

Sustainable Development Report
for the Calendar Year 2021

Facing today the challenges
of tomorrow



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We are very proud of our achievements within 2021, fully and transparently described herein, and going forward are confident that we have the robust and necessary targets in all areas critical and material to us: Safety, People, Environment, Partners and Governance.

Managing Director's Message

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Managing Director's Message

As I write this in 2022, we seem (fingers tightly crossed) to be coming out of the COVID-19 pandemic that caused so much tragic and unnecessary loss of life globally, and as a knock-on effect, material disruption to international trade patterns and our crew management operations. Let us firmly hope that we have learned the lessons to enable us to adapt quickly and as best possible to any future “black swans”, but also proactively and nimbly mitigate similar events should they occur.

Across our organisation, nearly all of us were working from home for most or all of 2021, and we feel that our flexible work arrangements that were imposed by circumstances pretty much overnight worked out well. We will retain the formal provision for such flexible working arrangements as a mechanism that will both in part and in parallel assist our female and / or home carer employees to progress to more senior positions within

Swire Shipping. However, we also recognise that more informally scheduled in-person interactions, permitting both verbal and non-verbal communications are a materially more efficient way of working, and we are encouraging the resumption of such ways of working to the greatest extent feasible going forwards.

We continued through the year to support all the enhanced crew welfare provisions that we introduced as the pandemic-imposed travel curbs, volatile quarantine regulations globally caused consequential difficulties in arranging crew changes. By year end the percentage of involuntarily imposed delayed crew changes was very significantly reduced, and this trend to zero was continuing.

We are pleased to advise that there were zero incidences of Modern Slavery detected or reported in our business and our supply chain during the year. Neither was there a single case of



Our vision is to be the leading provider of safe, sustainable, innovative supply chain solutions and our customers' partner of choice.

bribery, corruption, environmental (including spills of oil or other substances harmful to the marine environment), social or other regulatory infraction detected or reported in our business in 2021.

In the area of safeguarding and promoting our people, in 2021, Swire Shipping continued to prioritise the following:

- a) **Zero Harm** – continuously improve safety at Swire Shipping. Move from a compliance culture to a behavioural proactive safety culture.
- b) **Culture** – make Swire Shipping a great place to work, including achieving gender diversity through 30% female senior managers by 2025.

There were two major corporate events for us over the past year:

- We made the logical move to bifurcate the Swire Shipping container liner trade and the Swire Bulk tramping dry bulk trade businesses into separate companies on 1st January 2021. We retained a number of joint shared back-office support services where logical and cost-effective. We wish our sister company fair winds as they set out on their own voyages.
- As a result of the above, we took the opportunity to logically rebrand ourselves ready for our 150th year of operations from “The China Navigation Company Pte. Ltd.” to “Swire Shipping Pte. Ltd.” on 15th October 2021.

The safety of all the people we employ, and who are impacted by our operations remains our highest priority and an integral part of our decision-making process and culture.

Our vision is to be the leading provider of safe, sustainable, innovative supply chain solutions and our customers' partner of choice. In support of this vision, we are excited to have two such innovative, new supply chain solutions that we will be launching in early 2022, and will report more on these in next year's report.

Our journey to deliver this vision is unchanged. It will continue to be facilitated by:

- Reinforcing our commitment to safety, quality and operational excellence.
- Providing safe, healthy and secure work environments and rewarding career paths.
- Delivering satisfactory, sustainable financial performance for our shareholders.
- Providing reliable, professional and innovative services to our customers.
- Establishing enduring relationships with our customers and other stakeholders.
- Developing a diverse, inclusive and industry-leading workforce.

The safety of all the people we employ, and who are impacted by our operations remains our highest priority and an integral part of our decision-making process and culture. Consequently Swire Shipping has a Fleet Health and Safety Policy and Global Onshore Safety, Security and Wellness Policy which state our priority commitment to Zero Harm to all personnel and at all our business / operations sites ashore and at sea.

Our safety boundaries cover three categories:

- Fleet Safety (ship structures and seafarers);
- Office Safety;
- Cargo operations and port community (Stevedores, Port Workers, and other Third-Party Contractors).

We strove to cultivate a strong safety culture on board ships in our fleet by having robust reporting structures in place, and continuously sharing knowledge and incorporating best practices into our work processes.





We have in place long-term preventive measures to improve the Situational Awareness and Hazard Perception of seafarers. These measures include:

- Running Safety Campaigns
- Having Safety Dialogues
- Monitoring Safety Observations
- Enhancing a Competency Management System
- Conducting monthly virtual townhall meetings with the fleet to share safety issues and to drive home the message of Zero Harm.
- Establishing office safety committees and having safety training and wellbeing workshops.
- Running several activities to complement in-office safety inspections.
- Organising a virtual ergonomics workshop to identify how the different parts of the body could be stressed, and introduced stretching exercises to alleviate common pains. During the pandemic the need to engage colleagues was even greater, given many were working remotely, and sometimes in isolation
- Launching our updated Safety Strategy supported by three "SafeWOW" (Safe Way of Working) programmes, and a 2025 roadmap to roll this out to 25 stevedoring companies. In the first year, five stevedoring companies situated in Fiji, Honiara, Sriracha, Pago Pago and Noumea were identified and engaged under the revamped Safety Strategy.

Notwithstanding the above however, we regret to report that our number of Lost Time Injury (LTIs) increased from a total of four in 2020 to eight in 2021, and consequently the LTI Frequency Rate (per million manhours) from 0.97 to 1.78. It may be that this is an indirect result of increased operational and personal stress on crew on board due to longer tours of duty caused by COVID-19 global travel curbs, but whatever the reason, this has led to ever more management resources and effort being directed to rectify this trend.

We completed our sustainable ship recycling programme of the older ships that were replaced with new, much more environmentally efficient tonnage by the middle of the year.

Regrettably we must also report that there was one third-party LTI during the recycling process of the last ship in our programme, *MV Kwangsi*, due to the falling of a crane boom with no suspended load at the Ship Recycling Facility (SRF). The shaft of the boom drum sheared due to an unforeseeable and normally uninspectable metal failure whilst the boom was being lowered. A worker standing nearby, and not under the boom, was caught as the falling boom was deflected and injured by this. The worker received medical treatment at the best private medical facility locally, with all costs and full salary payment during his recovery covered by the SRF. On the worker's full medical recovery, he then resumed his employment at the SRF.

Whilst this was at a third-party site, and after the sale of the ship to the SRF, Swire Shipping and the management of the SRF took this incident very seriously and a full joint-investigation was undertaken. On conclusion of this, a safety flash with a full Root Cause Analysis was sent out to all the SRFs in Alang's area, India, a process that should be followed after any accidents in any SRF. This was the first LTI during the recycling of 16 of our ships in the Chinese Mainland and India over the past 10 years / 336,500 manhours.

We have long-term global partnerships with both The Mission to Seafarers and Sailors' Society, who care for and support seafarers of all races, ranks and religions around the world. This support is provided through fundraising events and other collaborations.

We are proud that we strongly supported both externally facing community investment and corporate philanthropy, and internally focused programmes, on many issues often concerned with mental health and wellbeing, suggested by our employees in our offices globally, and on the vessels in our fleet.

Our short-term goals are to return to an even-keel, managing all the disruptions that COVID-19 and its various variants in different global locations caused, overcoming trade imbalances, and thus crewing movements and supply chain challenges.

However, in the medium and longer term, our single most vitally important goal is to decarbonise our operations in a world that is suffering from the effects of man-made global warming. Whether it is:

- more energetic weather systems, that might result in loss of containers over-side, and delays to schedules to avoid weather events such as typhoons and cyclones; or
- the damage to coral reefs and marine life ecosystems upon which so many depend for protein, from ocean acidification and warming; or
- the changes in food production, and thus affecting feeding an increasing population and indeed our historic trading routes caused by the migration of global weather systems; or
- the loss of their habitable low-lying land itself due to sea level rise, critical for many of our stakeholders in the Pacific.

Shipping is a part of the problem, emitting ~2.5% global CO₂ through the burning of fossil fuels in ships' internal combustion engines, and so must take charge of adopting the optimum solution. As this accounts for some 99% of Swire Shipping's global Scope 1 and 2 carbon footprints, it is critical to be addressed.

We have thus adopted our parent group's goal of reducing our carbon footprint to net zero by 2050.

To help us achieve this we are working with, *inter alia*:

- the Maritime Energy & Sustainable Development Centre of Excellence (MESD CoE), which is jointly funded by Singapore Maritime Institute (SMI) and Nanyang Technological University (NTU) on the supply of alternative low or zero carbon fuels;
- the Mærsk Mc-Kinney Møller Center (sic) for Zero Carbon Shipping a not-for-profit, independent research and development center looking to accelerate the transition towards a net zero future for the maritime industry. With its partners, it will drive and facilitate the development and implementation of new technologies; build confidence in new concepts and mature viable strategic ways to drive the required systemic and regulatory change;
- the Micronesian Centre for Sustainable Transport (MCST) at the University of the South Pacific (USP) on the development of a low carbon, low tech, low cost sail-assisted cargo ship to serve outlying islands that are depopulating in the Pacific Islands;

- the Sustainable Shipping Initiative (SSI) as a Knowledge Partner to the *Getting to Zero 2030* (GTZ) Coalition on a project to define "**what is a sustainable alternate fuel?**"; to establish the factors to be considered in determining whether an alternative low or zero carbon fuel is indeed truly sustainable and additionally in our own right;
- We are also working with GTZ in our own right to help the industry progress, currently faster than our global regulator, towards the urgent **shift to the technically, operationally and financially viable use of low or zero carbon fuels**;
- In **June 2021 we committed both to be Net Zero by 2050** and to support the Republic of Marshall Islands and The Solomon Islands "Proposal for IMO to Establish a Universal Mandatory Greenhouse Gas Levy" submitted to IMO MEPC-76.

It has become very clear over the course of 2021 that we are in good company with other industry leaders in setting targets such as "Net Zero by, or well before, 2050". However, this end target counts for nothing if urgent action is not taken now when it can have greater effect, and lower cost, but is postponed to much later towards the zero-target year. It will thus be a priority in 2022 to set interim, robust goals, and to commit to take active measures to achieve these, by way of a roadmap that posits fair, just, inclusive, equitable and sustainable way points that are believed likely to be technically, operationally and financially viable to get us to these future goals.

To help drive and realise this, Swire Shipping has appointed a dedicated, experienced, senior General Manager - Decarbonisation and Environmental Compliance to work with the Fleet Technical Management and Sustainable Development teams starting from January 2022.

We are very proud of our achievements within 2021, fully and transparently described herein, and going forward are confident that we have the robust and necessary targets in all areas critical and material to us: Safety, People, Environment, Partners and Governance to assist us to meet our short-, medium- and long-term goals on our sustainability journey to 2050, and beyond.



James Woodrow
Managing Director

We have thus adopted our parent group's goal of reducing our carbon footprint to net zero by 2050.



Introduction



Swire Shipping reports our full performance transparently and, in this independently assured report, covers all the areas covered by the Social Responsibility Standard: ISO 26000:2010.

This Sustainable Development (SD) Annual Report covers the operations of Swire Shipping Pte. Ltd. (Swire Shipping) from 1st January to 31st December 2021, with any point data being as at 31st December 2021 unless stated otherwise. This report has been prepared in accordance with the “Global Reporting Initiative (GRI) Standards: Core” option.

Swire Shipping reports our full performance transparently and, in this independently assured report, covers all the areas covered by the Social Responsibility Standard: ISO 26000:2010.

These are reported under the broad headings of ‘Governance’, ‘Safety’, ‘Our People’, ‘Our Partners’ and ‘Our Environment’ throughout this report.

Environmental

Climate Footprint

Emissions

Metric tonnes (t) CO₂e

Scope 1
532,572 ▲ 4% y-o-y

Scope 2
345 ▼ 2% y-o-y

Scope 3 (Air travel only)
1,062 ▲ 6% y-o-y

Other Air Emissions (Scope 1)

Metric tonnes (t)

NO_x
13,267 ▲ 4% y-o-y

SO_x
3,552 ▲ 30% y-o-y

Particulate matter
1,062 ▲ 4% y-o-y

VOC
204 ▲ 4% y-o-y

Black Carbon
16,757 ▲ 39% y-o-y

Responsible Ship Recycling

Recycled MV Kwangsi and MV Melanesian Chief with zero pollution incidents and regrettably one LTI.

99.5% of vessels by weight was recycled, reused or upcycled.



Ecological Impacts

No significant spills

Spills and releases to the environment



Social

Employee Health and Safety

*per million manhours

Lost Time Injury Frequency Rate (LTIFR)*

1.77

Total Reportable Case Frequency Rate (TRCFR)*

2.66

Diversity

Seagoing employees by gender identity



Shore-based employees by gender identity



15% of females in Senior Manager roles. Target: 30% by 2025

Governance

Business Ethics

Grievances

6 reported / 5 substantiated and addressed

Corruption Cases

0

Fines and Sanctions

0

SD Strategy Highlights

We don't see our business as separate from the world. We depend on it, and wish to help shape it positively.

Thriving People

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Thriving Environment

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Thriving Partners

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On the following pages are some of our achievements across the three pillars of our Sustainability Strategy in 2021.

SwireShippingTHRIVE

Because when the world in which we operate thrives, so do we.

Thriving People



We will respect and care for the human rights of our employees and other stakeholders, unlocking the potential for all of them to grow.

- Swire Shipping employed 1,869 people in various locations around the world. Our employees come from 42 countries and regions: our seagoing employees come from 24 countries and regions while our shore-based employees come from 32 countries and regions around the world.
- We have a Diversity and Inclusion (D&I) Council to implement a comprehensive and integrated D&I strategy to drive organisational best practices, goals and objectives. We also have Employee Action Groups (EAGs) in place. These are voluntary, employee-led groups, empowered to brainstorm and act on ideas that foster inclusivity in our diverse workforce.
- Recognising that businesses have an important role to play in respecting and protecting human rights through fostering workplace inclusion for LGBTQ+ people, we commemorated PRIDE month with our inaugural panel featuring gay and bisexual colleagues and allies who shared about their discrimination experiences and sources of support in work and life.
- We ran 64 Safety Awareness Courses for senior officers, and junior officers and ratings, covering 342 seagoing employees. Such training is critical to maintaining and enhancing the safety of our seagoing employees and all our stakeholders.
- We launched our *Choose to Challenge* campaign, which focuses on challenging non-inclusive behaviours and processes at work.
- For shore-based employees, we launched a number of learning and development programmes: Fundamentals Programmes, Leadership Essentials and Coaching for High Performance.
- We continued to offer our shore-based employees flexible work arrangements during the COVID-19 pandemic, in part due to government regulations around workplace distancing but also because of our wider belief that our employees should be supported as best as possible in these challenging times. For our seagoing employees, we continued to focus on safety, and enabling crew changes as far as possible on schedule, and where there were delays, the costs of these were borne by the Company.
- We subscribe to Befrienders Worldwide (BW), an international network of crisis helplines to offer emotional support for employees (at sea or onshore) facing depression. A dedicated email and multi-language hotline service is available. The services are confidential (until and unless office intervention is unavoidably required – such as to arrange a seafarer's repatriation to resolve an issue – and *always* with the employee's free, prior and informed consent).





- Swire Shipping is a member of, *inter alia*, the *Getting to Zero 2030* Coalition, the Maersk Mc-Kinney Møller Center for Zero Carbon Shipping and the World Shipping Council. Together with our partners, we aim to work with other leaders to collectively address decarbonisation issues, develop new technologies and exchange views and best practices on sustainability to reach the net zero goal.
- Swire Shipping continued to improve our fleet fuel efficiency through various Technical and Operational (T&O) measures. These in turn resulted in a USD 4.9 million in fuel savings and the reduction of 27,960 tonnes of CO₂ (tCO₂) emissions to the environment during the reporting period. We continue to invest in new technologies which will result in lower fuel consumption and thus further emission reduction.

Swire Shipping continued to improve our fleet fuel efficiency through various Technical and Operational measures.

Thriving Environment



We will help create a resilient environment that provides for our future.

-
- We set ourselves a goal to reduce the number of Single-Use Plastic (SUP) water bottles on board our vessels to zero. In 2021 the year-on-year figures increased due to health precautions required by the pandemic. However, it is pleasing to know that we still managed to achieve a 98.86% reduction from the base year of 2018. We will continue our efforts in reducing SUP water bottles.
 - Swire Shipping's Singapore office achieved top tier Elite Eco Office certification for our efforts in implementing effective environmentally friendly practices and increasing eco-consciousness among our employees.
 - Our *Moana Taka Partnership* (MTP), which was launched in 2018, continues to be an excellent example of a successful private-public sector partnership. Under MTP, private sector companies use Swire Shipping's containers and shipping routes to move recyclable waste streams out of the Pacific Island Countries & Territories (PICTs) where they are accumulating, to countries with competent, certified and sustainable recycling plants. This protects and improves the environment in the Pacific region. In 2021, Swire Shipping shipped out 58.88 tonnes of low value recyclable plastic waste which otherwise would have ended up in local landfills. Since the start of the programme, 1,159.40 tonnes of recyclable waste have been shipped out from five PICTs.

Thriving Partners



We will work with stakeholders wherever we operate to improve people's lives.

- Despite another operationally challenging year due to the pandemic, Swire Shipping continued our long-term community partnerships because of our belief that we must support the communities in which we work and live. We made a number of charitable donations and provided shipping containers and carriage at sea, free of charge, supporting multiple partners and causes.
- The ASSM Dependents Association conducted several activities to aid the families and seafarer's local communities. These ranged from relief operations to assisting with the distribution of COVID-19 suitable Personal Protective Equipment (PPE) to 22 locations across the Philippines.
- We continued to support the Family Support Centre (FSC) in Honiara, Solomon Islands under the programme: Responding to Violence Against Women and Girls in Solomon Islands. In the first half of 2021, the FSC provided services to 1,232 women, men, boys and girls.
- We supported the Eastern Highland Family Voice (EHFV)'s programme - *Keeping Kids Safe in the Eastern Highlands*. EHFV is a non-governmental organisation operating in Goroka, Papua New Guinea, that assists vulnerable children to avoid abuse, violence and exploitation. During the year, the programme reached out to over 13,000 students, parents and the communities at large, educating them on the rights of children and offering counselling services.



Swire Shipping continued our long-term community partnerships because of our belief that we must support the communities in which we work and live.

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Swire Shipping strongly believes that it is imperative to act with probity, transparency and accountability to achieve our long-term objectives.

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Company Profile



Over the years, the Swire Shipping brand became synonymous with being a leader in providing sustainable liner shipping services in the Asia-Pacific markets.

We started out as The China Navigation Company Pte. Ltd. (CNCo) on the banks of the Yangtze River in 1872, operating a modest fleet of Mississippi-style paddle steamers. Swire Shipping was then the brand name for all liner shipping services operated by CNCo. Over the years, the Swire Shipping brand became synonymous with being a leader in providing sustainable liner shipping services in the Asia-Pacific markets.

In 2021, there were several corporate developments including:

- its bulk shipping division becoming a standalone group under the Bulk holding company, Swire Bulk Holdings Pte. Ltd. (January 2021). See www.swirebulk.com for more information;
- the launch of its Integrated Logistics division in July 2021 (read more ¹); and the renaming of CNCo to Swire Shipping Pte. Ltd. as part of a wider exercise to streamline the two brand identities into a single brand, building on Swire Shipping's well-established name (October 2021). The official announcement can be read ² here.

Swire Shipping is a leading provider of specialist customer solutions for a wide range of cargo and aims to provide a full suite of land and ocean solutions to our customers. We offer:

- High frequency liner shipping services through our **liner division** for global transportation of containerised, refrigerated, breakbulk, heavy lift, projects and mini-bulk cargoes;
- Specialist shipping services to the energy, resources, and infrastructure sectors in the project logistics market through **Swire Projects**; and
- **Swire Integrated Logistics** services including customs clearance, inland transportation services, and cargo management solutions, which complement our liner shipping products.

¹<https://bit.ly/3BkljWz>

²<https://bit.ly/3oep7kj>



Our Company at a glance

>1,800 employees globally

34 offices globally

>70 trading in more than 70 countries

45 owned, managed, operated and chartered-in vessels*

>280 commodities carried

691,468 total fleet capacity (DWT)

>3,400 customers served

*throughout the calendar year 2021

We operate out of 34 offices. With over 1,800 onshore and seafaring employees, we facilitate trade in more than 70 countries, ensuring that we will always be able to serve our customers wherever they may be.

Global Presence



Swire Shipping Pte. Ltd. has operational headquarters in Singapore, operating under the brand name 'Swire Shipping'. This entity is a wholly owned subsidiary of Swire Marine Holdings Pte. Ltd., an investment holding company incorporated in Singapore. Swire Marine Holdings Pte. Ltd. is in turn a wholly owned subsidiary of The China Navigation Company Limited, an investment holding company registered in London.

None of the abovementioned companies are publicly quoted on any stock exchange. As seen from the Organisational and Operational Boundaries diagram (see page 27), Swire Shipping is also the parent company for a number of agencies and has branches and regional offices.

Swire Shipping also owns a:

- 50% share in Swire CTM Bulk Logistics Limited, a joint venture with C Transport Maritime SAM, registered in Monaco;
- 25% share in Mandarin Shipping Group Limited and 17% share in Mandarin Containers Limited, both registered in British Virgin Islands; and
- 25% share in PT Mitra Bahtera Segara Sejati Tbk (MBSS) in Indonesia (sold in October 2021).



Swire Shipping is a leading provider of specialist customer solutions for a wide range of cargo and aims to provide a full suite of land and ocean solutions to our customers.

Liner Shipping

Liner shipping offers several high frequency shipping services for the global transportation of containerised, refrigerated, breakbulk, heavy lift, project and mini-bulk cargoes. We connect over 400 ports via an extensive network in the Asia-Pacific and globally. We maintain a worldwide agency network in addition to our own representative offices, providing our customers with dedicated service and expert market knowledge.

From an operational perspective, 2021 was particularly challenging. The pandemic impacted port operations, crew movements, and often led to regulatory changes at very short notice. Despite these challenges Swire Shipping continued to invest in the performance of our “on-time schedule” to ensure minimal disruption to customers’ supply chains. For several consecutive months Swire Shipping ranked as the top performing shipping line in Asia – Oceania*.

**Source: Sea-Intelligence reports*

See our website www.swireshipping.com

Liner shipping offers several high frequency shipping services for the global transportation of containerised, refrigerated, breakbulk, heavy lift, project and mini-bulk cargoes. We connect over 400 ports via an extensive network in the Asia-Pacific and globally.

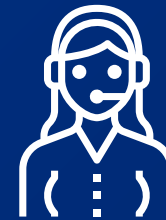


Liner Shipping at a glance



3.95

mt of cargo carried



13

liner services



6.05

total Notional Revenue Tonne
(NRT) of cargo carried

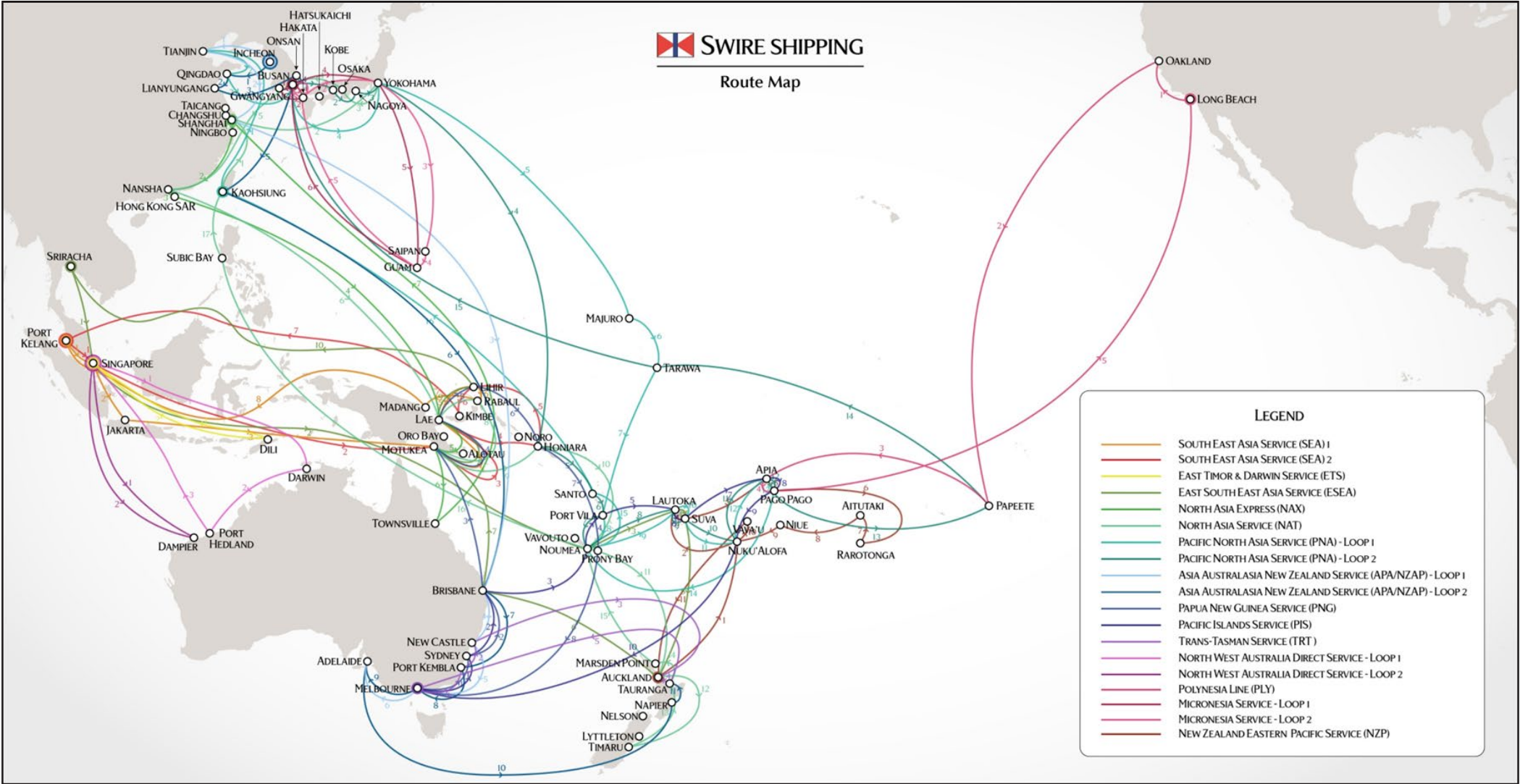


>2,300

port calls per
annum*

*Calculated based on 3-year average
(2018, 2019, 2020);
inclusive of Pacifica Shipping and
MV Aotearoa Chief

Route Map





Swire Projects

Swire Projects serves clients in industries such as renewable energy, oil and gas, mining, steel, forestry, pulp and paper, agriculture and power with a flexible fleet of multipurpose vessels on both long- and short-term period charters. Each vessel is able to safely lift and stow heavy project cargo alongside breakbulk and unitised cargo. The primary routes served are from Asia (the Chinese Mainland, South Korea, Japan, Vietnam etc.) to the Americas, Europe, Middle East, Africa and Australia / New Zealand. Swire Projects provides bespoke shipping solutions for any logistic and supply chain challenges.

The pandemic created significant challenges for inland logistics and port usage globally. Restricted movement of personnel and limited manpower due to COVID-19 severely impacted supply chains and cargo availability in major exporting countries, especially in the Chinese Mainland and India. The Swire Projects team through tireless efforts and creative solutions managed to support their clients to deliver their projects and goods timely, safely and without incidents.



Swire Projects serves clients in industries such as renewable energy, oil and gas, mining, steel, forestry, pulp and paper, agriculture and power with a flexible fleet of multipurpose vessels on both long- and short-term period charters.

Swire Projects at a glance



Number of Vessels

8 owned, managed, operated
and chartered-in vessels*

*throughout the calendar year 2021



Network

trading in more than
25 countries

Cargo Carried



Project Cargo
Housing Modules



Containers



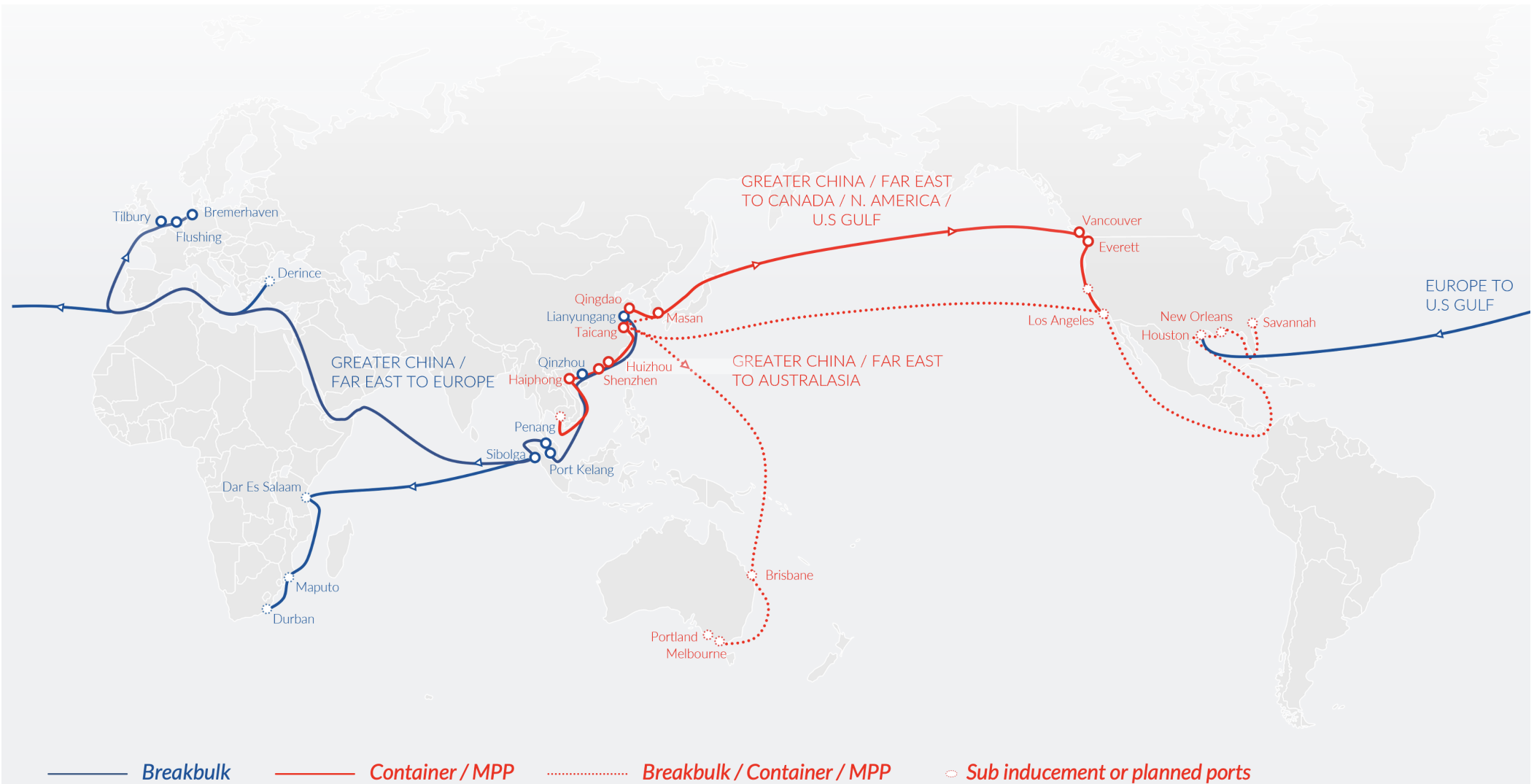
**Unitised /
General Cargo**
Steel, Plywood,
Forestry



Renewables
Wind Blades, Wind
Towers



SMARTNETWORK



Note: Routes are subject to change as we adapt, evolve and extend our solutions.



Swire Integrated Logistics

Established in July 2021, the Integrated Logistics division provides customers with on-the-ground support and an integrated approach to managing and simplifying complex logistics requirements. Our vision is to be the leading provider of safe, sustainable, innovative, and integrated supply chain solutions, and our customers' partner of choice.

We pride ourselves on providing innovative and cost-effective solutions to transport a wide variety of containerised and breakbulk cargo types over land and across the ocean. This is supported by our partners who have access to modern fleets of specialised vehicles and cargo handling equipment.

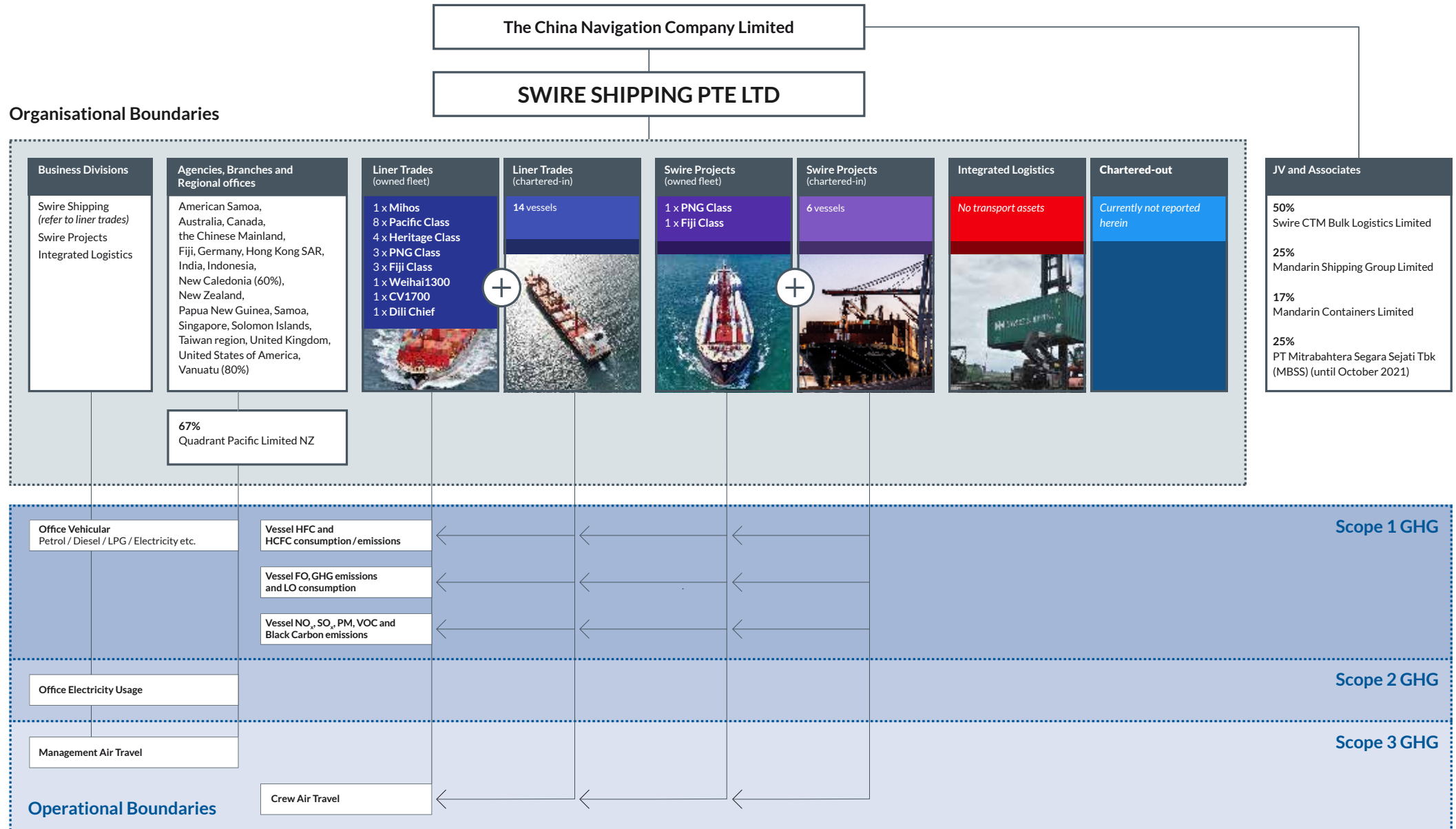
We have dedicated Integrated Logistics teams in Australia, the Chinese Mainland, Fiji, New Zealand, Papua New Guinea and the Solomon Islands who work closely with customers to understand their supply chains. In turn, we deliver tailor-made solutions that not only meet their needs and but also maximise efficiency.

Our range of services includes:

- Customs clearance
- Transport solutions
- Warehousing & consolidation and
- Project Cargo Management.

Established in 2021, the Integrated Logistics division provides customers with on-the-ground support and an integrated approach to managing and simplifying complex logistics requirements.

Organisational Boundaries



For the chartered-in tonnage, the number reflects vessels managed and / or operated over the calendar year.

Scope 1 emissions include all vessels categorised as follows:

1. owned, managed and operated. 2. managed and operated. 3. owned and operated. 4. chartered-in.

