



ANNUAL SUSTAINABILITY REPORT | 2022



STEAMSHIPS
TRADING COMPANY LIMITED



ABOUT THIS REPORT

Steamships Trading Company Limited (“Steamships”, “STC”, “the Company”) is a limited company incorporated and registered in Papua New Guinea. It has its registered headquarters at @345, Stanley Esplanade, Port Moresby, Papua New Guinea. Steamships is publicly listed on the Australian Securities Exchange (ASX) and the Port Moresby Stock Exchange (PNGX).

The Annual Sustainability Report 2022 is published as a counterpart to the Company’s financial Annual Report 2022. Both reports are published on 31 March 2023. This Report relates to Steamships, its subsidiaries, and its operating businesses. It does not include joint venture operations that are outside the Company’s management control.

Steamships has reported the information contained in this Report with reference to the updated standards of the Global Reporting Initiative as specified further in the GRI content index at the end of this report. The reporting period is 1 January 2022 to 31 December 2022.

Questions regarding this report, reported information, or sustainability at Steamships should be directed to the Company’s Sustainable Development team at sustainability@steamships.com.pg.

Front Cover photo: Sacred Kingfisher by Russel Sy, General Manager of Pacific Palms Property, a Steamships business.



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FOREWORD

Steamships' ambition is to be a responsible private sector partner for sustainable development (SD) within Papua New Guinea. In September 2022, the Steamships Board approved the adoption of a five pillar approach to our sustainability strategy with the focus areas as People, Communities, Climate, Waste, and Water. Steamships' commitment to the principles of Sustainable Development is essential to delivering value and social impact to Papua New Guinea.

Our people are our most important asset, and the health, safety, and wellbeing of our staff is a top priority for the Company. Our annual workplace culture survey identified our strong performance across key pillars including opportunity, wellbeing, and leadership, and was used to inform recommendations for management to make continued improvements.

With zero fatalities recorded across our operating businesses in 2022, the Company is focused on maintaining this safety standard whilst working towards "Target 2", which would see each operating division halve its incident rate each year. Each business unit is developing its own Target 2 action plan with central Steamships support. Our annual Safety Day was held in September with the theme of Target 2, and had a special focus on Vehicular Safety and Moving Objects. The Safety Day was attended by the Steamships executive and safety teams and senior management from all divisions. External parties, including three key clients, were also invited to share their knowledge and observations.

We continue to run health-related training and support voluntary health initiatives aimed at improving the health awareness and practices of our staff and of local communities. With gender-based violence unfortunately a serious and pervasive problem in Papua New Guinean society, we maintain our support of Bel Isi PNG, a family violence support NGO, to provide support services for our staff, and other charities working to provide safe spaces for survivors of family and sexual violence.

Steamships' Community Grants Program remains a cornerstone of our approach to sustainable development. In 2022, we continued to support longstanding partnerships with organisations including Buk Bilong Pikinini, Femili PNG, Sago Network, and the Salvation Army. These ongoing funding commitments are based on continued successful project delivery on the part of our partner organisations, which are carrying out valuable work across our community engagement focus areas – social welfare (prioritising women, children and the most marginalised), health, and

education. We are also delighted to have contributed funding to impactful new projects by Sea Women of Melanesia, the Conflict Islands Conservation Initiative, and Gateway Children's Fund.

Steamships is proud to engage with cross-sector external partners on projects that bring community benefit and support sustainable development within Papua New Guinea. One valuable new initiative in 2022 was the Company's engagement with the PNG Biodiversity and Climate Fund, a new fund currently incubated within UNDP and which aims to promote conservation and climate action in protected areas across the country. Steamships is a representative of the private sector stakeholder group on the Fund's steering committee and has contributed to the Fund's governance framework and grant-making process.

The appointment of an in-house sustainability team has enabled us to increase our focus on the environmental sustainability of our business activities. We continue to keep an eye on the future, and in particular for opportunities to support Papua New Guinea's national sustainable development goals relating to electrification and clean energy transition. Waste reduction, segregation, and diversion has been another focus area in late 2022 and moving into 2023. Five of our six operating businesses are ISO accredited for Safety, Quality, and Environment, with the remaining business targeting certification in 2023. A focus for 2022 and 2023 is expanding the scope of our environmental data collection, establishing a solid baseline with a view to setting science-based targets for emissions reduction in the near- to medium-term. It is the intention of the Board of Directors to pass a net zero resolution in 2023. Our focus remains on outcome-orientated actions. Responsible and sustainable energy consumption continues to be encouraged through the regular monitoring and reporting of energy use, water use, and environmental emissions at an operational level.

Rupert Bray
Managing Director

ABOUT STEAMSHIPS

Steamships Trading Company Limited (Steamships) has been operating in Papua New Guinea for over 100 years. A committed investor and an established conglomerate in the country, Steamships is listed on both the Australian Securities Exchange (ASX) and Papua New Guinea Stock Exchange (PNGX). Steamships employs over 3,100 people across its Logistics, Property, and Hospitality divisions.

Our Operating Businesses

CONSORT EXPRESS LINES

Consort owns and operates a fleet of geared, multipurpose vessels and specialises in providing reliable scheduled liner shipping services connecting 16 ports across Papua New Guinea. The business offers the most extensive shipping network in the country, regularly visiting ports on the North Coast, South Coast, New Guinea Islands, Bougainville, and Western Province. It has achieved ISO certification in 3 categories, ISO 140001 – Environmental Management, ISO 9001 – Quality Management and ISO 45001 – Occupational Health and Safety.

Consort has the capability to carry a wide range of cargo including containerised cargo, general cargo, breakbulk, refrigerated cargo and project cargo. Its diverse customer base varies from domestic manufacturers and wholesalers to international liner carriers transshipping cargo. In addition to owning and operating ships, Consort manages Papua New Guinea's largest fleet of containers, offering customers easy access to a wide range of container types.

Consort also operates project and charter vessels that are purpose-built for trading in coastal and riverine waterways across Papua New Guinea. Its project and charter fleet consists of small, medium, and large landing crafts capable of carrying containers, breakbulk, and bulk fuel cargos. In addition to shallow-draft landing crafts, it also owns tugboat and barge combinations.

PACIFIC TOWING MARINE SERVICES

Pacific Towing offers a diverse range of marine services, enjoying a reputation for excellence and reliability across the Pacific region. Core services include towage, mooring, salvage, commercial diving, and life raft sales, leasing and servicing. Pacific Towing also provides numerous services to the energy sector and is a trusted provider of innovative and customised marine project solutions.

The Company has fast responder capability and operates a fleet of 23 vessels, including 13 tugs and 10 associated support vessels. Pacific Towing is halfway through a re-fleeting program to further modernise its fleet, as well as to provide it with enhanced towage and salvage capacity. Vessels are stationed in five ports across Papua New Guinea including at its dedicated tug base in Port Moresby, as well as in Lae, Rabaul, Kimbe, and Madang. An additional tug dedicated to harbour towage services continues to be based in Honiara at the Company's operations in the Solomon Islands.

