



SAMUDERA SHIPPING

RIDING *the* WAVE

Sustainability REPORT

BOARD STATEMENT

For Samudera Shipping Line Ltd ("Samudera"), our focus for 2021 has been on ensuring resilient and consistent operations while providing a safe and supportive workplace for our people. As always, we are proud of our strong compliance record, particularly regarding our environmental controls and adoption of low-sulphur fuels across our fleet.

This sustainability report marks our fifth publication on our key environmental, social and governance ("ESG") topics, and documents our continued performance and ongoing commitment to the sustainability of our business. Our report is aligned with SGX-ST Listing Rules Practice Note 7.6: "Sustainability Reporting Guide" and applies the sustainability reporting principles as set out within the Global Reporting Initiative ("GRI") Standards.

Our material sustainability topics are confirmed and performance overseen by the Board, with support from our Sustainability

Steering Committee ("SSC") to ensure that our ESG matters are monitored and managed. We are delighted to report that we have achieved our sustainability targets for 2021 and have exceeded our target for average training hours per employee by a third.

2021 saw continued challenges as the COVID-19 pandemic persisted. Our investment in quality service and strong network proved invaluable, allowing us to continue providing uninterrupted essential shipping services throughout the region. We consider both the training and safety of our people as the foundation for such resiliency and adaptation, and we will continue to invest in our workforce in 2022 and focus on meeting our targets in these areas.



WHO WE ARE

Samudera Shipping Line Ltd and its subsidiaries (“Group”) focus on three main business segments.

CONTAINER SHIPPING

Samudera offers reliable feeder service between the central hub port in Singapore and spoke ports in the region. The Group connects ports across a wide geographical range, spanning from the Far East, Southeast Asia, the Indian Subcontinent and the Middle East.

BULK & TANKER

Samudera's bulk & tanker vessels are chartered out for the transportation of dry or liquid cargo.

AGENCIES & LOGISTICS

Samudera provides agency services, forwarding, warehousing as well as general logistics services.

Samudera is listed on the Mainboard of Singapore Exchange Securities Trading Limited.



ABOUT THIS REPORT

This Report covers the highlights of Samudera's environmental, social, and economic performance from 1 January to 31 December 2021 ("FY2021") and has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Core option. GRI is one of the most widely applied and trusted sustainability reporting frameworks. Please refer to pages 52-54 for the GRI Content Index. Being an SGX listed company, this report complies with the requirements of SGX Rulebook, Practice Note 7.6: "Sustainability Reporting Guide". No external assurance has been sought for this report.

We welcome your feedback in our efforts to improve our sustainability practices and reporting. Please contact sustainability@samudera.id or (65) 6430 1687.

REPORTING SCOPE

Samudera endeavours to uphold the same high level of business ethics and maintain the same measuring, managing, and reporting practices across all our entities. The information and data presented in this Sustainability Report constitutes data from Samudera Shipping Line Ltd and its owned container vessels, together with data from our two key subsidiaries in Singapore:

- Foremost, primarily transporting dry-bulk commodities
- Silkargo, handling freight and logistics and other land-based cargo management services.

Our parent company, Samudera Indonesia, is listed on the Indonesia Stock Exchange ("IDX") and is therefore required to issue their own sustainability report in 2022. In preparation, our parent company has already initiated the reporting

process, beginning with setting the reporting scope and consolidating the data. This separate reporting provides an opportunity for us to work together to achieve a broader aspect of sustainability across the Group.

SUSTAINABILITY AT SAMUDERA

Sustainability governance at Samudera comprises two major components: Board oversight supported by our various management committees and sustainability functions.

The Board is ultimately responsible for the strategic direction and oversees Samudera's sustainability practice.

The Board is supported by the Sustainability Steering Committee ("SSC"). The SSC is chaired by our CEO, and consists of the Group's senior management. The SSC evaluates the Company's sustainability performance through reviewing processes and procedures and making recommendations for future direction and activities.

The SSC also receives inputs from the dedicated Sustainability Officer, who interfaces with our operations teams for role-specific tasks regarding the day-to-day implementation.

Our Sustainability Working Committee ("SWC") is responsible for the daily implementation of sustainability practices on the ground in their respective divisions. The SWC comprises Risk and Sustainability Officers together with representatives from Operations, Finance, Human Resources and Information Technology divisions, including representatives from our subsidiary, Silkargo.



FIGURE 1 Sustainability governance framework at Samudera

MATERIALITY REVIEW

Despite the challenges posed by the ongoing COVID-19 pandemic, Samudera maintained regular engagements with our valued stakeholders and reviewed our material ESG topics in 2021. There were no changes to our material topics this year. Similar to last year, emphasis has again been placed on “Providing safe working conditions” as a critical component for navigating the current pandemic conditions. This emphasis demonstrates Samudera’s commitment to safeguard the health and safety of our employees and workers. More details are provided in the corresponding chapter of this report.

Our material ESG factors are mapped into four broad sustainability aspects, as shown in Table 1.