For clarity purposes: Safety and People data excludes data for vessels that are not managed by Swire Shipping.

SD Governance Structure and Policies

Swire Shipping strongly believes that it is imperative to act with probity, transparency and accountability to achieve our long-term objectives.



We have in place policies, guidelines and procedures that comprise our organisational governance suite. All policies are updated as required (for cause and / or annually), reviewed and then approved by the Executive Leadership Team (ELT) before publication. Our policies are available on our website* as well as on our internal governance portal.

Our 2030 Sustainability Strategy – SwireShippingTHRIVE – sets out a pathway on where we want to be in 10 years' time.

The parent company's Board of Directors is the highest-level governance and oversight body and sets the strategy for its subsidiary companies. The Chairman of the Swire Shipping Board of Directors is Mr. S. C. Swire.

Swire Shipping's Board of Directors at 31st December 2021 comprised six members; four of whom were Independent Non-Executive Directors. The shareholders are directly represented on the Board of Directors and provide governance direction.

The governance structure below the Board level is represented by the members of the ELT. The ELT meets monthly and makes strategic decisions that support the long-term sustainability of our operations.

The SD Report is reviewed by the Managing Director (MD) to assure the accuracy and inclusion of all material issues.

Our 2030 Sustainability Strategy – SwireShippingTHRIVE – sets out a pathway on where we want to be in 10 years' time.

*<https://bit.ly/3IRqQW4>

Swire Shipping's management regularly reviews the operating practices and the Enterprise Risk Management framework that ensures that:

- Swire Shipping makes satisfactory and sustainable returns to our parent company;
- the interests of all stakeholders are safeguarded;
- the overall short- and long-term business risks are understood and managed appropriately;
- the delivery of high quality services; and
- the highest standards of ethics are maintained by our employees in all dealings.

In compliance with the International Maritime Organisation ("IMO") International Ship Management ("ISM") Code, which provides an international standard for the safe management and operation of ships and for pollution prevention, we have in place a Designated Person Ashore ("DPA"), an internationally legally required position. The DPA role was instituted in the global marine industry to ensure that one named person has direct access to the highest level of management.

The DPA's legal responsibility and authority includes monitoring the safety and pollution prevention aspects of the operation of each ship and ensuring that adequate resources and shore-based support are applied.

The General Manager for Sustainable Development (GM SD) reports directly to the MD, and to the Board, biannually. GM SD is also consulted on the sustainability of specific commodities prior to entering into Contracts of Affreightment with charters and other relevant sustainability areas. The GM SD provides the ELT and the Board with sustainability related updates on a monthly basis. Swire Shipping's Sustainable Development department works with various stakeholders within the Company and at the Group level to ensure we have a robust governance structure in place.

The Sustainable Development team is a part of the various thematic working groups at the Swire group level, as well as a part of the Swire group's Environment Committee responsible for setting targets and sharing best practices among the private and public companies of the Swire group. We also work with John Swire and Sons' (JS&S) Sustainable Development Office (SDO) in London.

Links

SD Policy

<https://bit.ly/3IBGS6k>

Environmental Policy

<https://bit.ly/3cfDORq>

Responsible Cargo Carriage Policy

<https://bit.ly/3O2e87T>

Sustainable Procurement Policy

<https://bit.ly/3yGh3O3>

Supplier Code of Conduct

<https://bit.ly/3yFOhgh>



Corporate Philanthropy Management

Swire Shipping allocates a percentage of our annual profit towards supporting key stakeholder communities in the various countries in which we operate.



The Corporate Philanthropy (“CP”) fund is administered by the Sustainable Development (“SD”) Department. Our CP donations largely focus on:

- the Provision of Educational and / or Health Opportunities for Youth; and / or
- enhancing the Company’s presence in our Stakeholder Communities; and / or
- environmentally / Biodiversity Sustainability issues;

while as best possible simultaneously:

- demonstrating a strategic fit with Swire Shipping’s business;
- fostering or enhancing a Corporate Partnership with Swire Shipping (rather than being disconnected philanthropy) – i.e. be Business Critical Community Engagement (“BCCE”);
- involving a Long-Term Partnership;
- being responsive to Community Needs;
- normally avoiding One-Offs;
- involving fewer but larger sums, rather than many small donations, as these have a bigger impact multiplier.

The SD Department provides guidance, assists with due diligence and ensures that CP activities deliver actual value to the communities. Please see “**Our Partners**” section of the report for more information.

Anti-corruption, Anti-money Laundering, and Anti-trust and Monopoly Practices

The Company does not tolerate corruption and anti-competitive behaviour. Our Corporate Code of Conduct (CoC) is a comprehensive governance document that defines how employees must behave in the course of their duties. Our anti-corruption, anti-money laundering and anti-trust governance processes are covered within this Code. We also have stand-alone Anti-Bribery and Competition and Anti-Trust Policies.

The CoC, together with internal controls, sets a strong foundation to prevent any corruption and anti-competitive / anti-trust behaviours. The Company carries out training for all employees, testing their understanding of these principles and how they apply to our employees' daily work / duties.

Any and all incidents of potential or actual non-compliance are reported to the Swire Shipping Internal Audit Committee and investigated.

Our governance compliance training programme covers:

- Corporate Code of Conduct;
- Global Anti-Bribery (Based on the UK Act, but applicable to all our businesses globally);
- Global Anti-Trust (Based on the UK Act, but applicable to all our businesses globally);
- Workplace Harassment Prevention (Based on the UK Act, but applicable to all our businesses globally);
- Modern Slavery (Based on the UK Act but applicable to all our businesses globally);
- Cyber Security Awareness Training; and
- European Union General Data Protection Regulation (EU GDPR) and Singapore Personal Data Protection Act (PDPA) (for specific employees / functions).

This training is held annually for existing employees and is part of the induction programme for new employees.

In 2021, as in previous years, Swire Shipping was not involved in any legal actions for anti-competitive behaviour, anti-money laundering, anti-trust, or monopolistic practices, and thus no sanctions, financial or otherwise, were imposed.

Facilitation payments risk is covered under Swire Shipping's Business Unit Risk Register. All vessels are required to report all such requests and such reports are reviewed biannually by the Audit Committees.

Like many other shipping companies globally, one of the challenges that Swire Shipping faces is the expectation in some ports for "benefits" for the processing of work that should be undertaken as a matter of course. Swire Shipping has been working hard for over nine years now to eliminate these demands for "facilitation payments" completely and we have achieved significant reduction in the value of gifts over the years.

Swire Shipping has been a member of the Maritime Anti-Corruption Network (MACN) since 2015 and we continue to contribute towards the maritime industry's vision and aim of being free of corruption. MACN works closely with key stakeholders, including governments and international organisations, to identify and mitigate not only the symptoms, but also the root causes of corruption in the maritime industry. We participate in the Network's self-assessment every year on progress made.

More information about MACN can be found at: www.macn.dk



Child / Forced and Compulsory Labour / Modern Slavery Act

As a business with a history and an ethical framework of good employment practice, Swire Shipping is committed to providing good working conditions for our employees, according to universal international standards, and to protecting their safety and health.



We recognise that modern slavery (which includes child, forced, bonded, prison and compulsory labour) is an issue that has become increasingly visible and we take seriously all moral and legal duties in this regard.

Swire Shipping's Code of Conduct (CoC) requires that all employees comply with all applicable local, national and international laws and regulations in each of the countries / jurisdictions in which we operate and with all Swire Shipping's company policies. That requirement includes ensuring that Swire Shipping and our suppliers do not engage child, forced, bonded, prison and compulsory labour, or apply unjustifiable disciplinary measures to our employees.

The CoC is supplemented by our global Human Resources procedures. Pre-employment screening is conducted prior to the offer of employment. Our Supplier Code of Conduct spells out all the principles to which we require our suppliers to adhere covering, *inter alia*, forbidding forced and child labour.

We recognise that modern slavery (which includes child, forced, bonded, prison and compulsory labour) is an issue that has become increasingly visible and we take seriously all moral and legal duties in this regard.



Our Modern Slavery Policy commits us to ensuring that there is no modern slavery present in our supply chains or in any part of our business. We have put in place a number of compliance processes to prevent, detect and eradicate any incidences of modern slavery, as laid out in the UK Modern Slavery Act (2015) (MSA) and in all other jurisdictions in which we work. We publish annual statements as per the requirements of the Act, which can be found on our website which detail compliance processes to prevent, detect and eradicate any incidences of modern slavery.

In 2021, our parent company joined The Mekong Club, a non-profit organisation that focuses on systemic change to permanently break the cycle of modern slavery. Upon our joining, we undertook The Mekong Club Baseline Assessment to better identify how we can further strengthen our approach to combating modern slavery, both within our business and our supply chain. We reviewed the results together with The Mekong Club and identified several areas for improvement. We have also incorporated their recommendations into our policies, procedures and training materials. We tap into their wide range of online resources to use their toolkits to improve our management practices.

Protecting Human Rights of Seafarers

Swire Shipping fully supports and complies with and / or exceeds the standards as set forth in the International Labour Organisation (ILO) Maritime Labour Convention (MLC) 2006.

The MLC 2006 encompasses all relevant standards of existing ILO maritime labour conventions and recommendations, as well as fundamental principles contained in core International Labour Conventions and the ILO 1998 Declaration on Fundamental Principles and Rights at Work. Minimum requirements and standards include:

- Contractual terms and conditions for the seafarers to work onboard ships;
- Conditions of employment;
- Accommodation, recreational facilities, food, and catering;
- Health protection, medical care, welfare, and social security protection; and
- Compliance and enforcement.

Approximately 57% of our seagoing employees are covered under a Collective Bargaining Agreement (CBA). All other seagoing employees are employed on the Company's terms and conditions which are on par with, or higher than, the International Transport Federation's CBA terms. All contractual conditions are in accordance with the ILO MLC 2006.

¹See

<https://bit.ly/3lzfK8a>

²Neptune Declaration

<https://www.globalmaritimeforum.org/neptune-declaration>

³MSA Statement

<https://bit.ly/3B47QSz>

Swire Shipping supported the project "Delivering on Seafarers' Rights", run by the Sustainable Shipping Initiative (SSI) and the Institute for Human Rights and Business (IHRB), along with other SSI members. The project delivered a human rights code of conduct for charterers and a roadmap for tackling systemic challenges which create human rights risks for seafarers.¹

We are also signatories to the Global Maritime Forum-initiated "Neptune Declaration on Seafarer Wellbeing and Crew Change";² a worldwide call to action to seek to end the unprecedented crew change crisis caused by COVID-19.

Globally, there have been no incidences of Modern Slavery being reported within, or uncovered during our risk-based audits, of the Swire Shipping operations, or in our supply chains, within the calendar year 2021.

For more information please see the latest MSA statement³ on our website and *Supporting our Seagoing Employees* under the **Our People** section of the report.

Fines and Grievances

Swire Shipping has a Whistleblowing Policy* and procedures in place for shore-based and seagoing employees to report any issues that they feel may negatively affect health, safety or environment, or relate to any regulatory areas. This can be an entirely confidential process should the reporter choose to remain anonymous and does not wish to receive a follow-up. We encourage all our personnel to use our whistleblowing channels and relevant management will then diligently investigate all reports.

The reporting of material concerns is formally tracked and addressed. This Policy and the process can be found on Swire Shipping's website.

We also provide a Confidential Reporting hotline to deal with any issues. The process is clearly defined in our Grievance and Dispute Settlement Policy which is available to all employees.

*Whistleblowing Policy
<https://bit.ly/3IRqQW4>

We encourage all our personnel to use our whistleblowing channels and relevant management will then diligently investigate all reports.

The following numbers of issues were reported, investigated and dealt with appropriately, in line with Company's policies and procedures during 2021:

Potential H&S Breaches / Issues – one reported.

Case 1: The Master was advised to hold a meeting with the crew.

Potential Breach of CoC wrt Malpractice, Misconduct, Willful Negligence, etc. – one reported.

Case 1: The Master was advised to avoid saying anything to the crew that could potentially be perceived as disrespectful.

Potential Breach of CoC wrt Bribery, Corruption, Facilitation Payments etc. – one reported.

Case 1: The employee was found to be in breach of the CoC and their employment was terminated.

Potential Cases of Harassment or Discrimination on any grounds (Age, Race, Religion, Ability, Gender, Gender Identity, Sexual Orientation etc.), verbal or non-verbal – three reported

Case 1: The complaint turned out to be unsubstantiated.

Case 2: The Master was advised to avoid using cadets for paperwork unless it was absolutely unavoidable or a part of their training.

Case 3: Following a complaint of sexual harassment, the offending employee's service was terminated.



Supply Chain and Procurement Management

Swire Shipping's Procurement department works to gain leverage, improve global standards for efficiency, standardise processes, build up competitive advantage, improve the sustainability of goods and services purchased and mitigate supply chain risks.



Swire Shipping works with thousands of diverse suppliers globally, with the majority located in Australia, the Chinese Mainland, New Zealand, Papua New Guinea and Singapore. Together with our key internal stakeholders, the Procurement team aims to ensure that they adhere to the same environmental, social and governance standards as Swire Shipping.

Swire Shipping's supply chain covers *inter alia*:

- Bunker fuel supply chain;
- Operations, e.g. services required at port and terminals;
- Logistics, e.g. container movement related services;
- Ship Management, e.g. spare parts and maintenance;
- IT and Corporate-related services.

We are the end users of products and services and do not manufacture any goods or use raw materials. While we have mapped and risk-assessed our material global suppliers, we also recognise that there are lower tiers of our supply chain that also need to be mapped and assessed in the next couple of years.

By understanding our supply chain risks, conducting due diligence on our suppliers and supply chain partners, we ensure that our supply chain is fully compliant with all regulatory, environmental and health and safety requirements, as well as is free of human rights violations and modern slavery. As a minimum, we require all our suppliers to follow our Supplier Code of Conduct.*

Together with our key internal stakeholders, the Procurement team aims to ensure that our supply chain adhere to the same environmental, social and governance standards as Swire Shipping.

*<https://bit.ly/3yFOhgh>

We carried out segmentation to assess risks within the Swire Shipping supply chain. Our framework was based on country level risks, was driven by supplier leverage and was used to identify high-risk suppliers. Following this process, we identified and assessed high-risk suppliers. In 2021 we carried out self-assessments for 18 higher risk suppliers located in the Chinese Mainland, Fiji, Malaysia, Papua New Guinea and Thailand.

These assessments gave us an insight into the state of supplier maturity against key sustainability areas and allowed us to propose improvements to strengthen their governance systems. No serious non-conformities were recorded. After the assessment, the revised Risk rating was assigned. Out of 18 suppliers, four remained in the high-risk category. We continue to monitor those suppliers in greater depth.

We outsource a small percentage of our ship management services to third-parties. All subcontractors are carefully selected following a thorough, due diligence process before we enter into any contractual relationships with them. The due diligence process covers undertaking background checks during the tendering exercise and ensuring that their policies are aligned with ours. We then carry out regular monitoring to ensure that their practices do not deviate from our policies and Safety Management System (SMS), and they remain committed to the undertakings they had made at time of contracting.

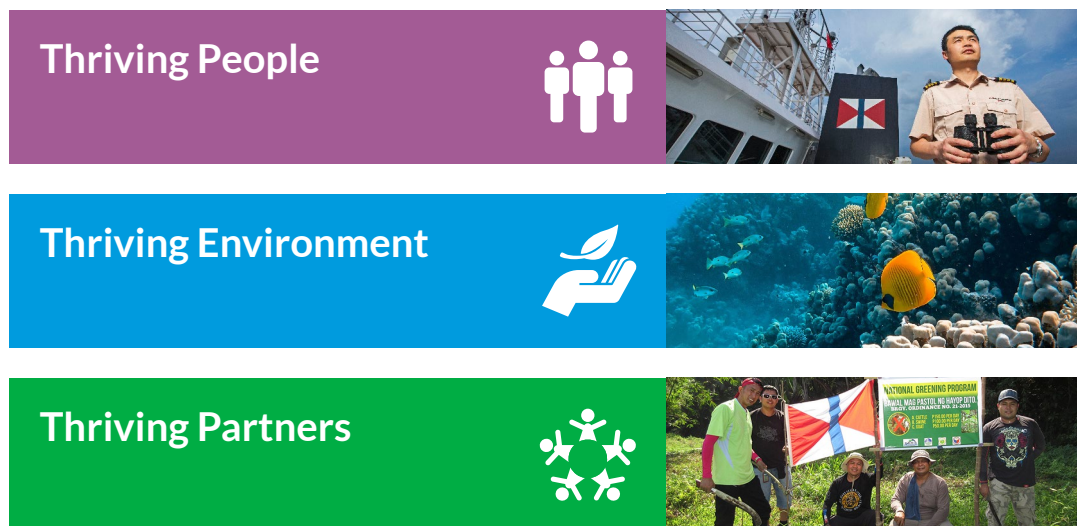
We aim to allocate more resources for site visits as a key component of our ongoing programme. We will reinstate on-site audits as a high priority issue going forward as soon as COVID-19 conditions permit.



In 2021 we carried out self-assessments for 18 higher risk suppliers located in the Chinese Mainland, Fiji, Malaysia, Papua New Guinea and Thailand.

2030 Sustainability Strategy and Sustainable Development Goals

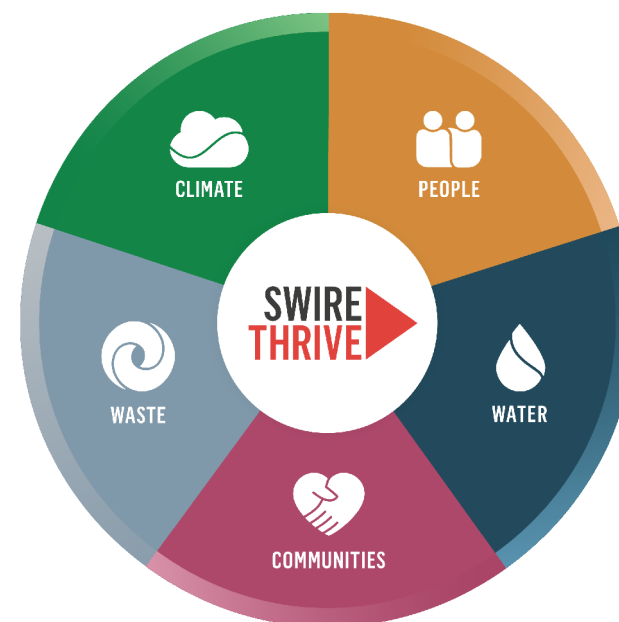
Our strategic 2030 goals remain unchanged with our sustainability strategy, SwireShippingTHRIVE, covering three pillars:



SwireShippingTHRIVE 2030 Strategy can be found on page 116. This is supplemented with an extended version that includes goals and success measures for each pillar which is available internally.

Our SwireShippingTHRIVE strategy is aligned with the relevant United Nation's (UN) Sustainable Development Goals (SDGs) that we consider most important to our stakeholders. We have also aligned Swire Shipping's material issues to demonstrate the linkages between them. We track how our organisational goals and actions contribute to achieving the wider sustainability agenda.

Our progress against SwireShippingTHRIVE and relevant Sustainable Development Goals is detailed on pages 118-121 (SDGs with Links to SwireShippingTHRIVE strategy and Material Issues with progress). Risks and Opportunities along SwireShipping's Value Chain are presented on page 115.



SWIRETHRIVE

We continue to align our reporting to the Group's SwireTHRIVE strategy for Sustainable Development. The Strategy comprises five key target areas for improvement that have been identified as being material to the Swire group of companies. These goals are due for delivery by 2030.

SwireShipping's Strategy includes topics covered in SWIRETHRIVE that are relevant to our business.

Photo middle: Francesco Ungaro on Unsplash

Stakeholder Engagement and Materiality

We conduct materiality assessments, on average, once every three years to better understand our stakeholders' expectations, and the risks and opportunities they perceive as important to the Company's long-term value creation.

We run stakeholder engagement on an ongoing basis during engagements with employees and partners. We carried out a structured stakeholder engagement process in the beginning of 2022 following organisational changes.

The process included a survey of our internal and external stakeholders and a workshop with the Company's ELT and senior management from key regional offices and business units. Following the workshop, the new Materiality Matrix was formally approved by the ELT and is presented on the following page.

The updated matrix shows material topics that represent Swire Shipping's most significant impact on the economy, environment, and people, including impacts on human rights. Impact refers to the effect Swire Shipping has or could have as a result of our activities or business relationships.

Key changes to the list of material topics from our 2020 report are described below:

Reprioritisation of Environmental topics, with increased importance of:

- Climate Change; and
- Recycling and Disposal of Materials (*Previously Sustainable Ship Recycling*).

Reprioritisation of Social topics with increased importance of:

- Human Rights and Labour Practices;
- Supporting Local Communities; and
- Talent Attraction and Development.

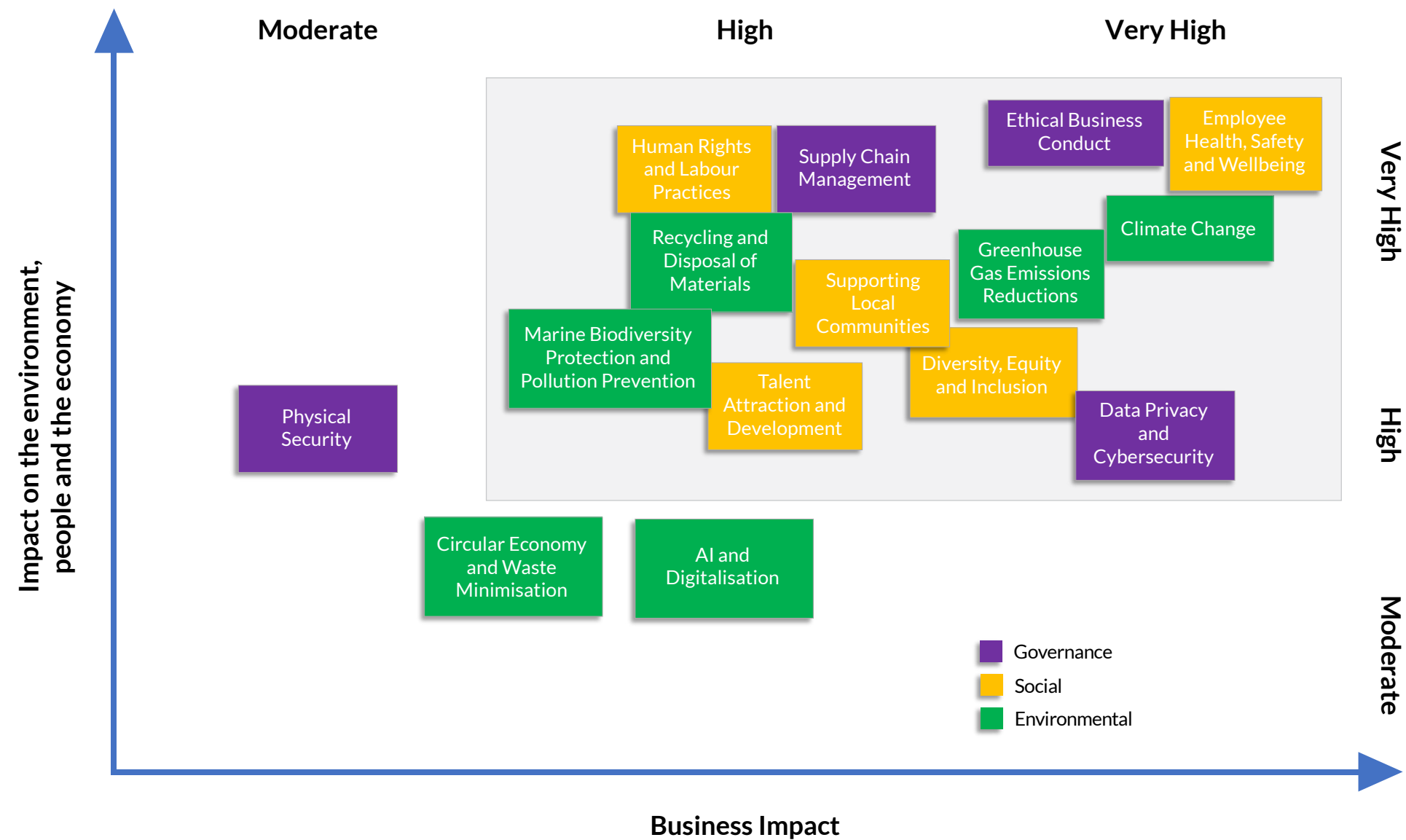
This report has been written to address the *most* material topics (High to Very High) and, as per GRI requirements.

Our key stakeholder groups and their areas of concern are listed on pages 111-113.



We conduct materiality assessments, on average, once every three years to better understand our stakeholders' expectations, and the risks and opportunities they perceive as important to the Company's long-term value creation.

Consolidated Materiality Matrix



Awards Received



Daily Cargo News, Australian Shipping & Maritime Industry Awards

Swire Shipping Australia team won the Customer Service Award at the 2021 *Daily Cargo News, Australian Shipping & Maritime Industry Awards*.

Randy Selvaratnam, General Manager Pacific, Swire Shipping said: “What is significant about this award is that it was nominated and voted for by our customers. This is the only such award; the others are decided on the basis of submissions made by the (Shipping) Lines to a judging panel. If our customers think that we are the best, then that is what really counts!” That is why it was so encouraging for our teams to come top in this category, against all other regional and global carriers.



What is significant about this award is that it was nominated and voted for by our customers. This is the only such award; the others are decided on the basis of submissions made by the (Shipping) Lines to a judging panel. If our customers think that we are the best, then that is what really counts!”

Randy Selvaratnam
General Manager Pacific, Swire Shipping

Top left: Peta Kelly, Regional Customer Success Manager, Swire Shipping, Australia and Andrew Adam, CEO, Australia, DP World
Left: Sydney, Australia, location of Swire Shipping's regional head office

Left: Photo by Vladimir Haltikov on Unsplash

Introduction

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We strive to cultivate a strong safety culture on board by having robust reporting structures in place, and continuously sharing knowledge and incorporating best practices into our work processes.

Zero Harm

Our goal is to build an industry leading safety culture and fully integrate safety in everything that we do. We continue to evaluate our safety behaviour and work practices to improve our safety performance.



Swire Shipping has a Fleet Health and Safety Policy and a Global Onshore Safety, Security and Wellness Policy which state our priority commitment to Zero Harm to all personnel and at all our business / operations sites ashore and at sea. We are committed to ensuring that safety is an integral part of our decision-making process and culture.

Our philosophy is never to allow business objectives to compromise the health and safety of all our employees, customers, visitors, contractors and the wider community. We take responsibility for safety on our vessels when they are both at sea and at port, as well as in our offices and other worksites.

Our safety boundaries cover three categories:

- Fleet Safety (ship structure and seafarers);
- Office Safety;
- Cargo operations and port community (Stevedores, Port Workers, and other Third-Party Contractors).

Our philosophy is never to allow business objectives to compromise the health and safety of all our employees, customers, visitors, contractors and the wider community.



Fleet Safety

We strive to cultivate a strong safety culture on board by having robust reporting structures in place, and continuously sharing knowledge and incorporating best practices into our work processes.



We have in place long-term preventive measures to improve the Situational Awareness and Hazard Perception of seafarers. Some of the measures covered:

- **Safety Campaigns** – Those are based on both leading and lagging indicators. We monitor seafarer's involvement using the Ocean Learning Platform. We run 'Risk Management, Permits to Work, Lockout / Tagout, Toolbox Talks and Situational Awareness' campaigns. With the increase in finger injuries in the fleet, we launched a new safety campaign on hand and finger safety. This campaign focused on primary and secondary methods of hand protection, danger zones, hazard identification, good hand positioning, toolbox talks that contain focused identification of sharp objects, stored energy, and pinch points.
- **Safety Dialogue Sessions** – Ship Managers conduct regular safety dialogue sessions remotely by using online tele-conferencing to observe Pre-Work meetings, Safety meetings and Toolbox talks and provide appropriate feedback for improving the overall Risk Management process on board.
- **Safety Observations** - Close follow-up on reported safety observations with emphasis on using safety behaviours (Safety I's™) whilst conducting work activities on board.
- **Competency Management System** – Involves Fleet Auditors, Safety & Training Managers and Ship Managers to assess proficiencies of Masters, Chief Engineers and Electro-Technical Officers, serving on board our vessels. The senior officers are appointed as on-board assessors to assess junior officers.

We conduct monthly virtual townhall meetings with the fleet to share safety issues and to drive home the message of Zero Harm.

Competency Management on Learning Management Platform

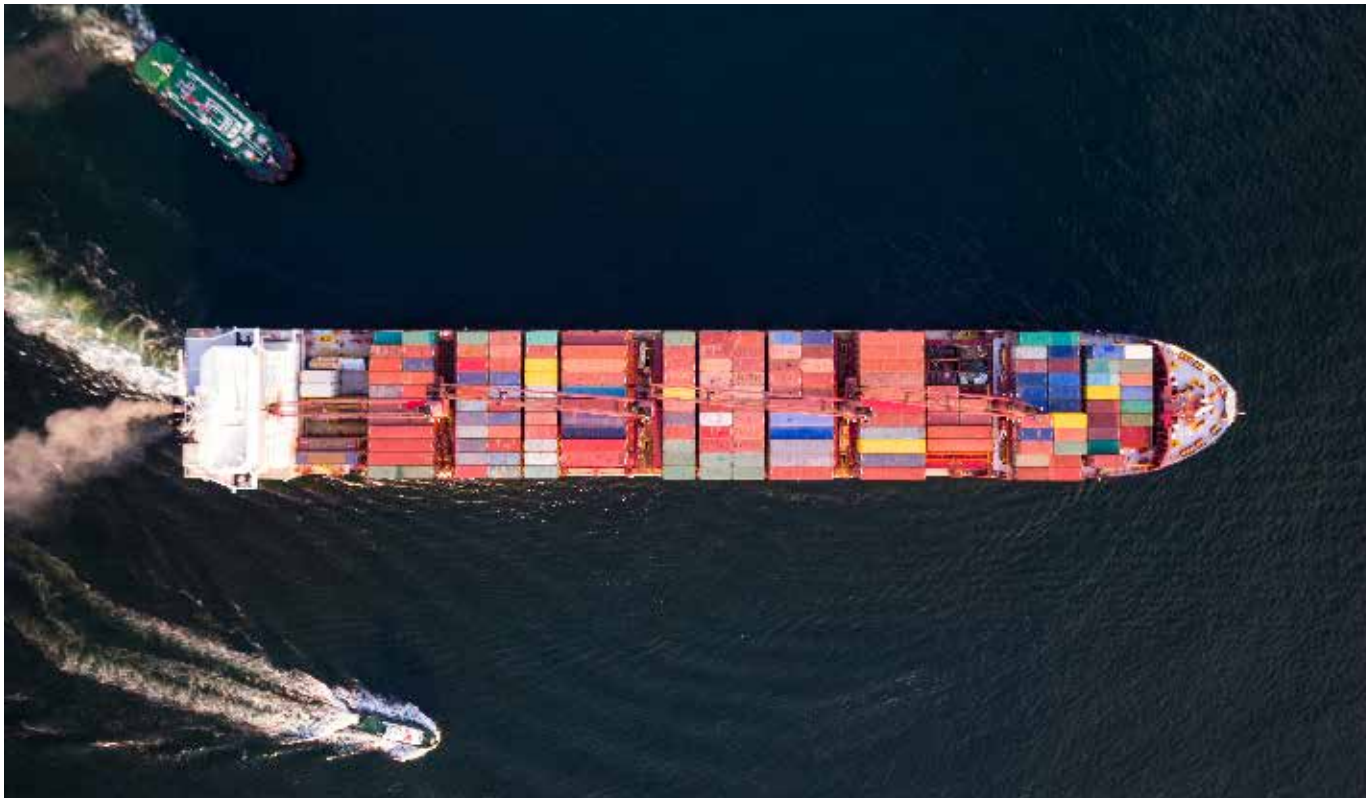
Swire Shipping works with the Ocean Learning Platform to provide support to vet our crews' levels of competency. The full version of competency management system was rolled out in January 2021.

Virtual Safety Awareness Courses and Training

We run mandatory Safety Awareness Courses (SACs) for all seagoing employees; first when they join the Company and subsequently every two to three years. All senior officers undergo

a four-day course whereas junior officers and ratings undergo a two-day condensed version of the course at their respective manning agencies. With the pandemic affecting the delivery of physical workshops, all training programmes were transferred online beginning March 2020, and were modified appropriately.

While the effectiveness of the virtual SACs is reduced compared to physical SACs, we continue to receive positive feedback from attendees. The modules presented during the SACs are reviewed based on the feedback received and made ever more relevant to the seafarers.



We conduct monthly virtual townhall meetings with the fleet to share safety issues and to drive home the message of Zero Harm.

Office Safety

We are committed to providing and sustaining a work environment and culture that supports the safety, security, and welfare of our people.



To achieve this, we commit to ensuring that considerations in these areas are an integral part of our decision-making process and culture, and as such, have developed a set of standards relevant to our onshore offices. This includes establishing office safety committees and having safety training and wellbeing workshops.

The Onshore Safety Committee in Singapore ran several activities to complement in-office safety inspections. We recognised that during the pandemic, the need to engage colleagues was even greater, given many were working remotely, and sometimes in isolation. The use of digital technology has also meant that we were able to extend the reach of some of our activities globally and regionally.

It was heartening to see the active participation from colleagues, attesting to their personal commitment to wellbeing. We plan to continue offering a mix of activities; both online and face to face where possible.

We organised a virtual ergonomics workshop to identify how the different parts of the body could be stressed, and introduced stretching exercises to alleviate common pains.

In June, we launched the Onshore Safety Reporting App tool which we developed in-house and employees could submit any concerns that needed to be addressed. These included unsafe acts and incidents. The Company could then carry out effective root cause investigations and address the issues. Colleagues are able to view updates on the safety issue reported and the action taken to rectify the issue.





Some of the activities that took place in 2021 covered:

A fire warden safety training course in Fiji, conducted by the National Fire Authority. The training consisted of both theory and practice. The former included regulations for workplace health and safety and how to conduct risk assessments while the latter involved a fire evacuation drill and use of fire extinguishers in an outdoor setting.

In New Caledonia, as part of the National Road Safety Week, colleagues took an obstacle course under the simulated influence of alcohol and were also tossed on a crash simulator. "We learnt about the effects of alcohol and fatigue on safety," said Annelise Emerard, Accounting Manager, Swire Shipping, Noumea and organiser of the office event.

Swire Shipping purchased first-aid AED machines for offices in Shanghai, Beijing, Qingdao and Guangzhou and invited a trainer from the American Heart Association to conduct AED / CPR trainings for our employees in these cities.

In the Taiwan region, colleagues received training on CPR and how to use an AED. In Singapore, we invited the Singapore Heart Foundation to conduct virtual training on CPR and using an AED. We wanted to equip colleagues basic life-saving skills and knowledge in the event of a cardiac arrest.

The Australian office organised a series of activities for Mental Wellbeing month in October. These included weekly meditation sessions, a webinar on "How to Protect your Mental Wellbeing" and a video produced by our Australian team offering simple, multilingual tips for colleagues to check in with one another and to ask "R U OK?".

In commemoration of World Sleep Day, colleagues in Australia were invited to a webinar with Dr Prerna Varma, a Research Fellow at Monash University specialising in sleep research. The webinar provided strategies for improving inadequate sleep, common sleep disorders and how to seek treatments. World Sleep Day, organised by the World Sleep Day Committee of World Sleep Society, is an annual celebration of sleep and a call to action on important issues related to sleep.

Swire Shipping declared 26th November 2021 "Mental Health Holiday". This holiday, as well as the "No Meeting Day" on 15th December 2021, came about from colleagues' suggestions. Where it was essential for key employees to work on this holiday, the affected staff could take a day off in lieu.

In the Taiwan region, colleagues received training on CPR and how to use an AED. In Singapore, we invited the Singapore Heart Foundation to conduct virtual training on CPR and using an AED.

