

SUSTAINABLE DEVELOPMENT REPORT

FOR THE CALENDAR YEAR 2021



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ABOUT THIS REPORT



This is the first Swire Bulk annual sustainability report as an independent entity. It provides a summary of our material sustainability issues and our commitments and aspirations together with the challenges we face. We believe that publicly reporting on our environmental, social and governance performance will promote transparency and accountability, and help us improve.

This report covers the period from 1st January through 31st December 2021. Please see the organisational boundary diagram on page 9 for the scope covered by this report.

We reported against the Sustainability Accounting Standards Board (SASB) Standards and the report contains disclosures recommended in the Marine Transportation Sustainability Accounting Standards (Industry Standard, Version 2018-10) developed by SASB. The SASB disclosure index can be found in the Annex on page 30.

We have not sought independent external assurance of this sustainability report but will do so for future reports. However, we worked with an independent sustainability consultant, Corporate Citizenship, to ensure that the report addresses all the requirements of the SASB Marine Transportation Standards.

We welcome feedback from our stakeholders on any aspect of this report. Please contact our Sustainability team at:

SD.dept@swirebulk.com



We believe that publicly reporting on our environmental, social and governance performance will promote transparency and accountability, and help us improve.

CEO MESSAGE

Swire Bulk marked the first year as an independent company in 2021, having previously been an operating division of The China Navigation Company ("CNCo", which rebranded in October 2021 as Swire Shipping Pte. Ltd.). We are proud to present our first Sustainable Development Report as an independent operating entity and to continue the reporting from previous CNCo Sustainable Development Reports, now with a more dedicated focus on our activities as a specialist dry bulk Owner and Operator. This publication covers our Environment, Social and Governance (ESG) initiatives in accordance with the SASB Marine Transportation Standard. Through this process, we have engaged with colleagues, customers, and other stakeholders to understand the key issues impacting our business (see the Materiality Matrix on page 13). This report covers material topics across all three areas of ESG.

As a shipping company, our focus for the **Environment** covers both protecting marine biodiversity and addressing decarbonisation. We reported zero spills in 2021, took part in a number of initiatives such as the Enhancing Cetacean Habitat and Observation (ECHO) Programme in Vancouver, and the Port of Long Beach Green Flag Programme. We also developed our own portable technology to reduce contaminants in the water used in hold cleaning, to contribute to protecting the marine environment.

Decarbonisation, and the role of the shipping sector in reducing its emissions, is one of the greatest challenges facing our industry and this will materially re-shape our company and the wider maritime trade over the coming decades. We are clear that this is an opportunity for Swire Bulk and are committed to being on the front foot in driving change in the areas in which we operate. In the first instance, we retain a young and fuel-efficient fleet and have reduced our ballast days between voyages year-on-year as well as our Energy Efficiency Operational Indicator (EEOI) score each year.

We are proud to present our first Sustainable Development Report as an independent operating entity, now with a more dedicated focus on our activities as a specialist dry bulk Owner and Operator.

Through our parent company, John Swire & Sons Ltd., we are a Strategic Partner with the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping (MMMCZCS) in Copenhagen, and are also working with the Global Centre for Maritime Decarbonisation (GCMD) in Singapore. We look forward to continuing to work with these, and other institutions, to help the whole sector to reduce its carbon footprint.

On the **Social** side, the experience of the pandemic continues to highlight the importance of our people, both at sea and ashore. Safety will always be our first priority through our Zero Harm initiative, and we are prioritising crew changes wherever possible. Onshore, we have encouraged employees to return to the office to enable collaboration but we have also introduced flexible work arrangements as our global teams have adapted to new ways of working during the pandemic. We hope this flexibility will enable our employees to better balance their work and care duties at home, to improve their wellbeing.

Appropriate **Governance** is essential and ensures our licence to operate. We are members of the Maritime Anti-Corruption Network (MACN) and were the first shipping company to be accredited under the VIVE Sustainable Supply Programme which covers the entire agricultural ingredient supply chain, from farm to fork.

We have retained the strong ethos and focus on sustainability from CNCo and strive to tailor our projects and commitments to the priorities of our customers, employees, and shareholder, John Swire & Sons Ltd. This aligns with our mission to be a leader in our industry for safety and sustainability.

We invite your comments and feedback on this report.

Peter Norborg
CEO, Swire Bulk



KEY PERFORMANCE HIGHLIGHTS

ENVIRONMENTAL

Climate Footprint

Emissions		
Metric tonnes (t) CO ₂		
Scope 1	y-o-y	
1,507,486	▲	15%
Scope 2	y-o-y	
55	▲	77%
Scope 3 (Air travel only)	y-o-y	
225	▲	30%

Other Air Emissions

Scope 1	Metric tonnes (t)	
NO _x	y-o-y	
37,614	▲	15%
SO _x	y-o-y	
5,420	▼	13%
Particulate Matter	y-o-y	
3,007	▲	16%
VOC	y-o-y	
580	▲	15%
Black Carbon	y-o-y	
4,577	▲	5%

Total Number of Vessels

366 ▲ **12%** y-o-y
over the calendar year

Average owned fleet age:
5.39 years

Total cargo carried (mt):
31,438,899

Ecological Impacts

No significant spills
and releases to the environment

SOCIAL

Number of shore-based employees: 150
Retention rate of shore-based employees: 93.3%
Nationalities of shore-based employees: 25


Employee Health and Safety

Lost Time Injury
Frequency Rate (LTIFR)*

0.17

*per million manhours

Fatalities

Zero Fatalities

Diversity and Inclusion

Shore-based employees by
gender identity

66% male
34% female

Senior managers by
gender identity

76.5% male
23.5% female

GOVERNANCE

Business Ethics
Grievances
12 reported / 7 substantiated and addressed

Corruption Cases

0

Fines and Sanctions

0



ABOUT SWIRE BULK

Swire Bulk Pte. Ltd., the vessel operating company, is headquartered in Singapore, operating under the brand name of 'Swire Bulk'. This entity is a wholly owned subsidiary of Swire Bulk Holdings Pte. Ltd., the vessel-owning company, which is in turn a wholly owned subsidiary of Swire Marine Holdings Pte. Ltd., an investment holding company incorporated in Singapore. Swire Marine Holdings Pte. Ltd. is a wholly owned subsidiary of The China Navigation Company Limited, an investment holding company registered in London. None of these companies are publicly quoted on any stock exchange, and are ultimately owned by John Swire & Sons Ltd., based in London.

Mission Statement

We are committed to being an industry leader for safety and sustainability. Our approach is to provide long-term returns with a focus on prudently managing risk to secure the continuity of the business.

As an Owner, we will maintain a fleet of high-quality modern vessels and employ an agile asset-trading approach to exploit market cycles. As an Operator, we will create partnerships with first-class counterparties and deliver a premium service proposition. Our flexible trading approach will adapt to market volatility. We will retain and reward our people to deliver this strategy.

Our focus will always be on quality, and success will be defined by operating safely and sustainably to deliver long-term value for our shareholders.

Our Business

Swire Bulk is a vessel owner and operator in the dry bulk sector, with a trading fleet of around 150 Handysize and Supramax vessels commercially controlled by nine offices around the world. Headquartered in Singapore, Swire Bulk was founded in 2012 as a division of The China Navigation Company (CNCo). On 1st January 2021, Swire Bulk separated from CNCo (since renamed as Swire Shipping) to stand alone as the specialist dry bulk shipping trading arm of the multinational Swire group, leveraging our strong track record and market-leading reputation to serve global commodity markets.

Our shipments are highly diversified across commodities, industries, and regions. From clean energy and renewables, to vital commodities such as grain and construction materials, Swire Bulk helps customers develop innovative cargo services and end-to-end supply chain solutions. Some of the industrial sectors we serve are:

- Agriculture and fertilisers
- Energy
- Renewables
- Mining
- Steel
- Construction

Our Values



Integrity



Endeavour



Excellence



Teamwork

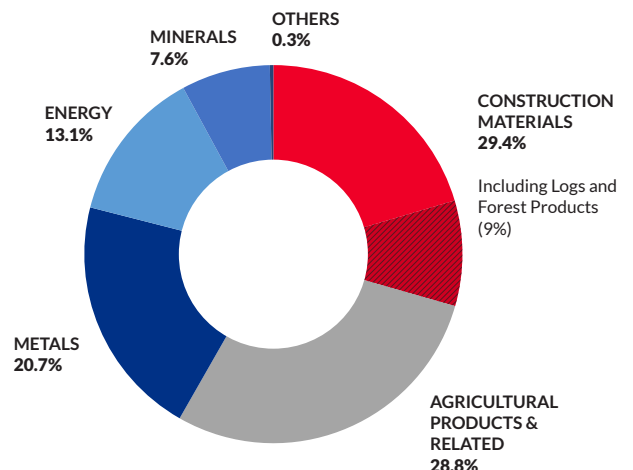


Continuity



Humility

Commodity Mix





Swire Bulk offers the following services:

Dry Bulk: Swire Bulk is a dry bulk specialist, transporting commodities including grains, steel, cement, logs and coal around the world for our diverse customer base.

Parcelling: Our global parcelling division carries combinations of bulk and breakbulk cargoes. We focus on niche industrial sectors in which we can grow established relationships with traditional dry bulk clients and develop new relations with unitised parcel-focused customers. Our regular cargoes include bulk and bagged industrial commodities, steel and machinery products, forestry products, and project cargoes.

Partnership with Swire Projects: Swire Bulk partners with Swire Projects*, a division of Swire Shipping, to carry cargoes that support the development of the renewable energy sector including windmill blades and towers. Utilising back-haul capacity on these project cargoes allows Swire Bulk to provide a uniquely economical and competitive solution.

Swire Bulk provides commercial services, voyage operation services, and supervision of third-party ship managers. Bunker procurement was done by Swire Bulk throughout 2021 to service our operational requirements. Vessel technical management is outsourced to third-party ship management companies that provide voyage operation services ranging from technical and crew-manning, to procurement of spares and supplies.

