

OUR APPROACH TO SUSTAINABILITY



PSA seeks to be the port operator and supply chain partner of choice. We recognise that by operating responsibly and integrating environmental and social values into the core of our business, we can go the distance for both our people and the planet.

OUR SUSTAINABILITY STRATEGY FRAMEWORK

Strategic Growth Drivers CREATING SUSTAINABLE VALUE



TAKING CLIMATE ACTION

Material Topics:

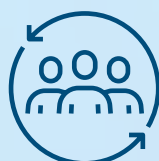
- Climate Change Adaptation
- Emissions and Energy



TRANSFORMING SUPPLY CHAINS

Material Topics:

- Optimisation of Global Supply Chains
- Innovation and Technology



NURTURING A FUTURE-READY WORKFORCE

Material Topics:

- People Development
- Occupational Health and Safety



Underpinned by Business Fundamentals STEWARDED RESPONSIBLE BUSINESS



ENSURING RESPONSIBLE OPERATIONS

Material Topics:

- Sustainable Port Development
- Marine Protection and Conservation
- Waste Management and Recycling
- Water Use and Pollution



PROTECTING OUR PEOPLE

Material Topics:

- Employee Diversity and Inclusion
- Labour Relations and Worker Wellbeing



ACTING WITH INTEGRITY

Material Topics:

- Ethical Business Conduct
- Sustainable Procurement



SUPPORTING OUR COMMUNITIES

Material Topics:

- Community Relations



KEEPING OUR OPERATIONS SAFE AND SECURE

Material Topics:

- Port Security
- Cybersecurity and Data Privacy

PSA International's sustainability strategy outlines our objectives and priorities, guiding us in creating stakeholder value and promoting responsible business practices. Developed through extensive stakeholder engagement and a materiality assessment, our strategy framework identifies PSA's key priorities.

"Creating Sustainable Value" focuses on three strategic growth drivers that emphasise industry leadership, with six material topics aligned to these goals. We have set clear targets to monitor our progress on these topics. See section on [Overview of 2024 Performance](#) for more information.

Our strategic growth areas are grounded in strong business fundamentals, with a focus on embedding responsibility into our culture and operations. This is reflected in the 11 material topics under "Stewarding Responsible Business," guiding us to manage risks and reduce negative impacts as we expand.

2024 HIGHLIGHTS

TAKING CLIMATE ACTION

- Increased our adoption of renewable energy through self-generation facilities and procurement mechanisms, resulting in 374,000 MWh of renewable energy used by our global business units in 2024
- Expanded our Climate Risk Assessment and Adaptation (CRAA) assessment to include more of our business units, adding to the climate resiliency of PSA



TRANSFORMING SUPPLY CHAINS

- Announced a strategic expansion of PSA Singapore's Jurong Island Terminal (JIT) to meet growing demand for sustainable, efficient, and resilient supply chain solutions for industries based on Jurong Island
- Launched the PSA BDP Carbon Dashboard to provide internal teams and customers with carbon emissions data alongside customer freight information
- Launched PSA's OptETracker tool with Global DTC to facilitate the tracking of overall GHG emissions along the Middle Corridor



NURTURING A FUTURE-READY WORKFORCE

- Recognised as one of TIME's "World's Best Companies 2024"
- Launched a series of AI learning programs to deepen understanding and application of AI technology, enhancing productivity and performance










STEWARDED RESPONSIBLE BUSINESS

- PSA Singapore was recognised as a "Champion of Good" by the National Volunteer and Philanthropy Centre (NVPC), a title awarded to organisations that demonstrate outstanding commitment to making a positive impact



