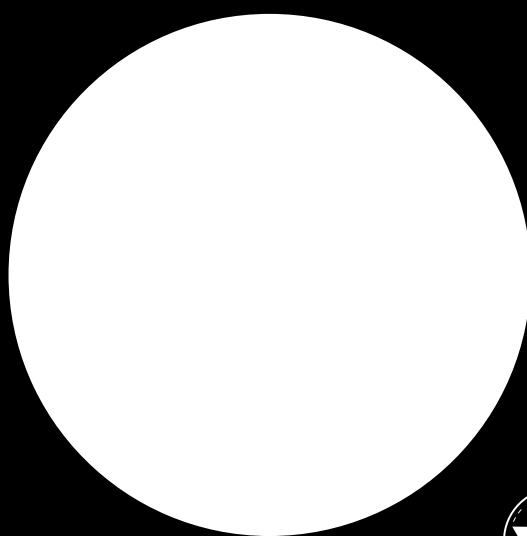




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The Sustainability Report provides a comprehensive overview of Yangzijiang Shipbuilding (Holdings) Ltd's ("YHS") or together with its subsidiaries, the "Group," sustainability practices. It outlines the Group's commitment, targets, management approaches, and latest performance, ensuring transparent, accurate, and timely disclosure to our stakeholders while highlighting our dedication to sustainable development.

This report is prepared in accordance with the requirements of the Singapore Exchange Securities Trading Limited ("SGX") Listing Rule, including rules 711A and 711B on Sustainability Report and relevant SGX Practice Notes 7.6 on Sustainability Reporting Guide. In addition, it adheres to the Global Reporting Initiative ("GRI") Standards, which have been selected as our primary reporting framework for their global recognition and relevance for all our stakeholders.

To enhance our environmental, social, and governance ("ESG") disclosures, we have also aligned with key indicators from the Sustainability Accounting Standards Board ("SASB") framework. Moreover, the Group supports United Nations Sustainable Development Goals ("SDGs") and is committed to eight core principles. This report supplements our financial and operating reporting, showcasing our sustainability strategy and progress.



The scope of our Sustainability Report 2024 covers four operational shipyards in China, including Yangzijiang Shipbuilding Co., Ltd. ("YHS"), Jiangyin Yangzijiang Shipbuilding Co., Ltd. ("JYHS"), Suzhou Yangzijiang Shipbuilding Co., Ltd. ("SZHS"), and Yangzhou Yangzijiang Shipbuilding Group Co., Ltd. ("YZSG").

The above four shipyards represent the most significant sustainability impact on our organisation and stakeholders. All reported information pertains to the financial year from 1 January 2024 to 31 December 2024 ("FY2024").

This report is prepared on an annual basis and is available on both the Group's website at <https://www.yzjship.com/en/> and SGXNET at <https://www.sgx.com/securities/annual-reports-related-documents>.

This report has not adopted external assurance. However, all information disclosed has been reviewed by the Group and approved by the ESG Committee and the Board of Directors ("BOD").



The Board of Directors of Yangzijiang is committed to embedding sustainability in the Group's long-term growth strategy. We recognise our responsibility as a corporate citizen to drive positive change, and we ensure that ESG considerations are integrated into our values, operations, and strategic planning. We continue to enhance our performance and transparency to create long-term value and identify future growth catalysts.

The Board provides strategic direction and oversees the Group's sustainability roadmap. All directors have undergone training on sustainability matters as prescribed by SGX, ensuring they remain at the forefront of evolving regulatory trends and industry standards.

To strengthen governance in this area, an ESG Committee was established in 2022 to oversee sustainability initiatives. It is chaired by Executive Chairman and Chief Executive Officer, Mr. Ren Letian, and supported by:

- Mr. Zhang Hongfei, Deputy General Manager, a key advocate of sustainability across our four operational shipyards in China.
- Ms. Liu Hua, Non-Independent and Non-Executive Director, who brings in-depth expertise in sustainable practices in Singapore, particularly within Singapore-listed companies.
- Ms. Kathy Zhang Chengshuang, External Advisor, who holds a Doctorate in Business Administration from Singapore Management University, with a dissertation thesis focused on ESG measurement.

All committee members have diverse knowledge and understanding of the Group's operations and sustainability guidelines. The ESG Committee is supported by an ESG Implementation team, comprising employees from all important departments to support execution and performance tracking. This leadership structure ensures a well-informed approach to driving our sustainability agenda.

The Group acknowledges the risks and opportunities associated with sustainability and remains proactive in adapting to evolving regulatory frameworks and industry standards. In line with this objective, the Board adopts a comprehensive approach to reviewing operations and formulating practical ESG strategies, ensuring they cover all aspects of the Group's operations and business.

We have identified 10 material topics in 2023, which were reviewed and approved by the Board and the ESG Committee. Following that, the ESG Implementation Team crafted a detailed materiality assessment survey and distributed it to a selected group of the Group's employees, suppliers, and customers. This survey will be reviewed, revised, and redistributed biennially to ensure ongoing relevance and alignment with stakeholder priorities.

Based on a weighted average ranking, the material topics, from most to least significant, include: 1) Research and development ("R&D") in clean technology; 2) Toxic emissions and waste management strategy; 3) Corporate governance; 4) Sustainable supply chain management; 5) Labour management policy; 6) Greenhouse gas ("GHG") emissions; 7) Digital transformation; 8) Occupational health and safety; 9) Business ethics; 10) Diversity, equality, and care. Following the identification of material topics, the Group has set out 2025 targets for each material issue and will track performance to ensure alignment and accountability.

In conclusion, this report complements our financial disclosures, providing transparent insights into our ESG commitments, targets, performance, and key initiatives. As we continuously refine our disclosures and ESG practices, we welcome stakeholder feedback and suggestions. Please write to us at esg@yzjship.com.



Yangzijiang Shipbuilding (Holdings) Ltd
April 2025



Sustainability regulations gained momentum in 2024, with countries, industry associations, and companies advancing implementation plans to combat climate change.

One of our largest addressable markets, the European Union, established the Corporate Sustainability Due Diligence Directive ("CSDDD"), mandating companies to address environmental risks within their supply chains. Companies generating revenue above a certain threshold in the region must comply with the directive¹.

China also accelerated its green transition plan in 2024, reinforcing its commitment to climate action under the Paris Agreement. China reaffirmed its goal to reduce carbon intensity by over 65% from 2005 levels by 2030, in March 2023². Notably, China achieved its 2030 target of 1,200 gigawatts of installed solar and wind capacity six years ahead of schedule, in July 2024³.

More importantly, the International Maritime Organisation ("IMO") continued developing mid-term measures aimed at cutting down GHG emissions to meet its ambitious targets set out in 2023. These new regulations build upon previously adopted short-term measures and are scheduled for adoption in late 2025.⁴

To establish a global baseline for sustainability-related financial disclosures, the International Sustainability Standards Board ("ISSB") released a new reporting

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¹ European Commission: Corporate sustainability due diligence

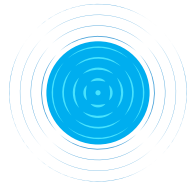
² UNDP: China's Climate policy documents, 1+N and updated NDC

³ Financial Times: China's accelerating green transition

⁴ IMO: Marine Environment Protection Committee (MEPC 82)

⁵ IFRS Foundation: Progress on Corporate Climate-related Disclosures, 2024 Report

⁶ SGX Group: SGX RegCo to start incorporating IFRS Sustainability Disclosure Standards into climate reporting rules



Building trust with our employees is an essential pillar of our social management strategy. This, combined with our corporate values, guides our behaviours and actions to realise the potential of our people while safeguarding their well-being and safety.

In 2024, the Group boosted training hours at all operational levels as compared to the preceding year, with focus on individual competency, workplace safety, and business ethics. Notably, we achieved 100% safety training coverage for both on-site employees and subcontractors. These dedicated efforts enabled us to achieve zero workplace fatalities for the second consecutive year.

Employee feedback is valuable to us. The Group has established an open communication channel where employees are encouraged to submit their concerns, feedback, and suggestions. By deeply understanding their perceptions, feelings, and desires, we are able to respond thoughtfully and build a more cohesive and



In April 2024, the Group welcomed Mr. Yee Chia Hsing as an Independent and Non-Executive Director. The Board remained majority-independent throughout the year. In line with SGX requirements, all Directors had completed sustainability training, ensuring alignment with evolving regulations and best practices.