TABLE 1 Material Topics for 2021

SUSTAINABILITY ASPECT	MATERIALITY TOPIC
Economic Performance	Generating economic value
Environmental Responsibilities	Strengthening environmental controls
Workforce Management	Providing safe working conditions Investing in employee development
Corporate governance	Maintaining a strong compliance record

CONTRIBUTING TO THE SDGs

Adopted in 2015, the United Nations Sustainable Development Goals (“SDGs”) are a set of 17 universal goals that require action on all fronts with the intent of achieving peace, prosperity, and sustainable development by 2030. As part of the business community, we must also do our part to contribute to these global goals, which help to unlock the value it brings.

In 2021, we re-visited our SDG mapping for our material ESG factors for the four SDGs identified as where we have the greatest contribution with the aim to identify the relevant SDG targets that strategically align to our business. Our target for zero fatalities from work related injuries already aligns with SDG 8.8 to protect labour rights and promote safe working environments, while we have identified several opportunities for further alignments in our strategic areas. We will continue to further our progress and develop our business indicators over the next few years to 2023 to further define our contributions to achieving the global goals.

TABLE 2 Samudera’s material ESG Factors mapped against the SDGs and the relevant targets

SAMUDERA’S MATERIAL ESG FACTORS			OPPORTUNITY TO SUPPORT SDG TARGETS:	
		Generating economic value	Shared value for shareholders and employees	 8.5 Full employment and decent work with equal pay
			Connecting opportunities in Asia	 8.7 End modern slavery, trafficking, and child labour
		Strengthening environmental controls	Minimising the risk of pollution	 8.8 Protect labour rights and promote safe working environments
		Providing safe working conditions	Safe working environment and taking care of workers’ wellbeing	 9.1 Develop sustainable, resilient and inclusive infrastructure
		Investing in employee development	Training and career development opportunities for workers	 13.2 Integrate climate change measures into policy and planning
		Maintaining a strong compliance record	Complying with environmental protection, labour conditions and anti-corruption regulations	 14.1 Reduce marine pollution



BUILDING A FUTURE-READY MARITIME SINGAPORE

The Maritime and Port Authority of Singapore ("MPA") aspires to be a leading maritime agency driving Singapore's global maritime ambitions. In line with this vision, MPA is taking steps to build Singapore as a leading global hub port and international maritime centre and further and safeguard Singapore's strategic maritime interests. MPA's Future Ready Framework describes four overarching elements (remaining relevant, responsive, resourceful, and resilient) which are the driving force behind building several key areas. Samudera's sustainability efforts contribute to these key areas in the following ways:

- **"Vibrant International Maritime Centre Ecosystem"**
Samudera strives to provide regional connectivity through our fleet of vessels in support of Singapore's vision of becoming a confluence of global and regional maritime shipping routes. Please also refer to page 43 on our ambition to becoming a reliable and trustworthy provider of shipping services.
- **"Safe, Efficient and Sustainable Global Hub Port"**
Samudera is compliant with IMO 2020, adopting cleaner fuel with lower sulphur content and promote a safety culture in our operations. Please refer to page 45 on our environmental control and page 47 on our efforts towards ensuring safety.