OVERVIEW OF 2024 PERFORMANCE

TAKING CLIMATE ACTION		TARGETS / COMMITMENTS	2024 PROGRESS
Material Topics:			
 	• Climate Change Adaptation	• Reduce absolute Scope 1 and 2 carbon emissions by 50% by 2030, and by 75% by 2040, against a 2019 baseline year	• There was a 9% increase in Scope 1 and 2 emissions in 2024 compared to 2023. Amidst our ongoing efforts in energy efficiency and renewable energy projects, this increase was driven by organic and inorganic business growth
	• Emissions and Energy	• Achieve net zero carbon emissions [#] by 2050	
Contributing to:		• Achieve 90% electrification or hybridisation for all cranes* by 2030	• Reached 80% electrification or hybridisation for all cranes as at end 2024
 7 AFFORDABLE AND CLEAN ENERGY		• Implement PSA recommendations for Sustainable Concrete for 80% of new civil infrastructure construction projects [^] by 2030	• Implemented PSA recommendations for Sustainable Concrete for 100% of new civil infrastructure construction projects in 2024
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE			
 11 SUSTAINABLE CITIES AND COMMUNITIES			
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION		[#] Comprising Scope 1 and 2 carbon emissions.	
 13 CLIMATE ACTION		[*] This includes Quay Cranes, Rail Mounted Gantry Cranes, Rubber Tyre Gantry Cranes, Mobile Harbour Cranes and Automated Stacking Cranes.	
		[^] For projects that are PSA-owned and over SGD 65 million in value.	

TRANSFORMING SUPPLY CHAINS		TARGETS / COMMITMENTS	2024 PROGRESS
Material Topics:			
 	• Optimisation of Global Supply Chains	• Invest at least SGD 100 million by 2025 in research and development and innovation projects, employing the latest available technologies to achieve more efficient and sustainable operations	• Invested SGD 280 million as of 2024 in research and development and innovation projects, including electric prime movers and other electric equipment
	• Innovation and Technology	• By 2024, implement 10 projects that provide sustainable logistics and transport solutions impacting at least 3,000 TEUs of cargo volume per project	• Implemented 10 projects that provide sustainable logistics and transport solutions to customers, impacting at least 3,000 TEUs of cargo volume per project and more than 470,000 TEUs in total
Contributing to:		• By 2030, we aim to move at least 10 million TEUs of cargo through sustainable transportation services and terminal operations enabled by digital tools, with the goal of lowering emissions for our customers*	
 7 AFFORDABLE AND CLEAN ENERGY			
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE			
		[*] New target established in 2025, and our progress will be reported in subsequent reports.	

Material Topics:



• People Development



• Occupational Health and Safety

Contributing to:



8

DECENT WORK AND
ECONOMIC GROWTH



9

INDUSTRY, INNOVATION
AND INFRASTRUCTURE

- Aim for zero significant incidents*
- Achieve at least 75% participation rate in the global Employee Opinion Poll (EOP)^
- Achieve an average of 16 training hours per employee** annually
- Aim for 80% of senior officers in PSA and its subsidiaries** to be refreshed on The Code by 2027
- Recorded 2 significant incidents in 2024
- Achieved 95% participation rate in 2023 EOP
- Achieved an average of 34 training hours per employee
- Achieved 82% of employees refreshed on The Code in 2024

* Refers to safety incidents resulting in fatalities or permanent disabilities.

^ For business units participating in their second EOP onwards.

** This covers employees in PSA and its subsidiaries.

MATERIALITY ASSESSMENT

In 2020, in partnership with a sustainability consultancy, PSA conducted our inaugural materiality assessment. This exercise was pivotal in identifying and prioritising key Environmental, Social, Governance (ESG) and economic issues for PSA.

The assessment followed a three-step process, starting with desktop research and an extensive engagement with internal and external stakeholders. Data was gathered through an online survey and one-on-one interviews. Internal stakeholders included Board Directors, senior management and our employees, while external perspectives were provided by investors, customers, suppliers, and regulatory authorities. The results were then validated, leading to PSA's list of material topics.

In 2022, PSA conducted a review of its material topics to account for changes in the sustainability landscape and industry. The review confirmed that PSA's definition and prioritisation of these topics remained relevant. Using a "double materiality" approach, the review assessed both the potential impact of these topics on PSA's financial performance ("financial materiality") and the effects of PSA's operations on the environment and society ("impact materiality"). Consequently, the number of material topics was streamlined from 19 to 17[#], which constitutes PSA's existing set of material topics. With no significant changes in PSA's activities and operating context, we have assessed that these material topics remain relevant to PSA for this reporting period.

[#] Energy and Emissions were merged to become one topic as they are closely linked. Public Policy was removed as a topic but addressed through the other material topics.



