

Sustainability Report

for the Calendar Year 2023



Index

INTRODUCTION

- 3 Chief Executive Officer's Message
- 4 Highlights
- 7 Our Business
- 8 Our Approach to Sustainability

THRIVING ENVIRONMENT

- 12 GHG Emissions Reductions and Climate Change
- 22 Marine Biodiversity and Pollution Prevention
- 24 Recycling and Disposal of Materials

THRIVING PEOPLE

- 26 Diversity, Equity and Inclusion
- 29 Human Rights and Labour Practices
- 30 Talent Attraction and Development
- 31 Employee Health, Safety and Wellbeing

THRIVING PARTNERS

- 35 Supporting Local Communities

GOVERNANCE

- 43 Ethical Business Conduct
- 45 Supply Chain Management
- 46 Data Privacy and Cybersecurity
- 46 Memberships and Associations

DATA SECTION *(published separately)*

About this Report

This sustainability report covers the operations of Swire Shipping Pte. Ltd. (Swire Shipping) from 1st January to 31st December 2023, with any point data being as at 31st December 2023 unless stated otherwise.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards (Universal Standards 2021), and guided by the GRI principles for defining this report's content:

Stakeholder Inclusiveness: Being responsive to stakeholder expectations and interests;

Sustainability Context: Presenting performance in the broader context of sustainability;

Materiality: Focusing on issues through which the Company can create impact, and which are of critical importance to the business and stakeholders; and

Completeness: Including all information that is of significant environmental, economic and social impact to enable stakeholders to assess the Company's performance.

For a full list of specific standards applied and disclosures reported in this report, please refer to the GRI Content Index in the Data section of the report.

Feedback on any aspect of this report is welcomed.

Please contact Swire Shipping's Sustainability and Decarbonisation Department at: SD.dept@swireshipping.com

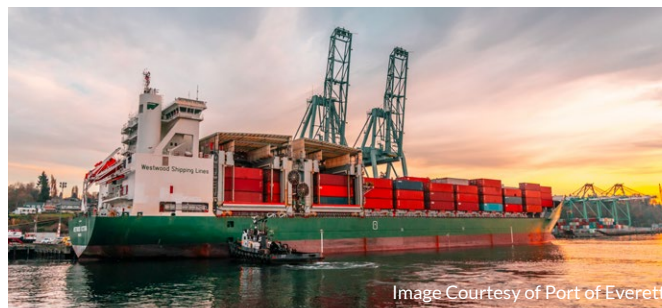
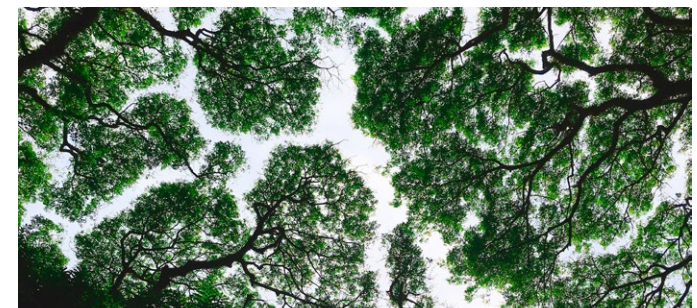


Image Courtesy of Port of Everett



Chief Executive Officer's Message

I am pleased to present to you Swire Shipping's Annual Sustainability Report for the year 2023. In a world where environmental concerns are increasingly at the forefront of business operations, we remain dedicated to supporting the maritime industry's journey towards a more sustainable future. Our approach to sustainability and decarbonisation is ingrained in our long-term strategy and corporate culture.

2023 was a year of continued challenges, not only for the shipping industry but for the world at large. Geopolitical conflicts and weather-related phenomena caused significant disruptions to global trade routes, affecting millions around the world. The ongoing crisis in the Red Sea is a stark reminder of the need to prioritise the safety and welfare of seafarers, and we support the efforts of shipping companies to protect their crews by ensuring they are kept out of harm's way.

The 2023 IMO Strategy on Reduction of GHG Emissions from Ships set new ambitions for reducing emissions from international shipping, with levels of ambition and indicative checkpoints paving the way towards net zero by or around 2050.

At Swire Shipping, we are committed to playing our part. We have in place a decarbonisation roadmap with a stated goal of achieving a 50% reduction in our carbon intensity by 2030, on the way to achieving net zero emissions by 2050 with 100% usage of near zero emissions fuels in our operated fleet. Over the next three years, our strategy is focused on enhancing fleet efficiency, adopting energy efficiency technologies, and exploring transition to near-zero emissions fuels. We are making progress towards these objectives, as well as increasing the use of renewable electricity in our offices around the world.

Our 5-Year Business Strategy

We have responded to the challenges of a dynamic industry by unveiling a new 5-year strategy that provides both a vision and a roadmap to what the future will look like for Swire Shipping. At the heart of this strategy is our vision to be a model for safe and sustainable shipping, embodying our unwavering commitment to safety, sustainability, innovation, and social responsibility.

The core of our strategy is a focus on five key pillars: Safety, People, Communities, Energy Transition, and Technology. By cementing these pillars as our guiding principles, we ensure that this focus is hardwired into our plans to deliver stable, long-term business performance in a responsible manner, placing safety and the welfare of our customers and communities at the heart of everything we do.

We have aligned our business strategy with our sustainability strategy (SwireShippingTHRIVE) and set goals and targets to measure our performance.

Promoting the Role of Women in Maritime

Women have long been underrepresented in maritime roles, yet their talents, skills, and perspectives are invaluable assets that we cannot afford to overlook. At Swire Shipping, we firmly believe that diversity drives innovation, empowers talent, and enhances our overall competitiveness.

Currently, approximately 5% of our seafarers are female, above the global average of around 2%, but still shy of our goal of 10% by 2025. On land, we aim to achieve increased gender diversity by having 30% females in senior management roles by 2025. We had 20.8% female senior managers as of 31st December 2023.

In October 2023, we were proud to join other pioneering companies in supporting the All Aboard Alliance's Diversity@Sea programme, an initiative of the Global Maritime Forum. Our pilot vessel *MV Apia Chief* with a complement of nine (34%) female seafarers will seek to tackle some of the challenges women face at sea, including the need to make the working environment for female seafarers safer and more inclusive.

Towards a More Sustainable Future

As we look ahead, Swire Shipping remains steadfast in our commitment to continuous improvement and innovation in sustainability. We recognise that our actions today will shape the world of tomorrow, and we are fully committed to playing our part in building a more sustainable future.

I would like to extend my sincere gratitude to our seafarers, employees, partners, and stakeholders for their unwavering support and dedication to our shared sustainability goals. Together, we will continue to drive positive change and make a meaningful difference.

Thank you for your continued trust in Swire Shipping.

Jeremy Sutton

Chief Executive Officer
Swire Shipping



ENVIRONMENT

THRIVING ENVIRONMENT

Climate Footprint

Emissions Metric tonnes (t) CO₂e

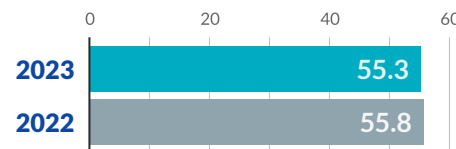
Scope 1

878,882

*Operating days increased by 21% year-on-year (y-o-y).



Scope 1 tCO₂e / vessel day



Scope 2

384

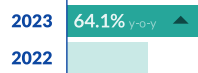


*Out of total of electricity consumed, 9.5% came from renewable sources.

Scope 3

(Air travel only)

3,928

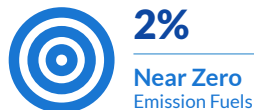


Number of Vessels Operated Over the Calendar Year



SHORT-TERM TARGET

By the end of 2027, **emissions reductions from burning 2%** of near zero emission fuels or equivalent savings from Energy Efficiency Technologies.



MEDIUM-TERM TARGET

Carbon Intensity

50% reduction of carbon intensity by 2030 compared to the baseline (2015).



Renewable Electricity

Use Renewable Electricity in offices by 2030** (where option is available).



Carbon Intensity

EEOI*

*For definition see page 15

The **energy expended** moving one unit of cargo over one nautical mile. **EEOI figure** at the end of 2023 was 2% above the target.

Carbon Intensity Indicator*

*For details see page 18

CII Ratings	Number of Owned Vessels
A	20
B	1
C	1
D	1
E	-

Emissions Reduction Savings from Energy Efficiency Measures and Technologies:

4% Based on emissions from consumed marine fossil fuels.

LONG-TERM TARGET

NET ZERO

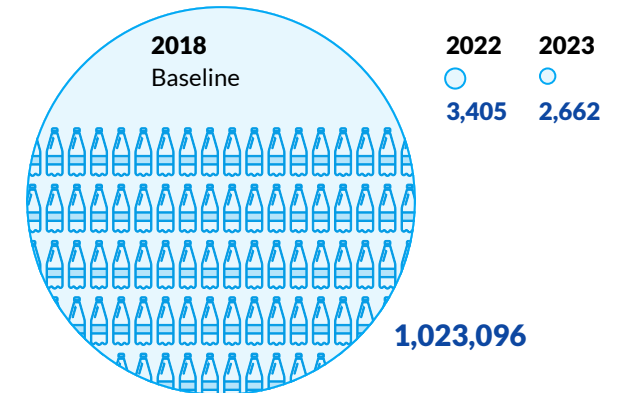
Net Zero GHG emissions for Scope 1, 2, 3 by 2050 and adoption of near zero emission fuels in the operated fleet.



Reducing our Plastic Footprint

21.82% year-on-year reduction of Single-Use Plastic Water Bottles on the vessels achieved.

Overall reduction of **99.74%** from the baseline (2018).



Zero use of single-use plastic cutlery or plastic items on vessels.

SailGreener Programme

Carbon offset of shipments via purchase of carbon credits.

Green Voyages Programme

Carbon abatement using sustainable biofuels.



Industry Leadership: working with like-minded partners to progress on its sustainability journey.

Mærsk Mc-Kinney Møller Center
for Zero Carbon Shipping

SSI
Sustainable
Shipping Initiative

**GETTING
TO ZERO**
COALITION

WORLD OCEAN COUNCIL

Ecological Impacts

No significant spills

Spills and releases to the environment

SOCIAL

THRIVING PEOPLE

Employee Health and Safety

*per million manhours

Lost Time Injury Frequency (LTIF)*



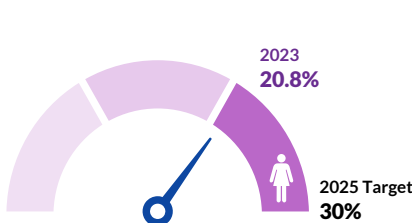
Total Recordable Case Frequency (TRCF)*



Diversity Targets

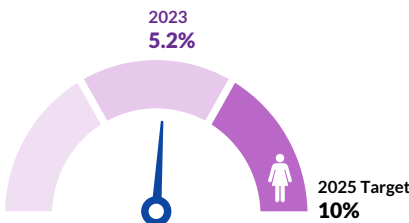
30% female senior managers by 2025

At the end of 2023 there were 20.8% female senior managers.

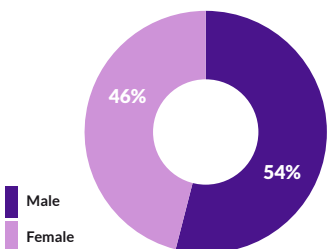


10% female seafarers by 2025

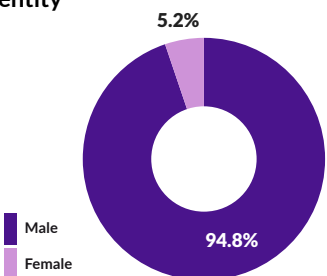
Swire Shipping had 61 (or 5.2%) female seagoing employees.



Shore-based employees by gender identity



Seagoing employees by gender identity



THRIVING PARTNERS

Number of Beneficiaries

Beneficiaries in key stakeholder communities

Over 133,000

206 shore-based employees spent 969 hours volunteering

Seafarers globally

1,890,000



Donations

Donations to charitable and non-charitable organisations

Donation in-kind (Moana Taka Partnership / pro bono / discounted shipment)

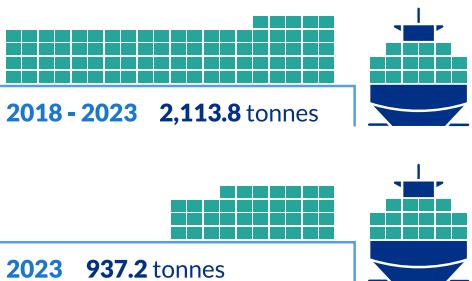
Over USD 1,500,000

Over USD 370,000

Moana Taka Partnership

937.2 tonnes of recyclable waste shipped out of the Pacific Island Countries & Territories (PICTs). Since 2018, 2,113.8 tonnes of recyclable waste have been shipped out from PICTs.

■ = 25 tonnes



GOVERNANCE

Business Ethics

Grievances

Cases related to health and safety, harassment, discrimination and breach of the Corporate Code of Conduct

14 reported
11 addressed
3 unsubstantiated

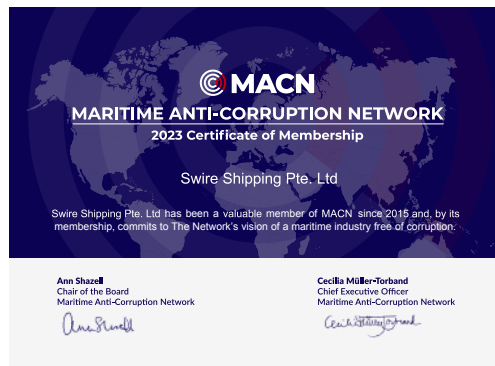
Corruption Cases

0 Cases

Fines and Sanctions

0 Sanctions
0 Fines

Maritime Anti-Corruption Network Certificate of Membership 2023



100% of employees completed governance compliance training programme.



Executive Leaders all had at least one **ESG SMART Goal**.



Sustainable Supply Chain: Framework for identifying critical suppliers established.

Our Business

The China Navigation Company (CNC Co) Pte. Ltd. started on the banks of the Yangtze River in 1872, operating a modest fleet of Mississippi-style paddle steamers. In 2021, CNC Co renamed to Swire Shipping Pte. Ltd. (Swire Shipping), reflecting the established commercial name familiar to customers. The name of the shareholding company in London - CNC Co - remains unchanged.

For over 150 years, Swire Shipping has helped customers all over the world achieve shipping and supply chain efficiencies with sustainable and innovative shipping and landside solutions. The Company's purpose is to enrich lives by connecting customers and communities around the world. It is dedicated to facilitating and growing trade in regions where it operates, and to building long-term, sustainable partnerships with its customers, suppliers and the communities it serves.

With over 3,000 shore-based and seagoing employees, and offices across 21 countries and regions, Swire Shipping facilitates trade in more than 70 countries. As a shipowner and operator, it has agencies, branches, regional offices, and subsidiaries in American Samoa, Australia, Canada, the Chinese Mainland, Fiji, Germany, Hong Kong SAR, India, Indonesia, Japan, New Caledonia, New Zealand, Papua New Guinea (PNG), Samoa, Singapore, Solomon Islands, Taiwan region, Tonga, United Kingdom (UK), United States of America (USA) and Vanuatu.



Swire Shipping connects over 400 ports via an extensive network of services in the Asia-Pacific and globally. The Company is focused on providing customers with dedicated services and expert market knowledge while maintaining a worldwide agency network in addition to its own representative offices.

Swire Shipping's significant investment in innovation and new technology underpins its commitment to deliver agile, best-in-class logistics experiences, and new customer-centric services to customers.

Swire Shipping provides specialist customer solutions for a wide range of cargo and aims to provide a full suite of land and ocean solutions. Services cover:

- High frequency liner shipping services through **Swire Shipping's 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
- **Integrated logistics** services including customs clearance, inland transportation services, and cargo management solutions, which complement its liner shipping products.

In June 2022, Swire Shipping acquired USA-based Westwood Shipping Lines Inc. (Westwood) as part of a growth strategy to widen its liner network. Westwood officially changed its name to Swire Shipping on 1st February 2024, with the aim of serving customers under one unified brand, enabling a more seamless customer experience, and leveraging synergies in containers, networks, and projects across the global Swire Shipping network to better serve customers throughout North America, Japan, South Korea, and the Chinese Mainland.

In September 2023, Swire Shipping opened its own office in Wewak, PNG, which will support both agency and integrated logistics operations in the Sepik area of PNG.