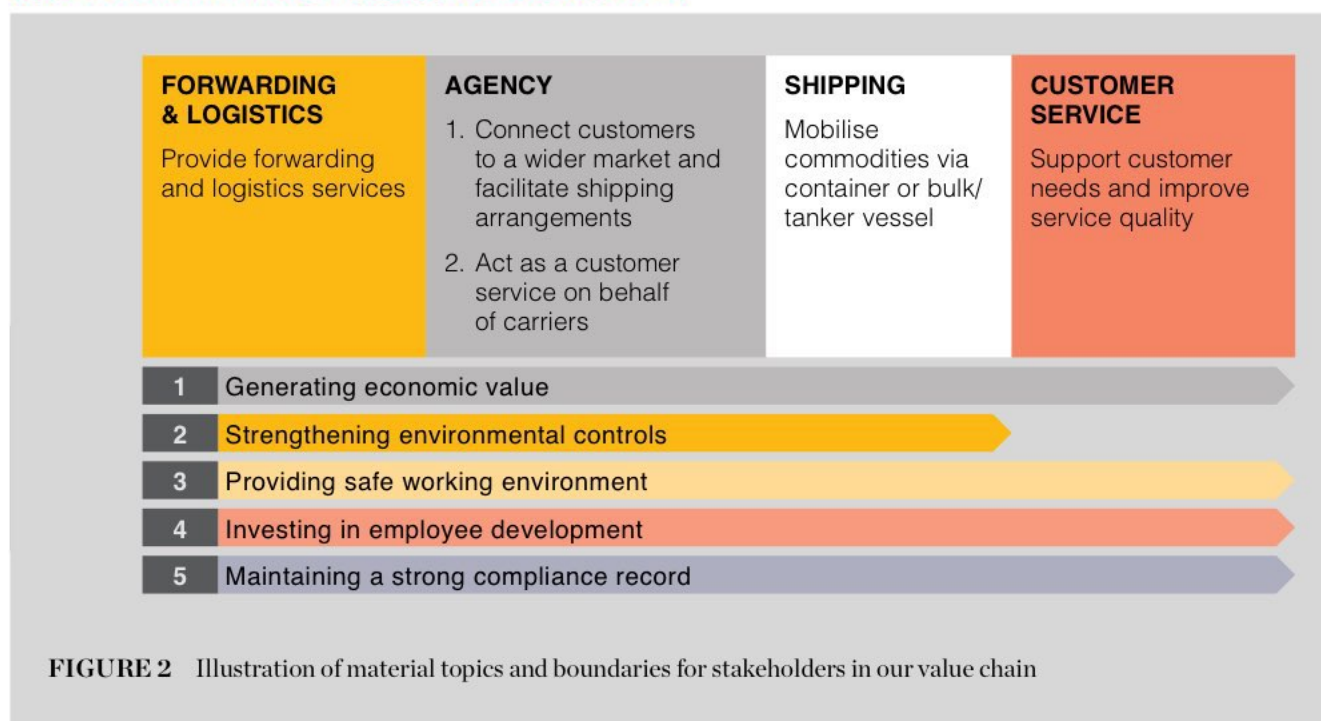
- **"Quality Maritime Workforce"**

We strive to build a competent maritime workforce which can contribute positively to Singapore's overall maritime capabilities. Please refer to pages 49 - 50 for detailed training and career development opportunities offered to our people.

- **"Grow Singapore as a Maritime Knowledge and Innovation Hub"**

Accelerate maritime digitalisation and develop the capacity to respond to cybersecurity threats. Refer to page 51 for highlights on Samudera's secure IT practices.

SUSTAINABILITY ACROSS OUR VALUE CHAIN



Our stakeholders include suppliers, employees and customers that span many markets and port authorities. Positive stakeholder engagement and maintaining open communication is integral to the success of our operations and achieving many of our goals in a sustainable manner. Direct and regular stakeholder engagement is also vital in shaping the approach to our material topics and cultivates a sense of ownership amongst our stakeholders regarding sustainability. An illustration of the boundaries of each of our material topics in our value chain is shown below, highlighting which of our sustainability priorities affects each stakeholder.

TABLE 3 Key stakeholders and their respective topics of concern engagement methods and frequency of engagement

KEY STAKEHOLDERS	KEY TOPICS OF CONCERN	ENGAGEMENT METHODS	FREQUENCY OF ENGAGEMENT
Investors and shareholders	<ul style="list-style-type: none"> • Business operations and performance • Business strategy and outlook 	• Release of financial results and other relevant disclosures through SGXNet and Samudera's website	• Throughout the year
		• Annual General Meeting	• Once a year
		• Meeting with investors and stock analysts	• Throughout the year
Employees	<ul style="list-style-type: none"> • Benefits and compensation • Workplace safety and wellbeing • Career development and progression • Employee-management relationship 	• Management meeting	• Throughout the year
		• Social and team building activities	• Throughout the year
		• Safety training	• Throughout the year
		• In-house and external trainings	• Throughout the year
		• Performance feedback and review	• Once a year
		• Employee volunteering opportunities	• At least once a year
Port authorities	• Compliance with laws and regulations	• Compliance surveillance and monitoring	• Throughout the year
Customers	<ul style="list-style-type: none"> • Reliability and quality of services • Environmental and social impacts of services 	• Feedback via website & email	• Throughout the year
		• Customer meetings	• Throughout the year
Business partners	<ul style="list-style-type: none"> • Safety and environmental practices • Transparent cooperation with integrity • Mutual growth 	• Business partners meetings	• Throughout the year
Local community	<ul style="list-style-type: none"> • Environmental impacts • Social contributions 	• CSR activities	• Throughout the year
		• Facilitation of trade and business through shipping services	• Throughout the year

GENERATING ECONOMIC VALUE

Performance indicator	Performance in 2021	Target status for 2021	Target for 2022
Revenue	USD527 million	Leverage on our extensive network and high level of professionalism to provide the key connections for the region and beyond: Target Achieved	Continue to grow in line with market conditions

Established in 1993, Samudera aspires to continue growing our business in the region by creating shared value with our business partners and being a strong and reliable partner for our customers.

Our investment in quality service and strong network provided us with a strong anchor for financial resilience during the ongoing challenges posed by the global COVID-19 pandemic during 2021. Our revenue increased from USD348 million in 2020 to USD527 million in 2021. We recorded a higher profit after tax of USD130 million in 2021 from USD7.3 million in the previous year. Details of the financial performance in 2021 can be found in the Financial Statement section of our Annual Report 2021.

As of 31 December 2021, we had a team of 151 full-time employees, majority of who were hired under Samudera Shipping Headquarters. A total of 143 of our employees were located in Singapore, with 5 in Indonesia and the remaining situated across countries in Asia. We did not have any temporary or part-time employees during the year. Our team gender composition had minimal change, with 93 female

employees (62% of total, from 65% last year) and 58 male employees (38% of total, from 35% last year).