CONTEXT & ISSUE IDENTIFICATION

Conducted research, benchmarking and internal document review to identify relevant industry trends and sustainability issues.

Developed a shortlist of sustainability topics to be prioritised.



STAKEHOLDER ENGAGEMENT

Launched an online survey to prioritise the shortlist of sustainability topics identified in the previous stage.

Conducted interviews with internal and external stakeholders to gather insights into the sustainability context of the industry.













ANALYSIS & VALIDATION

Analysed and presented the findings and a final list of prioritised material topics to the senior management team of PSA for validation.

Finalised the list of material sustainability topics.

OUR MATERIAL SUSTAINABILITY TOPICS

TOPICS	DEFINITIONS
 CLIMATE CHANGE ADAPTATION	<p>Strengthening our resilience and management of the physical and transition impacts of climate risks on our infrastructure, operations, surrounding communities and ecosystems, as well as our readiness to leverage opportunities in a low-carbon economy.</p>
 COMMUNITY RELATIONS	<p>Contributing meaningfully to the lives and wellbeing of the communities where we operate, and engaging community stakeholders to address the social and environmental impact of our operations.</p>
 CYBERSECURITY AND DATA PRIVACY	<p>Protecting our business systems and ensuring data privacy through the adoption of robust cybersecurity measures.</p>
 EMPLOYEE DIVERSITY AND INCLUSION	<p>Creating a workplace environment that respects and promotes diversity and inclusion.</p>
 EMISSIONS AND ENERGY	<p>Decarbonising our own operations by reducing carbon emissions through harnessing energy-saving and efficient technologies, increasing the generation and use of renewable energy, as well as supporting the decarbonisation of the shipping and logistics industry.</p>
 ETHICAL BUSINESS CONDUCT	<p>Upholding high standards of ethics and regulatory compliance, to go beyond minimum legal requirements, reflecting our long-term commitment to building a business that is successful, honest and responsible.</p>
 INNOVATION AND TECHNOLOGY	<p>Innovating and harnessing technology to drive digitalisation and create more efficient and sustainable operations.</p>
 LABOUR RELATIONS AND WORKER WELLBEING	<p>Maintaining strong relationships and engagement with labour unions, establishing best practice labour standards, including respecting human rights, having zero tolerance of modern slavery and ensuring worker wellbeing.</p>
 MARINE PROTECTION AND CONSERVATION	<p>Protecting marine biodiversity and preventing ocean pollution through responsible management of ongoing port and marine operations, as well as conservation activities.</p>
 OCCUPATIONAL HEALTH AND SAFETY	<p>Ensuring the highest standards of health and safety for workers across our operations.</p>
 OPTIMISATION OF GLOBAL SUPPLY CHAINS	<p>Driving sustainability improvements in global shipping and logistics supply chains by working with suppliers, partners and customers on route optimisation and alternative transport options for better efficiency and safety.</p>

OUR MATERIAL SUSTAINABILITY TOPICS

TOPICS	DEFINITIONS
<div>  <div> PEOPLE DEVELOPMENT </div> </div>	Building a future-ready organisation by attracting and retaining an engaged workforce, providing learning and development opportunities, and cultivating a purpose-driven organisational culture that is aligned with our values.
<div>  <div> PORT SECURITY </div> </div>	Ensuring safety and security of port operations, including ensuring responsible handling of dangerous goods, as well as working with relevant authorities and partners to put in place adequate controls to safeguard against terrorism and illicit trade.
<div>  <div> SUSTAINABLE PORT DEVELOPMENT </div> </div>	Ensuring that the planning, design and development of port infrastructure and operations address the environmental impacts from land development and reclamation.
<div>  <div> SUSTAINABLE PROCUREMENT </div> </div>	Minimising environmental impacts and creating positive social impacts through our procurement of goods and services, by integrating sustainability criteria in the selection, monitoring and evaluation of suppliers, including ethical behaviours, environmental protection and upholding human rights.
<div>  <div> WASTE MANAGEMENT AND RECYCLING </div> </div>	Adopting more circular approaches to optimise resource use, minimise the waste generated in our operations and increase recycling.
<div>  <div> WATER USE AND POLLUTION </div> </div>	Ensuring efficient use of water and responsible management of wastewater discharge.