*<https://swireprojects.com>



OUR COMPANY AT A GLANCE

>250

customers

150

shore-based employees

9

offices

>80

countries we are trading in

>150

owned and operated vessels at any time

>2,700

ports operated in

>48,000

days traded

6.13_m DWT

fleet capacity across 3 vessel segments

5.39

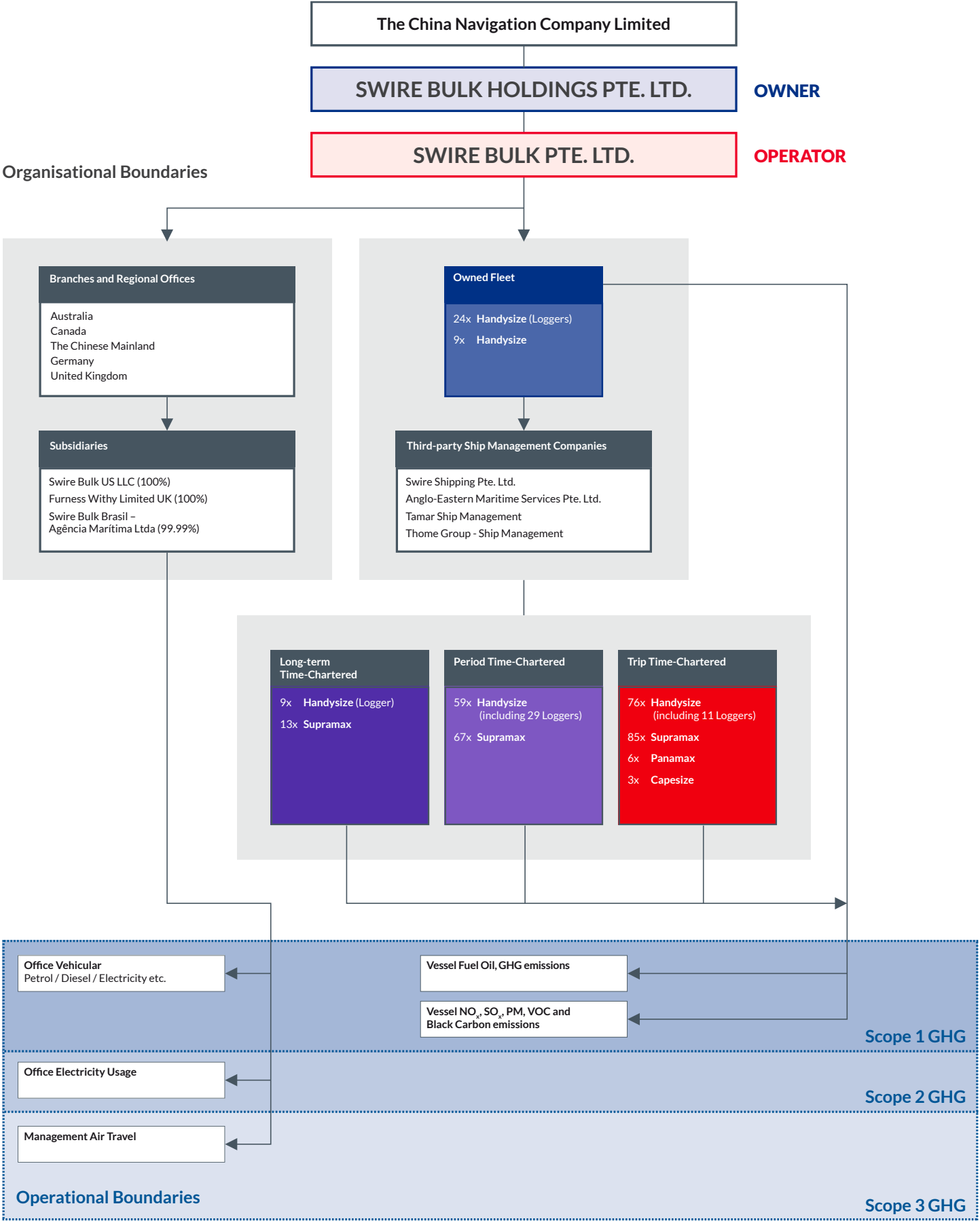
average fleet age in years

>31

million tonnes of cargo carried

OUR OFFICES





Number of vessels and Scope 1 emissions include chartered-in tonnage. Chartered-out tonnage is excluded from this boundary and report. For chartered-in tonnage, the number reflects vessels operated over the calendar year.

Chartered-in tonnage is defined as follows:

1. Long-term Time-Charter: vessels chartered-in for over one year.
2. Period Time-Charter: vessels chartered in for multiple legs up to one year.
3. Trip Time-Charter: vessels chartered for a single leg only.

MEMBERSHIPS / ASSOCIATIONS / AWARDS

Maritime Anti-Corruption Network (MACN)

Swire Bulk has been a member of the Maritime Anti-Corruption Network (MACN) through CNCo since 2015 and joined in our own right in 2022.



Women's International Shipping & Trading Association (WISTA)

We are a member of WISTA in Singapore (joined in 2022). WISTA has a consultative status at the International Maritime Organisation.



Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping

Through our parent company, John Swire & Sons Ltd., we are a Strategic Partner with the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping (MMMCZCS).



Mærsk Mc-Kinney Møller Center
for Zero Carbon Shipping

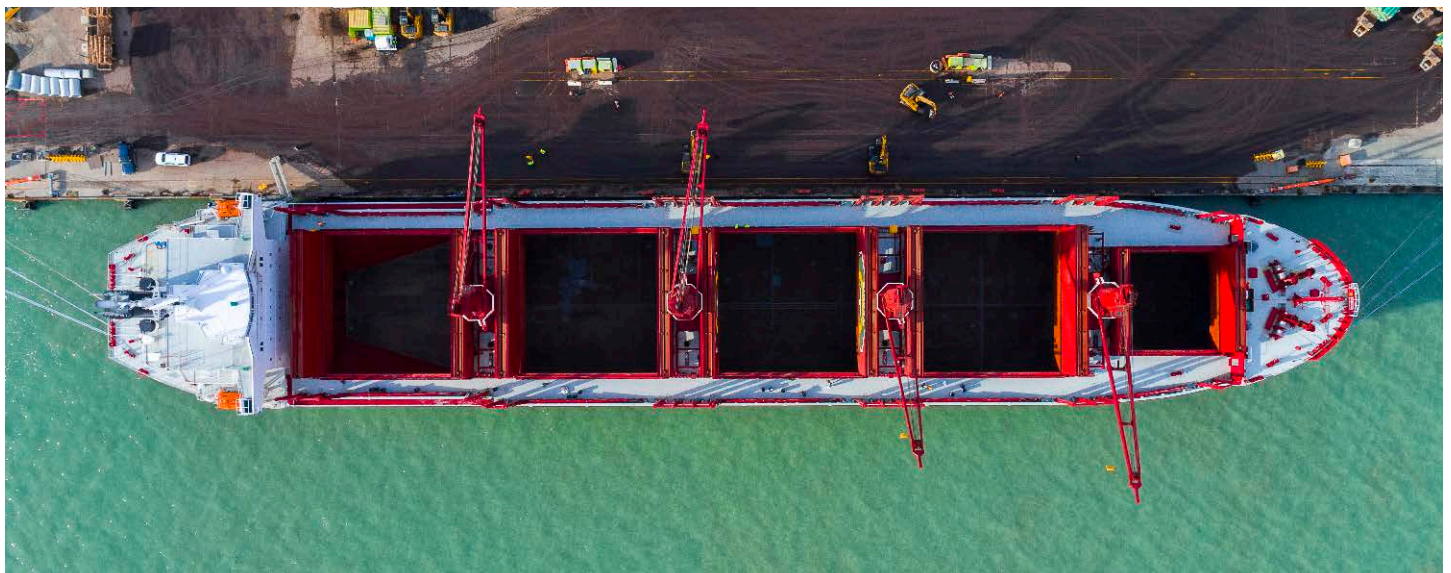
Getting to Zero Coalition

We signed a Call to Action for Shipping Decarbonisation under the *Getting to Zero* 2030 Coalition in September 2021. This is a partnership between the Global Maritime Forum, the Friends of Ocean Action, and the World Economic Forum.



Sustainable Shipping Initiative

Through our sister company, Swire Shipping, we are a participant in the Sustainable Shipping Initiative (SSI). The SSI is a coalition of shipping leaders from around the world, formed to take practical steps to tackle some of the sector's biggest opportunities and challenges. The group is working to achieve a vision "of an industry in which sustainability equals success".

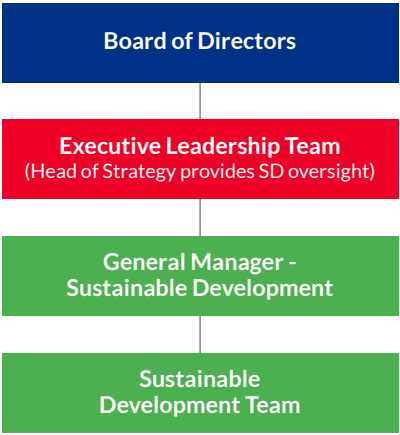


OUR APPROACH TO SUSTAINABILITY

Swire Bulk commenced trading on 1st January 2021 as an independent entity. New governance structures were introduced together with policies and procedures to ensure that Swire Bulk has everything in place to become a market leader in terms of safety and quality of operation as well as meeting our sustainability commitments. Sustainability remains central to our business strategy. We have identified our priorities which are based on the material sustainability topics that drive long-term value for our business and our stakeholders.

Sustainability Governance

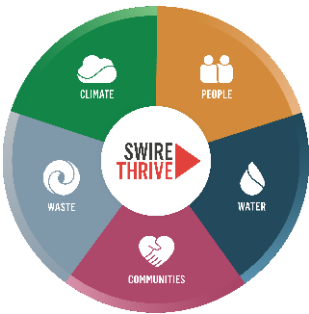
We have a Sustainable Development (SD) department in place that works closely with the members of the Executive Leadership Team (ELT) on setting and implementing our sustainability strategy, goals and measuring our performance. We submit two sustainability reports per year to the Board of Directors to keep it abreast of the latest regulatory requirements and our progress.



SwireTHRIVE

Swire has a longstanding commitment to sustainable development. As a business, we aim to create lasting value for our shareholders, and we recognise that our success depends on thriving people and communities and a thriving natural environment.

The Swire group's Sustainability strategy, "SwireTHRIVE", seeks to mitigate operational risk and build long-term resilience by driving higher standards, greater efficiency, and increased innovation in these five key areas: Climate, Waste, Water, People and Communities.



Swire Bulk's Sustainable Development strategy, "SwireBulkTHRIVE" is fully aligned with the Swire group's Sustainability strategy and covers other areas which are material to our own Company. SwireBulkTHRIVE has three focus areas: Thriving People, Thriving Environment, Thriving Partners.

We have set ourselves environmental targets (see page 15) and will work on meeting these and developing others in the years ahead.

Our 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. We have selected SDG 3, 5, 13, 14 and 16 since these goals are closely tied to the marine industry and represent areas where we can contribute to most meaningfully. (See page 34)

Thriving People		We will respect and care for the human rights of our employees and other stakeholders, unlocking the potential for all of them to grow.
Thriving Environment		We will help create a resilient environment that provides for our future.
Thriving Partners		We will work with stakeholders wherever we operate to improve people's lives.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

Engaging our stakeholders is key to our sustainability journey. We value our stakeholders’ opinions and feedback to ensure we are addressing their concerns.

In early 2022, we worked with a specialist sustainability consulting firm, Corporate Citizenship, to conduct an extended stakeholder engagement exercise as part of the process to identify and assess our most material sustainability topics.

The stakeholder engagement included a survey of our internal and external stakeholders, interviews and a validation workshop with our ELT. The findings were presented to the Swire Bulk Board of Directors.

We will continue to engage with our shore-based employees, seafarers, customers and partners regularly through an ongoing dialogue. We will aim to revisit our materiality matrix every three years.

