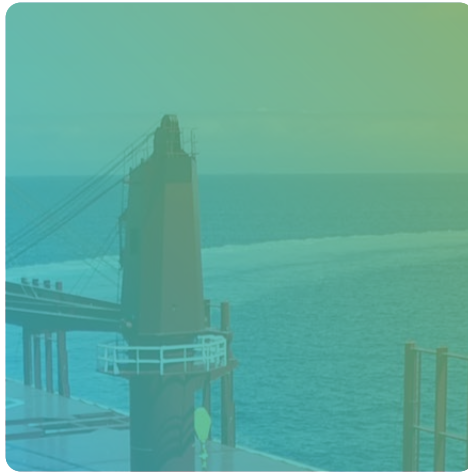


SUSTAINABILITY REPORT

FOR THE CALENDAR YEAR 2022





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About this Report

Feedback on any aspect of this report is welcomed. Please contact Swire Bulk's Sustainability and Decarbonisation Department at:

SD.dept@swirebulk.com

This is the second Swire Bulk annual Sustainability Report covering the period from 1st January through 31st December 2022.

The report provides a summary of material sustainability issues across Environmental, Social and Governance (ESG) areas together with the achievements and improvements made by Swire Bulk over the calendar year.

The report is written with reference to 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 44.

Please see the organisational boundary diagram in the Annex on page 50 for the scope covered by this report.

Copeland & Partners Limited has undertaken the limited external assurance of Sustainability Disclosure Topics and Accounting Metrics of SASB's Marine Transportation Industry Standard. Please see Annex on page 51 for the independent assurance statement.

CEO MESSAGE

2022 was a landmark year for shipping within the Swire Group as The China Navigation Company (CNCo), the traditional shipping company within the Swire Group and the company under which Swire Bulk was an operating division until 2021, celebrated its 150th anniversary. Shipping has always been a cornerstone of trading for the Swire Group with CNCo, dating its origins back to 1872, operating paddle steamers on the Yangtze River. Over the years, CNCo has operated in a wide range of maritime sectors including multipurpose trades, container lines, cruise ships, tankers, and more recently in dry bulk shipping with the establishment of Swire Bulk in 2012. We are proud to be a part of such a long and storied history and the focus in 2022 was to Celebrate Our Heritage. Anniversary celebrations were held for employees, customers, and partners across the world including events in Singapore, Hong Kong SAR, Sydney and Tokyo. This legacy underpins our long-term approach to being a partner of choice for our customers, and our commitment to sustainability and providing lowest-carbon shipping solutions will be central to the next chapter for Swire Bulk.

2022 provided a supportive trading environment for the dry bulk industry as the world gradually reopened over the course of the year after the pandemic, while the conflict between Russia and Ukraine dramatically shifted trading patterns overnight. On a human level, it has been a great relief to see the relaxation of restrictions on crew changes which has eased the heavy burden on our seafarers in recent years whilst the thoughts of everyone at Swire Bulk remain with those affected by the war in Ukraine. For our industry, sustainability and decarbonisation have become increasingly prominent and Swire Bulk remains committed to be at the forefront as the maritime sector transitions towards a greener and more sustainable future.

Significant progress has been made over the last year in embedding sustainability into Swire Bulk's long-term strategy with our newly launched Sustainability Strategy, incorporating clear goals and targets, across the pillars of Thriving Environment, Thriving People, and Thriving Partners. Our Sustainability Strategy is aligned with the Swire Group's Strategy. More information on this can be found on page 13 and we will report on our progress against these metrics in future reports.

In addition to our overarching Sustainability Strategy, we have also developed our Decarbonisation Roadmap which presents the actions and milestones needed to hit our long-term objective of Net Zero Greenhouse Gas (GHG) emissions by 2050. This includes an intermediary target of a 50% reduction in carbon intensity by 2030, from our baseline year of 2014; and a short-term target of either burning 2% of near zero emission fuels in the combined Swire fleet by 2027, or the equivalent reduction in absolute emissions from installing Energy Efficiency Technologies. We consider these to be ambitious targets which will drive innovation within Swire Bulk and demonstrate our commitment to decarbonise our operations. Full details on our Decarbonisation Roadmap on page 16.

We have already started on this journey with investments made to grow our Sustainability and Decarbonisation Department including the establishment of a Fleet Efficiency team and the appointment of a dedicated Decarbonisation Manager. We continue to actively measure the efficiency of our operations and are proud of our market-leading Energy Efficiency Operational Indicator (EEOI) scores (see page 18). We are looking to partner with our customers to continue improvements in our EEOI performance and actively share emissions data and EEOI scores for every voyage. Swire Bulk also launched the SailGreener programme, which provides our customers with the opportunity to offset the emissions associated with their voyage.

Swire Bulk is also focused on our people where our commitment to health and safety remains the top priority, especially for seafarers onboard vessels. We are working to champion labour rights and strengthen our safeguards against modern day slavery risks in our operations and supply chain. Ashore, we are dedicated to the development of our people and have carried out a benchmarking survey to assess the Diversity and Inclusion within our company as well as setting targets to increase the number of women in senior management roles by 2025.

This publication covers initiatives for material topics across all three areas of ESG. We are pleased the Sustainability Disclosure Topics and Accounting Metrics of the SASB Marine Transportation Standard have been independently assured by Copeland & Partners Limited.

Swire Bulk's company values are Integrity, Endeavour, Excellence, Teamwork, Humility, and Continuity. Our commitment to operating safely and sustainably aligns particularly to this final value of Continuity and ensures we can build on the 150-year heritage of shipping within the Swire Group to tackle the next chapter with conviction and ingenuity. All of our company values will be required, both internally and with partners across our industry and value chain, to achieve the goals that we have set. We look forward to working on these challenges together and we hope that you enjoy this report.

Peter Norborg
CEO, Swire Bulk



KEY PERFORMANCE HIGHLIGHTS

ENVIRONMENTAL

Climate Footprint

Emissions

Metric tonnes (t) CO₂

Scope 1 y-o-y
1,193,443 ▼ | **21%**

Scope 2 y-o-y
57 ▲ | **4%**

Scope 3 (Air travel only) y-o-y
545 ▲ | **142%**

Other Air Emissions

Scope 1

Metric tonnes (t)

NO_x y-o-y
29,390 ▼ | **22%**

SO_x y-o-y
3,985 ▼ | **26%**

Particulate Matter y-o-y
2,333 ▼ | **22%**

VOC y-o-y
458 ▼ | **21%**

Black Carbon y-o-y
4,329 ▼ | **5%**

Total Number of Vessels

309 y-o-y
 over the calendar year ▼ | **16%**

Average owned fleet age:
5.72 years

Total cargo carried (mt):
>32 million

Ecological Impacts

No significant spills
 and releases to the environment

SOCIAL

Shore-based Employees

Number: **146**

Retention rate: **90.2%**

Nationalities: **22**



Employee Health & Safety

Lost Time Injury
 Frequency Rate*

0.3 *per million manhours

Fatalities

Zero
Fatalities

Diversity & Inclusion

Shore-based employees
 by gender identity



Senior managers by
 gender identity



GOVERNANCE

Business Ethics

Grievances

10 reported /
4 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.

Vision, Mission and Values

Vision: Swire Bulk is committed to being an industry leader for safety and sustainability with a flexible trading approach as an Owner and Operator.

Mission: Swire Bulk's focus will always be on quality, and success will be defined by operating safely and delivering long-term value for the shareholders.

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



Operating with safety first

Setting the standard on sustainability

Global coverage

Long-term, customer-centric partnerships

Bespoke freight solutions

OUR VALUES



Integrity



Endeavour



Excellence



Teamwork



Continuity



Humility

OUR OFFICES GLOBAL PRESENCE



Swire Bulk operates one of the most modern and fuel-efficient fleets on the water.

Our Business

Swire Bulk, the specialist bulk trading arm of the multinational Swire Group, is a leading vessel Owner and Operator in the dry bulk geared sector with a trading fleet of around 125 Handysize and Supramax / Ultramax vessels controlled by eight commercial offices around the world. Its global headquarters is situated in Singapore.

Swire Bulk operates one of the most modern and fuel-efficient fleets on the water. With a diversified cargo base and a balanced vessel operating mix between owned and chartered tonnage, Swire Bulk is well-placed to be a long-term partner of choice for its global customers and deliver market-leading, innovative, and sustainable freight solutions.