Pacific Towing is a full member of the International Salvage Union and the International Spill Control Organization. It has achieved ISO certification in 3 categories, ISO 140001 – Environmental Management, ISO 9001 – Quality Management and ISO 45001 – Occupational Health and Safety. With a 97 percent nationalised workforce and a long history of substantial training investments (including two cadetship programs), Pacific Towing is proud of its achievements in training the next generation of Papua New Guinea's seafaring professionals.

EAST WEST TRANSPORT

East West Transport is one of Papua New Guinea's largest multifaceted transport and logistics companies, operating across a wide spectrum of transport-related activities including bulk fuel, containerised cargo, and break-bulk cargo, and provides depot services such as equipment hire, warehousing, and bonded or unbonded yard storage. It also offers a licensed customs cargo clearance service in Lae and Port Moresby with the ability to clear cargo in any location where East West Transport has a presence. The division capitalises on its close relationships with sister companies in shipping and stevedoring by offering specialised end-to-end logistics and project solutions for the mining, energy, and commercial sectors.

ABOUT STEAMSHIPS

Based in Port Moresby, East West Transport has operations in Lae, Kimbe, Rabaul, Madang, Wewak, Alotau, and Kavieng. It has a large fleet of prime movers, heavy and light trucks, forklifts, and reach stackers ranging from 2.5 to 80 tons in capacity. All equipment is supported by localised workshop facilities, safety, and emergency response teams and vehicles. East West Transport has achieved ISO certification in 3 categories, ISO 140001 – Environmental Management, ISO 9001 – Quality Management and ISO 45001 – Occupational Health and Safety.

JOINT VENTURE PORT SERVICES

Joint Venture Port Services (JVPS) operates stevedoring businesses throughout the country including in the principal ports of Port Moresby and Lae, ports elsewhere on the mainland and on Bougainville, New Ireland, and New Britain. The core businesses offer a full range of stevedoring and handling facilities. With a fleet of specialist equipment, the businesses handle all types of containers, as well as project cargo, break-bulk, RO-RO, LO-LO, grains, and cement.

The companies are joint ventures between Steamships and local landowner groups at the respective ports around the country. Each joint venture employs a local workforce and is structured in a manner so that a significant share of earnings is returned to the community in which the joint ventures operate. The business continues to work hard to provide a seamless logistics solution for customers in Papua New Guinea drawing on the combined strengths of Swire Shipping, Consort and East West Transport.

JVPS is the only group of stevedoring and handling companies in Papua New Guinea to be ISO accredited for quality, safety, and environment (ISO 9001 – Quality Management and ISO 45001 – Occupational Health and Safety. ISO 140001 – Environmental Management.



PACIFIC PALMS PROPERTY

Pacific Palms Property (PPP) is one of Papua New Guinea's largest property development and management companies. It covers the commercial, industrial, retail, and residential sectors with properties and land assets in many of the country's main urban centres, including Port Moresby, Lae, Mt Hagen, Goroka, Madang, Rabaul, Arawa, and Wewak. PPP has achieved ISO certification in 3 categories, ISO 140001 – Environmental Management, ISO 9001 – Quality Management, and ISO 45001 – Occupational Health and Safety, following a robust auditing process by DNV Assurance Australia.

2022 saw PPP achieve the first EDGE (Excellence in Design for Greater Efficiency) green building design certification in the Pacific Islands for @345, the Burns House refurbishment now serving as Steamships' corporate head office and its property and hospitality headquarters. PPP hopes to achieve a second EDGE certification for the Harbourside South development, a major project due to be completed in the second half of 2023.

CORAL SEA HOTELS & ENZO'S

Coral Sea Hotels is the country's largest hotel group, comprising: Grand Papua Hotel, Gateway Hotel and Apartments, Ela Beach Hotel and Apartments, and Whittaker Apartments in Port Moresby; Huon Gulf Hotel in Lae; Highlander Hotel and Apartments in Mt Hagen; Bird of Paradise Hotel in Goroka; and Cassowary Hotel in Kiunga. The division also operates twenty-five food and beverage outlets including the pizza chain ENZO's, Ela Beach Bakery, Harbourside Bakery and Bonjour Café in Deloitte Tower. 2022 saw a targeted expansion of ENZO's with the opening of new fast-food outlets in Port Moresby. A focus for 2023 is a review of the service offering and staff training across the hotels, which includes environmental and social criteria.



ABOUT STEAMSHIPS

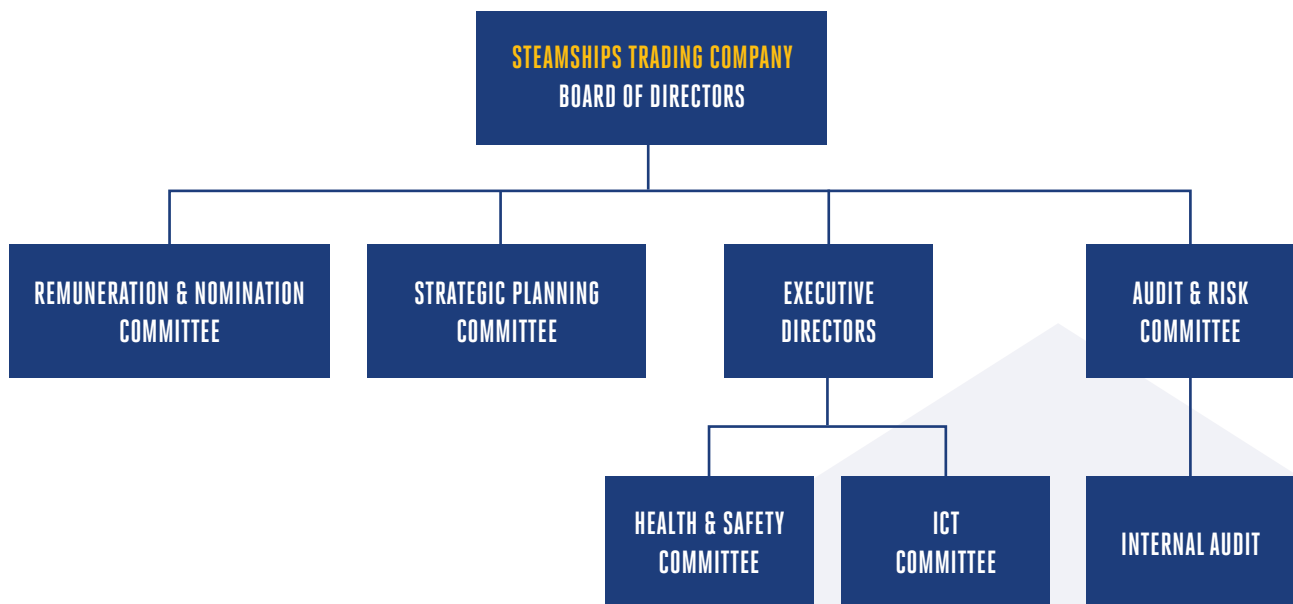
Steamships has adopted the following governance structure:

CORPORATE GOVERNANCE

Steamships is committed to adopting and implementing rigorous corporate governance practices across all its activities and divisions. The key principles of the Company's corporate governance approach are:

1. Lay Solid Foundations for Management and Oversight
2. Structure the Board to Add Value
3. Instil a culture of acting lawfully, ethically and responsibly
4. Safeguard the Integrity of Corporate Reports
5. Make Timely and Balanced Disclosure
6. Respect the Rights of Security Holders
7. Recognise and Manage Risk
8. Remunerate Fairly and Responsibly

These principles, which are published in full at www.steamships.com.pg/about-us/corporate-governance are underpinned by company policies and subject to oversight by the Board of Directors and its Committees.