Our materiality assessment comprised the following stages:

- 1

Context Review and Topic Identification

Conducted desk-based industry research and peer benchmarking to identify a list of relevant topics for our sector and shortlisted potentially material topics to be prioritised with stakeholders in the next stage.
- 2

Stakeholder Engagement and Topic Prioritisation

Engaged over 100 internal and external stakeholders through a survey and 10 interviews to prioritise topics based on how important they are for the business and our impact on the environment and society. Interviews were conducted to gather additional insights into the sustainability context and material topics.
- 3

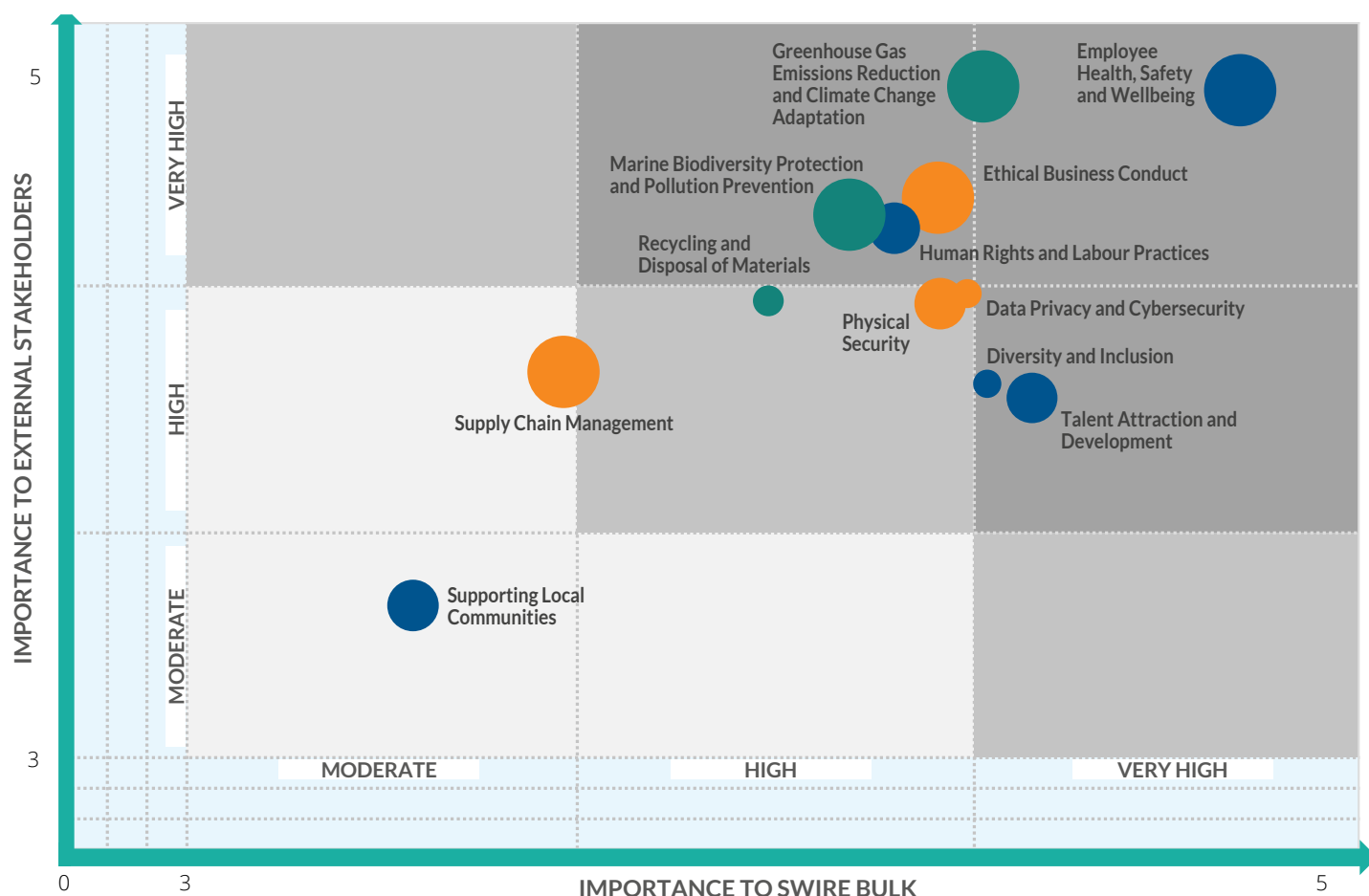
Analysis and Validation

Analysed findings from the survey and interviews to produce a preliminary matrix as well as insights into material topics. Validated results with the ELT through a workshop.



Engaging our stakeholders is key to our sustainability journey. We value our stakeholders’ opinions and feedback to ensure we are addressing their concerns.

CONSOLIDATED MATERIALITY MATRIX



LEGEND:

Impact of issue on environment and society

- Major impact
- Moderate impact
- Minor impact

- Environment
- Social
- Governance

Through this process, we established the list of material topics for Swire Bulk. The final materiality matrix shows the relative priority of topics based on the importance to the business (X axis) and the importance to external stakeholders (Y axis).

The impact of the issues on the environment and society is represented by the size of the spheres, ranging from major to minor.

This report has been written to cover our material topics divided into three sections: Environment, Social and Governance.

The impact of the issues on the environment and society is represented by the size of the spheres, ranging from major to minor.

OUR MATERIAL TOPICS

TOPIC	DEFINITION
Environment Topics	
GHG Emissions Reduction and Climate Change Adaptation	Putting measures in place to reduce greenhouse gas (GHG) emissions, including SO ₂ and NO _x , by implementing energy efficiency measures, adopting new technologies and using alternative fuels, as well as managing physical and transition climate change risks and opportunities.
Marine Biodiversity Protection and Pollution Prevention	Minimising negative impacts to the health and biodiversity of marine ecosystems and marine life, through the responsible management of vessel speed, discharge, hull coating and prevention of spills / leakages.
Recycling and Disposal of Materials	Minimising waste and ensuring the safe disposal of hazardous materials, including sustainably recycling ships at the end of their economic lives.
Social Topics	
Employee Health, Safety and Wellbeing	Ensuring a high level of health, safety and wellbeing for our employees and other stakeholders.
Diversity and Inclusion	Fostering a diverse and inclusive workforce through non-discrimination and promotion of equal opportunities.
Talent Attraction and Development	Attracting highly-skilled individuals, providing training and development opportunities to build a high-performing and engaged workforce.
Human Rights and Labour Practices	Respecting human and labour rights and ensuring there is no modern slavery within our business and our supply chain.
Supporting Local Communities	Supporting key stakeholder communities in countries where we operate, including strategic philanthropy / community investment, charitable donations, disaster relief and fundraising efforts.
Governance Topics	
Ethical Business Conduct	Upholding the highest standards of ethical business conduct, including measures to promote anti-corruption and fair competition, and curtail the practice of facilitation payments.
Physical Security	Adopting proper measures to prevent piracy attacks and ensuring the safe operation of ships.
Data Privacy and Cybersecurity	Ensuring data protection and privacy, and safeguarding business systems against cybersecurity threats.
Supply Chain Management	Mitigating the regulatory, environmental and social risks in the supply chain through responsible procurement practices.

Environment

TAKING CLIMATE ACTION

GHG emissions reduction and climate change adaptation

Shipping is a key driver of the world's economic engine. The sector delivers more than 90% of global trade in an economic and energy-efficient way but, in the process, produces around 3% of global CO₂ emissions. Therefore, climate change and Greenhouse Gas (GHG) emissions in the shipping sector must be addressed. The International Maritime Organisation's (IMO) adoption in 2018 of a GHG reduction strategy aims to reduce total GHG emissions from shipping by at least 50% in 2050, and to reduce the average carbon intensity (CO₂ emitted per cargo tonne-mile carried) by 40% in 2030 and 70% in 2050, compared to 2008.

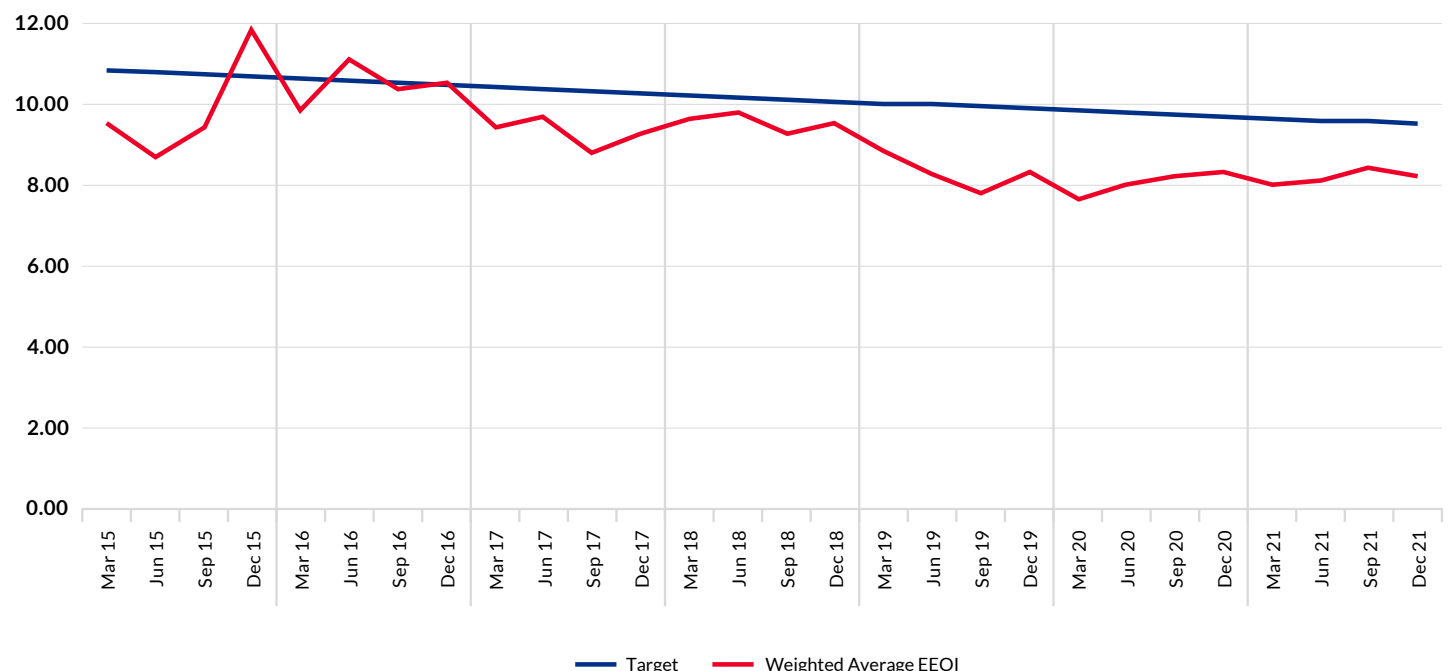
Many shipping companies have committed to a Net Zero emission target by 2050. This will not be possible without the development of alternative low / zero carbon fuels in addition to energy-efficiency measures such as "Virtual Arrival" and speed reductions.

We have established our Climate Change Policy (on our website)* which states that we aim to build resilience to climate change through adequate mitigation, adaption and by building adaptive capacity.

*<https://swirebulk.com/sustainability/sd-governance>

Swire Bulk EEOI

UoM: grammes of CO₂ per tonne of cargo carried over one nautical mile



Swire Bulk is committed to the following emission reduction targets:

- the long-term goal of Net Zero for our Scope 1 and 2 emissions by 2050;
- reviewing, and considering adopting a science-based target when this is issued by SBTi for our sector;
- reducing our Scope 3 emissions by careful selection and engagement with suppliers;
- investing in emission-reduction projects in collaboration with our key partners; and
- offsetting all business air travel emissions through the purchase of carbon credits.