Some of the industrial sectors Swire Bulk serves are:

Agriculture and fertilisers

Energy

Renewables

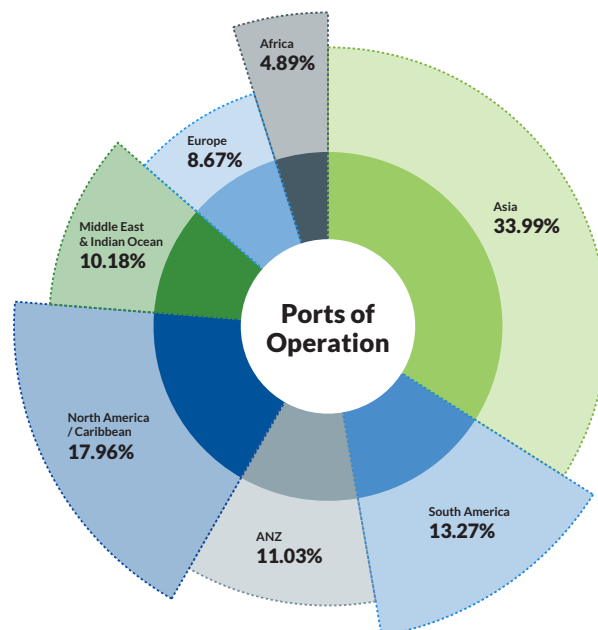
Mining

Steel

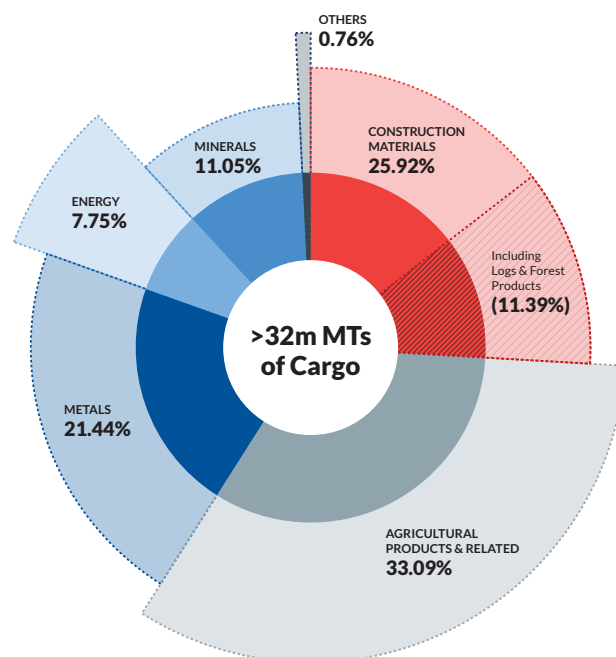
Construction

With a diversified cargo base and a balanced vessel operating mix between owned and chartered tonnage, Swire Bulk is well-placed to be a long-term partner of choice for its global customers and deliver market-leading, innovative, and sustainable freight solutions.

2022 Trade Areas



2022 Commodity Mix



OUR COMPANY AT A GLANCE



>290

customers



146

shore-based employees



8

offices



>90

countries traded in



>125

owned and operated vessels at any time



>2,990

ports operated in



>42,000

days traded



14m DWT

fleet capacity across three vessel segments



5.72

average owned fleet age in years



>32

million tonnes of cargo carried

Swire Bulk is your **dedicated partner of choice** across dry bulk, breakbulk and parcelling cargoes:

Dry Bulk:

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

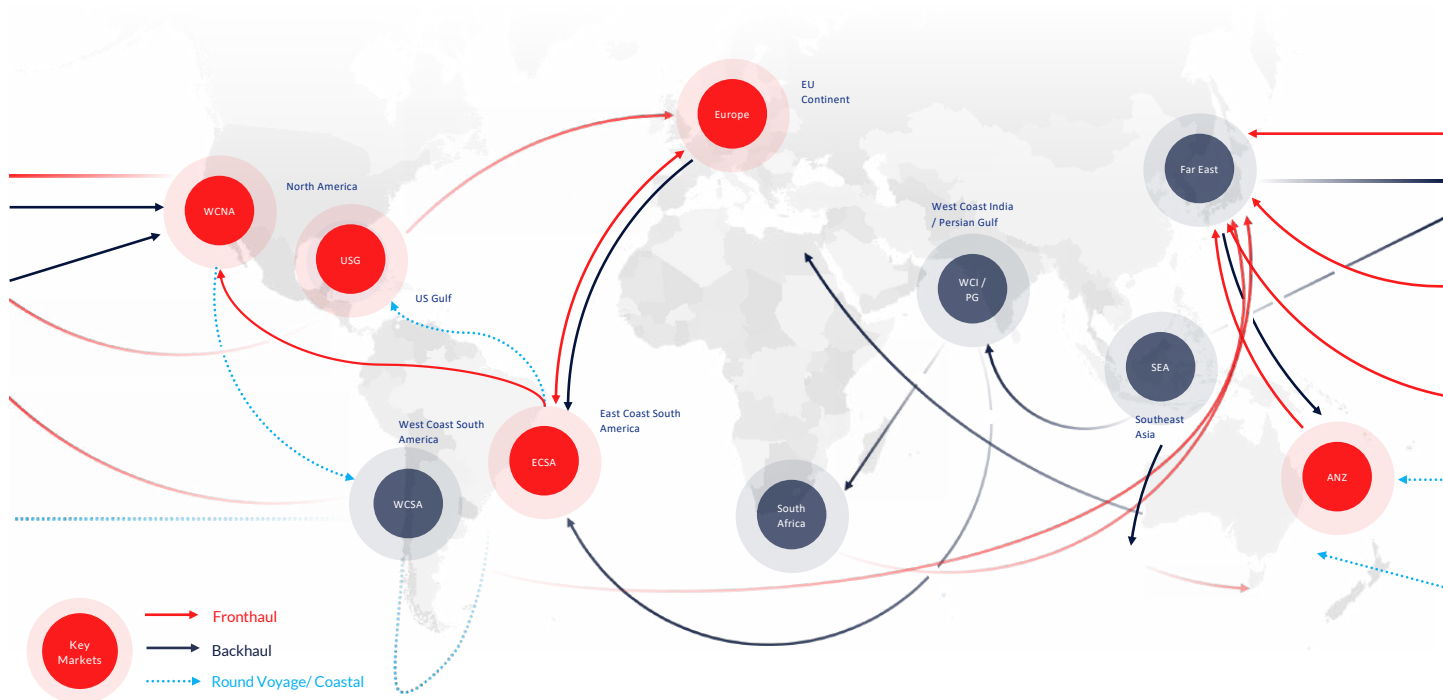
Breakbulk and Parcelling:

The global parcelling division combines bulk and breakbulk cargoes. The focus is on serving niche industrial sectors where established relationships with traditional dry bulk customers can be expanded and new solutions for unitised, parcel-focused customers can be developed. Regular cargoes of this division are bulk and bagged industrial commodities, steel and machinery products, forestry products, and project cargoes including wind turbine components.

Swire Bulk provides commercial services, voyage operation services, and supervision of third-party ship managers. Bunker procurement was outsourced to a third-party in 2022. Vessel technical management is outsourced to third-party ship management companies that provide technical management services ranging from repairs, maintenance and crew-manning, to procurement of spares and supplies.

OUR GLOBAL NETWORK

Shipping Between All Continents



Through building a network of consecutive voyages, Swire Bulk reduces ballast days (days where a vessel sails empty without cargo) between voyages, which increases vessel utilisation and operational efficiency while reducing CO₂ emissions. Swire Bulk vessels are laden carrying cargoes around the globe over 90.5% of the time.



MEMBERSHIPS / ASSOCIATIONS / AWARDS



Getting to Zero Coalition

Swire Bulk 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.



Maritime Anti-Corruption Network

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



Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping

Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping

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



Sustainable Shipping Initiative

Swire Bulk has been a participant in the Sustainable Shipping Initiative (SSI) over the years, through sister company Swire Shipping, and became a member in its own right in 2023. 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".



Women's International Shipping & Trading Association

Swire Bulk is a member of the Women's International Shipping & Trading Association (WISTA) in Singapore (joined in 2022). WISTA has a consultative status at the International Maritime Organisation.



World Ocean Council

Swire Bulk joined the World Ocean Council (WOC) at the start of 2023. The WOC is a global, cross-sectoral ocean industry leadership alliance committed to "Corporate Ocean Responsibility", developed by and for the private sector, with a unique and multi-sectoral approach to address cross-cutting issues affecting ocean sustainable development, science and stewardship of the seas.

OUR APPROACH TO SUSTAINABILITY

Swire Bulk 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. Sustainability remains central to the business strategy, as reflected in the Vision statement. Priorities have been identified which are based on the material sustainability topics that drive long-term value for Swire Bulk's business and stakeholders.

Sustainability Governance

In 2022 Swire Bulk appointed a new General Manager (GM) responsible for Sustainability and Decarbonisation (S&D) reporting to the CEO of Swire Bulk. The S&D Department has been expanded to increase the resources and expertise required to decarbonise Swire Bulk's business.

A Fleet Efficiency team was established to measure and improve fleet efficiency covering owned and chartered-in tonnage from 2023 onwards.

A newly appointed Decarbonisation Manager joined in 2023 to drive current and future projects to accelerate knowledge and engagement with alternative fuels and future fuel supply chains.

The Sustainability team covers various ESG areas to ensure that Swire Bulk addresses all relevant ESG topics.

The S&D department works closely with the members of the Executive Leadership Team (ELT) on setting and implementing the Sustainability strategy, goals, and measuring performance. 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 Bulk's position as a sustainability leader within the dry bulk sector.




SwireBulkTHRIVE



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 five key areas: Climate, Waste, Water, People and Communities.

Swire Bulk's Sustainability Strategy, "SwireBulkTHRIVE" is fully aligned with the Swire Group's Sustainability Strategy and covers other areas which are material to Swire Bulk's operations. SwireBulkTHRIVE has three focus areas: Thriving People, Thriving Environment, Thriving Partners.

Short-, medium- and long-term targets have been developed and are aligned with internal stakeholders to step up the Company's ambitions and measure performance. Progress made on achieving these targets will be reported in the years ahead.

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 create a resilient environment that provides for our future.



THRIVING PARTNERS 

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



Swire Bulk'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 page 52 for more information.

Swire Bulk's sustainability focus areas are aligned with several of the United Nations Sustainable Development Goals.

SwireBulkTHRIVE SUSTAINABILITY STRATEGY



Stakeholder Engagement and Materiality

A stakeholder engagement exercise was undertaken for the 2021 Sustainability report which identified the most material sustainability topics.

The **Materiality Matrix** can be found on page 48 and will be refreshed every three years. This report continues to focus on the most material issues identified and progress made over the calendar year 2022.