Additionally, the Group has integrated ESG elements into the supplier selection process to support the development of a sustainable and reliable supply chain.



Sustainability is not just a goal, it is a continuous journey of innovation, accountability, and progress. Our core dual-engine ESG strategies have delivered measurable results, both operationally and financially.

In the coming years, we will prioritise measurable advancements across each material ESG topic. By setting clear targets, adopting phased implementation strategies, and maintaining regular progress checkpoints, we aim to create long-term value while aligning with stakeholder expectations. To support this vision, we have introduced longer-term ESG targets and updated management approaches to drive meaningful action.

By enhancing the depth and transparency of our sustainability disclosures, we aim to foster stronger collaboration with our stakeholders. Together, we will continue to push boundaries, set new targets, and pave the way for a more responsible and prosperous future.

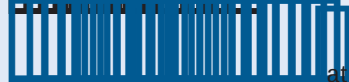


Executive Chairman and Chief Executive Officer



2024

2023



at all operational levels, as compared to 2023.



for on-site workers our operations. workplace fatalities across and subcontractors.



The Board takes ESG principles into account when formulating the Group's business strategies, aiming to drive sustainable growth and long-term value creation.

Yangzijiang's ESG Management structure ensures that sustainability considerations are embedded at all levels of operations, fostering transparency, accountability, and



The Board provides strategic direction and oversight for the Group's ESG initiatives, ensuring alignment with global sustainability standards and stakeholder expectations. The Board is responsible for: 1) approving ESG strategies, targets, and key policies; 2) overseeing ESG risk management and regulatory compliance; 3) monitoring implementation progress and providing timely guidance for necessary adjustments.

The Board meets at least four times a year. Sustainability is increasingly becoming an important agenda item in these meetings. All directors have undergone training on sustainability matters as prescribed by SGX and receive regular briefings on the latest development by the ESG Committee, ensuring that they are up to date with the latest trends and industry best practices.



To strengthen sustainability governance, the ESG Committee was established in October 2022 to provide focused leadership on these matters.

The ESG Committee is chaired by our Executive Chairman and CEO, Mr. Ren Letian, and its members include Mr. Zhang Hongfei, Deputy General Manager, Ms. Liu Hua, Non-Independent and Non-Executive Director, and Ms. Kathy Zhang Chengshuang, External Advisor, Co-founder of Financial PR and Adjunct Faculty of Singapore Management University. All committee members have an in-depth expertise of the maritime industry as well as sound knowledge in sustainability.

The primary aim of the ESG Committee is to integrate the sustainability framework into the Group's business strategies, focusing especially on corporate governance and operational optimisation. The ESG Committee meets at least twice a year. Meeting minutes are documented by the ESG Implementation Team and endorsed by the Committee Chair. The ESG Committee reports to the Board regarding progress made in sustainability and forthcoming plans for the next half-year.

The ESG Committee's key responsibilities include: 1) setting ESG-related objectives in accordance with internationally recognised frameworks; 2) overseeing execution and recommending corrective actions as needed; 3) keeping the Board informed of key ESG trends and updates; 4) overseeing and supporting stakeholder engagement activities on ESG matters; 5) ensuring the accuracy and adequacy of ESG-related disclosures; 6) conducting an annual review and assessment of the Group's ESG initiatives, proposing necessary adjustments to the implementation plan to the Board for approval.

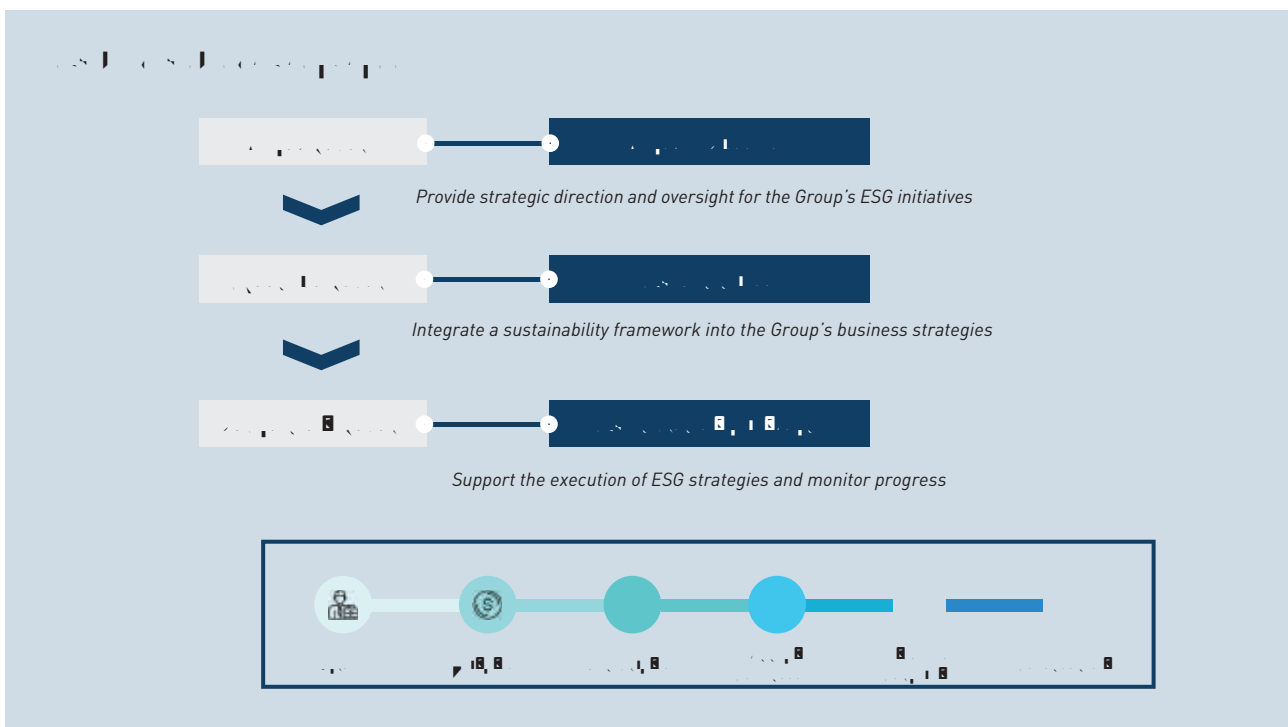


Under the ESG Committee, an ESG Implementation Team was formed to drive execution and track progress of the ESG strategies. The team consists of representatives from key departments, such as Human Resources ("HR"), Sales, Procurement, Finance, Compliance, and Investor Relations. This cross functional team is responsible for executing ESG initiatives, tracking progress, and providing regular updates to the ESG Committee.

Key functions of the ESG Implementation Team include: 1) executing ESG strategies at the business unit level; 2) collecting and analysing ESG-related data for disclosures; 3) engaging stakeholders, such as employees, suppliers, customers, investors, and government agencies, to enhance ESG practices within the organisation and across value chain.



The Group employs a structured ESG Performance Tracking System to monitor progress and ensure accountability. This includes: 1) regular performance reviews by the ESG Committee; 2) annual sustainability reporting aligning with both SGX Listing Rules 711B and the SGX Practice Note 7.6 Sustainability Reporting Guide, as well as global sustainability standards, such as GRI, SASB, and UN SDGs; 3) ongoing assessment and improvement of ESG initiatives.





Materiality assessment is an important process in our sustainability strategy, enabling us to identify, prioritise, and address ESG issues that are most relevant to our business operations and our stakeholders.

The Group conducts a materiality assessment once every two years. In our last assessment exercise in FY2023, the Group reviewed and restructured the material topics. The new set of topics, organised under ESG pillars, include: 1) R&D in clean technology; 2) toxic emissions and waste management strategy; 3) corporate governance; 4) sustainable supply chain management; 5) labour management policy; 6) GHG emissions; 7) digital transformation; 8) occupational health and safety; 9) business ethics; 10) diversity, equality, and care.