Swire Bulk has one of the most modern and fuel-efficient fleets on the water, with the average fleet age of owned vessels being 5.39 years. We are working actively to achieve a KPI target of a reduced Energy Efficiency Operational Indicator (EEOI) - the energy we expend moving one tonne of cargo over one nautical mile - which is 3% more aggressive than the IMO's current target (40% carbon intensity reduction by 2030 compared to 2008).

Our fleet's EEOI data are showing a consistent downward trend which is a reflection of the work of our fleet management, operations and commercial teams on improving the EEOI performance. Our progress since 1st January 2015 is shown in the graph below (using a weighted average). At the end of 2021 we achieved a 1.39% y-o-y reduction in the weighted average score. Our EEOI score across our fleet at the end of 2021 was **8.17 grammes of CO₂ per tonne of cargo carried over one nautical mile**.

To curb emissions from shipping, IMO is introducing the requirement for mandatory reporting of Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicators (CII). Reporting of EEXI is a one-time calculation, based on the ship's design data whereas reporting of CII requires annual reporting, monitoring and verification based on the ship's operations.

IMO also added two elements to the Ship Energy Efficiency Management Plan: measuring CII and setting a CII target in line with IMO ambitions. Ships must document the CII and, at verification audits, prove that they are compliant with reduction trajectory towards 40% in 2030.

In compliance with IMO, Swire Bulk calculated the Energy Efficiency Design Index (EEDI) (for new owned vessels). We have also calculated EEXI (for existing owned vessels) reduction factors for our vessels, to be applicable from 1st January 2023 to ensure we will comply with IMO requirements.

We continue monitoring the GHG emissions for each vessel on both a per voyage and annual basis, using the IMO EEOI metric as our baseline. We remain committed to deploying more fuel-efficient vessels and minimising ballast days. We are able to provide a detailed emissions report for any voyage, comparing against peer group vessels and the potential savings under the EU Emissions Trading Scheme.



¹<https://www.globalmaritimeforum.org/getting-to-zero-coalition>



Mærsk Mc-Kinney Møller Center
for Zero Carbon Shipping

²<https://www.zerocarbonshipping.com>



³<https://www.gcformd.org>

Swire Bulk is a signatory to the *Getting to Zero 2030 Coalition*¹; and we are working with other industry leaders to convince the industry and our United Nations (UN) regulator, the IMO, to adopt robust, realistic targets to help our sector play its part in the world achieving the UN Framework Convention on Climate Change (UNFCCC) goals.

Our parent company, John Swire & Sons Ltd., joined the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping² in October 2021. Together with our partners at the Centre, we will collectively address decarbonisation issues, develop new technologies and exchange views on sustainability best practices at an industry level. We will have an opportunity to provide input into various working groups with the work expected to take place from 2022 onwards.

We are also planning to work with the Global Centre for Maritime Decarbonisation (GCMD)³ in Singapore on a third-generation biofuel project in 2022.

We remain committed to deploying more fuel-efficient vessels and minimising ballast days.

ENVIRONMENTAL INITIATIVES AND ACHIEVEMENTS

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

- Creating an internal fleet efficiency KPI scorecard to track monthly vessel fuel performance. The scorecard highlights excess consumption of fuel in metric tonnes and the overall movement throughout the year. The scorecard supports decision-making on both operational and technical performance improvements across the fleet.
- Using scorecard data to address irregularities through dialogue with vessel officers, and identifying corrective actions, in addition to driving management decisions on scheduling propeller polishing and hull cleaning.
- Fleet Efficiency Managers conduct briefings for all Masters and Chief Engineers prior to their joining a vessel. All aspects of fuel efficiency are discussed to enable them to contribute effectively to our corporate targets.

Swire Bulk's third-party ship management companies have dedicated resources responsible for collecting and analysing fuel use data. One of the third-party managers, Swire Shipping, manages the implementation of performance management system ("S-insight™") across 25 (out of 33 owned) vessels. S-insight is used to optimise hull and propeller performance, voyage execution and fuel accounting on our vessels. Fleet Optimisation Solution by Wärtsilä is used on two of our vessels managed by Anglo-Eastern Maritime. Other vessels have other performance management solutions in place.

Swire Bulk's in-house fleet operations and chartering managers spare no effort to optimise the fleet's efficiency, fuel consumption and operational flexibility to achieve a best-in-class fleet.

Swire Bulk has worked to develop voyage triangulations in key markets, where a network of consecutive voyages reduces ballast days (days where a vessel sails without cargo) between voyages, reduces CO₂ emissions, and increases vessel utilisation.

We continually evaluate and deploy Energy Saving Devices such as twisted leading-edge rudders with bulb, optimised propellers, premium anti-fouling coatings, optimised bow designs, trim optimisation integrated with loading computers and improved hydrodynamic efficiency. Premature dry dockings are carried out for poorer performing vessels to clean, or renew, the underwater paint system to further improve fuel efficiency.

These efforts have translated into 2,822 metric tonnes of fuel savings and the reduction of 8,788 tCO₂ emissions to the environment during the reporting period (based on data from our 25 owned vessels).

We report our energy efficiency / GHG emissions in accordance with EU Monitoring, Reporting and Verification ("MRV") requirements and the IMO Data Collection System ("DCS").

All Swire Bulk owned vessels have been provided with a vessel specific EU-MRV plan and class-endorsed IMO-DCS plans. In this way we ensure that all relevant information pertaining to carbon emissions, cargo carried, time spent, and distance travelled in the EU region and globally are verified by an authorised third-party verifier before being shared with the EU Commission.

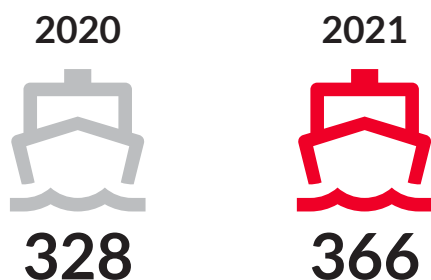
Under the DCS plans we verify our data by third-party verifier DNV. We maintain all relevant compliance certificates for the fleet as required by both MRV and DCS.



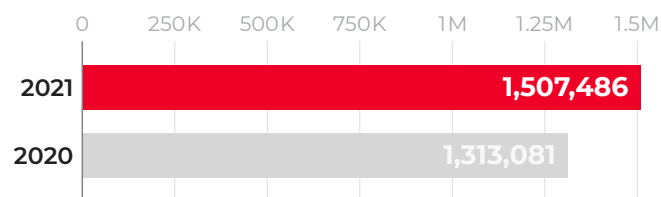
Swire Bulk's in-house fleet operations and chartering managers spare no effort to optimise the fleet's efficiency, fuel consumption and operational flexibility to achieve a best-in-class fleet.

GHG Emissions from all vessels under Swire Bulk's commercial control:

Number of Vessels Operated Over the Calendar Year

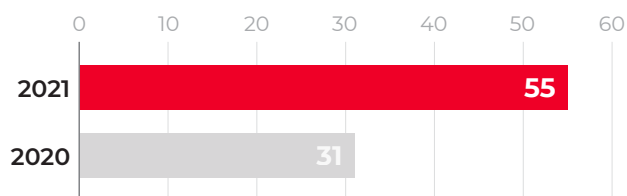


Total (Scope 1)* tCO₂

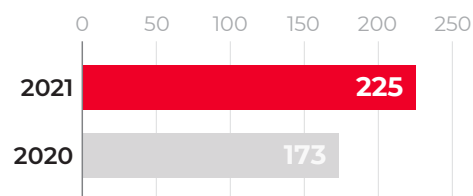


*Scope 1 emissions includes emissions from petrol and diesel use

Total (Scope 2) tCO₂



Total (Scope 3)** tCO₂

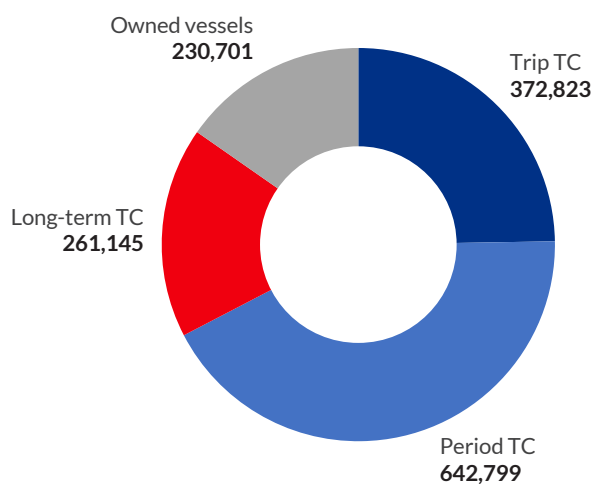


**Scope 3 emissions cover the category of business travel (management flights) only

Other Air Emissions in Metric tonnes



Scope 1 Emissions by Owned and Time-Chartered (TC)-in Vessels in 2021 (tCO₂)



PROTECTING THE ENVIRONMENT

Marine biodiversity protection and pollution prevention

At Swire Bulk, we understand that maintaining responsible stewardship of the biodiversity that we impact is important to maintaining a resilient natural environment. There is a need to protect and enhance the ecosystems in which we operate to help nature flourish. We recognise that the various inputs to our operations (such as fuel, paints, ballast water, food and packaging, lubricants and chemicals), while vital to our operations and in improving vessel efficiency, can also result in negative impact on the biodiversity in the areas in which we operate. To achieve our sustainable development goals and in line with global biodiversity regulations and conventions, a greater understanding and emphasis of ecosystem resilience is therefore required.

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

*<https://swirebulk.com/sustainability/sd-governance>

Accidental spills and operational discharges are key causes of marine pollution from shipping activities, with potential widespread adverse impact on marine life. We ensure that best practices are implemented onboard, and all relevant regulations are complied with. For our vessels we require Vessel Quality Standard (VQS) inspections to meet the requirements of the Safety Management System (SMS) of each third-party ship managers. Any incidents involving spillage are investigated, reported and actions taken to mitigate recurrence.

There were zero spills to the marine environment in 2021.

There is a need to assess and identify biodiversity issues of concern to eliminate or minimise the adverse impacts on biodiversity. Swire Bulk has Biodiversity Issues of Concern (BIC) and Biodiversity Action Plan (BAP) manuals that highlight higher-risk areas. BIC looks at issues of concern such as marine and shore discharge, atmospheric emissions, and their impacts while BAP looks at the Ecologically and Biologically Significant Marine Areas (EBSA) and Particularly Sensitive Sea Area (PSSA).

When our vessels sail through marine protected areas or areas with conservation status, we always comply with relevant local laws and regulations often involving slow-steaming or using ultra-low sulphur fuel to protect marine biodiversity or reduce emissions. These manuals will be reviewed once the *Convention on Biological Diversity* and an international agreement on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ Treaty) are ratified.

Our owned ships spent 1,943 days in marine protected areas or areas of protected conservation status in 2021.

All of our owned vessels are compliant with the IMO Ballast Water Management Convention by having ballast water treatment systems.

