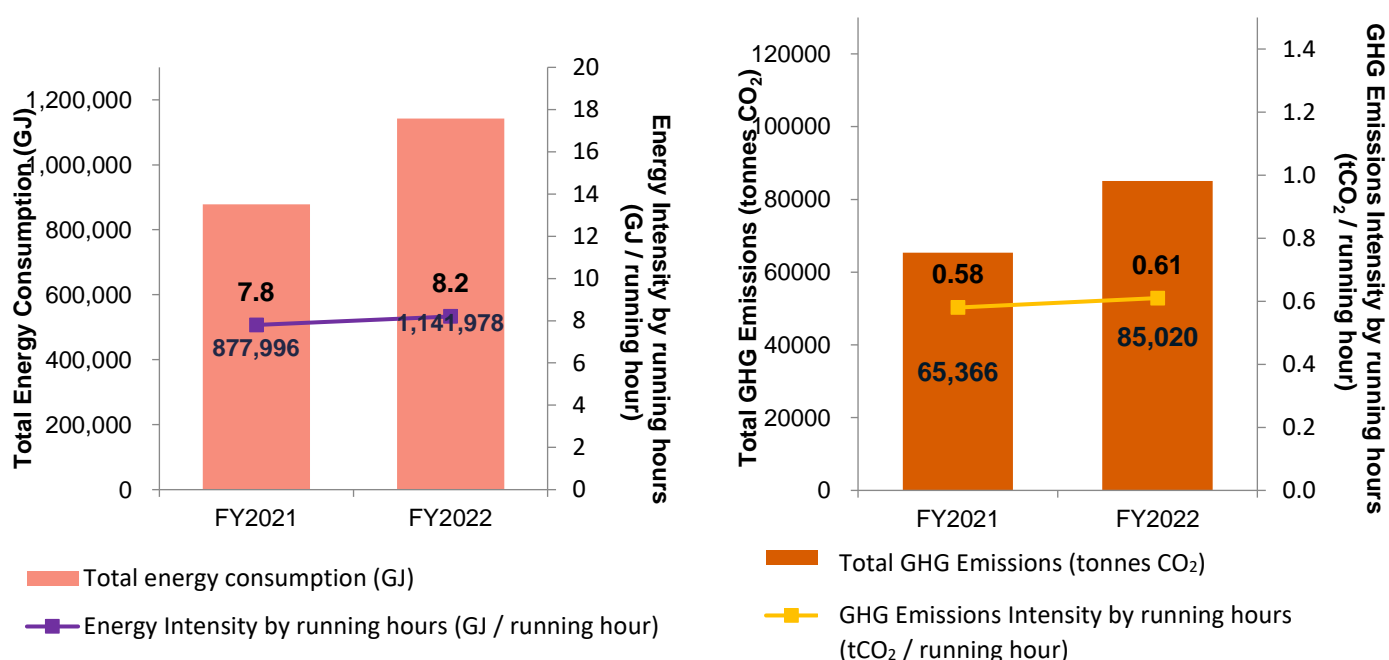
Our vessels operate primarily in Singapore and Malaysia. All of them depend on Marine Diesel Oil ("MDO") for primary energy. In our fleet, we own and operate a solar-hybrid passenger ferry, Penguin Redeem, and a hybrid-electric fast launch, Penguin Tenaga. We also operate on behalf of MPA a hybrid-electric patrol boat., MPA Guardian. In 2023, we will add to our fleet three fully electric commuter ferries, with rapid maritime shore chargers.

Our fuel consumption data account for all crewboat, ferry and workboat operations in Singapore and Malaysia. In FY2022, our fleet consumed a total of 1,141,978 GJ¹⁴ of MDO, translating to 85,019.88 tonnes of CO₂ emissions¹⁵.

Figure 18: Significant Emissions from Vessel Operations

Air emissions (tonnes)	FY2021	FY2022
NO _x	1,297.5	1,687.6
SO _x	1,110.3	1,444.2
PM	125.4	163.1

Figure 19: Total Fuel Consumption and GHG Emissions / Intensities from Vessel Operations



¹⁴ Net calorific value used to calculate direct energy consumption from fuel is 42,700 kJ/kg, obtained from Amendments to the 2014 Guidelines on the Method of Calculation of the Attained Energy Efficiency Design Index (EEDI) for New Ships (Resolution MEPC. 245(66), as amended by Resolution MEPC. 263(68).

¹⁵ As extracted from European Commission: Quantification of emissions from ships associated with ship movements between ports in the European Community, emission factor of MDO is 3179 kg/tonne fuel.