SUSTAINABILITY AT STEAMSHIPS

Steamships’ approach to sustainable development is guided by our THRIVE sustainability strategy, which identifies key focus areas of Climate, Waste, Water, People and Communities.

Steamships has conducted its operations in Papua New Guinea for over one hundred years with a genuine commitment to its people and to local communities. Environmental sustainability has also been an increasing focus for Steamships’ operating businesses, and 2022 saw the appointment of an in-house Sustainable Development team dedicated to these areas. The THRIVE focus areas are factored into strategic planning for each of our divisions. Each division identified sustainable development objectives in its 2022 strategic outlook.



Our priorities with reference to the Sustainable Development Goals

<p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> • Overriding importance of occupational health and safety of our employees • Support staff health, hygiene, and wellbeing • Provide safe, secure work environments • Public security is constantly monitored and staff kept informed
<p>5 GENDER EQUALITY</p>	<ul style="list-style-type: none"> • Representation of women in senior leadership and management positions • Increased participation of women across operations • Equal treatment of women and men in equal roles • No to gender-based violence
<p>6 CLEAN WATER AND SANITATION</p>	<ul style="list-style-type: none"> • All staff, tenants, and guests are provided with access to clean water • Introduce potable water filters across properties and vessels • Responsible management of effluents • Collect and use rainwater as appropriate
<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> • Support PNG national electrification and renewable energy transition goals wherever possible • Work to reduce reliance on diesel-powered generators • Explore opportunities for cleaner fuel transition
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> • Recognise our responsibility as a corporate citizen and a large employer • Provide decent employment with fair wages and terms • Train and develop staff and support career progression • Contribute to national economic growth
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<ul style="list-style-type: none"> • Maintain ISO-compliant waste management processes • Monitor our waste output to improve waste management plans • Seek to reduce waste and divert from landfill where possible • Dispose of hazardous waste responsibly
<p>13 CLIMATE ACTION</p>	<ul style="list-style-type: none"> • Support national climate-related sustainable development goals • Work toward setting science-based emissions reduction targets • Meaningful and productive engagement with public, private, and civil society stakeholders working towards climate goals in PNG

THRIVE PHOTOGRAPHY COMPETITION

Steamships staff were invited to submit photographs relating to our sustainability focus areas: Climate, Waste, Water, People, and Communities. The winning photos are published here together with the photographer's caption and judges' comments.

FIRST PRIZE: Danah Akari, Room Attendant, Bird of Paradise Hotel, Goroka

Photo from Goroka, Eastern Highlands Province on the theme of Waste. Tin cans are a major waste problem in towns and communities. Recycling them helps protect the ecosystem for future generations and gives good revenue.

Judges' comments: The winning photo captured beauty in an everyday moment and highlighted a waste management issue that is visible on a daily basis in PNG. The judges admired the striking colours and composition and the identification of an everyday issue on the theme of waste.



SECOND PRIZE (TIED): Vashni Simon, Paralegal, Head Office, Port Moresby (two tied entries)

Photo from Namatanai, New Ireland Province on the theme of Waste. Coconut husking. Coconuts are used as food, while the husks are used for making flowerpots/ flower beds and also as firewood.

Judges' comments: This entry highlighted circular waste management, using waste products for other purposes, and the sustainability of traditional methods and practices.



Photo from Rabaul, East New Britain Province on the theme of Climate. Forest and River. Rainy seasons create creeks as a water source for humans and animals. The climate also helps certain cash crops to grow.

Judges' comments: This photo captured the natural beauty of East New Britain Province and emphasised the importance of climate and natural weather cycles to sustain people, animals, and the environment.

THIRD PRIZE: Stella Siawang, People and Culture Manager, Head Office, Port Moresby

Photo from Vunadidir overlooking Gaulim, East New Britain Province on the theme of Climate. Cold foggy mountains and summer all year around.

Judges' comments: The judges liked the relationship between climate, people, and community in this entry, with the striking colours in the foreground in contrast to the cool, foggy background.



OUR PEOPLE

Steamships firmly believes that its people are its greatest asset. At Steamships, our focus is to ensure that employees are afforded every opportunity to build strong, rewarding, and successful careers in an environment of safety, trust, fairness, and respect. We strive to ensure that:

- We are an equal opportunity employer that treats all employees with dignity and respect.
- We provide a safe and secure work environment and promote healthy lifestyles.
- We provide development opportunities and rewarding careers



Health and Safety

The health and safety of our employees is the single most important priority for Steamships. Zero fatalities were recorded in 2022, and it is imperative that we maintain this whilst also reducing the overall number of incidents, especially major injuries. In 2022, we recorded two lost time injuries (LTIs) in total across our operating businesses, equivalent to 0.07 per 200,000 hours worked. Each of our business units is developing a strategy to achieve “Target 2”, i.e., to halve its incident rate each year.

Our annual Safety Day was held on the theme of Target 2, with a particular focus on Vehicular Safety and Moving Objects. Safety Day was attended by safety representatives and senior management from all divisions. External parties, including a key client and an expert from our sister company, Swire Shipping, were also invited to share their knowledge and observations.

Internationally recognised standards

Five of our six operational divisions are ISO Certified for the standards listed below. The remaining division, Coral Sea Hotels, is targeting certification in 2023.

- ISO 45001:2018 for Occupational Health and Safety
- ISO 9001:2015 for Quality Management
- ISO 14001:2015 for Environmental Management

Additionally, our shipping and tug towage businesses comply to the ISM and ISPS Code, while Coral Sea Hotels is HACCP accredited for food safety.



OUR PEOPLE

Safety Management

Steamships' HSE, Security, Quality and Sustainability Policy provides a high-level framework for our OHS and Safety Management System, supported by operational guidelines and procedures. Steamships uses the Integrated Management Systems (IMS) standards as the Safety Management System to guide daily operations. This includes monitoring compliance to all applicable legal and other regulations.

Key OHS functions defined in the IMS are:

- (1) **Hazard reporting:** this includes various risk assessment tools available to identify hazards and assess risks associated to the hazard.
- (2) **Safety committee meetings:** periodic meetings are conducted at divisional/departmental and senior management level. Safety hazards are raised at divisional/departmental level and, depending on severity of the hazard, escalated to senior management to apply corrective/mitigative controls.
- (3) **Training and competency:** OHS-related training is conducted on a needs basis for all position types. The HSSEQ team conducts internal training according to training schedule for respective divisions/departments. External trainers are also engaged periodically. HSSEQ collaborates with the HR Training team in planning and conducting training sessions.
- (4) **Providing safe equipment** - safety equipment provided to employees is of industry best standards. Training on how to use the equipment is provided prior to use. Examples include fire extinguisher training, working at heights equipment.

Hazard identification and risk management

Steamships' HSE, Security, Quality and Sustainability Policy is reinforced by additional matter-specific policies to provide a robust framework for hazard identification, risk assessment, and incident reporting. These policies are guided and supported by the ISO standards to which our operating divisions comply.