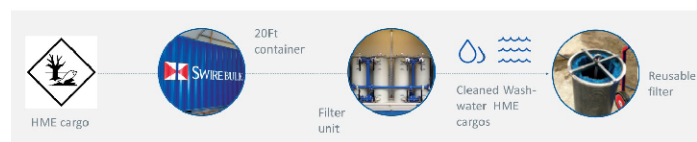
Custom-built Container with HME filter

In 2020, Swire Bulk teamed up with German port service provider, Anchor Up, to build a filter in a 20ft container that will reduce the concentration of contaminant solids to less than 5ppm in water pumped overboard after the cargo holds are cleaned. The filtered water is of such high standard that it is fit for human consumption.

The wash water is cleaned on board via the filter, and the bag containing the filtered cargo and washing detergent residues are brought ashore, either for further use for receivers or for disposal. The clean water can then be pumped out to sea without harming the marine environment.

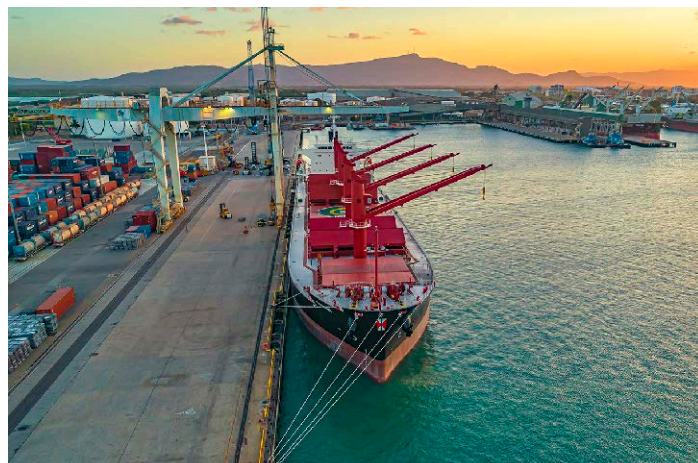
The filter is especially useful for cleaning wash water of cargo holds containing Hazardous for Marine Environment (HME) cargoes. It can also be used for non-HME cargoes.

The unit can be transported to various locations which provides a lot of flexibility. It is being trialled in Europe and we are now exploring deployment to other ports and rolling it out to Australia and New Zealand.



Supporting Port of Long Beach's Green Flag Programme

Swire Bulk is committed to 100% compliance with Port of Long Beach's Green Flag Programme to cut air pollution around the area. This is a voluntary vessel speed reduction programme for vessel operators requiring them to slow down to 12 knots or less within 40 nautical miles of Point Fermin. This helps to cut air pollution such as smog-forming nitrogen oxides (NO_x), diesel particulate matter (PM) and Greenhouse Gases (GHG) around the Long Beach area.



Supporting Vancouver Fraser Port Authority's commitment to saving whales

We continue to participate in the Enhancing Cetacean Habitat and Observation (ECHO) Programme, which aims to reduce underwater noise generated by vessels to support the recovery and survival of endangered southern resident killer whales (*Orcinus orca*). The programme is led by the Port of Vancouver, who coordinates the voluntary vessel slowdown initiatives in key feeding areas within the whales' critical habitat. These research initiatives help to better understand and manage the cumulative effects of shipping activities on whales. By slowing down, participating ship operators help to reduce underwater sound intensity. The speed reduction applies to Haro Strait, Boundary Pass and Swiftsure bank areas. Vessels are expected to slow down to 11 knots or less.

Reducing vessel speed makes it easier for whales to use echo-location to find their food. In 2021, speed reduction in Haro Strait and Boundary Pass contributed up to 55% noise level reduction.

Reducing vessel speed makes it easier for whales to use echo-location to find their food. In 2021, speed reduction in Haro Strait and Boundary Pass contributed up to 55% noise level reduction.



PORT of
vancouver | Vancouver Fraser
Port Authority

Source: <https://bit.ly/3zdJRgT>

Proud participant in the ECHO Programme

We slowed down while transiting through key southern resident killer whale foraging areas to help create quieter oceans, for healthier whales.

9,500+ ship transits slowed down

in southern resident killer whale
critical habitat since 2017

2020	2021
50%	55%

**Reduction in underwater
sound intensity**
achieved during the ECHO
Programme's slowdowns



The Enhancing Cetacean Habitat and Observation (ECHO) Programme is a regional collaborative initiative led by the Vancouver Fraser Port Authority to reduce the impacts of commercial shipping on at-risk whales.

Recycling and Disposal of Materials

We seek to minimise the amount of waste generated during our operations and ensure the safe and responsible disposal of waste. The prevention of pollution by solid waste from ships is regulated by MARPOL's 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, some waste materials are recycled. All disposal of waste is recorded, and only qualified contractors are used.

In our offices, we provide recycling bins as well as e-waste bins (Singapore). All waste is disposed of through licensed recycling companies.

All disposal of waste is recorded, and only qualified contractors are used.

Sustainable Ship Recycling

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

Swire Bulk has a policy that all ships at the end of their economic lives will be recycled in a sustainable, safe, responsible and environmentally sound manner. The policy details how this will be assured by Swire Bulk and applies to all Swire Bulk group vessels at the end of their economic life that are not sold for onward trading. You can find a copy of the policy on our website.*

With most of our owned fleet being very young, we do not envisage recycling our vessels in the next few years.

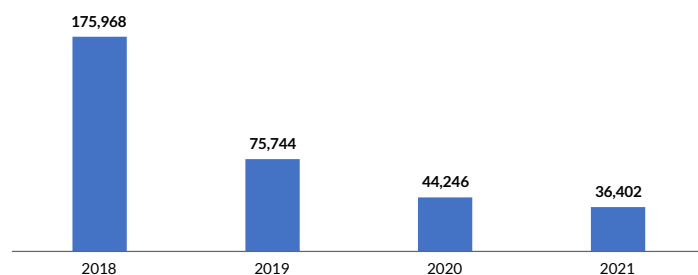
*<https://swirebulk.com/sustainability/sd-governance>

Reducing our Plastic Footprint

Marine plastic and microplastic pollution are harmful to marine biodiversity and human health. We are aware that around the world, billions of Single-Use Plastic (SUP) water bottles are used just once and then thrown "away" every year. Of these, less than 9% are recycled, potentially leading to 8 to 14 million tonnes of plastic escaping into the oceans from coastal nations annually. Therefore, in 2018 we set ourselves a goal to reduce SUP water bottles on board our owned vessels to zero.

As ship owners, we are obliged to provide potable water, under the national flag regulations; and all our vessels produce their own potable water through reverse osmosis from seawater. The reverse osmosis units on board our fleet ensure that we continue to provide the best quality potable water for our seagoing employees. We provide individual reusable water bottles to encourage our seafarers to "say no to single-use plastics".

Average number of Single-Use Plastic Water Bottles per year



*Statistics covers 25 out of 33 owned vessels. Other data is not available.

During 2021 we continued to work on reducing the number of SUP water bottles consumed across our fleet and achieved a further 17% y-o-y reduction.

During 2021 we continued to work on reducing the number of SUP water bottles consumed across our fleet and achieved a further 17% y-o-y reduction. This brings the overall reduction in SUP water bottles used on board Swire Bulk fleet to 79% from 2018 (baseline) to 31st December 2021.

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

In our offices, we encourage our employees to reduce their SUP plastic footprint by switching to reusable and more environmentally friendly options. We have recycling bins installed and monitor our recycling efforts regularly. In Singapore, we hold Eco-Office certification and engage our employees in environmental education and activities. We are also committed to eliminating SUP from any company-organised events.



Photo by Brian Yurasits on Unsplash

Social

TAKING CARE OF OUR PEOPLE

Employee health, safety and wellbeing

Safety is our guiding principle, and we will never compromise on safety at sea or onshore. We work as a team to ensure Zero Harm to our employees, customers, contractors, and the wider community. Swire Bulk has an Operations Policy in place which commits us to Zero Harm to all personnel and at all our business / operations sites at sea, in port and in all our offices. We work with our third-party ship management companies, partners, and stakeholders to be the standard bearer for safety.

Seafarers

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

Swire Bulk uses the RightShip Safety Score to benchmark safety performance of owned and chartered-in vessels. The Safety Score focuses on a vessel's operational history over the last five years and benchmarks each vessel against the world fleet. The output is a score out of five, where a vessel which has achieved a five out of five score indicates best practice attention to safety.

For our chartered-in fleet, Swire Bulk only selects vessels that meet the requirements of RightShip Safety score of three and above.

The average RightShip Scores of Swire Bulk vessels during 2021 were:

Owned vessels safety score: **4.51** (out of 5).

Chartered-in vessels safety score: **3.70** (out of 5)

From the start of the global pandemic, Swire Bulk remained committed to responsible business practices. The unprecedented crew change crisis has led to serious consequences for seafarers' wellbeing. Swire Bulk, through the contracted Ship Managers, worked with manning agencies to ensure that our seafarers are protected.

The impact on the seafarers has been significant. Swire Bulk placed high priority on managing crew health, welfare, repatriation, and general wellbeing of all personnel whether on owned or third-party tonnage. The operational impact of COVID-19 varied by country, though regional quarantine regulations were a minor inconvenience in comparison to crew safety and wellbeing.

Responsibility for arranging, and paying, for all quarantine requirements ashore, both pre-joining and enroute back home, and the various testing protocols were undertaken by the Company.

When vessels were deviated to ports to allow for crew changes to take place, the Company took responsibility for all associated costs. Regular sessions were held via videoconferencing between the vessels and third-party managers, focusing on crew wellbeing and safety, and allowing for the regular dialogue between seafarers and management personnel.

Swire Bulk safety statistics:

Near Miss Reports: **678**

LTIF per 1 million manhours: **0.17**

Fatalities: **0**



Behaving Safely. Always. Naturally.

We subscribe to Befrienders Worldwide, an international network of crisis helplines and multilingual hotline services. This is made available to our shore-based employees and seafarers at no cost to the individuals. We promote and encourage our employees to use those helplines if they feel they may need assistance from an independent third-party, and the initial reports and discussions are anonymous to Swire Bulk (note: if repatriation is required, then specifically for our sector, the identity of the seafarer will have to be revealed for the office to be able to facilitate this).

Office employees

As part of our commitment to provide a work environment that supports the safety, security and welfare of our people, we have developed a set of standards that are relevant to our onshore offices including establishing office safety committees and safety training workshops.

We continued to support our employees globally during the ongoing pandemic. We kept flexible work arrangements in place and followed government guidelines in various jurisdictions around the world. We applied proactive health and safety measures for our office personnel and implemented relevant work guidelines. Employees were issued



free COVID-19 test kits to carry out testing before their return to the office. Offices were cleaned and disinfected regularly. Online office attendance registration systems were used to ensure adherence to regulations and to facilitate contact tracing. Senior managers continued to provide guidance and leadership with the majority of meetings and events held online.

Stevedores, port workers and other third-party contractors

We care for the safety of both our people and our contractors. Our Port Captains work closely with stevedores and cargo lashing providers to ensure that the safety culture extends beyond our vessels and is reiterated during cargo operations.

Cargo safety

When it comes to handling cargo, we apply the highest safety standards. The safety of our customers' cargo is of utmost importance. We follow closely our cargo care policies and Standard Operating Procedures for the safe handling, stowage, and transportation, including for hazardous cargo shipments.