In October 2023, recognising that Japan is the largest country by throughput volume for the Company's business and to support the growth of the transpacific operations, Swire Shipping established its own office in Tokyo, Japan, bringing representation of Westwood services inhouse. This would allow Swire Shipping to better serve its Japanese customers, collaborate more effectively by leveraging local expertise, and forge stronger relationships.

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. which in turn is a subsidiary of an investment holding company, The China Navigation Company Limited. None of the abovementioned companies are publicly quoted on any stock exchange and Swire Shipping Pte. Ltd. is ultimately owned by John Swire & Sons Ltd., registered in London.

For more information, please see www.swireshipping.com

Our Values



INTEGRITY



ENDEAVOUR



EXCELLENCE



HUMILITY



TEAMWORK



CONTINUITY

Our Approach to Sustainability

Sustainability remains central to Swire Shipping's business strategy, as reflected in its vision **to be a model for safe and sustainable shipping.**

Swire Shipping has the governance structures in place together with policies and procedures to ensure that the Company is a market leader in terms of safety and quality of operations as well as meeting its sustainability commitments across Environmental, Social and Governance (ESG) areas. Priorities have been identified, which are based on the material sustainability topics that drive long-term value for Swire Shipping's business and stakeholders. Those are reflected in the Sustainability Strategy and are reported against material topics in this report.

Swire Shipping's Business Strategy identifies the following areas as being critical to its operations, with the first four included in the Sustainability Strategy (SwireShippingTHRIVE):

Swire Shipping has the governance structures in place together with policies and procedures to ensure that the Company is a market leader in terms of safety and quality of operations as well as meeting its sustainability commitments across Environmental, Social and Governance (ESG) areas.



Safety



We will operate to the highest standards of safety and implement these standards across our diversified business.

People



People are our greatest asset ashore and at sea. We will build an engaged, diverse and empowered workforce, develop talent, and make Swire Shipping a great place to work.

Communities



We will enrich the lives of our communities, recognising the sizeable role we play in the societies of the South Pacific.

Energy Transition



We will minimise our impact on the environment and be a leading supporter of the green transition.

Technology



We will deliver high quality digital experiences to our customers and our people, enabling our customers to always choose online or offline.

Sustainability Governance

The parent company's Board of Directors is the highest-level governance and oversight body and sets the strategy for its subsidiary companies. The Board's oversight responsibilities include strategy, risk management, compliance and internal audit as well as ESG-related matters.

The governance structure below the Board level is represented by the members of the Executive Leadership Team (ELT), who are responsible for decision making and overseeing the management of the Company's impacts on the economy, environment, and people.

Swire Shipping has a Chief Sustainability and Energy Transition Officer (CSETO), who is a member of the ELT, reporting directly to the Chief Executive Officer (CEO).

The Sustainability and Decarbonisation (S&D) Department manages implementation of ESG areas within the Company and has three key areas of focus:

- The **Fleet Efficiency team**: responsible for measuring and improving the efficiency of owned and chartered-in tonnage.
- The **Decarbonisation Manager**: responsible for driving current and future projects to accelerate knowledge of and engagement with alternative and future fuels supply chains.
- The **Sustainability team**: covers various ESG areas to ensure that Swire Shipping addresses all relevant ESG topics including sustainability reporting.

The S&D Department works closely with the members of the ELT on setting and implementing the Sustainability Strategy, goals, and measuring performance. There are two sub-committees: Environmental, Social and Governance (ESG), and Energy Transition in place at the ELT level that drive decision making, measure performance and ensure alignment with other business operations.

Meetings are held quarterly and on an *ad hoc* basic if required.

Two sustainability reports are prepared each year for the Board of Directors to keep them abreast of the latest regulatory requirements and the Company's progress against its sustainability priorities.

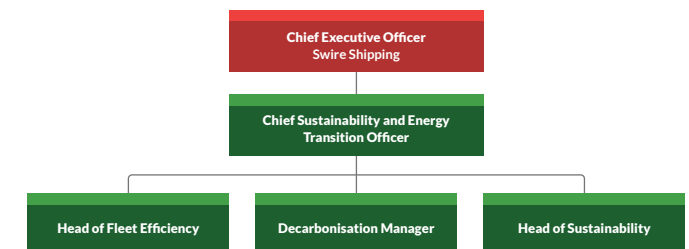
The S&D Department works together with various internal stakeholders on addressing growing ESG expectations, compliance and reporting requirements as well as to further enhance Swire Shipping's position as a sustainability leader in the industry.

To further the Company's efforts in sustainability, a network of 12 Sustainability Champions and four Ambassadors was established across various offices in 2023. It has been observed that country offices with shared resources in sustainability areas are better at communicating the right message across the organisation as well as driving sustainability initiatives and community engagement.

As they will serve as the local point of contact for all sustainability matters in different geographical locations to increase global outreach, they were offered a training programme to upskill them in various areas such as S&D strategies, decarbonisation, corporate philanthropy, sustainable office practices and more.



Sustainability and Decarbonisation Department



Addressing Concerns

Swire Shipping encourages all stakeholders to speak up and report actual or suspected improprieties in line with its Whistleblowing Policy. Concerns from both internal and external stakeholders can be confidentially reported. All reports are reviewed by the Whistleblowing Committee and investigated as needed. The Company does not tolerate retaliation for concerns raised in good faith.

Our Sustainability Policies

Swire Shipping's business activities and stakeholder relationships are guided by the following policies.



Links to these policies can be found at:

www.swireshipping.com/information/info-pages/about-us/policies

Stakeholder Engagement and Materiality

Swire Shipping identifies and prioritises stakeholders based on their interest, influence and impacts on its business activities. Key stakeholder groups can be found under “Our Key Stakeholder Groups and Areas of Concern” in the Data section of the report. A variety of communication channels are adopted to engage with key stakeholder groups suitable for their activities and levels of expertise.

Stakeholder engagement is carried out on an ongoing basis and formal materiality assessments are conducted, on average, once every three years. A structured stakeholder engagement process was undertaken in 2022 following organisational changes. See Sustainability Report for the calendar year 2022 for more information.

This report addresses 12 topics, which are highly / very highly material to the Swire Shipping business, and progress made over the calendar year 2023.

For the list of material topics and impact along the value chain, please refer to the Data section of the report.



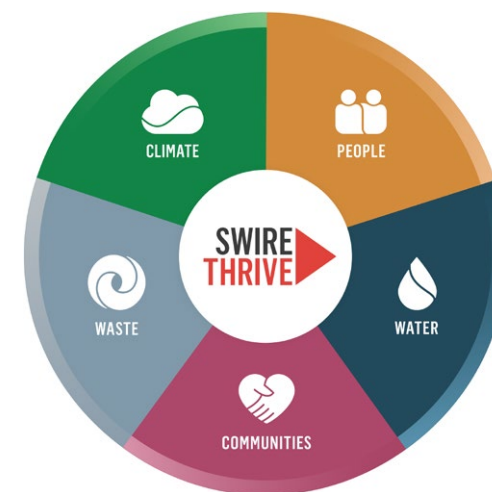
Image Courtesy of Port of Nanaimo

Sustainability Strategy and SDGs

Swire Shipping's Sustainability Strategy, “SwireShippingTHRIVE” is fully aligned with the Swire Group's Sustainability Strategy (SwireTHRIVE) and covers other areas that are material to Swire Shipping's operations. SwireShippingTHRIVE has three focus areas: Thriving People, Thriving Environment, Thriving Partners.

Short-, medium- and long-term targets have been developed and aligned with internal stakeholders and the business strategy to step up the Company's ambitions and measure performance. Progress made on achieving these targets is reported under the Highlights section on Pages 4-6.

In addition to the overarching Sustainability Strategy, the Decarbonisation Roadmap presents the actions and milestones needed to hit the long-term objective of Net Zero Greenhouse Gas (GHG) emissions by 2050. See Page 12.



Swire Shipping's sustainability focus areas are aligned with several of the United Nations Sustainable Development Goals (UN SDGs) designed to achieve a better and more sustainable future for all. The Company reports against SDG 3, 5, 8, 10, 12, 13, 14, 16 and 17. See Data section for more information.



THRIVING ENVIRONMENT

GHG Emissions Reductions and Climate Change

Shipping is crucial to the global economy. Global maritime shipping accounts for 80% - 90% of the total international trade by volume or around 70% by value¹. While shipping is an economical and energy-efficient way of transporting cargo, it produces around 3% of global CO₂ emissions. Therefore, GHG emissions in the sector must be reduced to help combat climate change.

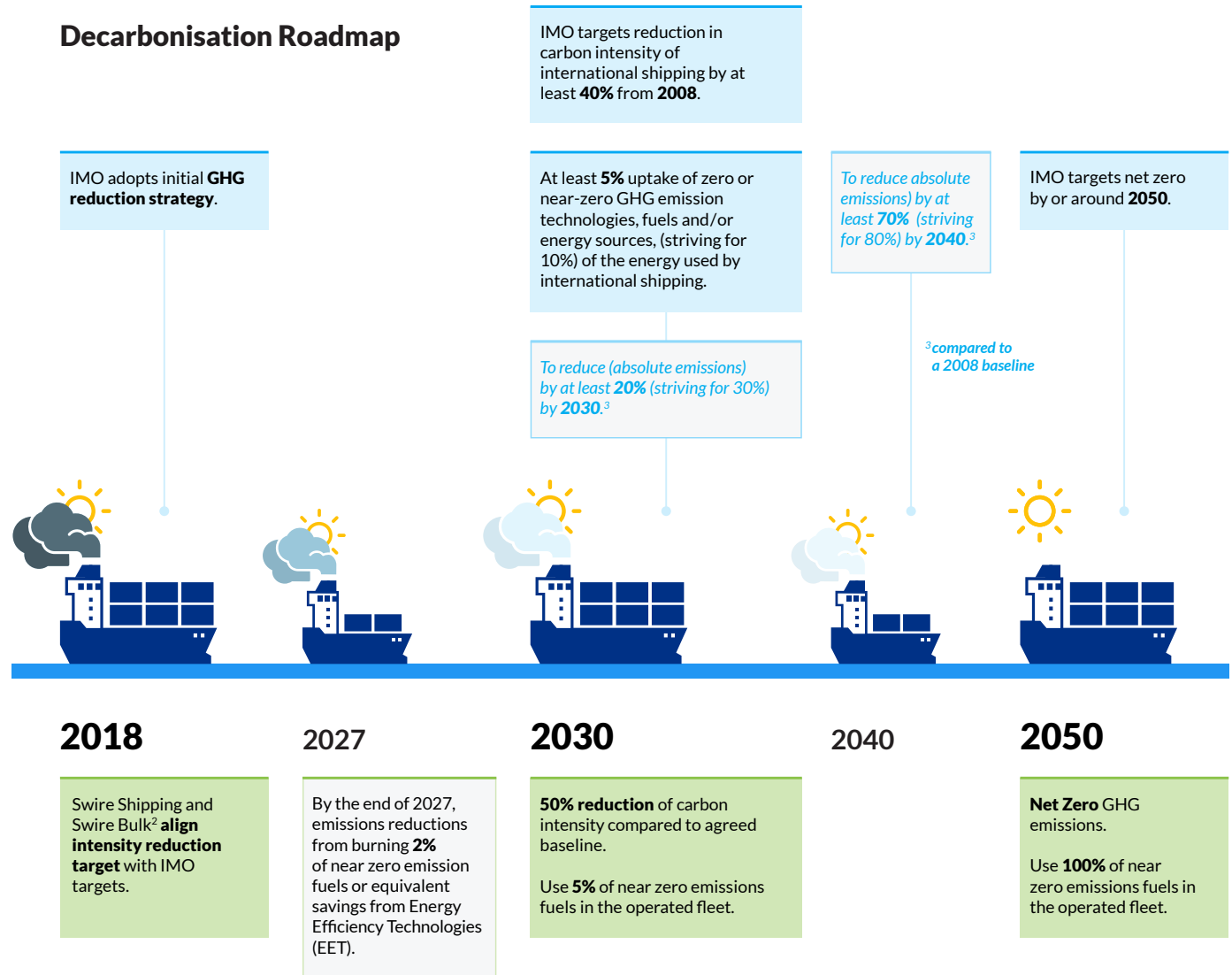
During the meeting at the Marine Environment Protection Committee (MEPC 80), the International Maritime Organisation (IMO) adopted the 2023 IMO Strategy on Reduction of GHG Emissions from Ships, with enhanced targets to tackle harmful emissions.

The revised IMO GHG Strategy includes an enhanced common ambition to reach Net Zero GHG emissions from international shipping by or around, i.e. close to, 2050, a commitment to ensure an uptake of alternative zero and near zero GHG fuels by 2030, as well as indicative checkpoints for 2030 and 2040. Swire Shipping has a Decarbonisation Roadmap that sets out short-, medium- and long-term targets to decarbonise vessel operations, which are fully aligned or more ambitious than the IMO targets. Swire Shipping will review its decarbonisation targets in 2026.

¹www.dowjones.com/professional/risk/resources/risk-blog/maritime-risks-rise

Global maritime shipping accounts for 80% - 90% of the total international trade by volume or around 70% by value.¹

Decarbonisation Roadmap



²Swire Shipping provides technical ship management services to Swire Bulk (an independent entity and the dry bulk trading division of the Swire Group).

Decarbonisation Strategy 2023-2027: 3 Pillars

FLEET EFFICIENCY

Fuel and voyage optimisation for owned and chartered-in fleet

Proactive management of environmental compliance

Use of data for continuous improvement (digitalise to decarbonise)

ENERGY EFFICIENCY TECHNOLOGIES (EET)

Identification of suitable EET
What technologies can be used to incrementally decarbonise

Optionality
How can efficiency be incrementally improved and emissions reduced through the use of new technologies

Shore Power

Carbon Capture and Storage

NEAR ZERO EMISSIONS FUELS

Fuel Strategy (2027 target)

Future alternative fuels

- Supply chain
- Geographical availability
- Price and supply and adoption

Green Corridors



Mærsk Mc-Kinney Møller Center
for Zero Carbon Shipping

Feasibility of adoption of dual fuel methanol technology fuels

Marine pilot of 3rd generation biodiesel



Key Enablers

Collaborative Platforms for knowledge sharing and research



Mærsk Mc-Kinney Møller Center
for Zero Carbon Shipping



Alliances & Synergies



Green Voyages, SailGreener



Regulatory frameworks



UK Chamber of Shipping, World Shipping Council, Getting to Zero 2030 Coalition

Scope 1**Scope 2****Scope 3****Emissions Reduction Target**

As per the Decarbonisation Roadmap
See page 12

Net Zero by 2050
Scope 2 covers electricity use in
Swire Shipping offices.

Net Zero by 2050

Near Term Target:
Use Renewable Electricity (RE) in offices
(where option is available) by 2030.

**Near Term Target
(for selected Categories only):**
Offsetting emissions from all shore-based
management and crew air travel annually, as
well as material events (in place).

**Progress**

**Progress against those targets is
detailed in this report.**

Swire Shipping's Hamburg office is 100% powered by RE and the Vancouver office is using 98% RE. The Singapore office switched to 100% RE in late 2023 using Sembcorp Power's 100% Green Energy plan. Two offices in PNG are also partially powered by RE: Port Moresby (65%) and Lae (85%).

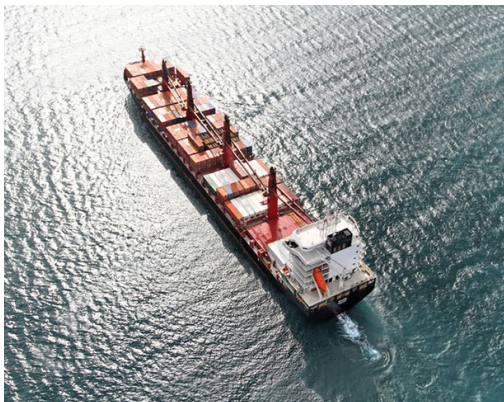
**At the end of 2023, 9.5% of electricity
consumed in offices (with 5 or more employees)
were from RE.**

The Company is committed to doing the same in
other key locations to achieve its 2030 target.

Swire Shipping worked with a third-party consultancy on estimating its Scope 3 emissions to better understand boundaries and hot spot categories.

The Company will work on:

- Better data collection of Scope 3 emissions via more accurate emissions reporting from suppliers.
- Engaging with suppliers on driving decarbonisation within the supply chain.



Over the past seven years, Swire Shipping invested in a modern environmentally responsible fleet, which allows for better fuel efficiencies, resulting in lower emissions. However, achieving a target of Net Zero GHG by 2050 will not be possible without the development of low carbon fuels, in addition to the continuous improvement of voyage and vessel performance as well as adopting EETs.