TAKING CLIMATE ACTION

GHG emissions reduction and climate change adaptation

Shipping is crucial to the global economy. According to the Dow Jones*, global maritime shipping accounts for 80% - 90% of the total international trade by volume or around 70% by value.

While shipping is an economic 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 combat climate change.

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.

<https://www.dowjones.com/professional/risk/resources/risk-blog/maritime-risks-rise>

However, the pressure is mounting for the IMO to adopt a much more ambitious target for the sector to better align with the Paris agreement to keep global warming below 2 degrees celsius above pre-industrial levels. Swire Bulk has set ambitious targets that go beyond IMO targets.

A minority of shipping companies have made similar commitments including a Net Zero emission target by 2050. This will not be possible without the development of alternative low / zero carbon fuels in addition to the continuous improvement of voyage and vessel performance as well as adopting energy efficiency technologies. Swire Bulk is dedicated to being an active industry contributor to the development and adoption of technologies that will reduce emissions as they become available.

Swire Bulk has developed a Decarbonisation Roadmap that sets out short-, medium- and long-term targets to decarbonise vessel operations.



SHORT-TERM TARGET

2% use of near zero emission fuels by 2027

OR

the equivalent reduction in absolute emissions from installing Energy Efficiency Technologies.



MEDIUM-TERM TARGET

50% reduction


of carbon intensity by 2030 compared to the baseline (2014).



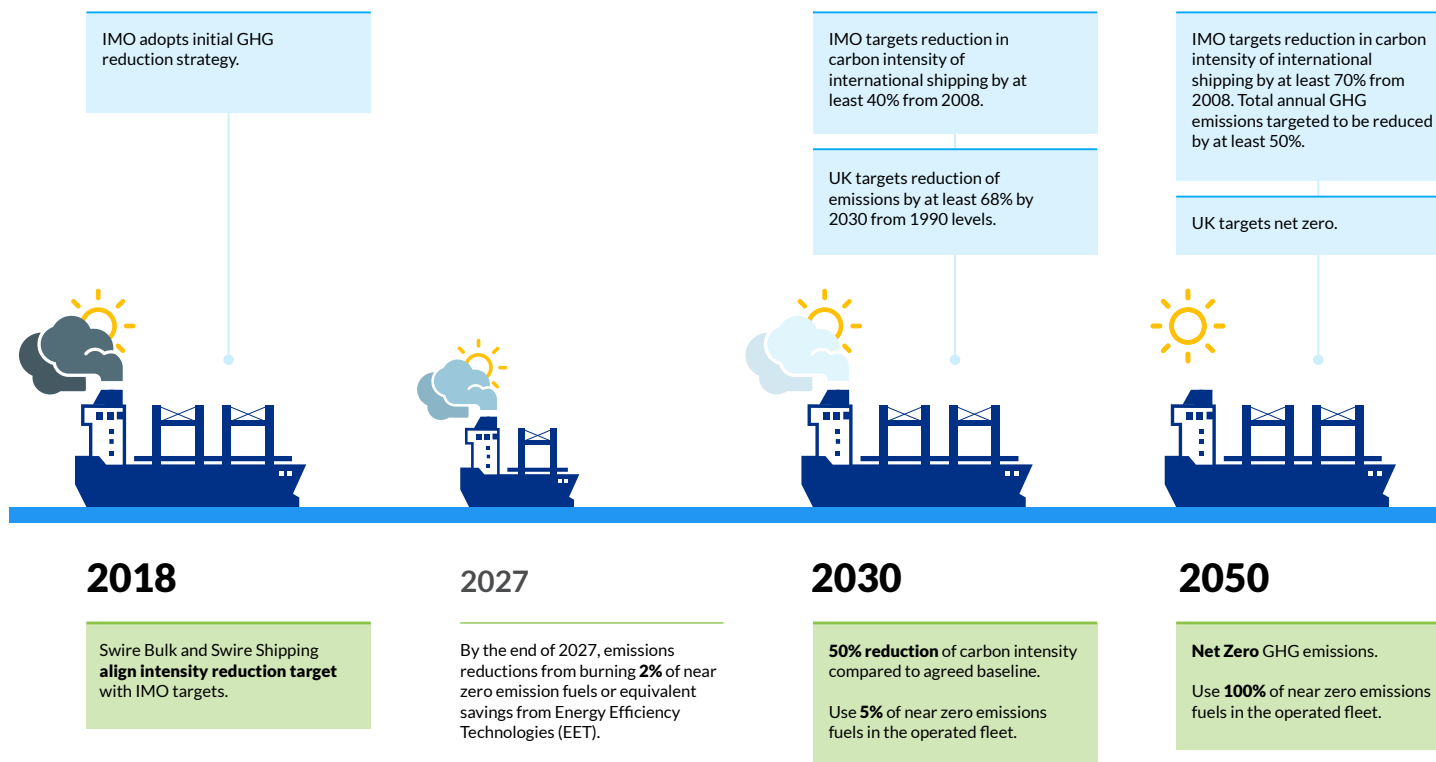
LONG-TERM TARGET

Net Zero GHG emissions

by 2050 and adoption of near zero emission fuels in the operated fleet.

	Short-term target	Medium-term target	Long-term target
Swire Bulk Targets	<p>2% use of near zero emission fuels by 2027</p> <p>OR</p> <p>the equivalent reduction in absolute emissions from installing Energy Efficiency Technologies.</p>	50% carbon intensity reduction by 2030	Net Zero GHG emissions by 2050
IMO Targets	N/A	40% carbon intensity reduction by 2030	50% GHG emissions reduction by 2050

Decarbonisation Roadmap



The strategy for 2023 / 2024 is focused on three pillars to meet these targets:

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 for 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



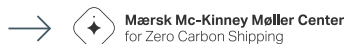
Feasibility of adoption of dual fuel methanol technology fuels

Marine pilot of 3rd generation biodiesel



Key Enablers

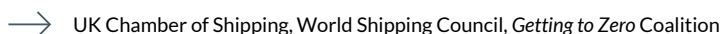
Collaborative Platforms for knowledge sharing and research



Alliances & Synergies



Regulatory frameworks



See Swire Bulk's Climate Change Policy and Environmental Policy
*<https://swirebulk.com/sustainability/sd-governance>



Swire Bulk's EEOI score across the entire fleet in 2022 was

8.47

grammes of CO₂ per tonne of cargo carried over one nautical mile.

Energy Efficiency Operational Indicator

The GHG emissions for each vessel are monitored on both a per voyage and annual basis, using the IMO EEOI - the energy expended moving one tonne of cargo over one nautical mile.

$$EEOI = \frac{\text{Fuel Consumed} \times C_f}{\text{Cargo Carried} \times \text{Distance Travelled}}$$

C_f = Fuel mass to CO₂ mass conversion factor

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 Bulk when measuring energy performance.

Swire Bulk is committed to deploying the most fuel-efficient vessels (average age of 5.72 years in 2022), minimising ballast days (only 9.5% of days traded in 2022), and maximising cargo intake (including maximising the space on deck for carrying cargoes such as windmill blades) to provide the most economical way to transport dry bulk cargo.

Swire Bulk has consistently delivered a market-leading EEOI score compared to peers in recent years. A detailed emissions report is produced and shared with customers for every voyage recording the distance travelled, cargo carried, fuel consumed and the associated emissions together with the EEOI score.

Swire Bulk's initial EEOI target was 3% more aggressive than the IMO's target (40% carbon intensity reduction by 2030 compared to 2008). This target was used to measure progress up until the end of 2022. In early 2023, the EEOI target was reset 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.

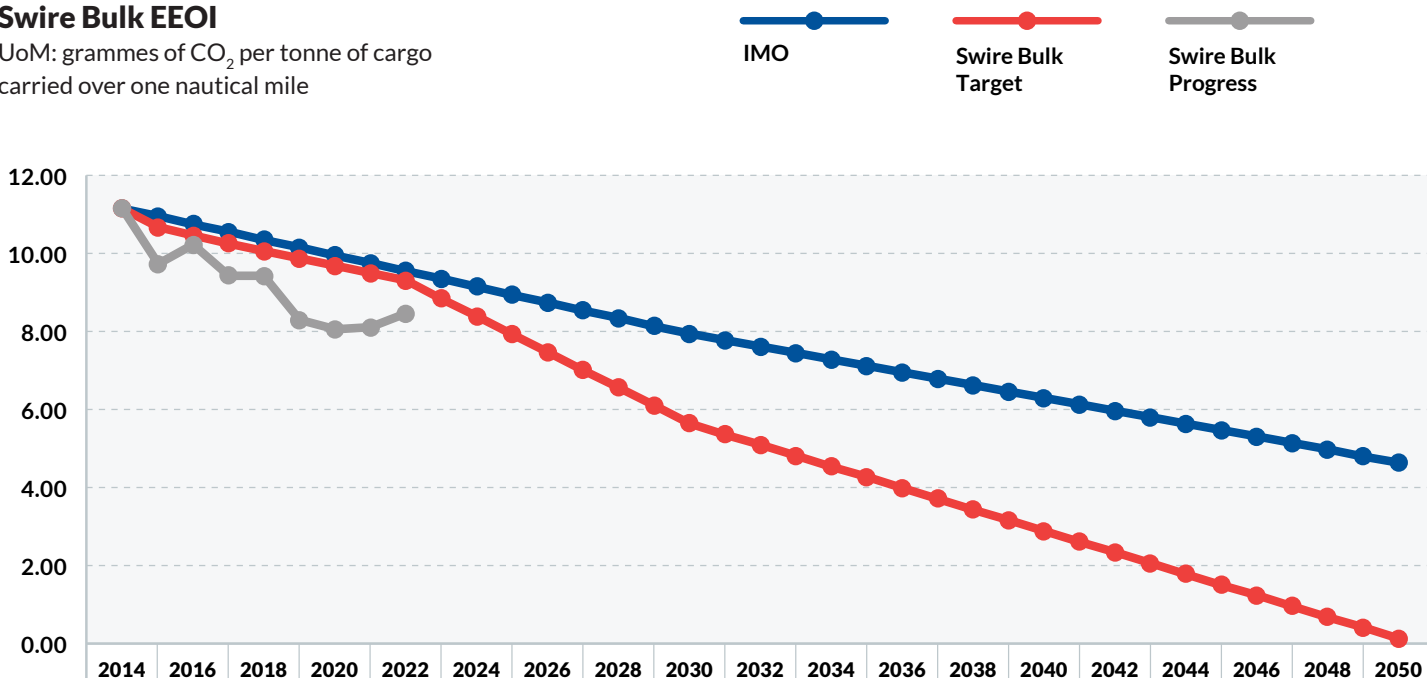
The fleet's EEOI performance is consistently below the target which reflects the work and collaboration from the operations, commercial teams and technical management. Progress since 2014 (baseline) is shown in the graph below (using a weighted average of all voyages completed in the year). At the end of 2022, there was a 4.36% y-o-y increase in the annual weighted average score. However, the achieved score is still below the downward trajectory and on target to meet 2030 and 2050 goals.