10. Corporate Governance

Regulatory Compliance

As part of our commitment to sustainable practices, we ensure that we comply with all applicable legal and regulatory requirements at all times. These requirements include relevant Primary Legislation (Acts) passed by Parliament, the Subsidiary Legislation (Regulations, Notifications and Orders) issued by the relevant governmental agencies, and the applicable Singapore Standards and Codes of Practice. We also comply with the relevant industrial standards and codes, with policies and procedures in place to guide the implementation.

At present, each department and unit within our organisation is responsible for monitoring and reporting compliance matters relevant to their respective functions. Information gathered on legal and other requirements are cascaded in a timely manner to the respective departments and units, as well as our suppliers and subcontractors.

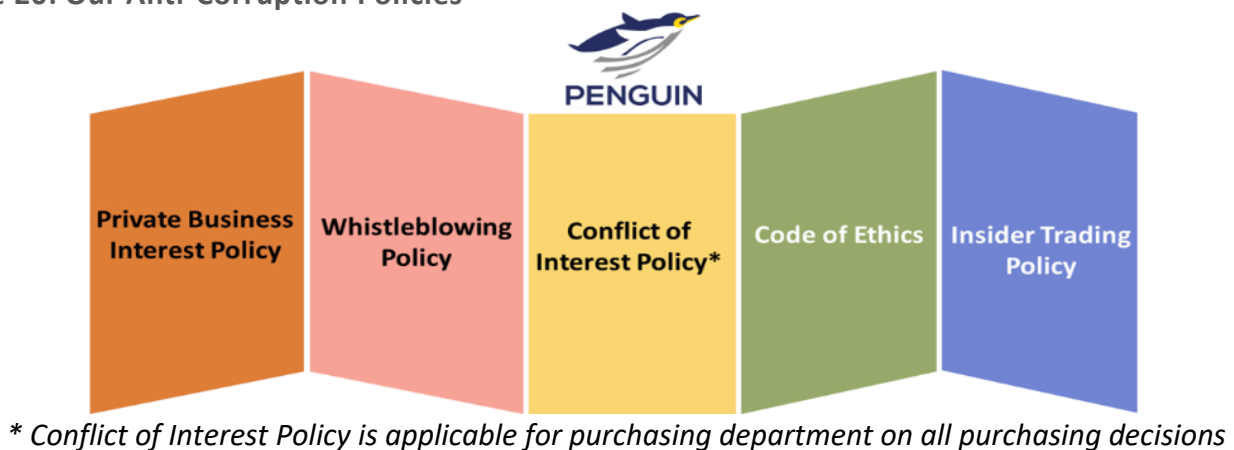
There was no case of regulatory non-compliance in FY2022.

Business Ethics

We remain steadfast in upholding ethics in our business practices and we target zero lapses in the Code of Corporate Governance 2018. Our robust business ethics framework and anti-corruption policies (Figure 20) provides guidance on the right conduct to prevent even perceived improprieties¹⁶. Online workshops for staff on anti-corruption will be planned and conducted to further reinforce the policy. All employees of Penguin - including full-time, part-time and contract employees - are encouraged to immediately report, without fear of retaliation, any concerns about possible improprieties in matters of financial reporting or other relevant matters. Complaints may be raised through our whistle-blowing channel. Our whistle blowing policy is published on our [website](#).

There was no case of whistle blowing or anti-corruption complaints in FY2022.

Figure 20: Our Anti-Corruption Policies



¹⁶ Possible Improprieties refers to any activity, breach of business conduct and ethics or omission by an Employee of the Group; or any concerns regarding accounting or auditing matters, internal controls or internal accounting controls and other operational matters that are questionable or not in accordance with generally accepted accounting practices or trade practices prescribed by the Group.