IMS provides guidelines and standard operating procedures (SOPs) for routine high-risk tasks. Job safety environmental analysis (JSEA) together with formal risk assessments and permit system are used prior to the commencement of non-routine high-risk tasks. The hierarchy of controls is used within the JSEA and risk assessment process to eliminate, reduce or mitigate risks identified.

Steamships follows IMS hazard identification and risk management guidelines, deploying several risk assessment tools accordingly. Examples of tools include

- (1) Group risk analysis
- (2) Manager safety walk and interaction
- (3) Self-inspections
- (4) Safety observations (both positive/negative)
- (5) Job safety environmental analysis
- (6) Lock Out Tag Out
- (7) Permit system

Depending on the severity of hazard, as defined in the Group Enterprise Risk Register, hazards are reported through line of management in respective divisions and departments. Hazards assessed as significant are escalated directly to higher level of management for appropriate corrective and or preventative measures to be applied.

Stop Work Policy

The Stop Work Policy ensures protection for employees whereby the Company will fully support the decision for employees stop work and report hazards or other unsafe activities or risks that are identified and deemed unsafe. The Policy provides protection for staff/employees who initiate this process. Management will fully support the decision and will not apportion blame or fault to the person who stops the work. There will be no retribution for stopping work, provided this is initiated in good faith, even if it is subsequently deemed unnecessary.

Furthermore, employees are referred to Steamships' Whistleblowing Policy under the Steamships Code of Conduct. The Whistleblowing Policy protects confidentiality and sensitivity of HSE-related issues reported, and of the reporting employee, with no reprisal.

Occupational Health and Safety Training

Workers are provided with specific OHS training related to their tasks as a routine part of their onboarding and ongoing supervision in their roles. All OHS related trainings are conducted on a needs basis for position or job types.

Some trainings are conducted specifically for work-related hazards. For e.g. Working at Heights training is compulsory for all maintenance supervisors, electricians, IT Staff and HSSE workers because of the hazards associated with the nature of their work.

Additionally, some training sessions on broader hazardous situations are delivered to staff on a periodic or generic basis. For example, in 2022, training was delivered on first aid provision, in-house fire warden training, fatigue while driving, defensive driving, and cleanliness and hygiene onboard vessels.

OUR PEOPLE

Health

Steamships engages in voluntary health promotion services and programs throughout the year, both at a business unit level and at a head office level. The main aim is to address lifestyle diseases and common health problems that affect our staff. Topics covered in awareness forums and toolbox sessions in 2022 included tuberculosis, HIV & Aids, drugs and alcohol, malaria, hepatitis, smoking, mental health, and cancer. Staff are encouraged to attend these sessions, which are organised at work sites with attendance records are taken.

Emphasis is placed on gender-based violence (GBV) and family sexual violence (FSV), which are endemic problems in the local community. Steamships has an ongoing arrangement with Bel Isi PNG, an experienced local NGO in this area, to provide support services for its staff and supports other charities in this area through its community engagement programme.

With the effects of the COVID-19 pandemic continuing into 2022, we maintained our support for COVID vaccination programmes and achieved 95% vaccination rates across our employees. Our vaccination rollout commenced

in September 2021 and our teams worked tirelessly to implement a “COVID-Safe Workplace”, encouraging and educating the workforce on the importance of vaccinations and general health standards. In line with the practices put in place across the nation, Steamships introduced a series of additional measures, including:

- A vaccination drive
- Steamships internal vaccination sweepstake
- Procurement policies that favour contractors and suppliers that demonstrate high levels of vaccination in their workforce
- Testing regimes for unvaccinated individuals and clients/customers of Steamships
- Safety and protective items/gear
- FAQ's provided and Covid 19 memos

Health is also one of Steamships' Community Engagement pillars. In addition to internal events and training aimed at promoting health awareness amongst our staff, we participate in events run by external partners, such as a blood donation drive for Port Moresby General Hospital and first aid training delivered by St John Ambulance Services.



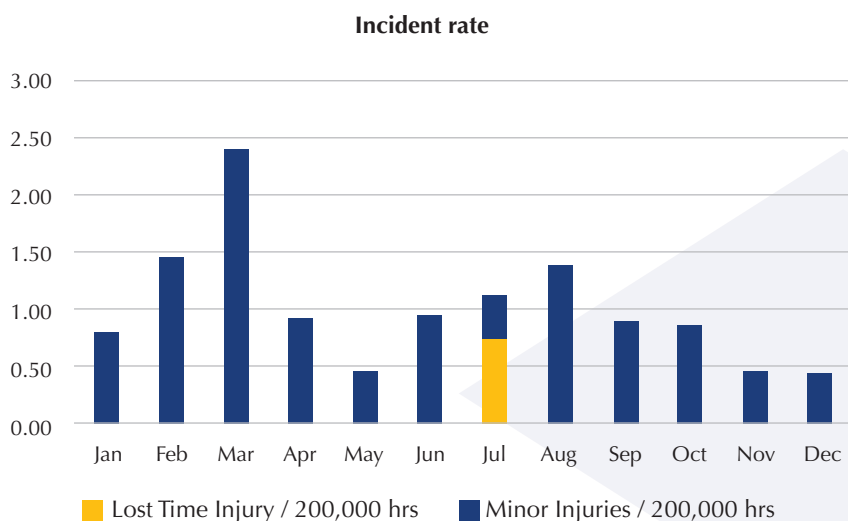
Bel Isi Ending Violence Against Women Walk, November 2022

OUR PEOPLE

2022 Work-related incidents

2022 incident statistics are based on 5,344,550 hours of work. Incident rates were calculated based on 200,000 hours worked. The main types of work-related injury recorded were: Laceration/Cut, Sprain/Strain, Bruising, Crush/Fracture.

	2022 Total	2022 Target	2021 Total
Incidents recorded			
Fatalities	0	0	0
Lost Time Injury	2	1	2
Minor Injury	25	16	55
Near Misses	1,858	1,667	2,073
LTIs involving discipline	0	0	0
Management data			
Number of hours worked (hrs)	5,344,550	-	-
Number of employees (qty)	2,644	-	-
Incident rate			
Lost Time Injury / 200,000 hrs	0.07	0.04	0.08
Minor Injuries / 200,000 hrs	0.94	0.63	2.17



OUR PEOPLE

Employment

Working Culture

In 2022, Steamships ran its second annual Working Culture Survey across head office and all operating businesses. The Working Culture Survey measures six themes that we believe are integral to our organization's work culture. They are as follows:

- Purpose
- Opportunity
- Success
- Wellbeing
- Appreciation
- Leadership

The 2022 responses summarized that the Steamships Working Culture was highly ranked for all the six themes. In order to ensure continued progress, the HR team provided recommendations to general managers based on the survey results. The central HR team, and in particular its People & Culture Manager, assists management with implementation of these recommendations.



Training and development

The HR team continues to increase its focus on training and development of the workforce, with a formal team training needs dialogue initiated with team leaders in Q4 2022. General training programmes run over the course of the year included leadership programmes specifically tailored to frontline managers and mid-level managers, core office skills training for general staff, skills-based assessment training, and technical training for operations. Recorded training hours averaged 4.35 hours per employee for the year.