SUSTAINABILITY GOVERNANCE

SUSTAINABILITY GOVERNANCE STRUCTURE



* Our Board of Directors is supported by the following Board Committees: Audit, Risk & Finance Committee; Leadership Development & Compensation Committee; and Business Development & Investment Committee.

OUR BOARD'S ROLE IN OVERSEEING SUSTAINABILITY MANAGEMENT

PSA International's Board of Directors is responsible for setting the company's overall direction, including its sustainability strategy. The Board influences how sustainability is managed, raises concerns for the management team to address, and provides oversight on the organisation's sustainability reporting through the Senior Management Council (SMC) who supports the final review and approval of the sustainability report, including the list of material sustainability topics.

Additionally, the Board oversees and manages PSA's sustainability impacts through the SMC, which oversees PSA's stakeholder engagement efforts. This is a crucial process that enables PSA to gain deeper insights into stakeholders' needs and expectations regarding sustainability.

During Board and Board Committee meetings, the Board receives regular updates on sustainability matters from the Group Head of Operations and Sustainability, as well as other SMC members or Group Function heads, depending on the topics discussed. A monthly emissions report is also provided, detailing progress on carbon emissions intensity against established targets. The overall effectiveness of PSA's sustainability approach and initiatives are reviewed by the Board through target performance tracking and third-party benchmarking exercises.

PSA further supports ongoing education for Board members through the Greenfish Climate Education e-learning program, which covers global environmental challenges and tailored industry solutions. Additionally, briefings with external experts were organised to discuss emerging reporting standards and advancements in alternative fuels, ensuring the Board remains aligned with industry developments.

More information on our [Board of Directors](#) can be found in our Annual Report section.

SENIOR MANAGEMENT COUNCIL

The SMC comprises our Group CEO, along with senior executives at the Corporate Centre. They guide and oversee the Group's business portfolio and PSA's sustainability strategy under the direction of the PSA International Board of Directors. The Group Head of Operations and Sustainability leads this effort within the SMC and is supported by the Group Sustainability team.

GROUP SUSTAINABILITY

Group Sustainability develops PSA's sustainability strategy and coordinates the implementation of Group-wide sustainability initiatives across the organisation. To promote integration of the strategy and gather comprehensive insights, Group Sustainability collaborates with various working groups within PSA, focusing on areas such as Taskforce on Climate-related Financial Disclosures (TCFD), Green Finance, IT sustainability, and sustainable procurement.





Communication of critical concerns






Group Sustainability provides regular progress reports to the PSAI Board and SMC. In 2024, Board directors were updated two times through formal meetings. At these forums, no critical concerns were raised.

STAKEHOLDER ENGAGEMENT

Engaging stakeholders is crucial to shaping and managing PSA's sustainability strategy. We regularly consult with stakeholders to better understand their needs, concerns, and expectations regarding sustainability initiatives. Stakeholders are identified across our operations and relationships, with priority given to those most affected by our activities, as well as those critical to the success of our business.

PSA ensures that all stakeholder engagement activities align with our commitment to sustainability and responsible business practices. In particular, our climate-focused engagement activities are conducted in line with the goals of the Paris Agreement. Relevant departments maintain open communication and collaborate with stakeholders through established channels and formal engagements. To foster meaningful interactions, PSA emphasises transparency and provides training materials and communications in local languages where needed.