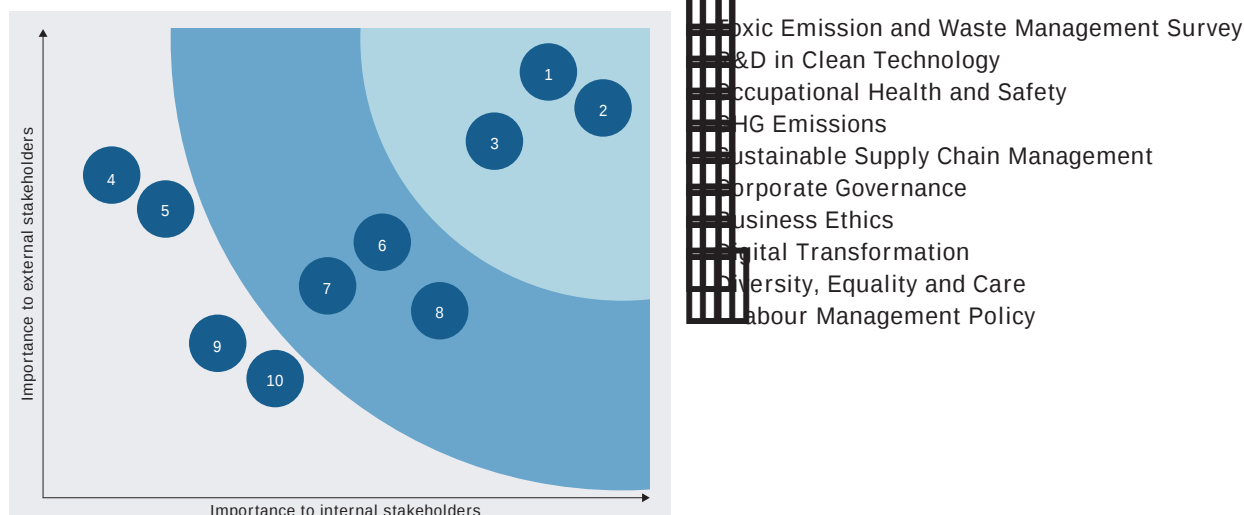
Following that, the ESG Implementation Team created a Materiality Assessment survey, which was distributed to a selected group of the Group's employees, suppliers, and customers. The survey results were collated and analysed by the ESG Implementation Team using a weighted scoring system and reviewed by both the Board and the ESG Committee.

In FY2024, these ten material topics were reviewed and endorsed by the ESG Committee. To advance our practices, the ESG Committee, in collaboration with senior management, introduced 2025 targets for each topic along with corresponding action plans to drive the Group's progress toward achieving them. Details will be provided in the following sections.

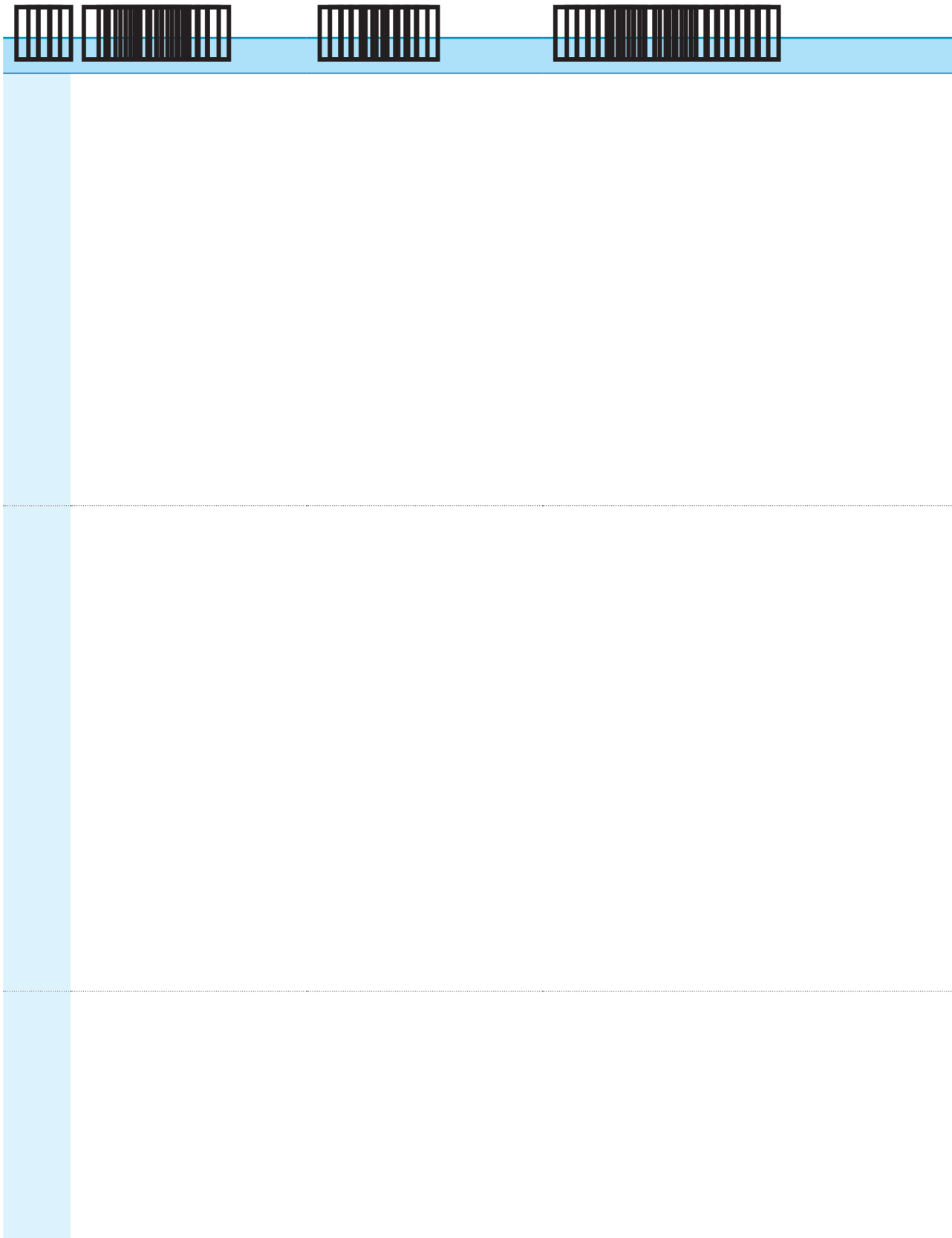
The 2023 material topic selection process and survey results could be found in our Sustainability Report 2023



The Group analysed the priorities of internal and external stakeholders. The graph below illustrates this.









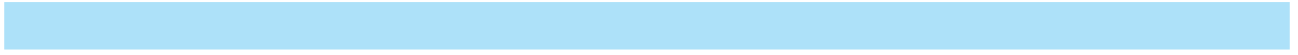
Continue to uphold high standard of labour management system, prioritising employee well-being and welfare

- Share-based incentive scheme
- Variable incentives for on-site workers, such as best team performance, leadership excellence, and outstanding cost-saving efforts
- Provision for all employees includes the mandatory “Five Insurance and One Housing Fund” along with supplementary medical insurance
- Comprehensive principles covering HR, labour management, employee training, employee attendance and vacation management, employee salary and welfare management, and subcontractor management
- Direct communication channels for feedback and engagement between employees and the



- Commitment to upholding a high-standard employee management and incentive system
- Regular reviews and updates of the employee management policies







To institutionalise stakeholder engagement as a core part of our ESG framework, the ESG Committee is developing a robust stakeholder engagement model. This model will enable us to comprehend and address stakeholder concerns effectively. Additionally, it will support customised engagement strategies aligned with the priorities of each stakeholder segment.