Human Rights and Labour Practices

Respecting human and labour rights and ensuring there is no modern slavery within our business and our supply chain is critical to Swire Bulk'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.

Swire Bulk aims to be the Employer of Choice by treating people with respect and providing them with good and safe working conditions, equitable remuneration, and benefits. We have in place both a Corporate Code of Conduct and a Human Rights Policy that address those issues.

Swire Bulk fully supports and complies with and / or exceeds the standards as set forth in the International Labour Organisation (ILO) Marine 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
- Compliance and enforcement

All contractual conditions for seafarers are compliant with the MLC 2006 wage levels or the International Transport Federation's Collective Bargaining Agreement (CBA).

Swire Bulk complies with the UK Modern Day Slavery Act 2015 and those of other jurisdictions, globally, where relevant. We have in place Modern Slavery Policy and publish annual statements on our website.*

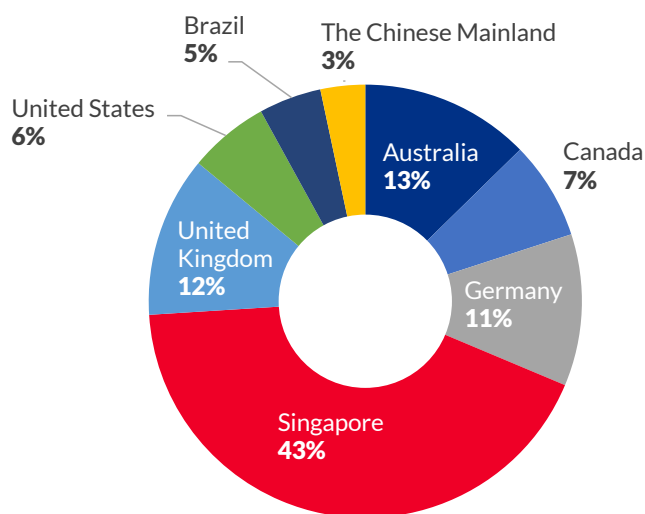
Swire Bulk has a whistleblowing procedure in place to report any issues related to labour practices and / or human rights. This can be an entirely confidential process.

Two potential cases of harassment or discrimination on any grounds, verbal or non-verbal (age, race, religion, ability, gender, gender identity, sexual orientation) were reported and dealt with by our third-party ship managers as they involved their seafarers, in accordance with established procedures.

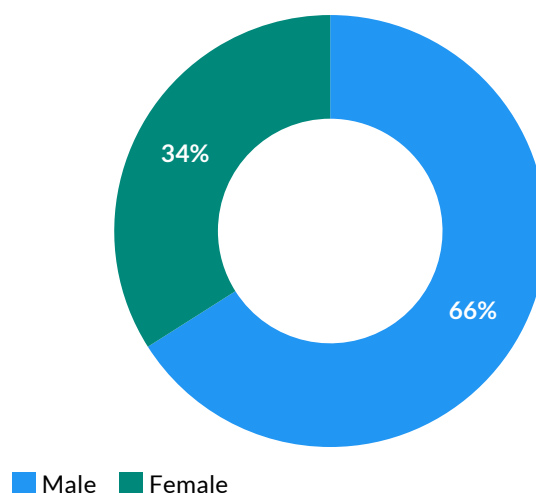
*<https://bit.ly/3S1V5xL>

DEVELOPING AN ENGAGED WORKFORCE

Shore-based employees by geographic location



Shore-based employees by gender identity



Talent Attraction and Development

Our people are at the core of Swire Bulk's business operations. We are committed to providing a continuous learning environment where employees are empowered to reach their highest potential. We value our multinational workforce and promote an inclusive and diverse workplace with a strong focus on safety excellence. We strive to attract highly skilled individuals, providing them with training and development opportunities to build a high-performing and engaged workforce. We will scale up our training programmes from 2022 onwards.

We offer flexible work arrangements for those who require flexibility due to family or other personal circumstances. We recognise that our employees have diverse needs and priorities, and we are committed to providing them with a conducive working environment to help them succeed. Our remuneration is benchmarked against the industry level, and we offer additional benefits to attract and retain our employees.

With a strong focus on Swire values, organisational culture, diversity and inclusion, and sustainability, we are creating a welcoming, positive, innovative and high performing work environment. In 2021, our retention rate for shore-based employees was 93.3% which compares well with public benchmarks in the countries in which we have offices.

Diversity and Inclusion

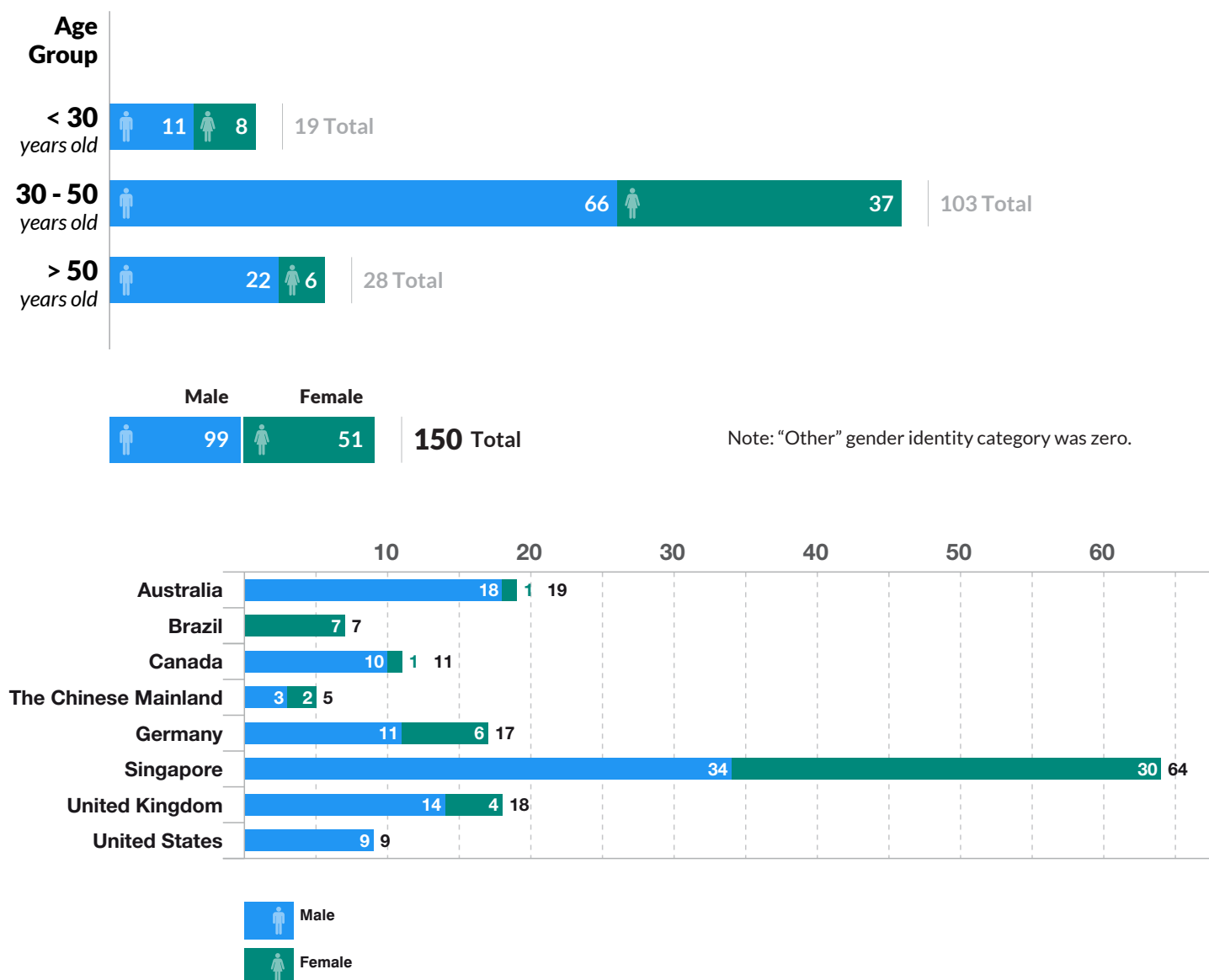
Evidence shows that diverse teams perform better. We ensure that the business offers the right conditions for all employees to thrive, regardless of gender, race, cultural, and other differences. We are an equal opportunity employer in hiring and promotion practices, benefits, and wages. We leverage culture, gender, and all other aspects of diversity to build an inclusive culture, as different perspectives and experiences bring value to our business.

In 2021 we had a total of 25 nationalities amongst our shore-based employees.

34% of our shore-based employees identified as female, while 66% of employees identified as male. We acknowledge that gender identity is a spectrum and there is a range of gender identities between and outside of the categories of male and female. We will address this in the coming years by offering employees the opportunity to identify beyond the binary gender categories.

In 2021 we had a total of 25 nationalities amongst our shore-based employees.

Age composition of our shore-based employees by gender identity



At the end of 2021 we had 23.5% female senior managers in our offices around the globe.

We have one female ELT member and are working to have a more diverse Board.

Swire Bulk supports IMO's effort to increase the number of women joining the shipping industry. Unfortunately, there were no female officers and crew among seafarers on board our owned vessels. While we are aware that this is reflective of the shipping industry in general, we continue to encourage women to join Swire Bulk by creating a culture where women feel safe and are supported.

We have in place a Diversity and Inclusion Policy, a Respect in the Workplace Policy as well as our Corporate Code of Conduct, all of which further embed diversity and equality of treatment and opportunity into our operations to ensure that all employees benefit from a welcoming, positive, and innovative work environment, which is essential to Swire Bulk's continuing success. In addition to the policies, we also provide a whistleblowing hotline to deal with any potential issues.

Swire Bulk joined WISTA in Singapore wherein our female managers attend industry networking and thematic events to get to know others and share experience and insights. WISTA has a consultative status at the International Maritime Organisation.

SUPPORTING OUR COMMUNITIES

We believe in doing right by our communities and investing in worthy causes. We aim to support charities and community organisations as well as our employees in need. We are committed to establishing long-term, mutually rewarding relationships with our partners and our communities.