On the back of renewed COVID-19 outbreaks in 2021, trade and supply chains both for Singapore and the rest of the world continued to face disruption. Restrictions on the movement of goods across borders and the implementation of safe-working measures (both on-shore and on-board vessels) have continued to affect Samudera's operations. To continue to provide sustainable and reliable sailing connections for our customers, we have reassessed our service routes. Furthermore, as part of our forward-looking strategy, digitalisation of services and upskilling for our people was in the pipeline even before the start of the pandemic. Actions such as these enable the global shipping industry to be at the forefront of a sustainable recovery, and consequentially the smooth functioning of international supply chains in a new normal. Moving forward, we will continue to grow by providing the key connections for the region and beyond through our extensive network and high level of professionalism.

STRENGTHENING ENVIRONMENTAL CONTROLS

International shipping remains one of the major conduits for trade and a vital link for global supply chains. Current estimates from the IMO attribute around 2.5% of global carbon emissions to the sector, even though it is considered to have lower carbon emission intensity as compared to air freight and road transport.

The maritime industry continues to make efforts globally to reduce the environmental impacts from shipping. Samudera's approach to this agenda is to reduce our impacts on the environment by being compliant with relevant national and international industry environmental regulations.

We take environmental control seriously. The shipping industry is heavily regulated, and breach of such regulations can lead to large fines, disruption to operations and harm to the environment, as well as to Samudera's good reputation. As part of our operations, various chemical, oils and industrial compounds make up some of the types of cargoes that we transport. Liquids or gaseous compounds are mainly shipped using tankers, while bulk carriers usually ship dry commodity goods. We also transport both non-dangerous and dangerous goods via our container ships and are aware of the potential risks of environmental pollution if these compounds were to be accidentally spilt.

With a sound understanding of our operations, our ship manager has established an internal Environmental Management System ("EMS") that is in line with the internationally recognised certification ISO14001:2015 and backed by environmental science.

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The EMS sets out Standard Operating Procedures ("SOPs") to monitor, evaluate and take corrective actions related to environmental pollution, as part of the Shipboard Procedure Manual ("SPM"). The SPM covers a range of topics related to pollution control, including:

- Ballast water management
- Prevention of pollution by oil
- Control of pollution by noxious liquid in bulk
- Control of pollution by harmful substances carried in packaged form
- Prevention of pollution by sewage and garbage
- Prevention of air pollution and noise from the ship
- Prevention of pollution by anti-fouling paint

We ensure that our ship managers and crew members receive adequate training and equipment to execute our policies and procedures in their daily operations. We have set out comprehensive contingency plans to deal with emergency situations which may result in oil spills, such as collisions, grounding, and machine failures. Every vessel and all our crew are equipped with the necessary knowledge and pollution prevention equipment to contain damage to a minimum. Frequent oil spill drills are carried out as a refresher on emergency containment for our crew. Furthermore, all our vessels are covered under the Civil Liability Convention (CLC) Bunker Certificate, which provides us with the financial insurance to cover the liability of any potential pollution damage and its remediation.

Our vessel environmental certifications are kept up to date. Some of these certifications include the International Oil Pollution

Prevention ("IOPP") Certificate, the International Air Pollution Prevention ("IAPP") Certificate, the International Sewage Pollution Prevention ("ISPP") Certificate, and the Ballast Water Management Certificate ("BWMC").

High levels of sulphur in marine fuels can lead to poor air quality from shipping emissions. This is because using such fuel produces sulphur oxide gasses (SOx) that can pose a threat to public health and the environment, particularly for populations living close to ports and coasts. In 2020, a global cap on sulphur content in marine fuels issued by the IMO came into effect, resulting in reductions of SOx emissions from ships. Samudera is fully compliant with the new IMO 2020 Regulation mandating a maximum sulphur content of 0.5% by mass in marine fuels, representing a significant reduction from the previous limit of 3.5%.

Since 2020, all ships operated by Samudera comply with the IMO 2020 regulation by using low sulphur fuel oil ("LSFO"). Regular

fuel analysis is conducted to make sure that the sulphur content is below the LSFO/IMO regulation threshold. High sulphur fuels are only used in our vessels fitted with scrubbers, such as the additions to our fleet in Q4 2020, where two newly built container ships that had been chartered-in under long-term time charter ("LTTC") had scrubbers retrofitted. Similar installations will be considered in the future when acquiring new built vessels on a case-by-case basis.

Our commitment to environmental protection extends through our supply chain. We have established a matrix to assess bunker suppliers, which includes criteria such as supplier qualification, quality of supply and MPA ranking, amongst others.

We have zero incidents of significant oil spills in 2021 and have maintained a 100% vessel-compliance rate for oil spill regulations, thus, achieving our target set for the year. We aim to maintain the same good record in 2022.

Performance indicator	Performance in 2021	Target status for 2021	Target for 2022
Compliance with applicable regulations regarding oil spillage	100%	100%: Target Achieved	Maintain 100% vessel-compliance rate for oil spill regulations
Number of significant ¹ oil spill incidents	0	Zero significant incidents: Target Achieved	Maintain zero significant oil spill incidents
Compliance with IMO (International Maritime Organisation) 2020 Regulation	100%	100% Compliance: Target Achieved	Maintain 100% vessel-compliance rate for IMO 2020 regulations

¹ 'Significant' being a spill that requires a clean-up response and cause for fine/non-monetary sanction with value above S\$100,000

MANAGING GHG EMISSIONS

We are aware of our greenhouse gas (“GHG”) emissions and the associated impact on global climate change. Over recent years, there has been increased scrutiny on the GHG emissions from the shipping industry and we are preparing for increased focus and disclosure requirements on this topic.

