



MARCO POLO MARINE

SUSTAINABILITY  
REPORT



**Navigating  
the  
Future  
Responsibly**



2025



MARCO POLO MARINE

# SUSTAINABILITY REPORT 2025

NAVIGATING  
THE FUTURE  
RESPONSIBLY

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# LETTER FROM OUR CEO

In a rapidly changing global energy landscape, the demand for reliable and efficient energy solutions is accompanied by increasing expectations for sustainability. Marco Polo is responding to this shift by leveraging its operational capabilities and industry expertise to deliver dependable services, while remaining committed to responsible and sustainable operations.

The maritime and offshore industries are undergoing a period of profound transformation. Decarbonisation imperatives, evolving regulatory and disclosure requirements, and rising expectations from customers, investors, and communities continue to reshape the way businesses operate. During the year, the successful launch of our Commissioning Service Operation Vessel, MP Wind Archer, together with the expansion of our shipyard capacity, has strengthened our support for the offshore wind sector and reinforced our commitment to cleaner and more efficient marine operations. These developments not only enhance our operational capacity and efficiency, but also contribute to economic growth, job creation, and long-term value for the communities in which we operate.

In FY2025, we reaffirmed our commitment to sustainable development by focusing on five United Nations Sustainable Development Goals (UN SDGs) that are most relevant to our business operations and value chain. These SDGs provide a clear strategic direction for our sustainability efforts, ensuring that our initiatives are aligned with areas where we can make the most meaningful contribution. To translate these commitments into action, we established annual sustainability targets aligned with our longer-term aspirations. These targets enable us to systematically monitor performance, track progress, and drive accountability across the Group.

**SEAN LEE YUN FENG**

Chief executive officer



## DEAR STAKEHOLDERS,

to prioritise workplace safety, training, and professional development across the Group. We remain committed to fostering an inclusive and respectful workplace, while conducting our operations responsibly within the communities in which we operate.

Good governance continues to underpin our sustainability journey. The Board and Management play an active role in overseeing sustainability-related matters, ensuring that risks and opportunities are appropriately identified, managed, and integrated into the Group's decision-making processes. This governance framework promotes accountability, transparency, and long-term stability.

Looking ahead, we recognise that sustainability is a continuous journey. We remain committed to enhancing data quality, expanding the scope of our disclosures, and strengthening internal systems and processes. Through steady and disciplined progress, and in close to support the global transition towards a lower-carbon and more sustainable future while continuing to create enduring value for our stakeholders.

On behalf of the Board and Management, I would like to extend my sincere appreciation to our employees, customers, partners, and stakeholders for your continued support and trust. Together, we will continue to strengthen Marco Polo's sustainability performance and contribute positively to the industry and the communities we serve.

# ABOUT MARCO POLO GROUP

Founded in 1991 and headquartered in Singapore, Marco Polo Marine Ltd. (herein referred to as Marco Polo/MPM/the Company/the Group/the organisation) is a Singapore-listed, Asia-focused integrated marine logistics group offering shipyard services, offshore energy support and marine transportation. The Group operates across the Asia-Pacific region, providing offshore support vessel (OSV) chartering, ship repair and maintenance, shipbuilding, and conversion services for clients in the offshore energy, maritime, and renewable sectors.

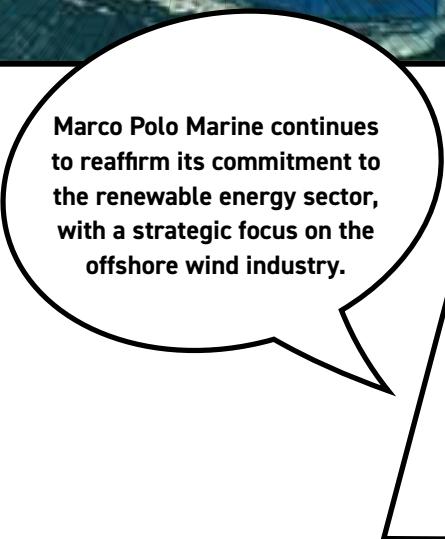
With over three decades of operational excellence, Marco Polo has built a strong reputation for reliability, safety, and engineering capability. Our flagship shipyard in Batam, Indonesia, serves as a strategic hub supporting our fleet and third-party clients through comprehensive ship repair, dry-docking, and vessel modification services.



**We provide a robust logistics platform through our capabilities in vessel chartering, ship repair & conversion, and marine support services, enabling our clients to operate securely and efficiently at sea.**



In the shipping sector, Marco Polo charters a fleet of Offshore Supply Vessels (OSVs), including Commissioning Service Operation Vessel (CSOV) for offshore wind farm projects, Anchor Handling Tug Supply Vessels (AHTS), for regional deployment, alongside tugboats and barges that serve a diverse array of industries. The Shipyard business, strategically located on a sprawling 34-hectare facility in Batam, Indonesia, boasts a 650-meter seafront, and this year has successfully completed another dry dock, becoming a total of four dry docks tailored for mid-sized and advanced vessels. This facility is a hub of innovation and expertise, offering comprehensive services in shipbuilding, maintenance, repair, outfitting, and conversion.



**Marco Polo Marine continues to reaffirm its commitment to the renewable energy sector, with a strategic focus on the offshore wind industry.**

In FY2025, the Group announced a key milestone of its newly launched Commissioning Service Operation Vessel (CSOV), MP Wind Archer. This marks a significant step in strengthening Marco Polo Marine's support for Taiwan's rapidly growing offshore wind energy sector. The deployment of MP Wind Archer further aligns with the Group's long-term strategy to expand its presence in the Asia Pacific region, particularly in high-growth offshore wind markets such as Taiwan and South Korea. This milestone reflects Marco Polo Marine's dedication to advancing the renewable energy transition while contributing to energy security, sustainability, and long-term affordability.

# OUR COMMITMENT TOWARDS UN SDG

Marco Polo Marine recognises the importance of Sustainable Development and its role in driving positive global impact. The Group acknowledges its responsibility to minimise potential environmental and social impacts arising from its operations and is committed to contributing to a more sustainable future as a responsible corporate citizen. In alignment with its business operations and areas of influence, MPM has identified five key United Nations Sustainable Development Goals (UN SDGs) where the Group believes it can drive meaningful impact and help mitigate negative environmental and societal effects.

To translate these commitments into actionable outcomes, the Group has established 2030 sustainability targets, mirroring the UN SDG timeline. These targets demonstrate MPM's long-term commitment to measurable progress, accountability, and meaningful contribution toward global sustainable development.

## 7 AFFORDABLE AND CLEAN ENERGY



- 10% mix of renewable energy sources in operations.
- 5% reduction in electricity consumption corporate offices.

## 8 DECENT WORK AND ECONOMIC GROWTH



- Zero fatalities and LTIR
- Revenue contribution of offshore wind to increase >50%

## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- Local spending >80%
- 45% recycling rate (Offshore) & 20% recycling rate (Shipyard)

## 13 CLIMATE ACTION



- Reduce Scope 1 & 2 emissions by 5%

- Zero environmental fines and penalties
- Annual CSR nature activity (marine and coastal related)

## 14 LIFE BELOW WATER



## HIGHLIGHTS

REVENUE (S\$'000)

**122,814**

NUMBER OF VESSELS

**20**

### WORKFORCE:

SHORE-BASED: **468**

OFFSHORE-BASED: **506**

### GHG EMISSIONS

SCOPE 1: **13,898<sub>TCO<sub>2</sub>E</sub>**

SCOPE 2: **5,717<sub>TCO<sub>2</sub>E</sub>**

SCOPE 3: **113,779<sub>TCO<sub>2</sub>E</sub>**

### EXPOSURE HOURS:

**4,594,911**  
MANHOURS

### HEALTH & SAFETY

**ZERO LOST TIME  
INCIDENT RATE**

### CARBON INTENSITY:

**0.138**  
TCO<sub>2</sub>E/S\$'000

ENERGY CONSUMPTION:  
ENERGY INTENSITY:

**170,850<sub>GJ</sub>**

### REGULAR EMPLOYEE GROWTH

NEW HIRES: **47**

VOLUNTARY EMPLOYEE  
TURNOVER RATE: **9.46%**

### TRAINING AND DEVELOPMENT

**616.5** HOURS

### ENERGY INTENSITY

**1.21**  
GJ/S\$'000

### VOLUNTEERISM

**314** HOURS

**ZERO  
NON-COMPLIANCE  
WITH ENVIRONMENTAL  
LAWS AND REGULATIONS**

**ZERO CASES  
OF CODE OF  
CONDUCT BREACHES**

## NEWLY LAUNCH CSOV - MP WIND ARCHER

Marco Polo's first Commissioning Service Operation Vessel (CSOV), MP Wind Archer, commenced its maiden charter and began generating revenue in mid-April 2025. The vessel has also successfully completed its reflagging to the Republic of China (Taiwan), reinforcing the Group's strategic commitment to supporting Taiwan's rapidly expanding offshore wind sector.

Designed and constructed by MPM's in-house shipyard team, the MP Wind Archer represents a significant milestone three years in the making. Initiated in 2022, the project reflects the dedication, expertise, and perseverance of the team in delivering the Group's first purpose-built CSOV, now operational and serving the offshore wind industry.

### A STATE-OF-THE-ART VESSEL SUPPORTING OFFSHORE WIND GROWTH

Purpose-built for offshore wind operations, the MP Wind Archer integrates advanced technologies and sustainability-focused features, including:

- High-performance capabilities: Walk-to-work gangway and 3D motion-compensated crane
- Sustainability-driven design: Hybrid Energy Storage System that reduces carbon emissions by approximately 15–20%
- Enhanced crew welfare: Modern meeting rooms and recreational facilities to support onboard comfort during long-term operations

With rising demand for CSOVs across the Asia-Pacific offshore wind market, Marco Polo has committed to expanding its fleet. The Group is collaborating with Salt Ship Design AS ("Salt"), a leading Norwegian naval architecture firm, to develop its next-generation vessel, the CSOV Plus. Currently in the design phase, construction is slated to commence in Q2 2026, with delivery targeted for Q2 2028.

Marco Polo Marine remains steadfast in its commitment to delivering high-quality, purpose-built marine solutions that drive progress in the renewable energy sector while upholding environmental and operational sustainability.



## OUR REGIONAL FOOTPRINT ACROSS ASIA PACIFIC



While Marco Polo Marine's physical operations are anchored in Southeast Asia and East Asia - spanning Singapore, Indonesia, and Taiwan, the Group plays a vital role in enabling the global offshore energy transition. Its strategically located offices and shipyard capabilities form a regional hub for delivering international-standard marine and offshore wind support services across Asia-Pacific and beyond.

# ABOUT THE REPORT

## OUR BUSINESS SEGMENT

### OFFSHORE VESSEL CHARTERING

Marco Polo Marine owns and operates a diverse fleet of offshore support vessels, tugboats, and barges that support offshore energy logistics, and marine transportation. The Group's Offshore Vessel fleet has expanded to 20 vessels, with the addition of four new vessels, including its first CSOV. The fleet supports two key energy segments which are Oil & Gas in Southeast Asia and Offshore Wind in Northeast Asia. Deployed across Singapore, Indonesia, Malaysia, Taiwan, and Japan, Marco Polo's vessels provide critical support to major oil companies and offshore wind developers, enabling both conventional and renewable energy operations.

### Renewable Energy & Offshore Wind Expansion

In line with the global energy transition, MPM is actively expanding into the offshore wind and clean energy value chain. We have entered joint ventures to design and build offshore wind service vessels, with the goal of supporting wind farm installation, maintenance, and crew transfer operations in Taiwan, Japan, and South Korea.

### SHIPYARD & MARINE ENGINEERING SERVICES

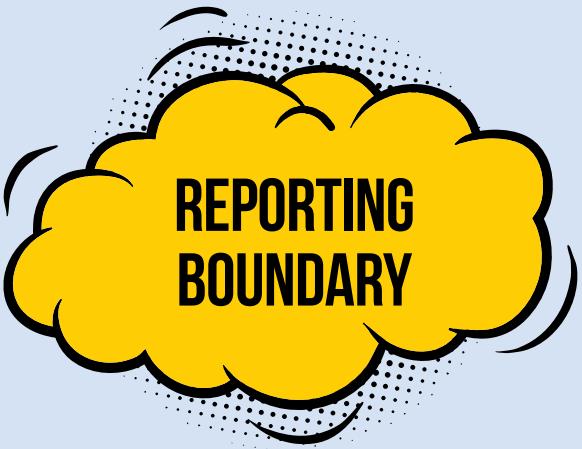
Marco Polo Marine's Shipyard delivers comprehensive services spanning ship repair, newbuild construction, vessel conversion, and maintenance, supporting projects across Singapore, Indonesia, China, and Europe. The facility is equipped with advanced infrastructure, including dry dock, finger pier, heavy-lift cranes, and specialised workshops, enabling the execution of complex projects safely, efficiently, and in accordance with international standards. Serving a diverse portfolio of clients, the Shipyard undertakes both short- and long-term projects, reflecting the Group's operational versatility and strong commitment to quality, reliability, and industry excellence.

The Sustainability Report ("the Report") of Marco Polo Marine Ltd and its subsidiaries ("Marco Polo Marine" or "the Group") presents the Group's sustainability performance for the reporting period from 1 October 2024 to 30 September 2025. This marks the eighth ESG report published by the Group, prepared in reference with the Global Reporting Initiative (GRI) Standards, the world's most widely adopted framework for sustainability reporting.

In addition, the Group continues to strengthen its climate-related disclosures guided by the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Since FY2023, Marco Polo Marine has reported in alignment with the four TCFD pillars and is progressively advancing its climate disclosure maturity each year. The adoption of both the GRI Standards and TCFD framework reflects the Group's commitment to transparent, structured, and stakeholder-focused reporting.

Through this sustainability reporting process, the Group communicates its management approach and performance across key Environmental, Economic, Social, and Governance (EESG) topics, including climate change. This enables the Group to better identify opportunities, strengthen risk oversight, and measure, monitor, and manage sustainability priorities across its operations.

All data and disclosures in this report have been carefully reviewed, with year-on-year changes clearly explained to provide meaningful comparison and enhanced insights for stakeholders.



## REPORTING BOUNDARY

The following subsidiaries of Marco Polo are included within the scope of this report:

- Marco Polo Marine Ltd
- Marco Polo Shipyard Pte Ltd
- PT Marco Polo Shipyard
- MP Offshore Pte Ltd
- Marco Polo Offshore Pte Ltd
- Marco Polo Offshore (II) Pte Ltd
- Marco Polo Offshore (III) Pte Ltd
- Marco Polo Offshore (VII) Pte Ltd
- PT Pelayaran Nasional Bina Buana Raya Tbk
- BBR (L) Shipping Berhad
- PKR Offshore Co. Ltd.

The following companies have not been considered under the scope of reporting because of the reasons stated:

|  |   |
|--|---|
| <ul style="list-style-type: none"><li>• MP Ventures Pte Ltd</li><li>• MP Marine Pte Ltd</li><li>• PT Marco Polo Indonesia</li><li>• Marco Polo Wind Private Limited</li><li>• Marco Polo Offshore Sdn Bhd</li><li>• Oceanic Crown Offshore Marine Services Limited</li></ul> | These are holding companies with minimum activities and zero headcounts.  |
| <ul style="list-style-type: none"><li>• Pelayaran New Era (L) Berhad</li><li>• Pelayaran Era Sdn Bhd</li></ul>   | These are joint venture entities and have zero to little contribution to the Group. The total contribution to the net profit is less than 2%.   |
| <ul style="list-style-type: none"><li>• Marco Polo Shipping Co Pte Ltd</li><li>• MP Shipping Pte Ltd</li></ul>   | These entities contribute less than 5% of total revenue and net profit. The Group is also expanding its business in the offshore and Shipyard segments, and we expect the contribution from tugboats and barges to be even more insignificant in the near future. |

This sustainability data will be reported by division, including Shipyard operations and Offshore operations, as well as data from our global offices in Singapore, Jakarta, and Taiwan. The Offshore division encompasses the operations of MP Offshore, PTBBR, and PKR Offshore.

| OPERATION  |  | GLOBAL OFFICES  |
|--|--|---|
| SHIPYARD   | OFFSHORE   |   |
| <ul style="list-style-type: none"><li>• Marco Polo Shipyard Pte Ltd</li><li>• PT Marco Polo Shipyard</li></ul> | <ul style="list-style-type: none"><li>• MP Offshore Pte Ltd</li><li>• Marco Polo Offshore Pte Ltd</li><li>• Marco Polo Offshore (II) Pte Ltd</li><li>• Marco Polo Offshore (III) Pte Ltd</li><li>• Marco Polo Offshore (VII) Pte Ltd</li><li>• PT Pelayaran Nasional Bina Buana Raya Tbk</li><li>• BBR (L) Shipping Berhad</li><li>• PKR Offshore Co. Ltd.</li></ul> | <ul style="list-style-type: none"><li>• Marco Polo Marine Ltd</li><li>• Marco Polo Shipyard Pte Ltd</li><li>• PT Pelayaran Nasional Bina Buana Raya Tbk</li><li>• PKR Offshore Co. Ltd.</li></ul> |

## REPORTING PRINCIPLES

This sustainability report is built on principles that emphasise clarity, accountability, and relevance to both stakeholders and the environment. The organisation prioritises open communication and actively seeking stakeholder input to enhance transparency.

Focusing on sustainability issues relevant to Marco Polo's operations and ESG goals, this report adheres to regulatory guidelines and GRI standards to maintain credibility. It concentrates on material topics that significantly impact the business and stakeholders, enabling identification and prioritising key growth areas.

The report also ensures comprehensive coverage of the material topics, supported by accurate data that reflects the entire reporting period. These principles guide the organisation in delivering an honest and thorough portrayal of its sustainability efforts.

This report includes forward-looking statements that pertain to future events and anticipations. While these statements are grounded in reasonable assumptions, it is essential to acknowledge that they are subject to various risks and uncertainties. Consequently, the outcomes might vary from the expectations conveyed in these forward-looking statements. The Group values your input and encourages you to share your feedback at [info@marcopolomarine.com.sg](mailto:info@marcopolomarine.com.sg).

## FEEDBACK AND DISCLAIMER

## ASSURANCE STATEMENT

We engaged our Internal Audit Function to review the current sustainability reporting processes. The internal review was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. The scope included a risk-based review of the processes including but not limited to the sustainability governance and management; the materiality identification and prioritisation; reporting relevant sustainability information; climate-related disclosures; and compliance against local regulatory reporting requirements. We have not sought external assurance for this reporting year.

# STAKEHOLDER ENGAGEMENT

Engaging actively with stakeholders is a fundamental aspect of our sustainability strategy. This interaction shapes our understanding of material issues and supports the creation of solutions and initiatives that form our sustainability commitment and goal roadmap. Committed to maintaining consistent and transparent communication, Marco Polo tailors its engagement approach to meet the unique needs of each stakeholder category, as detailed below:

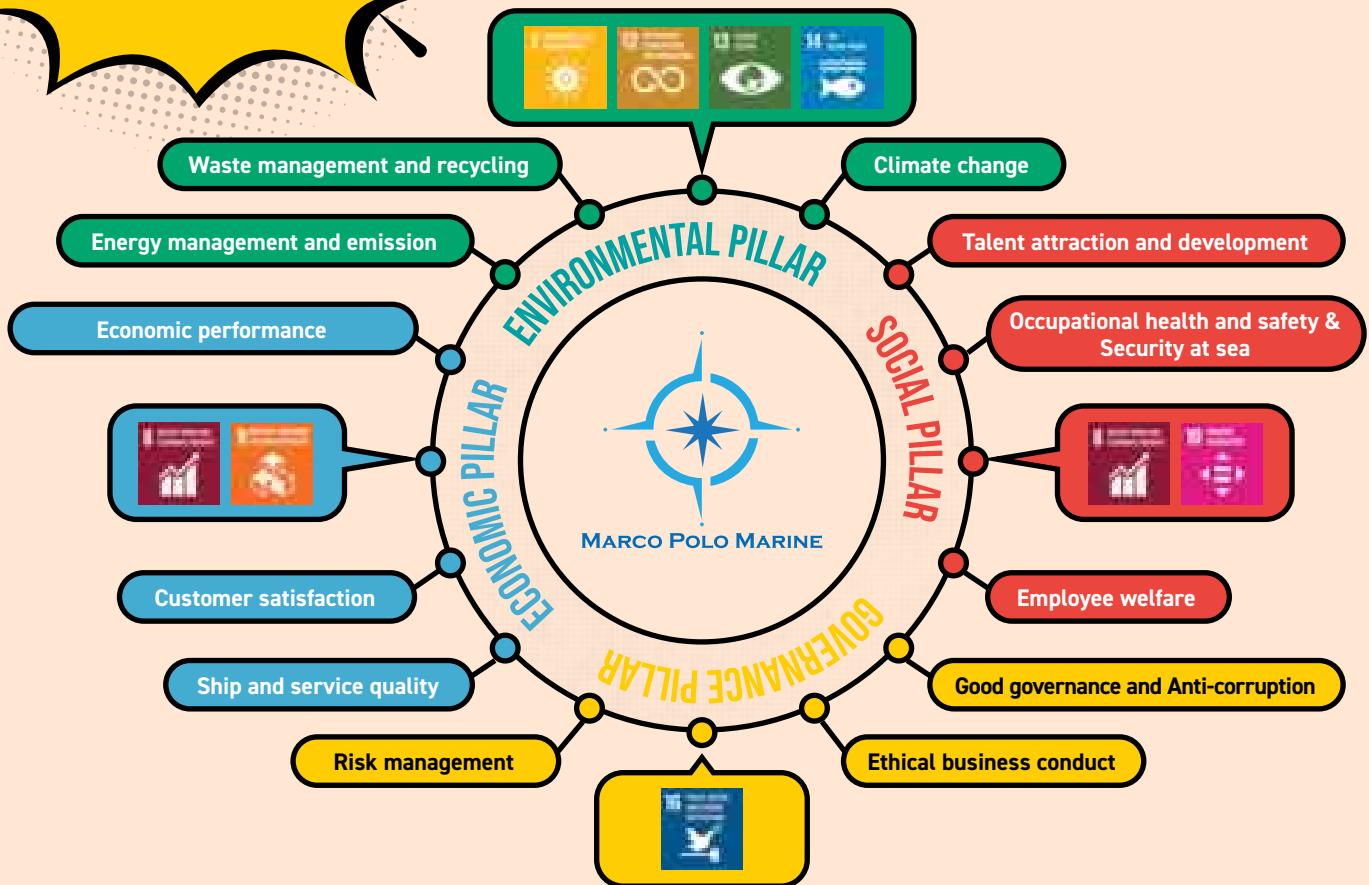
## OVERVIEW OF STAKEHOLDER ENGAGEMENT

| STAKEHOLDERS                      | BASIS FOR DETERMINING STAKEHOLDERS  | ENGAGEMENT PLATFORM   | FREQUENCY OF ENGAGEMENT  | AREAS OF CONCERNs   |
|-----------------------------------|---|---|--|---|
| <b>Employees</b>                  | Employees are involved in the daily operations of the Group   | <ul style="list-style-type: none"> <li>Informal dialogues</li> <li>Performance appraisal</li> <li>“Ridiculous” feedback box</li> </ul>                                      | <ul style="list-style-type: none"> <li>As and when required</li> <li>Annually</li> </ul> | <ul style="list-style-type: none"> <li>Personal development</li> <li>Employee compensation and benefits</li> <li>Occupational health and safety</li> <li>Diversity and equal opportunity</li> </ul>             |
| <b>Government and regulators</b>  | Compliance with local and overseas laws and regulations   | <ul style="list-style-type: none"> <li>Regular reports</li> <li>Site visits</li> </ul>  | <ul style="list-style-type: none"> <li>Annually</li> <li>Ad-hoc visits</li> </ul>        | <ul style="list-style-type: none"> <li>Regulatory matters</li> <li>Compliance with regulations</li> <li>Timely reporting</li> <li>Sustainable development</li> </ul>  |
| <b>Investors and shareholders</b> | Influence on Management's and the Board's decisions and responsibility towards investors  | <ul style="list-style-type: none"> <li>Annual Report</li> <li>Annual General Meetings</li> <li>Website</li> <li>SGX Announcements</li> </ul>                                | <ul style="list-style-type: none"> <li>Annually</li> <li>As and when required</li> </ul> | <ul style="list-style-type: none"> <li>Financial performance</li> <li>Strategic planning</li> <li>Sustainability reporting</li> <li>Anti-corruption</li> <li>Risk management</li> </ul>                         |
| <b>Suppliers and contractors</b>  | Dependency on suppliers and subcontractors  | <ul style="list-style-type: none"> <li>E-mails</li> <li>Phone calls</li> <li>Physical meetings</li> <li>Supplier assessment</li> </ul>                                      | <ul style="list-style-type: none"> <li>As and when required</li> </ul>                   | <ul style="list-style-type: none"> <li>Quality management</li> <li>Price negotiation</li> </ul>   |
| <b>Customers</b>                  | Customers' needs influence the strategic direction of the Group   | <ul style="list-style-type: none"> <li>E-mails</li> <li>Phone calls</li> <li>Customer feedback forms</li> <li>Physical meetings</li> </ul>                                  | <ul style="list-style-type: none"> <li>As and when required</li> </ul>                   | <ul style="list-style-type: none"> <li>Quality management</li> <li>Contract negotiation</li> <li>Service delivery</li> <li>Environmental compliance</li> </ul>  |
| <b>Trade unions</b>               | Represents the voice of employees collectively  | <ul style="list-style-type: none"> <li>Meetings with union leaders</li> </ul>   | <ul style="list-style-type: none"> <li>Annually</li> <li>As and when required</li> </ul> | <ul style="list-style-type: none"> <li>Employee compensation and benefits</li> <li>Fair labour practices</li> </ul>   |
| <b>Media</b>                      | Shape public perception and amplify the company's achievements, challenges, or controversies to a broader audience.                     | <ul style="list-style-type: none"> <li>Interview session</li> <li>Annual General Meetings</li> </ul>  | <ul style="list-style-type: none"> <li>As and when required</li> <li>Annually</li> </ul> | <ul style="list-style-type: none"> <li>Financial performance</li> <li>Strategic planning</li> <li>Company's achievements</li> <li>Potential positive or negative challenges</li> <li>Project updates</li> </ul> |
| <b>Banks</b>                      | Provide essential funding for capital expenditures of the Group.  | <ul style="list-style-type: none"> <li>Annual report</li> <li>SGX Announcements</li> <li>Physical meeting</li> <li>Phone calls &amp; Emails</li> <li>Site visits</li> </ul> | <ul style="list-style-type: none"> <li>As and when required</li> <li>Annually</li> </ul> | <ul style="list-style-type: none"> <li>Financial performance</li> <li>Strategic planning</li> <li>Potential positive or negative challenges</li> <li>Project updates</li> <li>Risk management</li> </ul>        |
| <b>Industry Association</b>       | Provide industry guidelines and insights on current trends and practices.   | <ul style="list-style-type: none"> <li>Training</li> <li>Conference meeting</li> </ul>  | <ul style="list-style-type: none"> <li>As and when required</li> </ul>                   | <ul style="list-style-type: none"> <li>Environmental compliance</li> <li>Sustainability practices</li> </ul>  |
| <b>Local Community and NGOs</b>   | Highlight and raise awareness of current issues that require attention, while addressing the needs and concerns of the local community. | <ul style="list-style-type: none"> <li>Volunteering activity</li> <li>CSR</li> </ul>  | <ul style="list-style-type: none"> <li>As and when required</li> <li>Annually</li> </ul> | <ul style="list-style-type: none"> <li>Community engagement support</li> </ul>  |

# MATERIALITY ASSESSMENT

As our operating landscape evolves, so do the issues that matter most. Our materiality assessment enables us to anticipate emerging risks, uncover opportunities, and refine our strategy.

The framework below presents the key topics shaping our sustainability journey.



Marco Polo identifies and prioritises material ESG issues that are most relevant and significant to both the company and its stakeholders. Adopting a double materiality approach, the Group considers topics that are material from an impact perspective or financial perspective, or both.

This approach enables Marco Polo to stay aligned with evolving stakeholder expectations, respond to emerging risks, including environmental regulations and climate-related impacts, and uncover new opportunities. The material topics, which encompass key Environmental, Economic, Social, and Governance (EESG)

factors, were determined using the Global Reporting Initiative (GRI) Standards, SGX Core ESG metrics, Marco Polo's internal framework, and feedback from stakeholder engagement.

In 2024, we conducted our latest materiality assessment, guided by the double materiality principle. This assessment plays a crucial role in shaping our sustainability strategy, ensuring that it remains focused on performance and aligned with material topics. Topics covered in the FY2025 sustainability report are consistent with our previous materiality assessment. We will continue to enhance future assessments to meet evolving reporting requirements.

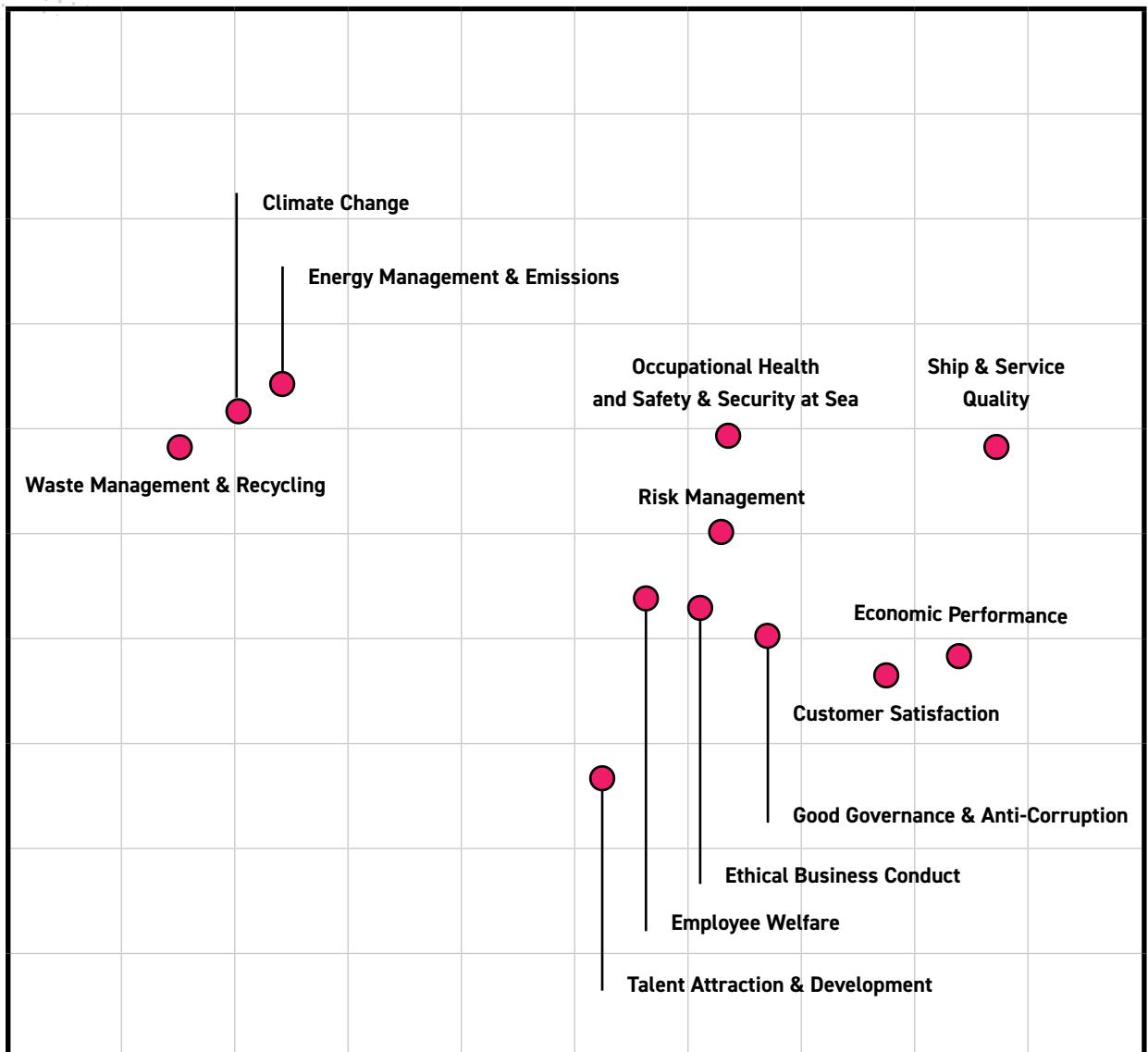
## MATERIALITY ASSESSMENT APPROACH

The materiality process involved a five-step approach:

| IDENTIFICATION  | SELECTION   | ANALYSIS   | PRIORITISATION   | CONFIRMATION   |
|---|---|--|--|--|
| The initial step involved identifying potential environmental, economic, social, and governance (EESG) issues relevant to the Group and its stakeholders. | In this phase, the identified issues were evaluated and selected based on their significance to the Group and its stakeholders. | This step entailed a detailed analysis of the selected issues to understand their implications and relevance to the Group's operations and strategy. | The issues were prioritised based on their impact and importance, determining which ones should be the focus of Marco Polo's sustainability efforts. | Finally, the prioritised issues were validated through internal review from the Board to ensure their accuracy and relevance before finalising them. |

# MATERIALITY MATRIX

EXTENT OF ENVIRONMENTAL AND SOCIAL IMPACTS



IMPORTANT TO ENTERPRISE VALUE CREATION

# PERFORMANCE AND TARGETS

As Marco Polo strengthens its commitment to sustainability, establishing clear ESG targets and KPIs becomes essential to addressing a broad range of environmental, social, and economic impacts. These indicators not only affirm the organisation's intent to create positive environmental and social outcomes but also ensure that these efforts are measurable, effective, and enduring.

| MATERIAL TOPICS                                  | FY2025 PERFORMANCE   | FY2026 TARGET  | FY2030 TARGET   |
|--|--|--|---|
| Ship & Service Quality                           | <ul style="list-style-type: none"> <li>Achieved 99% customer satisfaction for ship repair and upgrading projects.</li> </ul>   | <ul style="list-style-type: none"> <li>&gt;90% customer satisfaction for all projects</li> <li>Maintain &gt;80% local procurement.</li> </ul>  | <ul style="list-style-type: none"> <li>Maintain &gt;95% customer satisfaction across all business segments.</li> <li>Maintain local procurement ecosystem with &gt;80% local procurement across major operations.</li> </ul>  |
| Customer Satisfaction                            | <ul style="list-style-type: none"> <li>Averaged 84% local spending across operational supply chains.</li> </ul>  | <ul style="list-style-type: none"> <li>&gt;30% revenue contribution from offshore wind</li> </ul>  | <ul style="list-style-type: none"> <li>&gt;50% revenue contribution from offshore wind to support regional energy transition.</li> </ul>  |
| Economic Performance                             | <ul style="list-style-type: none"> <li>Offshore wind contributed 23% of total revenue.</li> </ul>  |  |   |
| Talent attraction and development                | <ul style="list-style-type: none"> <li>Achieved a 1:1 gender ratio across global offices.</li> <li>9.46% turnover rate.</li> </ul>   | <ul style="list-style-type: none"> <li>Maintain 1:1 global office ratio and improve shipyard gender ratio to 1:9.</li> </ul>   | <ul style="list-style-type: none"> <li>Further enhance shipyard gender ratio to 1:7 and maintain 1:1 ratio in global offices.</li> </ul>  |
| Occupational Health & Safety and Security at Sea | <ul style="list-style-type: none"> <li>2.78 average training hours per employee.</li> <li>Zero fatalities and LTI</li> <li>ISO 45001 certification achieved for offshore operation.</li> </ul>   | <ul style="list-style-type: none"> <li>Maintain turnover below 10% across all operations.</li> <li>Increase to 5 training hours per employee.</li> <li>Maintain zero fatalities and LTI; strengthen OHS monitoring system</li> </ul>   | <ul style="list-style-type: none"> <li>Maintain turnover rate &lt;10% through enhanced career development programmes.</li> <li>Achieve 15 training hours per employee to support workforce upskilling.</li> <li>Vision zero incidence target</li> </ul>   |
| Employee Welfare                                 |  |  |   |
| Energy Management                                | <ul style="list-style-type: none"> <li>Achieved 6.5% reduction in electricity consumption.</li> <li>Achieved 42% recycling rate for offshore operations.</li> <li>Planted over 300 mangrove seedlings.</li> </ul>                            | <ul style="list-style-type: none"> <li>Achieve 2% annual reduction in electricity consumption.</li> <li>45% recycling rate (offshore); 10% (shipyard).</li> <li>Conduct at least one marine conservation activity annually.</li> </ul> | <ul style="list-style-type: none"> <li>Fleet: Implement 10% renewable energy mix; Global offices &amp; shipyard: 5% electricity reduction from FY2025 baseline.</li> <li>45% recycling (offshore) and 20% recycling (shipyard) through waste segregation enhancements.</li> <li>Conduct &gt;2 marine conservation initiatives per year across operating regions.</li> </ul> |
| Waste Management                                 |  |  |   |
| Climate Change                                   |  |  |   |
| Good Governance and Anti-Corruption              | <ul style="list-style-type: none"> <li>Awarded Singapore Best Managed Companies (Deloitte).</li> <li>Maintain 100% compliance with Code of Conduct; zero cases of non-compliance</li> <li>No material incidents of non-compliance</li> </ul> | <ul style="list-style-type: none"> <li>Uphold robust corporate governance disclosures.</li> <li>Zero tolerance policy towards fraud, bribery and corruption</li> <li>Strengthen enterprise risk management oversight.</li> </ul>       | <ul style="list-style-type: none"> <li>Maintain best-practice governance aligned with global ESG standards.</li> <li>Embed enhanced ethics training and achieve continuous 100% compliance.</li> </ul>  |
| Ethical Business Conduct                         |  |  |   |
| Risk Management                                  |  |  |   |

# **SUSTAINABILITY GOVERNANCE**

Marco Polo's commitment to sustainability is interwoven into our governance structures, where transparency, accountability, and proactive risk management take centre stage. The Board of Directors, in collaboration with specialized committees, maintains oversight of our operations, and is guided by strong governance practices which prioritise transparency and safeguard the interests of stakeholders.

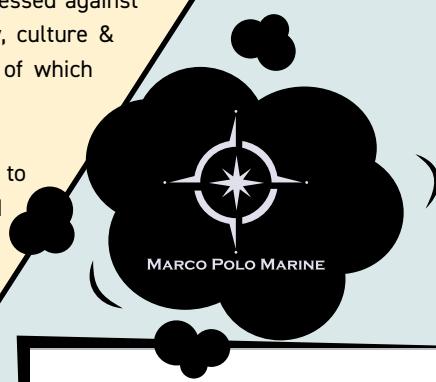
The Group is committed to further enhancing this culture, aiming to strengthen the trust we have built with clients, partners, and the communities we serve. By ensuring our operations remain anchored in our core values and continue to generate positive societal impact, Marco Polo maintains a resilient corporate governance framework.

This disciplined approach not only supports the organisation in navigating an increasingly dynamic business and regulatory landscape but also reaffirms our commitment to delivering reliable, consistent service, empowering the Group to confidently and sustainably ride the tides of change.

## MARCO POLO WINS SINGAPORE BEST MANAGED COMPANIES AWARD

In September 2025, Marco Polo Marine was honoured as a first-time winner of the Singapore Best Managed Companies Award, presented by Deloitte. The award is assessed against four pillars of successful business leadership, which emphasise strategy, culture & commitment, capabilities & innovation, and governance & financials, all of which reflect the core attributes of resilient and high-performing organisations.

This achievement underscores Marco Polo's continued commitment to excellence, innovation, and sustainable growth within the maritime and offshore industry. It is a testament to the dedication of our people, the strength of our management practices, and the trust and support of our partners and stakeholders.



# CORPORATE GOVERNANCE STRUCTURE

The Board currently consists of seven members, comprising three independent directors, four non-executive directors, and one executive director. Working closely with its three Committees, the Board plays a central role in shaping the Group's strategic direction and ensuring effective oversight across its operations.

A robust corporate governance structure is essential for any organisation, serving as the backbone of effective management and accountability. While good governance builds trust and enhances the organisation's reputation, it also plays a major role in improving its attractiveness to investors and customers. In essence, a strong corporate governance framework not only protects the interests of all stakeholders but also cultivates a culture of transparency and ethical conduct. This environment encourages better decision-making and enhances risk management practices.

As a result, the organisation is better positioned for long-term sustainability and growth, ultimately leading to a more resilient and successful future.

## COMPOSITION OF MARCO POLO'S BOARD OF DIRECTORS

### MARCO POLO'S BOARD OF DIRECTORS



Marco Polo's Board of Directors includes three independent directors, ensuring that at least one-third of the Board is independent. This structure underscores the Group's commitment to maintaining strong independent oversight and diverse perspectives within its leadership. The Board also recognises that gender diversity is a key component of a well-balanced and effective Board. In line with the Group's Board Diversity Policy, the Nominating Committee ("NC") ensures that female candidates are included in all director appointment considerations and the requirement to present female candidates will be made known where external consultants are used for the search. The NC also ensures that the Board maintains at least one female director, reinforcing Marco Polo's commitment to meaningful and inclusive representation at the leadership level.

## COMPOSITION OF MARCO POLO'S BOARD COMMITTEES

To support the Board of Directors, the Group has established three Board Committees – namely Audit, Nomination and Remuneration.

### AUDIT COMMITTEE

**Koh Chun Yuan**  
(Chairman)

**Tan Hai Peng Micheal**

**Leong Kah Wah**

### NOMINATION COMMITTEE

**Leong Kah Wah**  
(Chairman)

**Sean Lee Yun Feng**

**Koh Chun Yuan**

### REMUNERATION COMMITTEE

**Leong Kah Wah**  
(Chairman)

**Tan Hai Peng Micheal**

**Teo Junxiang, Darren**

# GROUP SUSTAINABILITY COMMITTEE

Recognising the pertinence of effective governance structure required for ESG matters, the Group took a significant step forward by establishing a Group Sustainability Committee ("GSC") in 2024, complete with a Terms of Reference (TOR) to guide its efforts. The Committee is responsible for setting clear objectives and key performance indicators (KPIs) related to sustainability. This structured framework allows the organisation to track progress, identify areas for improvement, and implement sustainability initiatives. By regularly reporting on these metrics, the Committee enhances transparency and builds trust with stakeholders, including customers.

Marco Polo's GSC plays a central role in guiding the organisation toward achieving its environmental, social, and governance (ESG) goals. By bringing together diverse expertise from across departments, the Committee ensures that sustainability considerations are embedded into strategic and operational decision-making. Beyond its internal mandate, the GSC also supports alignment with global sustainability standards and frameworks, such as the United Nations Sustainable Development Goals (UN SDGs) and the Task Force on Climate-related Financial Disclosures (TCFD). This alignment not only reinforces the Group's commitment to responsible business practices but also strengthens its position in a marketplace where sustainability performance is increasingly valued.

The GSC comprises representatives from across all levels of the organisation, enabling the effective execution of sustainability strategies and the implementation of impactful initiatives. The GSC convenes annually to review sustainability performance, discuss new recommendations and initiatives, and communicate key decisions and findings. The roles and responsibilities of the Group Sustainability Committee are as follows:

## BOARD OF DIRECTORS

- **Responsible for the direction and overall sustainability strategy.**
- **Oversees the implementation of sustainability strategy and related matters.**

## SUSTAINABILITY BOARD REPRESENTATIVES

- **Updates and communicates recommendations, findings, as well as significant issues and concerns relevant to sustainability to the Board of Directors.**

## SUSTAINABILITY MANAGEMENT COMMITTEE

- **Engages leadership across business units and function, and provides further oversight and strategic guidance.**
- **Formulates the sustainability objectives, targets, priorities, policies and goals.**
- **Monitors and tracks the sustainability performance.**
- **Evaluates sustainability risks and opportunities within the Group.**

## SUSTAINABILITY WORKING COMMITTEE

- **Coordinate and implement Group-wide sustainability activities.**
- **Executes the implementation of approved sustainability strategy and related matters.**
- **Supports Sustainability Management Committee in monitoring and tracking sustainability performance.**

## BOARD'S OVERSIGHT OF CLIMATE RELATED RISKS AND OPPORTUNITIES

The Board of Marco Polo plays a pivotal role in navigating the complex challenges and emerging opportunities associated with climate-related risks. Recognising the increasing strategic importance of climate change, the Board ensures that climate considerations are fully integrated into the Group's governance framework. This oversight includes the proactive identification of climate-related risks, such as evolving regulatory requirements, environmental impacts, and market transitions, while also leveraging opportunities for innovation, operational efficiency, and sustainable growth.