Swire Shipping is dedicated to being an active industry contributor to the development and adoption of technologies that will reduce emissions as they become available.

Energy Efficiency Operational Indicator

GHG emissions for each vessel are monitored on both a per voyage and annual basis, using the IMO Energy Efficiency Operational Indicator (EEOI) - the energy expended moving one unit of cargo over one nautical mile. In the short- to medium-term, this is considered to be the best metric, which encourages a more efficient use of the vessels. EEOI will be the primary focus for Swire Shipping when measuring energy efficiency.

Swire Shipping's EEOI target was set and reinforced with a steeper reduction requirement to align with the Company's ambition to achieve a 50% reduction of carbon intensity by 2030 and Net Zero by 2050. At the end of 2023, the weighted average EEOI figure was 2% above the target line.

The EEOI figures only include liner trades and the S&D Department is working on incorporating subsidiary companies as well as Swire Projects. From 1st January 2024, the unit of cargo carried will change to metric tonnes, to align with the industry standard.



Swire Shipping Sustainability Report 2023

Energy Consumption and Emissions

Scope 1 emissions amounted to 878,882 tCO₂ from Swire Shipping's operations.

Emissions from combusting marine fossil fuels in internal combustion engines in 2023 amounted to 99.29% of Scope 1 emissions (comprising bunker fuel / lubricant oil / escape and use of refrigerants / use of petrol and diesel in company-provided road vehicles). Total Scope 1 emissions increased y-o-y due to the increased number of operated vessels in scope (from 48 to 51). Refer to breakdown of owned and chartered-in vessels in the Data section. While absolute Scope 1 emissions increased by 19.8% in 2023, the average emissions per vessel day has reduced compared to 2022.

Scope 2 emissions (from use of commercial electrical power in shore offices) was 384 tCO₂, which is immaterial in relation to Scope 1 emissions.

Scope 3 emissions from shore-based management and crew air travel contributed 3,928 tCO₂. Those emissions are measured annually and offset.

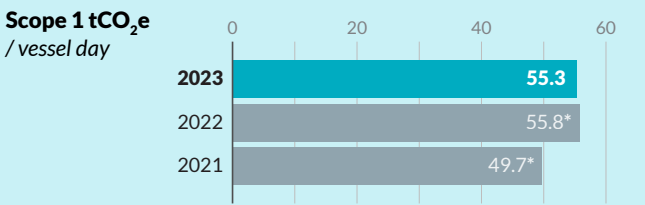
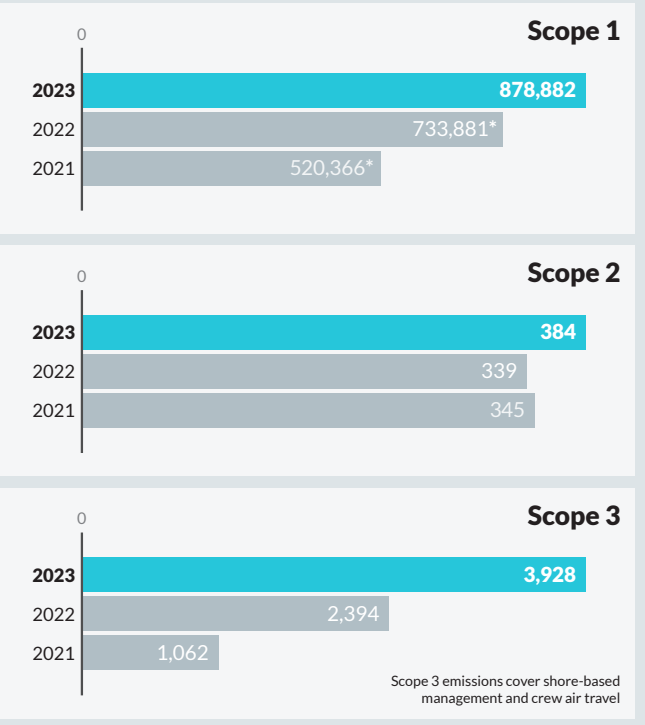
Emissions of SO_x, NO_x, Particulate Matter, Volatile Organic Compounds and Black Carbon emissions (calculated in accordance with the Fourth IMO GHG Study 2020) are also measured.

A summary of all environmental figures together with trend data is presented in the Data section of the report.

**Data has been restated (after reviewing prior year calculations) to ensure consistency and enable comparability between reporting periods.*

Swire Shipping is dedicated to being an active industry contributor to the development and adoption of technologies that will reduce emissions as they become available.

Total tCO₂e



Fleet and Voyage Efficiency

Swire Shipping is committed to making ongoing efforts to enhance fleet efficiency. Through a combination of internal Key Performance Indicator (KPI) scorecards, proactive analysis and actions together with the adoption of innovative technologies, the Company strives to minimise its environmental impact while maximising operational excellence. There are several key components to how this is achieved:

Internal Fleet Efficiency KPI Scorecards

Internal fleet efficiency KPI scorecards serve as a crucial tool for tracking and evaluating vessel performance. These scorecards are updated on a monthly basis and provide insights into fuel consumption metrics and overall operational efficiency. By comparing current performance to historical and technical benchmarks, areas for improvement are identified.

Vessels that perform below expectations undergo detailed root cause analysis to pinpoint the underlying issues and corrective actions are implemented, including adoption of new technologies. These usually include hull cleaning and propeller polishing to enhance fuel efficiency. Underwater hull inspections are carried out at regular intervals of six to 12 months. This practice ensures that hull conditions remain optimal, minimising excess fuel consumption caused by increased resistance due to fouling.

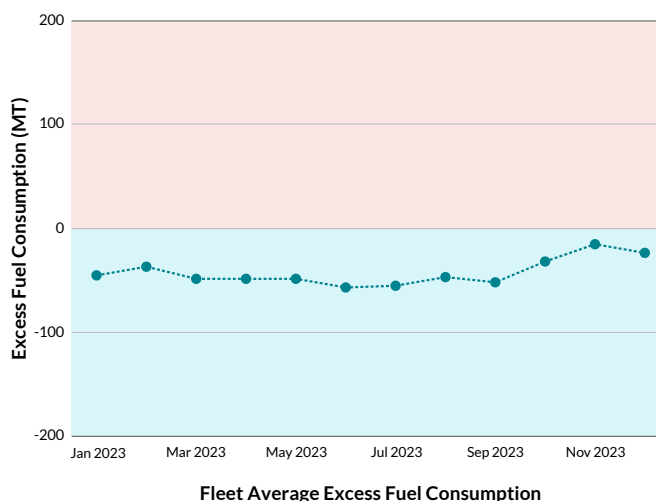
Shaping a Mindset for Fuel Efficiency and Environmental Compliance

Swire Shipping holds pre-joining briefings for Masters and Chief Engineers, covering best practices in fuel efficiency, emphasising the significance of data quality, and highlighting environmental regulations and their implications. Those briefings play a crucial role in shaping the mindset of seagoing employees and encourage them to take proactive measures to enhance both vessel fuel efficiency and environmental compliance.

Third-party Tools and Route Optimisation

Swire Shipping leverages third-party weather routing services and performance management systems to optimise voyage routes and minimise fuel consumption. By considering factors such as wind, waves and currents, emission reductions are achieved together with enhanced operational reliability.

Swire Shipping Owned Vessels



Assessment of Scope 3 Emissions

Swire Shipping worked with a third-party consultancy on estimating its Scope 3 emissions to better understand boundaries and hot spot categories. Scope 3 emissions cover indirect emissions, which are a consequence of Swire Shipping's activities but arise from sources that are owned or controlled by other organisations.

Swire Shipping's Scope 3 emissions are 41.22% out of the overall GHG inventory based on 2021 spend data. The three main material categories include:

- Category 1** Purchased Goods and Services
- Category 2** Capital Goods
- Category 3** Fuel and energy-related activities

Given the issues with estimating Scope 3 emissions based on spend, the Company aims to improve the spend-data quality in the short-term. This will include a more granular breakdown of the information with vendor locations to improve emissions estimates.

Swire Shipping also aims to engage its suppliers by asking for goods and services-specific emissions data, with a focus on the most material Category 1 spend areas, and Category 2 Capital Goods, especially when it comes to building new vessels. Engagement will also be required to tackle Category 3, to seek a better understanding of the upstream emissions associated with fuel consumption.

The Company will not be setting interim Scope 3 reduction targets until it is confident that the spend-based approach is as standardised as possible and improvements can be driven through supplier data collection and emission reduction targets within the supply chain.

Vessels that perform below expectations undergo detailed root cause analysis to pinpoint the underlying issues and corrective actions are implemented, including adoption of new technologies.

Energy Efficiency Technologies

In 2023, Swire Shipping continued enhancing energy efficiency on vessels. This was done by evaluating and implementing application of EETs available in market such as silicone-based hull coatings, which significantly improve hull performance by reducing water resistance. Unlike traditional hull coatings, these silicone-based coatings create a smooth, low-friction surface that resists fouling organisms adhering to the hull. Swire Shipping has successfully applied this coating to over 10 vessels.

Efforts from Energy Efficiency Measures and Technologies resulted in 10,984 metric tonnes of fuel savings, which translated to the avoidance of 34,611 tCO₂ emissions during 2023.



Hub Vortex Absorbed Fins

Hub Vortex Absorbed Fins were installed on MV *Vanuatu Chief* during docking. The Computational Fluid Dynamics simulation was carried out to predict the performance and estimated the energy saving to be around 3% for this particular hull form.

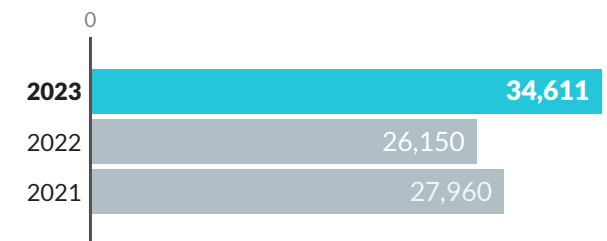
Welding seam solution to reduce emissions and costs

Swire Shipping's Fleet Services team introduced a welding seam smoothening solution which was applied on MV *Vanuatu Chief*. External hull underwater vertical welding seams were coated with specialised epoxy material with very high sag resistance and good flowability. This product should help to achieve up to 2.5% fuel savings.

This solution is a part of larger initiative for complete hull and propeller silicone paint application, which ensures further energy savings and excellent antifouling protection.



Emissions avoided as a result of Energy Efficiency Measures and Technologies tCO₂





Energy Efficiency eXisting ship Index and Energy Efficiency Design Index

Energy Efficiency eXisting ship Index (EEXI) is an extension of the Energy Efficiency Design Index (EEDI) regulation. Originally, the EEDI applied to newbuilding vessels with building contracts placed after September 2015. However, as of 2013, it is now retroactively applied to all existing vessels, regardless of the delivery year.

This regulation assesses the CO₂ emissions when a vessel operates at 75% Main Engine (ME) power and 70% deadweight (DWT) (specifically for container ships). The measurement unit is grams of CO₂ per tonne-mile (gCO₂/tonne-mile).

Among Swire Shipping’s owned vessels, only two have been equipped with Engine Power Limitation to comply with this regulation. Over 90% of the fleet is highly efficient and does not require any additional measures.

Furthermore, with additional steps taken to ensure fleet efficiency, Swire Shipping’s EEXI is over 30% better than the EEDI / EEXI benchmarks set by the IMO.

Carbon Intensity Indicator

Swire Shipping’s proactive approach to managing its Carbon Intensity Indicator (CII) ratings further demonstrates its commitment to reducing GHG emissions. By monitoring vessel performance and implementing targeted strategies to optimise fuel consumption, the Company strives to achieve and maintain high CII ratings, thereby contributing to its sustainability goals and regulatory compliance.

Unlike EEXI, which applies to specific conditions (75% ME power, 70% DWT), CII represents a vessel’s actual operational efficiency. The IMO uses the Annual Efficiency Ratio (AER) as the CII measure, expressed in gCO₂/tonne-mile.

Annually, vessels receive AER ratings from A to E, with A being the best. This rating is derived by comparing vessel performance against a decreasing CII reference line. Key factors affecting AER include vessel speed, fuel consumption, and distance travelled. Swire Shipping proactively monitors and manages AER, adjusts vessel speed and minimises waiting time in order to achieve high CII ratings.

CII Matrix

CII Ratings	Number of Owned Vessels*
A	20
B	1
C	1
D	1
E	-

Swire Shipping reports energy efficiency and GHG emissions in compliance with the European Union (EU) Monitoring, Reporting, and Verification (MRV) requirements and the IMO Data Collection System. As of 1st January 2024, the EU MRV encompasses reporting of methane (CH₄) and nitrous oxide (N₂O), two additional GHGs emitted by vessels.

*Four owned vessels that were transferred from Westwood following the integration process in mid-2023 were excluded.

.....

Swire Shipping’s proactive approach to managing its Carbon Intensity Indicator (CII) ratings further demonstrates its commitment to reducing GHG emissions.

EU Emissions Trading Scheme and FuelEU Maritime

The EU legislative bodies have reached an agreement to include shipping in the EU Emission Trading Scheme (ETS) with effect from 2024. This will be the first significant programme in which the sea transport value chain will have to pay for its carbon emissions. This is a part of the “Fit for 55” package to contribute to the EU’s climate goal of reducing net GHG emissions by at least 55% by 2030 and reaching climate neutrality by 2050.

A provisional agreement of the FuelEU Maritime regulation was reached in March 2023. The initiative aims to increase the demand for renewable and low carbon fuels and reduce GHG emissions in the maritime sector. It sets targets on the GHG intensity of energy used on board by ships from 2025. The revenues generated from penalties under this regulation will be allocated to support maritime decarbonisation.

FuelEU Maritime will apply in parallel with the EU ETS. Shipping companies must comply with the FuelEU Maritime and at the same time surrender the required EU allowances under the EU ETS. These two regulations jointly work to put maritime transport on the trajectory of the EU’s climate targets for 2030 and 2050. One of the major differences between both regulations is that FuelEU Maritime considers Well-to-Wake emissions (life cycle emissions) while the EU ETS only considers Tank-to-Wake emissions (onboard emissions only). Processes have been put in place to comply with the EU ETS in 2024 and the FuelEU Maritime in 2025 (for applicable vessels).



Our Contribution to Decarbonisation in Shipping

Use of Sustainable Biofuels

As a drop-in fuel, biofuel provides a feasible solution for maritime decarbonisation, although with limited supply and higher costs. IMO approved an interim guidance on the use of biofuels in July 2023 in MEPC 80, which came into effect on 1st October 2023. This helps to further encourage the use and supply of biofuels for maritime transport.

Swire Shipping has been developing a carbon abatement programme (Green Voyages – see Page 20), which can provide GHG emission savings to customers by using sustainable biofuels. This programme will be offered in 2024. The biofuel supply and availability in geographies where Swire Shipping operates, is being discussed with various biofuel suppliers including Argent Energy (a waste-based biodiesel producer and part of the Swire Group).

Identifying Suitable New Technologies

EETs are continually evaluated and deployed including twisted leading-edge rudders with bulbs, optimised propellers, premium anti-fouling coatings, optimised bow designs, trim optimisation integrated with loading computers and improved hydrodynamic efficiency.



An innovation fund was set up in 2023 to trial / pilot novel EETs to reduce vessel emissions. This is an annual fund set as a function of the amount of fuel consumed in the prior year and represents a significant investment by the Company.