AUDIENCE	KEY INTERESTS AND TOPICS RAISED	ENGAGEMENT METHODS AND FREQUENCY	OUTCOMES
EMPLOYEES 	<ul style="list-style-type: none"> Professional skills development Career advancement and training opportunities Remuneration and benefits Fair workplace practices Occupational safety, health and wellbeing Workplace inclusivity and diversity 	<ul style="list-style-type: none"> Learning and development programs FISH-culture workshops Performance appraisal (annual) Employee Opinion Poll (once every three years) 	<ul style="list-style-type: none"> Suites of programs to address employees' learning and development needs Co-development of career paths in PSA Continuous improvements through feedback and reviews
CUSTOMERS 	<ul style="list-style-type: none"> Operational agility, efficiency and reliability Supply chain visibility Technological and digital solutions Efficient and green product offerings 	<ul style="list-style-type: none"> Operations and business meetings Customer events and seminars Corporate website* Annual Report Sustainability Report 	<ul style="list-style-type: none"> Understanding of PSA's strategic directions and sustainability commitments Strengthening customer relationship Delivery of high service level
JOINT VENTURE PARTNERS 	<ul style="list-style-type: none"> Strategic partnership Investment returns Operational efficiency Health and safety 	<ul style="list-style-type: none"> Operations or business meetings Corporate website* Annual Report Sustainability Report 	<ul style="list-style-type: none"> Establishment of regular communication channels Strong tripartism relationship Skilled workforce
LABOUR UNIONS 	<ul style="list-style-type: none"> Labour rights Safe working conditions Skills development 	<ul style="list-style-type: none"> Union meetings Corporate website* Annual Report Sustainability Report 	<ul style="list-style-type: none"> Establishment of regular communication channels Strong tripartism relationship Skilled workforce

AUDIENCE	KEY INTERESTS AND TOPICS RAISED	ENGAGEMENT METHODS AND FREQUENCY	OUTCOMES
INTERNATIONAL BODIES & INDUSTRY ASSOCIATIONS 	<ul style="list-style-type: none"> • Sustainability and decarbonisation • Supply chain optimisation • Technological and digital solutions • Industry best practices 	<ul style="list-style-type: none"> • PSA executives' representation on boards of various industry bodies • Multi-stakeholder dialogues at the global, regional and local levels • External speaking engagements at industry forums • Long-standing partnerships with partners, customers and industry bodies 	<ul style="list-style-type: none"> • Joint efforts and collaborations to drive industry development and sustainable practices • Strong partnerships that co-create and advance solutions to solve global and industry-wide sustainability and decarbonisation challenges
INVESTORS 	<ul style="list-style-type: none"> • Business outlook • Financial performance • Corporate governance • Sustainability policies and practices 	<ul style="list-style-type: none"> • Investor meetings • Corporate website* • Annual Report • Sustainability Report 	<ul style="list-style-type: none"> • Build trust and confidence in the business and our corporate governance • Better understanding of strategic direction and sustainability commitments
SUPPLIERS 	<ul style="list-style-type: none"> • Technology development • Health and safety • Sustainability dialogue 	<ul style="list-style-type: none"> • Operations meetings • Safety trainings/ inductions • Corporate website* • Annual Report • Sustainability Report • ESG survey with top suppliers 	<ul style="list-style-type: none"> • Regular two-way communication to address any operational or business issues and build strong relationships at multiple levels within the organisation • Awareness of policies and procedures at PSA
GOVERNMENT / PORT AUTHORITIES 	<ul style="list-style-type: none"> • Regulatory compliance • Industry development • Digitalisation • Sustainable operations 	<ul style="list-style-type: none"> • Regular meetings and forums • Corporate website* • Annual Report • Sustainability Report 	<ul style="list-style-type: none"> • Collaboration on industry development initiatives such as digitalisation or talent development • Better understanding of strategic directions and sustainability commitments
COMMUNITIES 	<ul style="list-style-type: none"> • Environmental and social responsibility 	<ul style="list-style-type: none"> • Community development or CSR programs • Corporate website* • Annual Report • Sustainability Report 	<ul style="list-style-type: none"> • Continued community engagement efforts • Terminal visits • Creation of positive impact in the communities where we operate

* Corporate website: www.globalpsa.com

PSA'S KEY MEMBERSHIP ASSOCIATIONS AND ADVOCACY GROUPS

PSA actively engages our key stakeholders through international and industry alliances. We participate in external associations and initiatives, reflecting our commitment to drive collective action in sustainability and maintain industry best practices.