To address these matters effectively, the Board works closely with Marco Polo's management to oversee the implementation of climate-related initiatives across the organisation. This includes guiding the identification and assessment of climate risks, approving mitigation measures for material risks, reviewing strategic planning aligned with long-term climate objectives, and monitoring the Group's greenhouse gas (GHG) emissions and performance against targets.

This partnership between the Board and management is essential for developing strategies that not only minimise risks but also strengthen the Group's resilience and competitive positioning in an increasingly dynamic and sustainability-focused business environment.

## ENTERPRISE RISK MANAGEMENT

Recognising the need for a robust and effective risk management process, Marco Polo established its Enterprise Risk Management (ERM) framework in 2019 to strengthen corporate governance and safeguard stakeholder interests. The framework provides a structured approach to identifying, assessing, and managing the key risks that may arise as the Group pursues its strategic objectives. By institutionalising the ERM process, Marco Polo is better positioned to navigate uncertainties, respond to emerging challenges, and capture new opportunities that drive long-term value.

The ERM framework is aligned with the internationally recognised Committee of Sponsoring Organisations (COSO) framework. This alignment ensures consistency and rigour in the design, implementation, and monitoring of both our risk management and internal control systems. Key risks are reviewed and monitored throughout the financial year to assess the effectiveness of internal controls, with an annual evaluation to ensure continued relevance amid changing internal and external conditions. In FY2025, climate-related risks were formally integrated into the existing ERM structure to strengthen the Group's resilience to climate impacts.

## MARCO POLO'S RISK MANAGEMENT FRAMEWORK APPROACH:

1. Strategic Planning and Risk Appetite
2. Risk Profiling and Identification
3. Risk Analysis
4. Risk Evaluation
5. Risk Identification
6. Monitoring and Review
7. Stakeholder Engagement and Communication

## ETHICAL PRACTICES

### GLOBAL OFFICES

At Marco Polo, we remain committed to upholding strong corporate governance practices that protect shareholder interests and support sustainable long-term value creation. In alignment with the Code of Corporate Governance 2018, the Group ensures that its operations reflect high ethical standards and industry best practices. We continue to monitor updates to the Code closely and incorporate relevant recommendations to strengthen our governance integrity. To assess and enhance our governance effectiveness, Marco Polo actively engages stakeholders, including the Singapore Exchange and shareholders for feedback, reinforcing our commitment to transparency and accountability.

The Group also adheres to a comprehensive Code of Conduct and conducts periodic reviews of its governance policies. These measures reflect our proactive approach to embedding ethical considerations into our business operations and ensuring responsible, sustainable conduct across the organisation.

Our Jakarta office (PTBBR) likewise maintains sound governance practices guided by the principles of Good Corporate Governance (GCG), which emphasise transparency, accountability, responsibility, independence, fairness, and equality. PTBBR complies with governance requirements set out under the Financial Services Regulation (POJK), ensuring alignment with local regulatory expectations.

PTBBR's ethical framework is anchored in its Board-approved Code of Conduct, which sets out the core values and behavioural standards that govern all business activities. The Code provides guidance on employee conduct and workplace ethics, and outlines PTBBR's expectations in its interactions with customers, suppliers, shareholders, and the wider community. It also includes confidentiality requirements and stipulates the sanctions applicable in cases of non-compliance. Together, these policies reinforce a culture of integrity and responsible behaviour throughout the organisation.

### POLICIES IMPLEMENTED AT MARCO POLO

| MARCO POLO MARINE   |  | MP OFFSHORE   |   |
|---|--|---|---|
| <b>Anti-Corruption Guidelines and Policy</b>  | <b>Whistleblowing Guidelines and Policy</b>  | <b>Code of Ethics Policy</b>  | <b>Whistleblowing Anti-Bribery Corruption Policy</b>  |
| Based on Singapore's statutory Prevention of Corruption Act, this policy covers commitments against corrupt practices and commitments to ethical standards. It provides guidance to its officers and employees to conduct business legally, ethically and with integrity. | This policy intends to help employees who have major concerns over any wrongdoing relating to unlawful conduct, financial malpractice, or dangers to the public or environment to ensure that there is transparency, and the highest standards of ethics are being maintained. | This policy emphasises the importance of personal and professional integrity among employees, requiring compliance with all applicable laws and regulations. It promotes honest and ethical conduct, mandates full and fair disclosure of information, and establishes accountability for reporting violations. Additionally, it underscores the need to protect confidential company information and outlines the consequences for failing to adhere to these ethical standards. | The policy emphasises ethical conduct, requiring all business partners to uphold high standards, avoid gifts that could influence business decisions, and maintain a transparent environment where employees can report violations without fear of retaliation. |

# ACCOUNTABILITY, TRANSPARENCY AND INTEGRITY

At Marco Polo, accountability, transparency, and integrity form the foundation of how the Group conducts its business. Accountability ensures that employees take ownership of their actions and decisions, fostering a culture that encourages high standards and ethical behaviour. This sense of responsibility not only strengthens individual performance but also reinforces alignment with the Group's core values, contributing to a cohesive and purpose-driven organisation.

Transparency is equally vital, as it builds trust by openly communicating our practices and performance to stakeholders. This openness supports strong relationships with employees, clients, and partners, and enhances Marco Polo's reputation in the marketplace. Paired with a steadfast commitment to integrity, ensuring ethical conduct in all interactions, these principles work together to mitigate the risks associated with unethical behaviour and promote responsible, sustainable business practices.

## ANTI-CORRUPTION

The Group is dedicated to ensuring that its operations remain free from unethical and corrupt practices. To reinforce this commitment, employees receive regular updates about the Group's position on corruption and bribery.

All new employees receive a comprehensive briefing on corporate ethical conduct, as well as anti-corruption policy during their induction sessions, with signed acknowledgments obtained to confirm their understanding of these policies. Additionally, the Employee Handbook, which details these guidelines, has been distributed to all staff via email and is readily accessible for reference at any time.

In FY2025, the Group maintained a strong compliance record with no reported incidents of corruption.

## COMPLYING WITH RELEVANT REGULATIONS

Marco Polo recognises the importance of strict adherence to regulatory laws and policies as a foundation for maintaining integrity and sustaining stakeholder trust. The Group is pleased to report that, consistent with the previous year, it recorded zero instances of non-compliance, with no monetary or non-monetary sanctions issued during the reporting period. This clean record also extends to human rights obligations, with no reported violations. These outcomes reflect the Group's strong commitment to ethical conduct, diligent oversight, and robust internal controls across all operations.

Within our Offshore operations, the Group prioritises careful monitoring of operating permits, ensuring that requisite follow ups are conducted on or extended as due date approaches. This process is guided by the standards and regulations set forth by the Ministry of Transportation and Maritime Affairs. The operations department plays a crucial role in maintaining regulatory compliance by actively overseeing all permit status.

Marco Polo remains committed in its adherence to Singaporean laws, including the Work Safety and Health (WSH) Act, to ensure a safe and compliant working environment.

## ENHANCING TRANSPARENCY

Marco Polo has long placed a strong emphasis on transparency and accountability. The Group has consistently published annual reports with comprehensive corporate governance disclosures, underscoring its commitment to ethical and responsible business practices. Further demonstrating this commitment, Marco Polo has been issuing annual sustainability reports since 2018, recognising its role as a responsible corporate citizen and its accountability to stakeholders.

To strengthen the rigour and consistency of its reporting, the Group has established a Sustainability Reporting Standard Operating Procedure (SOP). This SOP formalises Marco Polo's reporting approach by outlining the objectives, guiding principles, applicable reporting frameworks and standards, as well as the processes for drafting and validating key report elements. The Group also reaffirms its support for the United Nations Sustainable Development Goals (SDGs), integrating these global priorities into its sustainability strategy.

In line with its efforts to enhance climate-related transparency, Marco Polo discloses climate-related information guided by the recommendations of the TCFD. This includes the identification and assessment of climate-related risks and opportunities across the organisation. The Group is progressively expanding the scope of its disclosures, including the introduction of additional categories of Scope 3 emissions reporting, to better reflect its environmental impact and advance climate accountability.

## POLITICAL CONTRIBUTIONS

Marco Polo recognises that political contributions, whether direct or indirect carry inherent risks, including the potential for undue influence and perceptions of corruption. In line with our commitment to accountability, transparency, and ethical conduct, the Group has made a conscious decision to abstain from any political contributions during the reporting year. This approach underscores our dedication to maintaining high governance standards and ensuring that our operations remain free from real or perceived political influence

## DATA PRIVACY AND CYBERSECURITY

### SUBSTANTIATED CUSTOMER COMPLAINTS REGARDING PRIVACY

Marco Polo places strong emphasis on safeguarding customer privacy, recognising its critical role in maintaining trust, integrity, and responsible business conduct. The Group is committed to implementing robust data protection measures to prevent unauthorised access or breaches and upholds high standards of ethical behaviour and transparency.

In FY2025, the organisation did not receive any substantiated complaints related to privacy breaches. This outcome reflects Marco Polo's ongoing dedication to protecting the confidentiality and integrity of customer information.

### CYBERSECURITY

The nature of the Group's operations for both onshore and offshore requires the extensive use of IT systems to support day-to-day activities, maintain business records, and monitor cybersecurity threats. To strengthen its cybersecurity posture, Marco Polo has continued to enhance internal controls and employee awareness across its global offices.

All employees undergo regular cybersecurity awareness training to cultivate a culture of vigilance and responsible cyber practices. The Group's IT systems are further reinforced through a suite of technical controls, including but not limited to:

- Data backup protocols
- User access and privilege controls
- Password and authentication requirements
- Firewall and network protection
- Continuous threat monitoring

These measures collectively support the Group's efforts to mitigate cybersecurity risks and maintain the resilience of its digital infrastructure.

#### Policies and Frameworks

In FY2025, Marco Polo formalised its IT Policy, which outlines the organisation's information security standards and the controls implemented to safeguard digital assets. The policy incorporates compliance requirements under Singapore's Personal Data Protection Act (PDPA) and sets out measures designed to mitigate cybersecurity threats while ensuring a secure and productive operating environment for employees, clients, and partners.

A Cybersecurity Incident Response Plan (CIRP) has been developed to enable rapid, coordinated, and effective action in the event of a cybersecurity incident. The plan aims to minimise operational disruption

and safeguard critical systems and covers a broad spectrum of potential incidents such as data breaches, phishing and social engineering attacks, ransomware incidents, insider threats, system intrusions, malware infections. The CIRP outlines responsibilities, communication protocols, containment strategies, and recovery procedures to help ensure business continuity.

The Group has also established a Business Continuity Plan and Disaster Recovery Plan designed to ensure operational resilience in the face of disruptions such as cyber-attacks, natural disasters, system failures, or other emergencies.

These plans align with the National Institute of Standards and Technology (NIST) Cybersecurity Framework 2.0 and relevant Singapore regulatory guidelines, reinforcing Marco Polo's commitment to maintaining a secure and resilient business environment.

- **BCP Objective:** Ensure continuity of essential business functions during disruptions, safeguard critical assets, minimise operational impacts, and guide timely recovery efforts.
- **DRP Objective:** Restore IT systems, infrastructure, and data to full operational capacity as quickly as possible with minimal business interruption, guided by detection, response, recovery, and resilience principles.



**ECONOMIC**

## ECONOMIC PERFORMANCE

Marco Polo places strong emphasis on sustained financial performance, recognising that long-term economic resilience is fundamental to building stakeholder confidence and delivering reliable, quality service. By maintaining a disciplined focus on economic sustainability, the Group ensures its long-term viability, supports continuous innovation, and creates enduring value for shareholders, customers, employees, and wider communities.

### DIRECT ECONOMIC VALUE GENERATED

| METRIC                             | UOM             | FY2023         | FY2024         | FY2025         |
|------------------------------------|-----------------|----------------|----------------|----------------|
| <b>TOTAL REVENUE GENERATED</b>     | <b>SGD '000</b> | <b>127,126</b> | <b>123,530</b> | <b>122,814</b> |
| <b>Economic Value Distributed:</b> |                 |                |                |                |
| Operating costs                    | SGD '000        | 81,385         | 75,015         | 68,593         |
| Employee wages                     | SGD '000        | 9,372          | 13,429         | 15,022         |
| Employee benefits                  | SGD '000        | 752            | 175            | 702            |
| Payment to the provider of capital | SGD '000        | 85             | 2,040          | 4,604          |
| Payment to government              | SGD '000        | 257            | 1,507          | 2,458          |
| Community investments              | SGD '000        | 22             | 7              | 43             |
| <b>Economic Value Retained</b>     | <b>SGD '000</b> | <b>35,253</b>  | <b>31,358</b>  | <b>31,392</b>  |

Based on the data presented, it is noteworthy that a portion of the Group's total revenue was allocated to employee compensation and benefits. This allocation includes salaries and bonuses, contributions to the Central Provident Fund (CPF), staff training initiatives, annual and medical leave, skills development programmes, and staff insurance coverage.

Marco Polo firmly believes that investing in employee compensation and benefits directly strengthens its economic performance. By dedicating a share of revenue to salaries, bonuses, and employee support initiatives, the Group ensures that its workforce feels valued and well-supported. This investment fosters higher levels of job satisfaction, enhances employee engagement, and boosts productivity, all of which drive operational efficiency and contribute to improved organisational performance.

Alongside its commitment to employee well-being, Marco Polo has continued to strategically expand its portfolio. In FY2025, four additional vessels were introduced to the offshore fleet and deployed under the PKRO Taiwan flag. These include one newly launched CSOV, MP Wind Archer, designed for offshore wind projects, as well as three new Crew Transfer Vessels ("CTV"), MP Dagoda, MP Corus, and MP Eurus, which support various offshore operational needs.

The Group has also strengthened its long-term fleet development with the addition of two new Anchor Handling Tug Supply (AHTS) vessels, expected to join the fleet in 2026. These vessels are equipped with advanced capabilities to meet the demanding requirements of the offshore marine sectors, further reinforcing Marco Polo's competitive position in these markets.

## INDIRECT VALUE CREATION

Beyond its direct economic contributions, Marco Polo Marine also generates significant indirect economic value through its operations. By providing specialised offshore support vessels for offshore windfarm development, the Group plays a pivotal role in enabling the expansion of renewable energy infrastructure in the region. These activities not only support the growth of the clean energy sector but also stimulate local economies by creating employment opportunities, strengthening the maritime supply chain, and contributing to the broader transition towards a sustainable energy future.

Beyond the launch of its first CSOV, Marco Polo has initiated another major development—CSOV Plus—selecting a reputable Norwegian designer, to develop its next-generation vessel. The CSOV Plus is engineered to support the full lifecycle of offshore wind farm operations, including construction, cable installation, maintenance, repairs, and technician transfer during commissioning and long-term operations.

In addition, Marco Polo Shipyard secured a landmark contract from the National Academy of Marine Research ("NAMR"), an institute under Taiwan's Ocean Affairs Council, to design and construct a 4,000-gross-tonne oceanographic research vessel ("ORV"). This state-of-the-art vessel will feature a Dynamic Positioning 2 (DP2) system, diesel-electric propulsion with twin azimuth thrusters, bow and retractable thrusters, as well as a Battery Energy Storage System and Waste Heat Recovery System, enhancing its operational efficiency and sustainability credentials. The project marks a significant step in the Group's expansion into high-value, specialised vessel construction for marine science, research, and the growing blue economy.

By supporting offshore wind farm development and broader marine research capabilities, the Group plays an active role in advancing renewable energy and contributing to the global transition to a low-carbon future. This dual focus investing in its people and expanding its diversified portfolio underscores Marco Polo's commitment to sustainable growth, resilience, and long-term value creation for both its workforce and the environment.

## PRODUCT & SERVICE QUALITY AND CUSTOMER SATISFACTION

For Marco Polo, establishing a virtuous cycle of growth and profitability that continually reinforces the Group's sustainable business practices is fundamental to long-term success. The Group recognises that consistently delivering high-quality products is key to shaping its reputation and strengthening customer loyalty, which in turn supports financial stability. When customers are satisfied with the products they receive, they are more inclined to make repeat purchases and recommend the Group to others, thereby increasing sales, expanding market share, and enhancing overall brand value. High product quality also supports premium pricing strategies, ultimately improving profit margins.

In addition to product excellence, Marco Polo places significant emphasis on delivering exceptional service quality and maintaining relevant industry standards. Within the Shipyard division, service quality is assessed through clearly defined criteria grounded in five key dimensions: Tangibility, Reliability, Responsiveness, Assurance and Empathy. These dimensions form the basis of the Customer Feedback Form (Document QP-12), which guides how customer satisfaction is monitored and evaluated. By upholding these dimensions of quality, the Shipyard division achieved an outstanding customer satisfaction score of **99%** in FY2025, with full satisfaction reported across all clients.

In the Offshore division, a structured customer satisfaction process is embedded into every project. Upon project completion, feedback is collected from charterers to identify strengths, highlight positive experiences and surface areas for further improvement. This continuous feedback loop allows the division to refine its service offerings, anticipate evolving customer needs, and maintain service excellence. The Offshore division achieved a customer satisfaction score of **89%** in FY2025, reflecting an improvement compared to the previous year.

Both the Shipyard and Offshore divisions maintain compliance with ISO 9001:2015 (Quality Management) and uphold the Group's Health, Safety, Security, Environment and Quality (HSSEQ) policies. These are strategic imperatives that not only ensure operational quality and safety but also strengthen customer trust and satisfaction. The Group recorded zero incidents of non-compliance with regulations or voluntary codes concerning the health and safety impacts of its ships and services during the reporting period, underscoring its commitment to meeting the highest industry standards.

These achievements illustrate Marco Polo's dedication to consistently meeting customer expectations through reliable, high-quality service delivery. By actively listening to customer feedback, continuously enhancing its products and services, and adapting to changing market demands, the Group strengthens its customer-centric approach. This focus not only drives revenue growth but also enhances brand reputation and reinforces long-term financial sustainability.

# LOCAL PROCUREMENT

Ethical procurement is a critical component of modern business operations, helping organisations maintain a stable and resilient supply chain while reducing the risk of legal issues, operational disruptions, and reputational harm. By working with responsible suppliers, companies can also benefit from greater innovation, as ethical partners often adopt progressive technologies and sustainable practices that support the development of new products and services, providing a competitive advantage.

Marco Polo recognises the importance of responsible sourcing and has undertaken both environmental and social assessments of its suppliers to ensure that sustainable practices extend throughout its supply chain. These assessments allow the Group to verify information provided by suppliers, evaluate their on-ground practices, and determine their alignment with the Group's environmental and social standards.

In FY2025, the Offshore division assessed seven suppliers, reviewing them against both environmental and social impact indicators. The assessments did not reveal any significant negative findings.

The Group's environmental and social criteria for evaluating new suppliers within the Offshore division include the following:

## ENVIRONMENTAL CRITERIA

- The supplier must possess ISO 14001 certification or have a relevant environmental policy in place.
- They should implement procedures that promote green practices in packaging, handling, and warehousing, such as using sustainable materials, certified biodegradable consumables, and minimising waste generation.

## SOCIAL CRITERIA

- The supplier must possess ISO 45001 certification or have a relevant safety policy and procedures in place.
- They should adhere to any labour right policies which set out clear commitments that cover discrimination, child and forced labour in its workforce, and support freedom of association and the right for collective bargaining in its operation.

At Marco Polo, "local" procurement refers to goods and services sourced within the Group's key operational regions. Prioritising local suppliers forms an integral part of the Group's sustainability efforts, enabling Marco Polo to strengthen local economies while reducing the environmental impacts associated with long-distance transportation.

With offshore operations in Singapore, Indonesia, and Taiwan, as well as shipyard operations in Batam, Indonesia, the Group's percentage of local spending across these locations is as follows:

## MARCO POLO'S PROPORTION OF LOCAL SPENDING

|                            | SHIPYARD DIVISION       | OFFSHORE DIVISION       | *PKR OFFSHORE |
|----------------------------|-------------------------|-------------------------|---------------|
| <b>Local definition</b>    | Singapore and Indonesia | Singapore and Indonesia | Taiwan        |
| <b>% of local spending</b> | 93%                     | 79.2%                   | 80%           |

\* Note: The local spending data for PKR Taiwan has been reported separately from the Offshore division, as its primary operating location differs from the other offshore subsidiaries, which are based in Singapore and Indonesia.

Local procurement aids easier and more frequent interaction with suppliers, strengthening relationships with local vendors, allowing for a more flexible and responsive supply chain management. This agility is vital in today's dynamic business landscape, allowing the Group to adapt quickly to changing conditions, minimise disruptions, and build long-term operational resilience.

Through its continued efforts to advance economic sustainability, Marco Polo strives to enhance the overall economic performance of the Group. By achieving strong financial results, Marco Polo reinforces its ability to expand and sustain its environmental and social initiatives, demonstrating that economic success and responsible business practices can progress in tandem.



**ENVIRONMENTAL**

Amidst rising global sea levels, intensifying extreme weather events, and the urgent global call for decarbonisation, Marco Polo remains steadfast in its commitment to a future-proof sustainability strategy. The Group recognises the pivotal role the maritime sector must play in driving this transition and has taken deliberate steps to elevate its environmental stewardship, focusing both on contributing to the energy transition and navigating the evolving global oil and gas landscape with agility and responsibility.

As part of its climate governance journey, Marco Polo previously conducted a climate scenario planning workshop to facilitate cross-functional discussions among senior management. This exercise examined the potential impacts of different climate scenarios across the Group's key operational areas such as offshore, shipyard, and corporate offices, further strengthening the organisation's understanding and strategic preparedness.

Building on earlier progress, the Group continues its diligent monitoring of Scope 1 and Scope 2 GHG emissions and has expanded its disclosures to include selected Scope 3 categories. Marco Polo remains committed to enhancing transparency and accountability by aligning with internationally recognised frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD).

The Group has recognised and acknowledged various gaps in the environmental data collected during the previous year. As a result, in FY2025, the Group has expanded its data collection coverage and provided more comprehensive information on its environmental resource consumption, particularly in the areas of emissions, fuel, energy and water usage. The Group has adopted a more precise methodology for calculating and analysing its data, leading to revisions in several previously published environmental performance.