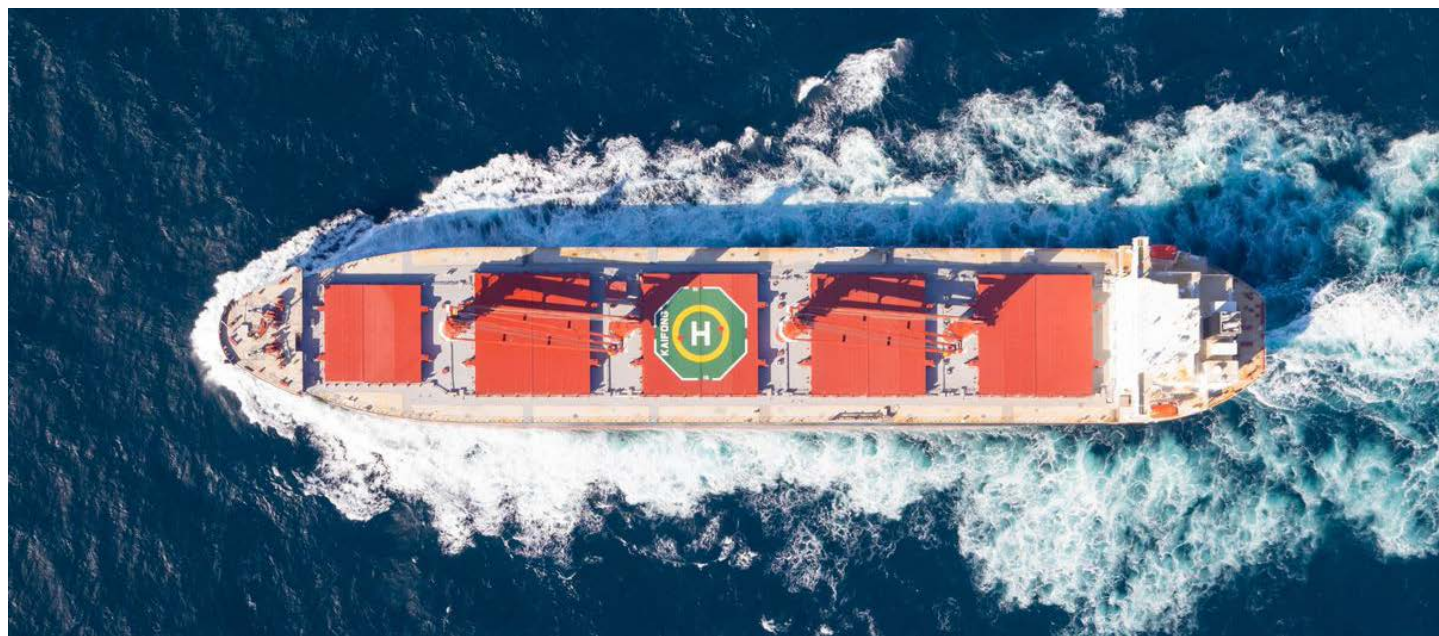
Our support for the communities focuses on education, community, health, youth, environment and biodiversity.

Swire Bulk allocates funding towards supporting key stakeholder communities in the various countries in which we operate. The Corporate Philanthropy ("CP") fund is administered by the Sustainable Development ("SD") department.

Our CP donations largely focus on:

- the Provision of Educational and / or Health Opportunities for Youth; and / or
- enhancing the Company's presence in our Stakeholder Communities; and / or
- environmentally / Biodiversity Sustainability issues; while as much as possible simultaneously:
 - demonstrating a strategic fit with Swire Bulk's business;
 - fostering or enhancing a Corporate Partnership with Swire Bulk (rather than being disconnected philanthropy) – i.e. be Business Critical Community Engagement ("BCCE");
 - involving a Long-Term Partnership;
 - being responsive to Community Needs;
 - normally avoiding One-Offs;
 - involving fewer but larger sums, rather than many small donations, as these have a bigger impact multiplier.

We believe in doing right by our communities and investing in worthy causes. We aim to support charities and community organisations as well as our employees in need. We are committed to establishing long-term, mutually rewarding relationships with our partners and our communities.



Governance

EMBEDDING RESPONSIBLE BUSINESS

Ethical Business Conduct

Ethical business conduct and responsible business practices have converged. For example, corruption has increasingly become viewed as much as a human rights risk as it is a governance issue. There is now a basic expectation that whistleblowing procedures are part of Standard Operating Procedures. Various previously 'soft' laws or norms on corporate responsibility have been translated into hard laws - for example, provisions of the UN Guiding Principles on Business and Human Rights ("The Ruggie Principles") are incorporated in modern slavery legislations, and anti-bribery and anti-corruption are now firmly established as a legal compliance requirement.

Greater convergence between corporate governance and responsible business practices will broaden governance and legal compliance footprints into both environmental and social issues. Companies are expected to move from complying with anti-corruption and ESG laws to integrating the spirit of those laws into their operations and being stringent in its application.

Swire Bulk is committed to act with integrity, transparency and accountability. We have high standards of business ethics and corporate governance, including zero tolerance towards any corrupt practices. This includes curtailing the practice of facilitation payments, as well as conducting due diligence on the ethical record of transactional partners, including customers and suppliers. Our Corporate Code of Conduct (CoC) is our main governance document which together with other policies and procedures, sets strong foundation on how we conduct our operations.

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

Our governance compliance training programme covers:

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

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

Any and all incidents of potential or actual non-compliance are reported to both the ELT and Audit and Risk Committee, and are investigated.

Swire Bulk 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 2021.

In 2021, 12 grievances were reported using the whistleblowing or confide channels. Five were unsubstantiated and the rest were addressed by the third-party ship management companies, as they involved their seafarers, in accordance with the established procedures.

Maritime Anti-Corruption Network

Swire Bulk joined the Maritime Anti-Corruption Network (MACN) in early 2022 in our own right (Swire Bulk has been submitting reports to MACN under CNCo since 2015). This will allow us to continue to contribute towards the maritime industry's vision and aim of being free of corruption.

MACN works closely with key stakeholders, including governments and international organisations, to identify and mitigate not only the symptoms, but also the root causes of corruption in the maritime industry. We participate in the Network's self-assessment every year on progress made. More information about MACN can be found at www.macn.dk



Supply Chain Management

The past decade has seen growing expectations for consumer-facing organisations to disclose information about how and where their products and materials are sourced from, and the impact on the whole value chain, driving full supply chain transparency and reporting initiatives. Charterers and shipowners now regularly conduct due diligence on suppliers and supply chain partners to meet these expectations.

A growing number of companies are introducing strategic supplier engagement programmes with a focus on sustainability. Many trading companies are differentiating their services by building the sustainability capacity of actors across the supply chain and offering assurance to their customers. These programmes seek to cover environmental and social risks associated with transport and logistics services, including shipping.

We aim to build stronger partnerships with our partners and suppliers and ensure that they adhere to the same high environmental, social and governance standards as Swire Bulk. Through understanding our supply chain risks, conducting due diligence on our suppliers and supply chain partners, we ensure that our supply chain is fully compliant with any regulatory, environmental and health and safety requirements as well as being free of human rights violations and modern slavery. All suppliers with a contractual agreement are required to follow our Supplier Code of Conduct.

We outsource our ship management services to third-parties. All subcontractors are carefully selected, following a thorough due diligence process before we enter into any contractual relationships with them. The due diligence process includes undertaking background checks during the tendering exercise. The third-party ship management companies are audited annually by Recognised Organisations (RO) appointed by the flag states in compliance with ILO Maritime Labour Convention, 2006 ("MLC 2006") requirements.

We also use several manning agencies in various countries around the world. Audits on the manning agencies are conducted internally by the Ship Management offices and externally by ROs in compliance with the International Safety Management (ISM) Code. Any non-compliances must be resolved within three months, or earlier, as advised by the auditor concerned. Swire Bulk regularly reviews all audit and inspection reports for all our owned vessels.

For our chartered-in fleet, Swire Bulk only selects vessels that meet the requirements of RightShip Safety score of three and above. Under their new system, RightShip assesses and maintains the vetting status of all vessels subject to overall safety and operational performance in the last five years.

We aim to build stronger partnerships with our partners and suppliers and ensure that they adhere to the same high environmental, social and governance standards as Swire Bulk.



VIVE Sustainable Supply Programme

In 2020, Swire Bulk became the first shipping company to be awarded VIVE "Claim" Level in the VIVE Shipping Module. The VIVE Sustainable Supply Programme covers the entire agricultural ingredient supply chain; from field to end-user (farm to fork). Through participation in this Programme, we hope to set the standard of sustainable practice within the industry.





Photo by Roonz on Unsplash

Physical Security

Swire Bulk takes all risks seriously, and security is an issue for business in addition to a legislative requirement. We recognise the importance of security for all our vessels.

The primary threat to any vessel is a criminal boarding. Therefore, physical security of our vessels is paramount to ensure all our crew are protected adequately from any physical threats of boarding from possible perpetrators. This threat is ever-evolving, and we actively work with relevant government agencies to ensure we receive up-to-date and immediate information regarding any attacks or threats within any region.

All seafarers are reminded constantly to ensure that they maintain effective lookouts, conduct security drills regularly, and ensure all possible threats are treated with the utmost importance.

Placements of armed guards onboard are mandatory when the vessel is contractually bound to transit through high-risk area such as Gulf of Aden (Indian Ocean). Our vessels are not permitted to transit high-risk areas or call at designated "high-risk ports" in the Gulf of Guinea and West Africa due to the high risk of piracy. We use Traffic Light indicators based on routine assessment of piracy attacks in the West Africa region.

Further requirements were introduced to ensure we adhered to COVID-19 safety measures. All persons embarking on a voyage need to obtain the necessary approvals prior to joining and boarding our vessels.

Swire Bulk takes all risks seriously, and security is an issue for business in addition to a legislative requirement. We recognise the importance of security for all our vessels.

Data Privacy and Cybersecurity

The pace of digitalisation 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. Swire Bulk takes these risks seriously and has identified "Data Privacy and Cybersecurity" as a material topic for the business.

We have Information Security and IT System Governance Policies in place, and we recognise the importance of cybersecurity. For our vessels this is addressed by our third-party ship management companies who have cybersecurity protocols in place.

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 Bulk values the privacy of the personal data we collect from our employees, business customers, suppliers, and partners (and each of their employees, officers, agents, contractors, or any other individuals they engage with) and are committed to protecting the privacy and security of all personal data in accordance with Data Protection legislations.

Our Data Protection & Privacy Policy together with the Employee Data Protection Policy, outline the information we collect, including personal data, and how this information is used. Personal rights and complaints procedures are clearly stated. We have a Data Protection Officer who ensures our compliance with all relevant legislations.

All employees must complete Cyber Security Awareness training and European Union General Data Protection Regulation (EU GDPR) and Singapore PDPA (for specific employees / functions) and pass an online assessment as part of our governance compliance training programme.

Swire Bulk was affected by the data breach incident in November 2021 that occurred in Swire Pacific Offshore Operations Pte. Ltd. (SPO). SPO provided Human Resource shared services to Swire Bulk in the past. This was addressed as per regulatory requirements.