Global Collaborations

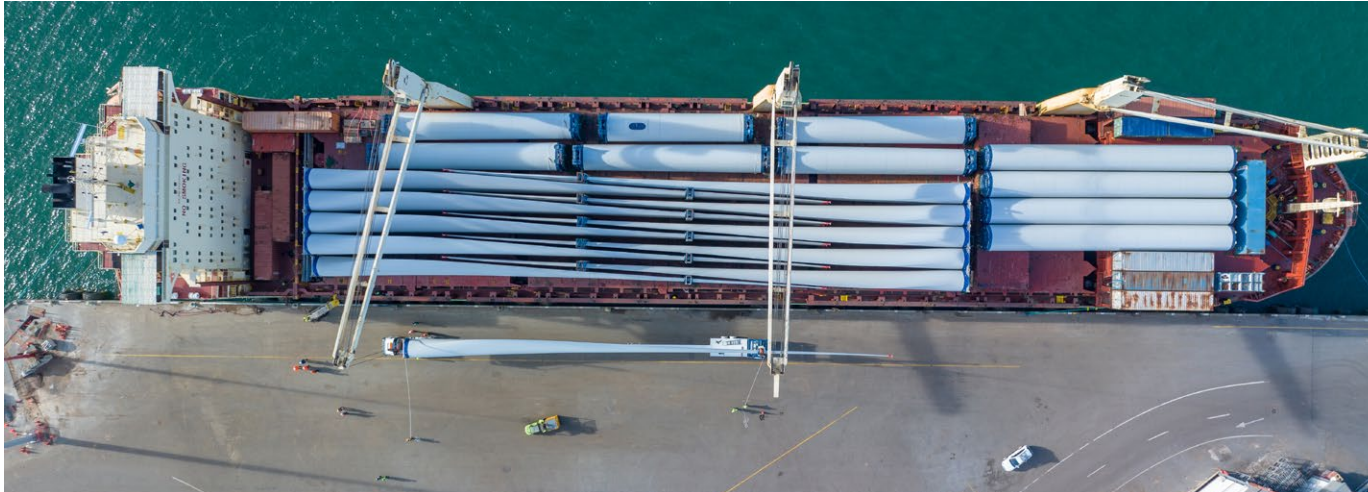
Swire Shipping is a signatory to the *Getting to Zero 2030* Coalition and is committed to working on the long-term ambition to fully decarbonise its operations. The Company is engaging with alternative fuel producers, new technology companies, engine manufacturers, ship designers and other stakeholders to evaluate and subsequently adopt measures that will drive Swire Shipping towards its decarbonisation ambitions.

Swire Shipping’s parent company, John Swire & Sons Ltd., is a strategic partner of the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping* (MMMCZCS). Members are collectively addressing ways to advance the industry’s journey in Energy Transition either through policy, research on new fuels, designs and technology, research on availability of new fuels and exchanging views on sustainable practices at an industry level. [*www.zerocarbonshipping.com](http://www.zerocarbonshipping.com)

In 2023, Swire Shipping had three individuals seconded to the MMCZCS. Swire Shipping’s secondees made substantial contributions to an array of projects and studies, ranging from the development of a Maritime Book and Claim system, to FuelEU-related solutions and Green Corridors amongst others. Swire Shipping is also represented on the Research and Development (R&D) Board of the MMCZCS.

The Maritime Book and Claim system has the potential to fast-track the decarbonisation of the shipping industry by connecting companies with green ambitions, allowing them to share costs and decarbonise the shipping sector together. The study of FuelEU-related solutions looked at areas such as pooling vessels to incentivise the use of renewable and low carbon fuels, and the standardisation of onshore power.

The Swire Shipping team also provides ongoing support to the MMCZCS on studies related to EETs, and is actively participating in MMCZCS-led pre-feasibility and feasibility studies of potential maritime Green Corridors across the Pacific.



Swire Shipping remained active members of the Sustainable Shipping Initiative (SSI) and World Ocean Council (WOC) in 2023.

Task Force on Climate-related Financial Disclosures

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 a framework to help companies disclose climate-related risks and opportunities as well as to identify potential financial impacts they may face due to climate change.

Swire Shipping participated in a series of workshops (supported by John Swire & Sons Ltd.) with third-party consultants to assess the relevant climate-related risks and opportunities. A number of risks were identified, and most significant risks will be a part of the wider Enterprise Risk Management Assessment and monitored regularly by the Company and at the Group level.

Offsetting Carbon Emissions from Operations

Carbon offsetting involves financing reductions of emissions in other entities to balance CO₂ emissions from the company's own operations. Electricity used in all of Swire Shipping's offices (Scope 2 emissions) is offset (in accordance with the Carbon Offsetting Policy), together with air travel undertaken by shore-based and seagoing employees, as well as events organised and sponsored by Swire Shipping (part of Scope 3 emissions).

Swire Shipping will offset 4,330 tonnes of CO₂ using the Fly Greener programme for emissions in 2023.

Emissions are offset through Cathay Pacific's Fly Greener Programme. The emissions are offset through four different projects: cookstoves replacement in Bangladesh; solar water heating in India; household biodigesters; and solar-powered cookers in Mainland China. These projects are certified under the Gold Standard to ensure that they are verifiable, credible and make a difference to local communities and the environment.

Offsetting is not an equal substitute for emission abatement and the primary focus remains on reducing emissions by abatement in accordance with the Decarbonisation Roadmap.

Zero Carbon / Zero Waste Events

Carbon emissions generated by material events and conferences organised and sponsored by Swire Shipping, are tracked, and offset following the zero waste and zero carbon events procedure. The aim is to increase overall awareness and reduce emissions associated with events. Work will continue with internal and external stakeholders on making those events carbon-neutral and waste-free.



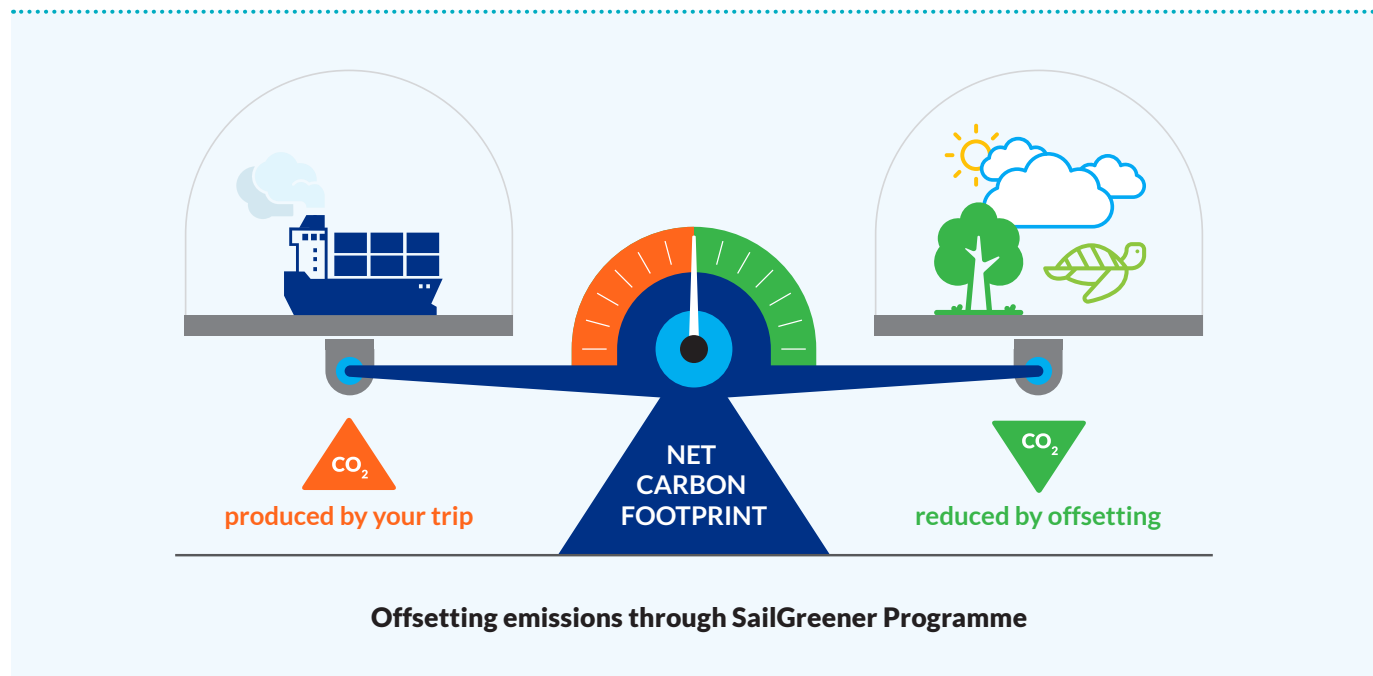
2023 Carbon Offset Certificate

SailGreener

SailGreener is a programme through which Swire Shipping offers its customers an opportunity to offset the carbon footprint of their shipment(s) by contributing to projects that reduce or prevent carbon emissions as well as deliver economic, community, and social benefits. This will result in a carbon-neutral shipment. All carbon credits are purchased in partnership with Cathay Pacific's Fly Greener programme.

For more information, please visit:

www.swireshipping.com/calculateCarbonEmission



Swire Shipping Green Voyages Programme Carbon Abatement

Swire Shipping has committed to reducing its footprint to Net Zero GHG by 2050 and is looking to provide pathways for customers to reduce their carbon emissions through practical, verifiable and cost-effective means.

The Swire Shipping Green Voyages programme will offer customers the ability to abate the carbon emissions of their cargoes by using sustainable biofuels. A certificate of emission savings to customers will be provided and assured by a third-party verifier.

Swire Shipping has committed to reducing its footprint to Net Zero GHG by 2050.

Marine Biodiversity and Pollution Prevention

Over the past decade, the shipping industry has taken steps to safeguard marine ecosystems. These measures include establishing frameworks to protect biodiversity through proper ballast water release, applying anti-fouling paint to prevent invasive species spread, minimising harm to marine life, and reducing chemical, oil, and plastic pollution.

The various inputs to operations (such as fuel, paints, ballast water, food and packaging, cargo packing materials, lubricant oil and chemicals), while vital to operations and improving vessel efficiency, can also result in negative impact on the biodiversity in the areas where Swire Shipping operate. The Company aims to ensure that best practices are implemented on board, and all relevant regulations are complied with.

Swire Shipping addresses this material issue through three main areas:

Policies and Governance

Swire Shipping has a number of policies in place (e.g. Biodiversity, Environmental, and Sustainable Development Policies), which provide the framework for reducing Swire Shipping's environmental impact and impacts on biodiversity under its influence.

The Company 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 and atmospheric emissions, while BAP looks at the Ecologically and Biologically Significant Marine Areas and Particularly Sensitive Sea Area.

Swire Shipping has in place a Responsible Cargo Carriage Policy, which covers carriage of flora and fauna, illegal wildlife products, unsustainable food, live animals, forest products and ivory, among others. Training is provided to agents, who are encouraged to ask questions when they are dealing with one of the above-mentioned cargo categories.

Swire Shipping continues to work with World Wide Fund (WWF) for Nature on implementing "The Red Flag Compendium for Wildlife and Timber Trafficking in Containerised Cargo". The Compendium details the warning signs of corruption, smuggling and other related crimes, and outlines red flags and additional tools to identify prolifically trafficked CITES-listed species.

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 illegal wildlife trafficking. Swire Shipping continues to look for opportunities to work with other organisations to end wildlife crime.

Swire Shipping has a number of policies in place which provide the framework for reducing Swire Shipping's environmental impact and impacts on biodiversity under its influence.



Tackling Wildlife Trafficking in the Maritime Sector

Swire Shipping is partnering with WWF Hong Kong to tackle wildlife trafficking in the maritime sector. With only 2% of containers physically examined by customs, technology solutions are crucial for stronger port screening and combating illegal wildlife trafficking.

This global initiative is looking at a Proof-of-Concept technology, which will serve as an industry-wide cargo screening solution for wildlife shipments. The project will establish a database for the industry to identify Illegal Wildlife Trade (IWT) products at cargo booking stage to ensure basic level of compliance and consistency for IWT screening by shipping companies.

Swire Shipping will continue to further evaluate nature-related risks and opportunities and address them within its policies, business operations, and through various projects.

Business Operations

The shipping industry follows regulations with regards to environmental violations and any incidents are immediately reported to the authorities. The Company has a whistleblowing procedure in place to report any environmental violations.

Swire Shipping evaluates and aims to reduce potential negative impact on the biodiversity in operations through the following initiatives:

- **Innovative Hull Coating with Reduced Biocide:** the Company invested in advanced technologies for hull coating that not only reduce hydrodynamic friction but also contain lower biocide content than traditional coatings. For example, anti-fouling paints release 95% less biocide, minimising harm to marine life while improving hydrodynamic performance.
- **When navigating through marine protected areas or regions with conservation status,** the Company fully adheres to all relevant local laws and regulations, and also voluntary guidelines. This often involves slow-steaming or the use of ultra-low sulphur fuel to safeguard marine biodiversity and reduce emissions.
- **Oily Water Separators:** Since 2014, Swire Shipping has been utilising five parts per million (PPM) filters in its newbuild vessels for bilge water and other allowable releases, exceeding the industry standard of 15 PPM.
- **Use of Ballast Water Treatment Systems (BWTS):** vessels have been equipped with BWTS technologies, such as ultraviolet BWTS and Electro Chlorination BWTS, to meet the required IMO and USA Coast Guard standards. This ensures the prevention of bio-contamination from the release of untreated ballast water.
- **Reduction in Single-Use Plastic** (See "Reducing Plastic Footprint" section for more information).
- **Energy Efficiency and Environmental Technologies:** continual exploration of EETs that includes hull modifications, pre-swirl fins-based energy saving devices and other innovative technologies that contribute to overall GHG reduction.
- **Voyage and vessel optimisation** to achieve emission reductions.

The Company is also committed to sustainably recycling its vessels at the end of their economic lives to minimise the environmental impact.

Projects

Swire Shipping is an active participant in voluntary programmes to protect biodiversity:

- **Port of Long Beach's Green Flag Programme:**
This programme aims to reduce air pollution by voluntarily reducing vessel speed, contributing to cleaner air in the area. Vessels slow down to 12 knots within 20 or 40 nautical miles of Point Fermin. In 2023, Swire Shipping achieved 100% Compliance with the Green Flag Programme.
 - **Vancouver Fraser Port Authority's: Enhancing Cetacean Habitat and Observation (ECHO) Programme:**
This initiative seeks to reduce underwater noise generated by vessels to support the recovery and survival of endangered southern resident killer whales. The speed reduction applies to Haro Strait, Boundary Pass and Swiftsure bank areas. Vessels are expected to slow down to 11 knots or less.
 - **Protecting Blue Whales and Blue Skies Programme** (implemented for the Southern California Region and San Francisco and Monterey Bay regions): vessels slow down to speeds of 10 knots or less to reduce air pollution, prevent fatal strikes on endangered whales, and minimise ocean noise.
- In 2023, Swire Shipping received the Sapphire Award for the fifth consecutive year under the Blue Whales and Blue Skies Programme*.

*<https://www.bluewhalesblueskies.org>

Other projects that have positive environmental and biodiversity impacts include:

- **Moana Taka Partnership**
- **Recycling on the Go**
- **Partnership with Endangered Species International**

See Thriving Partners section for more information.



In 2023, Swire Shipping received the Sapphire Award for the fifth consecutive year under the Blue Whales and Blue Skies Programme.*

Recycling and Disposal of Materials

Swire Shipping seeks to minimise the amount of waste generated during operations and ensure the safe and responsible disposal of waste. The prevention of pollution by solid waste from ships is regulated by The International Convention for the Prevention of Pollution from Ships (MARPOL) Annex V, which prohibits the discharge of most waste into the sea. Waste accumulated aboard vessels is disposed of at designated port reception facilities and, where port facilities allow, waste materials are recycled as much as possible. All disposal of waste is recorded, and only qualified contractors are used.

A project was initiated in 2023, looking at the main waste disposal ports in Swire Shipping's network, and a database recording what type of waste is recycled in what ports was created. The next phase is to divert waste (where possible) to the ports with better recycling facilities.

In the offices, recycling bins are placed throughout and e-waste bins are provided in countries with dedicated facilities for e-waste recycling. Recycling efforts are monitored regularly. Eco-Office certification is in place for the Singapore head office and employees are regularly engaged in environmental education and activities. All waste is disposed of through licensed recycling companies.

Since vessels produce only hotel waste during their operations and waste generation in offices has been reduced as much as possible, the most material areas are recycling of vessels at the end of their economic lives and reduction of Single-Use Plastic (SUP) used on board.

Swire Shipping believes that the sustainable recycling of ships is the most sustainable, safe and environmentally responsible way to manage ships at the end of their commercially viable lives.



Sustainable Ship Recycling

Swire Shipping believes that the sustainable recycling of ships is the most sustainable, safe and environmentally responsible way to manage ships at the end of their commercially viable lives. Its Sustainable Ship Recycling Policy states that all ships should be recycled in a sustainable, safe, and environmentally sound manner at the end of their economic lives.

Since 2015, the Company has adopted the relevant provisions of the IMO's Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships. A Compliance Monitoring Team is appointed to ensure demolition work follows all regulatory requirements.

16 owned ships have been recycled over the past 11 years. There were no vessels recycled in 2023.



Sustainable Offices

Swire Shipping's head office has held the Singapore Environment Council's Eco-Office certification since 2012. Certification involves an assessment of energy management, water management, resource and waste management and more.

The Singapore office has maintained the top tier Elite Eco-Office certification for implementing effective environmentally responsible practices and increasing eco-consciousness among employees. There is also a framework in place to assist regional offices with establishing similar practices. This is driven by Sustainability Ambassadors and Champions.