For the purpose of emissions intensity calculations, the Group's FY2025 financial revenue has been adjusted to include internal shipbuilding revenue to ensure meaningful comparability. Accordingly, total revenue amounted to \$141,718 ('000) in FY2025 and \$190,286 ('000) in FY2024, providing a more comprehensive and consistent basis for accounting and year-on-year comparison.

Marco Polo has made meaningful progress across all four core elements of the TCFD framework in its efforts to manage climate-related risks to its business. An overview of the Company's approach to risk identification and management is outlined below.

## IDENTIFICATION OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

To identify climate-related risks and opportunities, the Company conducted a comprehensive peer analysis. Peers were selected based on similarities in operational activities, geographic presence, sustainability focus, and overall influence within the marine transport industry. Through this structured review, Marco Polo was able to effectively identify and assess climate-related risks and opportunities that may affect its operations, financial performance, and long-term strategic objectives.

This systematic assessment process enables the Company to develop strategies that mitigate adverse impacts while capitalising on opportunities associated with the transition to a low-carbon economy. Recognising and leveraging such opportunities is crucial to achieving sustainable growth, enhancing competitiveness, and meeting evolving stakeholder expectations.



The peer analysis also revealed that companies across the sector face comparable climate challenges, ranging from regulatory developments and shifting market dynamics to the transition toward lower-emission technologies and increasing physical risks from extreme weather events. By benchmarking against these peers, Marco Polo gained valuable insights into industry trends and best practices, strengthening its ability to mitigate climate risks and proactively capture emerging opportunities.

## CLIMATE-RELATED RISKS IDENTIFIED FOR MARCO POLO

### PHYSICAL RISKS

#### Acute Physical Risks

- Cyclones, typhoons, and hurricanes increasing risk to fleet and infrastructure.
- Higher direct costs due to operational delays and disruptions.
- Increased injuries and fatalities among affected personnel.
- Disruptions to port operations and supply chains, leading to project delays and reputational risk.

#### Chronic Physical Risks

- Extreme heat or cold affecting crew safety, wellbeing, and emotional stability.
- Higher employee turnover, leading to increased labour costs.
- Rising sea levels causing transport delays, re-routing needs, and increased default and operating costs.

### TRANSITION RISKS

#### Technology Risks

- Failure to improve fleet emission performance or invest in low-carbon vessels may lead environmentally conscious customers to switch to competitors, reducing revenue.
- Adoption of new technologies may increase capital and operating costs.
- Additional costs may arise from upskilling existing employees or hiring new specialised talent.
- Technological uncertainty remains a risk if new solutions underperform or fail to deliver expected climate benefits.

#### Reputation Risks

- Shipping is widely perceived as a high-emitting sector, creating reputational exposure if environmental regulations are not met.
- Pollution incidents and extreme weather events increase reputational risk for shipping companies.
- Poor carbon-intensity performance may reduce credibility with investors and stakeholders.
- Difficulty attracting capital and talent due to weak environmental performance.

#### Market Risks

- Marine fuel costs are highly sensitive to climate impacts, geopolitical conditions, oil-producer policies, and currency fluctuations.
- Shift toward greener economies may reduce financing availability for business-as-usual operations.

#### Regulatory Risks

- IMO have set ambitious GHG reduction targets for the maritime sector.
- IMO's revised GHG Strategy targets net-zero emissions from international shipping by around 2050.
- National regulations are tightening:
  - Singapore requires all harbour craft operating from 2030 onwards to be fully electric, run on B100 biofuel, or be compatible with net-zero fuels.
  - MPA launched a 2023 EOI to promote fully electric harbour craft.

## CLIMATE-RELATED OPPORTUNITIES IDENTIFIED FOR MARCO POLO

#### Resource Efficiency Opportunities

- Reduce fuel consumption, emissions, and operating costs through efficient transport modes.
- Use advanced hull coatings and other efficiency technologies to enhance vessel operations.
- Implemented Electronic Fuel Monitoring System (EFMS) for real-time MGO usage tracking.
- Reduce water consumption through water-saving technologies and improved practices.
- Energy-efficient technologies and renewables improve resilience to resource constraints.

#### Key Impacts:

- Lower annual fuel and electricity costs.
- Opportunities for cost-sharing and co-investment in low-carbon solutions with customers.
- Strengthened market leadership through early adoption of low-carbon technologies.

#### Energy Source Opportunities

- Transition to lower-emission energy sources and alternative fuels across the fleet.
- Set near-term emission reduction goals to meet customer demand for greener operations.
- Leverage policy incentives (tax breaks, subsidies) to reduce costs of renewable energy adoption.
- Accelerate the shift toward clean energy while enhancing long-term competitiveness.

#### Market Opportunities

- Growing global demand for low-carbon solutions opens new business avenues.
- Strategic expansion into offshore renewable energy projects.
- Exploration of emerging markets such as carbon capture, utilisation, and storage (CCUS).
- Stronger positioning for preferential sustainability-linked loans and green financing.

#### Resilience Opportunities

- Renewable energy adoption and efficiency measures lower costs and emissions.
- Enhanced reputation attracts environmentally conscious clients, investors, and partners.
- Strengthened stakeholder relationships and increased competitive advantage.
- Improved ability to attract and retain talent due to strong sustainability performance.

# CLIMATE SCENARIO ANALYSIS

Marco Polo conducted a climate scenario planning workshop with senior management to assess how physical and transition risks and opportunities arising from climate change may affect its business and operations over time. While scenario analysis does not predict the future, it enables the Company to explore a range of plausible outcomes, examine underlying assumptions, and consider the events or actions that could lead to these different futures.

A major uncertainty in the global climate transition is the timing and degree of orderliness with which it will unfold. To better understand these uncertainties, Marco Polo modelled the potential impacts on its business under two greenhouse gas (GHG) scenarios:

- **RCP 2.6 – A low-emissions pathway aligned with limiting global temperature rise to approximately 1.5°C.**
- **RCP 8.5 – A high-emissions pathway where global temperatures increase by around 4°C from pre-industrial levels.**

These scenarios are based on the Representative Concentration Pathways (RCPs) developed by the IPCC, which outline different climate futures depending on global GHG emissions trajectories and policy effectiveness. Each RCP represents a level of radiative forcing how much influence greenhouse gases exert on the Earth's energy balance, providing a structured framework to assess a range of climate-related risks and opportunities.

## RCP SCENARIO - PROJECTION PER SCENARIO

| SCENARIO ANALYSIS<br>(°C) | SCENARIO | CO <sub>2</sub><br>CONCENTRATION<br>IN 2100 | PROJECTION OF TEMPERATURE<br>RISE FROM 2081 TO 2100 |       | PROJECTION OF SEA-LEVEL RISE<br>FROM 2081 TO 2100 |            |
|---------------------------|----------|---|---|-------|---|------------|
|                           |          |   | AVERAGE   | RANGE | AVERAGE   | RANGE      |
|                           |          |   | 1.5   | 4.0   | 0.49m   | 0.35~0.69m |
|                           |          |   |   |       |   |            |
|                           |          |   |   |       |   |            |

## OUTCOME OF MARCO POLO GROUP'S CLIMATE SCENARIO ANALYSIS

| RISK TYPE         | DESCRIPTION   | TIME HORIZONS        | LOW EMISSIONS SCENARIO (1.5 °C)  | HIGH EMISSIONS SCENARIO (4.0 °C)   |
|-------------------|---|----------------------|--|--|
| Acute Physical*   | Cyclones, storms, extreme weather                             | Medium to Long-term  | <ul style="list-style-type: none"> <li>Moderate impact due to existing asset resilience.</li> <li>Fewer extreme events → moderate effect on vessel charter duration.</li> <li>Higher operating expenses for port services and asset maintenance.</li> </ul>  | <ul style="list-style-type: none"> <li>Increased operating expenses to maintain the port services and maintenance of assets due to extreme weather conditions.</li> <li>Increased cost as higher physical events will affect the duration of vessels in affected regions.</li> </ul> |
| Chronic Physical* | Rising sea levels, coastal erosion, changing temperatures     | Medium to Long-term  | <ul style="list-style-type: none"> <li>Moderate increase in port and site maintenance costs, especially near coastlines.</li> <li>Weather changes influence vessel charter duration.</li> </ul>  | <ul style="list-style-type: none"> <li>Significant rise in operating costs (maintenance, relocation).</li> <li>Added burden of cost of adaption and increase in expenses as the charter duration of vessels increases in case of a high emission scenario.</li> </ul>                |
| Technology**      | Transition to low-emission technologies; workforce upskilling | Short to Medium-term | <ul style="list-style-type: none"> <li>Higher capital investment required for low-emission technologies.</li> <li>Additional operating costs for new procedures and workforce upskilling/ reskilling.</li> <li>Risk of technology underperformance, leading to capital investment loss.</li> </ul> | <ul style="list-style-type: none"> <li>Gradual increase in technology investment with minimal pressure to reduce emissions.</li> <li>No requirements of new operating procedures and upskilling/reskilling follow the natural progression curve.</li> </ul>                          |

| RISK TYPE     | DESCRIPTION   | TIME HORIZONS        | LOW EMISSIONS SCENARIO (1.5 °C)   | HIGH EMISSIONS SCENARIO (4.0 °C)   |
|---------------|---|----------------------|---|--|
| Reputation*** | Increased stakeholder concern or negative stakeholder feedback        | Short to Medium-term | <ul style="list-style-type: none"> <li>Increased cost in aligning company operations with stakeholder expectations like lowering emissions, switching towards cleaner fuel etc.</li> <li>A moderate impact on revenue as failing to transition to low emission would mean inhibiting from participation in market tenders.</li> </ul> | <ul style="list-style-type: none"> <li>Stakeholders more focused on profitability than sustainability → moderate rise in capital and operating costs.</li> <li>Shipbuilders still need to adopt B40 engines as mandated in future government regulations.</li> </ul> |
|               | Public perception and company reputation                              | Medium to Long-term  | <ul style="list-style-type: none"> <li>Investments required in innovation and aligning public sentiment with the transition trajectory towards cleaner fuels.</li> </ul>  | <ul style="list-style-type: none"> <li>Public opinion remains driven by operational performance and financial returns.</li> <li>Higher climate hazards increase operational risk and likelihood of ocean incidents.</li> </ul>                                       |
| Market**      | Changing customer and stakeholder preferences, financing expectations | Medium to Long-term  | <ul style="list-style-type: none"> <li>Customers and financiers prefer cleaner operations; higher demand for low-carbon services.</li> <li>Fuel prices rise as fossil-fuel subsidies decline → increased operating costs.</li> <li>Supply chain disruptions cause longer lead times for parts and machinery.</li> </ul>               | <ul style="list-style-type: none"> <li>Moderate change in customer/stakeholder preference thus fossil fuel will be subsidised by state governments.</li> </ul>   |
| Regulatory**  | Strengthening environmental rules and compliance requirements         | Short to Medium-term | <ul style="list-style-type: none"> <li>Considerable increment in compliance cost with the new stringent environmental regulations and policies.</li> </ul>  | <ul style="list-style-type: none"> <li>Moderate increase in compliance with policy as usual scenario.</li> </ul>   |

\* Time Horizons are considered from impacts realised in IPCC Assessment Report

\*\* Time Horizons are considered pertaining to the regional and geographical technological adoption

\*\*\* Time Horizons are considered pertaining to IMO time frame from a reputation risk perspective

#### LEGEND

- Minor impact to Marco Polo's current business activities
- Moderate impact to Marco Polo's current business activities
- Major impact to Marco Polo's current business activities

## RESILIENCE OF MARCO POLO'S STRATEGY UNDER DIFFERENT CLIMATE SCENARIOS

Marco Polo's strategic planning demonstrates strong resilience across both low-emission (1.5°C, RCP 2.6) and high-emission (4.0°C, RCP 8.5) climate futures. Through its climate scenario analysis, the Group has evaluated how acute physical hazards, chronic environmental changes, technological shifts, market dynamics, regulatory developments, and stakeholder expectations may evolve under different warming pathways.

Under a 1.5°C scenario, projected physical impacts are moderate due to the resilience of existing assets and the lower frequency of extreme weather events. Transition-related pressures such as the need to adopt low-carbon technologies, align with stakeholder expectations, and comply

with tightening environmental regulations are more pronounced. However, Marco Polo's proactive investments in energy-efficient systems, fleet modernisation, and workforce upskilling support its ability to operate competitively in a low-carbon economy. These efforts strengthen its market positioning, enhance its eligibility for green financing, and enable the Company to meet increasing demand for cleaner marine services.

Under a 4.0°C scenario, physical risks intensify, driving higher operational costs, potential disruptions to vessel charter durations, and increased maintenance or relocation needs for coastal facilities. At the same time, transition risks are comparatively lower as regulatory

pressures and stakeholder expectations evolve more slowly. Despite this, Marco Polo's existing operational processes, diversified business lines, and gradual technology adoption approach enable the Company to maintain business continuity, even as the sector faces rising climate hazards and supply-chain constraints.

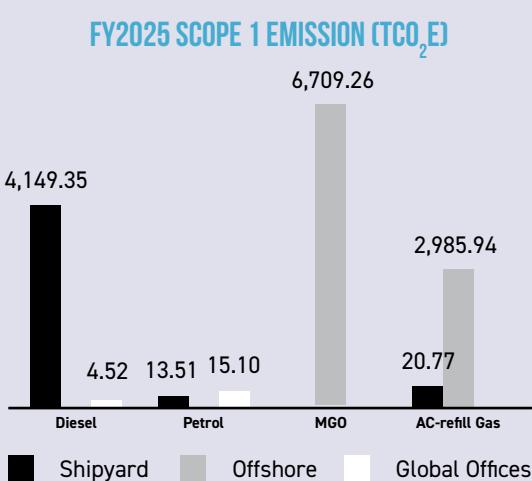
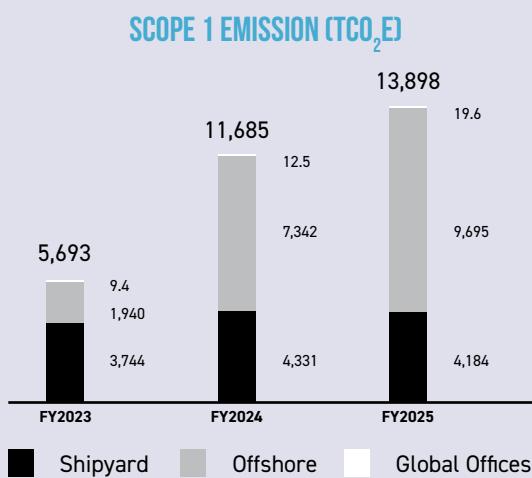
Overall, the scenario analysis indicates that Marco Polo's strategy remains resilient across divergent climate pathways. By integrating these insights into ongoing strategic planning, Marco Polo strengthens its long-term adaptability and ensures that climate considerations are embedded into key business decisions.

# EMISSION PROFILE

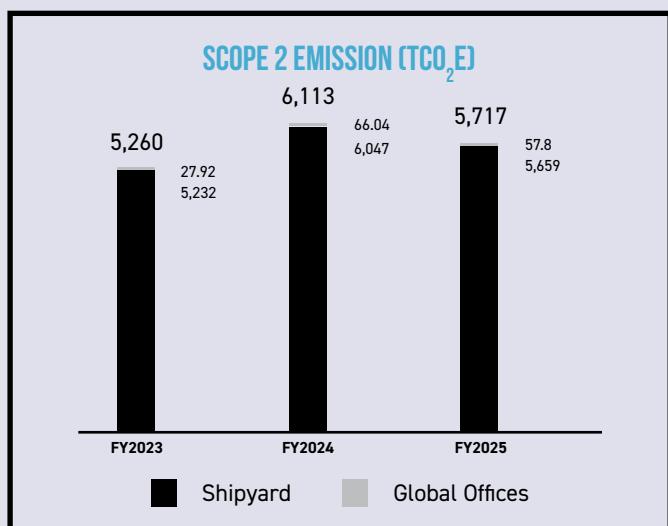
Marco Polo acknowledges the growing urgency of climate change and the associated risks that may affect its business model, operational efficiency, and long-term resilience. In response, the Group continues to strengthen its environmental management framework by improving fuel efficiency and enhancing emissions oversight.

The Group monitors its Scope 1 and Scope 2 emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, applying UK DEFRA emissions factors as the primary reference, which are widespread acceptance for corporate-level emissions reporting, to ensure accuracy and comparability across reporting years. These efforts reinforce Marco Polo's commitment to regulatory compliance and its contribution to global decarbonisation efforts.

Over the past three fiscal years, the Group's Scope 1 emissions have reflected evolving operational activity across the shipyard, offshore fleet and global offices. In FY2024, total Scope 1 emissions increased to 11,685 tCO<sub>2</sub>e, driven primarily by offshore fuel consumption (7,342 tCO<sub>2</sub>e) and shipyard operations (4,331 tCO<sub>2</sub>e). The rise in emissions was attributed to higher offshore vessel activity, increased shipyard energy usage, and the inclusion of the self-propeller barge and AC refrigerant emissions for the first time, resulting in a more comprehensive accounting of direct emissions. By FY2025, Scope 1 emissions rose further to 13,898 tCO<sub>2</sub>e, largely due to substantial expansion in offshore operational deployment (9,695 tCO<sub>2</sub>e) while shipyard fuel consumption was slightly lower (4,184 tCO<sub>2</sub>e). This increase also reflects enhanced disclosure and more complete data collection, including the company vehicle fuel consumption reported by all global offices. Furthermore, Marine Gas Oil (MGO) usage grew significantly following the inclusion of four newly added vessels under the PKRO fleet, contributing to the overall increase in emissions.



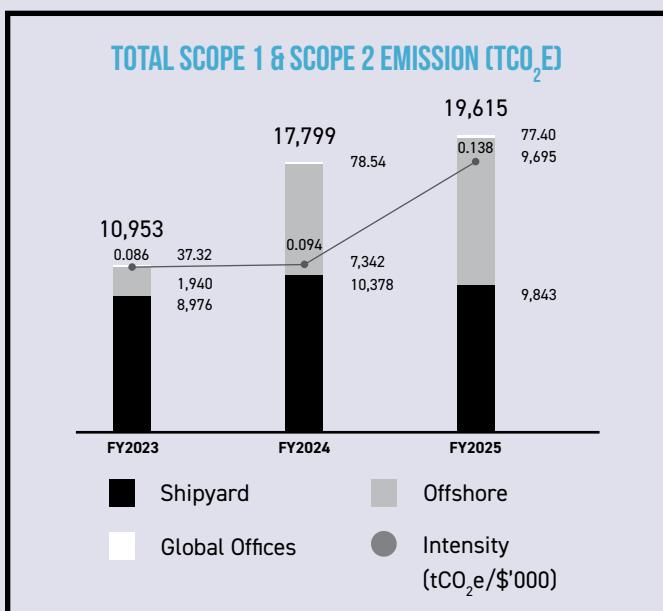
A breakdown of FY2025 emissions shows that MGO was the largest contributor at 6,709.26 tCO<sub>2</sub>e, reflecting the energy-intensive nature of offshore vessel operations across the Group's 20-vessel fleet. Diesel consumption, primarily from shipyard machinery, accounted for 4,149.35 tCO<sub>2</sub>e, while AC refrigerant refills contributed 3,006.71 tCO<sub>2</sub>e, underscoring the disproportionate climate impact of high-GWP gases. Petrol use from company vehicles across shipyard and office activities remained negligible at 28.61 tCO<sub>2</sub>e. In line with these trends, the Group will continue to closely monitor its key emission sources (diesel, MGO, and refrigerant gases) while deploying energy-efficient systems, optimising vessel fuel management, exploring lower-emission technologies, and enhancing data quality and transparency. These efforts support Marco Polo's commitment to reducing its environmental footprint while ensuring the sustainable growth of its operations.



Scope 2 emissions rose to 6,113 tCO<sub>2</sub>E in FY2024, largely due to higher electricity demand at the shipyard (6,047 tCO<sub>2</sub>E) and office energy consumption (66.04 tCO<sub>2</sub>E). This rise is attributed to increased electricity usage across facilities, and the more accurate accounting from the global offices. By FY2025, Scope 2 emissions declined to 5,717 tCO<sub>2</sub>E, with shipyard emissions reducing to 5,659 tCO<sub>2</sub>E, while global office emissions slightly decreased to 57.8 tCO<sub>2</sub>E. The reduction in FY2025 reflects improved energy optimisation measures at the shipyard and more efficient electricity use across office locations. The Group will continue to monitor electricity consumption closely, explore opportunities for energy efficiency improvements, and assess the potential for lower-carbon electricity sources to support long-term emission reduction goals.

In FY2025, the Group's emissions intensity increased to 0.138 tCO<sub>2</sub>e per \$'000 of revenue, primarily driven by higher absolute emissions. This was largely attributable to the expansion of the offshore fleet, which resulted in increased operational emissions. In parallel, the Shipyard division undertook significant capital expenditure during the year, including the construction of additional workshops, a fourth dry dock, and a finger pier. These infrastructure enhancements expanded the yard's capacity and supported the construction of the MP Wind Archer for the Group's subsidiary, PKRO, as well as additional AHTS vessels for PTBBR.

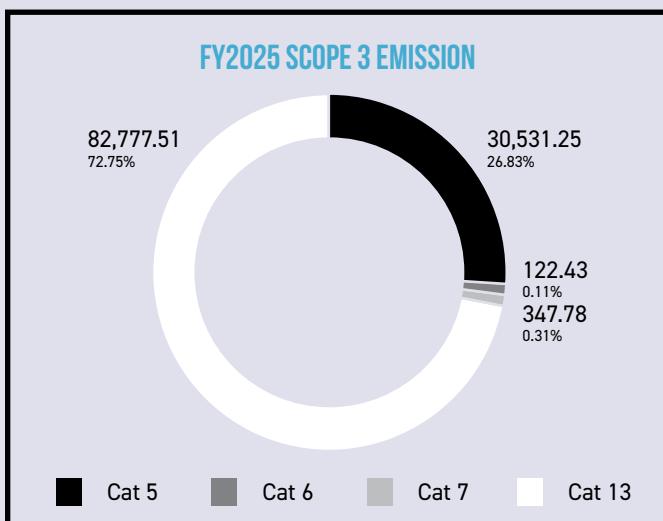
The year-on-year increase in emissions intensity was also influenced by the high level of intercompany shipbuilding revenue recorded in FY2024, particularly from the construction of a CSOV. This elevated revenue base contributed to a lower emissions intensity in FY2024, making the FY2025 increase more pronounced by comparison.