Yangzijiang strengthens its ESG performance and disclosures through consistent and transparent communication with various stakeholders. The Group has identified seven key stakeholder groups:

Customers	Customers are cornerstones for business success. Their evolving requirements for products and services drive our product innovation and sustainability initiatives. Engaging customers on a regular basis helps us understand latest market trends and customers' expectations.	• Capabilities in building higher value-added vessels, such as alternative fuelled vessels and dual-fuelled vessels • Product performance enhancement, such as efficiency, cost-saving, safety • Quality control and timely delivery • Product and technology innovation • Quality products and after-sales service • Customer satisfaction	• Regular business dialogues • Collection of informal and formal feedback from customers upon vessel delivery • Frequent customer engagement during vessel construction process	Read more about our initiatives to provide best-in-class ships and enhance customer satisfaction on page 18-22
Employees	Employees are the backbone of the Group. A cohesive and productive working environment enables the Group to achieve operational efficiency, drive innovation, and form an inclusive and collaborative corporate culture.	• Safe working environment • Protection from toxic emissions and waste • Job satisfaction • Fair workplace policies – performance evaluation, compensation and employee benefits • Work progression and development opportunities • Sense of belonging	• Labour union • Regular training programs • Performance-based compensation • Regular teambuilding activities • Annual performance evaluation • Transparent and fair career advancement opportunities	Read more about our employee engagement activities on page 34-38



Shareholders, Investors and Analysts	Shareholders, investors, and analysts play a vital role in assessing our financial and operational performance, corporate governance, and ESG strategies. Their trust, confidence, and support in our Group will have material impact on our visibility in the investment community, stock valuation, and corporate credibility.	- Financial and operational performance - Accretion of shareholders' value - Disclosure transparency - Risk management - Board composition	- Regular engagement with investors and analysts via Annual General Meeting, investor briefings, corporate roadshows, and one-on-one meetings, yard tours - Transparent and timely communication – financial results announcements and corporate announcements - Proactive investor relations	Read more about our investment community engagement activities on page 53-55 of the Annual Report 2024
Suppliers & Other Vendors	A strong supplier chain ensures operational continuity and supply chain resilience. Engaging suppliers on a regular basis foster responsible procurement.	- Responsible business practices - Long-term partnership	- Regular visits to suppliers - Regular review sessions - Technical training for the workers in the shipyards	Read more about our supply chain management on page 45-46
Authorities (Including Chinese government and SGX)	Regulatory compliance is fundamental to our business operations. We actively communicate with local authorities on issues of concern to them, latest regulatory policies, and corporate social responsibility initiatives. This enables the Group to formulate necessary action plans to capitalising on potential growth opportunities or mitigate potential impact on our operations.	- Technology innovation - Economic contributions - Safety and labour issues - Fair competition - Contributions to the regional supply chain - Law and regulation compliance	- Regular dialogue with government agencies and regulator - Yard inspection visits by authorities - Worker training opportunities conducted by the government - Management sharing sessions at government-led events	Read more about our engagement with authority on page 39 and 44



Media	Media influences public perception, corporate reputation and visibility, and company positioning. Positive media engagement enhances transparency, credibility, and stakeholder trusts.	- Financial and operational performance - Key business breakthroughs - Crisis management - Updates on business strategies	- Press releases - C-suite interviews - Communication channels – corporate website, WeChat official account, and LinkedIn - Corporate networking events	Read more about our media engagement activities via: 1) our press releases published on SGXNET; 2) our official LinkedIn Account – Yangzijiang Shipbuilding Holdings; 3) our official WeChat Account – 扬子江船业
Local Community	A harmonious local community fosters a stable and supportive business environment for the Group. Addressing community concerns and contributing to local well-being strengthens our corporate reputation and social responsibility.	- Care and contributions to the local community - Social volunteer activities - Support for local employment	- Company CSR initiatives - Philanthropic donations	Read more about our local community engagement activities on page 38

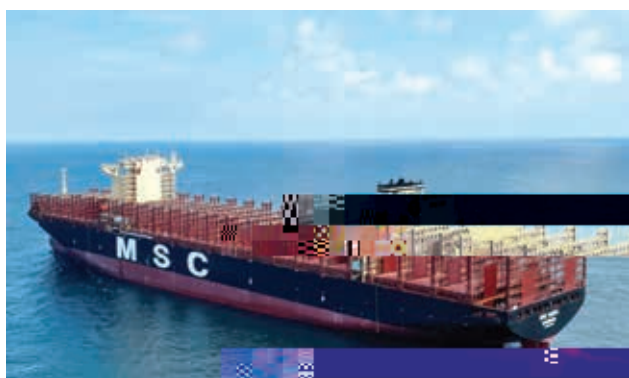


- Achieved a 12.8% reduction in carbon intensity (Scope 1 + Scope 2 emissions), on track to meet the Group's 2030 target of a 25% reduction from the 2023 baseline.
-



At Yangzijiang, our R&D initiatives focus on three key areas:

   			
	To optimise manufacturing processes to reduce emissions and waste produced from the production activities	To drive innovations that optimise vessel performance and reduce operational costs for our customers	To explore sustainable energy solutions for our customers to support the industry's transition to decarbonisation
	➤ Emission reduction of volatile organic compounds ("VOC") ➤ Raw material utilisation optimisation ➤ Reduction in pollutant emissions, hazardous waste, and harmful environmental impact in the shipbuilding activities	➤ Vessel fuel efficiency improvement ➤ Vessel loading capacity optimisation ➤ Reduction in vessel weight using better ship designs ➤ Reduction in propulsion power by installing energy-saving equipment ➤ Reduction in vessel weight using better ship	



- Capable of carrying four different container sizes, enhancing operational flexibility.
- 50% lower fuel consumption per ton-nautical mile compared to conventional fuel-powered vessels.
- Significantly reduces carbon emissions and pollutants, supporting sustainable shipping.
- In compliance with IMO Energy Efficiency Design Index ("EEDI") Tier III emission standards and EEDI



- Equipped with a shaft generator, air lubrication system, rudder bulb, and twisted rudder fins for enhanced energy efficiency.
- Dual-fuel main engine adopts Eco Exhaust Gas Recirculation ("EGR") optimisation.
- In compliance with IMO EEDI Tier III emission standards.



- Compact and flexible design with high port adaptability.
- Three large spherical C-type tanks, increasing cargo capacity by 12%.
- Dual-fuel main engine, controllable pitch propeller, and twisted rudder for superior propulsion efficiency.
- Low emissions and high environmental performance with optimised fuel efficiency.



Secured a total of six (6) 13,000 TEU Methanol Dual-Fuel Containerships from Ocean Network Express (“ONE”) in January 2024

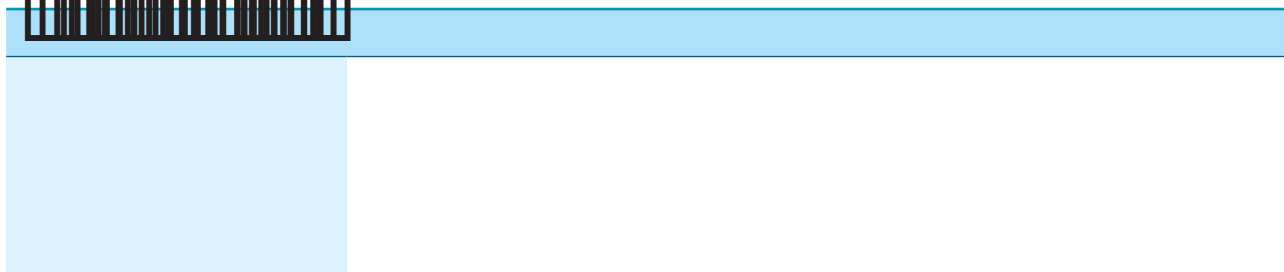


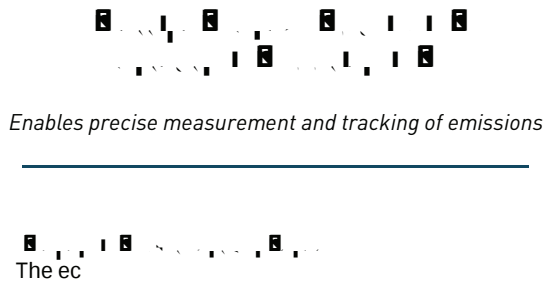
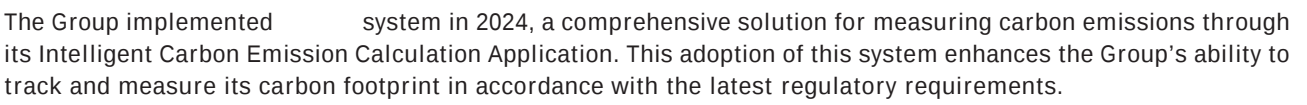
As the second pillar of our environmental management strategy, the Group continues to invest in technologies that integrate digitalisation, automation, and intelligent resource management tools into our operations. These efforts aim to enhance efficiency and support cost-effectiveness.