HR Centralisation

Following the centralisation of our human resources operations, our HR policies underwent a comprehensive review, update, and approval by the Board of Directors in 2022. The HR management team held awareness sessions to ensure staff understood the policies and benefits applicable to them. A nationwide roadshow saw these awareness sessions held in Port Moresby, Lae, and the majority of our outstation locations.



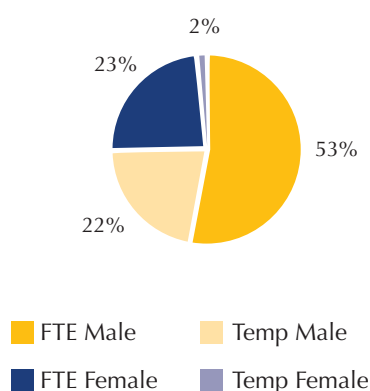
OUR PEOPLE

Employment statistics

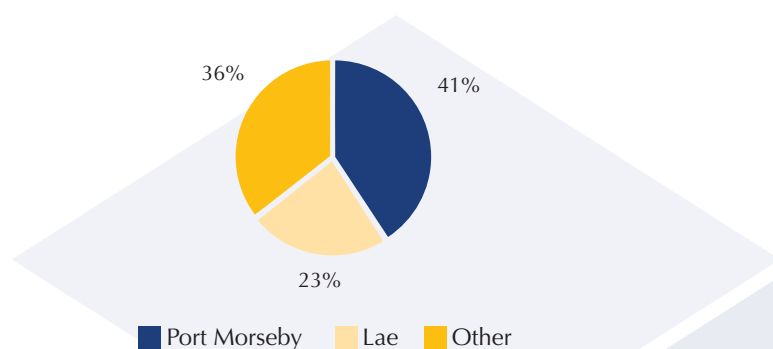
The largest concentration of Steamships staff is in Papua New Guinea's capital, Port Moresby, followed by Lae, which is the site of the country's main port. We also have staff involved in Logistics operations and property and hotel management in further ports around the country's coast, in the Highlands, and in Western province.

	Total	CHO	CSH	PPP	CEL	EWT	PACT	JVPS
Port Moresby								
FTE Male	638	28	235	36	19	133	120	67
FTE Female	488	59	283	32	13	32	37	32
Temp Male	119	1	14	10	0	13	6	75
Temp Female	23	4	9	2	0	2	1	5
Lae								
FTE Male	500	3	11	1	121	130	22	212
FTE Female	124	0	17	1	61	24	3	18
Temp Male	97	0	1	0	2	3	6	85
Temp Female	10	0	2	0	0	1	0	7
Other locations								
FTE Male	504	0	74	3	231	67	29	100
FTE Female	115	0	70	4	12	7	0	22
Temp Male	465	0	6	0	0	10	6	443
Temp Female	23	0	8	0	0	0	0	15
Total Head Count	3,106	95	730	89	459	422	230	1,081

Employment statistics by gender and contract type - total

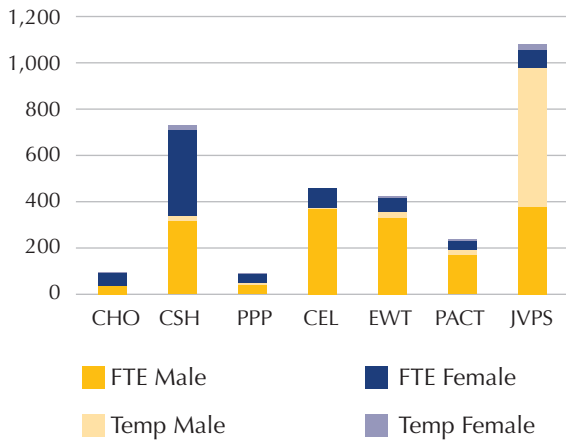


Geographic locations of STC staff

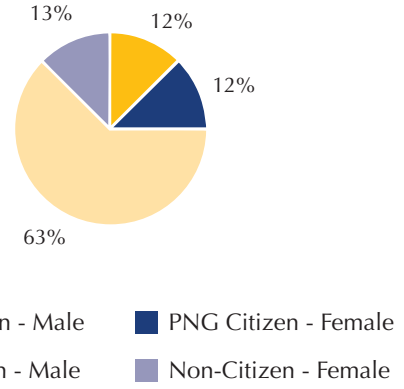


OUR PEOPLE

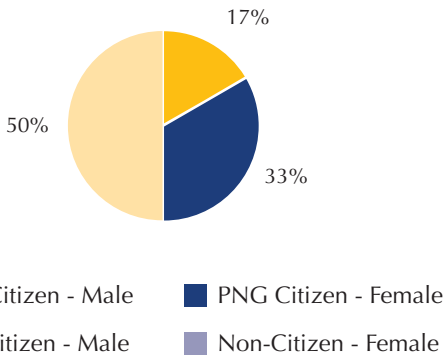
Employment statistics by gender and contract type - divisions



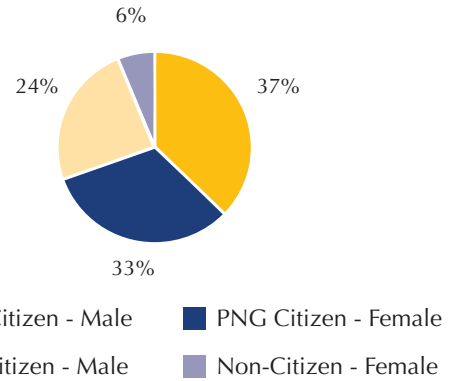
Diversity of highest governing body (Board of Directors) by gender and citizenship



Diversity of Executive Leadership Team by gender and citizenship



Diversity of employees with TRP over PGK 50k by gender and citizenship



Pacific Towing team members

OUR COMMUNITY

Steamships understands that every business must earn and maintain its right to operate and believes that having a positive impact on the communities in which it operates is key to this.

Papua New Guinean communities face a number of social issues and Steamships takes seriously its role as a significant local stakeholder with the resources to support communities in addressing these issues. A sustained commitment to community engagement is central to our position as a responsible corporate citizen and private sector partner for sustainable development in Papua New Guinea.



Community Engagement Strategy

The Steamships Community Grants Programme (CGP) is our main avenue for charitable giving. The objective of the CGP is to support organisations that deliver impactful, measurable, innovative, and sustainable results to the people of Papua New Guinea in a manner that improves community wellbeing. Under the CGP, Steamships will provide financial grants and, where appropriate, in-kind support to groups to implement programs that improve the wellbeing of the local population. These awards are made following a formal application process and committee review. Additionally, Steamships makes one-off donations, sponsorships, and in-kind donations throughout the year.

In 2022, Steamships' three key focus areas for community engagement were social welfare, education, and health. In recent years it has also supported community initiatives related to sports, conservation, and social enterprise. By targeting these key areas, we aim to support solutions to significant local issues, aligning with national development goals and the Sustainable Development Goals.