### SCOPE 3 EMISSIONS

In FY2025, Marco Polo commenced its Scope 3 greenhouse gas emissions disclosure journey, marking an important milestone in enhancing the completeness of the Group's emissions inventory. As part of this initial phase, the Group focused on reporting emissions from four Scope 3 categories that were assessed to be most relevant based on data availability, operational relevance, and materiality considerations. These include Category 5 (Waste Generated in Operations), Category 6 (Business Travel), Category 7 (Employee Commuting), and Category 13 (Downstream Leased Assets).

Data collection efforts began in 2024 and were supported by cross-functional collaboration across various departments to gather the best-available information. The Scope 3 emissions reported for these categories are summarised below.



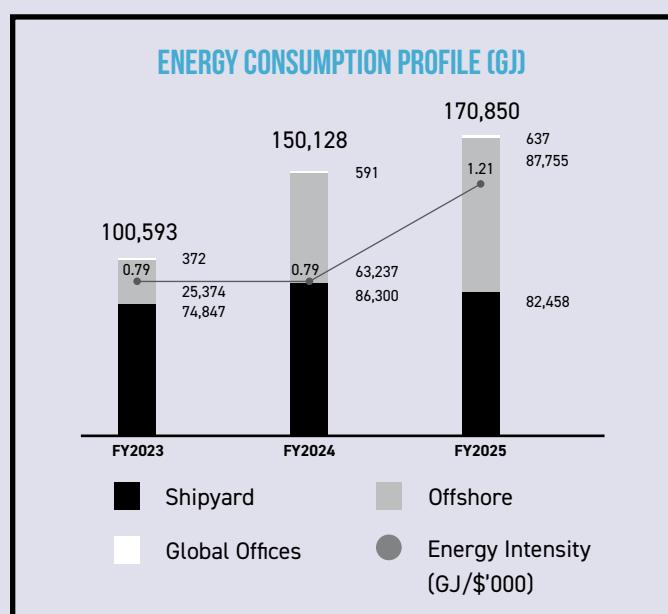
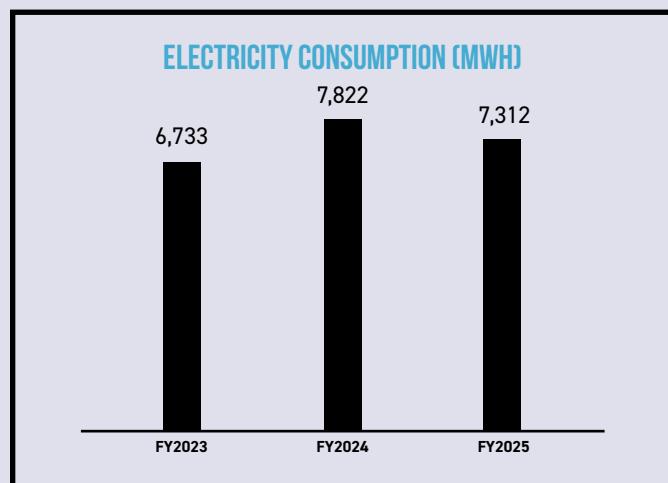
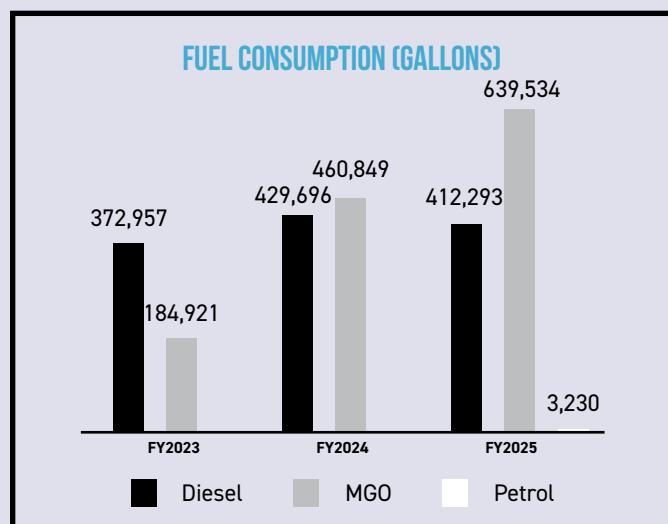
For the reporting year, emissions from Category 5 amounted to 30,531.25 tCO<sub>2</sub>e, arising from the treatment and disposal of waste generated across the Group's operations, based on reported waste quantities and applicable emission factors. Category 6 accounted for 122.43 tCO<sub>2</sub>e, covering emissions from work-related air travel, ferry travel, and land transportation undertaken by employees. Emissions from Category 7 were estimated at 347.78 tCO<sub>2</sub>e, based on an employee commuting survey circulated to employees across various locations and subsidiaries to assess commuting patterns and assumptions derived from available employee data. The most significant contributor to Scope 3 emissions was Category 13, which relates to offshore marine gas oil (MGO) fuel consumption from chartered assets where fuel costs are not borne by the Group. Emissions associated with this fuel usage were estimated at 82,777.51 tCO<sub>2</sub>e. While these emissions are not under the Group's direct operational control, they represent a material source of indirect emissions linked to the Group's business activities.

As this marks the Group's first year of Scope 3 emissions disclosure, the reported figures are based on the best-available data and reasonable assumptions at the time of reporting. The Group expects the completeness, accuracy, and coverage of its Scope 3 emissions to improve progressively in subsequent years as data systems, internal processes, and stakeholder engagement mature.

## ENERGY CONSUMPTION

Recognising the critical importance of energy management, the Group is committed to enhancing operational efficiency while minimising environmental impact. By strengthening energy consumption strategies, Marco Polo seeks to address the dual challenges of rising operational costs and climate change. This includes identifying areas of inefficiency, implementing targeted energy-saving measures, and continually monitoring consumption patterns to optimise performance.

This commitment is further reinforced through environmental policies that align with international energy efficiency standards. KPIs have been established to track both electricity and fuel usage in accordance with frameworks such as ISO 14001. The Sustainability Committee plays a central role in driving initiatives that improve energy efficiency and promote the adoption of renewable energy solutions.





In FY2025, the Group's total energy consumption increased significantly to 170,850 GJ, driven by higher operational activity and more comprehensive energy reporting across all subsidiaries. The expansion of the offshore fleet, including the addition of four new vessels and the inclusion of two self-propelled barges, contributed to increased fuel and energy demand. In parallel, the Shipyard division expanded its operational capacity through the construction of a fourth dry dock, a finger pier, and an additional workshop. These infrastructure enhancements, together with higher utilisation of the shipyard for vessel repair and maintenance projects, resulted in increased overall energy consumption during the year.

As a result, the Group's energy intensity increased slightly to 1.21 GJ per \$'000 of revenue in FY2025. This was primarily driven by higher energy consumption arising from the expanded offshore fleet and increased shipyard operations. Notwithstanding this, total electricity consumption declined to 7,312 MWh during the year, which helped to partially moderate the overall intensity level. As noted earlier, the year-on-year increase in energy consumption intensity

was also influenced by the unusually high level of intercompany shipbuilding revenue recorded in FY2024, particularly from the construction of a CSOV. This elevated revenue base contributed to a lower energy consumption intensity in FY2024, making the FY2025 increase more pronounced by comparison.

To advance energy efficiency across its operations, the Group adopts a range of strategies, including the use of energy-efficient appliances, the implementation of the Ship Energy Efficiency Management Plan (SEEMP) across its fleet, strengthened fuel management practices, and the systematic monitoring of energy performance indicators. By leveraging detailed consumption data, the Group is able to identify areas for improvement and implement targeted measures to reduce emissions.

At the shipyard, energy-saving initiatives are also being actively pursued. These include upgrading equipment to inverter-based models that consume less energy, transitioning fuel-powered machinery to electrically powered alternatives, and progressively electrifying equipment

where feasible. These efforts aim to reduce fuel dependence, improve overall energy control, and support a long-term shift toward cleaner operations.

In the Singapore headquarters, a preliminary energy audit was conducted and documented in the Energy Management Plan, outlining key findings, reduction targets, and strategic actions. To build awareness, the Group has introduced energy-saving tips through office display screens, signage, and communications on the office environmental policy and resource conservation guidelines. The Group is also in the process of pursuing Eco Office certification under the Singapore Environment Council (SEC), further demonstrating its commitment to responsible and sustainable workplace practices.

Through these comprehensive initiatives, Marco Polo is committed to promote a culture of sustainability that not only yields cost savings but also supports broader environmental objectives, reinforcing its reputation as a responsible leader in energy management.



## SPONSORING GREEN ENERGY AWARD

Our Taiwan subsidiary, PKR Offshore Co., Ltd. (PKRO), is proud to continue its support for sustainable development by sponsoring the Green Energy Award under the Better Business Award 2025 for the second consecutive year.

As a returning sponsor, PKRO remains committed to championing innovation and sustainability within Taiwan's renewable energy sector. Last year, we were inspired by the passion, creativity, and impact demonstrated by participating organisations, and we look forward to seeing even more outstanding initiatives emerge this year.

The Green Energy Award recognises companies that have made meaningful contributions to advancing renewable energy adoption and awareness in Taiwan. It celebrates organisations that are innovating, investing, and leading the transition towards a low-carbon future, from solar and wind energy to energy storage and clean technology solutions. The award also highlights efforts that strengthen energy resilience, foster sustainable partnerships across the value chain, and actively support Taiwan's Net Zero 2050 goals.

Through this sponsorship, PKRO reaffirms its dedication to supporting initiatives that drive sustainability, encourage innovation, and strengthen the offshore wind and renewable energy ecosystem in Taiwan.

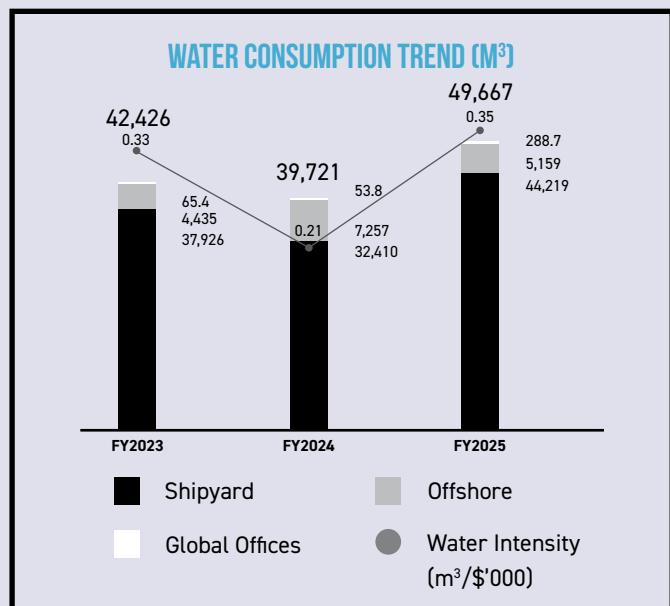


## WATER CONSUMPTION

The Group primarily relies on municipal water supplies across its operational locations, with limited engagement in water-intensive activities throughout its value chain. This supports the Group's broader commitment to minimising environmental impacts associated with water use.

At the Batam Shipyard facility, the Group has implemented a rainwater harvesting system featuring a catchment pond with an approximate capacity of 3,500 m<sup>3</sup>. The collected rainwater is used for ship hull cleaning, reducing reliance on municipal water sources and helping to optimise water consumption on-site.

Total water consumption for the reporting period, as derived from monthly utility bills, is summarised below.



\*Note: Global office water data currently covers only the Singapore headquarters and Taipei office. The Group plans to enhance water data collection at other offices in future reporting cycles.

The Shipyard division remained the largest contributor to the Group's overall water consumption in FY2025, consistent with the previous year. Total water usage at the shipyard increased to 44,219 m<sup>3</sup>, driven primarily by resource-intensive infrastructure developments, including the construction of a fourth dry dock, additional workshops, and a finger pier, as well as increased water demand from internal shipbuilding activities. As a result, the Group's water intensity rose slightly to 0.35 m<sup>3</sup> per \$'000 of revenue during the year.

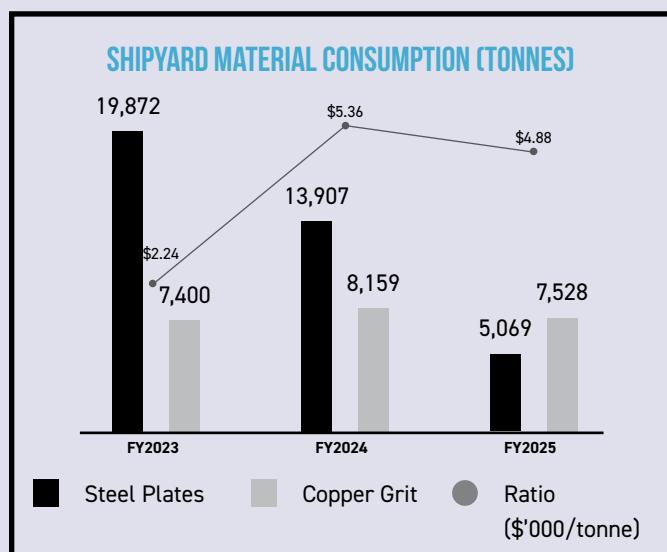
In line with its broader resource management approach, the Singapore headquarters has implemented similar measures to those under its energy-saving initiatives. A simple water audit was conducted, followed by the establishment of a Water Management Plan outlining key findings, reduction targets, and strategies to improve water efficiency. Although the office's absolute water consumption is relatively low, the Group recognises the importance of instilling good conservation habits. Efforts to raise awareness such as educating employees on responsible water use, are reinforced through internal communications and the water-saving guidelines embedded within the office environmental policy.

## MATERIAL MANAGEMENT

Marco Polo adopts a strategic and sustainability-focused approach to resource utilisation, integrating both economic and environmental considerations into all aspects of materials management. Effective materials management enhances operational efficiency, reduces costs, and strengthens supply chain performance, while simultaneously supporting environmental objectives by conserving resources and minimising waste. Conversely, poor materials stewardship can lead to resource depletion, pollution, and increased economic risk.

The Group's commitment to responsible materials management is demonstrated through its adherence to established environmental standards and quality certifications. Dedicated organisational structures including the Sustainability Committee and specialised operational teams provide oversight and strategic direction to ensure sound material practices across the business.

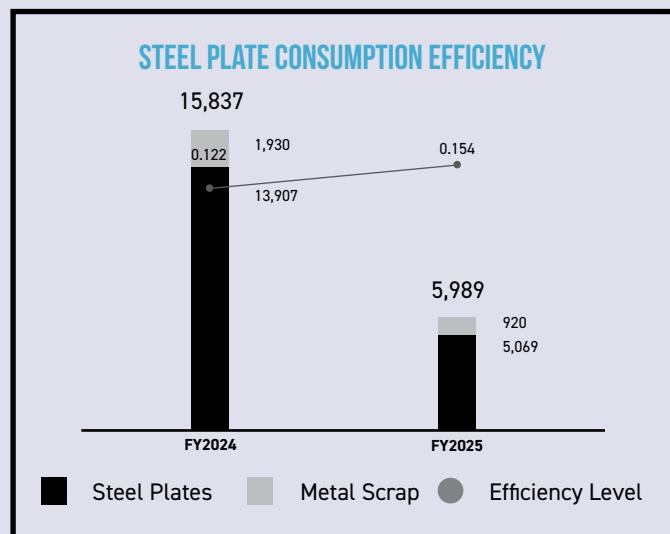
Within shipbuilding and ship-repair operations, the most significant non-renewable materials consumed are steel plates and copper blasting grit, which are procured from major industry suppliers. These materials form the backbone of construction and repair activities and represent key inputs in the Group's marine operations.



Steel plate consumption declined significantly over the year, while the use of copper grit recorded a modest reduction. This shift was largely driven by a higher proportion of ship repair activities in FY2025 compared to shipbuilding projects. Ship repair works primarily utilise copper grit for surface preparation and maintenance, whereas shipbuilding activities are more steel-intensive. In addition, the trend reflects stable revenue contribution from the later stages of the internal shipbuilding project in FY2025, which involved reduced steel plate usage and a greater emphasis on mechanical and electrical equipment installation.

As noted above, the higher revenue-to-material ratio observed in FY2024 was primarily influenced by the high level of intercompany shipbuilding revenue, particularly from the construction of a CSOV. Against this backdrop, the material consumption intensity decreased marginally from \$5.36 per tonne in FY2024 to \$4.88 per tonne in FY2025, indicating relatively stable and efficient resource utilisation despite changes in operational mix. This highlights the Group's continued emphasis on improving resource efficiency while effectively managing material-related costs in line with evolving operational requirements.

## MATERIAL CONSUMPTION EFFICIENCY



The Shipyard division places strong emphasis on efficient material utilisation, recognising its importance not only from a cost perspective but also in reducing material wastage and associated environmental impacts. Effective material management supports both environmental stewardship and operational cost optimisation.

At Marco Polo's shipyard operations, waste metal scrap generated from fabrication and repair works is systematically collected and sold to third-party recyclers for reprocessing and further use, contributing to circular material flows. Beyond recycling, the Group remains focused on maximising the utilisation of steel plates through improved planning, cutting optimisation, and project sequencing, particularly across shipbuilding and repair activities.

As reflected in the material utilisation efficiency level chart, these ongoing efforts resulted in an improvement in material

efficiency, which increased to 0.154 in FY2025. This improvement indicates better alignment between steel plate consumption and wastage, demonstrating the effectiveness of the Group's material management practices.

## COMMITMENT TO A CIRCULAR ECONOMY

One key initiative involves the recycling of scrap materials, which will be sold to third parties for reuse. This not only reduces disposal waste but also contributes to resource conservation, aligning with the Group's sustainability goals and promoting a circular economy within the operations. By continually improving material management strategies, Marco Polo aims to minimise environmental impact while maintaining high standards of quality and performance in its services.

In addition, the Group's shipyard offers Green Ship Recycling services in Batam. The Company has been granted permission by local authorities in Indonesia to undertake ship recycling operations, distinguishing itself as the first Shipyard in the country to obtain the ISO 30000:2009 certification. This accreditation from ABS QE assures shipowners that their vessels will be recycled in facilities that uphold stringent safety and environmental standards, reinforcing the Group's commitment to sustainable practices in the shipping industry.

## WASTE MANAGEMENT

Waste management is a critical concern for Marco Polo due to its significant environmental and operational implications. Improper disposal of waste, especially hazardous materials, can lead to pollution and contamination, negatively affecting local ecosystems and communities. This issue spans the group's Shipyard, offshore, and office operations, where various types of waste are generated. Implementing effective waste management practices not only reduces these risks but also enhances operational efficiency and ensures compliance with regulatory standards.

To address these challenges, Marco Polo has adopted comprehensive waste management practices across all business units. A notable initiative at the shipyard is the adoption of hydro-jetting technology, which significantly reduces copper slag waste generated during ship maintenance. This method produces considerably less hazardous waste compared to traditional methods, thereby minimising environmental impact. All generated waste is safely stored in designated areas before being transported to licensed third-party processors for proper treatment and disposal in compliance with applicable laws and environmental standards.

Offshore waste management strategy is guided by internal policies that align with local and international regulations. These policies dictate the handling of hazardous and non-hazardous waste, focusing on waste volume reduction, recycling, and pollution prevention. Each business unit adheres to these guidelines, supported by established KPIs that track waste reduction progress, recycling performance, and the management of hazardous materials.

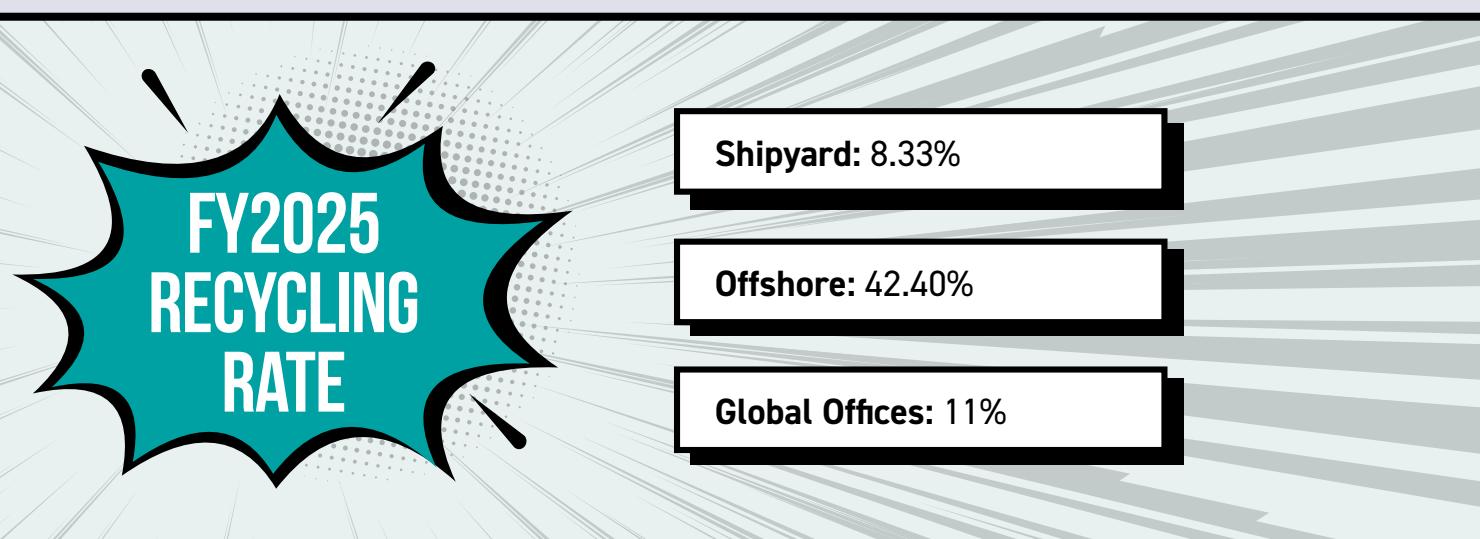
In office environment, waste generation and recycling are actively monitored through daily measurements to establish baselines for future targets. Comprehensive office waste management guidelines have been effectively communicated to all staff through Office Environmental Policy, encouraging recycling by separating waste into categories such as paper, plastic, metal, glass, and general waste. These efforts aim not only to reduce the volume of waste sent for disposal but also to cultivate a strong culture of sustainability across the organisation.

| RECYCLE WASTE  | HAZARDOUS WASTE   |
|--|---|
| <ul style="list-style-type: none"> <li>• Paper</li> <li>• Metal</li> <li>• Plastic</li> <li>• Glass</li> <li>• Metal sceaps</li> </ul> | <ul style="list-style-type: none"> <li>• Dirty oil</li> <li>• Used copper slag</li> <li>• Contaminated soil</li> <li>• Slop oil</li> <li>• Waste oil</li> <li>• Empty cans</li> </ul> |

### WASTE GENERATED DURING FY 2025

|                                | *GLOBAL OFFICES<br>(KG) | SHIPYARD<br>(TONNES)    | OFFSHORE<br>(M <sup>3</sup> ) |
|--------------------------------|-------------------------|-------------------------|-------------------------------|
| Recycled Non-hazardous Waste   | 57.44                   | 925.49                  | 466.76                        |
| Disposable Hazardous Waste     | N/A                     | 8,208.00                | 198.20                        |
| Disposable Non-hazardous Waste | 462.87                  | 1,982.46                | 435.80                        |
| <b>Total Waste Generation</b>  | <b>520.31 kg</b>        | <b>11,115.95 tonnes</b> | <b>1,100.76 m<sup>3</sup></b> |

\*Note: Global office waste data currently covers only the Singapore headquarters. The Group plans to enhance waste data collection at other offices in future reporting cycles.