Swire Bulk's EEOI score across the entire fleet in 2022 was **8.47 grammes of CO₂ per tonne of cargo carried over one nautical mile**.

**Data excludes emissions from parcelling voyages.*

Swire Bulk EEOI

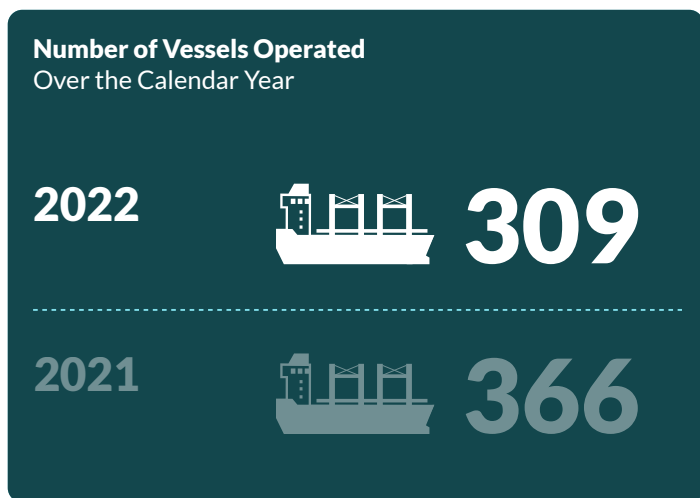
UoM: grammes of CO₂ per tonne of cargo carried over one nautical mile



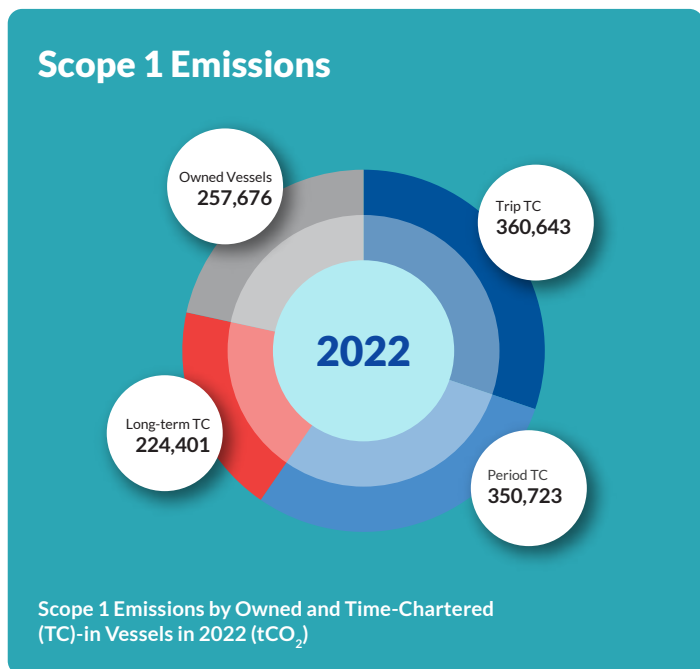
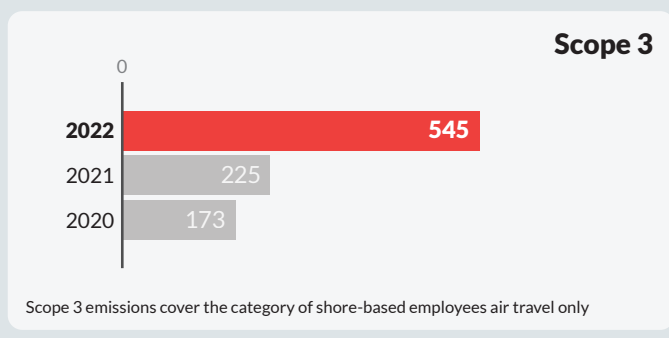
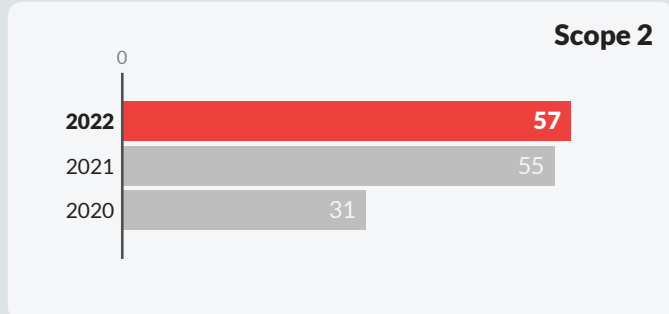
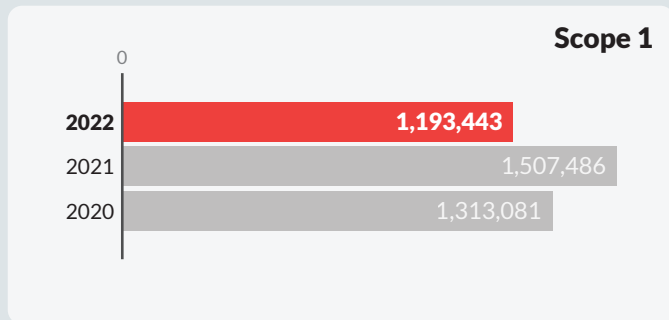
Absolute emissions

Scope 1 and 2 emissions are measured annually. Scope 3 (indirect) emissions currently cover only shore-based employees' flights. In 2023, a detailed Scope 3 assessment will be undertaken which will consider all upstream and downstream emissions for inclusion in future reports.

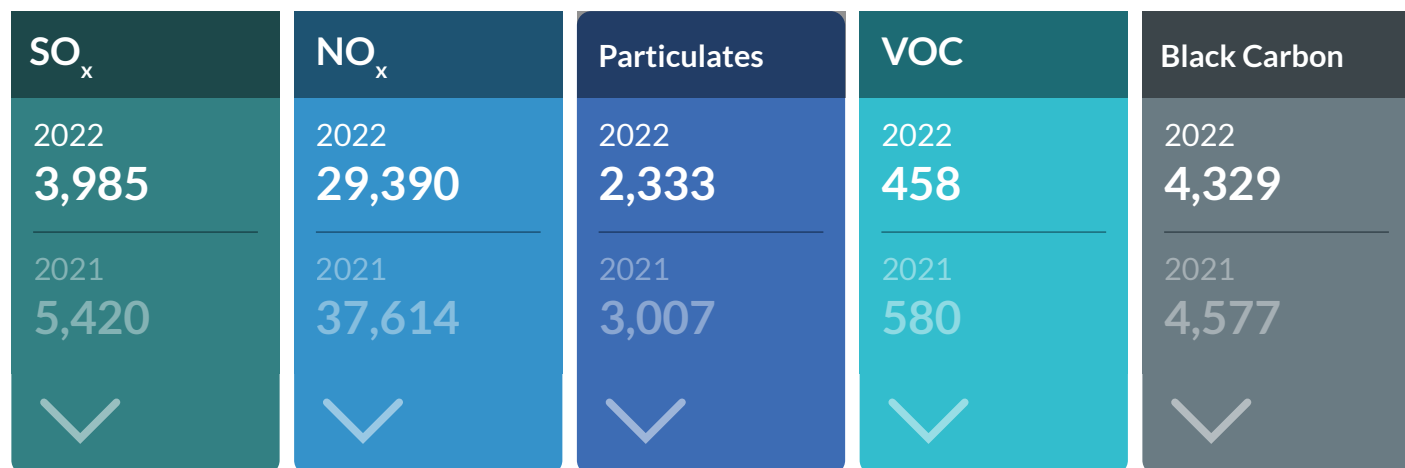
GHG Emissions from all vessels under Swire Bulk's operational control



Total tCO₂



Other Air Emissions in Metric tonnes



EEXI, CII and EU ETS

CII

The IMO has introduced two new pieces of legislation as elements to the Ship Energy Efficiency Management Plan with effect from 1st January 2023: measuring Carbon Intensity Indicator (CII) and setting a CII target in line with IMO ambitions. Ships must document the CII and, at verification audits, prove that vessels are compliant with a reduction trajectory towards 40% in 2030. CII rules will require all ships to adjust the way they are operated in order to gradually reduce their emissions per unit of work done.