- Social Welfare focusing especially on a) women's empowerment and b) supporting the most marginalized people in society, particularly the disabled and children. The focus on women recognises that when women and girls are safe, healthy, educated, employed, and empowered, communities flourish. Ensuring a focus on the most vulnerable demonstrates that Steamships is a proud member of the local community and is committed to assisting those who might otherwise fall between the cracks. This is high priority for Steamships' staff.
- Education focusing on a) increasing literacy and b) improving the quality of education. This continues to be a challenge in Papua New Guinea and is of high

priority for communities and the government. Literacy and access to quality education are also essential in improving every aspect of a person or community's wellbeing, which includes health, women's empowerment, law and order, and income generation. Steamships values education and remains committed to assist with sustainable education practices which continue to develop local talent.

- Health activities focusing on combatting both communicable diseases (those that can be spread from person to person such as TB, measles or malaria) and non-communicable diseases (those that cannot be spread such as cancer or diabetes). The diseases mentioned are amongst the leading causes of death in Papua New Guinea. From Steamships' point of view, they also impact staff wellbeing. Steamships will also support organisations that offer innovative approaches to responding to preventable illnesses and injury – another significant area of concern for Steamships employees.



Buk Bilong Pikinini observe World Water Day at Pari LLC

OUR COMMUNITY

2022 Community Engagement Highlights

Sea Women of Melanesia

2022 Grant Award: PGK 90,000

The Sea Women of Melanesia assist coastal communities in the Coral Sea and Eastern Coral Triangle, an area of world-renowned marine biodiversity, to create and manage marine protected areas that enhance biodiversity and sustain fisheries. A robust network of locally managed marine reserves gives the coastal people the best chance of sustaining the output of their fisheries, and the Sea Women of Melanesia have found that empowering local women to support and facilitate these marine conservation projects delivers the best outcomes. Its approach is to provide indigenous women with skills training and expertise needed to create and monitor marine reserves, raise community awareness, and contribute to quality-of-life improvements in partner villages. The organisation received a 2022 CGP award to support the creation of eight new locally managed marine areas (LMMAs) around Papua New Guinea and to train 24 women. Within four months, the project had created five LMMAs (located in West New Britain, Manus, and Milne Bay provinces) and submitted details to the Conservation and Environment Protection Authority, with two other LMMAs approved by landowners. It had also trained 16 women and inducted another 5 into its training program.



SWoM trainees in action, Gabagaba LMMA

Sago Network

Grant Award: PGK 228,607

Sago Network is an established non-profit NGO addressing water, sanitation, and hygiene challenges in Papua New Guinean communities. Its projects, which are staffed with a multidisciplinary team including architects, plumbers, education professionals, and community development

specialists, aim to centre local people and encourage them to shape the projects' core objectives, ensuring that actual needs are met. One solution is the Sago Dry Toilet, a permanent above ground structure the offers safe sanitation facilities in rural areas. The organisation received a grant award to conduct hygiene education, training, and delivery of dry toilets to Yamen village in East Sepik province. The project was successfully acquitted in Q4 2022.



Family in front of completed "lik lik haus" toilet block



Women's WASH and Sanitation training

OUR COMMUNITY



103 hatchlings emerging from a hawkbill turtle nest



The ranger team for the 2022-2023 season

Conflict Islands Conservation Initiative

2022 Grant Award: PGK 20,308

The Conflict Islands Conservation Initiative conducts marine conservation work in the Conflict Island atoll in Milne Bay province, a key area for green turtle and hawkbill turtle nesting sites in the Coral Triangle. The project funded under the 2022 CGP facilitated one of the Initiative's rangers to extend its turtle monitoring program to a new site on Tewatewa Island in the Engineer Group of islands, west of the Conflict Islands atoll. The project aimed to determine if Tewatewa Island has a population of nesting turtles and to train four new community conservation rangers in turtle conservation techniques, tagging techniques, data collection and nest protection.



Hatchlings being released

OUR COMMUNITY

Gateway Children's Fund (PNG)

2022 Grant Award: PGK 140,000

Gateway Children's Fund provides free education and further support such as clothing, food, and medical assistance, to some of Port Moresby's most disadvantaged children. The organisation received a grant award to fund the addition of a double classroom to the Gateway Christian School, enabling the school to expand its programme to include Grade 6 from February 2023.



Classroom foundations being laid



Constructed classroom

The Hands of Rescue

2022 Grant Award: PGK 50,000

The Hands of Rescue (THOR) is a non-profit organisation registered in Papua New Guinea and based out of Alotau in Milne Bay Province. The organisation received a grant award to continue its work to reduce maternal mortality rates across the country, and especially in Milne Bay Province, through health staff training, family planning, and Safe Motherhood Community Awareness initiatives.



Presentation of grant award to THOR by Steamships GM Corporate Affairs Vele Rupa



Gateway children's fund opening



OUR COMMUNITY



2022 Hiri Moale Festival, photo by Russel Sy

Other sponsorships

2022 also saw Steamships maintain its commitment to existing charitable partners, including Buk Bilong Pikinini, the Salvation Army, and Femili PNG. Children's literacy NGO Buk Bilong Pikinini continued a Steamships-funded programme to create and staff new learning centres. In 2022, a new centres was opened in Vabukori. Steamships covered the rental costs of the Salvation Army's HIV/Aid drop-in centre and case management centre for Femili PNG.

In addition to the Community Grants Programme, Steamships participates in a wide range of community activities, activity days, and event sponsorships, including the annual Hiri Moale cultural festival in Port Moresby.



Arrival of the Lagatoi, Hiri Moale Festival 2022

External engagement

Steamships looks to engage with other stakeholders sharing its sustainable development priorities. The Company is one of two private sector stakeholder representatives on the steering committee of the PNG Biodiversity and Climate Fund (BCF).

The BCF was established in 2022 to *catalyze financial and technical resources to enable present and future generations of Papua New Guineans to restore, protect, and enhance the country's biodiversity and build resilience in the face of climate change*. Currently incubated under UNDP during its start-up phase, the BCF will become an independent, national-level fund supporting conservation and climate resilience building in Papua New Guinea, which is one of the world's few megadiverse countries. To ensure the effectiveness of its programmes, the Fund aims to ensure that commitments are long-term and removed from the political process; that Papua New Guinean values, traditions, and culture are embedded in all decisions and in the Fund's operations; and that global best practice standards for accountability and transparency are met.

Steamships' MD is a Board member and Steamships' SD Manager is an observer. Participation is entirely voluntary, and Steamships has committed to participate on the basis that it is a valuable and effective way of leveraging our corporate skillset to support the development of the Fund (especially in relation to its transparent and effective governance) and, ultimately, to support conservation and climate change initiatives within Papua New Guinea. Our time contribution in H2 2022 was roughly 35 hours of combined executive and manager time.

OUR ENVIRONMENT

Steamships acknowledges the scientific consensus on climate change and is committed to understanding, reporting, and improving its environmental impact, with decarbonisation the overriding objective.

With the appointment of dedicated internal sustainability resource, a focus for 2022 was to increase the scope and consistency of our environmental data collection and reporting across our operating businesses. We continue to progress in this area and have identified areas for further improvement in 2023 and beyond.