### MANAGEMENT OF WATER DISCHARGE-RELATED IMPACTS

Marine pollution can result from the discharge, washing, or accidental release of chemicals and waste into the ocean, causing extensive damage to marine ecosystems, harming both marine and terrestrial life, and disrupting global economic systems. To safeguard the marine environment, the Group's offshore vessels have implemented Ballast Water Management (BWM) systems in accordance with the standards approved by the Singapore Flag Administration.

To date, 11 offshore vessels have adopted a Closed Loop Ballast Water System that meets at least the D-1 standard. This standard requires vessels to conduct ballast water exchange in open seas, at least 200 nautical miles from the nearest land and in waters no less than 200 meters deep. Such practices significantly reduce the survival of organisms present in ballast water, thereby lowering the risk of introducing invasive or harmful species when the water is discharged.

Furthermore, Marco Polo continues to enhance its effluent management practices by implementing a stringent policy governing the planned discharge of oily water from its vessels:

### ENHANCING EFFLUENT MANAGEMENT PRACTICES

Marco Polo prioritises responsible effluent management, particularly in the discharge of oily water from its vessels. To align with MARPOL regulations\*, the company enforces strict protocols for the discharge of oil or oily mixtures into the sea, ensuring that the oil content remains below 15 parts per million (ppm). This policy includes a firm prohibition on discharging oily waters in designated special areas to protect sensitive marine ecosystems.

### OILY WATER TREATMENT PROCESS

The Oily Water Separator (OWS) is a critical component of Marco Polo's waste management strategy. This technology effectively processes water collected from Engine Room bilges, ensuring that the oil content meets regulatory standards before discharge. Each discharge is carefully measured, and details—including volume, location, and quality—are documented in the Oil Record Book (ORB). The Chief Engineer validates these records by signing them, underscoring the Company's commitment to transparency and accountability.

### REGULATORY COMPLIANCE AND INSPECTIONS

Upon docking, vessels are randomly selected for compliance inspections conducted by the Maritime and Port Authority of Singapore (MPA). These inspections confirm that the oily water discharged, and any residual waste are accurately reflected in the ORB, further reinforcing Marco Polo's dedication to legal compliance and environmental responsibility. Through these comprehensive measures, the Company not only adheres to industry regulations but also plays a vital role in safeguarding marine environment.

\*Note: The International Convention for the Prevention of Pollution from Ships (MARPOL) is the main international convention covering prevention of pollution of the marine environment by ships from operational or accidental causes.

During FY2024-25, the total volume of water and effluent discharged from the offshore operations amounted to 5,753.80 m<sup>3</sup>. Importantly, the Group maintained its strong performance from the previous year, recording zero incidents of oil leakage throughout the reporting period. This reflects the effectiveness of the Group's operational controls and its continued commitment to protecting the marine environment.

## BIODIVERSITY

With a deep respect for the ocean's vital role in sustaining life, the Company recognises that protecting marine biodiversity is essential to maintaining the health and resilience of global ecosystems. As an active participant in maritime operations, Marco Polo embraces its responsibility to safeguard the marine environment and uphold the long-term well-being of our oceans.

In line with this commitment, the Company enforces a strict No Shark Corporate Policy, prohibiting the procurement or consumption of shark-related products within all Company facilities. This policy, rigorously upheld by management, reflects a strong stance against activities that endanger vulnerable species and reinforces the Group's dedication to sustainable and humane practices. Marco Polo acknowledges the urgent global need

to protect declining shark populations and is committed to supporting responsible, biodiversity-friendly alternatives.

Throughout FY2025, the Group continued to advance nature conservation initiatives across its global offices, including beach clean-ups, mangrove planting activities, and wetland conservation efforts. Further details on these initiatives can be found in the Community Engagement section.

Looking ahead, the Company is also developing programmes to strengthen awareness of marine biodiversity and inspire collective action among employees and stakeholders. Through these sustained efforts, Marco Polo aims to further its role as a responsible steward of the marine environment and contribute to the protection of vital ocean resources for future generations.

## ENVIRONMENTAL COMPLIANCE

All Marco Polo operations, including the Shipyard and Offshore divisions, are aligned with ISO 14001 standards, ensuring a structured and systematic approach to environmental management. The Company undergoes annual recertification to maintain compliance with these standards and to demonstrate its ongoing commitment to continuous improvement. In parallel, Marco Polo fully complies with MARPOL regulations, reinforcing responsible and sustainable operational practices across its fleet.

During the reporting year, no instances of non-compliance with environmental laws or regulations were identified. This record reflects the Company's dedication to upholding high environmental standards and promoting environmental awareness throughout the Group and among key stakeholders.



**SOCIAL**

At Marco Polo, social sustainability is a core operational priority. The well-being of our employees, communities, and stakeholders is a fundamental responsibility of the Group, and we remain committed to embedding these values across all aspects of our operations. By fostering a supportive and inclusive work environment, we empower our workforce and business partners to thrive. We prioritize fair labour practices, workplace safety, and professional development, ensuring stability and growth for those who contribute to our success.

Additionally, our commitment to social sustainability extends beyond the workplace, as we actively engage in initiatives that enhance local communities, creating lasting social and economic benefits. By supporting not only individuals but also their families and communities, Marco Polo strengthens its global operations while advancing a sustainable and responsible business model.

Cultivating a strong and resilient company culture requires sustained effort. As such, the Group continues to foster a mindset of adaptability and resilience across its workforce. These qualities are essential as we collaborate with our employees, business partners, and local communities to drive long-term success and create lasting value for all stakeholders.

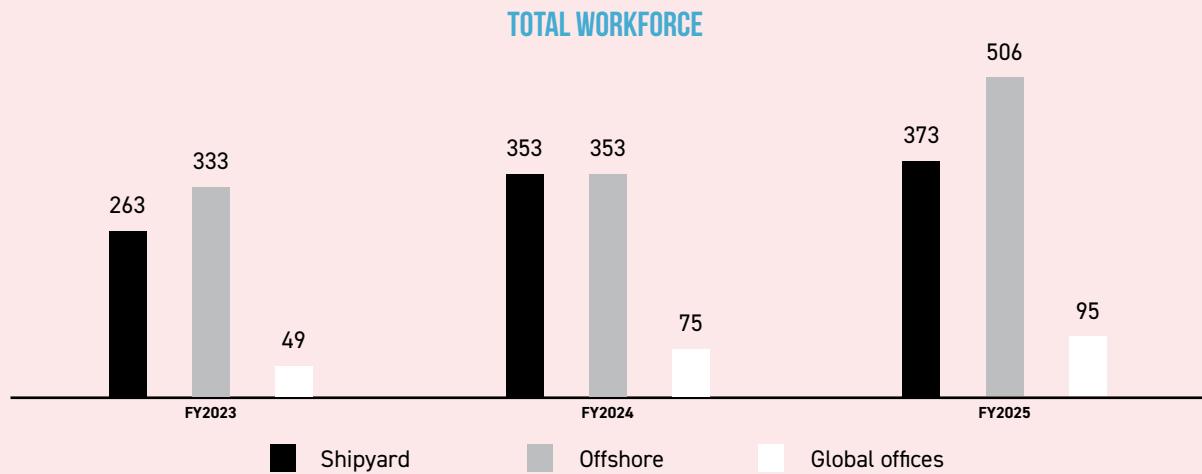
## EMPLOYMENT

Our workforce is the backbone of our global operations, operating in diverse and often challenging environments across multiple regions. With crews working on vessels in remote offshore locations for extended periods, we recognize the importance of attracting and retaining top talent by offering competitive employment conditions, comprehensive support systems, and a strong safety culture.

The Group's workforce currently consists of 974 individuals (2024: 781, 2023: 645), categorised by their respective functions. This includes the shipbuilding team at Marco Polo's Shipyard, the crew from offshore vessels, and the support staff based at Singapore Headquarters, Jakarta, Taipei and Taichung offices. As the organisation expands, its requirement for a diverse range of skilled professionals, including engineers, technicians, administrative staff, and logistics coordinators also increases.

The Group's workforce comprises entirely full-time employees engaged under either permanent or temporary employment

contracts. Employees based at the Singapore headquarters and global offices are predominantly employed on permanent contracts, with a small proportion engaged on temporary contracts. Within Marco Polo's Shipyard division, the workforce is more evenly split between permanent and contract staff. In contrast, crew members in the offshore division are engaged on temporary contracts due to the project-based nature of offshore operations. These crew members are typically employed on six-month contracts and deployed as required to support specific projects.



## BIFURCATION OF TOTAL WORKFORCE INTO PERMANENT AND TEMPORARY CATEGORIES

| METRIC              | FY2023 | FY2024 | FY2025 |
|---------------------|--------|--------|--------|
| Permanent           | 177    | 180    | 222    |
| Temporary/ Contract | 468    | 601    | 752    |

In FY2025, crew members, also referred to as seafarers, accounted for approximately 52% of the total workforce, with employment structured on contractual terms to meet the specific demands of their roles.

## SEAFARER DETAILS

| GENDER                      | AGE | EMPLOYMENT CATEGORY |
|-----------------------------|-----|---------------------|
| Male                        | 501 | <30                 |
| Female                      | 5   | 30-50               |
|                             |     | >50                 |
| <b>Total Seafarers: 506</b> |     |                     |

The seafarer workforce comprises a diverse age profile, with 78 individuals under the age of 30. The largest segment falls within the 30 to 50 age group, comprising 348 personnel, while 80 employees are aged over 50. This distribution reflects the Group's commitment to fostering an inclusive work environment that values the contributions of employees across different age demographics, while supporting knowledge continuity and operational resilience.

Shipyard operations are characterised by a higher reliance on contract-based labour, with personnel primarily engaged on a project-by-project basis. In FY2025,

approximately 747 subcontractor personnel were engaged to support shipyard activities, playing a critical role in the successful execution of various projects. Their contributions were integral to meeting project timelines, maintaining operational efficiency, and responding to the dynamic demands of shipbuilding, repair, and maintenance activities.

Recognising its role in supporting the local economy, Marco Polo remains committed to creating employment opportunities within the communities where it operates. The Group actively engages with local stakeholders to better understand regional workforce needs and align its workforce

development initiatives accordingly. This includes prioritising local hiring, as well as investing in training programmes and apprenticeship opportunities to equip individuals with the skills required for shipyard and offshore operations.

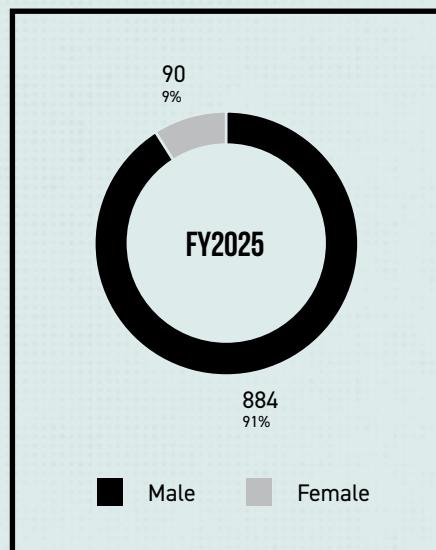
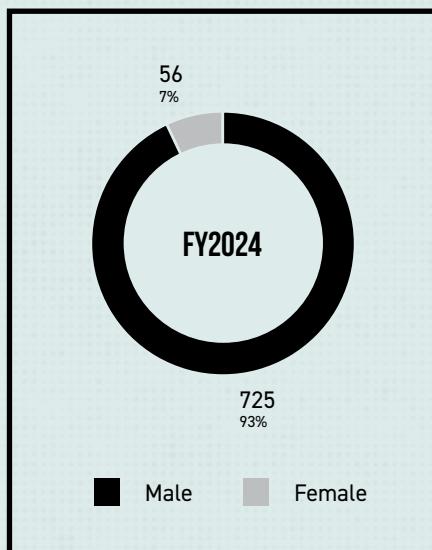
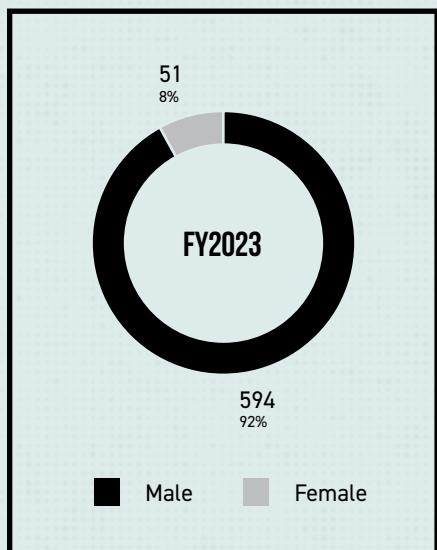
Through these efforts, Marco Polo not only supports its own operational growth but also contributes to local economic resilience and long-term value creation. By developing local talent and strengthening workforce capabilities, the Group aims to foster a sustainable future for both its business and the communities it serves.

## OUR WORKFORCE

Marco Polo is committed to fostering a diverse and inclusive workforce that supports long-term business resilience and sustainable growth. Through inclusive hiring practices and a merit-based approach to talent development, the Group provides equal opportunities for individuals across different backgrounds, experiences, and perspectives. This diversity contributes to a collaborative and adaptive workplace culture,

enabling the Group to draw on varied viewpoints to enhance innovation, strengthen problem-solving capabilities, and respond effectively to the evolving demands of the marine industry. By attracting and retaining diverse talent, Marco Polo continues to build workforce stability while reinforcing its reputation as a responsible and forward-looking organisation.

### GENDER DIVERSITY AT MARCO POLO



### GENDER RATIO

(Female:Male)

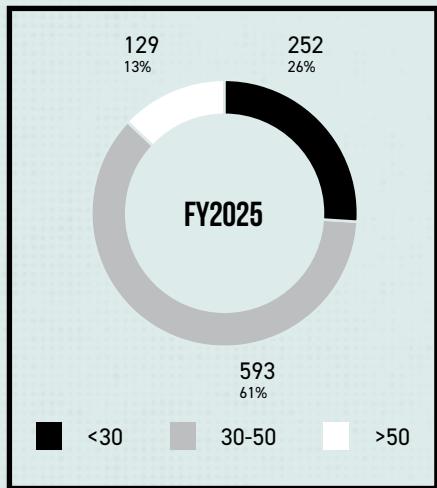
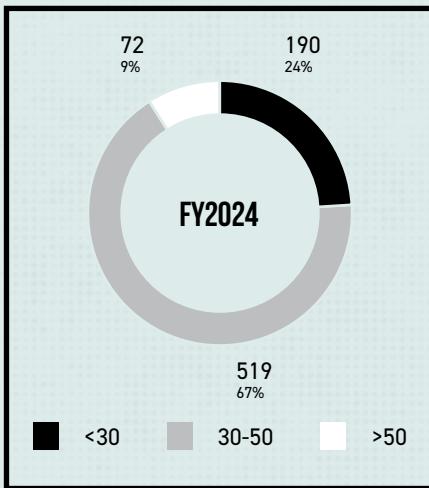
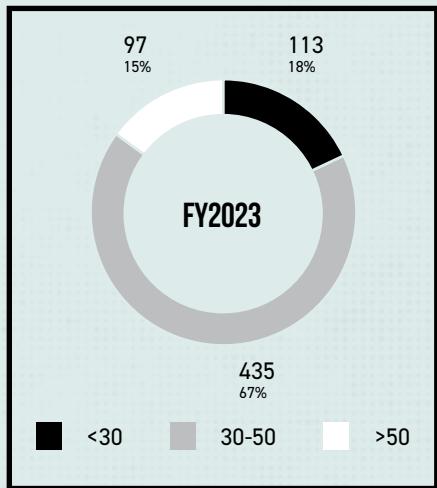
Corporate Offices: 1:0.9

Operation: 1:9.8

The observed gender gap is largely influenced by the nature and operational requirements of certain roles, particularly within the shipyard and offshore segments, which traditionally require a higher proportion of male employees. To ensure transparency and clarity, the gender ratio has been analysed separately for corporate office roles and operational positions and is calculated based solely on permanent employees.

While the Group's corporate offices reflect a more balanced gender composition, operational roles within the shipyard remain predominantly male. Marco Polo remains committed to promoting workplace gender diversity and continues to explore opportunities to enhance representation across different roles and diversity groups, in line with its long-term people and sustainability objectives.

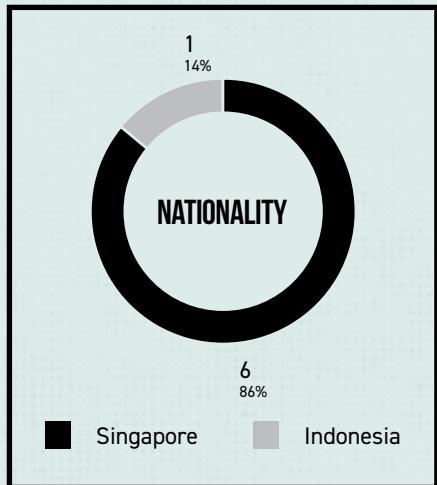
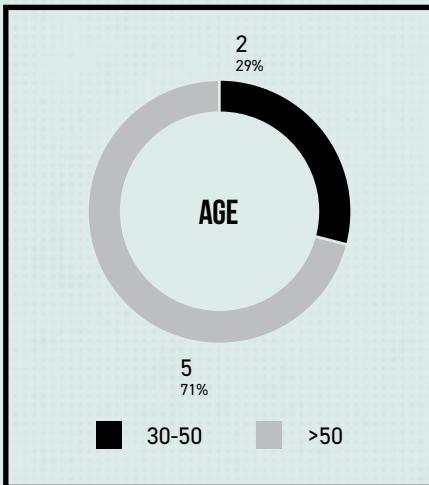
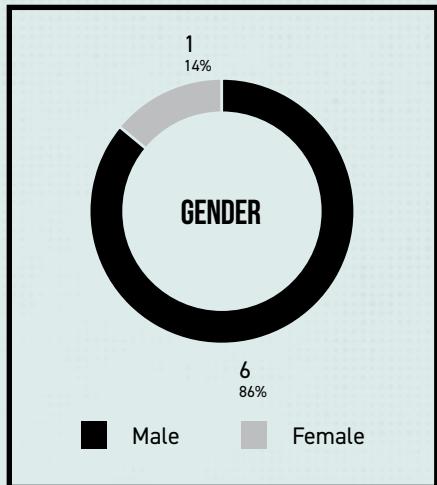
## AGE DIVERSITY AT MARCO POLO



In FY2025, the Group's workforce continued to be largely composed of mid-career employees aged 30 to 50, who accounted for 61% of total headcount, reflecting the nature and demands of roles such as crew members and shipyard personnel, which often require a combination of physical endurance and technical expertise.

Employees below 30 years old represented 26%, while those above 50 years old comprised 13% of the workforce. Compared to FY2024, the Group observed a modest increase in the proportion of younger employees under the age of 30, alongside a slight increase in employees aged above 50. This shift reflects a more diverse age profile, combining the infusion of younger talent with the retention of experienced employees, thereby supporting knowledge continuity, mentorship, and a sustainable talent pipeline to meet the evolving needs of the industry.

## BOARD DIVERSITY AS PER GENDER AND AGE



Guided by its Board Diversity Policy, Marco Polo seeks to cultivate a balanced mix of perspectives at the Board level, with particular emphasis on gender and age diversity. The current composition reflects a blend of experienced leadership alongside relatively younger directors, enabling the Board to benefit from both institutional knowledge and fresh viewpoints. While gender diversity remains an area of ongoing focus, the Board recognises the value of inclusive representation in strengthening governance, enriching discussions, and supporting sound decision-making. Through this approach, the Group aims to ensure that its Board remains effective, forward-looking, and well-positioned to support long-term sustainable growth.