In 2022, Swire Bulk forecast future compliance with CII ratings for the existing fleet, based on each vessel's actual 2022 trading patterns. The Fleet Efficiency team issues a vessel-specific CII scorecard to make sure that monthly and yearly CII performance is evaluated and that any necessary actions are implemented without delay. 88% of the Swire Bulk owned fleet would have a "C" rating or better on the basis of 2022 trading patterns.

Grade A

7 Vessels



Grade B

11 Vessels



Grade C

9 Vessels



Grade D

2 Vessels



EEXI

From 1st January 2023, the IMO has implemented the Energy Efficiency eXisting ship Index (EEXI), a measure related to the technical design of a ship. Ships have to attain EEXI approval once in a lifetime, by the first periodical survey in 2023 at the latest. The required EEXI value is determined by the ship type, the ship's capacity and principle of propulsion and is the maximum acceptable attained EEXI value.

The attained EEXI must be calculated for the individual ship, which falls under the regulation. For vessels that do not comply, remedial measures including engine or shaft power limitations may be required. Only two of the 29 owned ships will require a minimal Engine Power Limitation to comply with EEXI regulations. This means that 93% of the Swire Bulk owned fleet is highly efficient and does not require any additional measures.

Swire Bulk has one of the most modern and fuel-efficient fleets on the water, with the average fleet age of owned vessels being 5.72 years.

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.

In compliance with IMO, Swire Bulk calculated the Energy Efficiency Design Index (EEDI) (for new owned vessels).



EU ETS

In December 2022, the European Union (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 "Fit for 55" package to contribute to EU's climate goal of reducing net GHG emissions by at least 55% by 2030 and reaching climate neutrality by 2050. Processes are being put in place to comply with EU ETS.



Swire Bulk's contribution to decarbonisation in shipping

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

Swire Bulk has set carbon intensity reduction targets while continuing to work on the long-term ambition to fully decarbonise 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 Bulk towards its decarbonisation ambitions.

Swire Bulk's parent company, John Swire & Sons Ltd., is a member of the MMMCZCS². Together with other partners at the Center, we are collectively addressing decarbonisation issues, investigating new technologies and exchanging views on sustainability best practices at an industry level.

Representatives from the Company provided input into various working groups in 2022 under Programme 2: Realising energy efficiency, in the areas of business models, energy efficiency regulations, role of digitalisation in shipping and business models for adoption of new technology. A staff member is seconded to work at the MMMCZCS on the fuel pathways and "Green Corridors" project, to accelerate decarbonisation within the industry. "Green Corridors" refers to the specific trade routes between major port hubs where low / zero-emission solutions are supported.

Biofuels are expected to be recognised by IMO as a low carbon fuel in 2026 which will help to further reduce the fleet's carbon emissions intensity.

Swire Bulk is also working with the Global Centre for Maritime Decarbonisation³ in Singapore on the first-ever marine trial for the use of crude algae oil as a marine fuel in one of the owned vessels. The project aims to establish an assurance framework to ensure the supply chain integrity of current and future green marine fuels. The project commenced in 2022 and is expected to take 12 - 18 months to complete.

Biofuels are expected to be recognised by IMO as a low carbon fuel in 2026 which will help to further reduce the fleet's carbon emissions intensity, or be used as a drop-in fuel to fully replace fuel oil. Discussions with sister company, Argent Energy (a waste-based biodiesel producer and part of the Swire Group), are ongoing on the supply and availability of marine biofuel for the Swire Bulk fleet.

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)⁴ provides voluntary, consistent climate-related financial risk disclosures for use by companies in information to investors, insurers and other stakeholders.

While the recommendations of the TCFD primarily relate to listed entities, Swire Bulk will look to assess the relevant climate-related risks and opportunities. This will involve conducting an analysis on the likelihood and implications of different scenarios pathways for global warming and how these might impact Swire Bulk business operations in future years (supported by John Swire & Sons Ltd.). What is clear is that Swire Bulk must mitigate the transition risks and decarbonise its operations as soon as possible. This is also aligned with customers' expectations of decarbonising their supply chain.

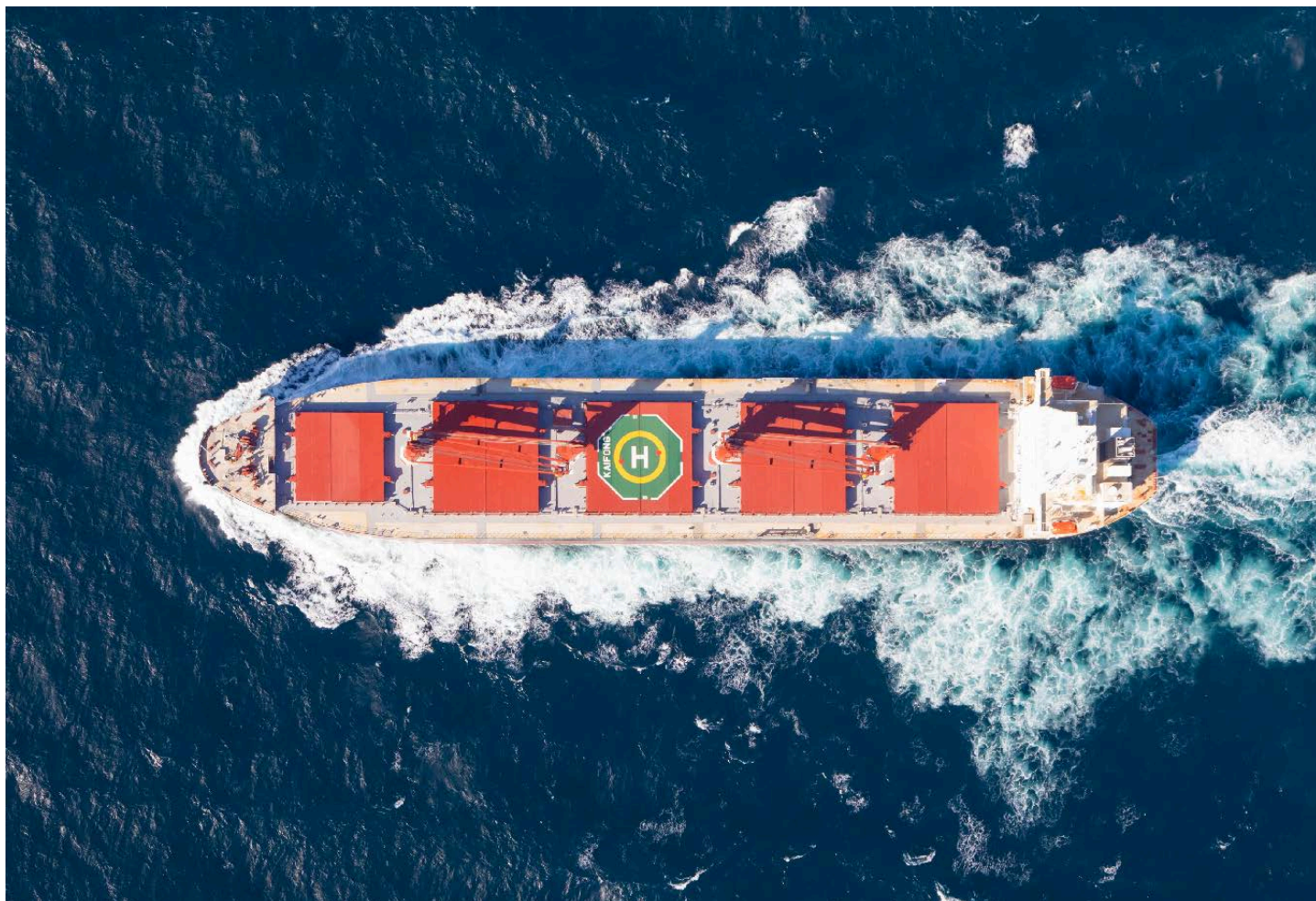
¹ <https://www.globalmaritimeforum.org/getting-to-zero-coalition>

² <https://www.zerocarbonshipping.com>

³ <https://www.gcformd.org>

⁴ <https://www.fsb-tcfid.org>

ENVIRONMENTAL INITIATIVES AND ACHIEVEMENTS



Swire Bulk continues to make progress towards improving fleet fuel efficiency by introducing and embedding the following measures:



- **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 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 their managed vessels. S-insight is used to optimise hull and propeller performance, voyage execution and fuel accounting on vessels. Fleet Optimisation Solution by Wärtsilä is used on four vessels managed by Anglo-Eastern Maritime Services.

Swire Bulk is planning to deploy performance management solution for chartered-in fleet. The roll-out started in 2022 and is being used on 11 vessels. This will be expanded to the whole fleet during 2023 calendar year.

Swire Bulk's operations team 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 aim to reduce ballast days between voyages, optimising fuel consumption and increasing vessel utilisation.



Energy Efficiency Technologies are continually evaluated and deployed including 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.

These efforts have translated into 6,469 metric tonnes of fuel savings and the reduction of 20,144 tCO₂ emissions to the environment during the reporting period (based on data from 25 owned vessels).

Energy efficiency / GHG emissions are reported in accordance with EU Monitoring, Reporting and Verification (MRV) requirements and the IMO Data Collection System (DCS).

Swire Bulk owned fleet has been provided with a vessel-specific MRV plans and class-endorsed DCS plans. In this way, 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, data is verified by third-party verifier DNV. All relevant compliance certificates are maintained for the fleet as required by both MRV and DCS legislations.