One such disclosure requirement is that of the Poseidon Principles, launched in 2019. These principles are a global framework that guide banks on the assessment and management of their ship finance portfolio to support the industry decarbonisation targets as set by the IMO’s initial Greenhouse Gas Strategy. They create awareness on the GHG impact in lending decisions and encourage ‘greener’ ships.

One of our financiers became a Signatory of the Poseidon Principles in late 2019. Samudera supported the financier’s reporting requirements,

by sharing the data needed to compute a carbon intensity metric known as the Annual Efficiency Ratio (“AER”) for each of the four ships financed as of end 2020 (this was covered in 2021 reporting).

Of the four financed ships, two had an AER value that was relatively aligned with the 2020 IMO AER trajectory value (delta of 4-6%). Samudera is progressively rejuvenating our fleet with younger vessels and looking to specifications such as having more efficient bunker consumption and lower GHG emissions to lower our carbon intensity further.

This feedback motivates us to enhance our efforts toward managing GHG emissions produced by our owned ships. We are still preparing our GHG accounting methodology to provide further emission disclosures within our 2023 report as part of our mandatory climate disclosures.

PROVIDING SAFE WORKING CONDITIONS

Performance indicator	Performance in 2021	Target status for 2021	Target for 2022
Number of significant incidences involving dangerous goods	0	Zero workplace fatalities as a result of work-related injury or high consequence injuries: Target Achieved	Zero workplace fatalities as a result of work-related injury or high-consequence work-related injuries
Number of high-consequence work-related injuries ²	0		
Number of fatalities as a result of work-related injury*	0		
Number of workplace injuries	0		

* Target has been clarified from 2021 report to indicate the reference to work-related injury figures. This is clarified as unfortunately we have recorded a fatality this year due to work-related ill health as a crewman passed away after contracting COVID-19 on-board a vessel. Further details are provided on page 49

² Work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months

We are aware of the range of potential occupational health and safety (“OHS”) risks in the shipping industry. We are also aware that some of our employees are in roles that pose OHS risk. As a responsible company, we aim to address and mitigate these risks wherever possible. Breaches of OHS regulations or serious injuries may result in costly fines and inhibit the company’s ability to operate, as well as potentially being life-altering for our workers. Considering this, we take an active approach toward enhancing and maintaining our safety protocols and processes across our operations.

Samudera applies an OHS framework to continuously identify potential safety hazards and implement precautionary measures to eliminate or mitigate those risks. Our framework is managed in line with the Ministry of Manpower’s Workplace Safety and Health (WSH) Act in Singapore, and is guided by the Group’s overarching Health, Safety and Environment (HSE) Policy. As part of the framework, relevant policies and procedures are contained within our

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Shipboard Procedure Manual ("SPM"). This includes detailed Standard Operating Procedures ("SOPs") set out by our ship managers for various workplace scenarios, such as:

- Safety on Board
- Safe Navigation All the Time
- Safe Handling Cargo
- Shipboard Personnel

On top of a comprehensive OHS framework, we make sure our employees are empowered with the right skills and knowledge to maintain a safe working environment. All employees receive health and safety training on a regular basis. Operational personnel receive relevant training and supervision and are educated to conduct risk assessments and implement risk control measures to eliminate or reduce the risks. Annual reviews in accordance with the Group's safety policies and procedures are carried out and are important to maintain oversight of the safe management of our vessels. Thorough follow-ups are done to ensure that the necessary corrective actions are implemented.

As a part of providing a safe workplace for our employees, it is important for us to improve our processes and ensure that our operations are up to date on the latest laws and regulations. For example, an amendment was announced for The International Maritime Dangerous Goods ("IMDG") Code³ (Amendment 40-20), which will be mandatory from 1 June 2022 though could be applied in whole or in part voluntarily from 1 January 2021. The amendment contains revisions to various transport requirements for specific substances and comes alongside the update to the 21st Edition of the UN Model regulation where four new UN Numbers added to the

³ The IMDG code specifies the basic principles and detailed recommendations of transporting Dangerous Goods ("DG") by sea

For employees and workers who are not employees but whose work and/or workplace is controlled by Samudera (e.g. Crew)		2019	2020	2021
Fatalities as a result of work-related injury	Number of incidents	0	0	0
	Rate (per 1,000,000 hours worked)*	0	0	0
High-consequence work-related injuries (excluding fatalities)**	Number of incidents	0	0	0
	Rate (per 1,000,000 hours worked)	0	0	0
Lost time injuries^	Number of incidents	1	1	0
	Rate (per 1,000,000 hours worked)	1.6	1.8	0

* Rate (per 1,000,000 hours worked) = (Number of incidents)/(Number of hours worked) x 1,000,000

** A work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months, per GRI Standards

^ A workplace injury is a workplace or work-related traffic injury that results in at least 24 hours of hospitalisation or 3 days MC due to a single work-related accident (whether consecutive or not), as per reported to the Ministry of Manpower in Singapore

DG list. These changes have been communicated to our ship managers to prevent any incident in relation to DG as well as to comply with the updated IMDG Code. Further, it will also be reflected in the database of our DG Management System which was successfully implemented since 2020.