Steamships acknowledges the scientific consensus on climate change and is committed to understanding, reporting, and improving its environmental impact, with decarbonisation the overriding objective. With the appointment of dedicated internal sustainability resource, a focus for 2022 was to increase the scope and consistency of our environmental data collection and reporting across our operating businesses. We have made good progress in this area and have identified areas for further improvement in 2023.

Fuels and electric power are material emissions sources across our operating businesses. We are actively targeting clean energy transition, especially solar power, which is subject to local regulatory and infrastructural developments. We have obtained approval to participate in PNG Power's rooftop solar pilot project, and planning is underway at the time of this report. We are excited by the prospect of being at the forefront of clean energy transition in Papua New Guinea, supporting national electrification and energy transition goals.

With five of our six operating businesses ISO accredited for environmental management, our waste management systems comply with ISO standards. Circular waste management options are limited within Papua New Guinea. As such, as responsible waste stewardship becomes an increasing focus for our businesses, we aim to reduce and, where possible, divert waste from landfill as we progress exploratory conversations internally and with external stakeholders to develop alternative solutions. In 2022, we made first steps towards tracking waste output from our operations, and our aim for 2023 is to build a much more complete picture which we can use to update and improve our waste management procedures.

While water scarcity is deemed to be a low risk throughout Papua New Guinea (according to a country risk assessment by the Global Facility for Disaster Reduction and Recovery¹), local communities face water security challenges in terms of access to clean water, particularly in very rural parts of the country. We are mindful of our responsibility to use water responsibly. We continue to monitor our water usage and aim to better understand and reduce our water intensity.

¹ <https://thinkhazard.org/en/report/192-papua-new-guinea/DG>



OUR ENVIRONMENT

EDGE Certification for @345

Steamships' new head office in Port Moresby has become the first building in the Pacific Island Countries and Territories (PICTs) to achieve accreditation under the green building certification system known as EDGE (Excellence in Design for Greater Efficiencies).

@345, previously known as Burns Haus, underwent extensive renovations in 2021 and 2022 as part of an environmentally friendly retrofit. To meet the EDGE certification requirements, it had to demonstrate that the materials and systems used in the building would achieve 20% reductions in energy consumption, water consumption, and embodied carbon in materials. The property exceeded all requirements, with savings of at least 35% in each category.

The building houses Steamships' corporate head office as well as the headquarters of PPP and CSH. Pacific Palms Property aims to achieve a second EDGE certification for the Harbourside South development in Port Moresby in 2023.



OUR ENVIRONMENT

Single-use plastics targeted at Consort

Between February and July 2022, Consort ran a focused environmental campaign to reduce the use and disposal of single-use plastics across its fleet. An awareness campaign was rolled out across the fleet from February.

Between May and June, drinking water filters were installed on all vessels and reusable water bottles distributed to all crew. From July, Consort ceased purchasing and distributing plastic water bottles for its fleet.

Consort achieved roughly a 50% reduction in the use and disposal of water bottles in 2022 compared to the previous year. Its target for 2023 is zero single-use plastic waste from bottles and plastic wrapping on its vessels.

	2021	2022	2023 Target
Consort fleet SUP waste reduction			
Total plastic bottles	38,304	19,152	0
Total carbon plastic wrapping (m ²)	1,596	798	0



OUR ENVIRONMENT

2022 Environmental data

Our focus on increased data collection means that we are not yet able to demonstrate reduced resource consumption or emissions – as we work to establish our baseline, the enhanced scope of our reporting means that higher figures are recorded. 2023 will see continued progress in establishing our baseline as well as increased tracking of intensity metrics across our operating businesses.

	2022 STC total	2021 STC total
Energy consumption		
Total direct energy consumption (GJ)	708,434.00	585,261.17
Fuel oil (kl)	9,510.03	11,794.03
Diesel (kl)	7,440.34	3,346.49
Total indirect energy consumption (GJ)	173,256.32	28,390.72
Electric power (kWh)	48,126,739.43	7,886,312.94
Other resource consumption		
Water (kl)	436,256.74	162,057.91
Greenhouse gas emissions (mtons CO₂-e)		
Direct GHG emissions (scope 1)	44,060.54	38,686.06
Indirect GHG emissions (scope 2)	15,363.90	2,961.07
Total scope 1 & 2 emissions	59,424.44	41,647.12
Total recorded scope 3 emissions	183.73	68.30

Notes on energy and resource consumption:

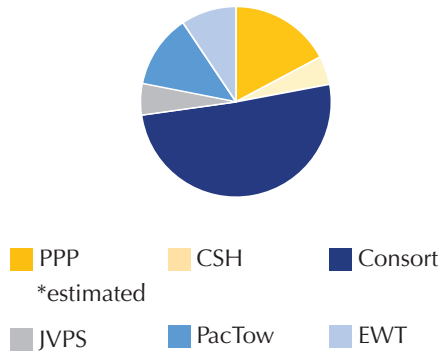
- Some energy and resource consumption data were estimated using assumed intensities (PPP Portfolio). These were calculated based on a combination of partially available actual data and online benchmarks. PPP reported data and emissions presently contain figures from downstream leased aspects included under scope 2.

Notes on emissions:

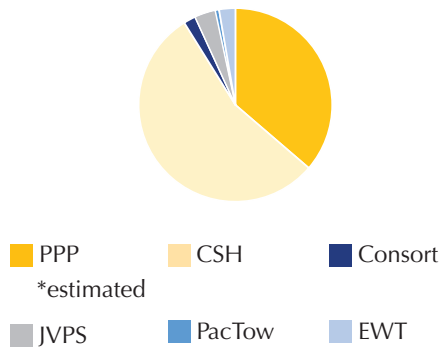
- Emissions calculations are based on the material sources named above and trace quantities of other sources.
- Carbon dioxide (CO₂) accounted for 99.33% of our recorded emissions, with nitrous oxide (N₂O) and methane (CH₄) accounting for 0.56% and 0.11% respectively.
- Scope 3 data collection and reporting has been limited so far and the figures cited above should not be taken as representative of our total scope 3 emissions.

OUR ENVIRONMENT

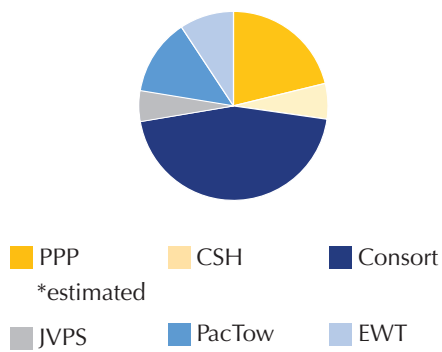
Share of recorded energy consumption (direct and indirect) by division



Share of recorded water consumption by division



Share of recorded scope 1 & 2 emissions by division



GRI CONTENTS INDEX

Statement of use	Steamships Trading Company Limited has reported the information cited in this GRI content index for the period starting 1 January 2022 and ending 31 December 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Related documents	This report is published as a counterpart to the Company's Financial Annual Report. Where general, economic, tax, and corporate governance disclosures are not specified below, readers should refer to the Financial Annual Report.