Above left: A video produced by our Australian team offering simple, multilingual tips for colleagues to check in with one another and to ask "R U OK?"
Left: Office Safety - CPR AED Shanghai

Cargo Operations and Port Community

Swire Shipping Safety Strategy



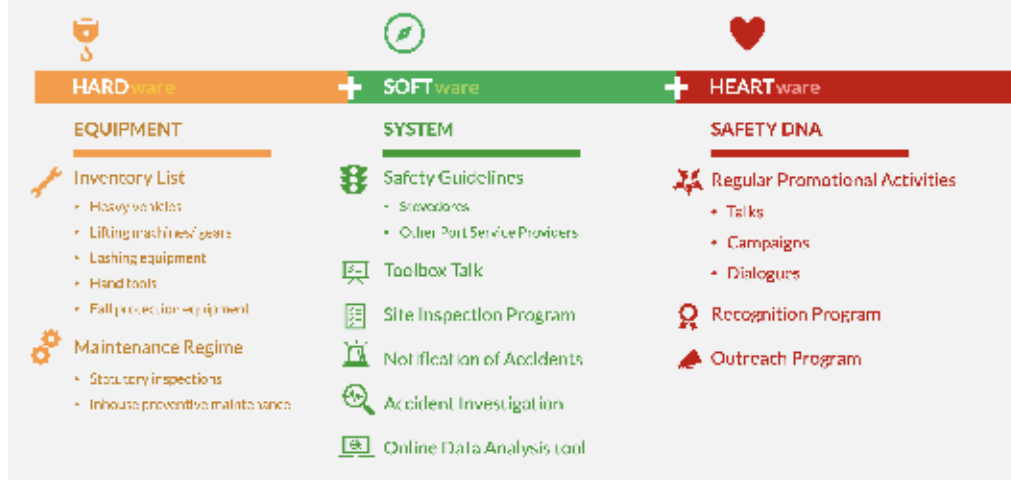
Cargo operations and port community (Stevedores, Port Workers, and Other Third-Party Contractors)

We care not just about the safety of our people, but that of our contractors too. We work closely with our partners to ensure that the safety culture is reiterated during operational activities onshore.

In 2021, we launched our updated Safety Strategy – to be a leading organisation that provides sustainable safety excellence – supported by three SafeWOW (Safe Way of Working) Programmes, and a 2025 roadmap to roll this out to 25 stevedoring companies. The SafeWOW Programmes include: Hardware (maintenance and equipment), Software (safety guidelines and 10 life-saving rules), and Heartware (outreach and engagement).

In the first year, five stevedoring companies situated in Fiji, Honiara, Sriracha, Pago Pago and Noumea were identified and engaged under the revamped Safety Strategy.

Safe Way Of Working



We care not just about the safety of our people, but that of our contractors too. We work closely with our partners to ensure that the safety culture is reiterated during operational activities onshore.



Above

Safety infographic that illustrates Swire Shipping as the towering lighthouse, projecting beacons of safety light which lead partners of the port community to embrace best safety operational practices as well as cultivate sustainable safety excellence through a guided "SafeWOW" programme.

Key achievements in 2021 included:

- Development of Swire Shipping's 2025 Safety Roadmap;
- Development of the SafeWOW programme, inclusive of training materials for 10 Life-Saving Rules;
- The launch of "Snap a Hazard" online platform that enables regional ship agents to report unsafe acts / conditions seamlessly;
- Safety Alerts to share safety information with regional port service providers;
- Automation of regional safety statistics to compile, monitor and identify trends that require early intervention to address concerns;
- The design and implementation of "Stevedoring Safety" training sessions for ship crew in the area of enhancing the quality of cargo watch;
- Improved Port Safety Index of 99.5% vs 99.4% in 2020.

Cargo Safety

The safety of our customers' cargo is of utmost importance. As part of our cargo care duty, we actively engage with our stakeholders and continue to monitor the safety compliance level of cargo operations in port so that swift measures can be taken if any unusual trend is detected.

Impact of COVID-19 on Safety



Swire Shipping continued to address challenges presented by the pandemic. Many countries and regional authorities continued to impose significant restrictions affecting international shipping services. Clear procedures on ship-shore interactions were essential to eliminate the chance of the virus spreading from ship to shore, or vice versa, whilst maintaining vital shipping services. The Contactless Port Call protocol continued to be implemented with tailored requirements to local conditions.

The full list of Swire Shipping Safety Statistics can be found in the data section of the report on page 122.

For more information please visit the Safety section on our website.*

*<https://www.swireshipping.com/information/info-pages/sustainability/safety>

Swire Shipping continued to address challenges presented by the pandemic.



Photos, anticlockwise
from top left:
(All from Unsplash)
Waldemar Brandt
Arya Pratama
Maxime
Dan Dennis

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Governance

Safety

Our People

Our Partners

Our Environment

Report Data

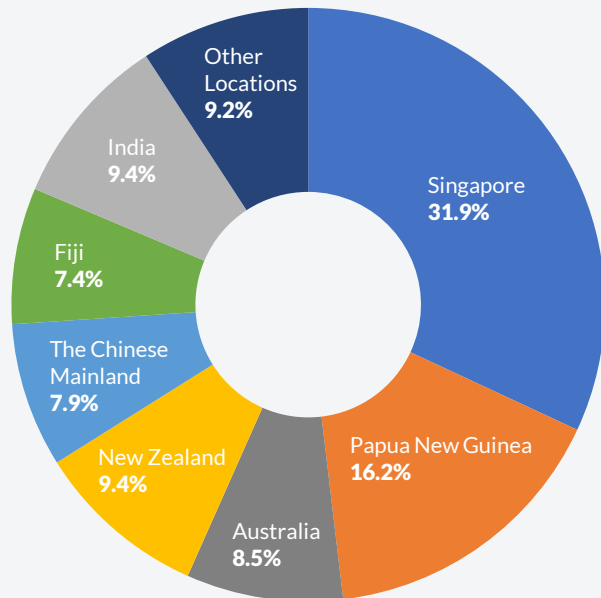
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For a multinational shipping company, with employees from 42 countries and regions, having an inclusive, cohesive and supportive culture is key to our continued sustainability.

Employment Information

Our people are at the core of Swire Shipping's business operations. We are committed to providing a continuous learning environment where employees are empowered to reach their highest potential. We value our multinational workforce and actively promote an inclusive and diverse workplace with a strong focus on safety excellence.

Shore-based employees by key location*



*Key location is defined as over 5% of global employee count

Employment Information

As at the end of 2021, Swire Shipping employed 1,869 people in locations around the world. Our employees come from 42 countries and regions.

902 of our employees were shore-based, while the remaining 967 were seagoing employees (426 officers and 541 crew members). The numbers are not comparable to prior year as the 2020 figures covered both Swire Shipping and Swire Bulk (the latter is now an independent entity).

Our business strategy continued to focus on growing our global operations, with the establishment of a new business division, Swire Integrated Logistics. Swire Shipping's geographical footprint covers offices across American Samoa, Australia, Canada, the Chinese Mainland, Fiji, Germany, Hong Kong SAR, India, Indonesia, New Caledonia, New Zealand, Papua New Guinea (PNG), Samoa, Singapore, Solomon Islands, Taiwan region, the United Kingdom (UK) and the United States of America (USA).

Our employee strength by geographical location is as follows:

Singapore (Head Office) – 31.9%, PNG – 16.2%, Australia – 8.5%, and New Zealand – 9.4%, the Chinese Mainland – 7.9%, Fiji – 7.4%, India – 9.4% with the remaining 9.2% being based in other locations.

Our seagoing employees come from 24 countries and regions while our shore-based employees come from 32 countries and regions around the world.

Our seagoing employees come from
24 countries and regions.









EUROPE 143

 Bulgaria 1	 Croatia 12
 Estonia 1	 Ireland 1
 Montenegro 7	 Russia 5
 Romania 1	 Slovenia 1
 UK 2	 Ukraine 112

ASIA 651

 The Chinese Mainland 116	 Myanmar 114
 India 27	 Philippines 296
 Indonesia 1	 Sri Lanka 97

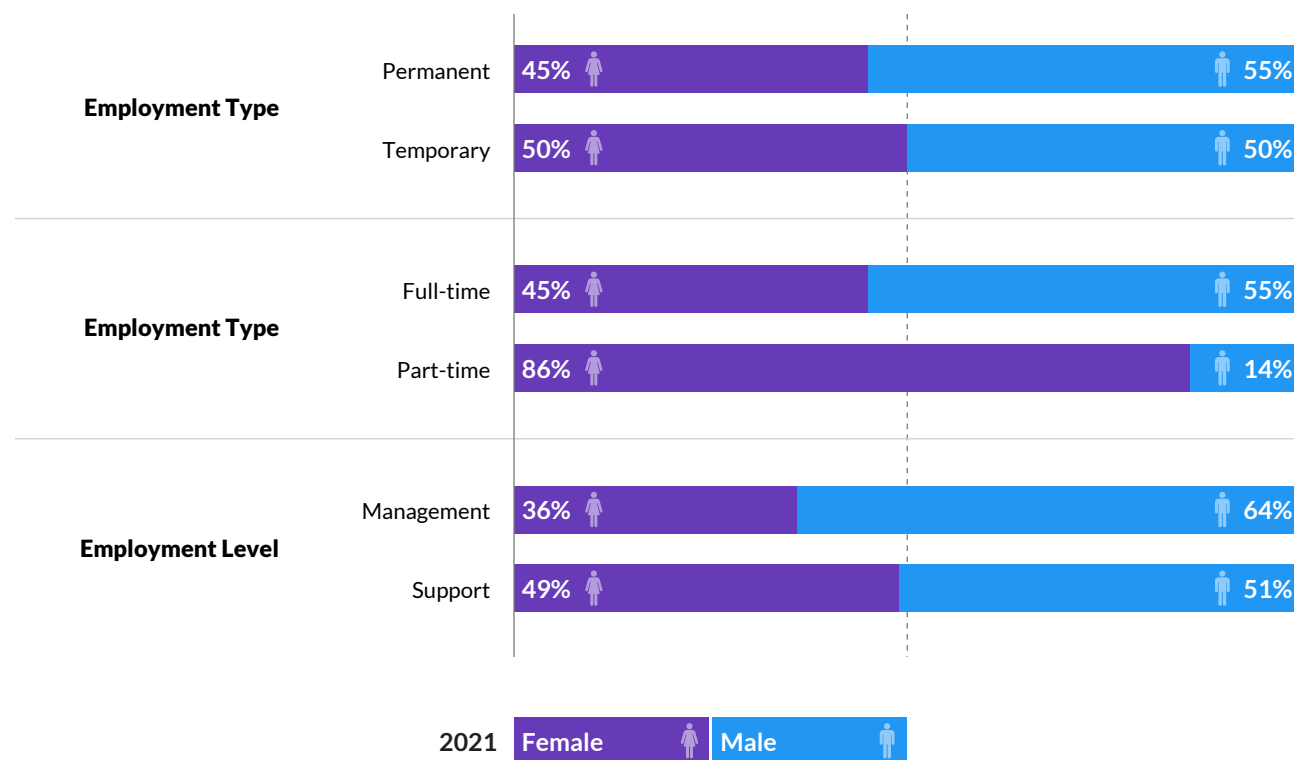
OCEANIA 173

 Australia 1	 Fiji 44
 Kiribati 18	 New Zealand 47
 Papua New Guinea 51	 Samoa 1
 Tuvalu 10	 Tonga 1

Total number of
seagoing employees

967

Shore-based Employees



97% of our shore-based workforce were employed on a permanent basis. The number of employees who were temporary (i.e. contractors) was very low at 3%, with most of them being skilled professionals working as consultants on a contract basis to assist with specific projects. 99% were employed full-time.

97% of our shore-based workforce were employed on a permanent basis. The number of employees who were temporary (i.e. contractors) was very low at 3%, with most of them being skilled professionals working as consultants on a contract basis to assist with specific projects. 99% were employed full-time.

93% of our shore-based workforce were classified as "local", a similar figure to the prior year. We define "local" as those who are national or permanent residents of the country of employment. 4% were classified as "expatriates", with the remaining 3% employed on contract basis.

Around 30% of this expatriate employee percentage are managers from our parent company's management scheme. There is a centrally planned rotation as part of a planned career progression through internal postings within the wider Swire group. The rest are employed as industry experts and have long-term careers with the Company worldwide.

All our contracts globally comply with relevant local employment laws. We continue to provide benefits that are additional to local legislations. These include medical insurance for shore-based employees and for all seagoing employees, general accident insurance and paid pension arrangements or cash in lieu thereof.

Our shore-based employees come from 32 countries and regions around the world.

Our Filipino seafarers are employed as required by Philippine Law and managed by the Philippine Oversea Employment Agency (POEA), on a contract-by-contract basis. As such we do not classify these as “contractors” and consider them our long-term employees.

57% of our seagoing employees working on board our fleet are covered under a Collective Bargaining Agreement (CBA). All other seagoing employees are employed on the Company’s terms and conditions, which are on par with International Transport Federation’s CBA terms. All contractual conditions are in accordance with the International Labour Organisation (ILO), Maritime Labour Convention (MLC) 2006.

The number and rates of employee hires and employee turnover can be found on pages 126-127.

Employee turnover remains a valuable indicator of the Company’s sustainability and is an ongoing area of focus for the Company. Overall employee retention in 2021 for shore-based employees was 82.2%, and 93.8% for seagoing employees (officers and crew). Employee retention rates remained consistent year-on-year with a slight decrease for shore-based employees (from 86% in 2020 to 82% in 2021).

We continue to monitor and analyse turnover rates against relevant national average figures and in light of changes within the business and the industry. We are generally comfortable that our data match local data. We conduct exit interviews and seek to rectify any firmly trending reasons for turnover where they are viable and within our control. High turnover percentages in some locations are simply a function of there being only a small number of employees in those offices.

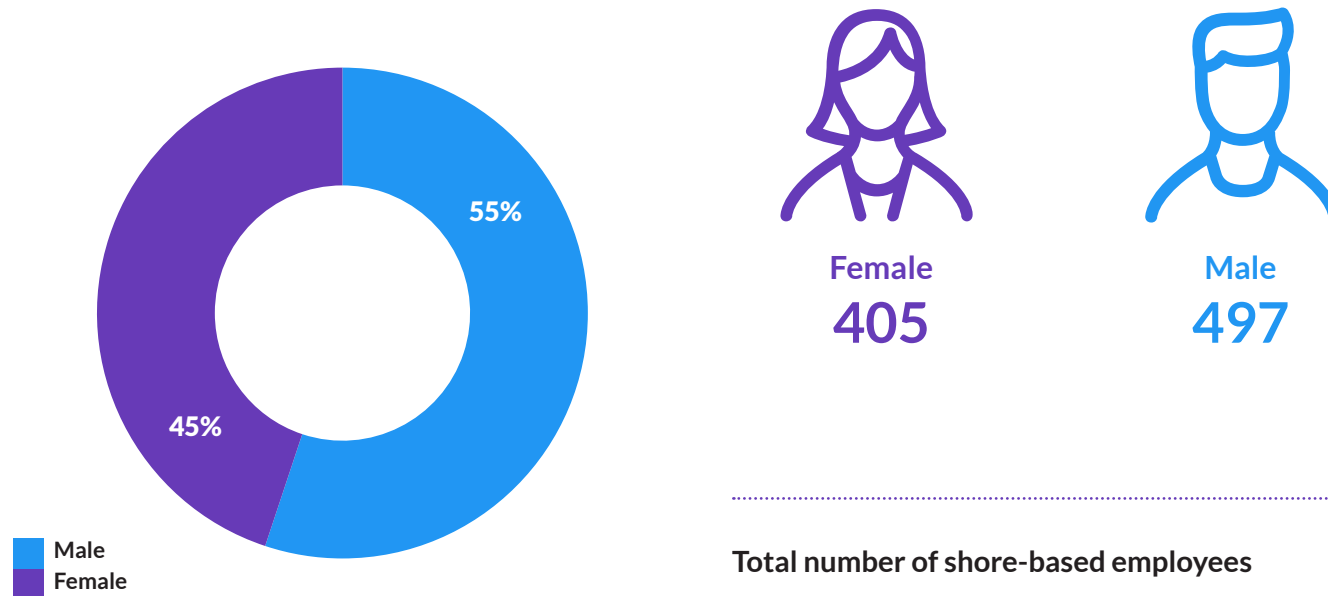


All our contracts globally comply with relevant local employment laws. We continue to provide benefits that are additional to local legislations.

Diversity and Inclusion

For a multinational shipping company, with employees from 42 countries and regions, having an inclusive, cohesive and supportive culture is key to our continued sustainability.

Shore-based employees by gender identity



Total number of shore-based employees

902

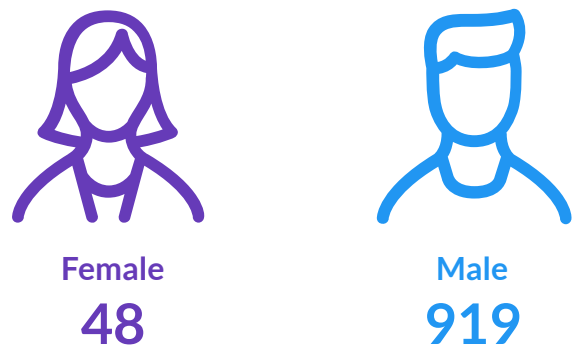
Note: "Other" gender identity category was zero.

We create a welcoming, positive, innovative and high performing work environment by promoting equal opportunities, diversity and inclusion and respect in the workplace.

In 2021 we maintained a gender split consistent with past years. 45% of our shore-based employees identified as female, while 55% of employees identified as male. We acknowledge that gender is a spectrum and there is a range of gender identities between and outside of the categories of male and female. As a company that values inclusion, we offered employees the opportunity to identify beyond the gender binary through an anonymous voluntary disclosure survey. We will address this further in the coming years.

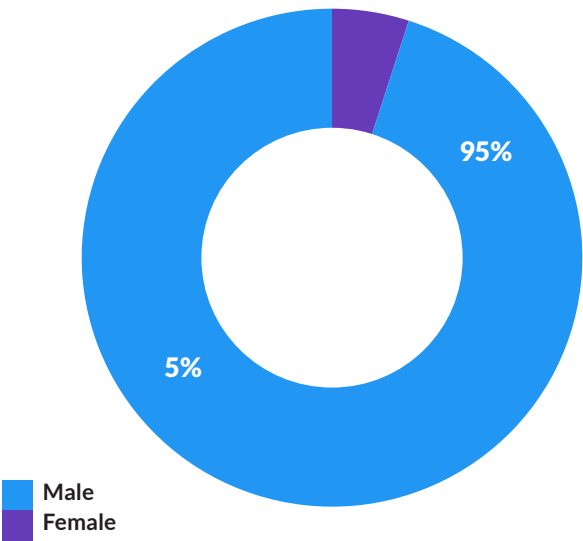
We create a welcoming, positive, innovative and high performing work environment by promoting equal opportunities, diversity and inclusion and respect in the workplace.

Seagoing employees by gender identity

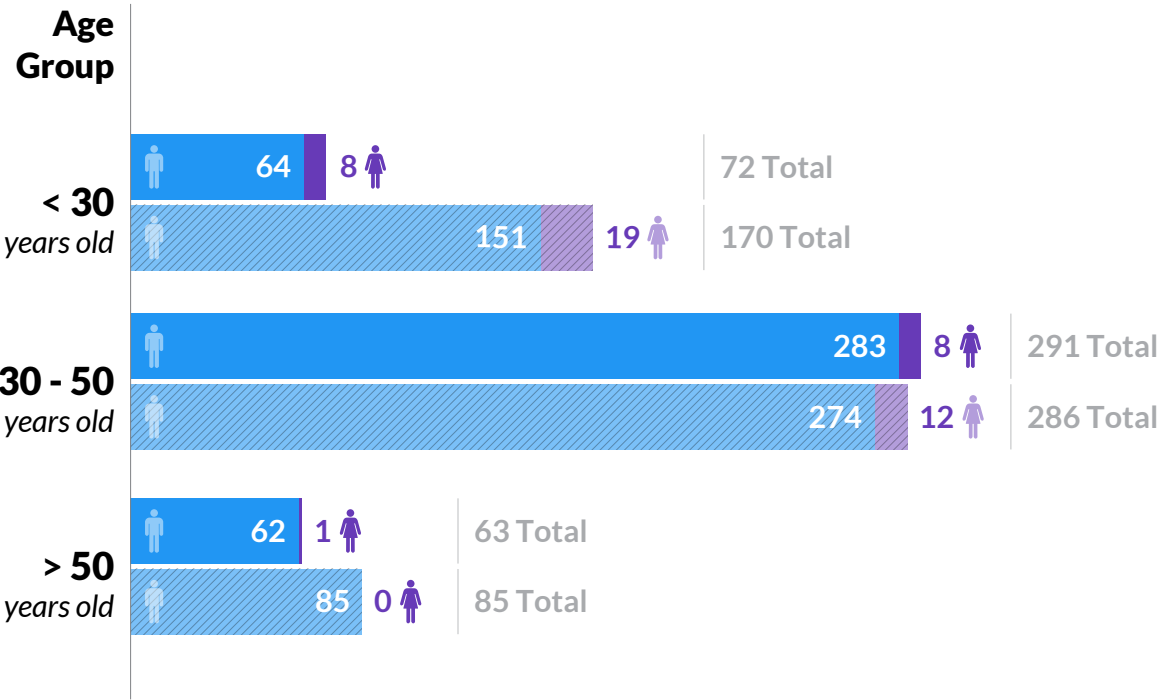


Total number of seagoing employees

967



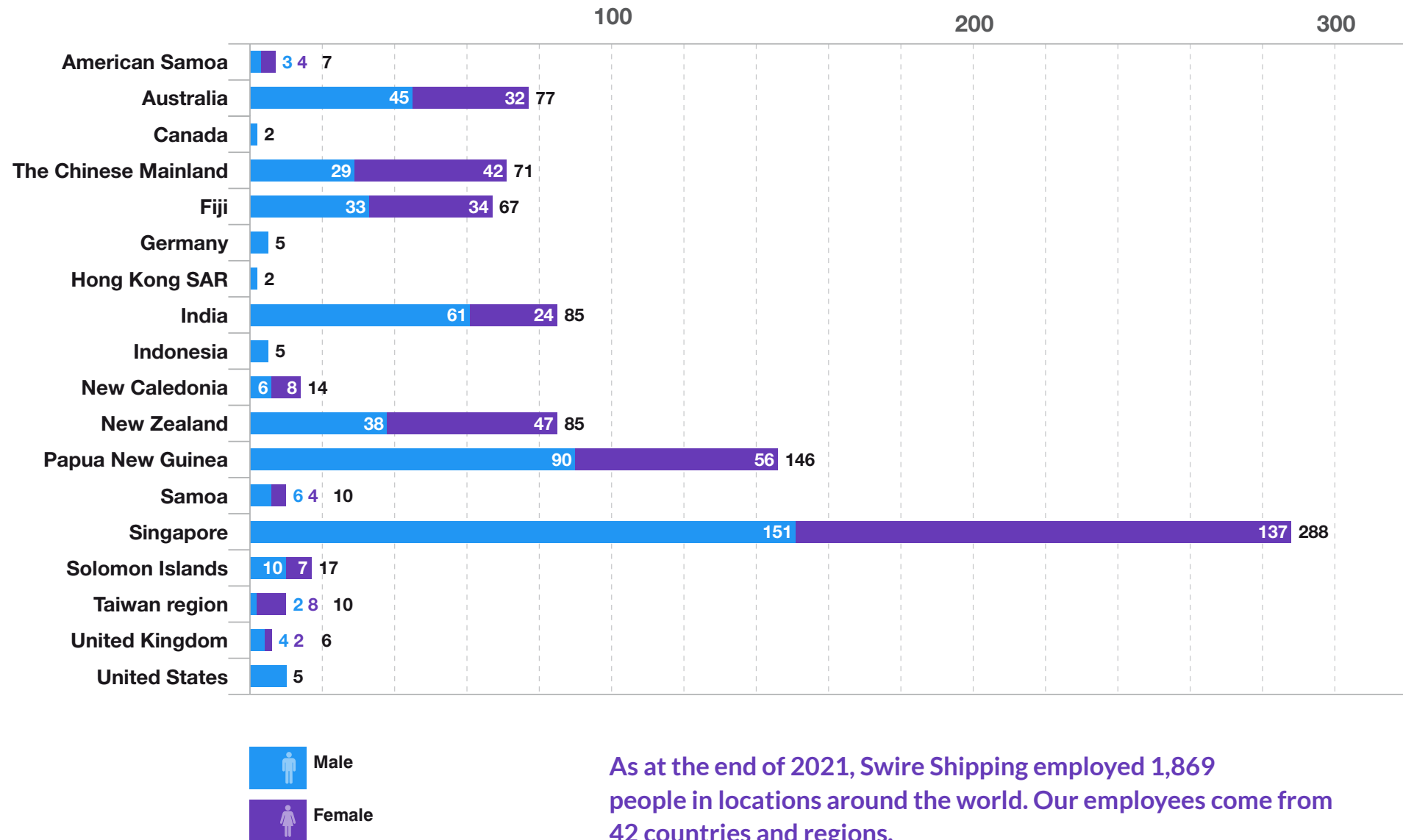
Seagoing employees by gender identity and age groups



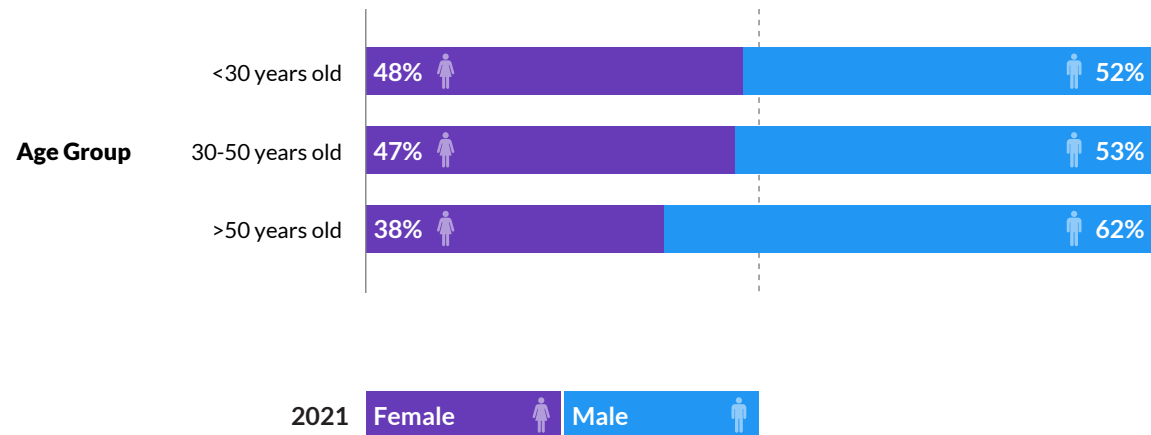
	Male	Female	
Officers	409	17	426 Total
Crew	510	31	541 Total
	Total 919	Total 48	967

Note: "Other" gender identity category was zero.

Number of shore-based employees by gender identity and office location



Shore-based employees by gender identity and age groups



In 2021 we maintained a gender split consistent with past years. 45% of our shore-based employees identified as female, while 55% of employees identified as male.





Above: Shanghai, where we combined Pink Friday with our CPR / AED safety training

Our Board of Directors comprise six male members. We have one senior female manager on the Executive Leadership Team. While it is worth noting that gender diversity has historically always been skewed in the shipping sector, we recognise this as a challenge and a potential detriment to the avoidance of “group-think”.

We have set ourselves a KPI of achieving increased gender diversity by having 30% female senior managers by 2025. By the end of 2021 we had 15% female senior managers.

We have in place the Diversity & Inclusion (D&I) Council which consists of the MD, Chief People Officer and D&I Manager. The primary function of the Council is to develop a comprehensive and integrated D&I strategy to drive organisational best practices, goals and objectives. Employee Action Groups (EAGs) have also

been set up and are sponsored by the ELT. These are voluntary, employee-led groups empowered to brainstorm and act on ideas that foster diversity, inclusion and cultural change. Each member functions as a D&I champion and is guided by our D&I Council.

Throughout 2021 we successfully introduced D&I into our management philosophy and began a programme of culture transformation which will continue through the coming years. Our Diversity and Inclusion strategic priorities are:

- a) Building capabilities
- b) Providing flexibility
- c) Including Diversity in talent pipeline

Our key actions will focus on the following:

- a) Building capabilities
- b) Promoting the *Choose to Challenge* campaign
- c) Auditing the recruitment process
- d) Running Employee Engagement Survey
- e) Having active Employee Action Groups
- f) Continuing to enable flexible working arrangements

Throughout 2021 we held a number of D&I themed events:

In March, we commemorated International Women's Day (IWD) with a series of activities across the globe. We launched our *Choose to Challenge* Campaign, which featured stories on challenging non-inclusive behaviours and processes at work. In Fiji, we took out a feature in the national newspaper to share about the role of women in shipping. In Papua New Guinea, our colleagues attended an inspiring speech by Monica Toisenegila, the first Papua New Guinean to be awarded the highest Toastmasters award.

Throughout 2021 we successfully introduced D&I into our management philosophy and began a programme of culture transformation which will continue through the coming years.



We commemorated PRIDE month on 16th June with our inaugural panel featuring gay and bisexual colleagues and allies, who spoke about their own personal experiences with discrimination and sources of support in work and life. The event saw over 100 colleagues from across the globe dressing up in rainbow colours, having rainbow cupcakes, and listening to the afore-mentioned panel share their experiences.

The 2021 theme for the LGBTQ+ community continued to spotlight on visibility, unity and equality, and bringing to focus, the challenges this community had to face during the pandemic. As a business and like many others, we recognise that we have an important role to play in respecting and protecting human rights through fostering workplace inclusion for LGBTQ+ people.



We celebrated Pink Friday on 19th November. Colleagues wore pink and used our specially-designed Pink Friday wallpaper on our Zoom / Teams meeting platforms. We held a themed trivia quiz and organised a Design Our Own Pride Flag competition; the winning design was reproduced as a collar pin.

“

With society evolving so quickly, people are paying more attention to minority groups. I'm glad to be working at Swire Shipping with such a diverse and inclusive culture. This is my second year participating in Pink Friday where I have been able to learn more about it, as well as to share my opinion."

Krystal Chao

Junior People Business Partner
Swire Shipping, Shanghai

Clockwise, from top left:
Pink Friday in Taipei, Qingdao, Guangzhou, Beijing





Above: Cultural Day celebrations at Swire Shipping offices around the globe

We held Cultural Day celebrations at Swire Shipping offices around the globe, with colleagues sharing their culture with one another through food, dance, music and the arts. With 45 ethnic groups across Swire Shipping, it was a display of great cultural diversity. We also held discussions around cultural stereotypes and biases and committed to challenging one another in our inclusion journey.

In 2021 we also embarked on our journey to build a strong and cohesive culture, starting with a workshop in India. Over 70 participants, comprising the curator teams, ELT members and People Managers, shared how they live the Swire values. Those workshops will be rolled out globally in 2022.

We held Cultural Day celebrations at Swire Shipping offices around the globe, with colleagues sharing their culture with one another through food, dance, music, and the arts. With 45 ethnic groups across Swire Shipping, it was a display of great cultural diversity.



Photo: www.petroleumaustralia.com.au

Graduate "Officers of the Watch"

In 2021, we continued our support of female cadets as a way of attracting more women to work in the shipping industry. Cadets are particularly important, as we cannot have more senior female seagoing officers until the junior female seagoing officers have been employed, trained and promoted.

Supporting Women in Maritime

There were 48 (or 5.0%) female officers among our seagoing employees. While we are cognisant that this is a low figure, it is also reflective of the shipping industry in general. We are proud that we are able to retain female seafarers y-o-y. We will continue to encourage more women to join Swire Shipping and promote a culture that recognises and values their contributions.

Swire Shipping supports IMO's effort to increase the number of women joining the shipping industry. We have been encouraging females to apply for positions and ensuring that we have fair and equitable recruitment practices in place. This has been effectively communicated to our manning agents as well.

In 2021, we continued our support of female cadets as a way of attracting more women to work in the shipping industry. Cadets are particularly important, as we cannot have more senior female seagoing officers until the junior female seagoing officers have been employed, trained and promoted.

10 young women from Papua New Guinea (PNG) graduated as "Officers of the Watch" in December 2021. The women represented the first intake of scholarship awardees in the "Women in Maritime" programme. Scholarship holders in the programme receive both classroom and practical training.

The training programme was a partnership between Swire Shipping, PacTow, the Australian Government, and Consort Express Lines. Since the inception of the programme in 2018, 26 women have been awarded scholarships as either a Deck or Engine cadet. Neil Papenfus, General Manager, PacTow, describes the Women in Maritime programme as "a trailblazing initiative that is helping train PNG's next generation of seafaring professionals."

On the Day of the Seafarer, we celebrated our female seafarers. Our seafarers shared their perspective on resilience onboard, overcoming challenges as female seafarers, having high ambitions and hopes for greater diversity. Being a female seafarer has its unique challenges: "sometimes my male colleagues tell me that I'm not strong enough to do the job. While there may be others who may not take to this well, I use it as a booster to work harder and show that I can do it just as well," explained one of the Engine Cadets.

One of our Chief Cooks also shared her motivations, "I'm the first female Chief Cook from the Pacific Islands, and I am very proud of that fact. Having grown up watching my dad sail as an engineer, I was inspired to do the same. I found an opportunity with Swire Shipping and till today, it has been highly motivational to sail with my fellow seafarers."



(Above L to R): **Kathelene**, Third Officer; **Aniel**, Cadet; **Li**, Chief Officer; **Li**, Captain, Swire Shipping; **Roselle**, Fourth Officer and **Ereno**, Cadet, Swire Shipping

Our seafarers urged the company to continue to think globally and be forward thinking to push for greater inclusion of men and women of all races and nationalities in the new era of shipping. Second Engineer on board MV *Samoa Chief*, who is a Cadet trainer and sailed with many female seafarers, believes “this will be the new norm as many females embrace seafaring as a career.”

“You need to be mentally tough to be a seafarer. Regardless of gender identity, nationality or whomever you are, every seafarer will have to come to grips with isolation and times of loneliness on board,” shared Noreen Hennessy, Master, Swire Shipping. “I will never forget my first trip as a seafarer, I had to prove myself as equal and better* than a fellow male cadet who joined together with me. It was tough but you just had to do it. Being a female seafarer can often be the most challenging part but the sense of achievement when reaching your goal is second to none.”

Swire Shipping is a member of WISTA in Australia, New Zealand and Singapore. The acronym WISTA stands for Women’s International Shipping & Trading Association. The organisation’s focus is on providing support and networking opportunities for women working in the maritime, transportation and related industries, and raising the profile of the industry as a positive career choice for women. WISTA has a consultative status at the International Maritime Organisation.



Our Sydney office hosted WISTA workshop on addressing causes of burnout, prevention techniques and a call for every individual to be an agent of systematic change through “clear communication, learning and growth, community, and acceptance and compassion.”

Our colleagues in the Auckland office attended various events hosted by WISTA New Zealand. The workshops covered: building and developing a personal brand to increase confidence in the workplace; a panel event focusing on the diversity of opportunities and pathways within the maritime industry; and networking events.

In Singapore, our female managers attended industry networking and thematic events to meet and share experience with other members.

Through our participation via WISTA and other D&I initiatives, we hope to empower our employees and drive positive change towards minimising the gender leadership gap in the maritime industry.



Man or woman, regardless of race, nationality or religion, nothing defines you but yourself. You can be anything you want to be.”

Noreen Hennessy, Master, Swire Shipping

*Swire Shipping does not expect females to be better than males. We believe in equality.

Swire Shipping is a member of WISTA in Australia, New Zealand and Singapore. The acronym WISTA stands for Women’s International Shipping & Trading Association.

Anti-discrimination and Anti-harassment

We take the strongest stance with respect to any form (verbal or non-verbal) of harassment in the workplace. We have a robust system in place to address any such reported situations in a timely manner.



We have in place a D&I Policy, a Respect in the Workplace Policy as well as our Code of Conduct, all of which further embed diversity, and equality of treatment and opportunity, into all our operations to ensure that all employees benefit from a welcoming, positive, innovative and outperforming work environment. We are committed to providing a safe environment where all our people are able to bring their authentic selves to work and be respected and recognised for who they are and what they do. Additionally, we provide a Confidential Reporting hotline to deal with any potential issues. The process is clearly defined in our Grievance and Dispute Settlement Policy which is available to all shore-based and seagoing employees.

An inclusive workforce is one whose members are not discriminated against. Accordingly, we require full compliance with applicable employment and other laws and will not tolerate unlawful discrimination*, harassment or any other breaches of applicable law. Our equal opportunities practices commit us to ensuring there is no unjustified discrimination in the recruitment, promotion, retention, skills training and competence development

of any of our employees on the basis of aspects including: age, disability, ethnicity or ancestry, family responsibilities, gender identity, language (whilst noting that proficiency in the English language is a legal requirement of the marine industry), marital status including civil partnerships, nationality, political views, pregnancy, race, religious beliefs or creeds, or sexual orientation.

As part of Swire Shipping's annual training programme for all shore-based employees, we run online Code of Conduct and Workplace Harassment Prevention training courses. These courses set out Swire Shipping's values, principles and commitment to compliance with applicable laws and aim to help employees deal with any ethical dilemmas that they may encounter in their everyday work.

Swire Shipping was notified of three potential cases of discrimination or harassment in 2021 (see *Fines and Grievances* section of the report). Swire Shipping has systems and processes in place to deal with any alleged and actual situations, leading to a culture which is free of discrimination and harassment.

**Decisions become a form of unlawful discrimination when race, creed, national origin, ethnicity, or gender cause one person to be treated differently than another. Some states have laws that also protect against discrimination on the basis of marital status or sexual orientation.*

These are called protected classes. There are some established cases of "lawful discrimination", e.g. convicted embezzlers being considered for accounting roles, unfit candidates for fire-fighters, "tall" people as cabin crew on Dornier 328 aircraft, etc.