All Swire Shipping offices are encouraged to consult the Sustainable Office Guidelines and incorporate environmentally responsible practices into any planned office refurbishment or renovation projects.

Reducing Plastic Footprint

Marine plastic and microplastic pollution are harmful to marine biodiversity and human health. Around the world, billions of SUP water bottles are used just once and then disposed every year. Of these, only 9% are recycled, resulting in close to eight million tonnes of plastic leaking into the oceans and aquatic environments annually. Therefore, in 2018, Swire Shipping set a goal to reduce SUP water bottles on board owned vessels to zero.

Under national flag regulations, shipowners must provide potable water. Swire Shipping owned vessels produce potable water through reverse osmosis from seawater. The reverse osmosis units installed on board ensure that high-quality water is available for the crew. Individual reusable water bottles are provided to encourage seafarers to “say no to single-use plastics”.

Swire Shipping also signed the IMPA SAVE pledge, an initiative launched under the International Marine Purchasing Association (IMPA) where shipowners, ship managers, and shoreside suppliers pledge to significantly reduce or remove SUP bottles from their operations. Over 15% of global maritime industry players have committed to this goal.

During 2023, work continued on reducing the number of SUP water bottles consumed across the fleet with a further 21.8% y-o-y reduction achieved.

This brings the overall reduction in SUP water bottles used on board the Swire Shipping owned fleet to 99.74% between 2018 (baseline year) and 31st December 2023.

Since the ban of SUP cutlery in 2022, the overall amount of SUP items purchased reduced to zero.

Swire Shipping further **eliminated the use of SUP items** such as plastic bags and cellophane wrapping foil on vessels. Plastic trash bags were replaced with biodegradable options and cellophane food wrappings were replaced with aluminium foil.

Single-Use Cutlery: ZERO
Purchased Quantity in 2023

Plastic Items: ZERO
Purchased Quantity in 2023



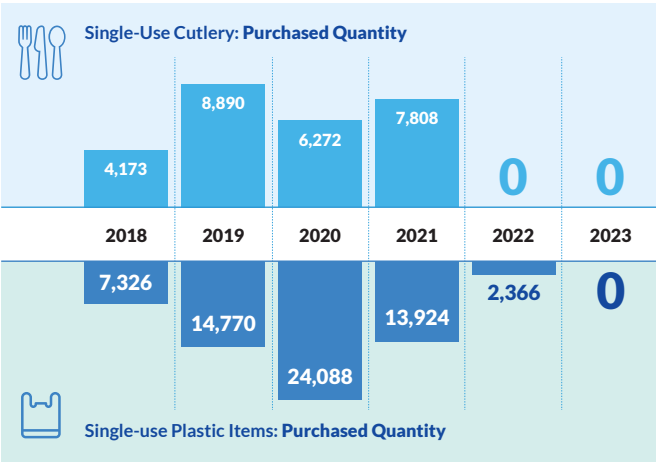
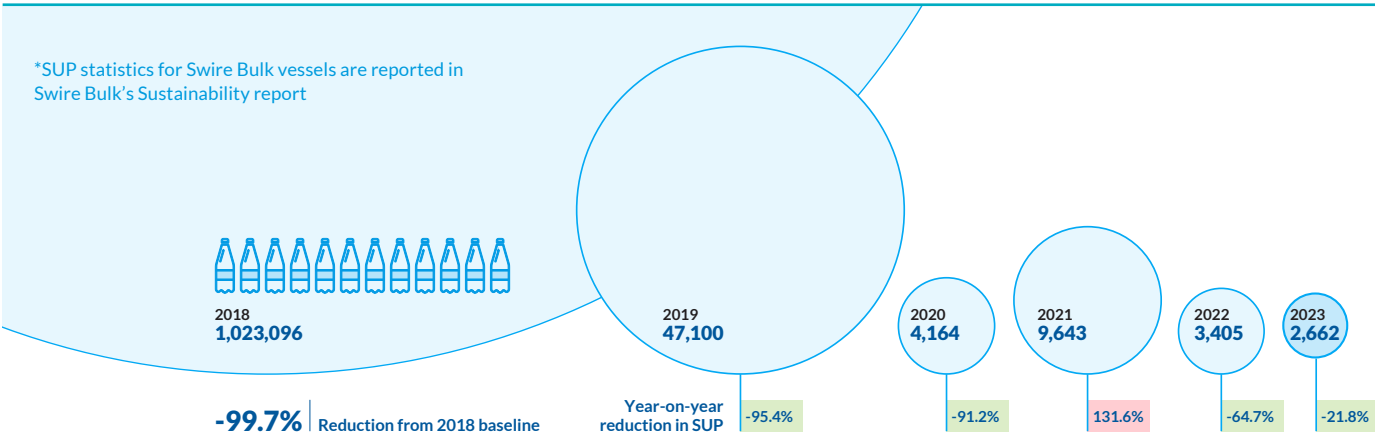
The journey towards eliminating SUP within the Swire Shipping fleet is a significant contribution towards protecting oceans and working together to achieve **SDG 14** (Life Below Water), which aims to have sustainably managed marine and coastal ecosystems free from pollution.

Ashore, employees are encouraged to reduce their SUP footprint by switching to reusable and more environmentally responsible options. The goal is to eliminate SUP from company-organised events and this requirement has been incorporated into the “How to run a Sustainable Event” procedure.

Furthermore, under the *Moana Taka Partnership* (MTP), Swire Shipping enables private sector companies to move recyclable waste out of the Pacific Island Countries and Territories (PICTs) where it is accumulating, to countries with competent recycling plants. The Company thus helps to resolve a long-standing environmental and social issue.

Please see “Moana Taka Partnership” and other waste recycling projects in the Pacific Islands under Thriving Partners section.

Since the ban of SUP cutlery in 2022, the overall amount of SUP items purchased reduced to zero.



THRIVING PEOPLE

Diversity, Equity and Inclusion

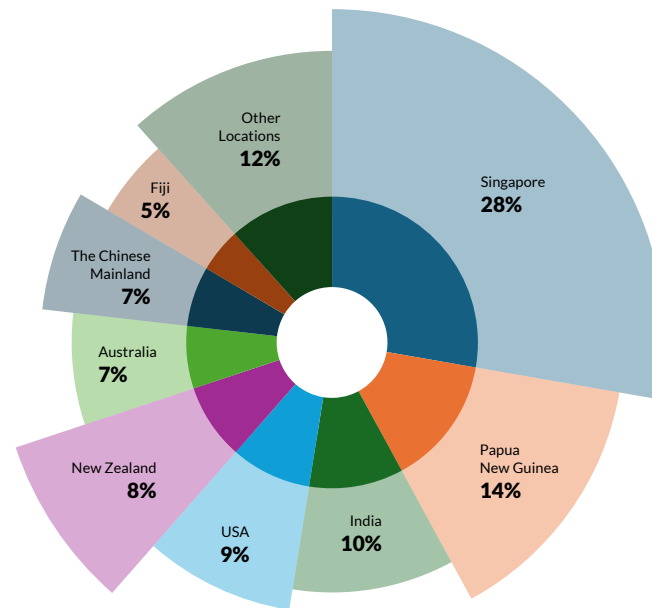
Swire Shipping offers an environment for all employees to thrive, regardless of gender, ethnicity, culture, religion, sexual identity and any other dimensions. For a multinational shipping company, with employees from across 52 countries and regions, having an inclusive, cohesive and supportive culture is the key to the Company's continued sustainability.

Swire Shipping promotes equal employment opportunities and is committed to removing biases and ensuring equitable opportunities for all. Policies, such as Corporate Code of Conduct (CoC), Diversity and Inclusion, Respect in the Workplace, Recruitment, Promotion, and Flexible Working Arrangements, further embed diversity and equality of treatment and opportunity into all operations.

As at the end of 2023, Swire Shipping employed 3,128 people around the world. 1,186 being shore-based employees, while 1,942 were seagoing employees. Swire Shipping provides manning services to Swire Bulk (an independent entity and the dry bulk trading division of the Swire Group). In 2023, 774 seafarers were working on Swire Bulk vessels.

For a multinational shipping company, with employees from across 52 countries and regions, having an inclusive, cohesive and supportive culture is the key to the Company's continued sustainability.

Shore-based employees by key location*

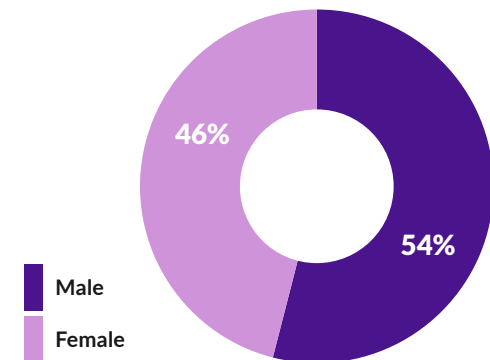


*Key location is defined as having over 5% of global employee count

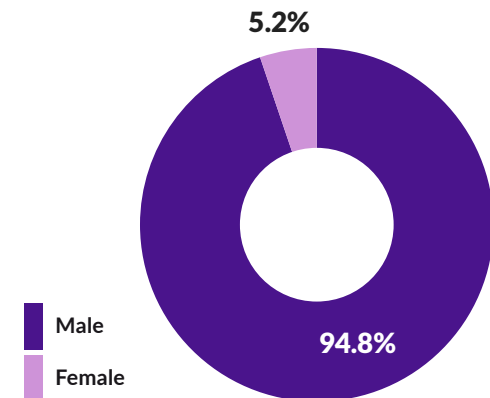
Seagoing employees come from 30 countries and regions while shore-based employees come from 42 countries and regions around the world.

In 2023, the gender split was consistent with past years. 46% of shore-based employees identified as female, while 54% of employees identified as male. The Company acknowledges that gender is a spectrum and there is a range of gender identities between and outside of the categories of male and female.

Shore-based employees by gender identity



Seagoing employees on Swire Shipping vessels by gender identity



Note: "Other" gender identity category was zero.

The Board of Directors comprised seven members: six male and one female. The ELT was comprised of six males and two females*. The Chief Digital Officer position was vacant as at 31st December 2023.

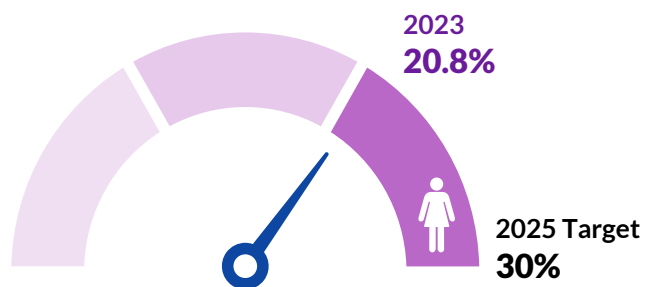
*One ELT member is a shared resource between Swire Shipping and Swire Bulk.

Swire Shipping has a KPI of achieving increased gender diversity by having 30% female senior managers by 2025. At the end of 2023, 20.8% were female senior managers (slight decrease from 21.8% in 2022).

At the Country / Regional Managers level, there were four (27%) female Country Managers.

As a progressive employer, Swire Shipping strives to create an open and inclusive environment where all employees can feel respected and valued. In Singapore, the Company was accredited by the Tripartite Alliance for Fair and Progressive Employment Practices as an Adopter of the Tripartite Standards on Work-Life Harmony and Age-friendly Workplace Practices. This is in addition to the accreditations received in 2022 on Grievance Handling and Flexible Work Arrangements. These Standards represent a set of good employment practices recognised by government, unions and employees in Singapore.

Female Senior Managers Diversity Target



The Company currently has four focus areas under Diversity, Equity and Inclusion (DEI) - gender, sexual orientation, accessibility (including neurodivergent persons and those with disability) and multigenerational workforce.

In 2023, the Company set up a Gender Equity Working Taskforce to develop a three-year gender equity strategy to increase female representation within the Company, in particular, at senior leadership level. The gender equity strategy consists of five pillars across multiple workstreams. The key pillars are:

- Promoting awareness around gender equity;
- Policy changes and governance;
- Talent management and acquisition;
- Rewards and benefits; and
- Infrastructure support.

To further embed DEI in the Company, work is being driven by two Employee Action Groups (EAGs) - the Gender Equality and Empowerment Group (GEEG) and the Pride and Allyship Group.

Swire Shipping believes that education is key to providing awareness around inclusive behaviour. Currently, there are two proprietary training programmes: Launchpad and Unconscious Bias Launchpad. Launchpad is an introductory course on what DEI stands for and why it matters to the Company. The Unconscious

Bias Launchpad helps employees become more aware of the unconscious biases and shares practical techniques for acting more consciously and objectively. Employees who attended sessions in prior years are encouraged to go through yearly refresher sessions.

In addition to Launchpad and Unconscious Bias Launchpad, the DEI Department regularly hosts webinars / events to provide further education on other aspects of DEI, including neurodiversity, disability and mental health.

Supporting Women in Maritime

Swire Shipping continues to encourage and support the growing role of women in maritime by creating a culture where women feel safe and supported. By implementing policies and procedures along with strong commitment from senior management, the Company is actively integrating DEI principles into its operations, with a focus on seagoing employees. Additionally, Swire Shipping is aligned with IMO's efforts to increase female representation within the shipping industry.

While women make up only an estimated 2% of the world's maritime workforce,* Swire Shipping has set a target to have 10% female seafarers by 2025. In 2023, there were 61 (or 5.2%) female seagoing employees (an increase from 4.5% at the end of 2022).

*Source: www.itfseafarers.org/en/issues/women-seafarers

International Women's Day

Every year International Women's Day is celebrated in March. It serves as a call to action for accelerating gender parity. In 2023, the global campaign theme was #EmbraceEquity to bring attention to why equal opportunities are not enough and why equal is not always fair since everyone starts from different places.

GEEG hosted two fireside chats with women across the Company. They shared their stories including how working mothers may require more support in the workplace. Other local offices arranged talks and activities to acknowledge women's contributions in business.



Swire Shipping has introduced several initiatives to attract and retain more female seafarers. These range from investing in training and providing sea time for female cadets to ensuring a safe work environment free from bullying and harassment. Females are actively encouraged to apply for positions, and the Company has implemented gender-neutral recruitment, selection, and promotion practices. These practices have also been effectively communicated to the manning agencies with whom Swire Shipping works.

The Company also conducts prevention of harassment training and provides grievance and confidential reporting lines accessible 24/7. These resources support the crew's health and wellbeing and provide specific support in cases of sexual assault, abuse, bullying or harassment. Under the partnership with the Global Maritime Forum (GMF), Swire Shipping joined the All Aboard Alliance Diversity@Sea pilot initiative to address DEI in the maritime industry. The pilot programme will start in 2024.

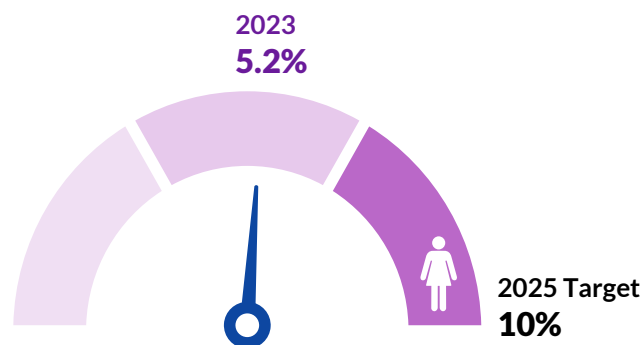
Supporting WISTA

Swire Shipping is an active member of the Women's International Shipping and Trading Association (WISTA) in Singapore, Australia, New Zealand and Denmark, and regularly participates in local activities. Through participation via WISTA and other initiatives, the Company hopes to empower employees and drive positive change towards minimising the gender leadership gap in the maritime industry.

Anti-discrimination and Anti-harassment

An inclusive workforce is one whose members are not discriminated against. Swire Shipping fully complies with applicable employment and other laws, and unlawful discrimination*, harassment or any other breaches of applicable law are not tolerated. Equal opportunity practices commit the Company to ensuring there is no unjustified discrimination in the recruitment, promotion, retention, skills training and competence development of any 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 maritime industry), marital status including civil partnerships, nationality, political views, pregnancy, race, religious beliefs or creeds, or sexual orientation.

Female Seafarers Diversity Target



The Company has a Respect in the Workplace Policy, Whistleblowing Policy, Personal Relationship Policy, Managing Misconduct and Discipline Policy, and Grievance and Dispute Settlement Policy to govern how those issues are managed.

Swire Shipping also provides a Confidential Reporting hotline to deal with any potential issues. The process is clearly defined in its Grievance and Dispute Settlement Policy, which is available to all shore-based and seagoing employees.