GRI STANDARD	DISCLOSURE	LOCATION, ANSWERS, & OMISSIONS
GRI 2: General Disclosures 2021	2-1 Organizational details	Refer to About this Report and STC Financial Annual Report
	2-2 Entities included in the organization's sustainability reporting	Refer to About this Report
	2-3 Reporting period, frequency and contact point	Refer to About this Report and Statement of Use
	2-4 Restatements of information	2022 saw a concerted effort to improve the scope and reliability of our environmental data. Environmental data references from 2021 differ from figures published in the corresponding 2021 report due to increased resourcing and expertise, enhanced reporting processes, and a review of the structure of our environmental data reporting platform in 2022, which had some impact on the 2021 data stored in our environmental reporting platform. The data published in this report is deemed to be more accurate than data reported in the 2021 report. For further information, refer to Our Environment - Data .
	2-5 External assurance	This report has undergone internal assurance through the Executive Management. External assurance has not been sought.
	2-6 Activities, value chain and other business relationships	Refer to About Steamships and STC Financial Annual Report
	2-7 Employees	Refer to Our People - Employment . Data is extracted from our HR data management system.
	2-8 Workers who are not employees	Casual contracts are managed by individual business units. Employment data for casual contracts is not reported centrally at present.
	2-9 Governance structure and composition	Refer to About Steamships - Corporate Governance for an overview. Further disclosures relating to the Board of Directors and Executive Management are published in the STC Financial Annual Report .
	2-14 Role of the highest governance body in sustainability reporting	The Board receives quarterly internal sustainability reports. Sustainable Development is a standing item on the agenda for its quarterly Board meetings.
2-22 Statement on sustainable development strategy	Refer to Foreword and www.steamships.com.pg/sustainability .	

GRI CONTENTS INDEX

GRI STANDARD	DISCLOSURE	LOCATION, ANSWERS, & OMISSIONS
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Refer to Sustainability at Steamships
	3-2 List of material topics	
	3-3 Management of material topics	
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	Refer to Our People - Employment
GRI 303: Water and Effluents 2018	302-1 Energy consumption within the organization	Refer to Our Environment - Data
GRI 302: Energy 2016	303-3 Water withdrawal	Refer to Our Environment - Data
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Refer to Our Environment - Data
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<p>Refer to Our People - Health and Safety - Safety Management</p> <p>These standards cover all Steamships employees/workers, activities, and sites, including our external contractors working on our behalf within the respective operating divisions/business units. All OHS professionals employed by STC are formally qualified in the field of health and safety.</p>

GRI CONTENTS INDEX

GRI STANDARD	DISCLOSURE	LOCATION, ANSWERS, & OMISSIONS
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	<p>Refer to Our People - Health and Safety - Safety Management</p> <p>STC has the following Policies in place to provide a framework for hazard identification, risk assessment and incident reporting:</p> <ol style="list-style-type: none"> (1) Risk Management Policy, (2) HS&E Policy, (3) Quality Policy, (4) Security Policy, (5) Stop Work Policy (6) Drugs, Alcohol & Buai Policy <p>These policies are supported by the ISO standards relevant to each respective division.</p> <p>The Quality Policy and related guidelines and SOPs provide the process by which quality checks are done via: (1) internal audit processes, (2) IMS standards/management reviews & (3) competency-based assessment for staff/employees.</p> <p>STC uses the Incident Cause Analysis Method (ICAM) process to investigate incidents, identify root cause(s) and apply relevant corrective/mitigative actions according to the hierarchy of controls. This adheres to Standard 12 on Incident Management of the IMS. Outcomes from an ICAM investigation are reviewed at the divisional safety committee meetings or, depending on their severity, escalated to the monthly Group Safety Committee meeting. Relevant improvements are made to the safety management system after discussion at respective meeting avenues.</p>
	403-3 Occupational health services	<p>Refer to Our People - Health and Safety - Safety Management</p>
	403-4 Worker participation, consultation, and communication on occupational health and safety	<p>Standard 6 of the STC safety management system (IMS) provides a framework on participation and consultation on OHS matters with all staff at different levels. This is done through the following methods and with the following frequencies:</p> <ol style="list-style-type: none"> (1) Safety toolbox meetings (daily/weekly) (2) Health Awareness (monthly) (3) Divisional safety committee meeting (monthly) (4) Group (STC) safety committee meeting. <p>Meeting minutes and action items are shared and monitored for closure. Copies are placed on notice boards for all staff to access/see. Joint formal safety committees exist across the STC group in the following manner:</p> <ol style="list-style-type: none"> (1) Divisional safety committee. This committee meets monthly, the GM or Divisional HSSE Manager is the chairperson, and the committee comprises a mixture of divisional management team and staff representatives. (2) STC Group Safety Committee. This committee meets monthly, the MD is the chairperson, and the committee comprises the divisional GMs and group and divisional HSSE Managers.

GRI CONTENTS INDEX

GRI STANDARD	DISCLOSURE	LOCATION, ANSWERS, & OMISSIONS
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Refer to Our People - Health and Safety - Safety Management
	403-6 Promotion of worker health	Refer to Our People - Health and Safety - Health . STC utilizes Liberty Insurance as medical cover for its employees and dependants. Employees subscribe to the service after completing 3 months of probation. This is managed by the STC Insurance team.
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The scope of the STC safety management system (IMS) covers assessment of risks pertaining to all Steamships operations, employees, sub-contractors, contractors, and visitors. Standard 3 on Risk Management of the safety management system (IMS) manages the prevention and/or mitigation of hazards and risks directly linked to STC operations, employees and services provided by our external contractors and sub-contractors. For e.g., safety inductions are conducted from the start of employment for all which includes explaining the risk assessment tools available to them to help them identify hazards in the workplace and how to correct them. This includes the JSEA process, assessing risks, use of the hierarchy of controls during incident management (standard operating procedures and PPE's) and sharing lessons learnt in order to prevent reoccurrence.
	403-8 Workers covered by an occupational health and safety management system	STC safety management system (IMS) applies to all employees and all third-party sub-contractors and contractors whereby all our third-party service providers have a responsibility to report safety hazards and incidents and necessary corrective / preventative measures are applied. STC keeps records of safety stats from contractors and sub-contractors but does not report it as part of STC OHS statistics. This is an area of improvement identified in the STC HSSEQ Department and is a working improvement process.
	403-9 Work-related injuries	Refer to Our People - Health and Safety . The STC Group Enterprise Risk Register captures all work-related hazards associated to all business units, including high risks that may pose a potential of causing injury. The risk matrix used in the Group Risk Register determines the severity and likelihood of the hazards whereby all high-risk hazards are identified, and the necessary controls are applied to reduce or eliminate the risks. Third-party worker statistics are not yet reported for these purposes. Although STC keeps records of safety stats from contractors and sub-contractors, it does not report them as part of STC OHS statistics. This is an area of improvement identified in the STC HSSEQ Department and is a working improvement process.
	403-10 Work-related ill health	STC has had no reported case of work-related ill health sustained at any of its workplace locations. STC has a hazard ID reporting system accessible to all its staff and third-party contractors. All HSSEQ related hazards/risks are reported and monitored over a trending period of over 5 years which helps to monitor risks that may pose threat of creating work-related ill health sustained in the workplace.

GRI CONTENTS INDEX

GRI STANDARD	DISCLOSURE	LOCATION, ANSWERS, & OMISSIONS
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Refer to Our People - Employment
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Refer to Our Community



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