Swire Bulk's third-party ship management companies have dedicated resources responsible for collecting and analysing fuel use data.

PROTECTING THE ENVIRONMENT

Marine biodiversity protection and pollution prevention

Maintaining responsible stewardship of the biodiversity that Swire Bulk operations impact is important to having a resilient natural environment. There is a need to protect and enhance the ecosystems in which the Company operates to help nature flourish. Swire Bulk recognises that various operational inputs such as fuel, paints, ballast water, food and packaging, lubricants and chemicals, while vital to the Company's operations and improving vessel efficiency, can also result in a negative impact on biodiversity. To achieve sustainability goals and in line with global biodiversity regulations and conventions, a greater understanding and emphasis of ecosystem resilience is therefore required.

The Company has 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 its influence.

Accidental spills and operational discharges are key causes of marine pollution from shipping activities, with potential widespread adverse impact on marine life. Swire Bulk ensures that best practices are implemented onboard, and all relevant regulations are complied with. For the owned fleet, Vessel Quality Standard inspections are required to meet the conditions of the Safety Management System 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 2022.

Swire Bulk owned vessels spent 1,318 days in marine protected areas or areas of protected conservation status in 2022.

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 Areas (PSSA).

When Swire Bulk vessels sail through marine protected areas or areas with conservation status, all relevant local laws and regulations, often involving slow-steaming or using ultra-low sulphur fuel to protect marine biodiversity or reduce emissions, are adhered to. 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.

Swire Bulk owned vessels spent 1,318 days in marine protected areas or areas of protected conservation status in 2022.

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

[*https://swirebulk.com/sustainability/sd-governance](https://swirebulk.com/sustainability/sd-governance)

Swire Bulk ensures that best practices are implemented onboard, and all relevant regulations are complied with.



Voluntary Speed & Emissions Reduction Programmes

Supporting Vancouver Fraser Port Authority's commitment to saving whales

Swire Bulk is proud to 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, which coordinates the voluntary vessel slowdown initiatives in key feeding areas within the whales' critical habitat. The Programme contributes to reducing the impact of commercial shipping on at-risk whales off British Columbia's southern coast. The speed reduction applies to Haro Strait, Boundary Pass and Swiftsure bank areas. Vessels are expected to slow down to 11 knots or less.

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, diesel, particulate matter and GHG around the Long Beach area.

Protecting Blue Whales and Blue Skies Vessel Speed Reduction incentive programme in California

Swire Bulk is a participant in the Protecting Blue Whales and Blue Skies programme in the San Francisco Bay Area and the Southern California Region. The vessels are a significant source of noise and air pollution, and occasionally ships can accidentally hit endangered blue, humpback, and fin whales. The Vessel Speed Reduction incentive programme is a voluntary programme where vessel operators are asked to slow down to a speed of 10 knots or less, which reduces air pollution, fatal strikes on endangered whales, and ocean noise.

This voluntary move by the Company aims to decrease the number of ship-strikes against whales, which has been identified by researchers to be the leading cause of death for whales around Sri Lanka's waters.



Deviating vessels to protect endangered whales

From 2023, Swire Bulk deviates vessels from the Southern waters of Sri Lanka. The area off Southern Sri Lanka is one of the busiest shipping lanes globally, and also serves as a feeding ground for many cetaceans. This voluntary move by the Company aims to decrease the number of ship-strikes against whales, which has been identified by researchers to be the leading cause of death for whales around Sri Lanka's waters.

Swire Bulk's vessels pass at least 15 nautical miles south of Dondra Head traffic separation scheme and avoid sailing through regions marked out as "no go areas". This directive applies to all vessels transiting to the south of Sri Lanka, excluding vessels calling Galle OPL and ports within marked areas. Any vessels calling Galle will reduce speed to eight knots as a way to reduce the likelihood of vessel-strikes.

Custom-built Container with HME filter

Swire Bulk utilises custom-built 20ft container for cargo hold cleaning for Hazardous for Marine Environment (HME) cargoes. The filter reduces the concentration of contaminant solids to less than 5ppm in water pumped overboard. 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. Options are being explored for further investment to scale up the number of containers in operation.



Recycling and Disposal of Materials

Swire Bulk 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 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, as many waste materials are recycled as possible. All disposal of waste is recorded, and only qualified contractors are used.

Recycling bins are in place throughout Swire Bulk's offices as well as e-waste bins in Singapore. 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.



Sustainable Ship Recycling

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

Swire Bulk has a policy that all vessels 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 its vessels at the end of their economic lives that are not sold for onward trading. A copy of the policy is available on the Company website.*

Swire Bulk's owned fleet is very young, with an average age of under six years in operation, and no vessels are expected to be recycled in the near future.

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



Offsetting Carbon emissions

Carbon offsetting involves financing reductions of emissions in other entities to balance CO₂ emissions from the company's own operations. Electricity used in all Swire Bulk's offices (Scope 2 emissions) is offset, together with air travel undertaken by shore-based employees, and events organised and sponsored by Swire Bulk in 2022 (part of Scope 3 emissions).

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 the Chinese Mainland. 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 from operations in accordance with the Decarbonisation Roadmap.

Swire Bulk offset 280 tonnes of carbon using Fly Greener programme for emissions in 2021 calendar year and will offset a further 718 tonnes for 2022.

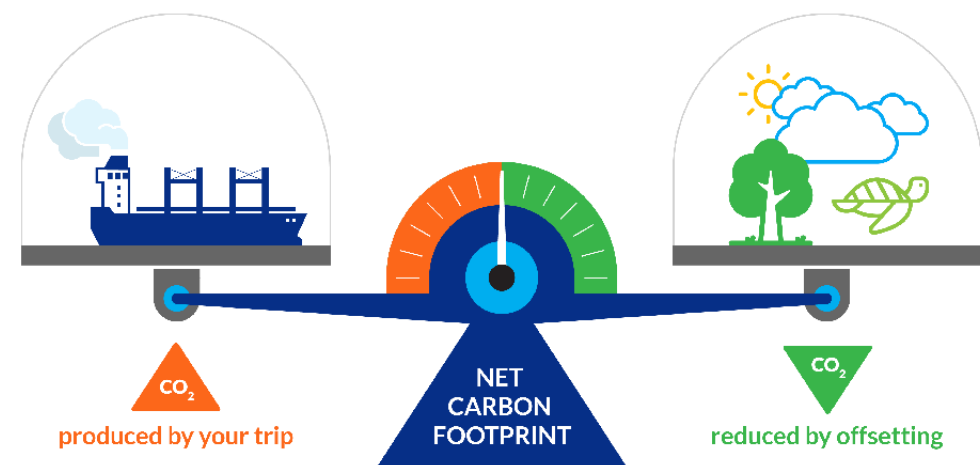


SailGreener

SailGreener is a programme through which Swire Bulk 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.

To find out more please visit:

<https://swirebulk.com/sustainability/sailgreener-with-swire-bulk>



Zero Carbon / Zero Waste Events

Carbon emissions generated by events and conferences organised and sponsored by Swire Bulk, are tracked and offset following the zero waste and zero carbon events guidelines. In 2022, the first in-person conference was held since the pandemic in Phuket. A total of 116 tonnes of CO₂ was offset which included transport, hotel, and other activities.

The aim is to reduce emissions associated with events and work will continue with internal and external stakeholders on making them carbon-neutral and waste-free.



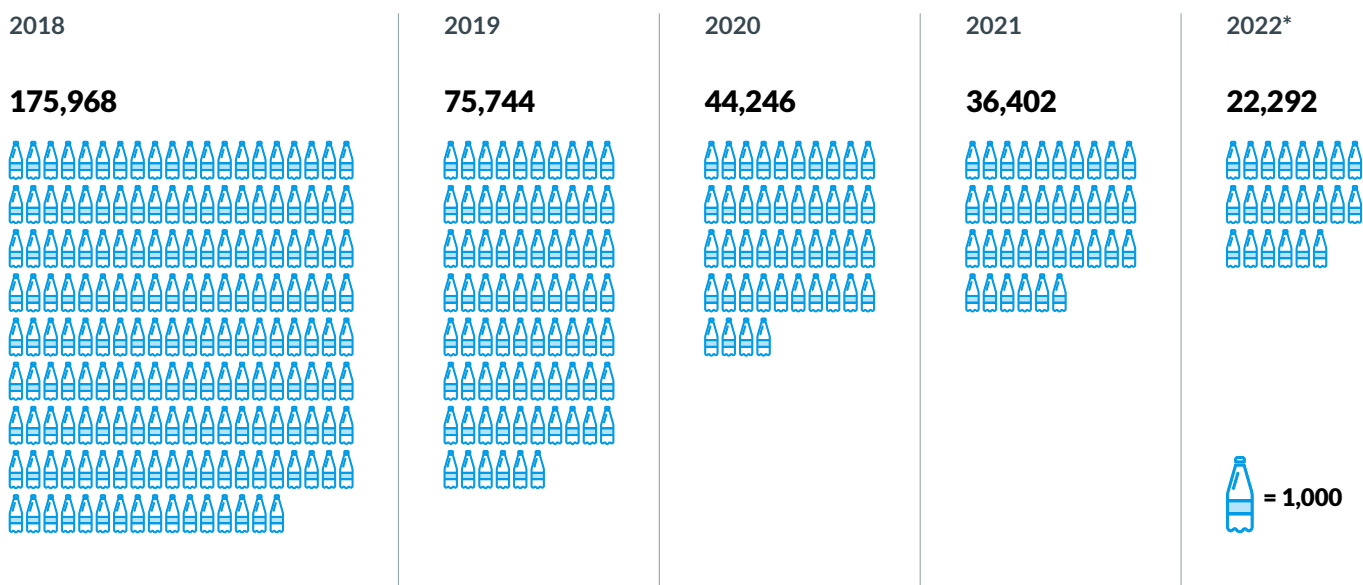
Reducing our Plastic Footprint

Marine plastic and microplastic pollution are harmful to marine biodiversity and human health. Around the world, billions of Single-Use Plastic (SUP) water bottles are used just once and then thrown “away” 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 Bulk set a goal to reduce SUP water bottles on board owned vessels to zero.