As part of Swire Shipping's annual training programme for all employees, online Corporate CoC and Workplace Harassment Prevention training courses are provided. These courses set out Swire Shipping's values, principles, and commitment to compliance with applicable laws.

For seagoing employees, Swire Shipping issued an Anti-harassment Policy in 2023 and conducted a Preventing Sexual Harassment Onboard training module during seafarer seminars and Safety Awareness Courses.

Swire Shipping was notified of eight potential cases of discrimination or harassment in 2023. Six were substantiated and addressed (see "Fines and Grievances" section of the report) while two were found to be unsubstantiated.

*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.

Swire Shipping is more committed than ever to creating a diverse and inclusive environment for our people both onshore and at sea. We believe it is crucial and will continue to encourage and support the growing role of women in maritime. We will continue to strive to create a culture where both women and men feel supported, as well as embed diversity and equality of treatment and opportunity into all our operations to ensure that our people benefit from a welcoming, safe, and high performing work environment.

Jeremy Sutton, CEO, Swire Shipping

Human Rights and Labour Practices

Respecting human and labour rights and ensuring there is no modern slavery within the business and 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 cover workers' basic needs, including healthcare, and have a full explanation in the appropriate language. Employees are provided with fair and safe working conditions, equitable remuneration and benefits.

Swire Shipping's Corporate CoC requires that all employees comply with all applicable local, national and international laws and regulations in each of the countries / jurisdictions where it operates and with all Swire Shipping's company policies. That requirement includes ensuring that Swire Shipping and its suppliers do not engage in child, forced, bonded, prison and compulsory labour, or apply unjustifiable disciplinary measures to employees.

The Corporate CoC is supplemented by global People procedures, which include pre-employment screening conducted prior to the offer of employment.

In addition to the Corporate CoC, a Human Rights Policy is in place. Employees are encouraged to use the whistleblowing procedure to report any issues related to labour practices and / or human rights.

The Supplier CoC spells out all the principles to which suppliers are required to adhere covering, *inter alia*, forbidding forced and child labour.

Swire Shipping complies with the UK Modern Day Slavery Act 2015 (as amended 2021) and publishes annual statements on its website.* Swire Shipping is working closely with The Mekong Club, a non-profit organisation that focuses on systemic change to permanently break the cycle of modern slavery.

There were no incidences of modern slavery being reported within, or uncovered during risk-based audits of Swire Shipping operations or supply chains, globally within the calendar year 2023. There were also no cases of child labour reported in 2023.

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 2006, as amended (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 70% of 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.

Delivering on Seafarers' Rights

Swire Shipping completed the annual self-assessment questionnaire against the Code of Conduct for Delivering on Seafarers' Rights and obtained the Rightship badge. This questionnaire provides practical guidance on meeting the Code and is based on international and human rights standards and principles. The Code goes beyond the ILO MLC 2006 and focuses on the full spectrum of seafarers' rights and welfare, from fair terms of employment and crew protection to availability and appropriate management of grievance mechanisms.

Swire Shipping completed the self-assessment and obtained the Rightship badge.

[*https://www.swireshipping.com/information/info-pages/sustainability/modern-slavery](https://www.swireshipping.com/information/info-pages/sustainability/modern-slavery)



Respecting human and labour rights and ensuring there is no modern slavery within the business and supply chain is critical to Swire Shipping's sustainability.

Talent Attraction and Development

For Swire Shipping, people are at the core of its business operations. With a strong focus on the Swire values, organisational culture, diversity and sustainability, the Company is committed to creating a welcoming, positive, innovative and high performing work environment. The Company strives to attract highly skilled individuals, and is dedicated to offering training and development opportunities. This commitment is evident through its investment in training programmes, empowering employees to achieve their fullest potential.

Training Shore-based employees

 **1,186**

Number
of shore-based
employees trained

 **13,834**

Number of
training hours

 **11.66**

Average training
hours per employee
From 6.43 hours in 2022

Average Years of Service
2023

Swire Shipping *years*
Shore-based **5.65**

Training Seafarers

 **1,835**

Number of seafarers
trained

 **28,060**

Number of
training hours





 **14.5**

Average training
hours per seafarer*
From 16.8 hours in 2022







Swire Shipping *years*
Officers **6.56**
Crew **4.58**

Swire Bulk *years*
Officers **5.27**
Crew **5.02**

Average Training Hours for Shore-based Employees by Gender and Employee category

	Male	Female
Management	 11.27	 14.35
Support	 7.82	 13.20

Number of Seagoing employees trained by Rank and Gender

	Male	Female	
Officer	 978	 60	Total 1,038
Crew	 793	 4	Total 797
Total	 1,771	 64	

Shore-based employees

Training provided to shore-based employees includes the annual governance compliance training programme, DEI training modules, as well as more specialised training for specific job functions.

Employees are encouraged to learn new skills through the extensive selection of learning resources in the online learning e-portal.

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 the Swire values and job competencies. All employees undergo an annual performance and career development review.

Two leadership development programmes were established in 2023: the Emerging Leadership Programme and the Advanced Leadership Programme. The objective is to further develop strategic planning and critical thinking skills, hone leadership skills and empower employees to embrace an innovation mindset. This is accomplished through a curated hybrid-learning experience: concept-driven learning supported by coaching, and project-based application followed by an executive presentation.

Seagoing employees

In 2023, the following training courses were organised:

- Safety Leadership / Awareness: 47 courses attended by 600 seagoing employees (senior and junior officers and ratings)
- Engine and electric cranes training courses for new seafarers: 22 courses attended by 72 seagoing employees
- Others: 66 courses attended by 1,163 seagoing employees

The average number of training hours dropped y-o-y in 2023 due to the resumption of physical training courses.

All 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 job specific skill sets. The process is intended to highlight areas for improvement and training opportunities and identify individual strengths for a robust recognition and promotion programme.

*Includes both Swire Shipping and Swire Bulk seagoing employees.

Employee Health, Safety and Wellbeing

Swire Shipping is committed to fully integrating safety into all aspects of its business and strives to build an industry-leading safety culture. The Company continuously strives to provide a safe and healthy working environment and to cultivate a safe mindset for both employees and contractors alike. By having a strong safety focus together with a robust reporting and learning culture, safety is everyone's priority. Safety behaviour and work practices are continuously evaluated to improve safety performance. Wellbeing for employees is also of paramount importance, which is addressed through various initiatives.

Swire Shipping has a Fleet Health and Safety Policy and a Global Onshore Safety, Security and Wellness Policy, both of which emphasise the Company's commitment to Zero Harm to all personnel and at all business / operations sites ashore and at sea. The Safety Management System (SMS), which is the core requirement for the International Safety Management (ISM) Code, is in place to guide daily technical shipping operations, and is strictly adhered to. The 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 continue operating under the flag where the vessel is registered and certified accordingly under the Document of Compliance.

Swire Shipping's philosophy is never to allow business objectives to compromise the health and safety of employees, customers, visitors, contractors and the wider community. The Company takes responsibility for safety on its vessels both at sea and at port, as well as in offices and other worksites.

Swire Shipping's 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).

Fleet Safety

Long-term preventive measures are in place to improve the Situational Awareness and Hazard Perception of seafarers that cover:

Safety Campaigns: Based on both leading and lagging indicators, seafarers' involvement is monitored using the Ocean Learning Platform, risk management, permits to work, lockout / tagout, toolbox talks and situational awareness campaigns.

Safety Dialogue Sessions: Ship Managers conduct regular safety dialogue sessions remotely through online teleconferencing and in person during ship visits 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 an emphasis on using safety behaviours (Safety I's™) whilst conducting work activities on board.

Competency Management System: Involves Fleet Auditors, Safety and Training Managers and Ship Managers to assess the proficiencies of Masters, Chief Engineers and Electro-Technical Officers serving on board vessels. The senior officers are appointed as on-board assessors to assess junior officers.

Swire Shipping continues to measure and monitor safety statistics and has taken a number of initiatives to improve safety across the fleet and within its offices. See the statistics / trends in the Data section.

Office Safety

Swire Shipping is committed to providing and sustaining a work environment and culture that supports the safety, security, and wellbeing of its people. To achieve this, considerations in these areas are an integral part of the decision-making process and culture, and as such, a set of standards relevant to its onshore offices is in place. This includes office safety committees, safety training and wellbeing workshops.

Safety Statistics

Fatalities: **0**

Safety Observations Reports: **2,753**

LTIF per 1 million manhours (fleet): **0.32**

TRCF per 1 million manhours (fleet): **1.17**



Behaving Safely. Always. Naturally.

Swire Shipping is committed to ensuring that safety is an integral part of the decision-making process and culture.

Cargo Operations and Port Community

The Company aims to engage with stevedoring companies, port workers and other third-party contractors in major ports where it operates. Swire Shipping's Safety Strategy is "To be a leading organisation that provides sustainable safety excellence", through which it endeavours to engage in knowledge sharing on safety with other parts of its network.

The Safety Strategy is supported by three Safe Way of Working (SafeWOW) Programmes, and a 2025 roadmap to roll these 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).

The SafeWOW Programmes cover:

- 10 life-saving rules;
- "Accident-Free" milestone celebrations;
- Joint site safety walk-about; and
- Safety Awards.

SafeWOW Programmes were extended to 15 stevedoring companies situated across the Pacific Islands region, Southeast Asia, PNG, New Zealand and Australia in 2023. Swire Shipping will invite more stevedoring companies on board this safety charter in the coming years.

In 2023, the Company partnered with stevedoring companies on the following:

- **Joint Safety Campaign** in port (Townsville)
- **Safety Awards and workshop** recognising individuals with exemplary safety conduct (Apia)
- **Joint Safety Surveillance** to streamline safe work processes and expectations (Sri Racha, Tarawa, Majuro and Subic Bay)
- **Safety Exchange programme**: sharing best practices, witnessing cargo operations and seeking collaboration on safety culture development (Auckland and Prony Bay)
- **Life-saving rules training** with stevedores and ship agency: to raise awareness and build strong capability (Honiara)
- **Accident-free milestone programme** with the fabrication of a safety clock to track safety performance and serve as reminders to stevedores on the "Zero Harm" policy (Busan)

Cargo Safety

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



Swire Shipping's Safety Strategy is "To be a leading organisation that provides sustainable safety excellence".

Safety Training

Swire Shipping runs Safety Leadership Courses (SLC) for all seagoing senior officers and Safety Awareness Courses (SAC) for junior officers and ratings, which are mandatory upon joining the Company and repeated every three years thereafter. All senior officers undergo a three-day course while junior officers and ratings undergo a two-day course at their respective manning agencies. Physical in-person SLC resumed in 2023. A total of 47 SLC and SAC were held during the year.

Annual crew / safety forums were also held in various locations in the Chinese Mainland, Turkey, the Philippines and Sri Lanka.

The SLC is based on the Company's Zero Harm programme, to provide senior officers with the tools and techniques to exercise leadership and gain maximum accountability from their teams. The course includes modules on safety culture, team leadership, decision making, problem solving, communication, soft skills, safety mindset and motivation. The topics are delivered via a mix of theoretical presentations, gamification, group activities, team challenges, and reflective learning.

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. The Company also sponsors a number of other courses including Asset Management Operating System training, welders training, navigation safety courses, Main Engine type training, crane training course (technical), Senior Officer Attachment Programmes, Recruitment Evaluation and Assessment Programme.

To continue the Zero Harm journey and reinforce the application of Safety Behaviours, practical onboard training is conducted every quarter by senior officers. The training is designed to ensure active participation through group discussion, quizzes, and reflective learning. The structured programme addresses various topics every few months, ranging from Hazard Identification and Hierarchy of Controls to Toolbox Talks and others.

In addition to safety briefings and the Zero Harm Onboard Training, senior managers conducted ship visits to share safety messages and emphasise the Company's priority of safety.

Throughout the years, significant efforts have been made to enhance technical aspects and operational competencies, resulting in successful safety improvements. Moving forward, the emphasis will shift toward changing mindsets and behaviours, fostering a safety-centric culture throughout the fleet.

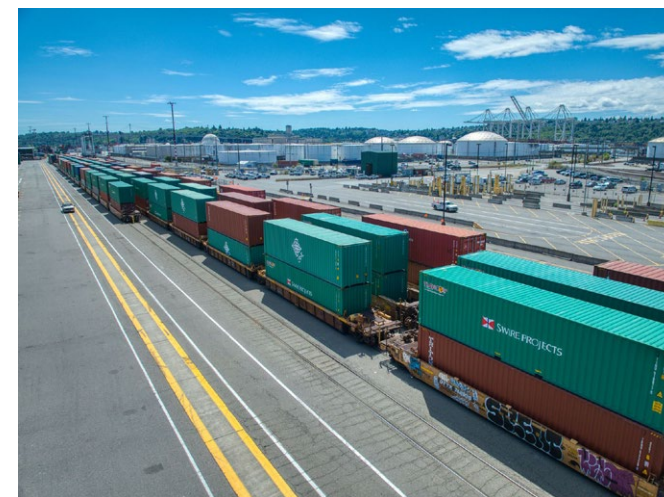
Navigation Safety training is conducted with a focus on the application of Swire Shipping's navigational procedures and highlights the importance of navigation safety under pilotage. Participants take part in group discussions and role plays as well as use case studies of past navigation incidents from the fleet and the industry.

The Save our Steel Project was launched in 2023, which is a year-long campaign to educate seagoing employees on the right processes for deck maintenance between dockings, in particular surface preparation and coating.

Swire Projects

Swire Projects has Quality Management (ISO 9001), Environmental Management (ISO 14001), and Occupational Health and Safety Management (ISO 45001) systems in place. Conformance with these standards ensures the establishment of best practice systems to manage quality, risk, safety, and sustainability. Moreover, it allows for more efficient utilisation of resources, enabling the business and suppliers to reduce costs where feasible.

Swire Projects rolled out the 10 life-saving rules to its fleet and all contractors. A Hot Work Pack consisting of Hot Work Vessels Guidelines, Welding-Cutting-Grinding Vessel Protection, and Vessel Hot Work Risk Evaluation Form has also been implemented for all cargo operations. These initiatives demonstrate Swire Projects' unwavering commitment to safety and sustainability.



Swire Shipping runs Safety Leadership Courses (SLC) for all seagoing senior officers and Safety Awareness Courses (SAC) for junior officers and ratings.

Addressing Employee Wellbeing

Promoting good mental health among seafarers and shore-based employees is crucial for personal wellbeing and work performance. In doing so, it should be recognised that individuals, families, communities, employers, workmates, and regulators can make a difference.

Swire Shipping partners with Befrienders Worldwide (BW), an international network of crisis helplines, and has in place a dedicated email and hotline service for Swire Shipping employees who need emotional support. BW service is extended to employees' dependents to support them in times of need. The services are confidential in nature. Records of personal health-related information are maintained on the Company's propriety system with controlled access to maintain confidentiality. Personal health-related information is not shared with any other third-parties.

The Company has Wellness Committees in place and throughout the year, various wellbeing activities were organised to support employees' mental, emotional, and physical health. These included educational talks around topics such as 'Prioritising Mental Fitness', 'Safe and Respectful Workplaces', and 'Self-Care Awareness', as well as a wide range of sporting activities. In particular, August and September were dedicated to wellbeing-related activities and discussions, with the aim to raise awareness around related topics.

On the vessels, health and wellness workshops are conducted, including breathing techniques sessions, yoga workouts, and core strengthening exercises.

Throughout the year, various wellbeing activities were organised to support employees' mental, emotional, and physical health.

In 2023, the Company started the roll out of Starlink Satellite Communications across the fleet to provide high-speed global internet connectivity to seafarers.

In celebration of World Mental Health Day, 10th October was designated an official Mental Wellness Day. All employees received an additional day off.

In 2023, the Strava Challenge (in celebration of the Company's 150th anniversary) was completed. Employees clocked a total of 162,000 kilometres (km) across both categories (Walk / Run and Cycle), exceeding the target of 150,000 km. To celebrate this achievement, Swire Shipping donated USD 150,000 in total to three charities: The Mission to Seafarers, Sailors' Society and Red Cross.



Having fast internet connectivity onboard makes it much easier for us to contact our loved ones at home, and this will make seafaring more bearable and potentially more attractive than before. We now have more options for entertainment too, gaining access to video streaming platforms such as Netflix. Before Starlink, the internet speed was only good for texting messages. Now, video calls are the norm, and we can use the internet like people ashore.

In my opinion, this is the most significant improvement in seafarers' wellbeing since I began my seafaring career. I believe that this is just the beginning, and we will see more benefits in the future.