Employer of Choice

Swire Shipping has long been the Employer of Choice for most of our seagoing and shore-based employees. The average length of service in 2021 was 6.67 years for our shore-based employees, 4.61 years for crew, and 5.56 years for officers.

Average Length of Service in Years

Shore-based



2021 **6.67** years

Officers



2021 **5.56** years

Crew



2021 **4.61** years

Long Service Awards

To thank employees for their long service and ongoing contributions to the business, Swire Shipping gives them Long Service Awards.

In 2021, we issued 55 awards to employees ashore and at sea, for lengths of service ranging from 10 to 25 years. When these are summed, the total length of service recognised amounted to 735 years.

Years of Service	Shore-based employees	Seagoing employees	Total years
10 years	21	6	270
15 years	17	3	300
20 years	7	-	140
25 years	1	-	25

In 2021, we issued 55 awards to employees ashore and at sea, for lengths of service ranging from 10 to 25 years. When these are summed, the total length of service recognised amounted to 735 years.

Performance Management, Training and Development



Seagoing employees

Swire Shipping puts significant emphasis on safety training for our seafarers. In 2021, we ran 64 Safety Awareness Courses (SACs) for senior and junior officers and ratings, covering 342 seagoing employees. In addition, 21 engine and electric cranes training courses were provided for new seafarers.

We also sponsored a number of other courses ranging from AMOS training, welders training, navigation safety courses, Senior Officer attachment programmes, Recruitment Evaluation and Assessment Programme.

All of these are discretionary training courses, (i.e. not required under the various IMO SOLAS, MARPOL, ISPS or STCW legislation). However, Swire Shipping sees such training as critical to maintaining and enhancing the safety of our seagoing employees and all our stakeholders.

The goal of the SACs is to emphasise and reinforce the Company's safety culture and to promote Zero Harm. The SAC emphasises practical safety management skills, explores the benefits of leading safety indicators and looks at determining accident root cause analysis, proactively recognising hazards and understanding safety control, mitigation and recovery measures.

The total cost of the discretionary training in 2021 was USD 295,000. This represents a significant investment given the impact of global pandemic on travel and with most courses being run online.

In 2021, 437 Swire Shipping seagoing employees received 10,408 hours of training. This amounted to an average of 10.76 hours per seafarer (from 7.94 hours in 2020). Our commitment to training remained strong.

All Swire Shipping seafarers receive a performance evaluation review conducted by their Master or Chief Engineer at least twice a year. The appraisal looks at personal characteristics, teamwork, aptitude and leadership qualities among other specific skills sets. The process is intended to highlight areas for improvement and training opportunities and identify an individual's strengths for a robust recognition and promotion programme.

The total cost of the discretionary training in 2021 was USD 295,000. This represents a significant investment given the impact of global pandemic on travel and with most courses being run online.

Keeping up with the times

Despite being a legacy industry, seafaring has been keeping up with the times. Seafarers today have constantly upskilled and progressed through the ranks much like their onshore counterparts. From pathways and programmes to nurture the next generation of seafarers, to opportunities for seafarers looking to move to onshore operations, many new pathways lie ahead for prospective and current seafarers.

As the seafaring industry has grown, the avenues for seafarers to develop their careers has also broadened. Some seafarers furthered their careers and found success making the transition to onshore operations.

Former Chief Engineer Wang Fa Chun transferred onshore in 2021. He was offered the role of Ship Manager and accepted it as it was a good opportunity and he wanted to take on a new challenge in a different role after many years of seafaring. Sharing his learning experiences, he encourages fellow seafarers to “work independently, keep learning from practice, study cases and instruction manuals.”

He adds, “I completed various training and courses that helped me in my job, including resource management training and safety awareness courses that helped me recognise risk access and controls, and electric crane training. I was also given the opportunity to attend a port state inspection and internal audit training in Singapore and engine training in Shanghai.”

Shore-based employees

Swire Shipping continues to invest in learning and development. Across the company, 902 shore-based employees received 6,123 hours of training, which includes the annual governance compliance training programme, with an average of 6.79 training hours per employee (from 6.13 hours in 2020). The overall cost of training for shore-based employees in 2021 was USD 80,625. This figure includes the cost of *Percipio* – an e-Learning portal.

Swire Shipping employees are encouraged to access the extensive selection of online learning resources through *Percipio*. It offers a convenient platform for employees to learn new skills and acquire new knowledge at no cost to them and at their own convenience.

Performance management for shore-based employees is done using “SMART Goals” in an online system. Performance assessments include a review of the SMART goals, and performance against Swire group’s values and job competencies.

In 2021, we launched a number of learning and development programmes, such as:

- Swire Shipping Fundamentals Programmes which are available to all employees specific to their job levels. There are four areas of focus: Growth Mindset, Values, Leadership Essentials, and Coaching for High Performance.
- Swire Shipping’s Leadership Essentials course which addressed the concept of Servant Leadership, building relationships with team members and the importance of regular feedback.
- Train-The-Trainer programme which delved into areas including adult learning principles and styles, the stages of training and participant management.
- E-learning café sessions which promote a learning culture for colleagues to exchange insights and best practices from courses they attended.

Due to the pandemic, we suspended Leadership Development Programmes for managers at Team and Operational Leader levels. These programmes are designed to be face to face, and to equip managers with the requisite leadership competencies and skills such that they can lead their teams more effectively. They also help us to increase the number of female leaders within the Company. We hope to resume them as soon as international travel restrictions are eased.



Across the company, 902 shore-based employees received 6,123 hours of training, which includes the annual governance compliance training programme, with an average of 6.79 training hours per employee.

Employee Health and Wellbeing during the Global Pandemic



Supporting our shore-based employees

We continued to support our employees globally during the ongoing pandemic. We kept flexible work arrangements in place and followed government guidelines in various jurisdictions around the world. Employees were issued free COVID-19 tests to carry out self-testing before returning to the office. Online office attendance registration systems were used to ensure adherence to regulations and to facilitate contact tracing. Senior managers continued to provide guidance and leadership with the majority of meetings and events held online.

Our Papua New Guinea office launched the “Work from Home Buddy” scheme to help colleagues stay connected during work-from-home period. The Swire Welfare Committee (SWC) members checked in on assigned colleagues via phone or virtually. Said Salome Maru, Assistant Logistics Manager, Swire Shipping and a member of the SWC, “Though the routine of normal operations is being maintained, we need to ensure all of our team were fit and well in body and mind. Through this system, we want to maintain a sense of connectedness.”

As part of New Zealand office’s monthly wellbeing activities, colleagues and their families organised a barbecue at Long Bay’s Beach which also featured games for adults and their children.

See *Office Safety* subsection under **Safety** section of the report for more information.

We continued to support our employees globally during the ongoing pandemic. We kept flexible work arrangements in place and followed government guidelines in various jurisdictions around the world.

Photo: Swire Shipping New Zealand office

Supporting our seagoing employees

From the start of the global pandemic Swire Shipping remained committed to responsible business practices. The unprecedented crew change crisis has led to serious consequences for seafarers' wellbeing. Swire Shipping and our crewing personnel worked tirelessly to protect our seagoing employees. We ensured that all contract extensions were mutually agreeable with highest respect for our employees' safety and human rights and prioritised crew changes based on the length of contract duration.

At the end of December 2021, we had 19 crew on board overdue on their maximum contracted tenure, representing 3.7% of the total pool of seagoing employees. This was mainly due to:

- Many countries and ports putting in place stricter crew change requirements, which have resulted in increased challenges to crew changes. These often led to crew change cancellations.
- New COVID-19 outbreaks causing new domestic lockdowns in certain countries and regions at short notice which, combined with increasing numbers of flight cancellations and travel restrictions, continued to prevent seafarers from going home.
- Stricter Chinese government requirements requiring seafarers to isolate themselves post sign-off and prior to their repatriation.



With longer tours and no access to shore leave, the Company extended the daily internet usage cap for seafarers from four to 12 hours a day. This allowed more regular communication with their families.

Around 70% of our onboard seafarers were vaccinated against COVID-19, out of which 62% were fully vaccinated.

With longer tours and no access to shore leave, the Company extended the daily internet usage cap for seafarers from four to 12 hours a day. This allowed more regular communication with their families. A "COVID-19 Care" monthly messing package was introduced to facilitate more social gatherings on board. The Company also ensured that essential toiletries and masks were supplied when required so as to maintain high levels of hygiene.

All quarantine requirements (as required both to and from the ships) and the various testing protocols were observed and paid for by the Company.

Recognising the plight of some of our seafarers stranded at home without income, the Company provided salary advances, until they could return to work. Regular, videoconferencing and dialogue sessions were held between vessels and management, with the focus on crew wellbeing and safety.

In January 2021, along with over 300 other companies and organisations, we signed the Global Maritime Forum-initiated “Neptune Declaration on Seafarer Wellbeing and Crew Change” (the “Neptune Declaration”) in a worldwide call to action to end the unprecedented crew change crisis caused by COVID-19. The Neptune Declaration Crew Change Indicator is published monthly to provide reliable data regarding the crew change crisis and the way it evolves. It can be accessed on the Global Maritime Forum website.*

Swire Shipping partners with Befrienders Worldwide (BW), an international network of crisis helplines. A dedicated email and multi-lingual hotline service are available for all employees whether onshore or seagoing. BW has a network of over 350 crisis helplines in 36 countries and regions. The services are confidential in nature (unless and until shore intervention is required. An example is the arrangement of repatriation flights, and only then with the express prior permission of the employee).

*<https://bit.ly/3azrrPu>



Steak and Sunglasses for Seafarers

The *Steak and Sunglasses for Seafarers* project cheered more than 250 seafarers up with gifts of Australian safety sunglasses, care packs with daily essentials as well as prime Australian steaks delivered to some vessels.

The project was inspired by Reverend Tay at Sydney's Mission to Seafarers, working with a generous donation from the Swire Shipping Sydney office along with support from the Merchant Navy War Memorial Fund, Ugly Fish Eyewear and NH Foods.

In Fiji, as part of “R U OK?” Day, the Fiji team reached out to seafarers on vessels approaching Suva and sent them goodies of beer, pizza and chocolate.

Above left: The crew of MV Kokopo Chief with care packs

Left: **Tevita Tinani**, Operations Supervisor, Suva, **Alex Pattison**, Regional Manager – Pacific Islands and **Shyam Reddy**, Regional Operations Manager, after delivering the goodies to the vessel

In 2021 we signed the Global Maritime Forum-initiated “Neptune Declaration on Seafarer Wellbeing and Crew Change” in a worldwide call to action to end the unprecedented crew change crisis caused by COVID-19.

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We support charities and community organisations as well as our employees in need. We are committed to establishing long-term, mutually rewarding relationships with our partners and our communities.

Our Partners

We believe in doing right by our communities and investing in worthy causes.

We support charities and community organisations as well as our employees in need. We are committed to establishing long-term, mutually rewarding relationships with our partners and our communities, and we will work with stakeholders wherever we operate to improve people's lives.



Supporting Seafarers Worldwide

We have long-term global partnerships with both The Mission to Seafarers (MtS) and Sailors' Society (SS) who care for and support seafarers of all races, religions and ranks around the world. This support is provided through fundraising events and other collaborations.



Swire Shipping's employees in Singapore donated USD 740 towards fundraising for Sea Sunday. The MtS in Singapore challenged donors to look for unwanted foreign bank notes and loose change in their houses. Currencies donated included Philippine peso, Japanese yen, Chinese renminbi, Thai baht, New Zealand and US dollars, Indonesian rupiah, and Danish krone. The monies raised also included donations from colleagues who gave away the prizes they won for the onshore quiz organised for the Day of the Seafarer.

A donation of \$2,000 was made to MtS in Brisbane and Melbourne to purchase gift bags of snacks and personal care items for seafarers during the festive period. The Mission also worked closely with local primary schools to create Christmas cards for the seafarers, thanking them all for working hard through a difficult year.

Swire Shipping's employees in Singapore donated USD 740 towards fundraising for Sea Sunday. The MtS in Singapore challenged donors to look for unwanted foreign bank notes and loose change in their houses.

Supporting Our Key Stakeholder Communities

Supporting ASSM Dependents Association (ASSMDA) in the Philippines

Swire Shipping continued to provide ongoing assistance for the monthly operating costs of ASSM Dependents Association (ASSMDA). ASSMDA is an independent, not-for-profit association in the Philippines formed by and for the partners and relatives of our Filipino seafarers. ASSMDA provides voluntary assistance and social support to the seafarers' families in times of need and aims to improve their livelihoods through organising value-added social activities.

Throughout 2021, ASSMDA conducted several activities in aid of the families and local communities of our seafarers. These ranged from relief operations to assisting with distribution of COVID-19 suitable Personal Protective Equipment (PPE) to communities. PPE was sent to 22 locations across the Philippines.

In October 2021, following the relaxation of the government-imposed Community Quarantine requirements, ASSMDA conducted a livelihood project for a small number of vaccinated ASSMDA members. Members learnt how to make liquid detergents, dishwashing liquid, fabric conditioner and candles.

In December, Typhoon Odette struck the central Philippines bringing devastation to Cebu, Bohol, northern Mindanao plus parts of Negros Panay islands. The ASSMDA Board agreed on an action plan involving the distribution of emergency kits containing basic necessities along with information on how the kit can be further personalised for the families of our seafarers. Items included in the kits are water purification tablets, face towels, solar lights, solar chargers, hand crank flashlight, hygiene kits, first aid kits, and clothing items and essential toiletries. This work will continue into 2022.

The ASSMDA Board agreed on an action plan involving the distribution of emergency kits containing basic necessities along with information on how the kit can be further be personalised for the families of our seafarers.



Above: ASSMDA members learning how to make liquid detergents, dishwashing liquid, fabric conditioner and candles



Assistance to the Family Support Centre in Honiara, Solomon Islands

Swire Shipping sponsored the position of Family Support Centre (FSC) Deputy Centre Manager and provided office rental assistance until mid-2021. The programme: Responding to Violence Against Women and Girls (RVAW) is ongoing and continues to be managed by the International Women's Development Agency (IWDA).

During the funding period (January to June 2021) FSC provided 1,232 services to: 79 girls, 132 young women, 880 women, 17 boys and 124 men. Services included counselling, legal, referrals / case management, provision of information on gender-based violence or child safety.

We also assisted with the “End violence against women” campaign in Honiara organised by the FSC.

Inspire Pacific Creative Arts Programme in Fiji

Swire Shipping agreed to support the “Inspire Pacific’s Creative Arts and Leadership Programme for Fiji Juvenile Rehabilitation and Development Centre”.

The project aimed to nurture artistic passion by introducing programme participants to various creative activities, develop positive character through consistent, guided learning and practice, develop leadership and create sustainable growth through mentoring. The programme was officially launched in early 2022.



Eastern Highland Family Voice (EHFV) - Keeping Kids Safe in the Eastern Highlands

Swire Shipping continued to sponsor the position of Child Protection Officer (CPO) for the Eastern Highland Family Voice (EHFV). EHFV runs a range of programmes providing education programmes for families and communities as well as providing direct support to children. This position focuses on supporting children at risk, children with a disability and those at risk of violence and abuse.

Over 2021, the project achieved the following against the set objectives:

Objective 1. To facilitate the protection and proper discipline of at least 1,000 students in the selected schools in the Eastern Highlands Province by the end of two years.

- Over two years, the project reached out to 1,071 students / 184 parents and four schools;
- Four targeted training programmes were conducted, with 116 teachers trained; and
- 12 activities were held, reaching out to 1,391 children and 10,459 parents.

Objective 2. To educate and make aware the rights of children to at least 5,000 people by the end of the two years.

- Reached out to 13,222 people in 20 communities;
- 147 children assisted;
- 856 survivors assisted; and
- Seven training sessions conducted, reaching 951 people.

Funding for the position finished at the end of 2021 and we are exploring further partnership with EHFV.

The Child Protection Officer focuses on supporting children at risk, children with a disability and those at risk of violence and abuse.



Far left: Sai Prema Foundation Fiji
Left: Sri Sathya Sai Sanjeevani Children's Heart Hospital, Fiji

Supporting Charitable Organisations through *pro bono* shipments

Swire Shipping has been supporting various charitable organisations through *pro bono* (Free of Charge) shipments, donations of food and clothing and fundraising events to support their causes. We have established long-term partnerships with a number of charitable and not-for-profit organisations in countries in which we operate.

Swire Shipping teamed up with our customer Zephaton International Pte Ltd, a Singapore-based charity Willing Hearts, and our warehousing partner Yok Impex, to sponsor the shipment of kitchenware, food and groceries from Singapore to Dili on a *pro bono* basis to support communities in East Timor affected by recent floods and COVID-19 restrictions.

"We are pleased to work with like-minded partners to support this worthy cause. We have a direct service from Singapore to Dili on our East Timor & Darwin service (ETS), and we regularly carry essential goods that serve the community there," said Navraj Dhindsa, Market Manager for Asia to ANZ / Micronesia / East Timor, Swire Shipping.

We provided *pro bono* support to Sai Prema Foundation Fiji, assisting them with shipments of the hospital's building materials and equipment. Sri Sathya Sai Sanjeevani Children's Heart Hospital in Fiji will house state-of-the-art equipment for its Catheterisation Lab, Operation Theatre, Intensive Care Unit, Pre-Operation and Post-Operation Wards. The Hospital would also include a Training Centre with technological capabilities for international videoconferencing.

The partnership between Swire Shipping and the Foundation also provided opportunities for Swire Shipping Fiji employees to volunteer for the Foundation's multiple community outreach projects and initiatives.



We are pleased to work with like-minded partners to support this worthy cause. We have a direct service from Singapore to Dili on our East Timor & Darwin service, and we regularly carry essential goods that serve the community there."

Navraj Dhindsa

Market Manager for Asia to ANZ / Micronesia / East Timor
Swire Shipping

We also supported:

- Our customer, **Punjas**, to help schools affected by Tropical Cyclone Ana in Fiji, by shipping desks, chairs, and school furniture from Auckland on a *pro bono* basis.
- **Temasek Foundation** by providing containers for free, working in partnership with Ben Line and Meratus to supply oxygen into hospitals in Indonesia.
- **HEAPS International Foundation Ltd** to ship donations to remote village schools in the East Sepik Province of PNG, on a *pro bono* basis. The donations included support for COVID-19 education and protection, improved sanitary conditions and remote schools' classroom furniture.
- **BOC** (Oxygen producers) and **Braids** (ISO Tank Operator) to ship six containers from Auckland to Lae to mitigate the shortage of oxygen required for COVID-19 patient care in PNG.
- **Ramakrishna Mission**, by transporting medical and educational equipment and supplies which were distributed to hospitals and schools in rural areas during the pandemic (shipment from Brisbane to Lautoka).



Above:

We shipped six containers from Auckland to Lae to mitigate the shortage of oxygen required for COVID-19 patient care in PNG.

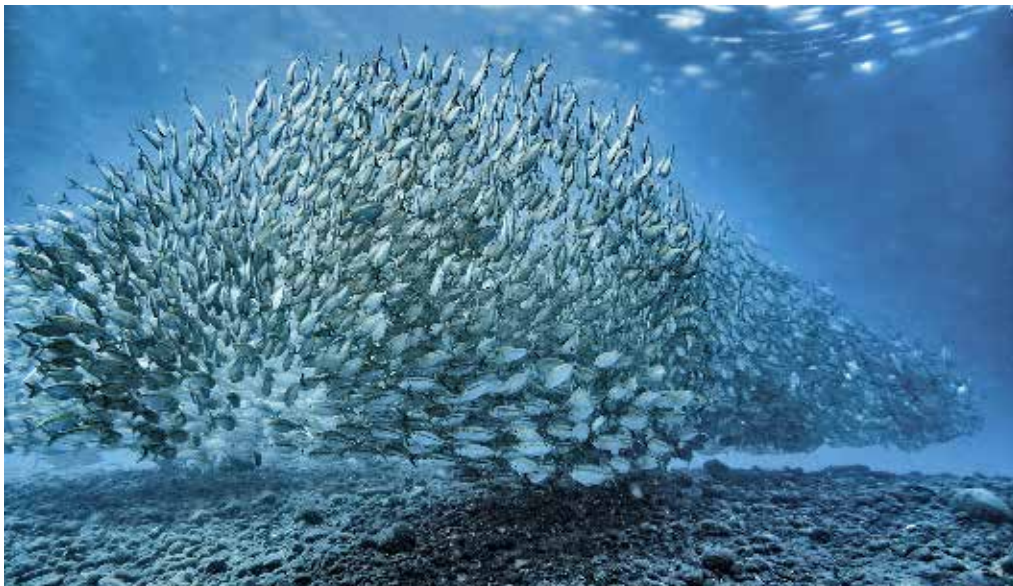


Above:

Pro bono shipments – Fiji Punjas Tropical Cyclone Ana donations

We supported our customer, Punjas, to help schools affected by Tropical Cyclone Ana in Fiji, by shipping desks, chairs, and school furniture from Auckland on a *pro bono* basis.

Protecting Environment and Biodiversity



Partnership with Endangered Species International

Swire Shipping partners Endangered Species International (ESI) in South Mindanao in the Philippines on mangrove and coastal reef conservation to enhance the biosphere and encourage population growth of the endangered Philippine forest turtles. The Philippine forest turtle is listed as Critically Endangered under the International Union for Conservation of Nature (IUCN) Red List. Under this partnership, ASSM volunteers work in the field alongside the ESI on various conservation and community engagement activities.

There were no events in 2021 due to the COVID-19 lockdown imposed by the government of the Philippines, but we hope to resume these once the restrictions are lifted.

Supporting *Mahonia Na Dari* (MND) in Kimbe Bay, PNG

Mahonia Na Dari (Guardian of the Sea) is a local marine environment research and conservation education centre based in West New Britain. Over the period from 2018 till the beginning of 2021, we assisted MND with infrastructure funding for non-income generating facilities to support its research, marine education and conservation centre.

Due to COVID-19 pandemic all activities remained on hold. We are planning to resume the partnership with MND in 2022.

Over the period from 2018 till the beginning of 2021, we assisted MND with infrastructure funding for non-income generating facilities to support its research, marine education and conservation centre.

Photo top: Conscious Design on Unsplash
Bottom: Dorothea Oldani on Unsplash

Protecting Blue Whales and Blue Skies Vessel Speed Reduction Programme

Swire Shipping is an active participant in the *Protecting Blue Whales and Blue Skies* programme in the San Francisco Bay Area and the Southern California Region. We achieved the Sapphire recognition tier for three years in a row (for 2019-2021).

The vessels are a significant source of noise and air pollution, and occasionally ships can accidentally hit endangered blue, humpback, and fin whales. The Vessel Speed Reduction (VSR) incentive programme is a voluntary programme where the vessel operators are asked to slow down to a speed of 10 knots or less, which reduces air pollution, fatal strikes on endangered whales and ocean noise.

The programme runs every year from 15th May to 15th November. There are three award tiers and financial incentives given to participating companies, based on the distance their fleet travelled through the VSR zones at speeds of 10 knots or less.

“We continue to be inspired by our peers, industry partners and colleagues for their tireless efforts in minimising harm and protecting our oceans. This award affirms our belief that collectively we can make a difference; first as a company, and secondly, as a member of the community that we live and work in. In choosing to return the financial incentive, we hope to be able to contribute to the ongoing success of the programme,” said Mugurel Calin, Planning Line Operations Manager - USA, Swire Shipping.



This award affirms our belief that collectively we can make a difference; first as a company, and secondly, as a member of the community that we live and work in.

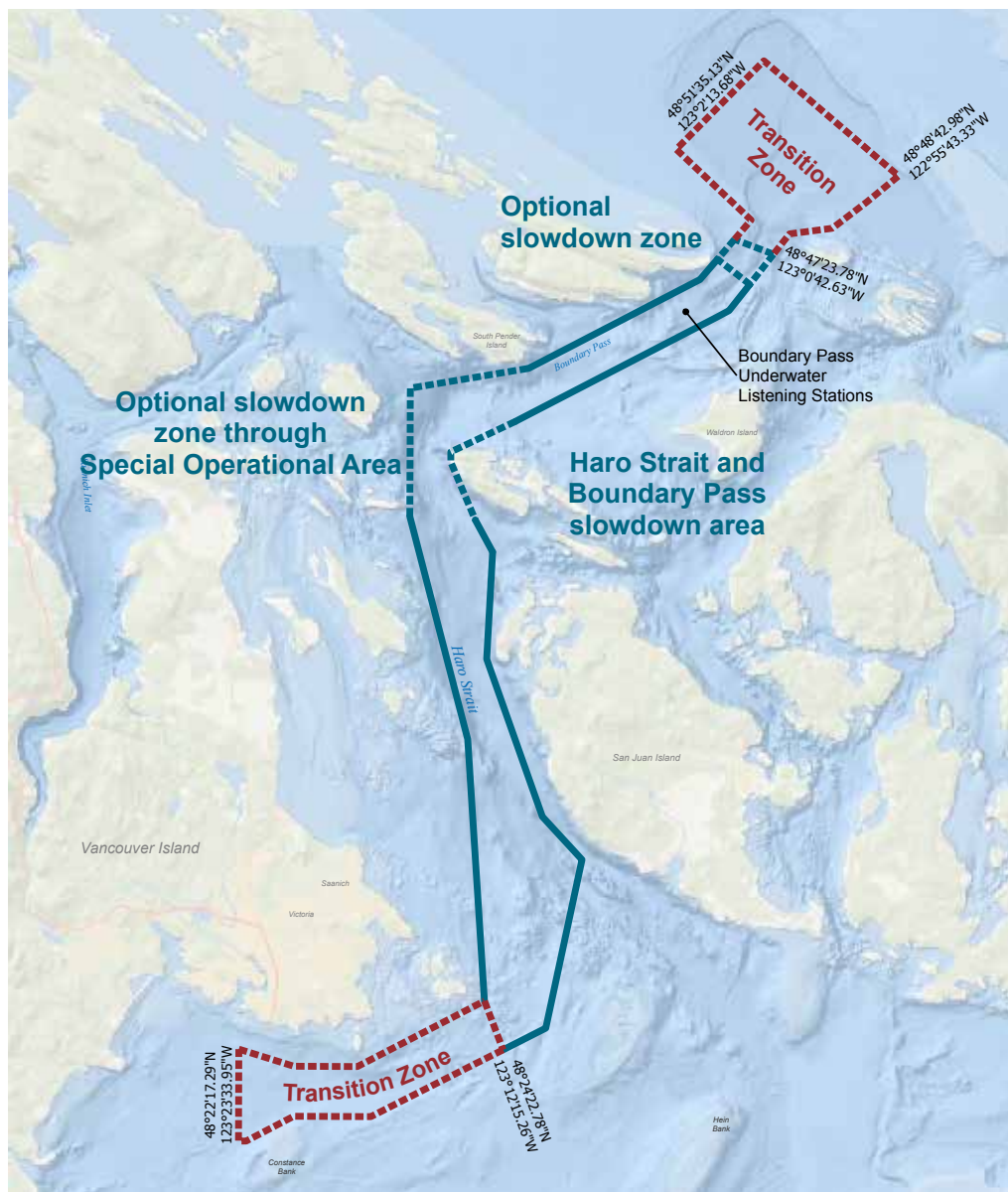
Mugurel Calin

Planning Line Operations Manager - USA, Swire Shipping



Above: Thank you postcards from local school children





Supporting Vancouver Fraser Port Authority's commitment to saving whales

We continue to participate in the *Enhancing Cetacean Habitat and Observation* (ECHO) Programme (for selected vessels), which aims to reduce underwater noise generated by vessels to support the recovery and survival of endangered southern resident killer whales. The programme is led by the Port of Vancouver, who coordinates the voluntary vessel slowdown initiatives in key feeding areas within the whales' critical habitat.

These research initiatives help to better understand and manage the cumulative effects of shipping activities on whales. The speed reduction applied to Haro Strait, Boundary Pass and Swiftsure Bank areas. With speed reduction and depending on vessel type (11 knots for bulk vessels and 14.5 knots for container ships), transit times may increase by up to 29 minutes.

By slowing down, participating ship operators helped reduce underwater sound intensity in Haro Strait and Boundary Pass by up to 55% in 2021. Reducing vessel speed makes it easier for whales to use echo-location to find their food.

By slowing down, participating ship operators helped reduce underwater sound intensity in Haro Strait and Boundary Pass by up to 55% in 2021. Reducing vessel speed makes it easier for whales to use echo-location to find their food.



Waste Recycling Project in the Pacific Islands

Moana Taka Partnership

The Secretariat of the Pacific Regional Environment Programme (SPREP) is an intergovernmental organisation whose mandate is to provide assistance to protect and improve environment in the Pacific region. SPREP identified a material problem - excess recyclable domestic, commercial and industrial waste; much of it hazardous - in the Pacific Island Countries and Territories (PICT). Waste streams include, but are not limited to, plastics, aluminium cans, Asbestos Containing Material (ACM), Ozone Depleting Substances (ODS) and waste oil.

This problem is compounded by inadequate waste facilities to treat it locally, and financial unviability to ship the small parcels of waste to the few centres in which such waste can be responsibly treated and recycled. The amount of waste increases every year, and thus poses an increasingly serious negative environmental impact.

Swire Shipping and SPREP formed the *Moana Taka Partnership* (MTP) in 2018 wherein Swire Shipping would provide both the containers and ocean freight carriage on a *pro bono* basis.

This enables private sector companies to move recyclable waste out of the PICTs where it is accumulating, to countries with competent and sustainable recycling plants.

This partnership connects government and commerce together for the first time in the waste stream removal / treatment area for the benefit of all, and helps resolve a long-standing environmental and social issue.

Twenty-one Pacific Island Countries & Territories (PICTs) are eligible for the programme. Since the start of the programme, 1,159.4 tonnes of recyclable waste have been shipped out from five PICTs.

In 2021, we shipped out 58.88 tonnes of low value recyclable plastic waste which otherwise would have ended up in landfills. The volumes continued to stay low due to the economic impact of the pandemic on the PICTs.

Moana Taka Partnership aims to address Sustainable Development Goals 12 (Responsible Consumption and Production), 14 (Life Below Water) and 15 (Life on Land).

To watch the video about this partnership, please visit:

<https://bit.ly/2WNmKaW>



MTP in action

Swire Shipping, under the *Moana Taka Partnership* and with the assistance of Tropical Agency Limited (TAL), covered the cost of shipping plastic bottles to Australia for recycling. This is in support of the Vanuatu Environmental Science Society and RecycleCorp's efforts in creating a circular economy.

Above: **Mark Pardoe**, Country Manager, TAL, and **Russell Mitchell**, General Manager, Ifira Ports Development Services closing the container of plastic bottles.

Project Rivendell

Building on our successful and widely regarded *Moana Taka Partnership*, we have also taken a deeper interest in other under-/improperly processed waste streams in PICT; specifically abandoned End of Life Vehicles (ELV). *Project Rivendell* aims to 'To recover, move, and sustainably recycle the large numbers of End of Life Vehicles, large industrial vehicles from surface mining operations, and discarded "white goods" and tyres that are currently abandoned across the wider PICTs'. On behalf of *Project Rivendell*, the Global Environment Fund has sponsored USD 150,000 for an initial baseline study to establish the quantities of the different waste streams across the PICTs. The results of the study are expected by mid-2022.

Recycling on the Go

The *Recycling on the Go* (or ROG) Ambassador Project is the latest project to be supported by Swire Shipping. The project was designed in 2021, with a Memorandum of Understanding signed on 18th March 2022. This is a partnership with Waste Recyclers (Fiji) and Jai Narayan College, working in conjunction with the Ministry of Education and Department of Environment, to boost in-country recycling efforts. This year-long pilot project, the first of its kind in Fiji, will include the design and set-up of a recycling hub, together with a regular collection as well as training and advocacy. Comprehensive data will be gathered on the types and volumes of recyclable waste collected, as well as data on the end process of recycling. If the pilot project is shown to be successful, the project partners hope to see it scaled up.

Support GEF ISLANDS Programme

Swire Shipping extended our support to the United Nations Environment Programme (UNEP) for the preparation of the GEF ISLANDS "Communication, Coordination and Knowledge Management Project" and GEF ISLANDS "Pacific Regional Child Project".

This presents opportunities to connect relevant efforts of the GEF ISLANDS Programmes with our work under our *Moana Taka Partnership* and the proposed *Project Rivendell* and their sub projects.

*GEF: Global Environment Facility
ISLANDS: Implementing Sustainable Low and Non-Chemical Development in Small Island Developing States

Other regional collaborations

Swire Shipping is a member of the Economic and Social Commission for Asia and the Pacific (ESCAP) Sustainable Business Network (ESBN) and Task Force on Disaster and Climate Risk Reduction. ESBN is set up to drive businesses in working towards the 2030 Sustainable Agenda and associated Sustainable Development Goals (SDGs).

The *Recycling on the Go* (or ROG) Ambassador Project is the latest project to be supported by Swire Shipping. This year-long pilot project, the first of its kind in Fiji, will include the design and set-up of a recycling hub, together with a regular collection as well as training and advocacy.

Photo by Catherine Sheila on Pexels



Supporting Charities in Our Key Stakeholder Communities



Australia

Randy Selvaratnam, General Manager Pacific, Swire Shipping slept on the streets for a night on 17th June 2021 to raise funds for St Vincent de Paul, an organisation which supports the homeless in Australia. Randy and his wife collectively raised AUD 20,223 for the homeless, after Swire Shipping doubled their contributions. These contributions enable St Vincent de Paul to provide either 64 individual support programmes, 168 beds or 674 meals for the homeless.

Colleagues in Sydney packed food items for the homeless during Harmony Week. The Sydney office partnered Vinnies, a volunteer patrol service that operates seven days and nights a week to support the homeless. Said Catherine Nicita, People Operations Specialist, Swire Shipping: "Harmony Week is about inclusiveness, respect and belonging, freedom of ideas and encouragement of mutual respect. Our theme was 'Everyone Belongs'".

Randy Selvaratnam, General Manager Pacific, Swire Shipping slept on the streets for a night on 17th June 2021 to raise funds for St Vincent de Paul, an organisation which supports the homeless in Australia.

American Samoa, New Caledonia and Samoa

Various donations were also made throughout the year, in support of multiple community causes, charitable organisations and sporting events in other PICTs.



Papua New Guinea

Swire Shipping donated quarantine gowns, masks and gloves to hospitals around Port Moresby, Lae, Kimbe and Rabaul, lent a 40HC reefer container to the Port Moresby General Hospital to provide additional capacity to the morgue as well as distributed staple food.

We were asked by the main hospitals in Lae and Port Moresby to supply refrigerated containers to assist with the processing of fatalities. The authorities and vendors appreciated this and after lobbying locally, all local charges were waived. Besides Swire Shipping, this complex project involved The National Maritime Safety Authority, PNG Ports Corporation, International Container Services, Pactow and Consort Express Lines.

We also sponsored netball items for indigenous women from six Motu Koitabu Villages in Moresby South taking part in the 2021 Moresby South-Motu Koitabu Netball Tournament. As one of the oldest companies in PNG, Swire Shipping is committed to the community and we are very pleased to support a platform for women of Motu Koita to showcase their sporting talent.



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We believe climate change and GHG emissions in the shipping industry must be addressed as the sector delivers more than 90% of global trade in the most economic and energy efficient way.

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Our Environment

We will help create a resilient environment that provides for our future by pursuing a long-term goal of decarbonisation, optimising energy efficiency, and protecting, and where viable enhancing, the biodiversity of the environment.

Photo by Max Gotts on Unsplash



Over the years, we have made significant progress towards environmental sustainability by adopting a proactive approach towards sustainable shipping, expanding our fuel-efficient fleet and implementing a number of operational initiatives.

Environment and Our Business



Above: Photo by Francesco Ungaro on Unsplash

Over the years, we have made significant progress towards environmental sustainability by adopting a proactive approach towards sustainable shipping, expanding our fuel-efficient fleet and implementing a number of operational initiatives.

Environment and Our Business

Swire Shipping has in place a number of policies (viz. our Environmental, Sustainable Development and Biodiversity Policies) and continues to seek innovative ways to minimise the negative impact of our businesses on both the environment and biodiversity in the regions in which we operate. Over the years, we have made significant progress towards environmental sustainability by adopting a proactive approach towards sustainable shipping, expanding our fuel-efficient fleet and implementing a number of operational initiatives.

- We are committed to a target of zero pollution incidents and our ultimate goal is for our operations to have a net zero impact on the environment and its biodiversity. We have set in place, an internal, industry-based target in line with the IMO's commitment to align with the United Nations Framework Convention on Climate Change (UNFCCC) Paris agreement. IMO mandated 40% of carbon intensity reduction from by 2030 and 70% of carbon intensity by 2050 from 2008 baseline. Swire Shipping supports these as interim targets, but takes the firm position that these will not be enough to help our sector meet the UNFCCC Paris targets of to limit global warming to well below 2, preferably to 1.5 degrees celsius, compared to pre-industrial levels. To achieve this long-term temperature goal, countries aim to **reach global peaking of Greenhouse Gas Emissions (GHG) as soon as possible** to achieve a climate neutral world by mid-century.
- With a UK parent company, Swire Shipping is bound to meet the world's most ambitious climate change targets, that the UK government has set in law under the UK Climate Change Act 2008* (as amended many times since) "It is the duty of the Secretary of State to ensure that the net UK carbon account for the year 2050 is at least 100% lower than the 1990 baseline".