ASSOCIATIONS / GROUPS	DETAILS
GLOBAL MARITIME FORUM (GMF)	The GMF fosters ongoing dialogue and collaboration to shape the future of global seaborne trade, promoting sustainable long-term economic development and human wellbeing. PSA is a signatory to the Call to Action for Shipping Decarbonisation by the GMF's Getting to Zero Coalition. Additionally, as a signatory of GMF's Short-term Action Taskforce on Operational Efficiency, PSA commits to enhancing operational efficiency in the shipping industry.
GLOBAL SHIPPING BUSINESS NETWORK (GSBN)	As a founding member and shareholder of GSBN, PSA supports GSBN's operation of a secure data exchange platform for supply chain stakeholders. PSA was instrumental in launching GSBN's first product, Cargo Release, across several Southeast Asian terminals. This innovation drastically reduces the time for cargo to become document-ready for release, reducing the process from days to hours.
GREEN AND DIGITAL SHIPPING CORRIDORS	<p>In 2022, PSA International partnered with the Maritime & Port Authority of Singapore (MPA) and the Port of Rotterdam Authority (POR) to create the Singapore-Rotterdam Green and Digital Shipping Corridor, promoting sustainable shipping.</p> <p>In 2023, PSA Singapore further collaborated with Singapore's Ministry of Transport and Japan's Ministry of Land, Infrastructure, Transport and Tourism to establish the Singapore-Japan Green and Digital Shipping Corridor.</p>
NEW ENERGIES, THE ENERGIES COALITION FOR TRANSPORT & LOGISTICS	The Energies Coalition for Transport & Logistics is a consortium of key players of the international supply chains working together towards their shared net zero goals. Through a collaborative approach of R&D efforts and cross-industry cooperation, the New Energies Coalition aims to develop innovative technology and energy solutions to tackle major energy transition challenges in the transport and logistics sector.
SG TRADE DATA EXCHANGE (SGTraDex)	As a founding member of SGTraDex, PSA enhances supply chain digitalisation. Developed by the Alliance for Action (AfA), SGTraDex is a data infrastructure that optimises information flow in supply chains, connecting industry and public sector stakeholders. This collaboration fosters innovative use cases and a trusted data exchange to improve visibility in container logistics.

ASSOCIATIONS / GROUPS	DETAILS
SMART FREIGHT CENTRE (SFC) AND GLOBAL LOGISTICS EMISSIONS COUNCIL (GLEC)	PSA BDP is a member of the SFC, an international non-profit organisation focused on reducing GHG emissions from freight transportation. Led by the SFC and World Business Council for Sustainable Development (WBCSD), PSA and 26 other global organisations co-developed the GLEC end-to-end guidance, which provides practical guidelines for companies to track their logistics emissions more effectively, covering the supply chain from suppliers to final customers. It also serves as the main industry guideline for the implementation of ISO 14083.
WORLD ECONOMIC FORUM (WEF)	PSA is a member of the WEF’s Supply Chain and Transport (SCT) Industry Action Group to address systemic supply chain challenges. This group promotes a sustainable transition to enhance resilience and trust. PSA is also a member of the WEF First Mover Coalition’s Infrastructure Pillar and joined over 100 companies in the WEF Stakeholder Capitalism Metrics initiative to establish a unified standard for Environmental, Social, and Governance (ESG) reporting.

PSA JOINS THE GLOBAL CLIMATE CONVERSATION AT COP29

In November 2024, the 29th Conference of the Parties (COP29) to the United Nations Framework Convention on Climate Change (UNFCCC) convened in Baku, Azerbaijan under the theme ‘In Solidarity for a Green World’, gathering over 65,000 participants to drive collective action against climate change. In line with our vision to spearhead green transformation across our ports and supply chain operations, PSA actively participated in events across various country pavilions and at its own dedicated booth, fostering dialogue and sharing insights on building efficient and sustainable port supply chains.

Across these conversations, PSA underscored the crucial role of ports in supporting maritime decarbonisation, showcasing initiatives such as PSA’s simultaneous methanol bunkering and cargo operation in Singapore. We also outlined our vision to become a green energy hub to address challenges in green fuel adoption. Additionally, PSA BDP announced its commitment to the Science Based Targets initiative (SBTi), marking the start of its journey towards net zero emissions and decarbonising supply chains. These efforts underscore PSA’s unwavering commitment towards tackling climate change and creating a sustainable future for future generations.