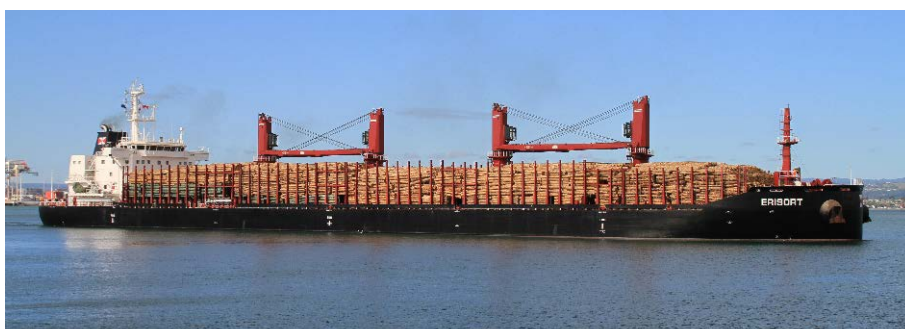
Sustainability Accounting Standards Board (SASB) Index

Marine Transportation Industry Standard

Topic	Accounting Metric	Unit of Measure	Data for 2021	SASB Code	Further Information*
Greenhouse Gas Emissions	CO ₂ Emissions				
	Gross global Scope 1 emissions	Metric tonnes CO ₂	1,507,485.51	TR-MT-110a.1	1
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets		See pages 15-16	TR-MT-110a.2	
	Energy Consumed				
	(1) Total energy consumed	Gigajoules (GJ)	(1) 5,641,470,269.27	TR-MT-110a.3	2
	(2) percentage heavy fuel oil (3) percentage renewable	Percentage (%)	(2) 92.13% (3) 0%		
	EEDI				
	Average Energy Efficiency Design Index (EEDI) for owned ships	Grammes of CO ₂ per tonne-nautical mile	BD40 - 4.7 Imabari - 5.5 Oshima - 4.6 Hakodate - 5.4	TR-MT-110a.4	

*Disclaimer and Assumptions for the SASB Disclosures

- 1 Gross global Scope 1 emissions: covers CO₂ emissions (metric tonnes CO₂). Calculations are based on the IMO emission factors and fuel consumption for the year. The financial control approach defined by the Greenhouse Gas (GHG) Protocol has been applied (Scope 1). This includes all operated vessels, based on fuel consumption for the year. (Other GHGs are excluded as IMO does not have emission factors available.)
- 2 Total energy consumed: calculated based on available data from fuel purchases, using the fuel properties defined by UK DEFRA, conversion factors, 2021 – note that properties concerning bunker fuel oil were obtained from the IMO. The figure includes all owned, operated and chartered-in vessels and covers Scope 1 emissions. Heavy fuel oil constitutes IFO, LSIFO and VLSFO.



Sustainability Accounting Standards Board (SASB) Index

Marine Transportation Industry Standard

Topic	Accounting Metric	Unit of Measure	Data for 2021	SASB Code	Further Information*
	Other Emissions to Air				
Air Quality	(1) NO _x (excluding N ₂ O) (2) SO _x (3) particulate matter (PM10)	Metric tonnes	(1) 37,613.7 (2) 5,419.6 (3) 3,006.6	TR-MT-120a.1	3
	Shipping Duration in Marine Protected Areas				
Ecological Impacts	Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	1,943.81	TR-MT-160a.1	4
	Percentage of Fleet Implementing Ballast Water				
	(1) exchange	Percentage (%)	100%	TR-MT-160a.2	
	(2) treatment		100%		
	Spills and Releases to the Environment				
	(1) Number	Number	0	TR-MT-160a.3	
	(2) aggregate volume	Cubic meters (m³)	0		
	Lost Time Incident Rate				
Employee Health & Safety	Lost time incident rate (LTIR)	Rate	Offices - Nil Vessels - 0.17	TR-MT-320a.1	5

*Disclaimer and Assumptions for the SASB Disclosures

- 3 NO_x, SO_x and PM emissions: emissions from the combustion of fuels from all operated vessels. Calculations are based on the following sources:
For SO_x - assumed 3.5%, 0.5%, 1.5%, 0.1% and 1% sulphur by weight for IFO, LSIFO, MGO, LSGO and LO respectively.
Source: European Commission (2002) "Quantification of emissions from ships associated with ship movements between port in the EC"
For NO_x - assumed 84%, 6% and 10% of IFO / LSIFO consumed at sea, in harbour and in port respectively, and 18%, 30% and 52% of MGO / LSGO consumed at sea, in harbour and in port respectively. We assume the same percentages for LO consumption in each mode.
Source: European Commission (2002) "Quantification of emissions from ships associated with ship movements between port in the EC"
For PM - Eyring, V., et al., Transport impacts on atmosphere and climate: Shipping, Atmospheric Environment (2009)
Scope includes all owned and operated vessels, including chartered-in vessels.
- 4 Shipping duration in marine protected areas: includes times in SECA zones. Scope: all owned vessels.
- 5 Lost Time Incident Rate (LTIR): The rate is calculated based on (Lost Time Incidents) / (1,000,000 hours worked), and includes incidents resulting in absence from work beyond the date or shift when it occurred. Scope: all owned vessels.

Sustainability Accounting Standards Board (SASB) Index

Marine Transportation Industry Standard

Topic	Accounting Metric	Unit of Measure	Data for 2021	SASB Code	Further Information*
Business Ethics	Corruption Index				
	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	2	TR-MT510a.1	
	Corruption				
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	0	TR-MT-510a.2	
Accident & Safety Management	Marine Casualties				
	Marine casualties	Number	0	TR-MT-540a.1	
	Very serious marine casualties	Percentage (%)	0%		
	Conditions of Class				
	Number of Conditions of Class or Recommendations	Number	0	TR-MT-540a.2	6
	Port State Control				
	(1) deficiencies (2) detentions	Number	(1) 81 (2) 2	TR-MT-540a.3	

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- 6** Conditions of Class or Recommendations are understood to be interchangeable terms, defined as requirements imposed by the competent authorities that are to be carried out within a specific time limit in order to retain vessel Class. Please note that only conditions of class that led to the withdrawal, suspension, or invalidation of a vessel's Class Certificate are accounted for in this report – and there were zero such incidents in 2021.

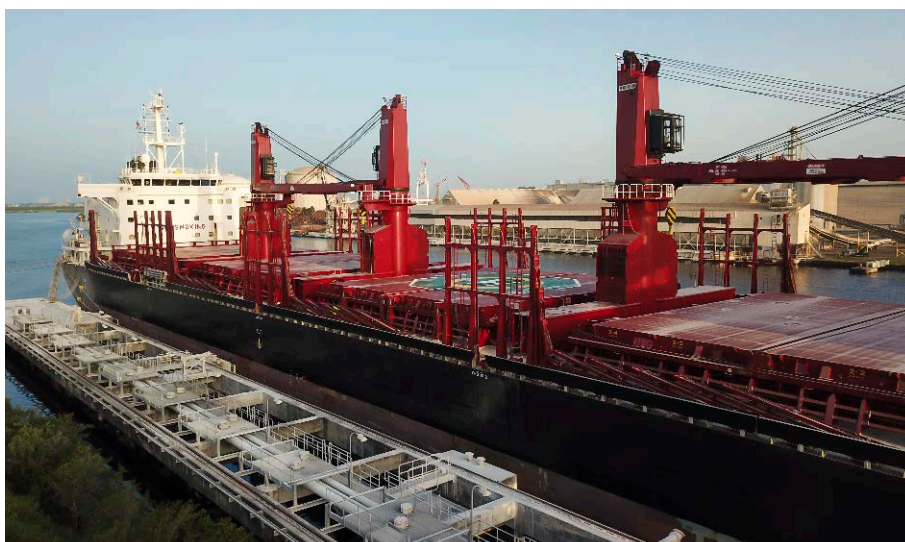
Sustainability Accounting Standards Board (SASB) Index

Marine Transportation Industry Standard


	Activity Metric	Unit of Measure	Data for 2021	SASB Code	Further Information*
Marine Transportation Activity Metrics	Number of shipboard employees	Number	660	TR-MT-000.A	7
	Total distance traveled by vessels	Nautical miles (nm)	19,374.80	TR-MT-000.B	8
	Operating days	Days	54,001	TR-MT-000.C	9
	Deadweight tonnage	Thousand dead-weight tonnes	17,952	TR-MT-000.D	
	Number of vessels in total shipping fleet	Number	366	TR-MT-000.E	
	Number of vessel port calls	Number	2,712	TR-MT-000.F	10
	Twenty-foot equivalent unit (TEU) capacity	TEU	Not applicable	TR-MT-000.G	

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- 7 Number of shipboard employees: this figure represents the typical count of crew on board our fleet at any given time, based on standard crew complement. It does not reflect the aggregate number of individual crew members who have worked on board during the year. Scope: all owned vessels.
- 8 Total distance traveled: the distance (in nautical miles) travelled by all operated vessels during the calendar year, covering both ballast and laden legs.
- 9 Scope for TR-MT-000.C to TR-MT-000.F covers all operated vessels throughout the calendar year.
- 10 Number of vessel port calls: total number of port calls for the entire fleet during the reporting period.



United Nations Sustainable Development Goals (SDG)

SDG	Relevant Material Topics	Relevance to Swire Bulk's operations / Progress over 2021 calendar year
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Employee Health, Safety and Wellbeing</p> <p>Physical Security</p>	<ul style="list-style-type: none"> • Operations Policy / Labour practices / Employee welfare and benefits • Enhancing our approach to safety through the Zero Harm campaign • Cargo operations and port community safety measures • Respect in the Workplace Policy • Crisis support helpline • Onshore Safety Committee • Supporting our employees during the global pandemic • Environmental Policy and procedures to ensure no harm to the environment and communities
 <p>5 GENDER EQUALITY</p>	<p>Diversity and Inclusion</p> <p>Human Rights and Labour Practices</p> <p>Talent Attraction and Development</p>	<ul style="list-style-type: none"> • Diversity and Inclusion Policy and Respect in the Workplace Policy • Workplace Harassment prevention training module • Grievance mechanism • Use of gender inclusive language • Unconscious bias training for managers • Gender neutral employee attraction and retention policies and procedures • Equality in pay structures and rewards • Good and safe working conditions • Supporting women in maritime • Membership of WISTA (Singapore chapter)
 <p>13 CLIMATE ACTION</p>	<p>Greenhouse Gas Emissions Reductions and Climate Change Adaptation</p>	<ul style="list-style-type: none"> • Young fleet of modern, fuel / carbon efficient vessels • Voyage triangulations in key markets to reduce CO₂ emissions • Monitoring the GHG emissions for each vessel on both per voyage and annual basis • Investing in R&D into alternative energy sources • Member of <i>Getting to Zero</i> 2030 Coalition, MMMC, SSI • Initiatives to improve fuel efficiency / use of performance management systems • Publicly reporting our environmental performance via SD reports • Internal fleet efficiency KPI scorecard • KPIs for reducing our EEOI • Eco-office / sustainable office practices
 <p>14 LIFE BELOW WATER</p>	<p>Marine Biodiversity Protection and Pollution Prevention</p>	<ul style="list-style-type: none"> • Biodiversity Policy / Investment in clean and green technologies • Custom-built Container with HME filter • Biodiversity Issues of Concern (BIC) and Biodiversity Action Plan (BAP) manuals in place • Anti-fouling paint application (owned vessels) • Zero release of hazardous chemicals into the water • Compliance with the IMO Ballast Water Management Convention • Single-Use Plastic reduction targets • ECHO programme led by Vancouver Fraser Port Authority • Port of Long Beach Green Flag Programme
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Ethical Business Conduct</p> <p>Supply Chain Management</p> <p>Data Privacy and Cybersecurity</p>	<ul style="list-style-type: none"> • Strong Governance, Compliance training covering Corporate Code of Conduct / Anti-Bribery / Antitrust • VIVE Sustainable Supply Programme Award • Supplier Code of Conduct in place • Whistleblowing Policy / Third-party due diligence • Sanctions • Membership of Maritime Anti-Corruption Network (MACN) • Privacy Policies, procedures and training • Cybersecurity / EU GDPR and Singapore PDPA training for employees

www.swirebulk.com

Swire Bulk Pte. Ltd.
300 Beach Road
The Concourse, #28-02
Singapore 199555