In 2021, there were no significant incidents involving dangerous goods handling resulting in personal injury.

Besides operational safety, we also seek to promote workplace health and wellbeing. Employees are offered regular health check-ups while drug and alcohol screenings are a part of our crew recruitment processing. All our vessels are certified under the Maritime Labour Convention ("MLC") and are crew accommodation certified, which aims to provide favourable labour conditions for maritime crew in compliance with all MLC requirements. Such requirements include minimum age limits, hours of rest, accommodation and on-

board facilities, food and catering, payment of wages, and the qualification of medical practitioners. Other requirements to obtain this certification include provision of fitness and recreational equipment on board the vessel, such as stationary bicycles, treadmills and weight training kits.

Our ship managers are always reminded to be vigilant when implementing SOPs regarding crew safety and cargo handling. For example, in May 2021 one of our owned vessels was involved in a collision with another vessel when sailing within the Singapore Strait. An assessment of the incident found that the event was hard to avoid due to the proximity and as the other vessel had lost control. Although the accident had caused damage to our vessel and some of the cargo on-board, no crew or personnel were injured. We are confident in our procedures and continue to implement vigilance to strengthen our SOPs to minimise the risk of fatalities occurring from future events.



In 2021, we achieved our target and reported zero fatalities as a result of work-related injury or high-consequence work-related injuries. However, unfortunately one of our crew passed away due to COVID-19. Such an event was considered as a fatality from work-related ill-health (occupational disease) rather than a work-related injury.

INVESTING IN EMPLOYEE DEVELOPMENT

Performance indicator	Performance in 2021	Target status for 2021	Target for 2022
Average hours of training per employee	3.9	No less than 3 hours average training per employee: Target Achieved	Maintain a diverse and relevant training programme
Provision of programmes for upgrading employee skills	See Table 4 for mentions of various programmes	Maintain a diverse and relevant training programme: Target Achieved	in our efforts to broaden and deepen the knowledge and experience of our employees
Percentage of employees receiving regular performance and career development reviews	100%	100% of employees to receive regular performance and career development reviews: Target Achieved	No less than 3 hours average training per employee

COVID-19 IN 2021

The global outbreak of COVID-19 has continued to pose significant challenges to the shipping industry. Being a relatively enclosed environment, ships can easily become hotspots for COVID-19 infection clusters.

During 2021, Samudera had several COVID-19 cases amongst our employees and on-board crew. For one of our affected vessels, the ship manager took swift action in changing a crew of 19 members that contracted COVID-19 whilst working on-board. This action mitigated any potential exposure to other stakeholders who might have been in physical contact with any crew members during the vessel operation, both on-board and onshore. All 19 infected crew members were quarantined and medically treated. Unfortunately, one crew member passed away from the infection. The remaining 18 crew members have since recovered.

For many countries, COVID-19 will soon move from being considered a pandemic to being considered an endemic disease. Nevertheless, vaccination has been shown to be important as it contributes toward reducing the risk of fatalities, severe illness, and transmission. Knowing this, we have encouraged our employees and crew to be vaccinated against COVID-19. We are grateful that our employees and crew have responded to the situation and are all now fully vaccinated. We are also optimistic that any future cases of COVID-19 affecting our employees or crew will not have severe impact on their well-being or cause any significant disruption to our operational activities.

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Our team of high-performing and motivated employees are keys to Samudera's success. This is why we prioritise investing in the long-term career development of our individual employees and focusing on job satisfaction. To achieve this, Samudera strives to provide the fullest support for education and specialised training through in-house and external training for its employees. Internally, new employees are required to go through an orientation session where they are introduced to Samudera's key policies, specifically the Employee Code of Conduct. Current employees are also exposed to a wide array of training programmes and activities throughout their careers which are aimed at building their functional and core competencies. Empowered with the relevant skills, our employees can carry out their duties in a safe efficient manner to provide high quality services to our clients.

Samudera also encourages active learning among our employees. For example, our 'Learning & Development policy' provides financial sponsorship to help our employees pursue development opportunities that may not otherwise be accessible to them. The sponsorship can be used for part-time degrees and other eligible training opportunities such as certified skills training programmes, industry seminars and conferences, or to obtain relevant professional qualifications. Our Human Resources Department ("HR") also has an established application process for employees to attend external courses.

The COVID-19 pandemic has continued to drive change in adapting to the 'new normal'. This includes the way we conduct business as well as the way we hold events. Nevertheless, through conducting training sessions virtually, we have managed to reach our goal to increase our average training hours per employee. In addition, staff have attended training sessions conducted by our in-house training centre, Samudera Indonesia Corporate University ("SICU"). Sessions conducted by SICU covered topics such as business intelligence, bunker price and freight rates forecasting, ship operations, and GCG and risk management. Specifically for our crew, training sessions covered topics including management system familiarisation and ship safety officers.