With the continuous regulatory push for maritime decarbonisation, adopting smart technologies ensures that our shipbuilding processes remain competitive and compliant with industry standards.

Moreover, a smart shipyard enhances workforce safety and productivity. Automation in hazardous tasks reduces workplace risks while improving precision and accelerating the pre-fabrication process.

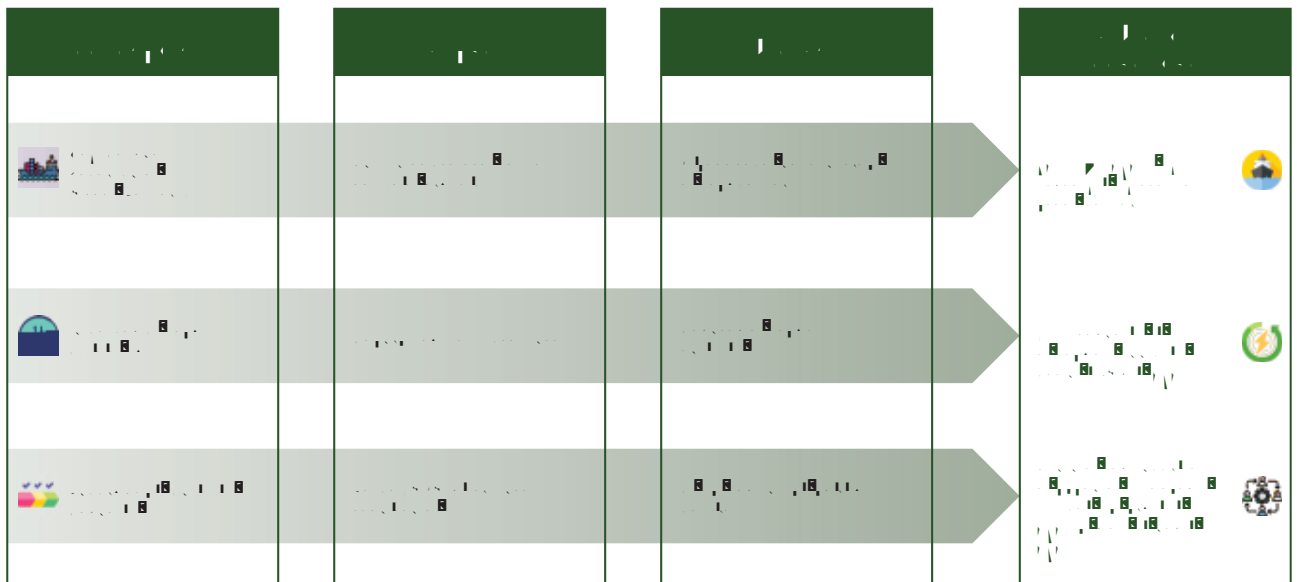
Smart Shipyard Initiatives	
	➤ Adoption of digital design modelling software and 3D visualisation tools
	➤ Deployment of data-driven dashboards to improve schedule and resource planning
	➤ Implementation of smart scheduling and workload optimisation systems
	➤ Automation of prefabrication and welding processes for greater precision and efficiency
	➤ Real-time digital tracking of inventory flows using Enterprise Resource Planning (“ERP”) integrated systems
	➤ Use of GPS-based material tracking to streamline on-site logistics
	➤ Unified platform for quality control across production stages
	➤ Digital capture and analysis of production data
	➤ Centralised safety system covering incident tracking, workforce monitoring, and patrol logging







o







Energy consumption in shipbuilding directly affects both operational costs and environmental performance. Given the energy-intensive nature of shipyard operations, adopting smart energy monitoring systems and upgrading equipment to more energy-efficient technologies can ensure cost efficiency while reducing emissions.

The Group strives to optimise energy performance, including efficiency improvements, renewable energy



The Group conducts regular assessments to measure current water use across all operations, identifying key areas of consumption and waste. By monitoring water usage, upgrading equipment, and implementing conservation measures, the Group not only ensures regulatory compliance but also enhances operational resilience. Based on these findings, we developed a water management system structured around three key pillars:

Notably, all municipal water released by the Group in FY2024 was properly treated and met local government

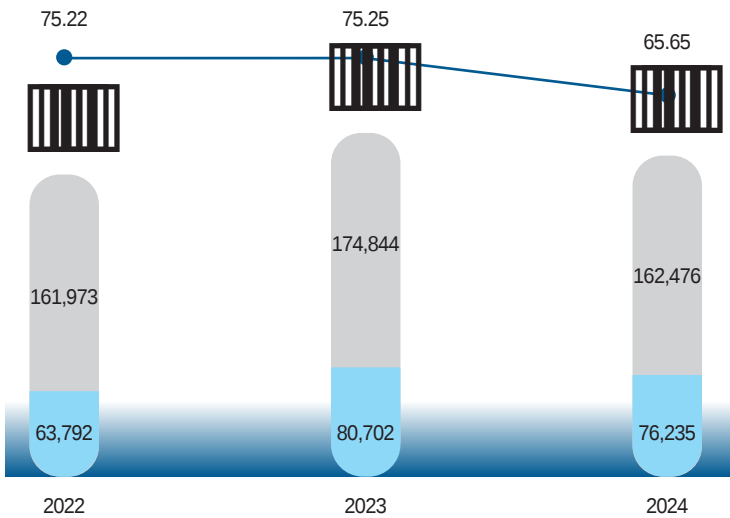


The Group's toxic emissions and waste management system comprises identifying all toxic emissions sources and hazardous waste types produced, classifying them according to government standards, quantifying their volumes, and developing mitigation plans. This system is reviewed annually to ensure alignment with updated standards and operational best practices.

	➤ Replacing hazardous materials with safer, environmentally friendly alternatives
	➤ Improving and optimising production processes to reduce the generation of toxic emissions and waste
	➤ Partnering with qualified third-party agency to treat the waste
	➤ Adopting advanced technology that reduces emissions and waste
	➤ Implementing rain protection, sun protection, and leakage prevention for hazardous waste warehouse
	➤ Adopting anti-leakage equipment and packaging materials to prevent potential leaks
	➤ - o Selecting qualified third-party companies to handle general solid waste management - o Conducting on-site inspections of licensed hazardous waste disposal providers - o Implementing full-process control over the transfer and disposal of hazardous waste - o Establishing a transfer manifest system for traceability and compliance

	2022	2023
Scope 1	63,791.51	80,702.19
Scope 2	161,972.79	174,843.81
Total (Scope 1 + Scope 2)	225,764.30	255,546.00

*Note: GHG emissions for 2022 and 2023 are 25.8% higher and 0.4% lower compared to the previously reported figures respectively, due to the GHG emissions of Hi ESG system.



GHG Emission Per Capita	30.17	32.05	
Carbon Intensity	75.22	75.25	

*Note 1: The differences between the 2022 and 2023 sustainability report data and the above figures are due to the GHG emission reassessment conducted after deployment of the Hi ESG system;

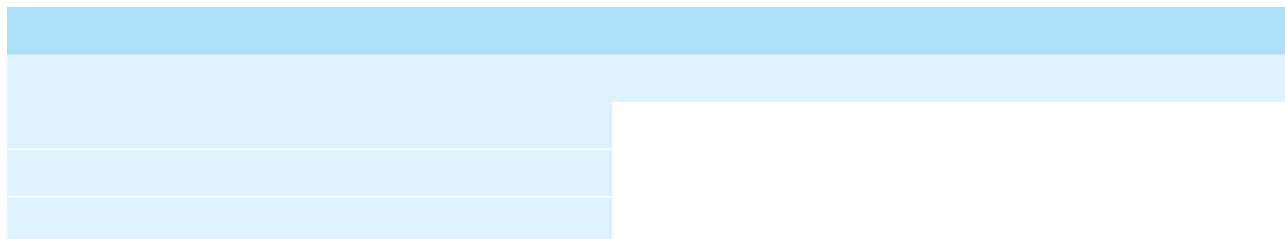
*Note 2: The Group's reporting currency is Renminbi. The CNY/USD used for 2022, 2023 and 2024 was 6.90, 7.10, and 7.30