## EMPLOYEE DIVERSITY METRICS BY EMPLOYEE CATEGORY

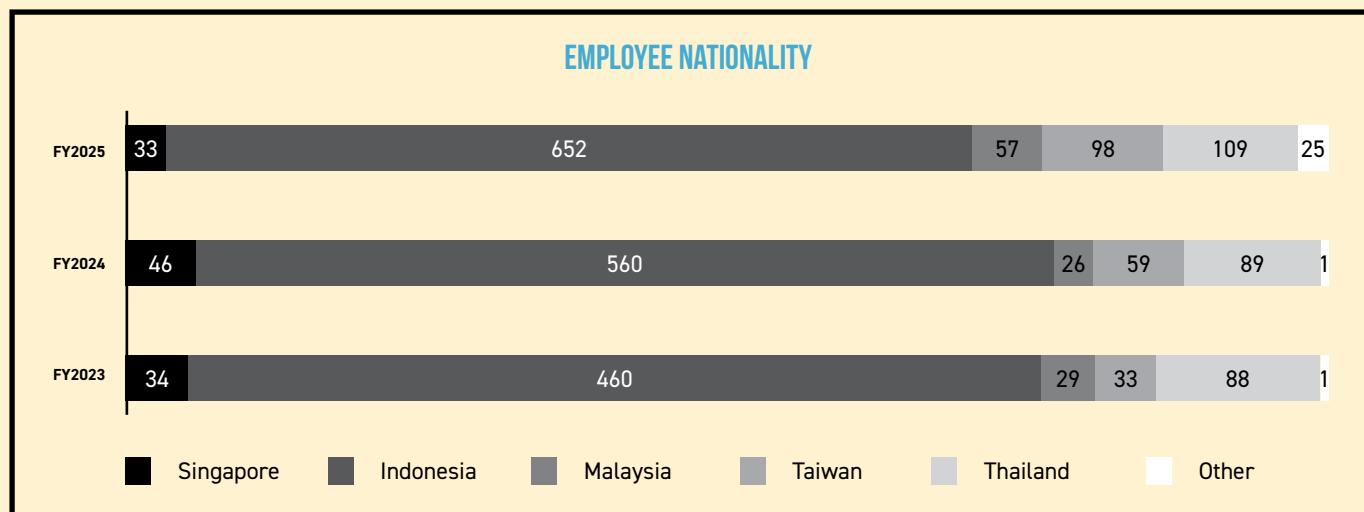
| METRIC                                 | GLOBAL OFFICES | SHIPYARD   |
|--|----------------|------------|
| <b>Total Workforce</b>                 | <b>95</b>      | <b>373</b> |
| <b>Breakdown by employee category:</b> |                |            |
| <b>(1) Directors</b>                   |                |            |
| Male Employees                         | 5              | 2          |
| Female Employees                       | 1              | 0          |
| Employees aged < 30                    | 0              | 0          |
| Employees aged 30 - 50                 | 4              | 0          |
| Employees aged > 50                    | 2              | 2          |
| <b>(2) Senior Managerial Staff</b>     |                |            |
| Male Employees                         | 13             | 3          |
| Female Employees                       | 2              | 0          |
| Employees aged < 30                    | 0              | 0          |
| Employees aged 30 - 50                 | 8              | 2          |
| Employees aged > 50                    | 7              | 1          |
| <b>(3) Managerial Staff</b>            |                |            |
| Male Employees                         | 9              | 6          |
| Female Employees                       | 10             | 0          |
| Employees aged < 30                    | 0              | 1          |
| Employees aged 30 - 50                 | 15             | 5          |
| Employees aged > 50                    | 4              | 0          |
| <b>(4) Non-managerial Staff</b>        |                |            |
| Male Employees                         | 18             | 327        |
| Female Employees                       | 37             | 35         |
| Employees aged < 30                    | 7              | 165        |
| Employees aged 30 - 50                 | 45             | 164        |
| Employees aged > 50                    | 3              | 33         |

Marco Polo values women in the workplace, recognising their contributions in capability, performance, and leadership. The Group is committed to fostering an inclusive and equitable work environment that supports equal opportunities for career development and leadership progression, based on merit and competence.

As at FY2025, women represented 11% of the senior management team. Senior management comprises key decision-makers responsible for setting the Company's strategic direction, overseeing day-to-day operations, and ensuring the effective implementation of corporate policies, internal controls, and performance objectives. They play a critical role in driving business performance, managing risks and opportunities, and integrating sustainability considerations into strategic planning and operational decision-making.

The Group recognises the importance of improving gender diversity at leadership levels and remains committed to strengthening its talent pipeline by supporting women's development, retention, and progression into senior and decision-making roles over time.

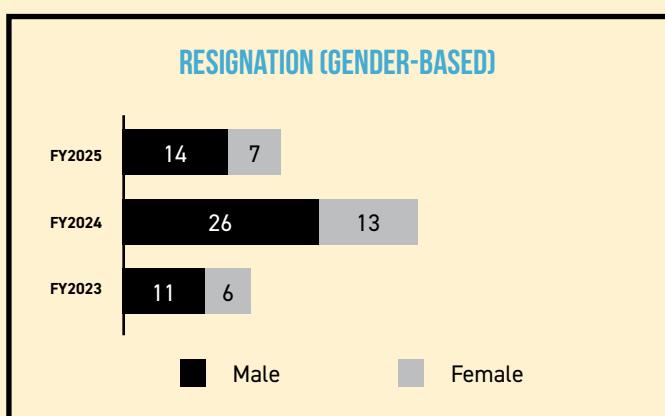
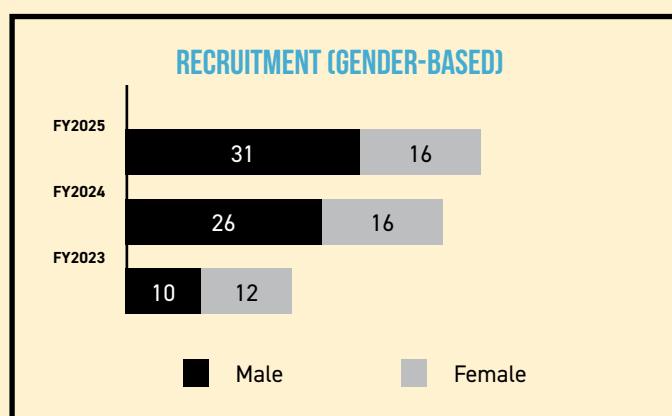
## EMPLOYEE DIVERSITY AS PER NATIONALITY



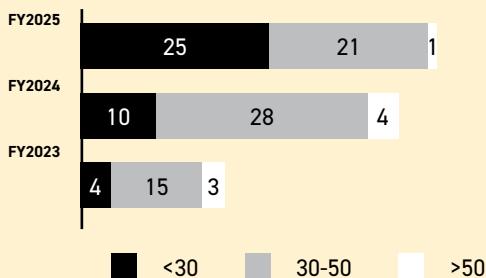
Marco Polo is committed to strengthening workforce diversity across multiple dimensions, including gender, age, and nationality. The Group believes that a capable and resilient organisation is built on a diverse and inclusive workforce, where varied perspectives and experiences contribute to long-term performance and adaptability. By regularly monitoring workforce demographics, Marco Polo continues to foster a diverse, inclusive, and multicultural working environment across its operations.

In addition to monitoring overall employee diversity, the Group places strong emphasis on tracking hiring trends with a focus on diversity. This enables Marco Polo to evaluate the effectiveness of its diversity and inclusion initiatives and assess whether its recruitment strategies are attracting a broad and representative talent pool. Analysing these trends also allows the Group to identify potential gaps in representation and refine its workforce planning efforts accordingly.

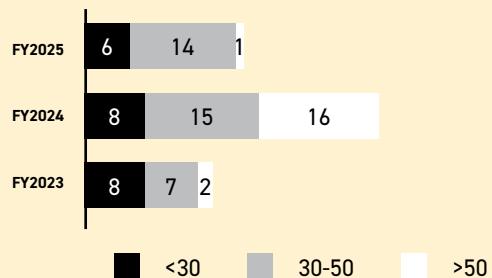
In FY2025, Marco Polo's Singapore headquarters welcomed a total of 11 new employees, comprising 6 men and 5 women. Of these new hires, 2 were below the age of 30, 8 were aged between 30 and 50, and 1 was above 50. Within the Group's offshore business at PKRO, 11 new employees joined during the year, including 3 men and 8 women, with 9 aged between 30 and 50 and the remaining 2 below 30. Meanwhile, the Shipyard division welcomed 25 new employees, reflecting a diverse mix of age groups and genders to support its operational needs.



### RECRUITMENT (AGE-BASED)



### RESIGNATION (AGE-BASED)



Note: For permanent employees only. Excluded the temporary crew in the calculation of new hires and turnover as they are hired for a short-term employment period and significant turnover of the temporary crew is expected every three months.

## FY2025 RECRUITMENT

**Male:** 13.96%  
**Female:** 7.2%

**<30:** 11.26%  
**30-50:** 9.46%  
**>50:** 0.45%

## FY2025 RESIGNATION

**Male:** 6.3%  
**Female:** 3.15%

**<30:** 2.7%  
**30-50:** 6.3%  
**>50:** 0.45%

In addition to monitoring hiring metrics, analysing employee turnover is an important component of fostering an inclusive and sustainable workplace. By reviewing turnover data, Marco Polo is able to identify retention trends and potential disparities across different demographic groups. These insights enable the Group to implement targeted measures to enhance job satisfaction, strengthen employee engagement, and support retention, ensuring that employees feel valued and supported regardless of their background. Such efforts contribute to building a diverse, dynamic, and resilient workforce.

In FY2025, the Group recorded an overall turnover rate of approximately 9.46%, representing a reduction compared to the previous year and meeting its established target of <10%. When analysed by gender, new hires exceeded turnover for both male and female employees, with a higher net increase observed among male employees. Across age groups, a higher proportion of new hires was recorded among employees below 30 years old, while turnover was more pronounced within the 30 to 50 age group.

Through these ongoing efforts, Marco Polo continues to strengthen its operational effectiveness while cultivating a workplace culture that promotes diversity, inclusion, and long-term workforce stability across all levels of the organisation.

## FAIR EMPLOYMENT PRACTICES

Marco Polo is committed to fair and responsible employment practices, ensuring equal treatment for all employees while complying with applicable local labour regulations, including minimum wage requirements. In FY2025, entry-level employees at the Group's Batam Shipyard received remuneration aligned with the prevailing local minimum wage of IDR 4.99 million, ensuring equitable compensation irrespective of gender. This commitment underpins the Group's approach to fair labour practices and compliance with local regulatory requirements.

The Group also upholds employees' rights to freedom of association and collective bargaining, recognising the importance of open dialogue and employee representation. In 2024, Marco Polo entered into a Memorandum of Understanding (MOU) with the Shipbuilding and Marine Engineering Employees' Union (SMEEU). This collaboration provides a structured framework for effective grievance handling and includes the establishment of a Company Training Committee (CTC). The CTC supports workforce transformation by identifying roles impacted by industry changes, exploring new employment opportunities, and developing targeted training

programmes to equip employees with the skills required to adapt and thrive in an evolving industry landscape.

In addition, Marco Polo maintains active engagement with trade unions in Batam through annual meetings to discuss wages, benefits, and working conditions. At the Singapore headquarters, a new initiative was introduced to further strengthen employee voice by providing a feedback mechanism in the form of a "Ridiculous Box" located in a common area. This platform allows employees to submit suggestions or raise concerns anonymously, encouraging open feedback and enabling management to identify areas for improvement and take appropriate actions.

To further support employees' understanding of workplace policies and expectations, Marco Polo provides a comprehensive Staff Handbook, which is accessible via the Group's internal portal. The handbook serves as a key reference point, promoting transparency, consistency, and clarity across the organisation.

## DEVELOPING EMPLOYEES

At Marco Polo, holistic employee development is a core element of the Group's people philosophy. Training and development are integral to the employee experience, equipping individuals with the skills and capabilities required to perform effectively in their roles and progress in their careers. In line with this commitment, the Group places strong emphasis on continuous learning and professional development, offering a range of training programmes and career advancement opportunities.

The Group has established an annual training framework under which department heads identify the specific training needs of their respective teams. This structured and tailored approach ensures that employees receive targeted support aligned with both organisational objectives and individual development goals. By cultivating a culture of continuous improvement

and skills enhancement, Marco Polo remains committed to developing its talent and strengthening organisational capabilities.

All training and development programmes are led by the Group's Human Resources (HR) Manager, with the HR team overseeing the end-to-end process. Employee training needs are identified through a formal training request process, whereby employees may apply for relevant training by submitting a training request form to the HR department for review and approval. To evaluate the effectiveness of these initiatives, post-training evaluation forms are also made available to employees, supporting continuous improvement of the Group's learning and development programmes.

## TRAINING DATA FOR 3 YEARS

| METRIC                              | FY2023 | FY2024 | FY2025 |
|-------------------------------------|--------|--------|--------|
| Total training hours                | 2,439  | 972    | 616.5  |
| Number of courses                   | 65     | 45     | 46     |
| Average training hours per employee | 3.78   | 5.40   | 2.78   |

### FY2025

Average training hours per employee by gender

**Male:** 2.43 hours

**Female:** 3.68 hours

All employees receive on-the-job training as part of their roles, supporting both skills development and leadership growth across the organisation. This approach enables junior employees to build essential technical and professional competencies, while providing senior employees and managers with opportunities to strengthen

their leadership and supervisory capabilities. In addition, all directors are required to complete sustainability training certified by the Singapore Institute of Directors, enhancing their understanding of sustainability-related risks, opportunities, and governance responsibilities.

In FY2025, the Group recorded an average of 2.43 training hours per male employee and 3.68 training hours per female employee, reflecting a relatively balanced allocation of training opportunities across genders. This demonstrates the Group's commitment to providing equitable access to learning and development initiatives for all employees.

Training for offshore crew members is conducted on an as-needed basis in accordance with charter requirements and operational needs. These programmes include essential courses such as Rigging & Slinging and Basic Offshore Safety

Induction and Emergency Training (BOSIET). To reinforce formal training, senior officers also conduct regular onboard drills, ensuring that crew members remain familiar with safety procedures and emergency response protocols.

During the year, Marco Polo delivered a broad range of training programmes across its operations. The Singapore headquarters conducted 17 training courses for employees, while PKRO and PTBRR delivered 9 and 12 courses respectively. The Shipyard division further supported workforce development by organising 8 training courses for its employees. Collectively, these efforts underscore the Group's commitment to enhancing skills, strengthening safety awareness, and building workforce capabilities at all levels of the organisation.

## EMPLOYEE WELL-BEING

Besides training and development, looking after the well-being of employees is crucial to their development. By creating a supportive and inclusive work environment, Marco Polo aids collaboration and innovation. Wellness initiatives such as Zumba and Yoga classes were introduced to promote physical health, mental well-being, and a balanced lifestyle among employees.



## EMPLOYEE ENGAGEMENT

During the year, the Recreational Committee at the Singapore Headquarters, comprising representatives from each internal department, continued to organise a diverse range of staff engagement activities aimed at strengthening interpersonal relationships and fostering team cohesion. These initiatives included festive celebrations such as the Chinese New Year and TGIF gatherings, as well as interactive and experiential activities such as escape room challenges, and a barbecue session at East Coast Park. Collectively, these activities helped cultivate a strong sense of community, encouraged teamwork, and provided employees with meaningful opportunities to unwind and connect beyond the workplace.





At PTBBR, the Group continued to invest in employee engagement initiatives aimed at strengthening teamwork and workplace morale. One of the key highlights during the year was a multi-day company outing, which offered employees a meaningful opportunity to step away from their daily routines and engage in a shared experience of adventure, play, and learning. Through a combination of fun-filled activities and collaborative challenges, the outing encouraged team bonding, mutual understanding, and personal growth, helping to build stronger relationships and a more connected workforce beyond the office environment.

By investing in the physical, mental, and emotional well-being of its workforce, the Group ensures that employees remain motivated, engaged, and well-equipped to contribute meaningfully to organisational objectives. This holistic approach not only enhances individual performance but also strengthens the overall resilience and competitiveness of Marco Polo. In parallel, the Group continues to place strong emphasis on improving employee satisfaction and engagement across its operations in various locations.



## EMPLOYEE BENEFITS

At Marco Polo, employee benefits include the provision of parental leave, recognising parenthood as an important life milestone. Parental leave enables employees to bond with their newborn or newly adopted child without work-related pressures, supporting the physical and emotional well-being of both parent and child.

This support helps ease the transition into parenthood, reduces stress, and contributes to improved mental well-being and job satisfaction upon return to work. From an organisational perspective, offering parental leave reflects Marco Polo's commitment to employee well-being and work-life balance, strengthening talent attraction, retention, and engagement. By fostering a family-friendly workplace culture, the Group enhances employee loyalty, productivity, and its overall competitiveness in the job market.

### Employee Parental Leave Data

| METRIC   | GLOBAL OFFICES | SHIPYARD |
|--|----------------|----------|
| Employees Entitled for Parental Leave:   | 93             | 129      |
| Male   | 44             | 117      |
| Female   | 49             | 12       |
| Employees who took paternity leave:  | 1              | 4        |
| Employees who took maternity leave:  | 2              | 0        |
| Male:  | 0%             | 100%     |
| Return to Work Rate<br>(Return to work after parental leave period)                        | 100%           | N/A      |
| Female:  | 100%           | N/A      |
| Return to Work Rate<br>(Return to work after parental leave period)                        |                |          |
| Male:  | N/A            | 66.67%   |
| Retention Rate<br>(Remain with the organisation for 12 months or more post parental leave) | 100%           | N/A      |
| Female:  | 100%           | N/A      |
| Retention Rate<br>(Remain with the organisation for 12 months or more post parental leave) |                |          |

The Group provides a comprehensive suite of employee benefits, including life and health insurance, disability and invalidity coverage, compassionate leave, retirement provisions, stock ownership, and pension coverage. These benefits are designed to support employees across different stages of life and career, reinforcing the Group's commitment to their long-term well-being.

Marco Polo recognises that a healthy workforce delivers value beyond individual employees. Reduced absenteeism, lower healthcare costs, and higher morale contribute to a more resilient and sustainable organisation. As such, the Group views investment in employee well-being not as a cost, but as a strategic enabler that drives performance, profitability, and long-term success.

Building a healthy, supportive, and engaging work environment remains central to Marco Polo's organisational strategy. By placing employee well-being at the core of its operations, the Group enhances quality of life for its workforce while strengthening its competitiveness in the evolving business landscape.

## VOLUNTEERING

Volunteering plays an important role in engaging Marco Polo's employees while fostering a strong sense of social responsibility. It provides employees with the opportunity to step away from their daily work routines, develop personal and interpersonal skills, and make meaningful contributions to the communities in which the Group operates. These experiences not only create a sense of fulfilment but also help boost employee morale and engagement.

To encourage participation, Marco Polo offers all employees up to two days of volunteering leave annually, enabling them to support community initiatives of their choice. This approach helps cultivate a culture of community involvement and shared purpose across the organisation. During the year, the Group recorded an average of 4.24 volunteering hours per participating employee,

with approximately 33% of the permanent workforce taking part in volunteering activities. This level of participation reflects Marco Polo's ongoing commitment to community service while strengthening employee engagement and connection beyond the workplace.

### Employee Volunteering Data

| METRIC                              | MARCO POLO MARINE |
|-------------------------------------|-------------------|
| Number of volunteering hours        | 314               |
| Number of employees who volunteered | 74                |

## PERFORMANCE APPRAISAL AND CAREER DEVELOPMENT

Performance appraisals play a central role in supporting both organisational effectiveness and employee development at Marco Polo. They provide a structured framework to recognise strengths, identify areas for improvement, and align individual contributions with the Group's strategic objectives. The insights gained from these assessments inform key decisions on promotions, remuneration, and training, while constructive feedback and recognition help enhance employee morale, engagement, and performance.

Performance appraisals also serve as an important platform for career development by facilitating open dialogue between employees and their managers. Through these discussions, employees are able to articulate their career aspirations, align personal goals with organisational needs, and establish clear pathways for progression. Structured feedback and targeted training initiatives based on skills assessments further support professional growth by building confidence, strengthening competencies, and clarifying performance expectations.

At Marco Polo, all permanent employees undergo an annual performance review to assess job performance and discuss career development opportunities. Offshore crew members, who are engaged on a contractual basis, are evaluated upon completion of their employment contracts. The Group remains committed to continuously reviewing and enhancing its performance appraisal and career development processes to ensure they remain effective, relevant, and supportive of employee growth.

By embedding performance appraisals into its management practices, Marco Polo strengthens operational efficiency while fostering a motivated, capable, and sustainable workforce.

## COMMUNITY ENGAGEMENT

At Marco Polo, the Group believes that just as a tree relies on the nutrients and support of the soil to grow, an organisation thrives when it is deeply rooted in the communities it serves. Beyond conducting business, Marco Polo strives to be an active and responsible member of the community, recognising that meaningful engagement fosters trust, goodwill, and long-term relationships. This mutual connection strengthens customer loyalty, advocacy, and brand resilience, while nurturing a shared sense of purpose and collective growth. As such, community engagement forms an integral part of the Group's business conduct and sustainability approach.

During FY2025, Marco Polo demonstrated a strong commitment to community engagement across its operations, ensuring that initiatives were both impactful and far-reaching. In addition to the Singapore Headquarters, subsidiaries across various locations actively invested in community-focused programmes. These initiatives included beach clean-ups, mangrove tree planting, outings for wheelchair-bound seniors, and participation in the Willing Hearts volunteer programme. Collectively, these efforts not only supported environmental protection but also strengthened social outreach, reinforcing Marco Polo's commitment to contributing positively to the communities in which it operates.

## BATAM MANGROVE TREE PLANTING

On 28 March 2025, approximately 28 volunteers from the Singapore Headquarters, together with colleagues from the Shipyard team, participated in a mangrove tree planting activity along the Batam coastline in collaboration with Ekowisata Mangrove Pandang Tak Jemu. Through this hands-on initiative, teams from Singapore and Shipyard Batam contributed to the restoration of Batam's coastal ecosystem while reinforcing the Group's commitment to sustainability. Mangroves play a vital role in protecting shorelines, supporting marine biodiversity, absorbing carbon, and enhancing climate resilience. Each tree planted represents a meaningful step towards environmental conservation and a more resilient future.



## WILLING HEART VOLUNTEER

On 19 June 2025, seven volunteers demonstrated their continued commitment to community service by using their volunteer leave to support Willing Hearts Singapore. Several of these volunteers have been contributing to this initiative consistently for over five consecutive years, reflecting a strong and sustained dedication to making a meaningful impact. During the activity, volunteers assisted with meal preparation, including ingredient preparation, cooking, and packaging. Their collective efforts enabled the efficient preparation and delivery of approximately 1,000 meals to beneficiaries in need on the same day.



## FEI YUE AAC SENIORS OUTING

On 5 September 2025, the Marco Polo Group partnered with Fei Yue Active Ageing Centre to organise an outing for wheelchair-bound seniors at Gardens by the Bay. Through this initiative, volunteer staff had the opportunity to engage with the elderly, assist with wheelchair handling, and provide attentive care throughout the outing. Many of the seniors shared how meaningful the experience was for them, as some had not been able to go out for an extended period due to their circumstances. Seeing their joy and smiles was deeply moving and served as a reminder of the importance of giving back and creating meaningful moments for the community.