Captain P. Strahinja, Master of MV *Carpenters Vega*



THRIVING PARTNERS

Supporting Local Communities

Swire Shipping is committed to supporting key stakeholder communities in countries where it operates. This includes strategic philanthropy / community investment, charitable donations, disaster relief and fundraising efforts. Key stakeholder communities are defined as communities where the Company has greater presence.

Swire Shipping believes in doing right by its communities and investing in worthy causes, through supporting charities and community organisations as well as employees in need. The Company is committed to establishing long-term, mutually rewarding relationships with its partners and communities.





Swire Shipping allocates a percentage of annual profit towards supporting key stakeholder communities in the various countries where it operates.

Corporate Philanthropy (CP) funding is focused on four key themes:

- Education;
- Biodiversity and Environment;
- DEI (such as gender, disability etc); and
- Supporting Key Stakeholder Communities.

Swire Shipping allocates a percentage of annual profit towards supporting key stakeholder communities in the various countries where it operates.

CP Donations by Main Areas of Support

	Education	11%
	Biodiversity and Environment	60%
	Diversity, Equity and Inclusion	4%
	Supporting Key Stakeholder Communities	25%

Donations

Donations to Charitable and Non-charitable organisations

Over USD 1,500,000

Donations in-kind
MTP / pro bono / discounted shipment

Over USD 370,000



Number of Beneficiaries

Beneficiaries in key stakeholder communities

Over 133,000

Seafarers globally

1,890,000



Donations in-kind

Shipments	No. of TEUs*
Moana Taka Partnership	86
Pro bono	85
Total	171

*TEU - twenty-foot equivalent unit (a standard shipping container)

206 shore-based employees spent **969** hours volunteering



Supporting Seafarers

Partnerships with Seafarers Support Organisations

Swire Shipping supports seafarers through its long-term partnerships with The Mission to Seafarers (MtS) and Sailors' Society (SS), who care for and support seafarers of all races, religions and ranks around the world. Support is provided through fundraising events and other collaborations. Both organisations provide much needed services to seafarers who visit their drop-in centres in ports as well as wellness programmes for seafarers and their families.

Besides being a Gold Sponsor of Adventure Race Japan 2023 organised by MtS, Swire Shipping also sent four teams to participate in the challenge. The event served as a platform for the international shipping community to collectively show their support for the welfare of seafarers worldwide, and MtS raised a total of USD 1.3 million through the project.

Additionally, for the third year in a row, Swire Shipping Australia supported MtS in Brisbane, Sydney and Melbourne by donating Christmas bags to seafarers.



The Singapore office also partnered with MtS (Singapore) to organise a clothing donation drive for seafarers. Over the span of two weeks, over 12 large boxes of clothes in good condition were collected. MtS distributed the clothes to seafarers through their Centre in Jurong Port in Singapore.

Swire Shipping was also a Gold sponsor of SS' Mount Kilimanjaro Challenge 2023. Besides the sponsorship of the event, the Company matched dollar-to-dollar the fundraising efforts of its 10 climbers, with the funds raised going toward providing seafarers with access to vital resources and services.

Lifeboat Set for the Fiji Maritime Academy

Swire Shipping has been working closely with the Fiji Maritime Academy (FMA) over the past seven years to recruit graduates who meet employment assessment standards. A total of 49 cadets have since been recruited from FMA, with 11 of them being female. This includes 11 FMA graduates who joined in 2023, among whom three are females.

Swire Shipping delivered a new lifeboat set to FMA in 2023, and held a launch ceremony in August with Ro Filipe Tuisawau, Minister for Public Works, Transport and Meteorological Services of Fiji, in attendance. The lifeboat set is an integral part of the equipment FMA uses to train cadets in vital safety and survival skills.



Education

Sponsoring Underprivileged Youth in the Philippines

Approximately 35% of Swire Shipping's seafarers come from the Philippines and the nation is one of the Company's key stakeholder communities. Swire Shipping took on the sponsorship of The Propeller Club of Manila, a non-profit organisation offering fully funded residential scholarships to youth from underprivileged families. Through this programme, 25 underprivileged youths received technical and vocational training at the Don Bosco Technical Institute in Manila over 18 months to become fitters and / or mechanics.

Swire Shipping sponsored 50% of the batch who graduated in December 2023. All 25 youths (five of whom were female) completed their technical and vocational training. Out of 15 top graduates, five were offered employment by Swire Shipping (two females and three males).

Swire Shipping has calculated Social Return on Investment for this project previously, which showed that every dollar invested generated USD 55.68 of social value.

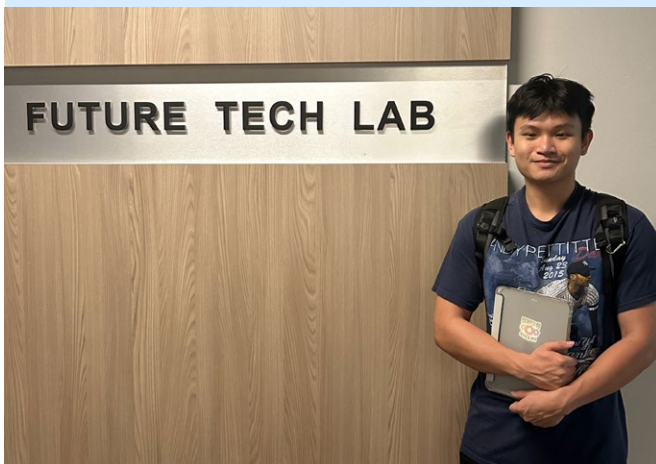
I am a Computer Science student currently studying at Nanyang Technological University. I am honoured to be the recipient of Swire Shipping's University Bursary Scheme, which has played a crucial role in my educational journey.

The bursary provided me with invaluable financial support, allowing me to focus entirely on my studies without the constant worry of how to fund my education. This financial assistance has been instrumental in enabling me to dedicate more time to my coursework, and engage in extracurricular activities that further enrich my learning experience.

Moreover, the bursary has opened doors to essential resources such as textbooks, study materials, and technology. These resources would have been challenging to afford without the support of the bursary.

Overall, without the bursary, I would have faced significant obstacles in realising my potential and maximising my university education. I am immensely grateful to Swire Shipping for the opportunities and support it has provided me.

Malcolm Fong



University Bursary Scheme

This scheme aims to provide financial assistance to the children of Swire Shipping employees ashore or at sea, by helping them pursue a full-time degree course at a university. The bursary support by the Company greatly alleviates the stress on the students and their families.

Scholarships

Swire Shipping is proud to support the Singapore Maritime Foundation, through continuing support of the MaritimeONE Scholarship, and as a first-time sponsor of the Tripartite Maritime Scholarships, which are awarded to students aspiring to be captains or chief engineers of ocean-going ships.

Swire Shipping sponsored two scholarships in 2023.

MaritimeONE Case Summit

Swire Shipping also sponsored a case challenge under the MaritimeONE Case Summit. Participating teams had to create a framework or model to reduce vessels' non-sailing fuel use by at least 10% while at anchor, adrift, or in port, and suggested methods to minimise fuel use by improving operational performance.

Sponsorship of the Women in Maritime Programme

Swire Shipping partnered Pacific Towing, the Australian Government, and Consort Express Lines on the Women in Maritime Programme, aimed to empower and encourage more females to pursue a career in the maritime industry.

As part of the programme, Swire Shipping provides cadets with valuable international sea time aboard its vessels, allowing them to experience ports in Singapore, Vietnam, Australia, New Zealand and Thailand. In 2023, eight young Papua New Guinean women from the second and third intakes completed the programme. The cadet programmes are designed to produce Officers of the Watch (Deck or Engine), also known as Third Mate and Third Engineer.



Photo Credit: Islands Business LinkedIn Page*

As part of the programme, Swire Shipping provides cadets with valuable international sea time aboard its vessels, allowing them to experience ports in Singapore, Vietnam, Australia, New Zealand and Thailand.

* <https://bit.ly/4bXmcUs>

Supporting Local Communities in India

Swire Shipping partnered with Enrich Lives Foundation (ELF), a non-governmental organisation (NGO) in India on two projects aimed to improve the quality of life for beneficiaries through the provision of educational facilities and development of skills.

- Investing in the future of the next generation: After-school education for children in Mumbai between the ages of seven and 14, focused on teaching them numeracy, literacy, and sports; and
- Upskilling and empowerment of women: Coaching in digital skills, tailoring, and other vocational training to uplift economically underprivileged women, especially those who were widowed during the COVID-19 pandemic, increasing their opportunity for employment and income generation.

We are deeply touched by this kind gesture and would like to express our heartfelt appreciation for Swire Shipping's generosity.

Rashmi Balwani, Founder and Trustee of ELF

Creative Arts and Leadership / Juvenile Integration Programme in Fiji

Swire Shipping is supporting a creative arts and leadership programme at the Fiji Juvenile Rehabilitation and Development Centre developed by Inspire Pacific, an NGO which aims to inspire and empower young Pacific Islanders to reach their full potential.

Initiated in 2020, this programme engaged over 50 boys, providing a platform for creative thinking and leadership development.

This programme is supported by the Ministry of Women, Children and Poverty Alleviation, Fiji.

The Juvenile Integration Programme, also run by Inspire Pacific, was launched in June 2023 for juvenile offenders and at-risk boys in Suva and Nausori. It strives to create a tangible pathway towards rehabilitation and societal integration, breaking the cycle of delinquency. Despite fluctuations in attendance, the initiative has seen consistent commitment from 10 boys since its inception.

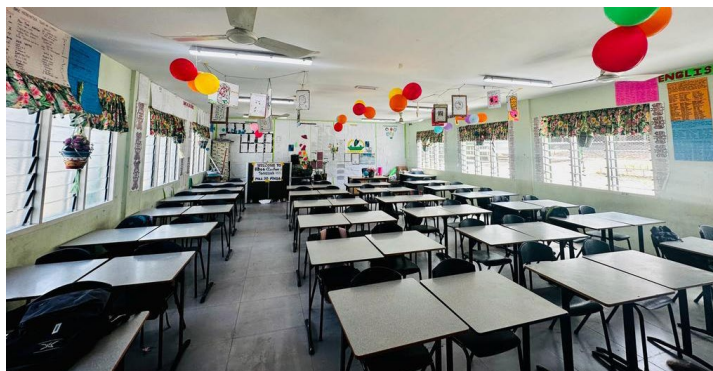
Educational Assistance to Students in Washington state, USA

InvestED is a Washington state, USA education-focused non-profit that helps low-income students get to school, engage in school, and graduate. Through the grant provided, InvestED assisted 10 schools in the Puyallup School District. It covered provision of additional resources for student needs and boosting aid through the School Match Programme.

Swire Shipping's support has translated into benefits ranging from meeting classroom needs, enabling participation in after-school activities, to addressing personal necessities of students in challenging circumstances.

Through this funding:

- 309 students had their classroom needs met,
- 247 were able to participate in after-school activities, and
- 337 students had personal needs accommodated.



Supporting Key Stakeholder Communities

Support via Provision of *Pro Bono* / Discounted Shipments

Swire Shipping has been supporting various organisations through *pro bono* / discounted shipments. A number of long-term partnerships with charitable and non-profit organisations have been established in countries where the Company operates. A total of 85 twenty-foot equivalent units (TEU) were shipped in 2023. Examples of such partnerships are presented below.

Pacific School Furniture Project

Swire Shipping is working with Thomas Hassel Anglican College, Australian Anglican and Catholic private schools and local partners on upcycling donated school supplies and furniture to benefit communities in need in the Pacific Islands.

Many schools in the Pacific Islands often lack infrastructure and equipment, with children taking their lessons on the floor. To ensure that the donations are delivered to the right schools, Swire Shipping works closely with partners to select schools that are in need.

In 2023, one of the recipients of these shipments was Hagara Primary School in Port Moresby, PNG. Due to the lack of government funding, the school was in dire need of support. Working together with Vanguard Logistics and Steamships, two forty-foot equivalent units (FEU) of furniture and school supplies were delivered to the school.

In support of Her Majesty Queen Nanasipau'u Charity, Swire Shipping assisted in the delivery of school furniture donated by Bethany College and Regina Coeli Primary School to several schools in Tonga. The shipment included desks, chairs, shelves, and cabinets, which will provide a more conducive learning environment for students.

Helping Vanuatu Communities

Swire Shipping, in collaboration with P&O Cruises Australia and Princess Cruises and with the support of Tropical Agency, arranged and sponsored the delivery of donated mattresses, pillowcases, covers and bed linen from Australia to Port Vila General Hospital, Vanuatu, which was in need of extra linen. With the support of Tropical Agency and the team in Australia, one TEU and one FEU container were shipped to Port Vila.

Another shipment was done in collaboration with Sofitel Hotel Sydney and Australian South Sea Islanders Ltd (a registered non-profit organisation). Donated linen by the hotel was packed in a 20' high cube container and delivered to Port Vila where the National Disaster Management Office distributed the items to worthy causes.

Sponsorship of YWAM Koha (Medical Ship)

Swire Shipping is proud to support Youth with A Mission (YWAM) Ships Aotearoa, which aims to empower a healthy future for isolated Pacific communities by partnering local authorities and offering free health and healing services through the use of a specially equipped medical aid ship. During 2023, the Company donated two new chains for the vessel as well as sponsored ship repairs.

Employee Volunteering

Supporting local communities can also be a source of inspiration and motivation for employees by strengthening their connection to these communities and promoting employee attraction and retention.

Swire Shipping spearheads meaningful community partnerships and corporate volunteering events for employees to raise awareness of the work of non-profit organisations and charities. Employees can get up to two days of volunteering work leave which they can use for volunteering activities they do outside of work.

In 2023, employees participated in **15 events** organised by the Company, contributing to **969 volunteering hours**.

Swire Shipping holds its annual Global Day of Service in June to encourage colleagues to give back to the community.

In collaboration with MtS (Singapore), 33 employees volunteered to pack 300 goodie bags containing essential items and handwritten messages of gratitude. This was all done in recognition of Day of the Seafarer and to thank them for all their essential contribution to the business.

Swire Shipping also partnered Young Nautilus (Singapore) to enable volunteers to gain valuable insights into the influence of human activities on the marine ecosystems. Demonstrating their commitment to environmental stewardship, the team collected 57 kilograms (kg) of waste, which included plastic and glass among other debris.

In New Zealand **(1)**, a team of 12 partnered with Sea Cleaners, a volunteer-based charity to collect waste including plastic containers, food wrappers, polystyrene, large buckets and tires from the Wiri Estuary in South Auckland after the area was hit hard by floods.

In Samoa **(2)**, Swire Shipping volunteers worked alongside the Ministry of Natural Resources and Environment and the Samoa Recycling and Waste Management Association to clean up waste from Apia Seawall, Tuanaimato Sports Complex, Matautu, and Salelologa. Over 280 volunteers from various organisations collected an impressive 1,949 kg of waste, some of which will be shipped out using the MTP for recycling.

In Fiji, in collaboration with Waste Recyclers Fiji, the Suva and Lautoka city councils and Fiji Sports Council, a clean-up of the rugby stadium was held after the last two home games for the Swire Shipping Fijian Drua, a local rugby team proudly sponsored by Swire Shipping.

Your unwavering commitment to making a positive impact towards seafarers has not gone unnoticed. The efforts put forth by your team have demonstrated a deep sense of care and a genuine desire to give back to the seafaring community. By engaging your employees in meaningful volunteer work and empowering them to contribute to seafarers' welfare, you have created a strong sense of purpose and pride among your team members, for that we are truly thankful. We hope that through this project, an example has been set for others to follow.

Toh Soon Kok, Port Chaplain, MtS (Singapore)





Swire Shipping's office in Port Moresby (3) partnered with the UN Development Programme, National Maritime Safety Authority, Conservation Environment Protection Authority, and other corporate partners to celebrate PNG's extraordinary marine biodiversity, acknowledge initiatives within the thriving blue economy, and take action to reduce marine plastic pollution during World Oceans Day in June. Employees participated in a beach clean-up and coral planting at Ela Beach.

The Chinese Mainland team participated in a charity bazaar together with peers at Delta Health (a healthcare provider specialising in cardiovascular care) to raise funds for children from rural regions with congenital heart disease to receive surgery.

In Taipei (4), the team volunteered at a community fundraising event hosted by Julun Skills Development Association which supports people with disabilities. The team helped to sell products from small farms in the Taiwan region, raising funds for skills training and to organise activities for beneficiaries.

Employee Fundraising Matching Assistance Scheme

Swire Shipping has an Employee Fundraising Matching Assistance scheme in place, accessible to all full-time employees who have passed their probation period. Administered by the Sustainability team, the Company will match employees' fundraising efforts if the proposal meets the stipulated criteria.