*<https://bit.ly/3QOI8bj>



The latest amendment (introduced in April 2022) covers:

- cutting emissions by 78% by 2035 compared to 1990 levels;
- the UK's sixth Carbon Budget, which incorporates the UK's share of international aviation and shipping emissions.

(This would bring the UK more than three-quarters of the way to Net Zero by 2050).

We are working actively to achieve a KPI of a reduced Energy Efficiency Operational Indicator (EEOI) - the energy we expend moving one unit of cargo over one nautical mile which is 3% more aggressive than the IMO's current target. Our progress since 1st January 2015 is shown in the graph on page 129 (using a weighted average).

The EEOI figures are showing consistent downward trend which is a reflection of the work by our fleet management on improving the EEOI performance. At the end of 2021 we achieved a further 6.55% reduction in the weighted average scores.

To curb emissions from shipping, IMO is introducing the requirement for mandatory reporting the data on Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII). Reporting of EEXI is a one-time calculation, based on ship's design data whereas reporting of CII requires annual reporting, monitoring and verification based on ship's operations. IMO also added two mandatory elements to the Ship Energy Efficiency Management Plan - measuring CII and setting a mandatory CII target in line with IMO ambitions. Ships must document the CII and at verification audits prove that they are compliant with reduction trajectory towards 40% in 2030.

In compliance with IMO, Swire Shipping calculated the EEDI (for new vessels) and EEXI (for existing vessels) reduction factors for our vessels, to be applicable from 1st January 2023.

We will continue monitoring the GHG emissions for each vessel on both a per voyage and an annual basis, using the IMO EEOI metric as our baseline. We remain committed to deploying more fuel-efficient vessels, rationalising individual trades and focusing on operational efficiency.

At the end of 2021 we achieved a further 6.55% reduction in the weighted average scores.

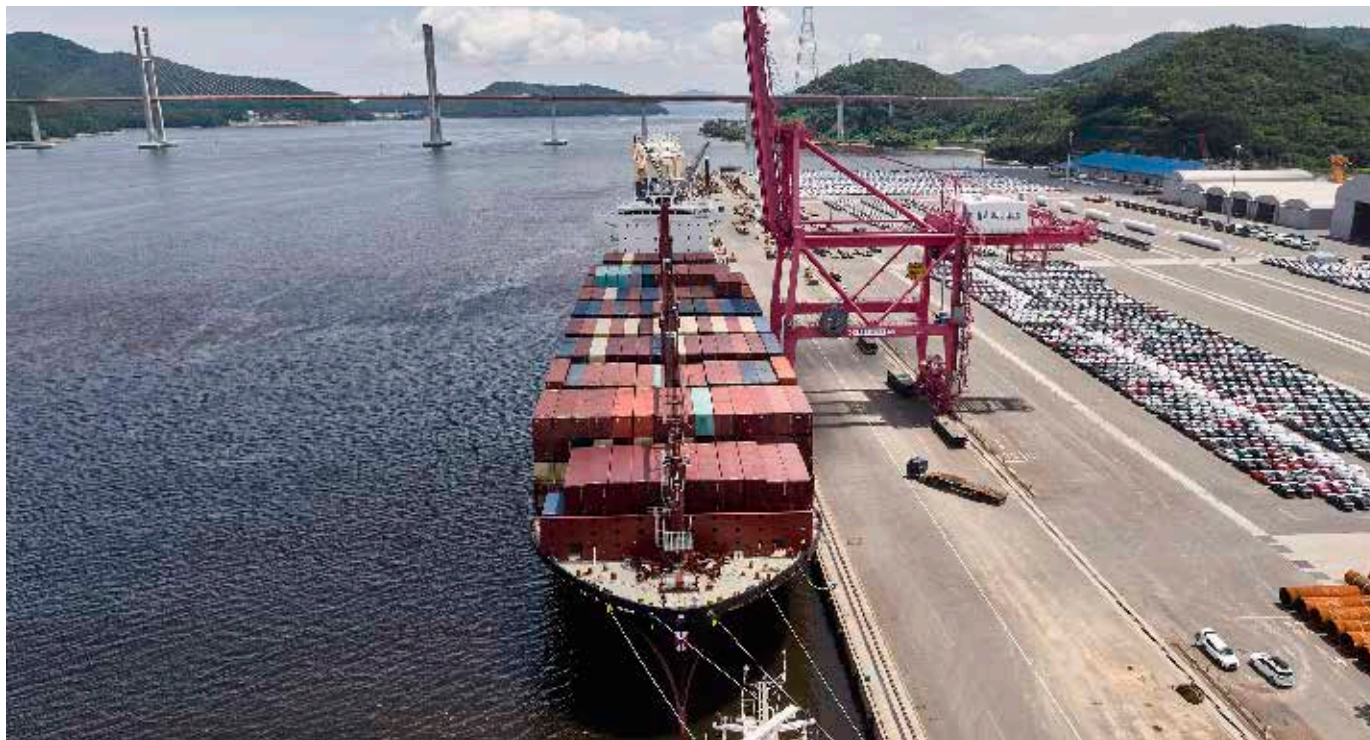
We remain committed to deploying more fuel-efficient vessels, rationalising individual trades and focusing on operational efficiency.

Left: Photo by Dustin Haney on Unsplash

Swire Shipping serves many communities in the Pacific which are directly impacted by global warming. “With many communities at risk of disappearing, we must take action to drive change. We are committed to reducing our GHG footprint, ultimately to **Net Zero** by, and preferably well before, 2050,” said James Woodrow, Managing Director, Swire Shipping.

Accordingly, Swire Shipping:

- a) Is an active member of the *Getting To Zero 2030* (GTZ) Coalition; a grouping of some 90 companies within the maritime, energy, infrastructure and finance sectors and supported by key governments and intergovernmental organisations (IGOs). In itself, the GTZ is a partnership between the Global Maritime Forum, the Friends of Ocean Action, and the World Economic Forum, and is working with other industry leaders to convince the industry and our UN regulator, the IMO, to adopt robust, realistic targets to help our sector play its part in the world achieving the UNFCCC goals.
- b) Supports the earliest global adoption and implementation of the “Proposal for IMO to Establish a Universal Mandatory Greenhouse Gas Levy” submitted by the Republic of the Marshall Islands and The Solomon Islands to IMO MEPC-76. This should aim ultimately to support the production of “green” hydrogen, ammonia and methanol from renewable energy, such as solar, wind energy and possibly tidal energy that is plentiful in the PICT.
- c) Will reduce our environmental footprint, towards net zero, by implementing Technical and Operational (T&O) measures and offsetting any outstanding Scope 1 and 2 emissions, engage as an active partner with leading decarbonisation centres and like-minded organisations to deliver a low or zero carbon fleet, starting by at least 2030, using sustainable, alternate fuels.



“The Pacific Islands’ Communities are relying on organisations such as ours to provide leadership and to take positive action now” said Jeremy Sutton, Chief Operating Officer, Swire Shipping.

John Swire & Sons Limited, the parent company for Swire Shipping, joined the Maersk Mc-Kinney Møller Center for Zero Carbon Shipping* in October 2021. Together with our partners at the Centre, we will collectively address decarbonisation issues, develop new technologies and exchange views on sustainability best practices at an industry level. Swire Shipping will assign dedicated resources to various working groups with the work expected to take place from 2022 onwards.

“

With many communities at risk of disappearing, we must take action to drive change. We are committed to reducing our GHG footprint, ultimately to **Net Zero** by, and preferably well before, 2050.”

James Woodrow
Managing Director, Swire Shipping

*<https://www.zerocarbonshipping.com>

Industry Leadership

Sustainable Shipping Initiative

Swire Shipping is a founding member and an active participant of the Sustainable Shipping Initiative (SSI).^{*} The SSI is a coalition of shipping leaders from around the world, formed to take practical steps to tackle some of the sector's biggest opportunities and challenges.

The group is working to achieve a vision "of an industry in which sustainability equals success". By being an active member of the SSI, Swire Shipping works alongside competitors, regulators, suppliers, financial institutions and others, united by the common goal to show that collaborative action is possible, and to mobilise support across the whole shipping supply chain, demonstrating that shipping can contribute to and (will only) thrive by operating in a sustainable manner.

^{*}<https://www.sustainablesipping.org>

The SSI is a coalition of shipping leaders from around the world, formed to take practical steps to tackle some of the sector's biggest opportunities and challenges.



Ship Recycling Transparency Initiative

Swire Shipping is a lead company in APAC in the Ship Recycling Transparency Initiative (SRTI).^{*} SRTI's vision is of a world where ships are recycled responsibly – socially, environmentally and economically – meeting and going beyond international conventions and norms.

The SRTI aims to:

- improve transparency in the ship recycling value chain;
- increase disclosure of ship recycling policies and practices;
- allow and encourage cargo owners, investors and other stakeholders to make informed decisions when using shipping companies and to incentivise improvements;
- create a level playing field for ship owners on ship recycling.

^{*}<https://www.shiprecyclingtransparency.org/about-the-srti>

SRTI's vision is of a world where ships are recycled responsibly – socially, environmentally and economically – meeting and going beyond international conventions and norms.



Sustainable transition to a low emission future in New Zealand

We are collaborating with the University of Canterbury (UC) researchers to identify practical pathways to tackle the problems of a sustainable transition to a low emission future in New Zealand. This is a one-year study that will set the baseline from which to calculate the benefits of various modes of transport and consider alternatives like new low or zero carbon fuels for coastal vessels.



International Shipping Body Memberships

Swire Shipping is an active participant of various international and domestic shipping bodies like the World Shipping Council (WSC), UK Chamber of Shipping (UKCoS), Singapore Shipowners Association (SSA) to partner other companies to reach our net zero goal. We officially joined WSC in early 2022 with Jeremy Sutton, Chief Operating Officer, Swire Shipping, elected as a representative to the WSC Board.



We are delighted to join the World Shipping Council and to share our knowledge and experience especially in the areas of safety, security and sustainability. We also look forward to learning from our peers and by so doing, contribute to building a vibrant, safe and sustainable industry for years to come.”

Jeremy Sutton
Chief Operating Officer, Swire Shipping

Xiamen University Coastal - SOS programme

Additionally, we are supporting “Xiamen University – Coastal - SOS programme under UN Decade of Ocean Science for Sustainable Development (2021-2030)” which focuses on an evidence-based strategy to solve coastal ocean issues in support of promoting regional sustainability.

World Ocean Council SMART Ocean SMART Industries

Swire Shipping is in talks to support research project advancing the role of maritime industries in understanding the ocean and climate with World Ocean Council SMART Ocean SMART Industries (SO SI) programme.

The SO SI programme is officially recognised as part of the “UN Decade of Ocean Science for Sustainable Development”. We are looking to support a research project on Early Warning Long Distance Tsunami Project, working with The School of Ocean and Earth Science and Technology (SOEST) at University of Hawaii, and UN ESCAP.

Low Carbon Freight Pathway Report

Swire Shipping’s New Zealand office contributed to the Low Carbon Freight Pathway Report, commissioned by the country’s Sustainable Business Council’s freight group. Insights from nine industry leaders, including Swire Shipping, were gathered.

The report identified that the most effective pathway towards a low carbon freight had three interconnected horizons of work: reduce emissions by optimising the use of the appropriate transport mode, road, rail or coastal shipping, replace fossil fuels with biofuels and replace retired vehicles with zero carbon vehicles.

Insights from nine industry leaders, including Swire Shipping, were gathered.



Above: Franceso Ungaro on Unsplash

Environmental Initiatives and Achievements



Swire Shipping has made material progress towards improving our fleet fuel efficiency by introducing and embedding the following measures:

- Creating an internal fleet efficiency KPI scorecard to track monthly vessel fuel performance. The scorecard highlights excess consumption of fuel in metric tonnes and its development throughout the year. The scorecard is the basis for decision-making on both operational and technical performance improvements across the fleet.
- Using scorecard data to address irregularities through dialogue with vessel officers, and identifying corrective actions, as well as driving management decisions on scheduling propeller polishing and hull cleaning.
- Swire Shipping's Fleet Efficiency Manager conducts briefings for all Masters and Chief Engineers prior to their joining a vessel. All aspects of fuel efficiency are discussed to enable them to contribute effectively to our corporate targets. We also run monthly seminars for senior officers to ensure their full understanding of the Company's goals and objectives in relation to operating our vessels efficiently.

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Above: Artak Petrosyan on Unsplash



These efforts have translated into fuel savings of over USD 4.9 million and the reduction of 27,960 tCO₂ emissions to the environment during the reporting period.

Swire Shipping has a dedicated department responsible for collecting and analysing fuel use data across our managed fleet. Our Fleet Efficiency Manager manages the implementation of performance management system ("S-insight™") across 23 vessels. *S-insight* is used to optimise hull and propeller performance, voyage execution and fuel accounting on our vessels.

Swire Shipping's in-house fleet operations, commercial and naval architects spare no effort to optimise the fleet's operational efficiency, fuel consumption and operational flexibility to achieve a best-in-class fleet.

We continually evaluate and deploy Energy Saving Devices (ESDs) such as twisted leading-edge rudder with bulb, optimised propeller, premium anti-fouling coating, optimised bow design, trim optimisation integrated with loading computer and improved hydrodynamic efficiency. Premature dry-dockings are carried out for poorer performing vessels to clean or renew the underwater paint system to further improve fuel efficiency.

Our in-house team also constantly monitors the vessels for fuel consumption performance to ensure that the fleet performs at an optimal level.

These efforts have translated into fuel savings of over USD 4.9 million and the reduction of 27,960 tCO₂ emissions to the environment during the reporting period.

Investing in New and Innovative Technologies

Swire Shipping continued to investigate and where value has been recognised, invested in new technological advancements.



Those investments would result in lower fuel consumption and other operational improvements, which, in turn, will reduce our emissions to air.

The following initiatives added or reviewed in 2021:

- *MV Mount Cameron* Cold Ironing Upgrade (Alternative Marine Power).
- Ultrasonic Bio Film protection fitted to *MV Kokopo Chief* in niche areas.
- Propeller PBCF* and rudder bulbs fitted to *MV Kokopo Chief*.
- Assessed various wind assisted technologies for container vessels.
- Investigating carbon capture technology to reduce carbon impact of vessels at sea.
- Ongoing considerations and research in alternative fuels and energy sources such as methanol, ammonia and bio diesels. (This excludes Liquefied Natural Gas (LNG) which we regard as fossil fuel. While LNG provides about 20% reduction in GHG emissions, engines using LNG can be prone to the problem of methane slip, a potent gas which is over 80 times more warming than carbon dioxide, therefore negating the benefits of LNG.)
- Exploring Battery Hybrid arrangements encompassing fuel cell technologies. (These are an ever-evolving technologies which can deliver reliable improvements and to upsize the fuel cell power outputs.)

***PBCF:** Propeller Boss Cap Fins. A device attached to the propeller of a vessel. It breaks up the hub vortex generated behind the rotating propeller (resulting in energy savings of 3% to 5% compared to an identical vessel not equipped with PBCF).

Reporting Our Environmental Performance

We report our Energy Efficiency / GHG emissions in accordance with the IMO Data Collection System (“DCS”).



All Swire Shipping-owned and operated vessels, which include Multipurpose Vessels, container ships, plus our cement carrier in New Zealand, have been provided with class endorsed IMO-DCS plans. This is to ensure that all relevant data pertaining to carbon emissions are captured, verified and shared with relevant flag states authorities.

Swire Shipping voluntarily submits the emission data for two New Zealand coastal vessels (*MV Aotearoa Chief* and *MV Moana Chief*), which do not fall under the IMO-DCS regulatory framework. This decision has been consciously and actively taken by Swire Shipping management to demonstrate the responsible behaviour of the organisation. Swire Shipping submitted 2021 emission data to a third-party verifier (DNV) as part of the process and obtained relevant compliance certificates for the fleet.

IMO-DCS plans ensure that all relevant data pertaining to carbon emissions are captured, verified and shared with relevant flag states authorities.

Energy Consumption and Emissions

Scope 1 emissions amounted to 532,572 tCO₂ from Swire Shipping's operations.

Emissions from combusting marine fossil fuels in internal combustion engines in 2021 amounted to 98.80% of our Scope 1 emissions (comprising bunker fuel / lubricant oil (LO) / escape and use of refrigerants / use of petrol and diesel in company-provided road vehicles).

Scope 2 emissions (from use of commercial electrical power in our shore offices) was 345 tCO₂ which is immaterial in relation to our Scope 1 emissions.

Scope 3 emissions from (only) shore-based management and crew air travel contributed 1,062 tCO₂ which is a low contributor to our total GHG footprint. We plan to review and establish our Scope 3 emissions' boundaries with more rigour in 2022, in conjunction with independent experts.

A summary of all these figures together with the trend over the years is presented in the Environmental Summary report. (see page 128)

The normalised figures are shown in EEOI graphs of emissions per notional revenue tonne-mile (average per vessel in each fleet). (See page 129)

Total Scope 1 emissions increased in 2021 due to the inclusion of Swire Projects into the scope and increased utilisation of the vessels.

Normalised Scope 1 emissions show reduction from the 2019 level with a slight increase in 2021.

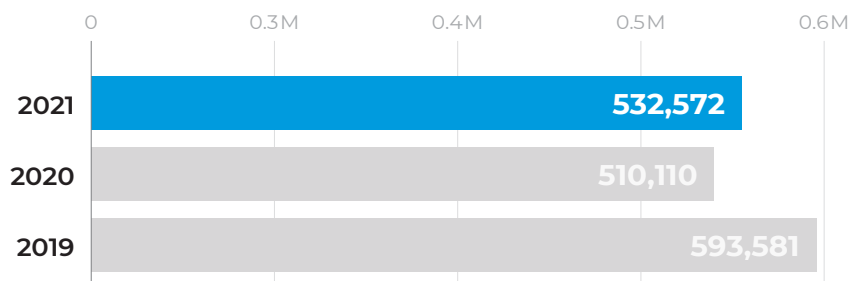
We continue to measure emissions of SO_x, NO_x, Particulate Matter (PM) and Volatile Organic Compounds (VOCs). We are also reporting Black Carbon emissions, calculated iaw the Fourth IMO GHG Study 2020.

*Scope 1 emissions include all vessels categorised as follows:

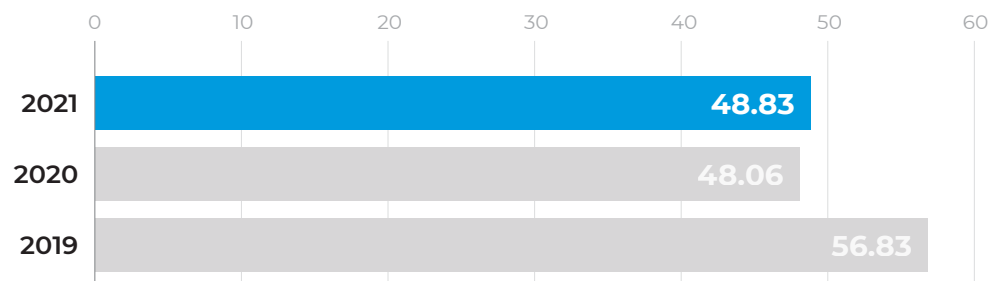
- owned, managed and operated
- managed and operated
- owned and operated
- chartered-in.

All GHG emissions are CO₂-equivalent except for fuel oil due to the IMO's conversion factors being limited to CO₂.

Scope 1 Emissions (tCO₂e)



Scope 1 tCO₂e / vessel day



SO_x emission reduction

Since the introduction of the IMO 0.5% global cap on the content of sulphur in fuels from 1st January 2020, Swire Shipping reduced our SO_x emissions through the use of low sulphur fuel and scrubbers. While our sulphur emissions increased year-on-year in 2021 by 30% due to the increase in Scope 1 emissions, the overall reduction from 2019 levels is substantial, amounting to 73%.

Scrubbers, or exhaust gas cleaning systems (EGCS), are used to remove harmful elements from exhaust gases. With strict rules starting in 2020, Swire Shipping retrofitted five vessels with open-loop scrubber systems.

We recognise that the use of open-loop scrubber systems remains a discussion point within the sector. At the time of writing this report, there is insufficient scientific evidence to determine if a ban on open loop scrubbers is necessary in both coastal zones and open seas. As most countries already require vessels to shut off the open loop scrubber systems when entering near coastal waters and switch to low sulphur fuel, we have no further plans to extend the installation of such systems for the rest of our fleet.



Scrubbers, or exhaust gas cleaning systems (EGCS), are used to remove harmful elements from exhaust gases. With strict rules starting in 2020, Swire Shipping retrofitted five vessels with open-loop scrubber systems.

Environmental Training

We continue to provide environmental education to our seagoing employees by including a module on energy efficiency awareness containing in-depth explanation of a **Ship Energy Efficiency Management Plan (SEEMP)**, reporting and other measures through our Safety Awareness Courses.



Swire Shipping provides training on the optimum use of the SEEMP to all relevant seagoing employees via the Ocean learning platform available on all our vessels.

We also provide our seagoing employees with various environmental awareness modules using the same platform. In addition, monthly Quality, Health, Safety and Environment (QHSE) meetings are held on all vessels, where relevant environmental topics are raised and discussed.

Monthly Quality, Health, Safety and Environment (QHSE) meetings are held on all vessels, where relevant environmental topics are raised and discussed.

Biodiversity

At Swire Shipping, we understand that maintaining responsible stewardship of the biodiversity that we impact is important to maintaining a resilient natural environment. There is a need to protect and enhance the ecosystems in which we operate and impact to help nature flourish.



Above: Photo by Jeremy Bishop on Unsplash

To achieve our goal of sustainable development and in line with global biodiversity regulations and conventions, a greater understanding and emphasis of ecosystem resilience is therefore required.

We recognise that the various inputs to our operations (such as fuel, paints, ballast water, food and packaging, cargo packing materials, lubricants and chemicals), while vital to our operations and in improving vessel efficiency, can also result in negative impact on the biodiversity in the areas in which we operate.

To achieve our goal of sustainable development and in line with global biodiversity regulations and conventions, a greater understanding and emphasis of ecosystem resilience is therefore required. There is a need to assess and identify biodiversity issues of concern to eliminate or minimise the adverse impacts on biodiversity.

Swire Shipping produced Biodiversity Issues of Concern (BIC) and Biodiversity Action Plan (BAP) manuals to address high-risk areas. BIC looks at issues of concern such as marine and shore discharge, atmospheric emissions and other and their impacts while BAP looks at the Ecologically and Biologically Significant Marine Areas (EBSA) and Particularly Sensitive Sea Area (PSSA).

The latter allows us to identify areas of operation that overlap with EBSA and PSSA together with Recommended Good Practice to follow. We are expecting this area to assume a much higher profile once the international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of Areas Beyond National Jurisdiction (ABNJ) is finalised in late 2022.

We have in place, a number of high-level policies (e.g. Biodiversity Policy, Environmental and Sustainable Development Policies) which provide the framework for reducing Swire Shipping's environmental negative impact and impacts on biodiversity under our influence.

We continually look for opportunities to enhance biodiversity. Swire Shipping has been investing in new technologies for hull coating. We use HEMPAGUARD technology which integrates silicone-hydrogel and full diffusion control of biocides in a single coating. The biocide is temporarily retained at the surface during its release, thereby activating the surface, and eliminating the need for polishing. HEMPAGUARD offers the same surface smoothness as conventional biocide-free silicone-based fouling release coatings and compared to a standard self-polishing copolymer (SPC) anti-fouling, releases 95% less biocide.

Below: Mayte Garcia Illorente on Unsplash



Swire Shipping partnered with Endangered Species International ("ESI") in South Mindanao in the southern Philippines, to protect the endangered Philippine forest turtles on Mount Matutum, which are listed as Critically Endangered under the International Union for Conservation of Nature (IUCN) Red List. We assisted with a programme on mangrove and coastal reef conservation, management and rehabilitation activities in the Sarangani Bay area. We also supported *Mahonia Na Dari* (MND) in Kimbe Bay, a local marine environment research and conservation education centre based in West New Britain, PNG. (Both partnerships were on hold due to the ongoing pandemic in 2021.)

Swire Shipping is an active participant in the *Protecting Blue Whales and Blue Skies* programme in the San Francisco Bay Area and the Southern California Region. The programme seeks to cut air pollution, protect endangered whales and reduce underwater noise.

Some of our vessels also participate annually in the *Enhancing Cetacean Habitat and Observation (ECHO) Programme* sponsored by the Vancouver Fraser Port Authority. This is a voluntary speed reduction initiative on the West Coast of Canada under the ECHO Programme for the recovery and survival of killer whales.

Further to that, our work on Sustainable Ship recycling in Alang, India and *Moana Taka Partnership* in the Pacific region also have positive environmental and biodiversity impacts.

Our work on Responsible Cargo Carriage Policy with the World Wildlife Fund and TRAFFIC is another way to contribute to preserving endangered species.

We continually look for opportunities to enhance biodiversity.

Responsibility in Our Supply Chain

We recognise the importance of conserving species diversity and that we have a responsibility not to consume or facilitate trade in any flora or fauna or their produce that may threaten the sustainability of any species.



Swire Shipping has in place a Responsible Cargo Carriage Policy (RCCP)² of which a copy is available on our website.

Swire Shipping worked with WWF Singapore and TRAFFIC¹ to further strengthen our Responsible Carriage of Cargo Policy by incorporating "The Red Flag Compendium for Wildlife and Timber Trafficking in Containerised Cargo". The Compendium details the warning signs of corruption, smuggling, other related crimes and outlines red flags and additional tools to identify prolifically trafficked CITES-listed species.

Swire Shipping was named the Global Initiative to End Wildlife Crime's first International Champion for 2021. Ending wildlife crime would help to minimise zoonotic risks to humans and reduce destruction to wild fauna and flora species. The shipping industry is crucial in breaking the chain between suppliers and consumers, as part of a global collaboration to eliminate wildlife trafficking. We continue to look for opportunities to work with other champions and organisations to end wildlife crime.

Swire Shipping has in place a Responsible Cargo Carriage Policy (RCCP)² of which a copy is available on our website.

We also have a Carriage of Coal Cargoes Policy³ in place. The Policy sets our own internal targets to phase out the carriage of thermal coal, in a manner that supports a just and equitable transition for individuals and communities in the markets we service.

¹TRAFFIC is a leading non-governmental organisation working globally on trade in wild animals and plants in the context of both biodiversity conservation and sustainable development.

²<https://bit.ly/3O2e87T>

³<https://bit.ly/3O5bWN1>

Sustainable Ship Recycling

Moving in lockstep with the addition of our new tonnage is the responsible retirement of tonnage. The sustainable recycling of ships is the most sustainable, and most environmentally responsible, way to manage ships at the end of their commercially viable lives. We strongly believe that it must, and can be done, in a safe and environmentally sound way.



MV Kwangsi

Swire Shipping has a Sustainable Ship Recycling Policy* stating that all vessels at the end of their working life will be sent for recycling to yards that, “as a minimum and even prior to its full ratification, adhere to the Hong Kong International Convention for the Safe and Environmental Sound Recycling of Ships (HKC) that was adopted on 15th May 2009. Additionally, they must be certified by a reputable independent third-party to ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and preferably, ISO 30000:2009”. This policy ensures that Swire Shipping recycles our assets in a sustainable, safe and in an environmentally responsible manner.

Our vision is of a world where ships are recycled responsibly – socially, environmentally and economically – going beyond international conventions and setting a new norm for responsible ship recycling.

During 2021, we oversaw the completion of the sustainable recycling of two vessels: MV Kwangsi and MV Melanesian Chief. These were recycled with zero pollution incidents. Regrettably there was one Lost Time Injury (LTI) during the recycling process of MV Kwangsi (see next page).

The Ship Recycling Facilities (SRF) used and demonstrated an increased level of HKC compliance and social commitment. The SRFs were externally independently audited and had a Compliance Monitoring Team (CMT) installed in the SRFs at all times when demolition work was taking place.

*<https://bit.ly/3yGVEUO>



Sustainable Ship Recycling Statistics

Vessel Name	Tonnes of recycled material	Tonnes of hazardous waste	% recycled, components re-used	Total manhours	LTIs
MV Kwangsi	9,439	42.2	99.55%	32,265	1
MV Melanesian Chief	5,889	24.4	99.59%	20,776	0

Our vision is of a world where ships are recycled responsibly – socially, environmentally and economically – going beyond international conventions and setting a new norm for responsible ship recycling.

The discretionary CMTs were engaged by Swire Shipping at an additional cost and helped to ensure that capacity building continued, and that standards and best practices were maintained throughout the recycling process. Additionally, management visits were carried out by the appointed agency, and Swire Shipping when possible, to ensure full compliance with the HKC.

The SRFs accepted all third-party advice on improving operations from all three parties who were empowered to stop any / all work if it was seen that personnel were in danger, or potentially coming into danger of injury, or that there as a risk of an environmental pollution event. This is a noteworthy paradigm shift in Extended Producer Responsibility (EPR) as with the exchange of the bill of sale, Swire Shipping, as prior owners, no longer had any liability or responsibility for the vessel.

MV Kwangsi had one LTI on 15th February 2021, due to the falling of an SRF crane boom with no suspended load. The shaft of the boom drum sheared due to a very rare metal failure while the boom was being lowered. The boom fell on a sub-section below and was deflected. Due to the deflection a worker standing nearby (and not under the boom) was caught and injured by it. The worker received medical treatment at the best private medical facility with all costs and full salary payment during his recovery covered by the SRF. On the worker's recovery, he resumed his employment at the SRF.

Swire Shipping and the Management of the SRF took this incident very seriously and a full investigation was undertaken. On conclusion of this a safety flash with a full Root Cause Analysis was sent out to all the SRFs in Alang and the broken shaft was sent to a lab for analysis. This was the first LTI that has occurred during the recycling of 16 of our ships over the past 10 years.

We explained our commitment to Sustainable Ship Recycling in a video produced by Swire Pacific's Sustainable Development Office. This video can be viewed on Swire Shipping's website.*

*<https://bit.ly/3v2dsZr>

You can read more about the mitigated environmental impacts and health, safety and social impacts of Sustainable Ship Recycling here: <https://bit.ly/3Achhyl>

Reducing Our Plastic Footprint

In 2018 we set ourselves a goal to reduce of Single-Use Plastic (SUP) water bottles on board our vessels to zero.

We are aware that around the world, billions of SUP water bottles are used just once and then thrown “away” every year. Of these, less than 9% are recycled, potentially leading to eight to 14 million tonnes of plastic escaping into the oceans from coastal nations annually.

As ship owners, we are obliged to provide potable water, under the national flag regulations; and all our vessels produce their own potable water through reverse osmosis from seawater. Approximately 20 tonnes can be distilled each day and this is then kept in storage tanks for all freshwater needs on board. The water is routinely tested to ensure potability, in compliance with regulatory requirements.

The reverse osmosis units on board our fleet ensure that we continue to provide the best quality potable water for our seagoing employees. We provided individual reusable water bottles to encourage our seafarers to “say no to single-use plastic”.

During 2021 we continued to work on reductions across our fleet however the impact of the pandemic and associated necessary health and isolation measures resulted in a small reverse in the trend, with an increase in the number of SUPs consumed.

Despite the setback, we achieved 98.86% reduction in SUP Water Bottles used on board Swire Shipping fleet from 2018 (baseline) to 31st December 2021.

We are determined to continue our journey on the road towards zero SUP water bottles within our fleet. This will be a significant contribution towards protecting our oceans and working together to achieve the Sustainable Development Goal 14 (Life Below Water) which aims to have sustainably managed marine and coastal ecosystems free from pollution.

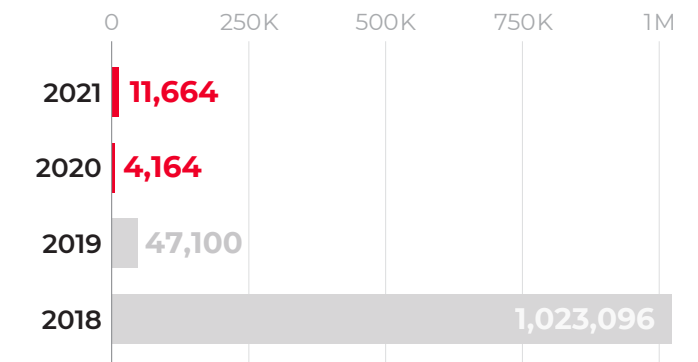
We are implementing a phase-out schedule from Q2 2021 to Q2 2022 for common Single-Use Plastics (SUPs) such as packaging and utensils. We encourage our suppliers to replace SUPs with sustainable, recyclable, non-plastic alternatives, and non-plastic biodegradable options. A hundred suppliers were notified.



Photo: Karolina Grabowska on Pexels



Number of SUP Water Bottles consumed in Swire Shipping fleet



Eco-Office and Green Guidelines

To help reduce the Company's carbon footprint, we encourage our employees to follow our Sustainable Office Guidelines.

We look at applications of Eco-Office principles such as the Reduce-Reuse-Recycle approach, reduced electricity usage, use of FSC-certified paper, double-sided printing, more efficient use of the aircon / heating and follow good recycling practices to further reduce our carbon footprint wherever possible. Swire Shipping's offices have held the Singapore Environment Council Eco-Office Certification since 2012.

In 2021, Swire Shipping's Singapore office achieved top tier Eco Office certification: the "Elite" tier (out of four tiers: Premium, Professional, Champion and Elite). This certification was awarded by the Singapore Environment Council for efforts in implementing effective environmentally friendly practices and increasing eco-consciousness among employees.

Our employees recognise the importance of environmental sustainability and have adopted Eco-Office practices. We continue to educate and engage our employees in environmental activities, ranging from corporate volunteering for conservation and environmental causes, partnering with not-for-profit organisations and organising lunchtime sessions on sustainability-related topics in the Singapore office.

Our commitment to having a sustainable office put sustainability at the core of the new office design when we embarked on office renovation in 2021.

Some of the green features included:

Waste minimisation and recycling

Old furniture was reused as far as possible. These included all printers, copiers, tables and fridges. What could not be reused was either distributed to employees, given to overseas communities for a new lease of life or recycled. Individual waste bins at each desk were also removed and replaced by centralised recycling bins and e-waste bins to encourage recycling and sorting of waste.

Sustainable Materials and Surroundings

We worked with the contractor to integrate green certification and green label materials into the office design. Those included: tabletop laminates and floor finish. Low Volatile Organic Compounds paints were used for the office walls. Natural light is used as much as possible and plants and greenery line the office walkway, creating a pleasant ambience while absorbing carbon dioxide.



In 2021, Swire Shipping's Singapore office achieved top tier Eco Office certification: the "Elite" tier.



SailGreener

Swire Shipping developed the SailGreener programme to enable our customers to offset the carbon footprint of their shipment by contributing to projects that reduce or prevent carbon emissions.



Photo: Clyde RS on Unsplash

The attributable monetary contributions would be used to fund third-party validated projects to offset the carbon emissions generated through shipping. Swire Shipping does not profit from the offset transaction.

All the projects we offer are independently certified by Verra* for CO₂ environmental benefits, combined with the Climate, Community and Biodiversity Standard (CCB Standard) certified for economic and social benefits to the local communities.

We are planning to develop and officially launch this programme in 2022.

*<https://verra.org>



The attributable monetary contributions would be used to fund third-party validated projects to offset the carbon emissions generated through shipping.

Climate Change and Our Business

We believe climate change and GHG emissions in the shipping industry must be addressed as the sector delivers more than 90% of global trade in the most economic and energy efficient way.



Our Climate Change Policy states that we aim to build resilience to climate change through adequate mitigation, adaption and by building adaptive capacity.

Shipping is a key driver of the world's economic engine. IMO's adoption in 2018 of a GHG reduction strategy aims to reduce total GHG emissions from shipping at least by 50% in 2050, and to reduce the average carbon intensity (CO₂ emitted per cargo tonne-mile carried) by 40% in 2030 and 70% in 2050, compared to 2008. Many shipping companies, including Swire Shipping committed to Net Zero emission target by 2050 (or earlier). This will not be possible without the development of alternate low / zero carbon fuels in addition to the energy efficiency measures and speed reductions.

Our Climate Change Policy* states that we aim to build resilience to climate change through adequate mitigation, adaption and by building adaptive capacity. This Policy commits us to the following *inter alia*:

- Reducing our carbon footprint through the establishment and implementation of short-, medium- and long-term carbon emissions reduction targets that are aligned with science or industry best practice and aligned to our long-term commitment to achieve Net Zero carbon emissions by 2050;
- Adopting industry best practices to improve energy efficiency in our operations; and
- Having set KPIs for total, and y-o-y change, in our Fugitive Emissions of CO₂ and other GHG, Ozone Depleting Substances, SO_x, NO_x, VOC, PM and black carbon into the atmosphere.