R&D Expenditure in Clean Technology	87.59	166.22	
Percentage of R&D Expenditure in Clean Technology (%)	13.01%	17.50%	
Produced water	2,326,562	3,649,769*	
Municipal water	115,520	434,159	
Total water consumption	2,442,082	4,083,928	
Water intensity (tonne/USD' mIn sales)	814	1,203	

*Note: Produced water consumption increased by 57% in 2023, primarily attributable to the increased usage for the renovation of the Gazi Yard

Natural gas (Gigajoules)	236,788.84	260,368.71	
Solar power (Gigajoules)	97,313.49	146,645.74	
Electricity (Gigajoules)	966,604.53	920,574.63	
Total (Gigajoules)	1,300,706.86	1,327,589.08	
Energy Intensity (Gigajoules/USD' mIn sales)	433.38	390.92	

*Note: The discrepancy between FY2023 and FY2022 reporting was mainly due to the recalculation of the energy consumption data using the double approach



Total training hours		Employee	39,988	54,028	
		Subcontractors	110,100	142,800	
Number of participants		Employee	7,483	7,973	
		Subcontractors	20,526	21,832	
Average training hours per person		Employee	5.34	6.78	
		Subcontractors	5.36	6.54	
ISO 14001 (Environmental Management System Certificate)		New Yangzi Yard Xinfu Yard YAMIC Yard Yangzijiang Yard	New Yangzi Yard Xinfu Yard YAMIC Yard Yangzijiang Yard	New Yangzi Yard Xinfu Yard YAMIC Yard Yangzijiang Yard	
ISO 50001 (Certificate of Management System for Energy)		New Yangzi Yard Xinfu Yard YAMIC Yard Yangzijiang Yard	New Yangzi Yard Xinfu Yard YAMIC Yard Yangzijiang Yard	New Yangzi Yard Xinfu Yard YAMIC Yard Yangzijiang Yard	
GB/T29490 (Enterprise intellectual property compliance management system)		New Yangzi Yard Xinfu Yard	New Yangzi Yard Xinfu Yard	New Yangzi Yard Xinfu Yard	
GB/T23001 & T/AITRE 10003 (Integration of Informationization and Industrialisation Management System Certificate)		New Yangzi Yard Xinfu Yard YAMIC Yard	New Yangzi Yard Xinfu Yard YAMIC Yard	New Yangzi Yard Xinfu Yard YAMIC Yard	



- Increased training hours across all operational levels compared to 2023.
- Achieved 100% safety training coverage for on-site workers and subcontractors.
- Expanded safety training for both employees and subcontractors compared to 2023.
- Maintained ZERO workplace fatalities for the second consecutive year.
- Provided comprehensive training tailored to different employee functions and seniority levels.
- Maintained open channels for staff to share concerns and suggestions.
- Enhanced employee welfare, including festive care



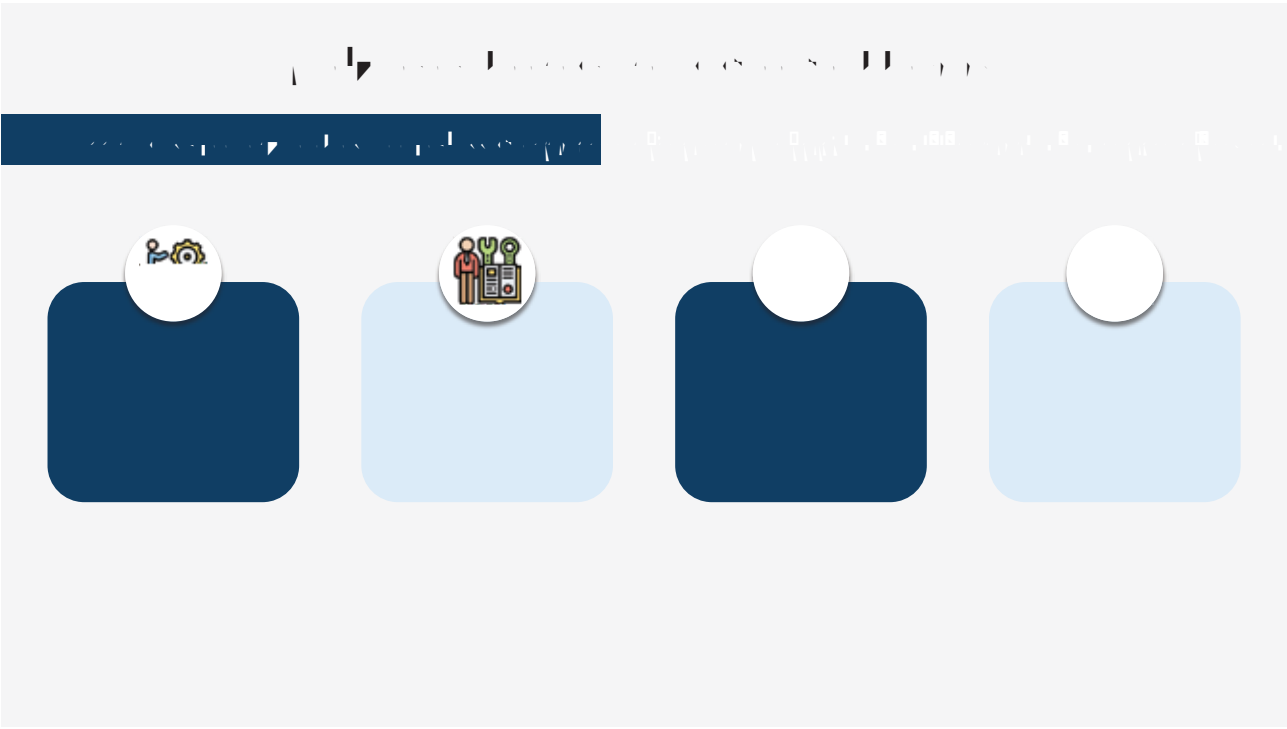
The Group is committed to fair employment practices, providing equal opportunities regardless of gender, race, religion, age, and disability. Our recruitment selection principles are centred on competency, innovative thinking, sense of responsibility, and growth potential, aligning with our core values and corporate culture.

Each year, our senior management team and the HR department work together to assess job vacancies, formulate recruitment requirements, and establish hiring process, channels, timelines, and onboarding training programs. This comprehensive planning ensures that our HR team is well-prepared for recruitment fairs and talks, while also aligning selection criteria across the organization for a streamlined hiring process.



The Group adopts a variety of hiring channels to promote its recruitment opportunities, aiming to extend the outreach and get access to a wider pool of talent. These channels include campus career fairs, industry and society career fairs, and advertising on the Group's website, the Group's official WeChat account and major recruitment platforms.

Our HR representatives are always present at physical career fairs, providing first-hand guidance to job seekers. They explain job responsibilities, introduce





The Group develops structured employee management strategies to drive performance, engagement, and long-term organisational resilience.

Given the labour-intensive nature of shipbuilding, strategic workforce planning ensures stability and resilience. Effective human capital management supports employee retention, productivity, and business continuity. We pride ourselves on competitive compensation, career growth opportunities, and a strong workplace culture that enhances employee satisfaction and operational efficiency.



At Yangzijiang, we are committed to supporting both the physical and mental well-being of our employees. In addition to individual capability development, we prioritise employee welfare and fair labour practices, while providing competitive benefits to recognise commitment.

Our human capital management strategy strictly complies with China's labour laws. We are committed to preventing forced labour, child labour, unfair wages, and excessive overtime, ensuring a fair and ethical workplace for all.



All our employees are covered under China's "5+1" social insurance, providing a fundamental safety net for their well-being. To support their daily life, we offer subsidies for accommodation and lunch. Moreover, our HR team assists newly retired employees with the necessary retirement procedures, ensuring they receive their retirement pension from government authorities smoothly.

During major festivals such as Chinese New Year, the Dragon Boat Festival, and the Mid-Autumn Festival,



The Group is dedicated to maintaining stringent occupational health and safety standards, adherence to International Organisation for Standardisation ("ISO") 45001 – Occupational health and safety management systems. We have fostered a strong safety culture, ensuring that health and safety awareness is deeply embedded in every Yangzijiang employee.





Yangzijiang delivered another record performance in FY2024, with net profit attributable to equity holders surging 61.7% year-on-year to RMB6.6 billion. Revenue grew 10.1% to RMB26.5 billion, driven by strong shipbuilding and shipping segments.