GRI Content Index

GRI Standard Disclosure Reference	Disclosure	Location or reason for omission	
GRI 2: General Disclosures 2021			
Organisational profile			
2-1	Organisational details	About Penguin International Limited Annual Report 2022	Pg. 1 Pg. 11
2-6	Activities, value chain and other business relationships	About Penguin International Limited Sustainability Report 2017	Pg. 1 Pg. 13-17
2-7	Employees	Our Key Accomplishments in FY2022; Staff Demographics	Pg. 3 Pg. 19-21
2-6	Activities, value chain and other business relationships	There are no significant changes to the organisation and supply chain.	
2-23	Policy commitments	Corporate Governance; Annual Report 2022	Pg. 33 Pg. 43-47
2-28	Membership associations	Key memberships include Association of Singapore Marine Industries (ASMI), Singapore Shipping Association (SSA) and	
Strategy			
2-22	Statement on sustainable development strategy	Board Statement	Pg. 5
Ethic and Integrity			
2-23	Policy commitments	Our Key Accomplishments in FY2022; Corporate Governance	Pg. 3 Pg. 33
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance; Annual Report 2022	Pg. 33 Pg. 47, 51-53
Governance			
2-9	Governance structure and composition	Sustainability Governance Annual Report 2022	Pg. 5 Pg. 15-17, 29, 37, 39, 44
2-10	Nominating and selecting the highest governance body	Annual Report 2022	Pg. 29, 37-38
2-11	Chair of the highest governance body	Annual Report 2022	Pg. 29
2-12	Role of highest governance body in overseeing the management of impacts	Board Statement; Annual Report 2022	Pg. 5 Pg. 31-33
2-19	Remuneration policies	Annual Report 2022	Pg. 39-43
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance	Pg. 5
2-20	Process for determining remuneration	Annual Report 2022	Pg. 39-43
Stakeholder Engagement			
2-30	Collective bargaining agreements	Not applicable as Penguin International Limited is not unionised	
2-29	Approach to stakeholder engagement	Stakeholder Engagement	Pg. 6-8
Reporting Practice			
2-2	Entities included in the organization's sustainability reporting	Annual Report 2022	Pg. 101-102
3-1	Process to determine material topics	About the Report	Pg. 2
3-2	List of material topics	Materiality Assessment	Pg. 9
2-3	Reporting period, frequency and contact point	Page 2. Annually. 1 January 2022 – 31 December 2022	
2-5	External assurance	Penguin has not sought external assurance for this inaugural report. Crowe Horwath	

GRI Standard Disclosure Reference	Disclosure	Location or reason for omission
		First Trust Advisory Pte Ltd, a reputable professional firm specialising in audit services, has assist the Board in its review of the adequacy and effectiveness of the company's internal control systems in relation to sustainability reporting.

Material matters				
GRI Standard Disclosure Reference		Description	Location or reason for omission	
Product Quality and Stewardship				
GRI 3: Material Topics 2021	3-3	Management of material topics	Product Quality Stewardship	Pg. 11-13
Economic Resilience				
GRI 3: Material Topics 2021	3-3	Management of material topics	Economic Resilience	Pg. 14-18
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Our Key Accomplishments in FY2022; Economic Resilience	Pg. 3 Pg. 14-18
Business Ethics				
GRI 3: Material Topics 2021	3-3	Management of material topics	Corporate Governance	Pg. 33
GRI 205: Anti-Corruption 2016	205-2	Communications and training about anti-corruption policies and procedures	Corporate Governance	Pg. 33
	205-3	Confirmed incidents of corruption and actions taken	Our Key Accomplishments in FY2022; Corporate Governance	Pg. 3 Pg. 33
Regulatory Compliance				
GRI 3: Material Topics 2021	3-3	Management of material topics	Corporate Governance	Pg. 33
GRI 3: Material Topics 2021	2-27	Compliance with laws and regulations	Our Key Accomplishments in FY2022; Corporate Governance	Pg.3 Pg. 33
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Our Key Accomplishments in FY2022; Corporate Governance	Pg. 3 Pg. 33
Energy Consumption Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	Energy Consumption Management and GHG Emissions	Pg. 30-31
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Energy Consumption; Management and GHG Emissions	Pg. 30-31
	302-3	Energy Intensity	Energy Consumption; Management and GHG Emissions	Pg. 30-31
Greenhouse Gas (GHG) Emissions				

Material matters				
GRI Standard Disclosure Reference		Description	Location or reason for omission	
GRI 3: Material Topics 2021	3-3	Management of material topics	Energy Consumption Management and GHG Emissions	Pg. 30-31
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Energy Consumption; Management and GHG Emissions	Pg. 31
	305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Energy Consumption; Management and GHG Emissions	Pg. 31
	305-4	GHG emissions intensity	Energy Consumption; Management and GHG Emissions	Pg. 31
Vessel Emissions				
GRI 3: Material Topics 2021	3-3	Management of material topics	Vessel Emissions	Pg. 32
GRI 305: Emissions 2016	305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	Vessel Emissions	Pg. 32
Workplace Diversity, Fairness and Retention				
GRI 3: Material Topics 2021	3-3	Management of material topics	Workplace Diversity and Fairness	Pg. 20-21
GRI 401: Employment 2016	401-1	New employee hires and employee turnovers	Workplace Diversity and Fairness	Pg. 25
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workplace Diversity and Fairness	Pg. 21-24
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	Workplace Diversity and Fairness	Pg. 20
GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	Due to the nature of our industry, many of the positions are filled by male personnel, the average data in this case will not be reflective.	
Safety (Safety on Board for Crew and Passengers and Occupational Health and Safety at Shipyards)				
GRI 3: Material Topics 2021	3-3	Management of material topics	Safety	Pg. 26-29
GRI 403: Occupational Health and Safety 2018	403-1	Types of injury and rates of injury, occupational diseases, lost days, absenteeism, number of work-related fatalities, number of hours worked.	Safety	Pg. 28