Under the national flag regulations, ship owners must provide potable water on board; and all Swire Bulk owned vessels produce their own potable water through reverse osmosis from seawater. The reverse osmosis units on board ensure best quality water is provided for the crew onboard. Individual reusable water bottles are provided to encourage seafarers to “say no to single-use plastics”.

During 2022, work continued on reducing the number of SUP water bottles consumed across the fleet and a further 38% y-o-y reduction was achieved. This brings the overall reduction in SUP water bottles used on board the Swire Bulk owned fleet to 87% between 2018 (the baseline year) and 31st December 2022.

Average number of Single-Use Plastic Water Bottles per year



*From 2022, statistics cover all owned vessels.

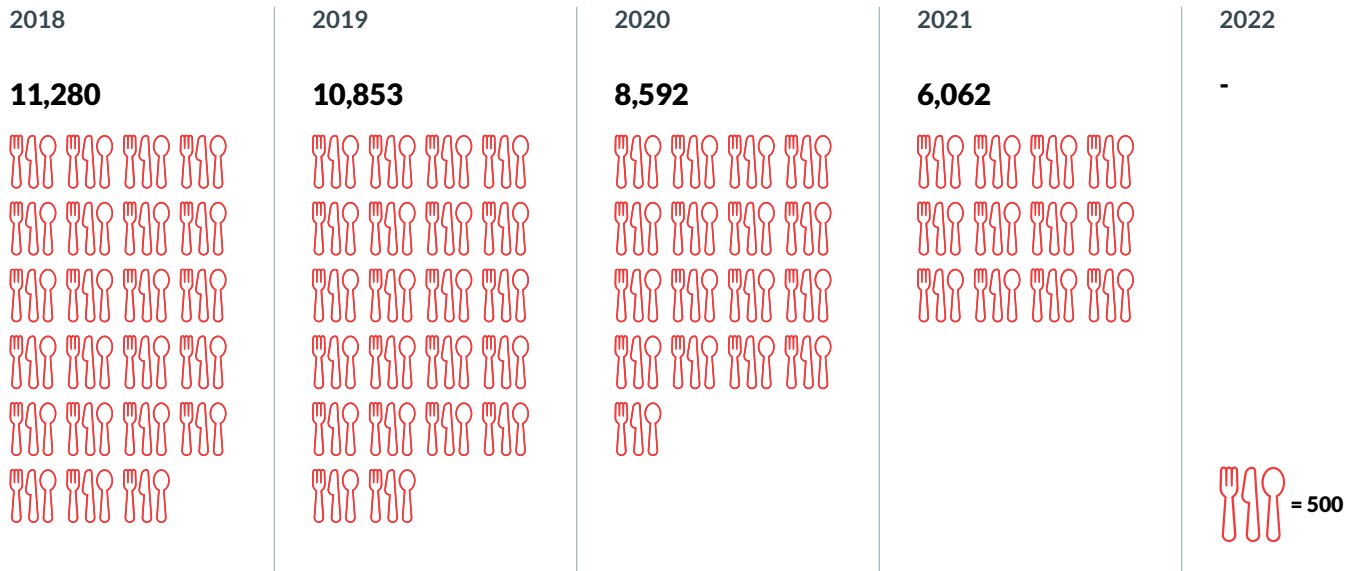
The Company is determined to continue the journey towards zero SUP water bottles within the Swire Bulk fleet.

The Company is determined to continue the journey towards zero SUP water bottles within the Swire Bulk fleet. This will be a significant contribution towards protecting oceans and working together to achieve the SDG 14 (Life Below Water) which aims to have sustainably managed marine and coastal ecosystems free from pollution.

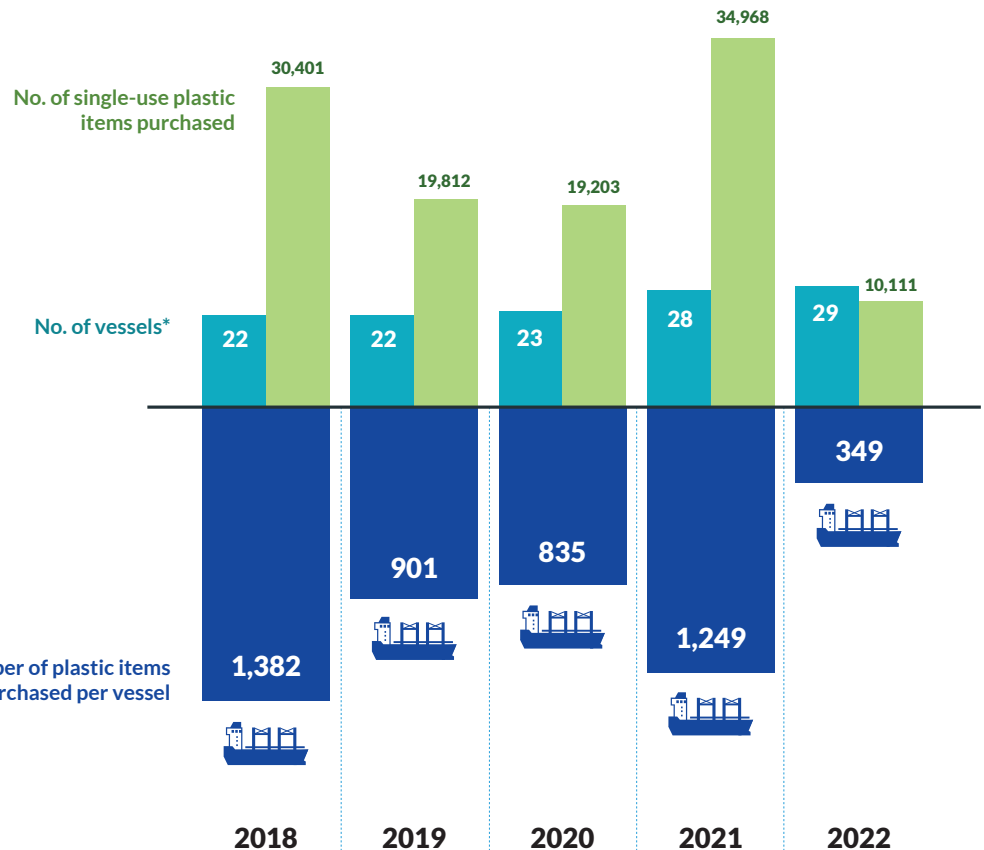
Ashore, employees are encouraged to reduce their SUP footprint by switching to reusable and more environmentally friendly options. SUP is also eliminated from company-organised events and this requirement has been incorporated into the “How to run a Sustainable Event” procedure.

Single-Use Cutlery Purchased Quantity

In 2022, single-use cutlery was also banned for owned vessels which reduced the overall amount of SUP items purchased. The remaining SUPs in use on board vessels include plastic bags and wrapping foil which should be reduced or replaced with more environmentally friendly alternatives when such options are available.



Single-Use Plastic Items



The data covers vessels representing 86% of owned vessels. Other data is not available.

TAKING CARE OF OUR PEOPLE

Safety is Swire Bulk's guiding principle, and the Company will never compromise on safety at sea or onshore. Swire Bulk works to ensure Zero Harm to employees, customers, contractors, and the wider community. The Company's Operations Policy commits all personnel working at sea, in port, and in the office to adhere to the principals of Zero Harm. Swire Bulk works with the third-party ship management companies, partners, and stakeholders to be the standard bearer for safety.

Seafarers

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

Swire Bulk uses the RightShip Safety Score to benchmark safety performance of the fleet. 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 the chartered-in fleet, Swire Bulk only selects vessels that meet the minimum requirements of a RightShip Safety score of three and above.

The average RightShip Scores of Swire Bulk vessels during 2022 were:

Owned vessels safety score: **4.45** (out of 5).

Chartered-in vessels safety score: **3.85** (out of 5)

Swire Bulk continued to support its seafarers during the first part of 2022 before the global pandemic restrictions started to relax. Swire Bulk, through the contracted third-party ship managers, worked with manning agencies to ensure that seafarers were protected.

The impact of the pandemic on the seafarers was 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. Responsibility for arranging, and paying, for all quarantine requirements ashore, both pre-joining and en route 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: **1,737**

LTIF per 1 million manhours: **0.33**

Fatalities: **0**



Behaving Safely. Always. Naturally.



Swire Bulk subscribes to Befrienders Worldwide, an international network of crisis helplines and multilingual hotline services. This is made available to shore-based employees, their dependents and seafarers at no cost to the individuals. Employees are encouraged 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: only if repatriation is required, then the identity of the seafarer will have to be revealed for the office to be able to facilitate this).

Shore-based employees

As part of the Company's commitment to provide a work environment that supports the safety, security, and welfare of employees, a set of standards are in place that are relevant to onshore offices including having office safety committees and safety training workshops.

Employees were supported globally during the pandemic through proactive health and safety measures. Offices were cleaned and disinfected regularly.

First aiders and fire wardens are in place in Singapore, London and Hamburg offices. Training and fire drill exercises are conducted in preparation for any emergencies.