Through this scheme, several employees have raised funds towards various causes they are passionate about. Some examples include:

- In June 2023, five Swire Shipping employees took part in the Vinnies CEO Sleepout, sleeping outdoors at the White Bay ferry terminal in Sydney to raise money for the homeless through St Vincent de Paul Society.
- The Company matched funds raised by participants in support of Mts' Adventure Race Japan and SS' Mount Kilimanjaro Challenge.



Through this scheme, several employees have raised funds towards various causes they are passionate about.

Supporting DEI Initiatives

Samoa Victim Support Group support programme, Samoa

Samoa Victim Support Group is an NGO that provides shelter and protection for victims of violence or abuse. Swire Shipping's funding covers construction of a kitchen and training area and materials for the regular classes to upskill the victims and promote self-sustainability. This project is run in partnership with the UN Population Fund, Ministry of Women, Community and Social Development, and other private organisations.

Assisting Cheshire DisAbility Services, PNG

Cheshire DisAbility Services (CDS) is an NGO and a member of the Global Alliance of Leonard Cheshire Disability International. The PNG branch is the only member in Oceania, supporting thousands of children and adults living with disabilities in and around Port Moresby.

Swire Shipping is providing a grant towards:

- Purchasing a new bus that will bring CDS physiotherapist and teachers to visit homes of over 1,000 People Living with Disability (PLWD) in Port Moresby, settlements outside of the city and throughout Central Province. This will enable better access to essential healthcare and education needs for marginalised communities who either cannot access a hospital / school or where none exists;
- Educating families of PLWDs on how to care for their loved ones and alleviate the stigma around PLWDs existing in many communities; and
- Upgrading the outdoor meeting space and guardhouse to provide a safe, secure space for students, teachers, and caregivers to meet.

Sea Women of Melanesia, PNG

Sea Women of Melanesia (SWoM) is a non-profit organisation which trains indigenous women to manage marine protected areas on their coral reefs, empowering communities through marine science, medical aid, and educational materials.

Swire Shipping's grant will support communities in Port Moresby / Central Province that depend on the sea for their food and income, in creating their own Locally Managed Marine Areas. Through the SWoM training programme, local women will be empowered to be community-level facilitators of marine conservation work.

Swire Shipping's funding will go towards:

- Purchasing 60 horsepower motor and 23-foot dinghy, camera, GPS, water tank, medical supplies / first aid kits and snorkelling gear for training programmes; and
- Delivering humanitarian aid (water tanks, medical aid) to the communities to support their health and wellbeing as well as raising community support for conservation initiatives.



Protecting the Environment and Biodiversity

Waste Recycling in the Pacific Islands

Moana Taka Partnership

Waste management is a pressing issue in the Pacific Islands. Swire Shipping's *Moana Taka Partnership* (MTP) is a collaboration with The Secretariat of the Pacific Regional Environment Programme to address this issue. Under the MTP, Swire Shipping enables private sector companies and governments to move recyclable waste out of the Pacific Islands where it is accumulating to countries with competent and sustainable recycling plants, ensuring that waste products from oil to plastics are properly recycled and processed.

Under the MTP, Swire Shipping provides both the containers and ocean freight carriage on a *pro bono* basis, as well as dedicated resources to support the programme and work on scaling up the initiative across the Pacific region.

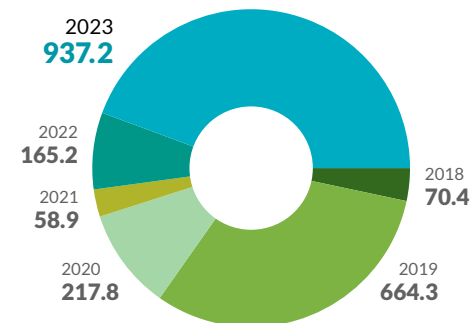
This partnership connects government and commerce together for the first time in the waste stream removal / treatment area for the benefit of all, and helps resolve a long-standing environmental and social issue. 21 PICTs are eligible for the programme.

Since the start of the programme in 2018, 2,114 tonnes of recyclable waste have been shipped out from PICTs.

MTP aims to address **SDG 12** (Responsible Consumption and Production), **14** (Life Below Water) and **15** (Life on Land).

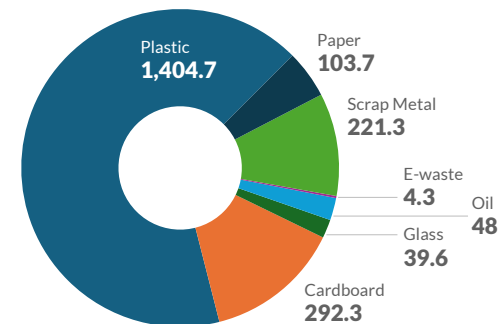


Tonnes of Recyclable Waste Shipped (2018 - 2023)



Type of Waste Shipped (2018 - 2023)

Weight (tonnes)



Since the start of the programme in 2018, 2,114 tonnes of recyclable waste have been shipped out from PICTs.

Recycling on the Go Ambassadors Programme

The Recycling on the Go Ambassadors Programme (Fiji) is an initiative of the Pacific Recycling Foundation, in partnership with Swire Shipping. The programme aims to promote sustainability education in schools, capture large volumes of recyclables from schools and engage the broader community in recycling and good waste management practices. Envisioned to have a ripple effect on other schools in Fiji and the Pacific, the programme was initially piloted at Jai Narayan College in 2022 and extended to Nadi Sangam Primary School and Jasper Williams High School in the Western division in 2023.

Since its inception, the programme has successfully educated and empowered over 2,600 students in the three schools. The ambassadors have played a pivotal role in disseminating knowledge and advocating recycling practices within their communities, and their collective efforts have not only increased recycling rates but also inspired a significant shift in attitudes toward sustainability in Fiji.



Since the start of the Recycling on the Go Ambassadors Programme:
Over 2,600 students have been educated and empowered.

6,309.9 kg of recyclables were collected, which otherwise would have ended up in landfills.

Partnership with Endangered Species International, Philippines

The Endangered Species International (ESI) protects endangered species and biodiversity at the Mt. Matutum Protected Landscape and Sarangani Bay Protected Seascape through rainforest restoration, habitat rehabilitation, and community education programmes.

Since 2013, Swire Shipping has partnered ESI, with Swire Shipping seafarers serving as volunteers and working in the field alongside the ESI on various conservation and community engagement activities. Around 200 volunteers from the Swire Group of companies have participated in conservation activities led by the ESI.

A total of four trips were organised in 2023 with the overall achievements as follows:

Activities and achievements of volunteers at Sarangani Bay Protected Seascape

Activity	Accomplishments
Mangrove trees planted	307 trees
Wildling / propagule collected	300 propagules
Wildling / propagule bagged	452 wildlings / propagules
Garbage collected	53 sacks
Crown-of-thorn (COT) starfish collected	81 COTs

Activities and achievements of volunteers at Mt. Matutum Protected Landscape

Activity	Accomplishments
Tree planted	1,435 trees
Wildlings collected	4,768 wildlings
Wildlings bagged	3,166 wildlings
Soil bag prepared	1,011 bags
Tree monitored	426 trees
Garbage collected	4 sacks



Supporting GEF ISLANDS Programme

Swire Shipping supports the UN Environment Programme for the preparation of the Global Environment Facility (GEF) ISLANDS (Implementing Sustainable Low and Non-chemical Development in Small Island Developing States) "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 the work under MTP.

Industry Collaborations

Supporting the World Ocean Council

Swire Shipping has supported the WOC-managed SMART Ocean – SMART Industries (SO-SI) Programme since 2022. The SO-SI Programme organises industry / science partnerships to collect more ocean and climate data from companies with vessels or platforms at sea.

This programme aims to increase knowledge of the oceans and climate, enabling the development of effective solutions for climate change, and delivering on UN SDG 14 and the UN Decade of Ocean Science.

GOVERNANCE

Ethical Business Conduct

Businesses are facing stricter regulations and doing business ethically is becoming a legal compliance requirement. As corporate governance and responsible business practices converge, companies are increasingly expected to embrace and enforce anti-corruption and ESG laws into their business operations.

Swire Shipping is committed to act with integrity, transparency and accountability. The Company has high standards of business ethics and corporate governance, with zero tolerance towards any corrupt practices. This includes curtailing the practice of facilitation payments and conducting due diligence on the ethical record of transactional partners, customers and suppliers. The Corporate CoC, together with other policies and internal controls, sets a strong foundation to prevent any corruption and anti-competitive / anti-trust behaviours.

The governance compliance training programme covers:

- **Corporate CoC;**
- **Global Anti-Bribery** (Based on the UK Act, but applicable to all operations globally);



- **Global Anti-Trust** (Based on the UK Act, but applicable to all operations globally);
- **Workplace Harassment Prevention** (Based on the UK Act, but applicable to all operations globally);
- **Modern Slavery** (Based on the UK Act but applicable to all operations globally);
- **Cyber Security Awareness training;** and
- **EU General Data Protection Regulation (GDPR)** and **Singapore Personal Data Protection Act (PDPA)** (for specific employees / functions).

This training, which is held annually for existing employees, and part of the induction programme for new employees, tests their understanding of the principles and how they apply to daily work / duties. 100% of employees completed this training in 2023.

A Sustainability module was developed in 2023 and will be part of the compliance training in 2024.

Any incidents of potential or actual non-compliance with the Corporate CoC including corruption are reported to the Swire Shipping Audit and Risk Committee (ARC) and investigated. The ARC is chaired by the CEO and meets quarterly.

Swire Shipping has been a member of the Maritime Anti-Corruption Network (MACN) since 2015 and continues 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.

The Company participates in the Network's self-assessment every year on progress made. Any requests for small items ranging from cigarettes to alcohol and soft drinks etc, are recorded and reported to MACN. There were 939 requests reported during the reporting period. No cash payments were made in 2023.

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 in 2023.



Swire Shipping is committed to act with integrity, transparency and accountability.

Fines and Grievances

Swire Shipping's Whistleblowing Policy and procedures are in place for shore-based and seagoing employees to report any issues that they feel may negatively affect health, safety or the environment, or related 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. All personnel are encouraged to use the whistleblowing channels. This Policy and details of the process can be found on Swire Shipping's website. Swire Shipping also provides a Confidential Reporting hotline. The process is clearly defined in its Grievance and Dispute Settlement Policy, which is available to all employees.

The following issues were reported, investigated and dealt with appropriately, in line with the Company's policies and procedures during 2023 (**14 reported: 11 addressed, three unsubstantiated**):

Potential Health and Safety Breaches / Issues – **four reported, one unsubstantiated**.

- Case 1: The 3/E and 4/E resigned. Issue settled in mediation.
- Case 2: The Master was not re-deployed.
- Case 3: An audit of supplies provision conducted, and the issue was resolved.
- Case 4: The allegation was investigated and found to be unsubstantiated.

Swire Shipping's Whistleblowing Policy and procedures are in place for shore-based and seagoing employees to report any issues that they feel may negatively affect health, safety or the environment, or related to any regulatory areas.

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

- Case 1: The Steward resigned. Issue settled in mediation.
- Case 2: The Chief Engineer was given a verbal warning for unacceptable behaviour.
- Case 3: The allegation was investigated and found to be unsubstantiated.
- Case 4: The 2/E was given a verbal warning for unacceptable behaviour.
- Case 5: The Messman's employment was terminated.
- Case 6: The Master's employment was terminated.
- Case 7: The stevedore was arrested by the police and charges were pressed on him.
- Case 8: The allegation was investigated and found to be unsubstantiated.

Potential Breach of Corporate CoC with regards to Malpractice, Misconduct, Wilful Negligence etc. – **two reported**.

- Case 1: The Cook was issued with a warning letter by the Master.
- Case 2: Complaint for unjustified dismissal was settled in mediation.

Potential Breach of Corporate CoC with respect to Bribery, Corruption, Facilitation Payments etc. – **none reported**.

There were no incidents of non-compliance with environmental regulations.



Supply Chain Management

Growing expectations for greater disclosure on how and where products and materials are sourced from, and the impact on the whole value chain, are driving full supply chain transparency and reporting initiatives. To meet these expectations, due diligence is required on suppliers and supply chain partners.

Swire Shipping works with thousands of diverse suppliers globally, with the majority located in Australia, New Zealand, PNG, Singapore and USA. Together with key internal stakeholders, the Procurement team aims to ensure that suppliers adhere to the same ESG 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, related to loading and discharging of cargo;
- **Fleet Management**, e.g. management of maintenance, spare parts;
- **Logistics**, e.g. container movement-related services;
- **Ship procurement**, e.g. shipbuilding yards and shipowners of chartered-in vessels; and
- **IT- and Corporate-related services.**

Together with key internal stakeholders, the Procurement team aims to ensure that suppliers adhere to the same ESG standards as Swire Shipping.

Swire Shipping provides technical ship management services ranging from repairs, maintenance and crew management to procurement of spares and supplies for the vessels.

Swire Shipping is an end user of products and does not manufacture any goods or use raw materials.

By understanding its supply chain risks, conducting due diligence on suppliers and supply chain partners, Swire Shipping endeavours to ensure that its supply chain is compliant with all regulatory, environmental and health and safety requirements, as well as free of human rights violations and modern slavery.

The Company is dedicated to promoting sustainable and responsible practices and therefore incorporated a number of requirements into its Procurement Policy. As a minimum, all suppliers are required to follow the Supplier CoC.

New supplier contracts established are also assessed against social criteria prior to awarding the contract. In 2023, 48% of new supplier contracts awarded were assessed.

In 2023, Swire Shipping established a framework to identify critical suppliers. The framework allows segmentation of suppliers based on supply chain risks, Transparency International's Corruption Perception Index, Global Slavery Index's Vulnerability score, country-level risks as well as business leverage insights to determine critical suppliers. As a result, critical suppliers were identified.

Swire Shipping uses several manning agencies in various countries around the world. The Company carries out annual audits of its manning agencies to ensure that they are in continued compliance with the MLC 2006, national and international regulations and the Company's standards.

In 2023, Swire Shipping undertook the following actions aimed at further strengthening supply chain sustainability:

- Revised the Supplier CoC;
- Communicated the revised Supplier CoC to existing suppliers;
- Distributed and assessed responses to self-assessment questionnaires, covering areas of human rights and modern slavery, to all manning agencies;
- Developed a questionnaire that covers environmental and social areas for the crew of chartered-in vessels; and
- Enhanced the Sustainability self-assessment questionnaire for all suppliers.

For the chartered-in fleet, Swire Shipping endeavours to only select vessels that are registered under flag states under the Paris MOU's Whitelist and that obtain a RightShip Safety score of three and above. RightShip, although not the best platform for container shipping, assesses and maintains the vetting status of vessels subject to overall safety and operational performance in the last five years. The assessment covers *inter alia* safety, regulatory compliance and human rights criteria including living and working standards, protection of seafarers' rights and conditions of employment.

The Company will assess how ESG areas are being managed by requesting multiple crew members of chartered-in vessels onboard to complete the ESG questionnaire in 2024.



Swire Shipping was awarded a *Silver Medal* for its sustainability efforts from EcoVadis in 2022. That placed the Company in the top 15% within the Sea and Coastal Water Transport sector.

Data Privacy and Cybersecurity

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 maritime sector, increased automation and integration via online platforms have simultaneously increased the risk of cyber-attacks that threaten to halt operations and impact the safety of crew on board. Swire Shipping takes these risks seriously and has identified "Data Privacy and Cybersecurity" as a material issue for the business.

Information Security and IT Governance Policies are in place and the Company recognises the importance of cybersecurity for both offices and 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.

Swire Shipping values the privacy of personal data collected from business customers, suppliers and partners and is committed to protecting the privacy and security of all personal data in accordance with relevant Data Protection Legislation. The Data Protection and Privacy Policy together with the Employee Data Protection and Handling Policies, outline how personal data is collected, used, shared and stored, with rights of access and complaints procedures clearly stated. A Data Protection Officer has been appointed, who ensures the Company's compliance with all relevant legislation. For more information, please see the Data Protection and Privacy Policy on the website.

All employees must complete Cyber Security Awareness Training, EU GDPR and Singapore PDPA (for specific employees / functions) and pass the short exam online as part of the annual governance compliance training programme.

100% of employees assigned EU GDPR and Singapore PDPA training have completed it.

Swire Shipping values the privacy of personal data collected from business customers, suppliers and partners and is committed to protecting the privacy and security of all personal data in accordance with relevant Data Protection Legislation.



Memberships and Associations



Mærsk Mc-Kinney Møller Center
for Zero Carbon Shipping



www.swireshipping.com

