

PSU Shipping Group Pte. Ltd.

Environmental, Social, and Governance (ESG) Policy

1. Introduction

PSU Shipping Group Pte. Ltd. (hereinafter referred to as “the Group”) was established on 3 January 2011 in Singapore with the strategic objective of integrating and streamlining our logistics operations. Today, the Group comprises of a parent company and subsidiaries, forming a fully integrated shipping enterprise. Our fleet consist of Capesizes, Panamax, and Supramax vessels, enabling us to operate as a reliable operator/shipowner across the global trade routes.

One of our subsidiaries - RGL Shipping Pte. Ltd. is a dedicated ship agency company, playing a key role in identifying and securing suitable opportunities in the dry bulk market. This subsidiary supports both the Group’s internal logistics requirements and facilitates independent commercial operations, reinforcing our flexibility and responsiveness in a dynamic maritime environment.

Over the years, we have transported a broad spectrum of dry bulk commodities including iron ore, nickel ore, mineral concentrates, coal, bauxite, and alumina serving the needs of major industrial clients worldwide.

PSU Shipping Group is committed to responsible, sustainable operations within the maritime industry. We recognize that the shipping sector plays a vital role in global trade, climate impact, and social development. Therefore, we commit to integrating Environmental, Social, and Governance (ESG) principles into all aspects of our operations and long-term strategy.

2. Scope

This ESG policy applies to the Group and all subsidiaries. It covers all vessels under ownership, shore-based management teams, employees, and third-party service providers. The policy is applicable across business functions such as ship operations, chartering, ship management, crew welfare, compliance, and risk management.

Specifically, this policy includes:

- All vessels individually owned and operated by their respective subsidiaries.
- The ship agency subsidiary's market activities in sourcing, matching, and managing vessel arrangements for both internal use and third-party chartering.
- All shore-based and onboard personnel engaged in operational, technical, and administrative roles.
- Governance, sustainability, and ethical conduct across the Group’s commercial and support functions.

This policy aims to provide a consistent ESG framework to identify, manage, and improve sustainability performance across all levels of the organization.

3. Roles & Responsibilities / Sustainability Governance

Board Oversight

The Board of Directors of PSU Shipping Group holds ultimate responsibility for ESG strategy, policies, and performance. The Board reviews and approves key ESG targets and ensures integration across business operations.

Management and Execution

Senior management works in coordination with ESG Leads appointed across business units and corporate functions. ESG Leads are tasked with formulating and executing relevant ESG strategies, guided by functional heads and aligned with the Group's broader goals.

4. Group-wide ESG Policy Statement

We are committed to protecting the environment, ensuring the well-being of our employees and of society, and managing responsibly and transparently in all areas of our operations.

These commitments form the three strategic pillars of the Group's commitment to ESG principles. Within each pillar are four material priorities that the Group has identified after engaging the full breadth of the Group's stakeholders in a materiality assessment exercise.

(a) Environmental Commitments

The Group is committed to minimizing the environmental impact of its operations. This includes compliance with international maritime environmental regulations, adoption of cleaner technologies, and continuous monitoring of emissions and waste.

- **MARPOL (Marine Pollution):** Certified under IOPP (Oil Pollution), ISPP (Sewage), and IAPP (Air Pollution), confirming compliance with pollution prevention measures.
- **Ballast Water Management Convention:** All vessels are equipped with approved ballast water systems and certified accordingly.
- **Energy Efficiency Design Index (EEDI):** All vessels have a valid EEDI certification, aligning with IMO mandates for design-based energy efficiency.

(b) Social Commitments

We prioritize the well-being, safety, and development of all personnel onboard and ashore. We aim to foster a supportive work environment that promotes fairness, respect, and continuous improvement.

- **SOLAS (Safety of Life at Sea):** Vessels comply with SOLAS requirements, having valid Safety Construction, Safety Radio, and Safety Equipment Certificates.
- **STCW (Training & Certification):** All crew members are certified under STCW standards, with Certificates of Competency (COC) and Flag endorsements verified for each voyage.
- **ISPS Code (Security):** Vessels comply with international ship security standards and hold the International Ship Security Certificate (ISSC) which will be issued after periodic audits.
- **MLC** to be included as it's mandatory and covers all social aspects related to crew.

(c) Governance Commitments

We are committed in maintaining the highest standards of corporate governance to ensure long-term value creation, operational integrity, and stakeholder trust. As a shipping company that operates in a global and highly regulated industry, we place a strong emphasis on ethical conduct, regulatory compliance, and transparent decision-making.

Our governance commitments include:

1. **Regulatory Compliance:** We ensure full compliance with international maritime laws and conventions, including IMO (International Maritime Organization) regulations, flag state requirements, and port state control obligations.
2. **Board Oversight and Accountability:** Our Board of Directors oversees ESG strategy and risk management, ensuring decisions align with our ethical principles and business goals.
3. **Anti-corruption and Ethical Conduct:** We maintain a zero-tolerance policy toward bribery and corruption, supported by a Code of Ethics and mandatory training for all employees.
4. **Transparency and Disclosure:** We are committed to timely and accurate disclosure of ESG-related performance and risks, in accordance with global reporting standards (e.g., GRI, SASB).
5. **Cybersecurity and Data Privacy:** We implement robust systems to protect vessel operations, customer data, and internal communications from cyber threats.

5. Core Targets

This is to be aligned with the IMO GHG strategy as it gets updated the Group commits to the following:

- A goal of net-zero GHG emissions by or around 2050.
- Indicative checkpoints to reduce total annual GHG emissions by at least 20%, striving for 30% by 2030, and by at least 70% striving for 80% by 2040, compared to 2008 levels.
- **Energy Efficiency Enhancements**
 - **Technological Upgrades:** Implement energy-saving devices such as Mewis Ducts and propeller boss cap fins, and improve hull coatings to reduce drag.
 - **Operational Optimization:** Apply slow steaming, optimize voyage planning, and ensure regular hull and propeller maintenance.

- **Transition to Alternative Fuels**
 - o **Electrification:** Evaluate battery and fuel cell technology for short-sea operations.
- **Market-Based Instruments**
 - o **Carbon Pricing:** Prepare for carbon levy adoption to reflect environmental costs.
 - o **Emissions Trading:** Participate in potential emissions allowance schemes to drive cost-effective reductions.
- **Capacity Building**
 - o **Training and Development:** Enhance crew competencies through continuous training on green technologies and sustainable operations.
- **Regulatory Compliance**
 - o **EEXI Implementation:** Ensure existing vessels comply with the Energy Efficiency Existing Ship Index.
 - o **CII Monitoring:** Establish systems to track and report the Carbon Intensity Indicator for ongoing improvement.
- **Global Engagement**
 - o **International Collaboration:** Support coordinated global actions through IMO and relevant bodies.
 - o **Data Sharing:** Contribute to industry data-sharing initiatives to support transparency and innovation.

6. Continuous Improvement

PSU Shipping Group will update its ESG policy annually based on regulatory changes, technological developments, and performance assessments. Regular ESG reporting and stakeholder engagement will be maintained to ensure alignment with our mission for sustainable, responsible maritime operations.



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