*<https://bit.ly/3yBtjPH>

We are both fully aware and cognisant of the concerns of global governments and the public about climate change risks. We recognise that the use of fossil fuels to meet the world's energy needs contributed to the rising concentration of GHG in the atmosphere, which will result in further increases in global temperatures. We recognise the dangers of inaction and we are committed to reducing our environmental impact. We will be reporting on a road map to get us to our Net Zero goal by 2050, in the next SD Report.

We have taken multiple steps towards reducing our emissions from operations, and our effort towards increasing fuel efficiency are a good testament to that. Having a very young fleet of modern, fuel / carbon-efficient "eco-designed" vessels has helped us gain savings possible through Technical and Operational measures. We are also actively looking at the possibility of using biofuel, methanol, ammonia or hydrogen as alternative energy sources in the future.

We are engaging with industry partners on advancing the new alternatives to fossil fuels. Swire Shipping has a Decarbonisation Working Group that meets monthly to evaluate and progress various projects and initiatives. Please see *Industry Leadership* section of the report for information on various industry partnerships.

*Cold Ironing: The role of ports in reducing shipping emissions
Safety4Sea
<https://bit.ly/3rEQJzW>

Photo: Augustin Lautaro on Unsplash

We have in place, a more aggressive goal than the IMO Initial Strategy, to reduce our fleet EEOI which we measure and monitor, as well as working with our operating divisions and Fleet Management on strategies towards gradual annual reduction.

We are investigating "Cold Ironing" or shore power, which uses power from ashore (in ports where the grid supply has a very low carbon footprint) to a vessel while it is alongside, thereby allowing the vessel's auxiliary engines to be turned off and not use MDO. This is existing technology, used in ports globally. It allows the reduction of GHG emissions by up to 98% under optimal energy circumstances, whilst in port.

While this sounds like a good opportunity to reduce emissions in ports, the drawbacks include high capital expenditure and dependence on port infrastructure which is not widely available in many of the ports Swire Shipping calls at. We are continuing to explore using Cold Ironing for our two cabotage ships in New Zealand.

We are also initiating a project that will look at adopting alternate fuels on our vessels. **Project Kakariki** will explore the possibility of building one or more dual-fuel vessels for the Pacifica New Zealand Coastal Trade. It will look at securing supply of alternate fuel source for these ships in the medium- to long- term.



Other regulatory requirements

There is a growing demand for climate-related information by investors, lenders, insurers and other stakeholders. The Task Force on Climate-related Financial Disclosures (TCFD)* provides voluntary, consistent climate-related financial risk disclosures for use by companies in information to investors, insurers and other stakeholders.

While the recommendations of the TCFD primarily relate to listed entities, as good business practice, we are looking to assess our climate-related risks and opportunities. We will aim to conduct an analysis on the likelihood and implications of different scenarios pathways for global warming and how these might impact Swire Shipping operations in future years (supported by our parent company). But one thing we know for sure is that we must mitigate the transition risks and decarbonise our operations as soon as possible. This is also aligned with our customers' expectations of decarbonising their supply chain.

*Source: <https://www.fsb-tcfd.org>

Many banks that lend to shipping lines have announced that climate impact will be integrated with the criteria that determines the amount and interest rate for the loan, an effort the banks say will substantially cut CO₂ emissions in the industry. Responsible Finance Houses will be able to measure the carbon intensity of their shipping portfolios on an annual basis and assess their climate alignment relative to established decarbonisation trajectories.

This is a strong driver to prioritise climate change issues in the business' decision-making processes and help drive transitioning to the necessary technology for the design of ships, reduction of emissions and, crucially, radical decarbonisation that the industry requires.

The new lending framework, termed the "Poseidon Principles", will assess and disclose whether financial institutions' lending portfolios are in line with the IMO's climate goals. The Poseidon Principles are the world's first global, sector-specific and self-governing climate alignment agreement among financial institutions which is very important in driving climate change action within the shipping industry.



One thing we know for sure is that we must mitigate the transition risks and decarbonise our operations as soon as possible. This is also aligned with our customers' expectations of decarbonising their supply chain.

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Our key stakeholder groups and areas of concern

Stakeholder	Engagement Mechanism	Areas of Concern
Employees: Shore-based	<ul style="list-style-type: none"> • Orientation programmes • Online Sustainability questionnaires • Office visits • MD's Weekly Bulletins • Townhall meetings • Intranet portal • ELT Meetings • Information sessions and training programmes • Informal <i>ad hoc</i> feedback 	<ul style="list-style-type: none"> • Employee Health, Safety and Wellbeing • Greenhouse Gas Emissions Reduction • Climate Change • Marine Biodiversity Protection and Pollution Prevention • Data Privacy and Cybersecurity • Diversity, Equity and Inclusion • Ethical Business Conduct • Talent Attraction and Development • Circular Economy and Waste Minimisation • Human Rights and Labour Practices • AI and Digitalisation • Supporting Local Communities • Supply Chain Management • Physical Security
Employees: Seagoing	<ul style="list-style-type: none"> • Safety Awareness Courses (SACs) • Online Sustainability questionnaires • Officer and crews' fora • Ship-shore safety dialogue • MD's Weekly Bulletins • Monthly newsletters by Fleet Management • Townhalls 	<ul style="list-style-type: none"> • Greenhouse Gas Emissions Reductions • Employee Health, Safety and Wellbeing • Data Privacy and Cybersecurity • Ethical Business Conduct • Talent Attraction and Development • Human Rights and Labour Practices • Marine Biodiversity Protection and Pollution Prevention • Diversity, Equity and Inclusion • Supporting Local Communities • Recycling and Disposal of Materials
Customers	<ul style="list-style-type: none"> • Continuous dialogue with customers to understand their needs and expectations • Online Sustainability questionnaires • Structured interviews • Presentations • Compliance questionnaires and interviews 	<ul style="list-style-type: none"> • Greenhouse Gas Emissions Reduction • Marine Biodiversity Protection and Pollution Prevention • Climate Change • Employee Health, Safety and Wellbeing • Supply Chain Management • Ethical Business Conduct • Circular Economy and Waste Minimisation • Human Rights and Labour Practices / Modern Slavery • Diversity, Equity and Inclusion • Supporting Local Communities • Data Privacy and Cybersecurity • Recycling and Disposal of Materials

Continued from preceding page

Stakeholder	Engagement Mechanism	Areas of Concern
Government and Regulators	<ul style="list-style-type: none">Regular engagement and dialogue with government agencies in Singapore and in regional offices	<ul style="list-style-type: none">Employee Health, Safety and WellbeingEthical Business ConductGreenhouse Gas Emissions ReductionData Privacy and CybersecurityRegulatory and Compliance Risks
NGOs / Community	<ul style="list-style-type: none">Beneficiaries of Corporate Philanthropic ProjectsEmployee engagement and volunteering activitiesIndustry eventsConferencesQuestionnaires	<ul style="list-style-type: none">Greenhouse Gas Emissions ReductionHuman Rights and Labour PracticesEthical Business ConductClimate ChangeMarine Biodiversity Protection and Pollution PreventionEmployee Health, Safety and WellbeingSupply Chain ManagementDiversity, Equity and InclusionSupporting Local CommunitiesRecycling and Disposal of MaterialsCircular Economy and Waste MinimisationResponsible Cargo Carriage
Shipping Industry actors: Peers / SRF	<ul style="list-style-type: none">Member dialoguesIndustry eventsConferences	<ul style="list-style-type: none">Greenhouse Gas Emissions ReductionEmployee Health, Safety and WellbeingTalent Attraction and DevelopmentClimate ChangeHuman Rights and Labour PracticesMarine Biodiversity Protection and Pollution PreventionCircular Economy and Waste Minimisation



Photo Right: Hiroko Yoshii on Unsplash



Continued on next page

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Stakeholder	Engagement Mechanism	Areas of Concern
Investors / Swire group companies	<ul style="list-style-type: none"> • Board meetings • Working groups / SD Committees • Status updates 	<ul style="list-style-type: none"> • Greenhouse Gas Emissions Reduction • Employee Health, Safety and Wellbeing • Talent Attraction and Development • Marine Biodiversity Protection and Pollution Prevention • Human Rights and Labour Practices • Climate Change • Diversity, Equity and Inclusion • SwireTHRIVE targets
Suppliers (Incl. Legal, HR, Group Internal Audit Department)	<ul style="list-style-type: none"> • Contract negotiations • Internal Audits • Compliance • Performance evaluations • Self- and physical audits of third-party suppliers 	<ul style="list-style-type: none"> • Greenhouse Gas Emissions Reduction • Climate Change • Marine Biodiversity Protection and Pollution Prevention • Employee Health, Safety and Wellbeing • Ethical Business Conduct • Supply Chain Management • Data Privacy and Cybersecurity • Human Rights and Labour Practices / MSA compliance • Supporting Local Communities



Our Value Chain covers three main phases of our operations: a) building our vessels b) operating our vessels and c) transferring the ownership of the vessel at the end of its economic life for us, whether for onward trading or recycling. This may be termed a BOT (Build / Operate / Transfer) framework.

* Buying phase is omitted due to the negligible Value.

** Transfer phase mainly focuses on ship recycling when we demand continuing responsibility post completion of sale rather than sale for onward trading at which point our liabilities and opportunities to add / destroy value cease.

	Build issues*	Operate issues	Transfer issues**
Economic	Local economic development Ethical governance at ship building site	Employment creation Supply chain value and opportunities Facilitation of global economy and trade Global and local economic development Ethical governance	Local economic development Ethical governance at Ship Recycling Facility (SRF) site Monitoring cost of sustainable ship recycling
Environmental	Drive demand for improved standards in the industry Positive step change in reducing environmental footprint during design phase Better management of construction phase R&D / more environmentally-responsible features Influencing the demand for sustainable products / services	Drive demand for improved standards in the industry Improved performance (alternative fuel, reduced emissions through operational efficiencies) during operations Reduced environmental impact / carbon footprint Reduced waste to land and sea Influencing the demand for sustainable products / services	Drive demand for improved standards in the industry Reduced environmental impact during recycling R&D / more environmentally-responsible options for reuse and recycling Influencing the demand for sustainable ship recycling
Social	Drive behavioural change and demand for improved standards in the industry Improved working conditions at ship building yards Improved H&S practices Improved human rights and labour practices Employment creation Improved social indicators and positive impact on overall well-being of workers	Drive behavioural change and demand for improved standards in the industry Improved working conditions Improved H&S practices Improved human rights and labour practices Employment creation and work opportunities Community development	Drive behavioural change and demand for improved standards in the industry Build capacity of SRF in India Improved working conditions at SRF Improved safety standards at SRF Improved human rights & labour practices Employment creation Improved social indicators and positive impact on overall wellbeing of workers

SDG 5, 8 & 10

Swire Shipping identifies a priority to increase positive impact on SDGs 5, 8 and 10 by



- Embedding D&I culture in all business operations.
- Investing in our employees and providing them with the knowledge and skills to succeed in their world, now and in the future.
- Ensuring that Swire Shipping champions Labour Rights, and enforces Modern Day Slavery requirements within both our operations and supply chains.
- Investing in projects that will economically benefit the people and markets we serve.

Material topics

- Diversity, Equity and Inclusion
- Talent Attraction and Development
- Human Rights and Labour Practices
- Ethical Business Conduct
- Supply Chain Management
- Supporting Local Communities

Increasing Positive Impact

Build

Operate

Transfer

Minimising Negative Impact

SDG 7 & 13

Swire Shipping identifies a priority to reduce negative impact on SDG 7 & 13 by

- Decarbonising and optimising energy efficiency.
- Advocating for a realistic carbon price to drive necessary behavioural changes.



Material topics

- Greenhouse Gas Emissions Reductions
- Climate Change

SDG 3

Swire Shipping identifies a priority to reduce negative impact on SDG 3 by

- Safeguarding the health & safety, and promoting the wellbeing of all our employees and stakeholders by driving sustained safety excellence.



Material topics

- Employee Health, Safety and Wellbeing
- Human Rights and Labour Practices

SDG 14

Swire Shipping identifies a priority to reduce negative impact on SDG 14 by

- Protecting and enhancing the environment in which we trade.



Material topics

- Marine Biodiversity Protection and Pollution Prevention

SDG 12 & 16

Swire Shipping identifies a priority to reduce negative impact on SDG 12 and 16 by

- Sustainably building, operating and transferring our assets.
- Strengthening our supply chain through responsible and ethical sourcing of services and materials.
- Broadening our corporate governance practices beyond compliance to include both environmental and social issues.



Material topics

- Ethical Business Conduct
- Supply Chain Management
- Recycling and Disposal of Materials
- Circular Economy and Waste Minimisation

SDG 17

Swire Shipping identifies a priority to reduce negative impact on SDG 17 by

- Advocating for a realistic carbon price to drive necessary behavioural changes.
- Aligning our community engagement with their needs.



Material topics

- Greenhouse Gas Emissions Reductions
- Climate Change
- Marine Biodiversity Protection and Pollution Prevention
- Supporting Local Communities



SwireShippingTHRIVE

The Swire Shipping “Decade to Deliver”

The Pacific Decade for Sustainable Transport¹
United Nations Decade of Ocean Science for Sustainable Development²

Swire Shipping has been in business since 1872. Our business has stood the test of time because we have always looked ahead and made decisions based on long-term sustainability.

We don't see our business as separate from the world. We depend on it and wish to help shape it positively.

So when we build businesses, we seek to build communities. When we employ people, we help them to fulfil their potential. When we use resources, we seek to protect the environments that provide them.

The world in which we operate is facing some of the most pressing social and environmental challenges of our time. We are committed to being part of the solution.

Because when the world in which we operate thrives, so do we.

To achieve our vision we will enable and deliver thriving People, Environment and Partners.

Thriving People

We will respect and care for the human rights of our employees and our other stakeholders, unlocking the potential for all of them to grow.

- We will safeguard the health & safety, and promote the wellbeing of all our employees and stakeholders by driving sustained safety excellence.
- We will embed D&I culture in all business operations.
- We will invest in our employees and provide them with the knowledge and skills to succeed in their world, now and in the future.
- We will ensure that Swire Shipping champions Labour Rights, and enforces Modern Day Slavery requirements within both our operations and supply chains.

Relevant SDGs*



¹<https://bit.ly/2VrBcHC>

²<https://www.oceandecade.org>

*Sustainable Development Goals
<https://sdgs.un.org>

Thriving Environment

We will create a resilient environment that provides for our future.

- We will decarbonise and optimise energy efficiency.
- We will advocate for a realistic carbon price to drive necessary behavioural changes.
- We will protect and enhance the environment in which we trade.
- We will sustainably build, operate and transfer our assets.

Relevant SDGs*



Thriving Partners

We will work with stakeholders wherever we operate to improve people's lives.


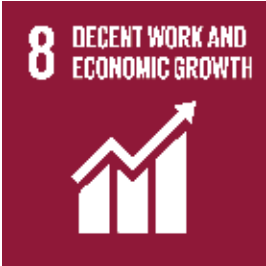
- We will align our community engagement with their needs.
- We will strengthen our supply chain through responsible and ethical sourcing of services and materials.
- We will invest in projects that will economically benefit the people and markets we serve.
- We will broaden our corporate governance practices beyond compliance to include both environmental and social issues.

Relevant SDGs*



*Sustainable Development Goals
<https://sdgs.un.org>

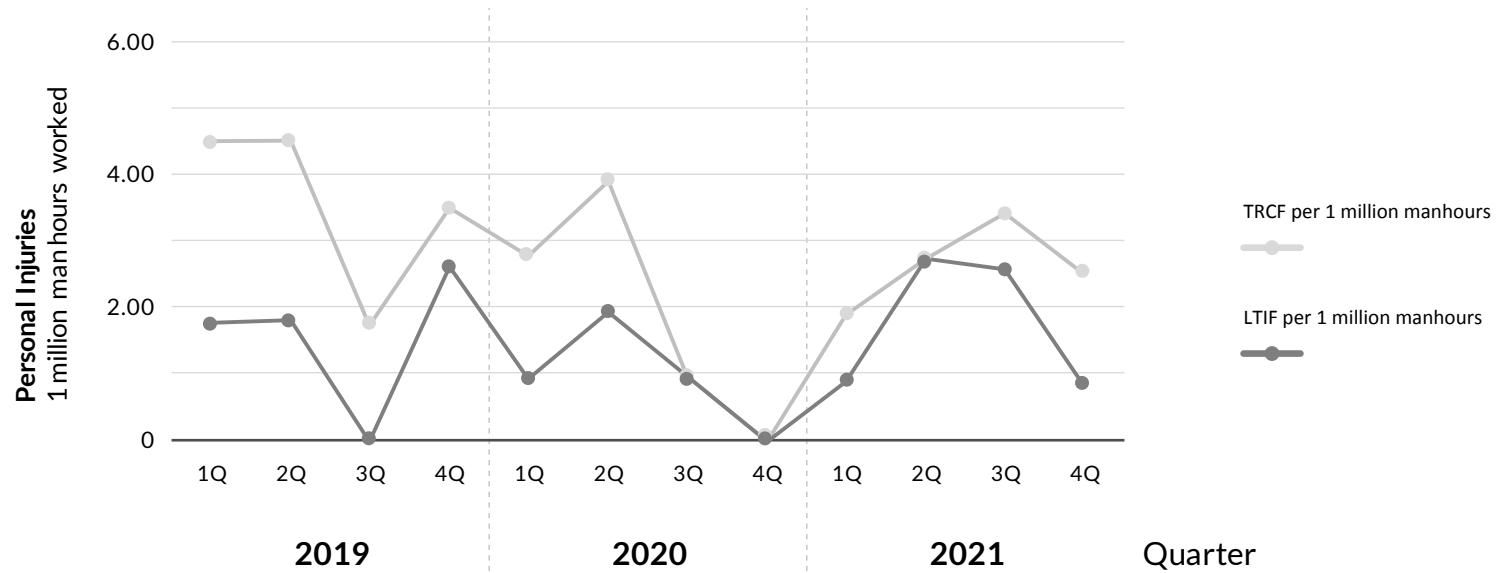
Relevant SDG Goals	Links to SwireShippingTHRIVE Strategy	Relevant Material Issues	Relevance to Swire Shipping's operations / Progress over 2021 calendar year
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>We will safeguard the health & safety, and promote the wellbeing of all our employees and stakeholders by driving sustained safety excellence.</p>	<p>Employee Health, Safety and Wellbeing</p>	<p>See progress in the “Safety”, “Our People”, “Our Environment” and “Our Partners” Sections of the report</p> <p><i>Areas covered:</i></p> <ul style="list-style-type: none"> • Health and Safety Policy and standards / Labour practices / Employee welfare and benefits • Cargo operations and port community safety measures • Respect in the Workplace Policy • Emotional support helpline • Onshore and on board Safety Committees • Supporting our employees during the global pandemic • Enhancing our approach to safety through the Zero Harm campaign • Environmental Policy and procedures to ensure no harm to the environment and communities • Discretionary Safety Training and other courses • Waste disposal and responsible ship recycling in line with international conventions - improved social standards for workers • Livelihood projects for communities in the Philippines (ASSMDA - Corporate Philanthropic projects) • Supporting seafarers worldwide in partnership with The Mission to Seafarers and Sailors' Society
 <p>5 GENDER EQUALITY</p>	<p>We will embed D&I culture in all business operations.</p> <p>We will invest in our employees and provide them with the knowledge and skills to succeed in their world, now and in the future.</p> <p>We will ensure that Swire Shipping champions Labour Rights, and enforces Modern Day Slavery requirements within both our operations and supply chains.</p>	<p>Diversity, Equity and Inclusion</p> <p>Human Rights and Labour Practices</p>	<p>See “Our People” section of the report</p> <p><i>Areas covered:</i></p> <ul style="list-style-type: none"> • Diversity and Inclusion Policy and Respect in the Workplace Policy • Workplace Harassment prevention training module • Use of gender inclusive language • Unconscious bias workshops • D&I targets and KPIs • Gender neutral employee attraction and retention policies and procedures • Equality in pay structures and rewards • HRM practices supporting women in the workforce • Supporting women in maritime • Ensuring that funded activities benefit both genders • Training and development programmes • Membership of WISTA (Australia, New Zealand and Singapore) • Training for female PNG and Filipino cadets

Relevant SDG Goals	Links to SwireShippingTHRIVE Strategy	Relevant Material Issues	Relevance to Swire Shipping's operations / Progress over 2021 calendar year
	We will decarbonise and optimise energy efficiency.	Greenhouse Gas Emissions Reductions	See "Our Environment" section of the report <i>Areas covered:</i>
	We will advocate for a realistic carbon price to drive necessary behavioural changes.	Climate Change	<ul style="list-style-type: none"> • Decarbonisation through exploring alternative fuel options / R&D into alternative energy sources (potential of using hydrogen, ammonia, biofuel, methanol and Cold Ironing in ports) • Member of <i>Getting to Zero Coalition</i>, MMMC, SSI • Initiatives to improve fuel efficiency / Fleet Efficiency Manager in place • Use of performance management system on our vessels • Internal fleet efficiency KPI scorecard • KPIs for reducing our EEOI • Reporting our environmental performance • Eco-office / green office practices
	We will embed D&I culture in all business operations.	Diversity, Equity and Inclusion	See "Governance", "Our People" and "Safety" sections of the report <i>Areas covered:</i>
	We will invest in our employees and provide them with the knowledge and skills to succeed in their world, now and in the future.	Ethical Business Conduct	<ul style="list-style-type: none"> • Inclusive labour practices across all countries of operation • Good and safe working conditions • Equal pay for work of equal value • MLC compliance incorporated into organisational policies and procedures (Contracts and Manuals) • Human rights impact assessments (when required) • Diversity and Inclusion Policy and Respect in the Workplace Policy • H&S standards • Modern Day Slavery assessments and published statements • Supply Chain management • Code of Conduct / Supplier audits • Strong Governance, Compliance training, Grievance reports • Learning and development framework • Signatories to the Neptune Declaration on Seafarer Wellbeing and Crew Change
	We will ensure that Swire Shipping champions Labour Rights, and enforces Modern Day Slavery requirements within both our operations and supply chains.	Supply Chain Management	
		Human Rights and Labour Practices	
	We will invest in projects that will economically benefit the people and markets we serve.	Talent Attraction and Development	

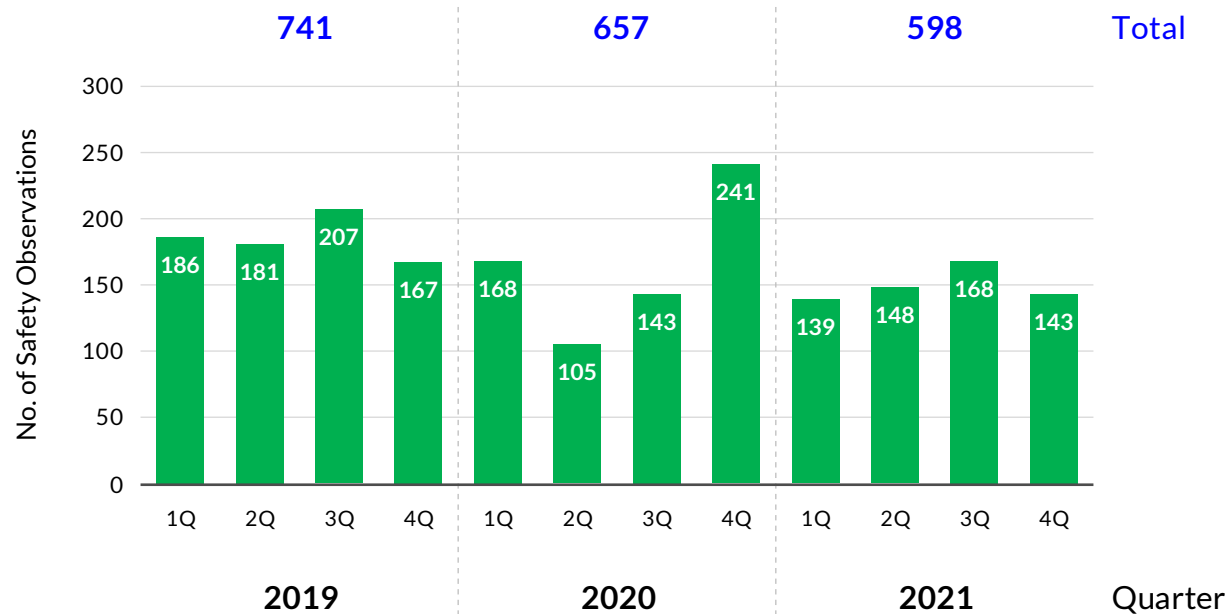
Relevant SDG Goals	Links to SwireShippingTHRIVE Strategy	Relevant Material Issues	Relevance to Swire Shipping's operations / Progress over 2021 calendar year
 <p>10 REDUCED INEQUALITIES</p>	<p>We will embed D&I culture in all business operations.</p> <p>We will invest in our employees and provide them with the knowledge and skills to succeed in their world, now and in the future.</p> <p>We will ensure that Swire Shipping champions Labour Rights, and enforces Modern Day Slavery requirements within both our operations and supply chains.</p>	<p>Diversity, Equity and Inclusion</p>	<p>See "Our People" section of the report</p> <p><i>Areas covered:</i></p> <ul style="list-style-type: none"> • Diversity and Inclusion Policy and Respect in the Workplace Policy and its enforcement ashore and at sea • Grievance mechanism • Social protection policies and minimum wage in line with National labour laws • MLC compliance • Equality in pay structures and rewards • Modern Day Slavery assessments and statements • Local content hiring policies • Training and development of our employees • Assistance to the Family Support Centre in Solomon Islands
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>We will sustainably build, operate and transfer our assets.</p> <p>We will strengthen our supply chain through responsible and ethical sourcing of services and materials.</p> <p>We will broaden our corporate governance practices beyond compliance to include both environmental and social issues.</p>	<p>Recycling and Disposal of Materials</p> <p>Supply Chain Management</p>	<p>See "Governance", and "Our Environment" section of the report</p> <p><i>Areas covered:</i></p> <ul style="list-style-type: none"> • Environmental policy and practices • Hazardous materials management practices and disposal • Sustainable ship recycling practices • Member of Ship Recycling Transparency Initiative (SRTI) • SD Policies, committees, working groups • Transparent SD reporting in accordance with GRI standards • Supply Chain Sustainability working group and CoC • Sustainable Procurement Policy and practices • Sustainably Produced Food Policy • Swire Pacific group's Green Guidelines • Supply Chain risk assessments and audits
 <p>13 CLIMATE ACTION</p>	<p>We will decarbonise and optimise energy efficiency.</p> <p>We will advocate for a realistic carbon price to drive necessary behavioural changes.</p>	<p>Greenhouse Gas Emissions Reductions</p> <p>Climate Change</p>	<p>See "Our Environment" section of the report</p> <p><i>Areas covered:</i></p> <ul style="list-style-type: none"> • Young fleet of modern, fuel / carbon efficient "eco-designed" vessels • Decarbonisation through low carbon technologies and minimising use of fossil fuels / R&D into alternative energy sources • Member of <i>Getting to Zero Coalition</i>, MMMC, SSI • Initiatives to improve fuel efficiency / Fleet Efficiency Manager in place • Use of performance management system on our vessels • Internal fleet efficiency KPI scorecard • KPIs for reducing our EEOI • Eco-office / green office practices

Relevant SDG Goals	Links to SwireShippingTHRIVE Strategy	Relevant Material Issues	Relevance to Swire Shipping's operations / Progress over 2021 calendar year
 <p>14 LIFE BELOW WATER</p>	<p>We will protect and enhance the environment in which we trade.</p>	<p>Marine Biodiversity Protection and Pollution Prevention</p>	<p>See "Our Environment" and "Our Partners" section of the report</p> <p><i>Areas covered:</i></p> <ul style="list-style-type: none"> • Zero Harm Policies / Investment in clean and green technologies / Green guidelines • Biodiversity Issues of Concern (BIC) and Biodiversity Action Plan (BAP) • Anti-fouling paint application • Safe ship recycling practices minimising release of hazardous chemicals into the water • Ballast water regulations • Corporate Philanthropic investments (Partnership with ESI, employee education and volunteering) • Working with NGOs on environmental conservation and biodiversity related projects • Supporting Mahonia Na Dari (MND) in Kimbe Bay, PNG • Single Use Plastic reduction targets • ECHO programme led by Vancouver Fraser Port Authority and Protecting Blue Whales and Blue Skies Vessel Speed Reduction Programme
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>We will strengthen our supply chain through responsible and ethical sourcing of services and materials.</p> <p>We will broaden our corporate governance practices beyond compliance to include both environmental and social issues.</p>	<p>Ethical Business Conduct</p> <p>Supply Chain Management</p> <p>Data Privacy and Cybersecurity</p>	<p>See "Governance" and "Our People" sections of the report</p> <p><i>Areas covered:</i></p> <ul style="list-style-type: none"> • Code of Conduct • Whistleblowing Policy / Third-party due diligence • Antitrust Policies / Sanctions • Membership of Maritime Anti-Corruption Network (MACN) • Procurement practices and guidelines / Supplier Code of Conduct • Anti-bribery Policy and compliance training for employees • Privacy Policies, procedures and training • Cybersecurity training • Supply Chain risk assessments and self-audits
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>We will advocate for a realistic carbon price to drive necessary behavioural changes.</p> <p>We will align our community engagement with their needs.</p>	<p>Greenhouse Gas Emissions Reductions</p> <p>Climate Change</p> <p>Supporting Local Communities</p>	<p>See "Our Partners" and "Our Environment" section of the report</p> <p><i>Areas covered:</i></p> <ul style="list-style-type: none"> • Stakeholder engagement at international fora • Memberships of <i>Getting to Zero Coalition</i>, MMMC • Memberships of SSI, World Ocean Council, World Shipping Council • Corporate Philanthropic investments in our key stakeholder communities • Partnerships with Universities, Research Institutions and NGOs • Working with governments in the areas of assistance required in LDCs where we operate • <i>Moana Taka Partnership</i> with SPREP • Civil Society partnerships for SD • Supporting UNEP for the preparation of the GEF ISLANDS programmes

Injuries

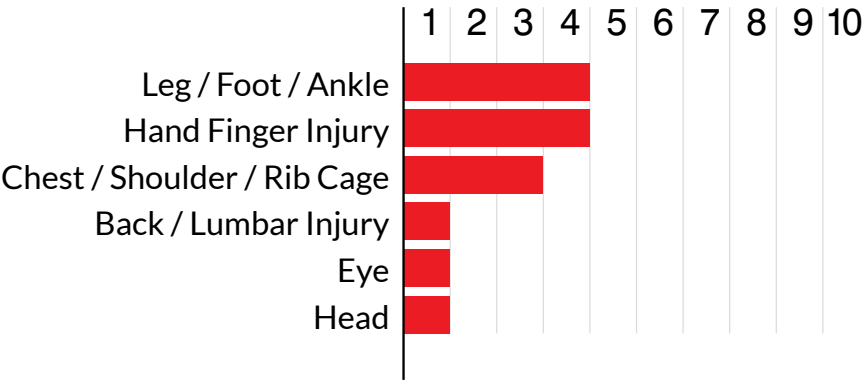


Safety Observations

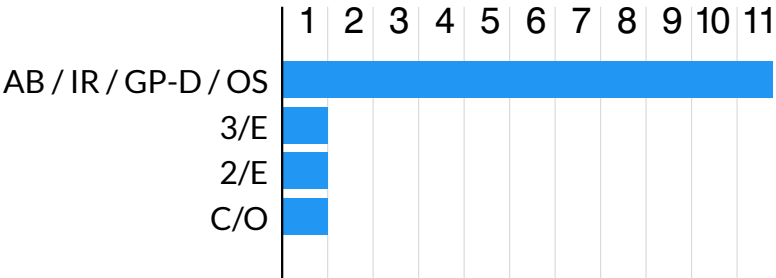


***Total Recordable Cases comprises:**
Lost Time Injuries + Medical Treatment Cases + Restricted Work Cases

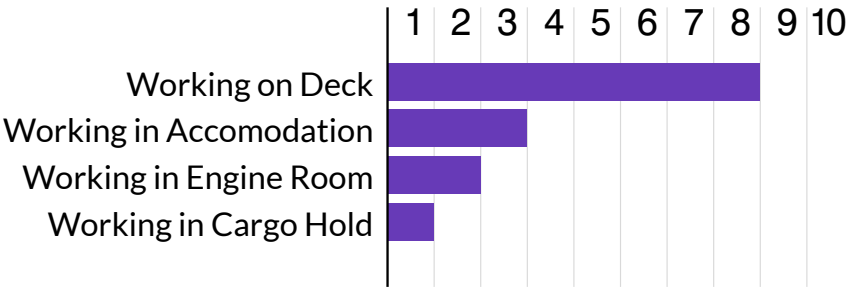
Type of Accident



Cases by Rank



Tasks Performed



Employment Data

Number of Shore-based Employees
By employment contract and region

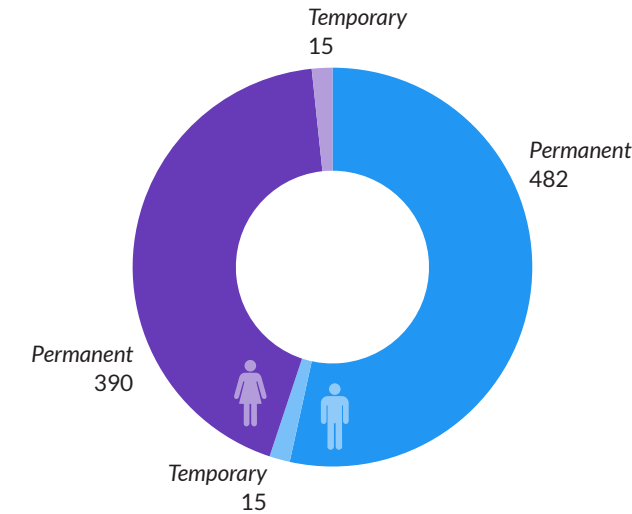
Region	Permanent	Temporary	Grand Total
American Samoa	7	0	7
Australia	75	2	77
Canada	2	0	2
The Chinese Mainland	67	4	71
Fiji	67	0	67
Germany	5	0	5
Hong Kong SAR	1	1	2
India	83	2	85
Indonesia	5	0	5
New Caledonia	14	0	14
New Zealand	83	2	85
Papua New Guinea	146	0	146
Samoa	7	3	10
Singapore	274	14	288
Solomon Islands	17	0	17
Taiwan region	10	0	10
United Kingdom	4	2	6
United States	5	0	5
Grand Total	872	30	902
%	96.7%	3.3%	



Shore-based Employees

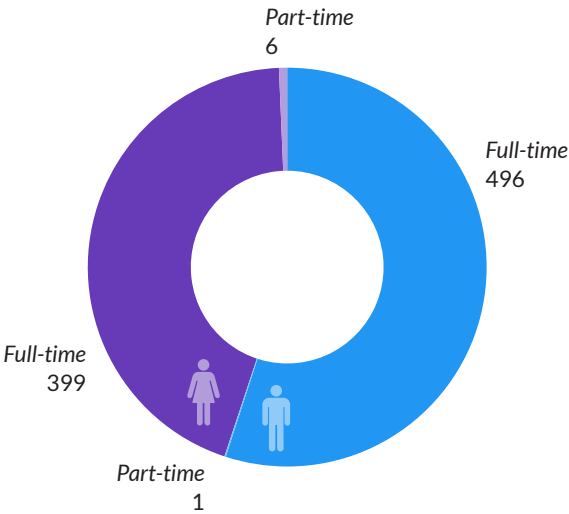
Number of Shore-based Employees
By employment contract and gender identity

Employment Contract	Female	Male	Total
Permanent	390	482	872
Temporary	15	15	30
Total	405	497	902



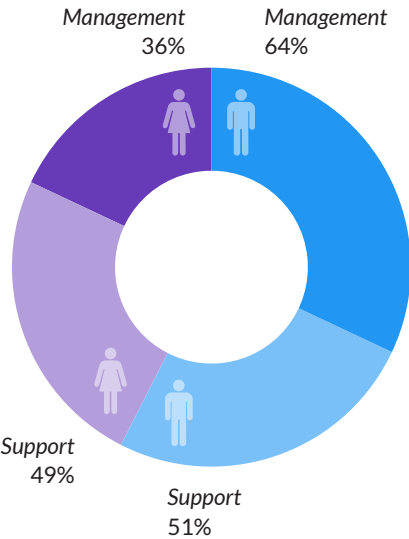
Number of Shore-based Employees
By employment type and gender identity

Employment Type	Female	Male	Total
Full-time	399	496	895
Part-time	6	1	7
Total	405	497	902



Number of Shore-based Employees
By employment level and gender identity

Employment Type	Female	Male	Total
Management	96	169	265
Support	309	328	637
Total	405	497	902