We managed to achieve an average of 3.91 training hours per employee in 2021. This was higher as compared to last year's indicator as well as exceeded our target for 2021.

Moving forward, we will continue to maintain our average training hours as we believe in the importance of developing our human resources.

A performance review is another important way to support career growth. Performance reviews help to set short-term and long-term career goals, identify developmental needs as well as provide a platform for two-way communications between the manager and employee. In 2021, we conducted a performance review for 100% of our employees.

TABLE 4 List of types of trainings and topics covered during the reporting period

ASPECT	TRAINING TOPIC	
Orientation	<ul style="list-style-type: none"> New Employee Orientation 	
Specialised training for crew	<ul style="list-style-type: none"> Formal Familiarisation with Management System 	<ul style="list-style-type: none"> Planned Management System NS5 Ship Safety Officer
Training for employees (conducted by external consultants)	<ul style="list-style-type: none"> IMDG Training Charter Courses Shipping Law Disputes IT Security Analysis Certified Ethical Hacker 	<ul style="list-style-type: none"> Financial Due Diligence HR Training Management Director Fundamentals
Training for employees (conducted by SICU)	<ul style="list-style-type: none"> GCG & Risk Management Economic Outlook for Asia & Indonesia Critical Thinking Skill Bunker Price & Freight Rate Forecasting Business Intelligence 	<ul style="list-style-type: none"> Applied Marketing Research Tank Container & Trucking Industry Basic Ship Operation Sharia Economic & Finance Leaders Talk Sessions

MAINTAINING A STRONG COMPLIANCE RECORD

Performance indicator	Performance in 2021	Target status for 2021	Target for 2022
Number of incidents of non-compliance with laws and regulations which resulted in significant fines ⁴ or non-monetary sanctions	0	Zero non-compliance: Target achieved	Maintain zero incidents of non-compliance with laws and regulations resulting in significant fines or non-monetary sanctions

Breaches in laws or regulations would not only directly impact Samudera's reputation, but also impair our ability to operate. It is therefore essential that we maintain compliance. At Samudera, our clean compliance track record is essential for us to preserve the trust developed over the years with our stakeholders. Internally, compliance risks are actively identified, assessed, and managed. Our legal department monitors changes to applicable laws and regulations through various avenues such as media, press publishing and advice and publications from legal counsels. When required, we engage external legal counsel or professionals to assist the legal department to put policies or frameworks in place

and/or to ensure compliance with laws and regulations (e.g. Anti-Money Laundering, Personal Data Protection Policy, etc) to conduct training and/or audits. There are annual training sessions on the prevention of money laundering and countering the financing of terrorism. Training is also provided for directors and relevant employees of Samudera Shipping Group as and when there are substantial new laws and regulations to ensure their understanding of changing requirements.

Samudera has a zero-tolerance stance towards fraudulent behaviours, including corruption and bribery. Besides the Employee Handbook, we also have a WhistleBlowing policy to report any

suspected unethical and illegal practices. Details of this policy are available through our website. Our WhistleBlowing channels can be accessed via whistleblow@samudera.id or mail (to our office address). Access to these channels is restricted to the Head of Internal Audit and Chairman of Audit Committee.

In 2021, we received zero reports to our whistleblowing channels and achieved our target of maintaining zero significant cases of non-compliance and regulations. For 2022, we aim to maintain the same good compliance records.

⁴ Significant cases are those resulting in a court case, imprisonment, or fine above S\$100,000

ENHANCING IT SECURITY NETWORK

The prolonged disruptions by COVID-19 triggered a historic shift for Samudera to adopt remote working effectively. To address this, we reinforced a robust and secure network and facilitated seamless access to the company resources that helped maintain the confidentiality and integrity of the informational access. We also strengthened

our existing VPN foundation by implementing a comprehensive security policy management platform that enforces secure access controls. This enhanced the IT infrastructure security against external and internal access threats.

Besides administering policy controls for access authentication and authorisation, we were also able to pre-emptively identify and

detect security vulnerabilities from the access device endpoint and quarantine the compromised devices. This helped to minimise our exposure to Internet-based threats and cyber-attacks.

Through these initiatives, we are able to maintain our operational productivity and efficiency and continue to uphold our high service levels to our customers.

GRI CONTENT INDEX

This report has been prepared in accordance to GRI Standards: Core option.