In FY2024, the Group exceeded its vessel delivery target, delivering 64 vessels, including three for its own fleet. The total outstanding orderbook as of 31 December 2024 reached an all-time high of US\$24.4 billion for 245 vessels, with eco-friendly vessels comprising 74% of total value.

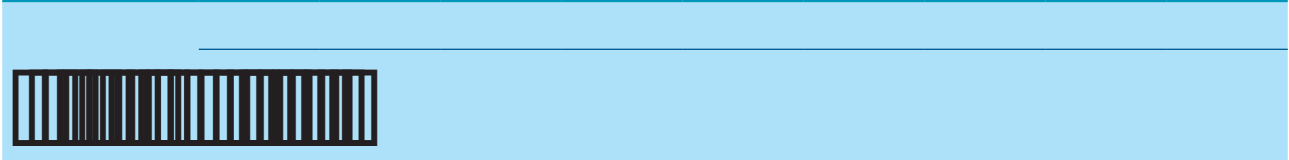
To reward shareholders, the Board proposed a final dividend of 12 Singapore cents per share, an 84.6% increase, translating to a dividend payout ratio of 38.6%. This underscores our commitment to delivering sustainable growth and shareholder value.



	2023	2024	2025	2026
Revenue (from continuing operations)	20,705.1	24,112.3		
Operating cost (from continuing operations)	17,996.6	19,333.4		
Employee wages and benefits	310.7	380.9		
Defined contribution plans	70.4	65.0		
Dividend paid	970.0	1,024.4		
Interest on bank borrowings	106.7	96.1		
China and Singapore (Tax)	723.5	731.2		

	2023	2024	2025	2026
Board of Directors	3	1	4	1
Senior management	8	0	9	0
Middle management	375	22	386	23
Professionals	706	236	935	312
All other employees	5,002	1,130	5,088	1,215
Total number of employees	6,094	1,389	6,422	1,551

*Note: Employee numbers by designation are different from SR2023, due to the reclassification of employee groups.

[illegible]

		2023	2022	2021
Employees	Total number of employees	7,483	7,973	
	Number of injured	44	63	
	Injury rate	0.59%	0.79%	
	Fatality	0	0	
	Fatality rate	0.00%	0.00%	
	Lost time injury frequency rate	2.81	4.31	
Subcontractors	Total number of Subcontractors	20,526	21,832	
	Number of injured	113	76	
	Injury rate	0.55%	0.35%	
	Fatality	5	0	
	Fatality rate	0.02%	0.00%	
	Lost time injury frequency rate	2.75	1.74	

*Note: Lost time injury frequency rate = (number of lost time injuries x 1,000,000)/total hours worked. Average working hours are 8 hours and 175 days a year.

		2023	2022	2021
Total hours of volunteering activities (Unit: hour)		4,800	5,600	
Total amount of donations (Unit: RMB)		2,253,766	5,011,798	
ISO 9001 (Quality Management System)		100%	100%	
ISO 27001 (Information security, cybersecurity and privacy protection)		100%	100%	
ISO 27701 (Privacy Information Management)		100%	100%	
ISO 45001 (Occupational Health and Safety Management System)		100%	100%	



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In its pursuit of sustainable business practices and risk mitigation, the Group has instituted a comprehensive risk management framework that addresses various facets of its operations.

Recognising the importance of maintaining and safeguarding its diversified customer base, which includes contributions from markets such as Greater China, Italy, Japan, Canada, Bulgaria, Singapore and various European countries, the Group has identified several key operational risks that require attention and



The Group aims to secure fair contracts and ensure reliable execution throughout the construction period. During contract negotiations, the Group carefully reviews and negotiates shipbuilding terms and conditions to mitigate the risk of unwarranted cancellations.

The Group actively engages with shipowners to gain deeper insights into the charter demand trends, anticipate customer needs, and work out innovative solutions. This includes defining all specifications of the vessel to the finest detail during negotiation stage. Combined, these initiatives contribute to mitigate the risk of contract termination.

The company remains prepared to support customers facing challenges in securing bank financing or guarantees for contracts, where feasible. During exceptionally difficult market conditions, the Group is also open to renegotiating delivery schedules or modifying vessel specifications, provided such adjustments remain within the yard's operational capacity.



The Group also utilises financial instruments to reduce its risk exposure with respect to foreign exchange (“



The Group strives to earn trust and respect by cultivating strong relationships with key stakeholders, including customers, suppliers, shareholders, employees, and local communities.

We strive to be a reliable business partner for customers and suppliers, a valuable investment for shareholders, an employer of choice for our workforce, and a responsible corporate citizen committed to upholding legal, regulatory, and ethical standards in every jurisdiction we operate. By embedding ethical conduct in our culture, we support sustainable growth, and long-term stakeholder value.



The Group considers business ethics as a core pillar of our corporate culture, aiming to become a trusted and respected business partner in the maritime supply chain. To maintain a high level of awareness, we provide regular training for both employees and subcontractors. These sessions cover key ethical issues they may encounter in their daily work:

	Prohibits offering or accepting bribes, gifts, hospitality, or favours that may compromise objectivity
	Requires employees to disclose any personal interests that may conflict with company interests
	Enforces customer data encoding, and prohibits the disclosure of trade secrets
	Prohibits market manipulation, false advertising, and defamatory practices against competitors
	Provides anonymous reporting channels, whistleblower protection policies, and clear penalties for violations

Sustainable supply chain management plays an important role in driving our sustainability targets. This ensures responsible sourcing, ethical labour practices, and reduced environmental impact across the industrial chain. A well-managed supply chain enhances resilience, minimises risks, and supports long-term business success.

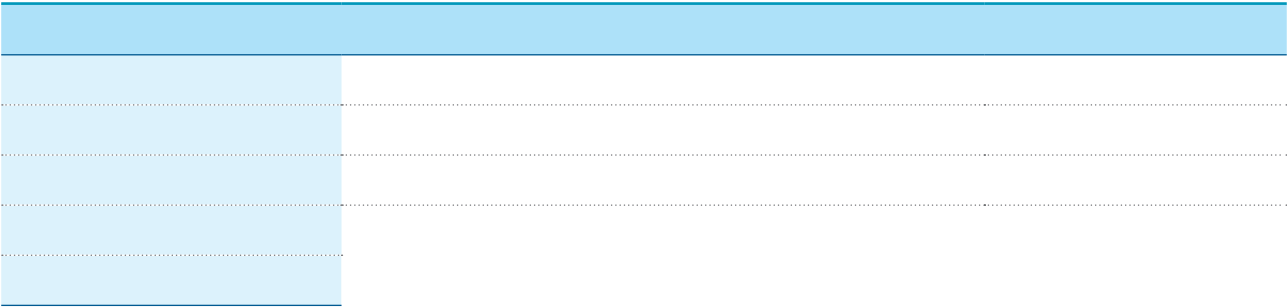
The Group has integrated ESG elements into supplier selection, reinforcing our commitment to sustainability.



The Group prioritises product quality, timely delivery, reliable service, and competitive pricing when selecting suppliers.

In 2023, the Group optimised its supplier selection procedure by integrating key sustainability metrics. Under the revised procedure, suppliers are required to sign the following additional agreements: 1) Shipbuilding Safety Production and Environmental Protection Management Agreement, 2) Environmental, Occupational Health & Safety, and Energy Management Requirements for Relevant Parties, and 3) Safety and Environmental Protection Notice. These measures reinforce our commitment to sustainability, safety, and responsible supply chain management.

Our supplier selection process comprises written application, factory due diligence checks by relevant departments, submission of required documents, and interviews. The Group conducts supplier qualification reassessment twice a year, aiming to ensure ongoing compliance with our standards.