Male
Female

Note: "Other" gender identity category was zero

New Hires (Shore-based Employees) during 2021 by Region, Age Group and Gender Identity

Region / Age Group	Female	Male	Total	Region / Age Group	Female	Male	Total	New Hire Rate	
American Samoa	1		1	Papua New Guinea	4	9	13	Region	Rate
30 to 50	1		1	<30	2	4	6	American Samoa	14%
Australia		5	5	>50		1	1	Australia	6%
>50		2	2	30 to 50	2	4	6	The Chinese Mainland	39%
30 to 50		3	3	Samoa	1	6	7	Fiji	1%
The Chinese Mainland	18	10	28	<30		1	1	Germany	60%
<30	4	5	9	30 to 50	1	5	6	India	38%
30 to 50	14	5	19	Singapore	46	36	82	New Caledonia	7%
Fiji		1	1	<30	13	7	20	New Zealand	7%
30 to 50		1	1	>50	2	3	5	Papua New Guinea	9%
Germany		3	3	30 to 50	31	26	57	Samoa	70%
>50		1	1	United Kingdom	1		1	Singapore	28%
30 to 50		2	2	30 to 50	1		1	United Kingdom	17%
India	10	22	32	United States		1	1	United States	20%
<30	2	2	4	30 to 50		1	1		
30 to 50	8	20	28	Total	170	192	362	Overall	20%
New Caledonia		1	1						
30 to 50		1	1						
New Zealand	4	2	6						
<30	1		1						
>50	1		1						
30 to 50	2	2	4						

Turnover (Shore-based Employees) by Region, Age Group and Gender Identity

Region / Age Group	Female	Male	Total
American Samoa		1	1
30 to 50		1	1
Australia	2	3	5
<30		1	1
>50	1		1
30 to 50	1	2	3
The Chinese Mainland	14	7	21
<30	8	4	12
30 to 50	6	3	9
Denmark		1	1
30 to 50		1	1
Fiji	1		1
30 to 50	1		1
India	2	7	9
<30		1	1
30 to 50	2	6	8
Indonesia		1	1
<30		1	1
New Caledonia		2	2
30 to 50		2	2

Region / Age Group	Female	Male	Total
New Zealand	5	8	13
<30	1	1	2
>50	1	6	7
30 to 50	3	1	4
Papua New Guinea	5	9	14
<30		2	2
>50		3	3
30 to 50	5	4	9
Samoa	1	3	4
30 to 50	1	3	4
Singapore	52	37	89
<30	14	11	25
>50	8	3	11
30 to 50	30	23	53
Total	164	158	322

Turnover Rate	
Region	Rate
American Samoa	14%
Australia	6%
The Chinese Mainland	30%
Fiji	1%
India	11%
Indonesia	20%
New Caledonia	14%
New Zealand	15%
Papua New Guinea	10%
Samoa	40%
Singapore	31%
Overall	18%

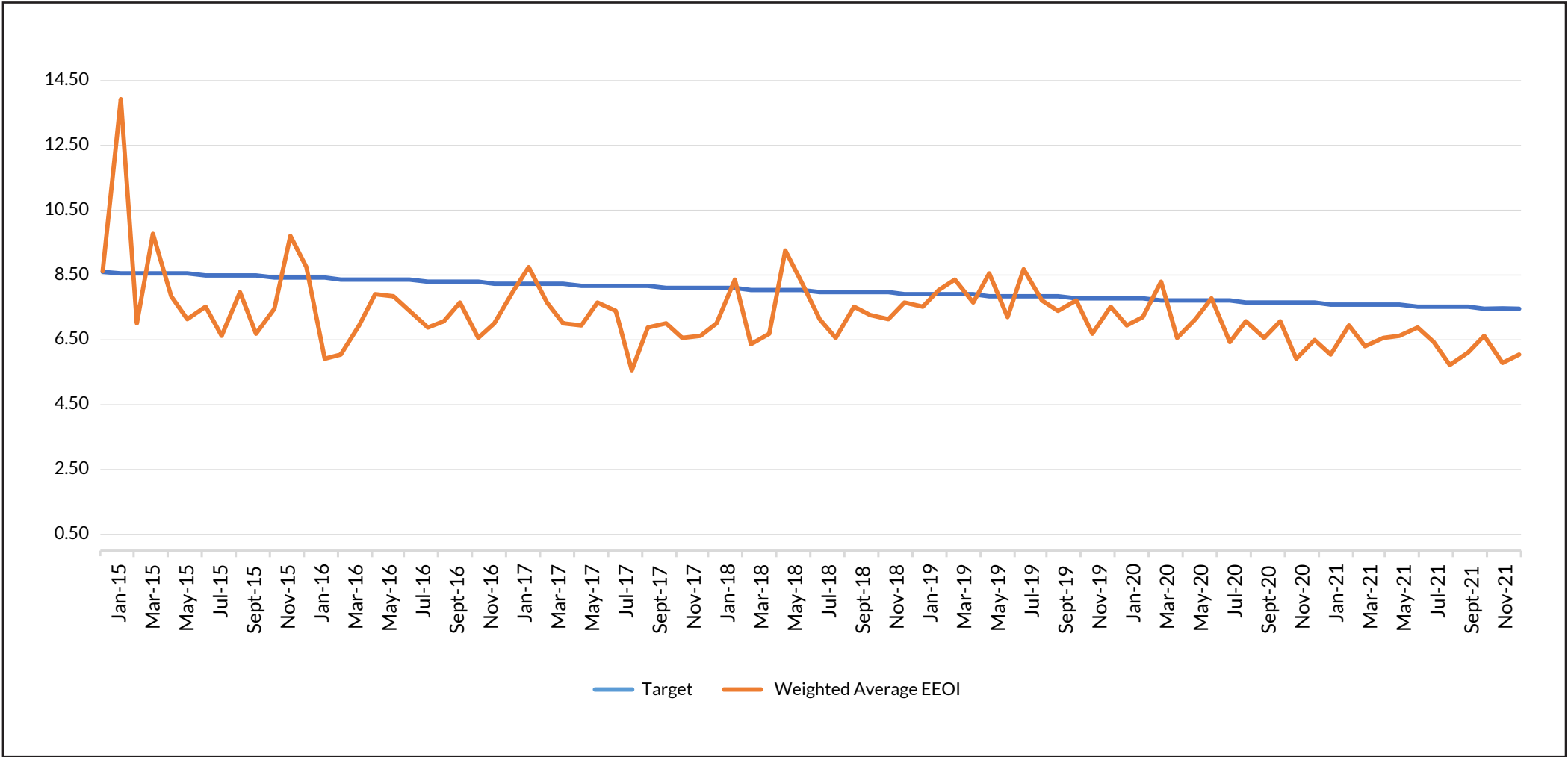
	2019	2020	2021
Total vessels (owned and / or managed / operated) by Swire Shipping as at 31 st December	38	39	37
Scope 1 emissions (tCO ₂ e) ¹	593,581	510,110	532,572
Emissions from marine fuel	99.09%	98.87%	98.8%
Emissions from marine fuel (Scope 1, 2 and 3)	99.09%	98.48%	98.53%
Scope 1 Fuel Consumption (mT)	588,196	504,359	526,155
Total Energy consumption (kWh)	2,213,749,026	1,898,020,474	1,980,819,993
EEOI - liner fleet (UoM: gCO ₂ /NRT-nm)	7.55	6.50	6.07
Electricity consumption (kWh)	-	690,651	652,548
Electricity emissions (tCO ₂)	-	351.54	345.41
Flights (tCO ₂)	-	1,004	1,062
SO _x emissions (mT)	12,922	2,726	3,552
NO _x emissions (mT)	15,111	12,713	13,267
Particulates (mT)	1,222	1,018	1,062
VOC emissions (mT)	228	195	204
Black Carbon (mT) ²	-	12,083	16,757
Spills	1*	Nil	Nil

¹All GHG emissions are CO₂-equivalent except for fuel oil due to the IMO's conversion factors being limited to CO₂.

²New metric

*
MV Kweilin: One deck hydraulic line burst in Auckland, with less than 50 centilitre leaked into the harbour. (Date of the incident: 20th October 2019)

Swire Shipping EEOI | UoM: grammes of CO₂ per Notional Revenue Tonne of cargo carried over one nautical mile



AMSA	Australian Marine Safety Authority
ASA	Australian Shipping Association
ASSM	Anscor Swire Ship Management (manning agency)
AVL	Approved Vendor List
BFO	Bio Fuel Oil
BHP	Brake Horse Power
CAD	Competence and Assurance Department
CAR	Audit-driven Corrective Action Report
CARB	California Air Resources Board
CBA	Collective Bargaining Agreement
CFC	Chlorofluorocarbon/s
CNCo	The China Navigation Company Pte Ltd
CoC	Corporate Code of Conduct
CSR	Corporate Social Responsibility
CCBA	Climate, Community and Biodiversity Alliance
CP	Corporate Philanthropy/pic
DCC	Australian government: Department of Climate Change
DECC	UK government: Department of Energy and Climate Change
DEFRA	UK government: Department for Environment, Food and Rural Affairs
DP	Dynamic Positioning
DPA	ISM Code: Designated Person Ashore
DPI	Deficiencies per Port State Inspection
E&P	Exploration and Production
ECA	Emission Control Area
EEOI	Energy Efficiency Operational Indicator
EPA	US government: Environmental Protection Agency
ESI	Endangered Species International
ETS	Emission Trading Scheme
FOE	Fleet Operational Efficiency

GEDO	Australian government DCC Greenhouse and Energy Data Officer
GHG	Greenhouse Gas/es
GJ (unit)	Giga-Joule, 1 billion joules of energy
GRI	Global Reporting Initiative
H₂	Hydrogen
HCFC	Hydrochlorofluorocarbon/s
HCV	High Conservation Value
HFO	Heavy Fuel Oil – a residual fossil fuel
HHV	Higher Heating Value, also known as gross calorific value, of a fuel is defined as the amount of heat released by combusting a specified quantity and returning the temperature of the combustion products to 150°C. LHV assumes all the water component is in liquid state at the end of combustion
HKC	Hong Kong Convention for Safe and Responsible Recycling of Ships (2009)
HOF	Head Office (in Singapore)
HK SAR	Hong Kong Special Administrative Region of the People's Republic of China
HSE	Health, Safety and the Environment
HSSE	Health, Safety, Security and the Environment
ICAO	Inter Civil Aviation Organisation
ICS	International Chamber of Shipping
IEA	International Energy Agency (UN)
IFO	Intermediate Fuel Oil - residual fuel. Usually 180 or 380 CST viscosity
IHM	Inventory of Hazardous Material, per the HK Ship Recycling Convention
ILO	(UN) International Labour Organisation
IMO	(UN) International Maritime Organisation
INED	Independent Executive Director
ISM	International Management Code for the Safe Operation of Ships and for Pollution Prevention, (International Safety Management (ISM) Code) as chapter XI of SOLAS
IUCN	International Union for Conservation of Nature and Natural Resources
KBA	Key Biodiversity Area
KPI	Key Performance Indicator

kW hr (unit)	Kilo Watt hour, is a unit of energy equal to 1,000 Watt hours or 3.6 mega Joules
LHV	Lower Heating Value, also known as net calorific value, of a fuel is defined as the amount of heat released by combusting a specified quantity and returning the temperature of the combustion products to 150°C. LHV assumes all the water component is in vapour state at the end of combustion
LMS	Learning Management System
LO	Lubricating Oil
LTI	Lost Time Injury
LTIFR	Lost Time Injury Frequency Rate
MARPOL	IMO International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 and later
MCA	(UK) Maritime and Coastguard Agency
MDO	Marine Diesel Oil – a distillate fuel
MGO	Marine Gas Oil – a distillate fuel (higher fraction than MDO)
MHE	Material Hazardous to the Environment
MLC	ILO Maritime Labour Convention, 2006
MPA	Maritime and Port Authority of Singapore
MSA	Modern Slavery Act
MTC	Medical Treatment Case
NGER	Australian National Greenhouse Gas and Energy Reporting Act
NI	Nautical Institute
NO_x	Oxides of Nitrogen
OFW	Overseas Filipino Workers
OPEC	Organisation of Petroleum Exporting Countries
PEU	Performance Evaluation Reports
PM	Particulate Matter
PO	Purchase Order/s
POEA	Philippines Overseas Employment Agency
PSCI	Port State Inspection Compliance Index
PSI	Port State Inspection
QHSE	Quality, Health, Safety and Environment
REDD	Reduced Emissions from avoided Deforestation and forest Degradation

RFQ	Request For a Quote
RWC	Restricted Work Case
SAC	Safety Awareness Course
SD	Sustainable Development
SDG	Sustainable Development Goals
SECA	Sulphur Emission Control Area/s
SEEMP	Ship Energy Efficiency Management Plan
SIN	Singapore
SMS	Safety Management System
SMTC	Swire Marine Training Centre, located in Loyang, Singapore
SOLAS	IMO International Convention for the Safety of Life at Sea, 1974, as amended in 1980 and later
SO_x	Oxides of Sulphur
SPO	Swire Pacific Offshore (Group)
SRF	Ship Recycling Facility
SSA	Singapore Shipping Association
STCW	IMO International Convention on Standards of Training, Certification and Watch-keeping for Seafarers, 1978, as amended in 1995 and later
TBT	Tributyl Tin (antifouling)
tCO₂	Tonnes of Carbon Dioxide
tCO₂e	Tonnes of Carbon Dioxide equivalent. This is CO ₂ plus the other four “natural GHG of CH ₄ , N ₂ O and the “industrial GHG” of SF ₆ and Hydrofluorocarbons
TRCF	Total Recordable Case Frequency Rate
TRIP	Toolbox Risk Identification Permit
UKBA	(UK) Bribery Act (2010)
ULS	Ultra Low Sulphur content
UNFCCC	United Nations Framework Convention on Climate Change
VCS	Verified Carbon Standard
VOC	Volatile Organic Compound/s
y-o-y	Year on Year change
5S	“Seiri, Seiton, Seiso, Seiketsu, and Shitsuke” or “Sorting, Set in order, Systematic cleaning, Standardising, and Sustaining”

Self-declaration NEN-ISO 26000:2010**Corporate social responsibility**

Undersigned, Mr Simon Bennett, General Manager, Sustainable Development at Swire Shipping Pte. Ltd.,

Declares that NEN-ISO 26000:2010, *Guidance on Social Responsibility* is applied for its global operations and has assessed and reviewed this using the process described in NPR 9026:2011.

The organisation declares that it applies the principles and guidance of NEN-ISO 26000:2010 and assures that this will be the case on a continuing basis. Within the framework of this self-declaration this will be assessed and reviewed at least annually.

Together with this self-declaration the organisation provides a justification and elaboration of the choices made with regard to its social responsibility in the following areas.

1. Subscribing to and applying the seven principles of SR.
2. Identifying and engaging stakeholders.
3. The seven SR core subjects and 37 SR issues.
4. Integration of SR throughout the organisation.

Name of organisation: Swire Shipping Pte. Ltd.
Location: Singapore
Street and building no.: 300 Beach Road, The Concourse, #27-01
Post code and town: Singapore 199555
Signature: Date and place:



_____ 1 January 2021 _____

GRI Standards Content Index

GRI Standard Number	GRI Disclosure Number	Disclosure Title	Cross-reference / Answers / Notes / Omissions	Report location: Page Number / URL	Reason for Omissions
GRI 101:	Foundation 2016				
GRI 102:	General Disclosures 2016				
	Organisational Profile				
GRI 102	102-1	Name of the organisation	Swire Shipping Pte. Ltd. (Swire Shipping)	Page 9	
GRI 102	102-2	Activities, brands, products, and services	For description of activities please see the "Company Profile" section of the report. Swire Shipping does not provide any services that are banned in certain markets. Similarly Swire Shipping's services are not the subject of stakeholder questions or public debate.	Pages 16-26 and www.swireshipping.com	
GRI 102	102-3	Location of headquarters	HQ is in Singapore.	Page 19	
GRI 102	102-4	Location of operations	For description of countries of operations please see the "Company Profile" section of the report.	Pages 18, 27	
GRI 102	102-5	Ownership and legal form	Swire Shipping Pte. Ltd. is a Singapore-registered company and is a wholly owned subsidiary of The China Navigation Company Limited, registered in London, which is in turn a wholly owned subsidiary of John Swire & Sons Limited, also registered in London.	Page 19	
GRI 102	102-6	Markets served	Please see the "Company Profile" section of the report.	Pages 16-26	
GRI 102	102-7	Scale of the organisation	Please see the "Governance" and "Our People" sections covering the size of the fleet and locations of employees / offices and number of employees. Please also refer to the organisational boundaries diagram. All financial statements are confidential.	Pages 16-27, 51-53	Confidentiality constraints: All financial statements are confidential as Swire Shipping is a privately held company.
GRI 102	102-8	Information on employees and other workers	"Our People" section of the report: "Employment Information" and "Diversity and Inclusion" sub-sections. We consider our seafarers as our employees despite them being employed through a manning agency. Employment type and level is not applicable to our seagoing employees. We report the breakdown by officers and crew as well as by age group and gender identity. There were no seasonal variations in employment numbers.	Pages 51-63, 124-127 and this Content Index	
GRI 102	102-9	Supply chain	See the "Supply Chain and Procurement Management" section of the report.	Pages 35-36	
GRI 102	102-10	Significant changes to the organisation and its supply chain	In January 2021, CNCo's Bulk shipping division became a standalone company, Swire Bulk Pte Ltd. In July 2021, Swire Shipping launched Swire Integrated Logistics services. In October 2021, CNCo was renamed Swire Shipping Pte. Ltd.	Page 16	
GRI 102	102-11	Precautionary Principle or approach	Swire Shipping manages all risks that have the potential to impact our operations. We are measuring, monitoring and reporting our Environmental impact and have a number of initiatives in place to reduce our greenhouse gas emissions and other negative environmental impacts. See section on "Our Environment" for more details. We have a Risk and Insurance Manager who oversees and manages corporate risks.	Pages 86-109	

GRI 102	102-12	External initiatives	Fair employment practices (TAFEP) Singapore since April 2013. Swire Shipping has fair and merit-based employment practices. All Singapore-based organisations are expected to abide by the Tripartite Guidelines.	This Content Index and Pages 73-84	
GRI 102	102-13	Membership of associations	Singapore Business Federation Singapore Shipping Association Sustainable Shipping Initiative (founding member and active contributor) Ship Recycling Transparency Initiative (founding member and active contributor) World Ocean Council Maritime Anti-Corruption Network (MACN) Women's International Shipping and Trading Association (WISTA) (Australia, New Zealand and Singapore) <i>Getting to Zero Coalition</i> Maersk Mc-Kinney Møller Center for Zero Carbon Shipping World Shipping Council	This Content Index	
Strategy					
GRI 102	102-14	Statement from senior decision-maker	See MD's message.	Pages 5-8	
Ethics and integrity					
GRI 102	102-16	Values, principles, standards, and norms of behaviour	Swire Shipping's values, principles, standards and norms of behaviour are outlined in our Code of Conduct which is available on the Company's website. The Code is applicable to all employees ashore or at sea. It sets the highest standards of business which are approved by the Managing Director. There is online training on the Code that all employees must take and answer questions which confirm their understanding of it. Swire values are introduced during the induction programme and are included in the performance management framework for all shore-based employees.	Swire Shipping's Code of Conduct Pages 28-29, 55, 64	
Governance					
GRI 102	102-18	Governance structure	See the "Sustainable Development Governance Structure and Policies" section of the report.	Pages 28-29	
Stakeholder engagement					
GRI 102	102-40	List of stakeholder groups	Full list of stakeholders and their concerns is included in the Data section	Pages 111-113	
GRI 102	102-41	Collective bargaining agreements	57% of our seagoing employees working on board our fleet are covered under a CBA (Collective Bargaining Agreement). All other seagoing employees are employed on the Company's terms and conditions, which are on par with International Transport Federation's CBA terms. All contracts are fully compliant with the Maritime Labour Convention (MLC) 2006. Shore-based employees are not covered by collective bargaining agreements.	Page 33	
GRI 102	102-42	Identifying and selecting stakeholders	We define stakeholders as individuals or organisations that are directly or indirectly affected by Swire Shipping's business activities. Influence is determined by the level of involvement stakeholders have and impact is measured by their ability to bring out / affect change. We regularly engage with shore-based and seagoing employees, customers, manning agencies, suppliers, NGOs, investors and regulators. For more information see the "Stakeholder Engagement and Materiality" section of this report.	Pages 38, 111-113 and This Content Index	

GRI 102	102-43	Approach to stakeholder engagement	<p>We conduct materiality assessments regularly as a follow-up on the sustainable development presentations for shore-based and seagoing employees. Our stakeholder consultation programme for seagoing employees covers office visits, officers and crews' fora and training programmes during Safety Awareness Courses. Frequency of engagement varies from once a month to bi-monthly to once a quarter. The engagements are done specifically for the SD report as well as to inform us if there any other SD issues our employees feel strongly or have concerns about. Engagements are carried out in person or virtually and through the online structured questionnaires.</p> <p>We conducted an extended stakeholder engagement exercise in early 2022 and refreshed the list of Material issues based on the feedback received. The process included a survey of our internal and external stakeholders and a workshop with the Company's ELT and senior management from key regional offices and business units. Following the workshop, the new Materiality Matrix was formally approved by the ELT.</p> <p>See the "Stakeholder Engagement and Materiality" section of the report. We aim to run external engagement and consolidation of results once every three years.</p>	Pages 38-39 and This Content Index	
GRI 102	102-44	Key topics and concerns raised	See the "Stakeholder Engagement and Materiality" and "Key stakeholder groups and their areas of concern " sections of the report and relevant Data tables.	Pages 36-40, 111-114	
GRI 102	102-45	Entities included in the consolidated financial statements	<p>See the "Organisational Structure and Boundaries" section of the report.</p> <p>All financial statements are confidential as Swire Shipping is a wholly owned subsidiary of The China Navigation Company Limited, a privately held company.</p>	Page 27	Confidentiality constraints: All financial statements are confidential as Swire Shipping is a privately held company.
Reporting Practice					
GRI 102	102-46	Defining report content and topic boundaries	<p>Report content and topic boundaries reflect the Materiality Matrix. The process of defining report content and identifying material topics is covered under "Stakeholder Engagement and Materiality" section of the report.</p> <p>See the "Introduction", "Company profile" and "SD Governance Structure and Policies" sections of the report.</p>	Pages 9, 16-26, 27, 28-29, 38-39	
GRI 102	102-47	List of material topics	sr.	Page 39	
GRI 102	102-48	Restatements of information	There are no restatements of information in this report.	This Content Index.	
GRI 102	102-49	Changes in reporting	As per 102-10 and 102-44	N/A	
GRI 102	102-50	Reporting period	1 st January to 31 st December 2021	Page 9	
GRI 102	102-51	Date of most recent report	Sustainability report for 2020 calendar year	This Content Index	
GRI 102	102-52	Reporting cycle	Annual	Page 9	
GRI 102	102-53	Contact point for questions regarding the report	Contact section of the report. GM - Sustainable Development is the key contact.	Page 148	
GRI 102	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.	Page 9	
GRI 102	102-55	GRI content index	This Content Index.	Page 133-147	

GRI 102	102-56	External assurance	<p>This report will be externally assured with the assurance statement added to the report. The external assurer is independent from Swire Shipping and has an impartial opinion.</p> <p>We believe that to be clear and transparent is critical to our success in communicating with our stakeholders. The external assurance of our SD report validates any statements or claims we make.</p>	Page 149	
Material Topics					
Environmental					
GHG Emissions Reductions and Climate Change					
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its Boundary - the management approach and its components - Evaluation of the management approach 	<p>Since the IMO set its emissions target (slashing emissions by at least 50% by 2050, compared to 2008), many of the largest shipping companies have pledged to significantly cut their emissions through technical and operational (T&O) improvements and investments in new technologies including zero carbon fuels. Swire Shipping has been investing over the past six years in a modern eco fleet which allows us to gain fuel efficiencies and thus emission reductions. We have also set ourselves a target of achieving net zero by, and preferably well before, 2050.</p> <p>Please see "Environment and Our Business", "Industry Leadership", "Environmental Initiatives and achievements" and "Investing in new & Innovative technologies" sections of the report. We addressed this topic further in the "Climate Change and Our Business" section.</p> <p>Swire Shipping has a Whistleblowing Policy and procedures in place to report any issues that may negatively affect health, safety or the environment. This process is managed in a confidential manner. See the "Fines and Grievances" section of the report.</p>	<p>Pages 34, 86-109</p> <p>Environmental Policy https://bit.ly/3OuOiu0</p> <p>SD Policy https://bit.ly/3bflld5</p> <p>Whistleblowing Policy https://bit.ly/3IRqQW4</p>	
GRI 305 EMISSIONS 2016	305-1	Direct (Scope 1) GHG emissions	<p>Please refer to "Energy Consumption and Emissions" section under "Our Environment" and "Environmental Summary report" in the "Data" section.</p> <p>Gases included: CO₂, CH₄ and N₂O. Source of emission factors - IMO and DEFRA.</p> <p>For refrigerants, "the GWPs used in the calculation of CO₂e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period (this is a requirement for inventory / national reporting purposes).</p> <p>The baseline for our emissions intensity target is 2015.</p>	Pages 96, 128 and This Content Index.	
GRI 305 EMISSIONS 2016	305-2	Energy indirect (Scope 2) GHG emissions	<p>Please refer to the "Energy Consumption and Emissions" section under "Our Environment" and "Environmental Summary report" in the "Data" section of the report. Source of emission grid factors for electricity: International Energy Agency Emission Factors (2017). We calculated Scope 2 emissions for the percentage of our employees working from home (WFH). The calculation method was derived from the whitepaper published by EcoAct, "Homeworking emissions Whitepaper", that took into account the electricity use from workstations and lighting.</p> <p>Gases included in Scope 2 calculation: IEA emissions factors include CO₂, CH₄, N₂O.</p> <p>Scope 2 emissions comprised of a mix of location-based and market based methods.</p> <p>The baseline for our emissions intensity target is 2015.</p>	<p>Pages 96, 128 and This Content Index.</p> <p>https://info.eco-act.com/hubfs/0%20-%20Downloads/Homeworking%20emissions%20whitepaper/Homeworking%20Emissions%20Whitepaper%202020.pdf</p>	
GRI 305 EMISSIONS 2016	305-3	Other indirect (Scope 3) GHG emissions	<p>Please refer to "Energy Consumption and Emissions" section under "Our Environment" and "Environmental Summary report" in the "Data" section of the report. Gases included: CO₂, CH₄, N₂O.</p> <p>Air Travel: ATMOSfair.de "With this, other pollutants like nitrogen oxide or soot particles besides pure CO₂ emissions are also included that warm the climate in addition to CO₂."</p> <p>Source of the emission factors: IFO, VLSFO, MGO, VLSGO – IMO's Emission factors Petrol, Diesel – UK DEFRA Refrigerants - DEFRA</p> <p>The GWPs used in the calculation of CO₂e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period (this is a requirement for inventory / national reporting purposes).</p>	Pages 96, 128	Not applicable: biogenic sources are not consumed.

GRI 305 EMISSIONS 2016	305-4	GHG emissions intensity	See the "Energy Efficiency Operational Indicator" sections in the "Data" section of the report. The normalised figures are shown in EEOI graphs of emissions per notional revenue tonne / mile (using a weighted average).	Page 129	
GRI 305 EMISSIONS 2016	305-5	Reduction of GHG emissions	Please see the "Environment and Our Business" and "Environmental Initiatives and Achievements" sections of the report together with the "Energy Efficiency Operational Indicator" graph.	Pages 10, 87-89, 92-93, 129	
GRI 305 EMISSIONS 2016	305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	<p>Please see "Environmental Summary report" in the "Data" section and "SO_x emission reduction" sub-section.</p> <p>Source of emission factors and standards are: For SO_x - assumed 3.5%, 0.5%, 1.5%, 0.1% and 1% sulphur by weight for IFO, LSIFO, MGO, LSGO and LO respectively. Source: European Commission (2002) "Quantification of emissions from ships associated with ship movements between port in the EC"</p> <p>For NO_x - assumed 84%, 6% and 10% of IFO / LSIFO consumed at sea, in harbour and in port respectively, and 18%, 30% and 52% of MGO / LSGO consumed at sea, in harbour and in port respectively. We assume the same percentages for LO consumption in each mode. Source: European Commission (2002) "Quantification of emissions from ships associated with ship movements between port in the EC"</p> <p>For PM - Eyring, V., et al., Transport impacts on atmosphere and climate: Shipping, Atmospheric Environment (2009),doi:10.1016/j.atmosenv.2009.04.059</p> <p>For VOC - Average in Table VII at p14 http://projects.dnv.com/portenv/portal/Documents/Finalfinalreport31May.pdf</p> <p>For Black Carbon - Emission Factors from IMO Fourth GHG Study which varies for each vessel class.</p>	Page 128	
Recycling and Disposal of Materials					
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its boundary - The management approach and its components - Evaluation of the management approach 	<p>Swire Shipping believes that sustainable recycling of ships is the best sustainable and most environmentally responsible way to manage ships at the end of their commercially viable lives. We have a Policy which states that all ships at the end of their economic lives will be recycled in a sustainable, safe, responsible and environmentally sound manner.</p> <p>We have also we set ourselves a goal to reduce of Single-Use Plastic (SUP) water bottles on board our vessels to zero.</p> <p>Furthermore, under <i>Moana Taka Partnership</i> (MTP) Swire Shipping enables private sector companies to move recyclable waste out of the PICTs where it is accumulating, to countries with competent and sustainable recycling plants. We thus help to resolve a long-standing environmental and social issue.</p> <p>Please see "Sustainable Ship Recycling" and "Reducing our plastic footprint" sections of the report together with "Moana Taka Partnership" and other waste recycling projects in the Pacific Islands under "Our Partners" section.</p> <p>We report our progress in the area of Sustainable Ship Recycling and reduction in our plastic footprint in our annual SD reports.</p> <p>Swire Shipping has a Whistleblowing Policy and procedures in place to report any issues that may negatively affect health, safety or the environment. This process is managed in a confidential manner. See the "Fines and Grievances" section of the report.</p>	<p>SD Policy https://bit.ly/3bfLld5</p> <p>Page 34</p> <p>Whistleblowing Policy https://bit.ly/3lRqQW4</p>	
GRI 306 WASTE 2020	306-1	Waste generation and significant waste-related impacts	<p>Please refer to the Ship Recycling statistics in the report. This relates to the waste generation from sustainable ship recycling following the exchange of the bill of sale.</p> <p>Read more about the mitigated environmental impacts and health, safety and social impacts of Sustainable Ship Recycling here: https://dcasvmrn70pnz.cloudfront.net/assets/Sustainability/Sustainable+Ship+Recycling.pdf</p>	Pages 102-103	
GRI 306 WASTE 2020	306-2	Management of significant waste-related impacts	<p>Please refer to the Ship Recycling statistics in the report.</p> <p>Read more about the mitigated environmental impacts and health, safety and social impacts of Sustainable Ship Recycling here: https://dcasvmrn70pnz.cloudfront.net/assets/Sustainability/Sustainable+Ship+Recycling.pdf</p>	Page 103	

GRI 306 WASTE 2020	306-3 306-4 306-5	Waste generated / Waste diverted from disposal Waste directed to disposal	Please refer to the Ship Recycling statistics table in the report. No further breakdown available.	Page 103	
Marine Biodiversity and Pollution Prevention					
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	- Explanation of the material topic and its Boundary - the management approach and its components - Evaluation of the management approach	<p>Over the course of the last decade, the shipping industry has defined a healthy marine environment as the protection of biodiversity through the appropriate release of ballast water, application of anti-fouling paint to prevent the spread of invasive species, limited harm to marine life, limited chemical and oil spills, and limited plastic leaching. Mitigating the effects of poor ocean management and pollution have been disparate at best and the opportunity to protect has not been adequately embraced by companies or governments globally.</p> <p>The industry must increase their efforts and interventions to conserve and responsibly use ocean resources at all levels as billions of people depend on the ocean for their livelihood and food source. The industry must invest in programmes that boost and protect marine life and support governments increasing the number of marine protected areas, fully understand what best practice for biosecurity management practices mean for all vessels moving across different islands and land masses, catalyse the development of circular waste systems onboard and in partnership all ports, and ensure there are zero chemical and oil spills.</p> <p>We have in place a number of policies (e.g. Biodiversity, Environmental and Sustainable Development Policies) which provide the framework for reducing Swire Shipping's environmental negative impact and impacts on biodiversity under our influence.</p> <p>Swire Shipping has a whistleblowing procedure in place to report any environmental violations. The shipping industry has very strict regulations with regards to environmental violations and any incidents are immediately reported to the authorities who investigate them. Please see 307-1 below for more information on environmental breaches during the reporting period. See "Biodiversity" section of the report.</p> <p>Swire Shipping has a Whistleblowing Policy and procedures in place to report any issues that may negatively affect health, safety or the environment. This process is managed in a confidential manner. See the "Fines and Grievances" section of the report.</p>	<p>Pages 34, 99-100</p> <p>Biodiversity Policy: https://dcasvmrn70pnz.cloudfront.net/assets/Sustainability/BiodiversityPolicy.pdf</p> <p>Environmental Policy: https://dcasvmrn70pnz.cloudfront.net/assets/Sustainability/EnvironmentalPolicy.pdf</p> <p>SD Policy: https://bit.ly/3bfLld5</p> <p>Whistleblowing Policy https://bit.ly/3lRqQW4</p>	
GRI 304 BIODIVERSITY 2016	304-2	Significant impacts of activities, products, and services on biodiversity	See "Biodiversity" section of the report.	Pages 99-100	
GRI 304 BIODIVERSITY 2016	304-3	Habitats protected or restored	<p>Swire Shipping partners with Endangered Species International ("ESI") in South Mindanao, the Philippines, to protect International Union for Conservation of Nature ("IUCN")-critically endangered Philippine forest turtles on Mount Matutum and assisted with a programme on mangrove and coastal reef conservation, management and rehabilitation activities in the Sarangani Bay area. We also support Mahonia Na Dari (MND) in Kimbe Bay, a local marine environment research and conservation education centre based in West New Britain, PNG. While this is long-term programme supported by the company, this initiative was on hold in 2021 due to the pandemic.</p> <p>Further to that, our work on Sustainable Ship recycling in Alang, India and the Moana Taka Partnership in the Pacific region also have positive environmental and biodiversity impacts.</p> <p>Swire Shipping is an active participant in the Protecting Blue Whales and Blue Skies programme in the San Francisco Bay Area and the Southern California Region</p> <p>Initiatives undertaken by Swire Shipping in support of the protection and / or restoration of habitats are not limited to geographic locations where the size or nature of the impact could be directly measured.</p>	Pages 78-81, 102-103	
GRI 307 ENVIRONMENTAL COMPLIANCE 2016	307-1	Non-compliance with environmental laws and regulations	There were no non-compliances with environmental laws and regulations during the reporting period.	Page 128	

	Social				
	Employee Health, Safety and Wellbeing				
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its boundary - The management approach and its components - Evaluation of the management approach 	<p>Safety is our top priority in Swire Shipping. We continuously strive to provide a safe and healthy working environment and to cultivate a safe mindset for both our employees and contractors alike. By having a strong safety focus together with robust reporting and learning culture we make safety everyone's priority. Our goal is to build an industry leading safety culture and fully integrate safety in everything that we do. We continue to evaluate our safety behaviour and work practices to improve our safety performance. Wellbeing for our employees is also of paramount importance to us and which we address through various initiatives.</p> <p>We continue to measure and monitor safety statistics and have taken a number of initiatives to improve safety across our fleet and within our offices. See the "Safety" section of the report together with the statistics / trends in the "Data" section.</p> <p>This topic covers safety of fleet operations and in our offices. We also work closely with port services partners to ensure that the safety culture extends beyond our vessels, however this is outside of our direct operational control.</p> <p>Swire Shipping has a Whistleblowing Policy and procedures in place to report any issues that may negatively affect health, safety or the environment. This process is managed in a confidential manner. One issue was reported through this channel, which was investigated and appropriate action taken. See the "Fines and Grievances" section of the report.</p>	<p>Pages 10, 34, 42-49, 122-123</p> <p>Health and Safety Policy https://bit.ly/3tQbDOH</p> <p>Whistleblowing Policy https://bit.ly/3n9wx7C</p>	
GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-1	Occupational health and safety management system	<p>The International Safety Management (ISM) Code is the international standard for the safe management and operation of ships and for pollution prevention. Full compliance with the ISM Code is required in order to be able to continue operating under that flag registry, and is indicated by the issue of a Document of Compliance (DoC). We have in place a Safety Management System (SMS) to guide our daily operations.</p> <p>Recognised standards / guidelines for occupational health and safety management system followed are:</p> <ul style="list-style-type: none"> - International Convention for the Safety of Life at Sea, 1974, as amended Chapter IX – Management for the safe operation of ships. - Resolution A.741 (18) International Management Code for the Safe Operation of Ships & for Pollution Prevention (International Safety Management (ISM) Code). - Adopted OSHA Injury and Illness Recordkeeping & Reporting Requirements (Safety Management Manual (SMM) section 9.0). - All occupational health & safety professionals are employed by the Company are formally qualified. 	This Content Index	
GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-2	Hazard identification, risk assessment, and incident investigation	<p>High risk activities on board are identified and risks mitigated using the Permit-to-Work system on board.</p> <p>Work activities on board our vessels undergo a formal risk assessment in accordance with our Safety Management System before it is commenced. Part of the risk assessment then requires risk elimination, reduction, or mitigation measure to be implemented.</p> <p>Swire Shipping reports total Recordable and Lost Time Injury Frequency Rates, including work-related occupational disease.</p>	This Content Index	
GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-3	Occupational health services	<p>Good mental health is important for both personal wellbeing and work performance. In contrast, poor mental health can lead to illness and reduced productivity. It is therefore essential to support good mental health among seafarers and our shore-based employees. In doing so, it should be recognised that individuals, families, communities, employers, workmates, and regulators can all make a difference.</p> <p>Swire Shipping partners with Befrienders Worldwide (BW), an international network of crisis helplines, and we have in place a dedicated email and hotline service for Swire Shipping employees who are feeling depressed or need emotional support. The services are confidential in nature. Records of personal health related information is maintained on the Companies propriety system with controlled access to maintain confidentiality. Personal health-related information is not shared with any other third-parties.</p> <p>Swire Shipping offices globally have Onshore Safety Committees and organise a number of activities for shore-based employees. We continued to support our employees globally during the ongoing pandemic. See "Employee Health and Wellbeing during the Global Pandemic" section of the report.</p>	This Content Index, Pages 42-49, 68-70	

GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-4	Worker participation, consultation, and communication on occupational health and safety	<p>Participation and consultation on occupational health and safety matters on board is achieved by conducting monthly QHSE meetings. Additionally, there is a mid-month safety dialogue session conducted on board to proactively address safety related issues and to reiterate practical application of Safety I's™. Ship management team has been conducting virtual safety dialogue sessions with the fleet since the start of the pandemic.</p> <p>Similarly, occupational health and safety matters are discussed in all Company offices including regional and Head Office by way of a safety committees which convenes on a quarterly basis.</p> <p>Third-party contractors and all visitors on board Company vessels undergo safety briefings. When third-party workers are involved, they or their representatives are required to attend a pre-work meeting along with the Swire Shipping seagoing employees. Our permits are structured to include third-party workers in compliance process. If these are stevedores, then a formal ship-shore checklist is completed during toolbox talks.</p>	This Content Index	
GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-5	Worker training on occupational health and safety	<p>Swire Shipping runs Safety Awareness Courses (SACs) for all seagoing employees which is mandatory upon joining the Company and then repeated every three years thereafter. All senior officers undergo a four-day course whereas junior officers and ratings undergo a two-day condensed version of the course at their respective manning agencies.</p> <p>All training programmes were transferred online since March 2020 and modified appropriately. A number of other courses related to safety are carried out regularly on subjects such as practical safety for ratings, bosun courses, safe crane operation, and many more.</p> <p>Annual crew / safety forums are run in various locations, where health and safety subjects are always at the top of the agenda. However they were put on hold during the pandemic.</p> <p>Swire Shipping introduced DNV's marine systematic cause analysis technique (MSCAT) to identify root causes when investigating incidents and severe near miss reports. Senior Officers are trained during the SACs on the correct methodology of using the MSCAT.</p>	Pages 43-46 and This Content Index	
GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-6	Promotion of worker health	<p>The Company provides care for all seagoing and shore-based employees whose workplace is controlled by the organisation. For seagoing employees we look after their health and welfare for example by providing gyms on board our vessels and improving cook's skills for better nutritional value of onboard meals.</p> <p>Seafarers are at an above average risk to develop mental problems ranging from a sense of isolation, loneliness, severe homesickness all the way up to the risk of committing suicide. Swire Shipping partners with BW, an international network of crisis helplines, and we have in place a dedicated email and hotline service for Swire Shipping employees who are feeling depressed or need emotional support. BW has an international network of over 350 crisis helplines in 36 countries and regions that provides emotional support to those in despair. The services are confidential in nature.</p> <p>The maritime industry has witnessed a worrying trend in the mental wellbeing of seafarers and the number of suicides registered. Swire Shipping introduced a training course in collaboration with Danish health and safety solutions consultants, CONOVAH, aiming to equip our senior officers with tools to spot warning signs at the earliest possible stage to avoid tragic events of this nature on board.</p> <p>For information on employee health and wellbeing, please refer to "Safety" and "Our People" sections of the report.</p>	Pages 42-49, 68-70 and This Content Index	
GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>All persons, including third-party contractors and customer personnel on board Company vessels are subject to the same health and safety requirements. SMS Section 5 deals with the Safety, Health and Environment Management. All persons are provided with a vessel induction and appropriately supervised throughout their stay on board. A record of induction and training is maintained on board. Personal Protective Equipment, Medical Locker and Pandemic Locker Equipment are maintained on board in accordance with the SMS Section 5.</p> <p>Onshore Safety Committees meet regularly to assess impact of H&S issues and put measures in place to rectify it as necessary.</p>	This Content Index	

GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-8	Workers covered by an occupational health and safety management system	<p>100% of Swire Shipping seagoing employees are covered by our Safety Management System (SMS). All persons, including third-party contractors and customer personnel on board Company vessels, are subject to the Health and Safety requirements. No workers engaged on board Company vessels or at Company offices are excluded from disclosure.</p> <p>All incidents involving Company employees and non-employees working on board Company vessels and at Company offices are reported and fully investigated to identify actions to prevent a reoccurrence.</p> <p>On board our vessels 45% of our seafarers are members of the joint H&S committees and rest of the seafarers are represented by the officer and rating representatives (total of 100%).</p> <p>For the offices, we have Onshore Safety Committees in all key locations (committees are comprised of representatives from various departments but all employees are covered, i.e. 100%).</p>	This Content Index	
GRI 403 OCCUPATIONAL HEALTH & SAFETY 2018	403-9	Work-related injuries	<p>The Company reports the following for all employees:</p> <ul style="list-style-type: none"> • Fatalities: Zero recorded in 2021 • Recordable work-related injuries including Lost Time Injuries: Eight recorded in 2021 • Restricted Work Cases and Medical Treatment Cases: Four reported in 2021 • Type of accident, nature and bodily location of injury • Number of hours worked (based on 24 hours on board and eight hours per day in the office) are used to calculate incident frequency rates. <p>The Company reports the following for non-employees working on board Company vessels:</p> <ul style="list-style-type: none"> • Time, date, type and severity of injury, sequence of events leading to the incident, immediate actions taken and actions to prevent a reoccurrence. <p>The Company does not classify non-employee injury but requires a copy of the investigation report from the injured parties employer. Incident frequency rates are based on 1,000,000 man hours. Third-party employees working on board Company vessels and at Company offices are excluded from the disclosure.</p> <p>The Company also submits annual incident statistics to the following Industry Organisations:</p> <ul style="list-style-type: none"> • International Maritime Contractors Association (IMCA) • International Support Vessel Owner Association (ISOA). <p>Relevant statistics are reported in the "Data" section of the report for Safety statistics.</p>	Pages 122-123 and This Content Index	
GRI 103 MANAGEMENT APPROACH 2016	Diversity, Equity and Inclusion 103-1 103-2 103-3	- Explanation of the material topic and its Boundary - the management approach and its components - Evaluation of the management approach	<p>Ensuring that the business offers the right conditions for all employees to thrive, regardless of gender, race, cultural, and other differences. This includes the examination of deep structural inequalities within the businesses, including the distribution of minorities in upper management and the design of vessels to manage diverse needs. Evidence shows that diverse teams perform better, so part of this is redesigning the business for higher performance.</p> <p>We continue to seek to encourage more women to join the Swire Shipping fleet by creating a culture where women feel safe and are supported. We have in place a D&I Policy, a Respect in the Workplace Policy as well as our Code of Conduct, all of which further embed diversity and equality of treatment and opportunity into all our operations to ensure that all employees benefit from a welcoming, positive, innovative and out-performing work environment, which is essential to Swire Shipping's continuing success. In addition to the policies we also provide a whistleblowing hotline to deal with any potential issues. This topic is material for both our seagoing and shore-based employees.</p> <p>Please see the "Diversity and Inclusion" and "Anti-discrimination and Anti-harassment" sections of the report for more information. Swire Shipping has a Whistleblowing Policy and procedures in place to report any violations of the Code of Conduct. This process is managed in a confidential manner. See the "Fines and Grievances" section of the report.</p> <p>There were three grievances reported during the period covered by this report (one was unsubstantiated).</p>	Corporate Code of Conduct https://bit.ly/3tLhvsr Pages 34, 55-64 Whistleblowing Policy https://bit.ly/3lRqQW4	

GRI 405 DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	<p>The balance of the Executive team from the gender, age and ethnic diversity perspective is a recognised issue for Swire Shipping: all Board Members are male; one out of eight Executive Leadership Team (ELT) members was female. Employee breakdown by gender and age group are included in the report.</p> <p>Swire Shipping is a member of the Women's International Shipping and Trading Association (WISTA) in Australia, New Zealand and Singapore as a corporate member to provide our female managers with the platform for industry networking and thematic events. WISTA has a consultative status at the International Maritime Organisation.</p> <p>Board of Directors age groups are: Under 30 years old: 0% 30 to 50 years old: 33% Over 50 years old: 67% All directors are male and Anglo-Saxon.</p> <p>ELT age groups are: Under 30 years old: 0% 30 to 50 years old: 75% Over 50 years old: 25% All but one are Anglo-Saxon / one Singaporean. One ELT member was female.</p> <p>See the "Our People" section of this report for more information.</p>	Pages 10, 55-58 and This Content Index	
GRI 405 DIVERSITY AND EQUAL OPPORTUNITY 2016	405-2	Ratio of basic salary and remuneration of women to men	<p>The global ratio by job level was as follows: Female to Male ratio</p> <p>By employee category: C-Level: 1:1.33 Senior Managers and above: 1:1.39 Entry Level / Middle Managers: 1:1.21 Others: 1:0.67</p> <p>By significant location (>5% of employees): Australia: 1:1.19 The Chinese Mainland: 1:1.47 Fiji: 1:2.05 India: 1:1.29 NZ: 1:1.38 PNG: 1:1.35 Singapore: 1:1.82</p>	This Content Index	
GRI 406 NON-DISCRIMINATION 2016	406-1	Incidents of discrimination and corrective actions taken	<p>Three Potential Cases of discrimination were recorded in 2021. Those reports were investigated and dealt with appropriately, in line with the Company's policies and procedures. The outcomes were:</p> <p>Case 1: The complaint turned out to be unsubstantiated.</p> <p>Case 2: The Master was advised to avoid using cadets for paperwork unless it is absolutely unavoidable due to impeding circumstances.</p> <p>Case 3: Following the complaint of sexual harassment, the employee was terminated.</p>	Page 34	

Human Rights and Labour Practices					
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its boundary - The management approach and its components - Evaluation of the management approach 	<p>Respecting human and labour rights and ensuring there is no modern slavery within our business and our supply chain is critical to Swire Shipping's sustainability. This includes ensuring that all employees receive proper instruction regarding their own rights and are in a position to seek immediate help if those rights are violated. Statutory benefits should cover workers' basic needs, including healthcare, and have a full explanation in the appropriate language. Swire Shipping aims to be the Employer of Choice by treating people with respect and providing them with good and safe working conditions, equitable remuneration and benefits. In addition to the Code of Conduct we have a Human Rights Policy in place. For more information see the "Child / Forced and Compulsory Labour / Modern Day Slavery Act", "Protecting Human Rights of Seafarers" and "Supporting our seagoing employees" sections of the report.</p> <p>Swire Shipping has a Whistleblowing Policy and procedures in place to report any issues that may negatively affect health, safety or the environment. This process is managed in a confidential manner. See the "Fines and Grievances" section of the report.</p> <p>Three potential cases of Harassment or Discrimination on any grounds, verbal or non-verbal (Age, Race, Religion, Ability, Gender, Gender Identity, Sexual Orientation etc.) were reported and dealt with in accordance with Swire Shipping's policies and procedures. See section 406-1 for more information.</p> <p>Swire Shipping complies with the UK Modern Day Slavery Act 2015 and we publish annual statements on our website.</p> <p>This topic applies to all Swire Shipping group employees ashore or at sea.</p>	<p>Corporate Code of Conduct https://bit.ly/3tLhvsr</p> <p>Modern Day Slavery Act statement https://bit.ly/3N4MBIL</p> <p>Whistleblowing Policy https://bit.ly/3IRqQW4</p> <p>Pages 32-34</p>	
GRI 408 CHILD LABOUR 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	<p>Swire Shipping complies with the UK Modern Day Slavery Act 2015. As part of that commitment we will not tolerate child / forced or compulsory labour within our business or in our supply chain. We publish an annual statement which is available on our website. See MSA statement for more information.</p> <p>There have been no incidences of Modern Slavery being reported within, or uncovered during our risk-based audits, of the Swire Shipping operations, or in our supply chains, globally within the calendar year 2021. See section on "Child / Forced and Compulsory Labour / Modern Day Slavery Act"</p> <p>There were no cases of child labour in 2021.</p>	<p>Modern Day Slavery Act statement https://bit.ly/3N4MBIL</p> <p>Page 34</p>	
GRI 409 FORCED OR COMPULSORY LABOUR 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	<p>See section on "Child / Forced and Compulsory Labour / Modern Day Slavery Act" and refer to 408-1 above. There were no cases of forced or compulsory labour in 2021. Also refer to the "Supply Chain and Procurement Management" section of the report.</p> <p>MSA assessments were conducted for high-risk suppliers located in the following countries: the Chinese Mainland, Fiji, Malaysia, Papua New Guinea and Thailand.</p>	<p>Modern Day Slavery Act statement https://bit.ly/3N4MBIL</p> <p>Page 32-33, 35-36</p>	
GRI 412 HUMAN RIGHTS ASSESSMENT 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	In 2021 we carried out self-assessments for 18 higher risk suppliers (0.28%) located in the Chinese Mainland, Fiji, Malaysia, Papua New Guinea and Thailand.	This Content Index and Page 36	
GRI 412 HUMAN RIGHTS ASSESSMENT 2016	412-2	Employee training on human rights policies or procedures	<p>902 employees (100% of our shorebased employees) undertook the training. Training is done via our online portal and consists of a 10-minute module on understanding MS Act and accompanied by the course test.</p> <p>This training is supplemented by modules on:</p> <ul style="list-style-type: none"> • Corporate Code of Conduct; • Workplace Harassment Prevention (Based on the UK Act, but applicable to all our businesses globally); <p>They also cover Human Rights related areas.</p>	<p>Modern Day Slavery Act statement https://bit.ly/3N4MBIL</p> <p>This Content Index</p>	
GRI 412 HUMAN RIGHTS ASSESSMENT 2016	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	All new and re-contracted suppliers have a contractual clause included which requires them to comply with the UK Modern Slavery Act 2015 (MSA). We also have a specific MSA questionnaire which has to be completed by high-risk suppliers.	This Content Index	

Supporting Local Communities					
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its Boundary - the management approach and its components - Evaluation of the management approach 	<p>We are committed to supporting key stakeholder communities in countries where we operate. This includes strategic philanthropy / community investment, charitable donations, disaster relief, fundraising efforts. We define key stakeholder communities as communities where we have greater presence.</p> <p>We believe in doing right by our communities and investing in worthy causes. We support charities and community organisations as well as our employees in need. We are committed to establishing long-term, mutually rewarding relationships with our partners and our communities. Swire Shipping allocates a percentage of our annual profit towards supporting key stakeholder communities in the various countries in which we operate and those are managed by Country / Regional Managers and the SD team.</p> <p>For more information please see "Corporate Philanthropy management" section of the report together with "Supporting our key stakeholder communities" under "Our Partners".</p> <p>Swire Shipping has a Whistleblowing Policy and procedures that allow external stakeholders to raise grievances. This process is managed in a confidential manner. See the "Fines and Grievances" section of the report. No grievances were reported during the reporting period.</p>	<p>Pages 30, 34, 73-84</p> <p>Whistleblowing Policy https://bit.ly/3lRqQW4</p>	
GRI 413 LOCAL COMMUNITIES 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	<p>All local community programmes are locally driven and identified in consultation with our local employees. They are aligned with our Corporate Philanthropy Donations Policy. Being a shipping company, we do not have direct impact on local communities however we believe in investing in local communities and do so via provision of <i>pro bono</i> shipments in support of various charitable organisations, disaster relief efforts through donation of containers and awarding grants to various registered charities.</p> <p>Our assistance is focused on Australia, Fiji, the Philippines, Papua New Guinea, Solomon Islands, and throughout PICTs.</p>	Pages 73-84	
Talent Attraction and Development					
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its Boundary - the management approach and its components - Evaluation of the management approach 	<p>Our people are at the core of Swire Shipping's business operations. We are committed to providing a continuous learning environment where employees are empowered to reach their highest potential. We value our multinational workforce and actively promote an inclusive and diverse workplace with a strong focus on safety excellence. We strive to attract highly-skilled individuals, providing them with training and development opportunities to build a high-performing and engaged workforce.</p> <p>The maritime industry is an international business and the backbone of global trade and supply chains. With the shipping industry's expansion plans, there is a need for more skilled talent. The industry has new needs in areas like digitally-controlled operations, automation engineering, software development and sustainability – these are areas that appeal to the younger generation who are digitally-agile, technologically-savvy and passionate about creating a better more sustainable world. But skilled and young talent also have many opportunities elsewhere, so the maritime industry must adapt in order to offer a compelling value proposition, and proactively showcase the prospects it has to offer.</p> <p>With strong focus on Swire values, organisational culture, D&I and sustainability, we are creating a welcoming, positive, innovative and high performing work environment. We will continue to encourage more women to join Swire Shipping and promoting a culture where women feel safe and are supported.</p> <p>For more information please see "Our People" section of the report.</p>	<p>Pages 34, 51-67</p> <p>Whistleblowing Policy https://bit.ly/3lRqQW4</p>	
GRI 401: EMPLOYMENT 2016	401-1		<p>We report:</p> <ul style="list-style-type: none"> - total number and rate of new employee hires during the reporting period, by age group, gender and region; and - total number and rate of employee turnover during the reporting period, by age group, gender and region. 	Pages 126 and 127	

	Governance				
	Ethical Business Conduct				
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its Boundary - the management approach and its components - Evaluation of the management approach 	<p>Over the last decade, the expectations on good corporate governance and responsible business practices have converged. For example, corruption has increasingly become viewed as much as a human rights risk as it is a governance issue. Likewise, tax evasion and tax avoidance are now being viewed as irresponsible corporate behaviour because these practices hamper sustainable development. There is now a basic expectation that whistleblowing procedures are part of Standard Operating Procedures (SOPs). Various previously 'soft' laws or norms on corporate responsibility have been translated into hard laws - for example, provisions of the UN Guiding Principles on Business and Human Rights are in modern slavery legislation, and, anti-bribery and anti-corruption are now firmly established as a legal compliance requirement.</p> <p>Greater convergence between corporate governance and responsible business practices will broaden governance legal compliance footprints into both environmental and social issues. Companies are expected to move from complying with anti-corruption and ESG laws to integrating the spirit of those laws into SOPs and being stringent in its application. For the sector-specific scrutiny, 11 international banks launched the Poseidon Principles to create a common, global baseline to quantitatively assess and measure the carbon intensity in their shipping portfolios.</p> <p>Swire Shipping is committed to act with probity, transparency and accountability. We have high standards of business ethics and corporate governance, including zero tolerance towards any corrupt practices. This includes curtailing the practice of facilitation payments, as well as conducting due diligence on the ethical record of transactional partners, including customers and suppliers. Our Code of Conduct is our main governance document which together with other policies and procedures sets strong foundation on how we conduct our operations.</p> <p>Swire Shipping has a Whistleblowing Policy in place to report any governance issues that may have a negative affect on Swire Shipping. See the "Sustainable Development Governance and Policies", "Anti-corruption, Anti-money Laundering, and Anti-trust and Monopoly Practices" and "Fines and Grievances" sub-sections of the report for more information.</p>	<p>Corporate Code of Conduct https://bit.ly/3tLhvsvr</p> <p>Pages 28-29, 31, 34</p> <p>Whistleblowing Policy https://bit.ly/3lRqQW4</p>	
GRI 205 ANTI-CORRUPTION 2016	205-1	<p>Operations assessed for risks related to corruption</p>	<p>Swire Shipping's Corporate Code of Conduct sets out rules on how Swire Shipping employees must behave in the course of carrying out their duties. We also have an Anti-bribery Policy that further establishes rules and expectations. The Code together with the Policy and internal controls set a strong foundation to prevent any corruption related incidents. The Company carries out anti-corruption / anti-bribery training and an online test for employees within the group to ensure their understanding of what is required of them.</p> <p>All our business operations are assessed for risks related to corruption. Any incidents of potential or actual non-compliance are reported to the Internal Risk Management Committee and investigated. The company has zero tolerance towards corruption. For more information see the "Anti-corruption, Anti-money Laundering, and Anti-trust and Monopoly Practices" sub-section of the "Governance" section of the report.</p>	<p>Page 31</p> <p>Corporate Code of Conduct https://bit.ly/3tLhvsvr</p>	
GRI 205 ANTI-CORRUPTION 2016	205-2	<p>Communication and training about anti-corruption policies and procedures</p>	<p>See the "Anti-corruption, Anti-money Laundering, and Anti-trust and Monopoly Practices" sub-section of the "Governance" section of the report.</p> <p>Swire Shipping's Corporate Code of Conduct includes the requirement for all employees to adhere to ethical behavioural standards and anti-corruption is one of the key areas of compliance. The Company carries out anti-bribery training and an online test for employees within the group. 100% of employees including ELT members in all regions we operate are covered.</p> <p>The same applies to all our business partners (100%). An anti-corruption clause is included in all our contractual agreements.</p>	<p>Page 31</p>	
GRI 205 ANTI-CORRUPTION 2016	205-3	<p>Confirmed incidents of corruption and actions taken</p>	<p>There was one incidents related to breach of CoC wrt Bribery, Corruption, Facilitation Payments, reported in 2021. The employee was found to be in breach of the CoC and their employment was terminated.</p>	<p>Page 34</p>	
GRI 206 ANTI-COMPETITIVE BEHAVIOUR 2016	206-1	<p>Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices</p>	<p>There were no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices in 2021.</p>	<p>Page 31</p>	

Supply Chain Management					
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its Boundary - the management approach and its components - Evaluation of the management approach 	<p>The past decade has seen growing expectations for consumer-facing organisations to disclose information about how and where their products and materials are sourced from, and the impact on the whole value chain, driving full supply chain transparency and reporting initiatives. Charterers and shipowners now regularly conduct due diligence on suppliers and supply chain partners to meet these expectations.</p> <p>A growing number of companies are introducing strategic supplier engagement programmes with a focus on sustainability. From Olam's AtSource to Czarnikow's VIVE sustainable supply programme, trading companies are differentiating their services by building the sustainability capacity of actors across the supply chain and offering assurance to their customers. On top of environmental and social risks associated with the production of raw materials and products, these programmes also seek to cover transport and logistics service providers, including shipping.</p> <p>In the same way that customers' expectations directly influence the performance of shipping lines' social and environmental performance, shipping companies purchasing decisions have the opportunity to influence environmental, social and economic conditions where their own suppliers operate. The ability to assess, monitor and improve the sustainability performance of suppliers is set to become a key differentiator for the business.</p> <p>For more information see the "Supply Chain and Procurement Management" section of the report and Supplier Code of Conduct.</p> <p>Swire Shipping has a Whistleblowing Policy and procedures that allow external stakeholders to raise grievances. This process is managed in a confidential manner. See the "Fines and Grievances" section of the report. No grievances or issues were recorded during the reporting period.</p>	<p>Supplier Code of Conduct https://bit.ly/3n2gQ2j</p> <p>Pages 34-36</p> <p>Whistleblowing Policy https://bit.ly/3IRqQW4</p>	
GRI 308 SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1	New suppliers that were screened using environmental criteria	<p>Environmental and social criteria are included in the Supplier Code of Conduct. We have developed a Supply Chain Sustainability questionnaire (for self-audits and for the follow-up physical audits) for high-risk suppliers. The questionnaire covers the main areas of sustainability risks and asks for evidence on how those risks are managed. We are working on developing and rolling out a wider supplier assessment and audit programme in the next couple of years using a risk-based approach.</p> <p>Percentage of all suppliers who have read and agreed with Supplier Code of Conduct with clauses on environmental, labour, human rights, and ethical requirements - 12.3%</p> <p>Percentage of total procurement spend which has gone through a CSR assessment or audit - 2.6%</p> <p>Percentage of all suppliers which have gone through a CSR assessment and on-site audit - 0% (Due to pandemic situation coupled with travel restrictions in 2021, no external audits were conducted)</p>	<p>This Content Index.</p> <p>Supplier Code of Conduct https://bit.ly/3n2gQ2j</p>	
GRI 308 SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-2	Negative environmental impacts in the supply chain and actions taken	<p>SD Supplier self-assessment questionnaire asks about supplier's environmental impacts:</p> <ul style="list-style-type: none"> - What are the company's main environmental impacts? - What is the company doing to manage its environmental risks and impacts? <p>Answers to those questions are assessed and if any issues are found, they are raised with the SD Department. Those areas are also covered during high risk supplier audits.</p> <p>No suppliers were identified as having significant actual or potential negative environmental impact. Number of suppliers assessed is 18.</p>	<p>Page 36 and This Content Index</p>	
GRI 414 SUPPLIER SOCIAL ASSESSMENT 2016	414-1	New suppliers that were screened using social criteria	<p>Labour practices criteria are included in the Supplier Code of Conduct and questionnaire. We have MSA specific questionnaire for high-risk suppliers to undergo the self-audit process. The questionnaire covers the main areas of social risks and asks for evidence on how those risks are managed.</p> <p>Swire Shipping complies with the UK Modern Slavery Act and we publish annual statements on our website.</p> <p>For more information see "Child / Forced and Compulsory Labour / Modern Slavery Act" section of the report. Percentage of suppliers assessed is 0.28%.</p>	<p>Pages 32-33 and This Content Index</p>	
GRI 414 SUPPLIER SOCIAL ASSESSMENT 2016	414-2	Negative social impacts in the supply chain and actions taken	<p>Only high-risk suppliers are assessed. Supplier self-assessment questionnaire covers areas related to supplier's social impacts such as labour practices and human rights.</p> <p>Answers to those questions are assessed by relevant departments and, if required, escalated to the SD team. No suppliers were identified as having significant actual or potential negative social impact. Number of suppliers assessed is 18.</p>	<p>Page 36</p>	

Data Privacy and Cybersecurity					
GRI 103 MANAGEMENT APPROACH 2016	103-1 103-2 103-3	<ul style="list-style-type: none"> - Explanation of the material topic and its boundary - The management approach and its components - Evaluation of the management approach 	<p>The pace of digitisation has far exceeded regulation to control and manage data privacy and protection, leading to data and liability breaches that can cost millions, and compromise data. In the marine sector, increased automation and integration via online platforms, have simultaneously increased the risk of cyber attacks that threaten to halt operations and safety of crew on board. Swire Shipping takes these risks seriously and has identified "Data Privacy and Cybersecurity" as a material issue for business.</p> <p>We have Information Security and IT Governance Policies in place and we recognise the importance of cybersecurity for both our offices and our vessels. Information security risk assessments are performed for all information systems on a regular basis in order to identify key information risks and determine the controls required to keep those risks within acceptable limits. The Company is committed to providing relevant education and training to users to ensure they understand the importance of information security and appropriate care when handling confidential information.</p> <p>Swire Shipping values the privacy of the personal data we collect from our business customers, suppliers and partners (and each of their employees, officers, agents, contractors or any other individuals they engage with) and are committed to protecting the privacy and security of all personal data in accordance with Data Protection Legislation. Our Data Protection & Privacy Policy together with the Employee Data Protection Policy, outline the information we collect, including personal data, and how this information is used. Personal rights and complaints procedures are clearly stated. We have a Data Protection Officer who ensures our compliance with all relevant legislation. For more information please visit Data Protection and Privacy Policy on our website: https://info.swireshipping.com/policies/data-protection-and-privacy-policy/</p> <p>All employees must complete Cyber Security Awareness Training and European Union General Data Protection Regulation (EU GDPR) and Singapore PDPA (for specific employees / functions) and pass the short exam online as part of our annual governance compliance training programme.</p> <p>Swire Shipping was affected by the data breach incident in November 2021 that occurred in Swire Pacific Offshore Operations Pte Ltd (SPO). SPO provided Human Resource shared services to Swire Shipping in the past. This was addressed as per regulatory requirements.</p>	<p>Data Protection and Privacy Policy https://bit.ly/3xKVStP</p> <p>This Content Index</p>	
			<p>There were no substantiated complaints received concerning breaches of customer privacy during the reporting period.</p> <p>Swire Shipping was affected by the data breach incident in November 2021 that occurred in Swire Pacific Offshore Operations Pte Ltd (SPO). SPO provided Human Resource shared services to Swire Shipping in the past. This was addressed as per regulatory requirements.</p>	<p>This Content Index</p>	
GRI 418 CUSTOMER PRIVACY 2016					

Request for feedback

In order that we may continually improve our reporting, we would be grateful for your views and comments on any aspects of this report, via e-mail to the address below.



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Assurance Statement

Swire Shipping Pte. Ltd. (Swire Shipping), commissioned Copeland & Partners Limited to conduct independent assurance of its 2021 Sustainable Development (SD) Report, in accordance with the scope outlined below.

CPL's responsibility for this assignment is only to Swire Shipping and CPL denies any liability or responsibility to others. It is the responsibility of Swire Shipping to collect, analyse and present all information and data within the report, and to sustain operative governance and internal controls over the processes and systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of Swire Shipping.

Objective and Scope

The objective of the assurance process was to verify a representative sampling of the information included in Swire Shipping's SD Report covering the calendar year 2021 and to determine conformance of the report contents with the requirements of the Global Reporting Initiative (GRI) Standards: Core option. An assessment of Swire Shipping's conformance with the elements of ISO 26000:2010 - Guidance on Social Responsibility was undertaken based on the findings of the assurance process and through CPL's direct engagement with Swire Shipping's representatives to confirm the company's approach to managing the ISO 26000 principle of social responsibility as well its direct performance and related claims.

An assessment of the company's SD initiatives and reporting was also conducted, and recommendations were provided to management on the company's overall performance for enhancing the SD report and the company's sustainability framework.

Methodology

The assurance process, which was conducted from August to October 2022, involved a desktop review of Swire Shipping's 2021 SD Report and supporting statements/policies accessed through SD report website links, to identify a representative sampling of data and information, as well as claims regarding management systems, performance and corporate strategies, for verification. Information was provided by, and discussions were held with, Swire Shipping's General Manager for Sustainable Development and team, on behalf of representatives of the company responsible for risk management, human resources, training and development, health and safety, the environment and procurement to confirm a representative sampling of data, claims and content included in the report and the company's strategies for managing Swire Shipping's sustainability issues and plans for improvement. Based on this review process, observations were made that resulted in Swire Shipping making minor amendments to the report and its GRI Content Index.

For the report assurance, CPL's assurance methodology references AA1000 Assurance Standard (AA1000AS v3) and is based on conformance of the report contents with the requirements of the GRI Standards: Core option and uses GRI's reporting principles of stakeholder inclusiveness, sustainability context, materiality and completeness to assess the overall quality of the report and claims regarding management approaches, strategies and sustainability performance. For ISO 26000, the process described in NPR 9026:2011 was applied to determine Swire Shipping's conformance with the principles and guidance of NEN-ISO 26000:2010.

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Findings

Based on the claims and data reviewed, Swire Shipping's 2021 SD Report includes accurate and robust information to support the company's commitment to, and performance in, implementing its SD Policy. The SD report and related content provide accurate, reliable and comparable performance data and information, and the issues covered are important to key stakeholders and readers of this report. Swire Shipping has made a self-declaration of the report being in accordance with the requirements of the GRI Standards: Core option. In terms of the coverage of the required principles and general disclosures, the report conforms with the standards and core disclosures.

This report, which continues to evolve with Swire Shipping's continuous improvement in its sustainability performance, discloses information on the company's approach to, and performance in, addressing the elements of *ISO 26000:2010 - Guidance on Social Responsibility*. The report content is available online and the materiality of its content evolves in response to ongoing stakeholder feedback as the company engages its stakeholders on sustainability.

Swire Shipping's material sustainability issues are extensively covered, with transparent and balanced discussion of the company's sustainability efforts and the risks, ongoing challenges and opportunities found in responsibly managing the impact of the industry's transformation. Notably, Swire Shipping has taken steps to protect the health and wellbeing of its seagoing employees during the COVID-19 pandemic and continues to show industry leadership on environmental issues, including by participating in multiple, international sustainability initiatives.

The transparent disclosure of Swire Shipping's approach and performance within the wider context of sustainability, and particularly reflecting on both positive and negative aspects of its performance, is commendable. In addition to the above-noted achievements, it is also noteworthy to recognise the company's initiatives and commitment to:

- Support employees as the COVID-19 pandemic continued during the reporting period, including by providing flexible work arrangements for shore-based employees, bearing the costs of crew change delays and ensuring all contract extensions were mutually agreeable for seagoing employees, and continuing to offer access to confidential crisis helplines to all employees.
- Protect stevedores, port workers and other third-party contractors with an updated safety strategy for cargo operations and port communities, SafeWOW, and a 2025 roadmap to launch the programme with 25 stevedoring companies.
- Further foster a diverse and inclusive working environment through a programme of culture transformation focused on building capabilities, providing flexibility and including diversity in the talent pipeline, as well as a "Choose to Challenge" campaign to challenge non-inclusive behaviours and processes.
- Improve diversity among Swire Shipping's management team by setting a KPI of having 30% female senior managers by 2025. In addition, the continued prioritisation of increasing and supporting female seagoing employees is noteworthy; with the percentage of female seafarers increasing from 1.8 to 5 in 2021 over the previous year.
- Expand actions to address human rights issues within the company's value chain by conducting The Mekong Club Baseline Assessment to better identify how the company can further strengthen its approach to combating modern slavery and enhancing its Statement on Modern Slavery and Human Trafficking (2021).
- Continue to lead the industry in sustainable ship recycling by sustainably recycling two vessels, *MV Kwangsi* and *MV Melanesian Chief*, during the reporting period with zero pollution incidents and one LTI, which was only the first LTI that has occurred during the recycling of 16 vessels over a ten-year period.

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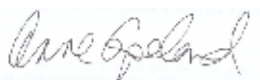
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- Progress towards net zero emissions and an energy-efficient fleet with a consistent downward trend in EEOI figures since 2015, absolute GHG emissions reductions from various technical and operational measures and the investigation of innovative approaches, including cold ironing and alternative fuel sources, for vessels.
- Engage customers on the net-zero transition, and also support collective action through the SailGreener offsetting programme.
- Expand upon the success of the company's efforts to reduce the use of SUP water bottles across the Swire Shipping fleet, which has resulted in a 98.86% reduction in SUP water bottles used on board compared to 2018, by implementing a phase-out schedule for other common SUPs including packaging and utensils.
- Reduce environmental impacts at the company's offices, with Swire Shipping's Singapore office being awarded Elite Eco Office certification by the Singapore Environment Council for efforts to implement effective, environmentally responsible practices and increase eco-consciousness among employees.

Recommendations for Future SD Strategy and Reporting

The commitment and resources that Swire Shipping has dedicated to integrating sustainability into its business processes and to managing potential risks and opportunities is admirable, as is the progress made in addressing the recommendations of the previous assurance process. Going forward, Swire Shipping is encouraged to maintain its comprehensive approach to addressing and reporting its sustainability performance and to focus on the following key areas:

- Provide focused training on the current and evolving sustainability/ESG/corporate responsibility landscape to the Board, including coverage of risks, opportunities and expectations for addressing climate change, human rights, biodiversity and other material sustainability topics.
- In addition to ongoing SD workshops, conferences and presentations, implement a focused, company-wide awareness, training and capacity-building programme on sustainability to reinforce and enhance both strategy implementation and alignment, as well as a culture of sustainability, among shore-based and seagoing employees.
- Disclose the supplier risk assessment criteria and headline results of the assessments, and accelerate the mapping and assessment of lower-tier suppliers.
- Describe the company's approach to physical safety (e.g., anti-piracy measures) in the broader context of health and safety.
- Further enhance sustainability-related communications by integrating additional hyperlinks to report sections and related online content into the digital report.
- In addition to the GRI Standards, consider also aligning disclosures with the accounting and activity metrics of the SASB Marine Transportation Sustainability Accounting Standard.



Anne Copeland
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October 5th, 2022