GENERAL DISCLOSURES		
Organisational Profile		
102-1 (2016)	Name of the organisation	Annual Report page 1
102-2 (2016)	Activities, brands, products, and services	Annual Report page 1
102-3 (2016)	Location of headquarters	Annual Report page 1
102-4 (2016)	Location of operations	Annual Report pages 4 - 5
102-5 (2016)	Ownership and legal form	Annual Report (Financial) pages 133 - 135
102-6 (2016)	Markets served	Annual Report pages 4 - 5
102-7 (2016)	Scale of the organisation	Annual Report page 31 Total number of employees as at 31 December 2021: 151 - 143 Samudera HQ - 3 Foremost - 5 Silkargo
102-8 (2016)	Information on employees and other workers	A significant portion of Samudera's activities is performed by workers who are not employees, including ship managers and crew. Their ESG performance is also covered in this report.
102-9 (2016)	Supply chain	Annual Report page 1
102-10 (2016)	Significant changes to the organisation and its supply chain	Annual Report pages 31 - 33
102-11 (2016)	Precautionary principle of approach	Samudera does not explicitly refer to precautionary approach or principle in its Risk Management Framework.
102-12 (2016)	External initiatives	Annual Report pages 2 - 3
102-13 (2016)	Membership of associations	Samudera is a member of various professional associations, including Singapore Shipping Association.
Strategy		
102-14 (2016)	Statement from senior decision-maker	Annual Report pages 8 - 15
Ethics and Integrity		
102-16 (2016)	Values, principles, standards, and norms of behaviour	Annual Report page 1
Governance		
102-18 (2016)	Governance structure	Annual Report pages 18 - 29

GENERAL DISCLOSURES**Stakeholder Engagement**

102-40 (2016)	List of stakeholder groups	Annual Report page 44
102-41 (2016)	Collective bargaining agreements	There are no collective bargaining agreements in place.
102-42 (2016)	Identifying and selecting stakeholders	Annual Report page 44
102-43 (2016)	Approach to stakeholder engagement	Annual Report page 44
102-44 (2016)	Key topics and concerns raised	Annual Report page 44

Reporting Practice

102-45 (2016)	Entities included in the consolidated financial statements	Annual Report (Financial) pages 85 - 90
102-46 (2016)	Defining report content and topic boundaries	Annual Report page 40
102-47 (2016)	List of material topics	Annual Report page 41
102-48 (2016)	Restatements of information	There are no restatements of information.
102-49 (2016)	Changes in reporting	No significant changes.
102-50 (2016)	Reporting period	1 January 2021 to 31 December 2021
102-51 (2016)	Date of most recent report	Sustainability Report 2020 was published in March 2021.
102-52 (2016)	Reporting cycle	Annual
102-53 (2016)	Contact point for questions regarding the report	sustainability@samudera.id or (+65) 6430 1687
102-54 (2016)	Claims of reporting in accordance with the GRI Standards	Annual Report page 40
102-55 (2016)	GRI Content Index	Annual Report pages 52 - 54
102-56 (2016)	External assurance	No external assurance sought for report.

MATERIAL TOPICS**Economic Performance**

103-1 (2016)	Explanation of the material topic and its Boundary	Annual Report page 45
103-2 (2016)	The management approach and its components	Annual Report page 45
103-3 (2016)	Evaluation of the management approach	Annual Report page 45
201-1 (2016)	Direct economic value generated and distributed	Annual Report page 45

GRI CONTENT INDEX

This report has been prepared in accordance to GRI Standards: Core option.

MATERIAL TOPICS		
Environmental Compliance		
103-1 (2016)	Explanation of the material topic and its Boundary	Annual Report pages 45 - 47
103-2 (2016)	The management approach and its components	Annual Report pages 45 - 47
103-3 (2016)	Evaluation of the management approach	Annual Report pages 45 - 47
307-1 (2016)	Non-compliance with environmental laws and regulations	Annual Report pages 45 - 47
Training and Education		
103-1 (2016)	Explanation of the material topic and its Boundary	Annual Report pages 49 - 50
103-2 (2016)	The management approach and its components	Annual Report pages 49 - 50
103-3 (2016)	Evaluation of the management approach	Annual Report pages 49 - 50
404-2 (2016)	Percentage of employees receiving regular performance and career development reviews	Annual Report pages 49 - 50
Occupational Health and Safety		
103-1 (2016)	Explanation of the material topic and its Boundary	Annual Report pages 47 - 49
103-2 (2016)	The management approach and its components	Annual Report pages 47 - 49
103-3 (2016)	Evaluation of the management approach	Annual Report pages 47 - 49
403-2 (2018)	Occupational health and safety management system	Annual Report pages 47 - 49
403-2 (2018)	Hazard identification, risk assessment and incident investigation	Annual Report pages 47 - 49
403-3 (2018)	Occupational health services	Annual Report pages 47 - 49
403-4 (2018)	Worker participation, consultation, and communication on occupational health and safety	Annual Report pages 47 - 49
403-5 (2018)	Worker training on occupational health and safety	Annual Report pages 47 - 49
403-6 (2018)	Promotion of worker health	Annual Report pages 47 - 49
403-6 (2018)	Prevention and mitigation of occupational health and safety	Annual Report pages 47 - 49
403-9 (2018)	Work-related injuries	Annual Report pages 47 - 49
Socio-economic Compliance		
103-1 (2016)	Explanation of the material topic and its Boundary	Annual Report page 51
103-2 (2016)	The management approach and its components	Annual Report page 51
103-3 (2016)	Evaluation of the management approach	Annual Report page 51
419-2 (2016)	Non-compliance with laws and regulations in the social and economic area	Annual Report page 51 No significant cases of non-compliance with laws and regulations.



SAMUDERA SHIPPING LINE LTD

ANNUAL REPORT 2021

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