At PKRO, their dedicated efforts culminated in an investment and this amount was channelled into various environmental sustainability initiatives such as tree planting and wetland protection.

## SALT CHRISTMAS GIFT GIVING

PKRO participated in the Christmas Gift-Giving Tree Project, delivering festive gifts to children at the Changhua Branch of the Taipei Orphan Welfare Foundation. Through this initiative, employees from the Taipei and Taichung offices came together to purchase, wrap, and personally deliver gifts based on the children's wish lists, creating meaningful moments of connection and joy. In collaboration with SALT Collectiv, with support from British Chamber of Commerce in Taipei, the activity provided an opportunity for employees to engage directly with the community while reinforcing the Group's commitment to corporate social responsibility and giving back to those in need.



## HUALIEN BEACH CLEAN UP

During the year, PKR Offshore Co., Ltd. supported and participated in a community clean-up initiative in Hualien in collaboration with the British Chamber of Commerce in Taipei (BCCT). The activity focused on coastal restoration following the impacts of recent earthquakes and typhoons, helping to remove debris while raising awareness of environmental protection and climate resilience. Through this collaboration, employees, partners, and community stakeholders came together to support Hualien's environmental recovery and local economy, reflecting the Group's belief that business growth should go hand in hand with social and environmental responsibility.



In a similar manner, PTBBR invested in the planting of 300 mangrove seedlings in Indonesia as part of its commitment to environmental stewardship and coastal ecosystem restoration. The activity was supported by local partners, who provided briefings and guidance on proper planting techniques to maximise seedling survival and long-term growth. Through this initiative, PTBBR aims to contribute to shoreline protection, biodiversity enhancement, and the strengthening of climate resilience within the local coastal environment.

#### PTBBR CSR – MANGROVE TREE PLANTING



These efforts emphasise Marco Polo's dedication to not only contributing financially but also actively participating in the betterment of the communities it operates in. By focusing on both environmental and social initiatives, the Group aims to bring about positive change and promote sustainability within these communities.

## OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety (OHS) is a fundamental pillar of Marco Polo's commitment to employee well-being and operational excellence. The Group recognises that a safe, healthy, and supportive work environment enables employees to perform at their best, fosters collaboration, and supports long-term productivity and resilience. As such, investment in health and safety is viewed not as a cost, but as a strategic enabler of sustainable business performance.

At the Singapore Headquarters, employees participate in biannual fire drills conducted by building management to ensure familiarity with emergency procedures and evacuation routes. These drills enhance safety awareness, preparedness, and confidence in responding to emergency situations.

Within the Shipyard division, a monthly Safety Statistics Report Summary is maintained to monitor workplace injuries and incidents in line with regulatory requirements in Singapore and Batam. Regular tracking and review of safety performance enable the identification of potential risks and the implementation of preventive measures, reinforcing a proactive safety culture.

For offshore operations, all crew members undergo a mandatory Pre-Joining Briefing covering safety policies in accordance with the International Safety Management (ISM) Code, safe working practices, and incident and near-miss reporting procedures. Prior to each voyage, crew members also complete a Shipboard Familiarisation Tour to ensure awareness of safety equipment and escape routes. In addition, compliance

with the Maritime Labour Convention (MLC) provides clear channels for feedback and grievance handling, ensuring proper working and living conditions for crew members.

In FY2025, Marco Polo Offshore achieved its first ISO 45001:2018 Occupational Health and Safety Management System certification, marking a significant milestone in strengthening the Group's health and safety framework. This certification enables systematic identification and management of OHS risks, further reducing the likelihood of workplace incidents and reinforcing Marco Polo's commitment to maintaining a safe and resilient working environment across its operations.

### HEALTH AND SAFETY POLICIES AT MARCO POLO OFFSHORE DIVISION

#### HEALTH, SAFETY, SECURITY, ENVIRONMENT PROTECTION & QUALITY (HSSEQ) POLICY

This policy aims to eliminate work-related injuries and illnesses and to achieve high standards of security and environmental protection. It aims to achieve zero incident of harm to people, damage to the environment, damage to the equipment and security incidents besides ascertaining satisfaction of client requirements.

#### DRUG ALCOHOL AND SUBSTANCE ABUSE POLICY

This policy demonstrates the commitment to maintaining a safe workplace for all by implementing a system of zero tolerance for drugs, alcohol or any kind of substance misuse. Any employee or person on board Marco Polo's vessel is unauthorised from consuming, possessing, distributing, purchasing or selling any substance of misuse.

The policy also states that unannounced testing or searches for drugs and alcohol on organisation-operated vehicles can also be conducted.

#### JOURNEY MANAGEMENT POLICY

This policy is aimed at enhancing occupational health and safety to achieve reduction in the number of incidents and injuries, reduction in the exposure to road hazards, ensuring driver competency and asset integrity.

#### PERSONAL PROTECTIVE EQUIPMENT POLICY

This policy is in line with the HSSEQ Policy and aims to enhance overall safety at the workplace through the provision of proper protective equipment.

#### STOP WORK POLICY

In order to promote a safe environment, Marco Polo has implemented a policy mandating all employees, including contractor staff, to stop work immediately in case there is potential danger to the health and safety of employees and/or members of the public.

## SAFETY RISK ASSESSMENT

Safety risk assessments are a core element of Marco Polo's approach to occupational health and safety, enabling the identification, evaluation, and control of potential hazards to ensure risks remain at acceptable levels. Regular risk assessments support a proactive safety culture by allowing crews to anticipate and mitigate hazards before they escalate into incidents. This ongoing vigilance safeguards both personnel and vessels, ensures compliance with international safety standards, and enhances the efficiency and reliability of ship operations.

At Marco Polo, risk assessments are conducted prior to the commencement of any new or non-routine tasks and are complemented by appropriate crew training to ensure safe execution. Routine tasks are also subject to periodic review to ensure that control measures remain effective and relevant. All assessment outcomes are systematically documented in the Risk Assessment Review Record. Through this structured process, the Group strengthens the safety management capabilities of shipboard personnel and continuously promotes a safer and more productive working environment across its fleet.

## OHS PERFORMANCE

The Group is committed to upholding high standards of occupational health and safety across its operations, supported by structured policies, robust controls, and continuous monitoring to safeguard employee well-being.

The Group's overall OHS performance reflects the effectiveness of these comprehensive measures, underpinned by thorough risk assessments and collective efforts to maintain a safe and healthy work environment. Notably, there were zero high-consequence work-related injuries recorded during the year, underscoring Marco Polo's strong commitment to protecting its workforce.

## FY2025 OSH Performance

| METRIC  | SHIPYARD  | OFFSHORE  |
|---|-----------|-----------|
| Total manhours/ exposure hours  | 2,699,149 | 1,895,762 |
| Recordable work-related injuries:   |           |           |
| (a) Fatalities  | 0         | 0         |
| (b) Days away from work cases   | 0         | 0         |
| (c) Medical treatment cases   | 2         | 1         |
| (d) Restricted work cases   | 0         | 0         |
| Recordable work-related injuries rate   | 0         | 0         |
| Fatalities rate   | 0         | 0         |
| High-consequence work-related injuries<br>(excluding fatalities)                            | 0         | 0         |
| Recordable work-related ill health cases  | 0         | 0         |
| First aid cases   | 2         | 1         |
| Near miss report  | 0         | 2         |
| Fire incidents  | 0         | 0         |
| Security incidents  | 0         | 0         |
| Lost time incident rate (LTIR)<br>(Lost time incident / total man hours worked x 1,000,000) | 0         | 0         |

Near-miss reporting remains a critical component of Marco Polo's safety management framework, serving as an early-warning mechanism to identify potential hazards before they escalate into serious incidents. During the year, the Group recorded two near-miss cases, representing a decrease compared to the previous reporting period. This reduction reflects improved hazard awareness, effective preventive controls, and a growing culture of proactive safety reporting across operations.

In addition, three first-aid cases and three medical treatment cases were reported during the year. These incidents were promptly addressed in accordance with established safety and medical response procedures, with no escalation into more severe outcomes. Importantly, the Group recorded zero lost time injuries and zero fatalities, including those related to work-related incidents. This indicates that while minor incidents may occur in operational environments, the severity of injuries remains low and well-controlled through effective safety measures, training, and supervision.

Collectively, these safety performance indicators demonstrate the effectiveness of Marco Polo's occupational health and safety systems in preventing high-consequence incidents and protecting its workforce.

Overall, the Group's social performance reflects a strong and structured commitment to social sustainability. Marco Polo continues to enhance its social initiatives through data-driven monitoring, continuous improvement, and proactive engagement with employees and communities. By strengthening social performance metrics and embedding social responsibility into its operations, the Group aims to deliver sustained positive impact while setting a benchmark for responsible business practices within the industry.



## **Navigating the Future Responsibly**

# APPENDIX



| DISCLOSURE   | LOCATION/REFERENCE   |
|--|--|
| <b>GRI 2: GENERAL DISCLOSURES 2021</b>   |  |
| 2-1 Organisational details   | About Marco Polo Group   |
| 2-2 Entities included in the organisation's sustainability reporting                 | Reporting Boundary   |
| 2-3 Reporting period, frequency and contact point                                    | About the Report; Feedback and Disclaimer  |
| 2-4 Restatements of information  | Restatement of Information is disclosed at relevant sections where applicable  |
| 2-5 External assurance   | Assurance Statement  |
| 2-6 Activities, value chain and other business relationships                         | About Marco Polo Group; Our Regional Footprint   |
| 2-7 Employees  | Employment; Our Workforce  |
| 2-8 Workers who are not employees  | Employment; Our Workforce  |
| 2-9 Governance structure and composition   | Corporate Governance Structure   |
| 2-10 Nomination and selection of the highest governance body                         | Annual Report – Corporate Governance Statement   |
| 2-11 Chair of the highest governance body  | Annual Report – Corporate Governance Statement   |
| 2-12 Role of the highest governance body in overseeing the management of impacts     | Annual Report – Corporate Governance Statement; Group Sustainability Committee   |
| 2-13 Delegation of responsibility for managing impacts                               | Group Sustainability Committee   |
| 2-14 Role of the highest governance body in sustainability reporting                 | Group Sustainability Committee   |
| 2-15 Conflicts of interest   | Annual Report – Corporate Governance Statement   |
| 2-16 Communication of critical concerns  | Materiality Assessment   |
| 2-17 Collective knowledge of the highest governance body                             | Annual Report – Corporate Governance Statement   |
| 2-18 Evaluation of the performance of the highest governance body                    | Annual Report – Corporate Governance Statement   |
| 2-19 Remuneration policies   | Annual Report – Corporate Governance Statement   |
| 2-20 Process to determine remuneration   | Annual Report – Corporate Governance Statement   |
| 2-21 Annual total compensation ratio   | Confidentiality Constraints  |
| 2-22 Statement on sustainable development strategy                                   | Letter from Our CEO  |
| 2-23 Policy commitments  | Ethical Practices  |
| 2-24 Embedding policy commitments  | Ethical Practices  |
| 2-25 Processes to remediate negative impacts   | Accountability, Transparency and Integrity   |
| 2-26 Mechanisms for seeking advice and raising concerns                              | Accountability, Transparency and Integrity   |
| 2-27 Compliance with laws and regulations  | Accountability, Transparency and Integrity   |
| 2-28 Membership associations   | Marco Polo is a member of Singapore Shipping Association (SSA) since 2010 and Association of Singapore Marine and Offshore Energy Industries (ASMI) member since 2022. |
| 2-29 Approach to stakeholder engagement  | Stakeholder Engagement   |
| 2-30 Collective bargaining agreements  | Fair Employment Practices  |
| <b>GRI 3: MATERIAL TOPICS 2021</b>   |  |
| 3-1 Process to determine material topics   |  |
| 3-2 List of material topics  | Materiality Assessment   |
| 3-3 Management of material topics  |  |
| <b>GRI 201: ECONOMIC PERFORMANCE 2016</b>  |  |
| 201-1 Direct economic value generated and distributed                                | Economic Performance   |
| 201-2 Financial implications and other risks and opportunities due to climate change | Climate Change – Identification of Climate-related Risks and Opportunities   |

| DISCLOSURE   | LOCATION/ REFERENCE  |
|--|--|
| <b>GRI 203: INDIRECT ECONOMIC IMPACTS 2016</b>   |  |
| <b>203-1</b> Infrastructure investments and services supported   | Indirect Value Creation                                      |
| <b>GRI 204: PROCUREMENT PRACTICES 2016</b>   |  |
| <b>204-1</b> Proportion of spending on local suppliers   | Local Procurement  |
| <b>GRI 205: ANTI-CORRUPTION 2016</b>   |  |
| <b>205-2</b> Communication and training about anti-corruption policies and procedures  | Accountability, Transparency and Integrity – Anti corruption |
| <b>205-3</b> Confirmed incidents of corruption and actions taken   | Accountability, Transparency and Integrity – Anti corruption |
| <b>GRI 301: MATERIALS 2016</b>   |  |
| <b>301-1</b> Materials used by weight or volume  | Material Management  |
| <b>GRI 302: ENERGY 2016</b>  |  |
| <b>302-1</b> Energy consumption within the organisation  | Energy Consumption   |
| <b>302-3</b> Energy intensity  | Energy Consumption   |
| <b>GRI 303: WATER AND EFFLUENTS 2018</b>   |  |
| <b>303-2</b> Management of water discharge-related impacts   | Management of Water Discharge-Related Impact                 |
| <b>303-4</b> Water discharge   | Management of Water Discharge-Related Impact                 |
| <b>303-5</b> Water consumption   | Water Consumption  |
| <b>GRI 304: BIODIVERSITY 2016</b>  |  |
| <b>304-1</b> Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Biodiversity   |
| <b>GRI 305: EMISSIONS 2016</b>   |  |
| <b>305-1</b> Direct (Scope 1) GHG emissions  |  |
| <b>305-2</b> Energy indirect (Scope 2) GHG emissions   | Emission Profile   |
| <b>305-3</b> Other indirect (Scope 3) GHG emissions  |  |
| <b>305-4</b> GHG emissions intensity   |  |
| <b>GRI 306: WASTE 2020</b>   |  |
| <b>306-1</b> Waste generation and significant waste-related impacts  |  |
| <b>306-3</b> Waste generated   | Waste Management   |
| <b>306-4</b> Waste diverted from disposal  |  |
| <b>306-5</b> Waste directed to disposal  |  |
| <b>GRI 401: EMPLOYMENT 2016</b>  |  |
| <b>401-1</b> New employee hires and employee turnover  | Employment; Our Workforce                                    |
| <b>401-2</b> Benefits provided to full-time employees that are not provided to temporary or part-time employees  | Employee Benefits  |
| <b>401-3</b> Parental leave  | Employee Benefits  |
| <b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>  |  |
| <b>403-1</b> Occupational health and safety management system  | Occupational Health and Safety                               |
| <b>403-2</b> Hazard identification, risk assessment, and incident investigation  | Safety Risk Assessment                                       |
| <b>403-7</b> Prevention and mitigation of occupational health and safety impacts directly linked by business relationships                             | Occupational Health and Safety; Safety Risk Assessment       |
| <b>403-8</b> Workers covered by an occupational health and safety management system  | Occupational Health and Safety                               |

| DISCLOSURE  | LOCATION/ REFERENCE                          |
|---|--|
| <b>403-9</b> Work-related injuries  | OHS Performance                              |
| <b>403-10</b> Work-related ill health   | OHS Performance                              |
| <b>GRI 404: TRAINING AND EDUCATION 2016</b>   |  |
| <b>404-1</b> Average hours of training per year per employee  | Developing Employees                         |
| <b>404-2</b> Programs for upgrading employee skills and transition assistance programs                                      | Developing Employees                         |
| <b>404-3</b> Percentage of employees receiving regular performance and career development reviews                           | Performance Appraisal and Career Development |
| <b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>  |  |
| <b>405-1</b> Diversity of governance bodies and employees   | Employment; Our Workforce                    |
| <b>GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016</b>   |  |
| <b>407-1</b> Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Fair Employment Practices                    |
| <b>GRI 413: LOCAL COMMUNITIES 2016</b>  |  |
| <b>413-1</b> Operations with local community engagement, impact assessments, and development programs                       | Community Engagement                         |
| <b>GRI 415: PUBLIC POLICY 2016</b>  |  |
| <b>415-1</b> Political contributions  | Political Contributions                      |
| <b>GRI 418: CUSTOMER PRIVACY 2016</b>   |  |
| <b>418-1</b> Substantiated complaints concerning breaches of customer privacy and losses of customer data                   | Data Privacy and Cybersecurity               |



| RECOMMENDED DISCLOSURES   | LOCATION   |
|---|--|
| <b>GOVERNANCE</b>   |  |
| a) Describe the board's oversight of climate-related risks and opportunities  | Board's Roles and Responsibility for Climate related Risks and Opportunities |
| b) Describe management's role in assessing and managing climate related risks and opportunities.  | Group Sustainability Committee, Term of Reference                            |
| <b>STRATEGY</b>   |  |
| a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term                               | Climate Change – Identification of Climate-Related Risk and Opportunities    |
| c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | Climate Scenario Analysis  |

| RECOMMENDED DISCLOSURES  | LOCATION   |
|--|--|
| <b>RISK MANAGEMENT</b>   |  |
| a) Describe the organisation's processes for identifying and assessing climate related risk  | Climate Change – Identification of Climate-Related Risks and Opportunities |
| b) Describe the organisation's processes for managing climate related risks  |  |
| c) Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organisation's overall risk management. | Enterprise Risk Management   |
| <b>METRICS AND TARGETS</b>   |  |
| a) Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process | Climate Change   |
| b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks   | Emission Profile   |
| c) Describe the targets used by the organisation to manage risks and opportunities and performance against targets                                       | Performance and Targets  |



## MARINE TRANSPORTATION [OFFSHORE FLEET]

| ACCOUNTING METRIC   | UNIT OF MEASURE                                  | FY2025 DATA   | SASB CODE    |
|---|--|---|--------------|
| <b>GREENHOUSE GAS EMISSIONS</b>   |  |   |              |
| Gross global Scope 1 emissions  | Metric tonnes (t) CO <sub>2</sub> e              | 9,695   | TR-MT-110a.1 |
| Discussion of long and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | Qualitative description                          | Performance and Targets; Emission Profile; Energy Consumption | TR-MT-110a.2 |
| Total energy consumed   | Gigajoules (GJ)                                  | 87,755.2  | TR-MT-110a.3 |
|   | % of energy from heavy fuel                      | 0%  |              |
|   | % of energy from renewable / low-carbon sources  | 0%  |              |
| Average Energy Efficiency Design Index (EEDI) for new ships   | Grammes of CO <sub>2</sub> per ton-nautical mile | Not applicable  | TR-MT-110a.4 |
| <b>AIR QUALITY</b>  |  |   |              |
| NO <sub>x</sub> (excluding N <sub>2</sub> O)  | Tonnes   | 1,764.56  | TR-MT-120a.1 |
| SO <sub>x</sub>   | Tonnes   | 69.13   |              |

| ACCOUNTING METRIC  | UNIT OF MEASURE            | FY2025 DATA    | SASB CODE    |
|--|----------------------------|----------------|--------------|
| <b>ECOLOGICAL IMPACTS</b>  |                            |                |              |
| Shipping duration in marine protected areas or areas of protected conservation status  | Number of travel days      | Not applicable | TR-MT-160a.1 |
| Percentage of fleet implementing ballast water   | (%) Exchange               | 55%            | TR-MT-160a.2 |
|  | (%) Treatment              | 0%             |              |
| Number and aggregate volume of spills and releases to the environment  | Number, Cubic metres (m³)  | 0              | TR-MT-160a.3 |
| <b>WORKFORCE HEALTH &amp; SAFETY</b>   |                            |                |              |
| Lost time incident rate (LTIR)   | Rate                       | 0              | TR-MT-320a.1 |
| <b>BUSINESS ETHICS</b>   |                            |                |              |
| Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index | Number                     | Not applicable | TR-MT-510a.1 |
| Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption                             | S\$                        | 0              | TR-MT-510a.2 |
| <b>ACCIDENT &amp; SAFETY MANAGEMENT</b>  |                            |                |              |
| 1. Number of marine casualties   | Number, Percentage (%)     | 0%             | TR-MT-540a.1 |
| 2. Percentage classified as very serious   |                            |                |              |
| <b>OUR OPERATIONS IN NUMBERS</b>   |                            |                |              |
| Number of shipboard employees  | Number                     | 506            | TR-MT-000.A  |
| Total distance travelled by vessels  | Nautical miles (nm)        | 142,424.6      | TR-MT-000.B  |
| Deadweight tonnage   | Thousand deadweight tonnes | 28.718         | TR-MT-000.D  |
| Number of vessels in total shipping fleet  | Number                     | 20             | TR-MT-000.E  |

## INDUSTRY MACHINERY & GOODS [SHIPYARD]

| ACCOUNTING METRIC  | UNIT OF MEASURE         | FY2025 DATA         | SASB CODE    |
|--|-------------------------|---------------------|--------------|
| <b>ENERGY MANAGEMENT</b>   |                         |                     |              |
| Total energy consumed  | Gigajoules (GJ)         | 82,458.06           | RT-IG-130a.1 |
|  | % of grid electricity   | 31%                 |              |
|  | % renewable             | 0%                  |              |
| <b>WORKFORCE HEALTH &amp; SAFETY</b>   |                         |                     |              |
| Total recordable incident rate (TRIR)  |                         | 0.148               | RT-IG-320a.1 |
| Fatality rate  | Rate                    | 0                   |              |
| Near miss frequency rate (NMFR)  |                         | 0                   |              |
| <b>MATERIAL SOURCING</b>   |                         |                     |              |
| Description of the management of risks associated with the use of critical materials | Qualitative Description | Material Management | RT-IG-440a.1 |
| <b>REMANUFACTURING DESIGN &amp; SERVICES</b>   |                         |                     |              |
| Revenue from remanufactured products and remanufacturing services                    | S\$                     | Not applicable      | RT-IG-440b.1 |
| <b>OUR OPERATIONS IN NUMBERS</b>   |                         |                     |              |
| Number of employees  | Number                  | 373                 | RT-IG-000.B  |





**MARCO POLO MARINE**

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