GRI 2: General Disclosures 2021	The organisation and its reporting practices	2-1	Organisational details	Annual Report Page 3
		2-2	Entities included in the organisation's sustainability reporting	Page 2
		2-3	Reporting period, frequency, and contact point	Page 2
	Activities and workers	2-6	Activities, value chain, and other business relationships	Page 38, 45-46
		2-7	Employees	Page 34-38
	Governance	2-9	Governance Structure	Page 3, 7-8
		2-10	Nomination	Page 43
		2-11	Chair of the highest governance body	Page 3
		2-12	Roles of the highest governance body	Page 3, 7
		2-14	Role of the highest governance body in sustainability reporting	Page 3, 7
		2-16	Communication of critical concerns	Page 9-17
		2-17	Collective knowledge of the highest governance body	Page 3, 43
		2-18	Evaluation of the performance of the highest governance body	Page 43
	Strategy, policies, and practices	2-22	Statement on sustainable development strategy	Page 4-5
		2-23	Policy commitments	Page 3-5
		2-24	Embedding policy commitments	Page 3-5
		2-25	Process to remediate negative impacts	Page 10-14
		2-26	Mechanisms for seeking advice and raising concerns	Page 8-14
		2-27	Compliance with laws and regulations	Page 2
	Stakeholder engagement	2-29	Approach to stakeholder engagement	Page 15-17
GRI 3: Material Topics 2021	Disclosures on material topics	3-1	Process to determine material topics	Page 9
		3-2	List of material topics	Page 9
		3-3	Management of material topics	Page 10-14

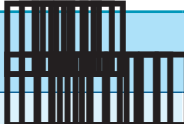
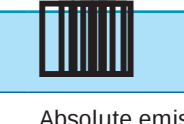
GRI 201: Economic Performance 2016	Economic performance	201-1	Direct economic value generated and distributed	Page 39
		201-3	Defined benefit plan obligations	Page 39
		201-4	Financial assistance received from government	Page 39
GRI 203: Indirect Economic Impacts 2016	Indirect economic impacts	203-1	Infrastructure Investments	Page 28-29
		203-2	Significant indirect economic impacts	Page 42
GRI 205: Anti-corruption 2016	Anti-corruption	205-1	Operations assessed for risks related to corruption	Page 44-45
		205-2	Communication and training about anti-corruption	Page 45-46
GRI 301: Materials 2016	Materials	301-3	Packaging materials	Page 19
GRI 302: Energy 2016	Energy	302-1	Energy consumption within the organisation	Page 32
		301-3	Energy intensity	Page 32
		302-4	Reduction of energy consumption	Page 32
GRI 303: Water and Effluents 2018	Water	303-1	Interactions with water as a shared resource	Page 32
		303-2	Management of water discharge-related impacts	Page 27-28
		303-3	Water withdrawal	Page 32
		303-4	Water discharge	Page 32
		303-5	Water consumption	Page 32
GRI 305: Emissions 2016	Emissions	305-1	Direct (Scope 1) GHG emissions	Page 30
		305-2	Energy indirect (Scope 2) GHG emissions	Page 30
		305-4	Reduction of GHG emissions	Page 18, 30
GRI 306: Waste 2020	Waste	306-1	Waste generation and significant waste-related impacts	Page 28-29
		306-2	Management of significant waste-related impacts	Page 28-29
		306-3	Waste generated	Page 31
		306-4		

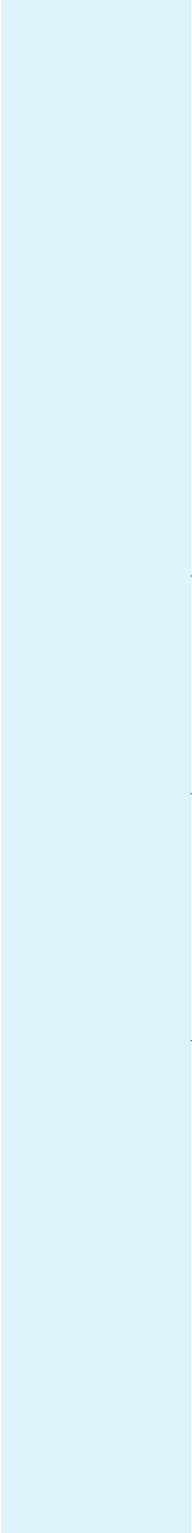
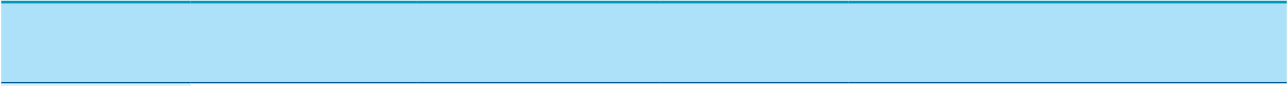
GRI 401: Employment 2016	Employment	401-1	New employee hires and employee turnover	Page 41
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 37
GRI 404: Training and Education 2016	Training and Education	404-1	Average hours of training per year per employee	Page 40
		404-2	Programs for upgrading employee skills and transition assistance programs	Page 34-36
GRI 405: Diversity and Equal Opportunity 2016	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Page 34-35, 43
GRI 406: Non-discrimination 2016	Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Zero
GRI 408: Child Labour 2016	Child labour	408-1	Operations at significant risk for incidents of child labour	Page 37
GRI 409: Forced or Compulsory Labour 2016	Forced or Compulsory Labour	409-1	Operations at significant risk for incidents of forced or compulsory labour	Page 37
GRI 410: Security Practices 2016	Security practices	410-1	Security personnel trained in human rights policies or procedures	Page 37
GRI 413: Local Communities 2016	Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	Page 38
GRI 415: Public Policy 2016	Public policy	415-1	Political contributions	Page 39



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1	Material ESG Factors	Page 9
2	Climate-Related Disclosures Consistent With The TCFD Recommendations	NA
3	Policies, Practices, and Performance	Page 10-14Material ESGw 343.I ESG Factor



		Greenhouse Gas Emissions	Absolute emissions by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO ₂ e	GRI 305-1, GRI 305-2, GRI 305-3, TCFD, SASB 110, WEF core metrics	238,711.02
			Emission intensities by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO ₂ e/USD'mln sales	GRI 305-4, TCFD, SASB 110	65.65
		Energy Consumption	Total energy consumption	GJ	GRI 302-1, TCFD, SASB 130	1,398,114.96
			Energy consumption intensity	GJ/USD'mln sales	GRI 302-3, TCFD	384.50
		Water Consumption	Total water consumption	m ³	GRI 303-5, SASB 140, TCFD, WEF core metrics	4,168,972.00
			Water consumption intensity	m ³ /USD'mln sales	TCFD, SASB IF-RE-140a.1	1,130
		Waste Generation	Total waste generated	tonne	GRI 306-3, SASB 150, TCFD, WEF expanded metrics	3,708,735.00
		Gender Diversity	Current employees by gender	Percentage (%)	GRI 405-1, SASB 330, WEF core metrics	Male: 80.5% Female: 19.5%
			New hires and turnover by gender	Percentage (%)	GRI 401-1, WEF core metrics	New hires Male: 88.9% Female: 11.1%
		Age-Based Diversity	Current employees by age groups	Percentage (%)	GRI 405-1, WEF core metrics	<u>Turnover</u> Male: 85.7% Female: 14.3%
						<u>Below 30 years:</u> 23.0%
						<u>30-50 years old:</u> 65.0%
						<u>Above 50 years old:</u> 12.0%



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	Board Composition	Board independence	Percentage (%)	GRI 2-9, WEF core metrics	60.0%
		Women on the board	Percentage (%)	GRI 2-9, GRI 405-1, WEF core metrics	20.0%
	Management Diversity	Women in the management team	Percentage (%)	GRI 2-9, GRI 405-1, WEF core metrics, SASB 330	0%
	Ethical Behaviour	Anti-corruption disclosures	Discussion and number of standards	GRI 205-1, GRI 205-2 and GRI 205-3	Page 45-46
		Anti-corruption training for employees	Percentage (%)	GRI205-2, WEF core metrics	100%
	Certifications	List of relevant certifications	List	Commonly reported metric by SGX issuers	ISO 9001
					ISO 14001
					ISO 45001
					ISO 50001
					GB/T23331
					GB/T29490
					GB/T23001
					T/AITRE 10003
	Alignment with Frameworks	Alignment with frameworks and disclosure practices	GRI/TCFD/ SASB/SDGs/ others	SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	GRI SASB UN SDGs SGX Sustainability Reporting Guide
	Assurance	Assurance of sustainability report	Internal/ External/None	GRI 2-5, SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	The report was reviewed and approved by the Board and ESG Committee and will undergo internal audits following its publication.



Sustainability Disclosure Topics & Metrics