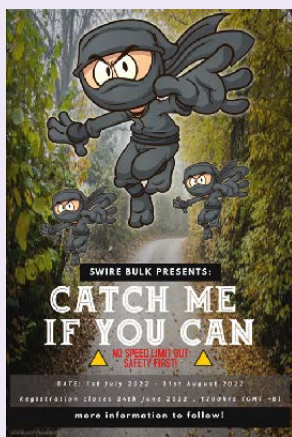
Health, Safety and Wellbeing Committees in Singapore, London, Hamburg, Miami and Rio de Janeiro organised a number of events ranging from lunch walks, paddle boating and river rafting events to build team spirit through sporting and social activities.

Stevedores, port workers and other third-party contractors

Swire Bulk cares for the safety of both its own people and third-party contractors. Port Captains, when appointed, work closely with stevedores and cargo lashing providers to ensure that the safety culture extends beyond the vessel and is reiterated during cargo operations. Safety initiatives can be implemented ranging from supplying missing Personal Protective Equipment to stevedores, to appointing local Port Captains to bridge language barriers. This helps Swire Bulk to further improve the safety of cargo operations onboard vessels.

Cargo safety

When it comes to handling cargo, highest safety standards are applied. The safety of customers' cargo is of utmost importance for all dry bulk, breakbulk, parcelling or containerised cargo. Cargo care policies and Standard Operating Procedures - for the safe handling, proper stowage and securing of cargo as well as transportation, including for hazardous cargo shipments - are in place and required to be followed closely.



"Catch Me If You Can" Challenge

Swire Bulk's Wellness Committee organised the "Catch Me If You Can" challenge in 2022 to encourage employees to incorporate movement into their everyday lives. Held between July to August 2022, over 31 million steps were recorded by 19 teams of three across global offices.

This challenge also inspired a walk and run club in the Singapore office which exercises together weekly.

Human Rights and Labour Practices

Respecting human and labour rights and ensuring there is no modern slavery within Swire Bulk's business and wider supply chain is critical to the Company's sustainability. This includes ensuring that all employees receive proper instruction regarding their 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. There is 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 in full compliance with MLC 2006 requirements and wage standards are on par or above International or National Trade Union's Collective Bargaining Agreement such as International Transport Federation's or Singapore Maritime Officer's Union and Singapore Organisation for Seafarers.



Swire Bulk complies with the UK Modern Slavery Act 2015 and those of other jurisdictions, globally, where relevant. A Modern Slavery Policy is in place and annual statements can be found on the 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.

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

Delivering on Seafarers' Rights

The SSI in partnership with the Institute for Human Rights and Business and RightShip developed the self-assessment questionnaire for shipowners, operators, charterers and cargo owners to understand the extent to which current operations meet their seafarers' rights and welfare obligations.

The questionnaire provides practical guidance on meeting the Code of Conduct - *Delivering on seafarers' rights* and is based on international labour and human rights standards and principles. The Code of Conduct goes beyond the IMO MLC 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 Bulk's third-party managers completed the self-assessments and obtained the Rightship badge.

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.

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

DEVELOPING AN ENGAGED WORKFORCE

Talent Attraction and Development

People are at the core of Swire Bulk's business operations. The Company is committed to providing a continuous learning environment where employees are empowered to reach their highest potential. The Company strives to attract highly skilled individuals, providing them with training and development opportunities to build a high-performing and engaged workforce.

In 2022, due to the limitations on in-person training because of the pandemic, only limited number of courses to employees were offered but this will be scaled up in future years.

Training of seafarers is critical to maintaining and enhancing the safety of the seafarers working on board the Company's vessels as well as safety of Swire Bulk's operations. Training courses range from safety awareness and leadership, cargo handling and navigation together with a range of other soft skills and technical courses.

Swire Bulk offers flexible work arrangements for those who require flexibility due to family or other personal circumstances. It is recognised that employees have diverse needs and priorities,

and Swire Bulk is committed to providing a conducive working environment to help everyone succeed. Remuneration is benchmarked against the industry level, and other additional benefits are offered to attract and retain employees.

With a strong focus on Swire values, organisational culture, diversity and inclusion, and sustainability, Swire Bulk is creating a welcoming, positive, innovative and high performing work environment. In 2022, the retention rate for shore-based employees dropped to 90.2% (from 93.3% in 2021). Swire Bulk investigated the reasons behind those changes and does not have concerns. The retention rate still compares well with public benchmarks in the countries where Swire Bulk operates.

Long Service Awards

To thank employees for their long service and ongoing contributions to the business, Swire Bulk grants Long Service Awards. In 2022, four awards were issued to employees ashore, for lengths of service ranging from 10 to 20 years.



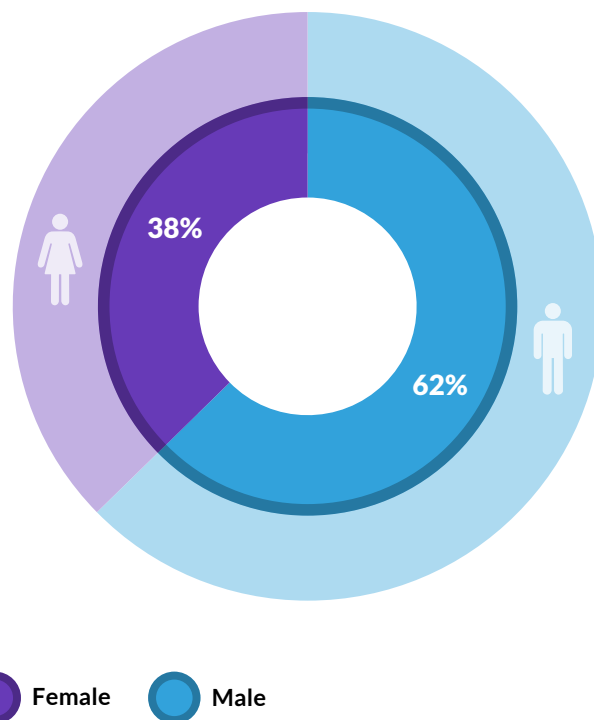
Discretionary training for both shore-based employees and seafarers

Compliance training numbers are not included.



Shore-based employees by gender identity

Swire Bulk is an equal opportunity employer in hiring and promotion practices, benefits, and wages leveraging culture, gender, and all other aspects of diversity to build an inclusive culture, as different perspectives and experiences bring value to business.



Diversity and Inclusion

Swire Bulk values a multinational workforce and promotes an inclusive and diverse workplace. Evidence shows that diverse teams perform better. The Company ensures that the business offers the right conditions for all employees to thrive, regardless of gender, race, cultural, and other differences. Swire Bulk is an equal opportunity employer in hiring and promotion practices, benefits, and wages. Culture, gender, and all other aspects of diversity are leveraged to build an inclusive culture, as different perspectives and experiences bring value to business.

In 2022, Swire Bulk had a total of 22 nationalities amongst shore-based employees. Through third-party agents, over 1,000 crew of 15 different nationalities are employed on vessels.

38% of shore-based employees identified as female, while 62% of employees identified as male. Swire Bulk 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. The Company will address this in the coming years by offering employees the opportunity to identify beyond the binary gender categories.

Shore-based employees by nationality

NORTH AMERICA 11

 Canada 6  United States 5

EUROPE 48

 Denmark 1  France 1
 Germany 17  Portugal 1
 Turkey 1  United Kingdom 27

ASIA 62

 The Chinese Mainland 10  Hong Kong SAR 1
 India 4  Indonesia 1
 Japan 2  Malaysia 7
 Philippines 1  Singapore 34
 South Korea 2

SOUTH AMERICA 9

 Brazil 7  Colombia 1
 Peru 1

AFRICA 3

 South Africa 3

OCEANIA 13

 Australia 13

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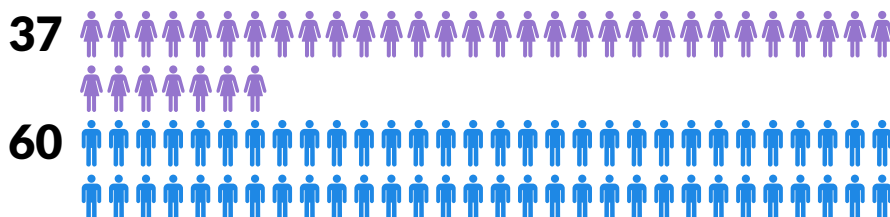
Age composition of our shore-based employees by gender identity

<30
years old



24
Total

30 - 50
years old



97
Total

>50
years old



25
Total

Note 1: Statistics do not include shared service employees employed by Swire Shipping Pte. Ltd.

Note 2: "Other" gender identity category was zero.



Female



Male

Total 146

Swire Bulk has set a target of 30% senior female managers by 2025. At the end of 2022 there were 20.8% female senior managers (including the shared services*). There was one female member of the ELT.

Swire Bulk supports IMO's effort to increase the number of women joining the shipping industry. In 2022, there was only one female officer among seafarers on board the owned vessels. While this is reflective of the shipping industry in general, the Company will work with third-party ship management companies to increase the number of female seafarers in the future. Swire Bulk is committed to creating a culture where women feel safe and are supported.

There is a Diversity and Inclusion Policy, a Respect in the Workplace Policy, as well as Corporate Code of Conduct; all of which further embed diversity and equality of treatment and opportunity into the Company's 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, a whistleblowing hotline is provided to deal with potential issues.

Swire Bulk is a member of WISTA in Singapore wherein female managers can attend industry networking and thematic events and share experience and insights. WISTA has a consultative status at the IMO.

Senior Female Managers

2021  23.5%

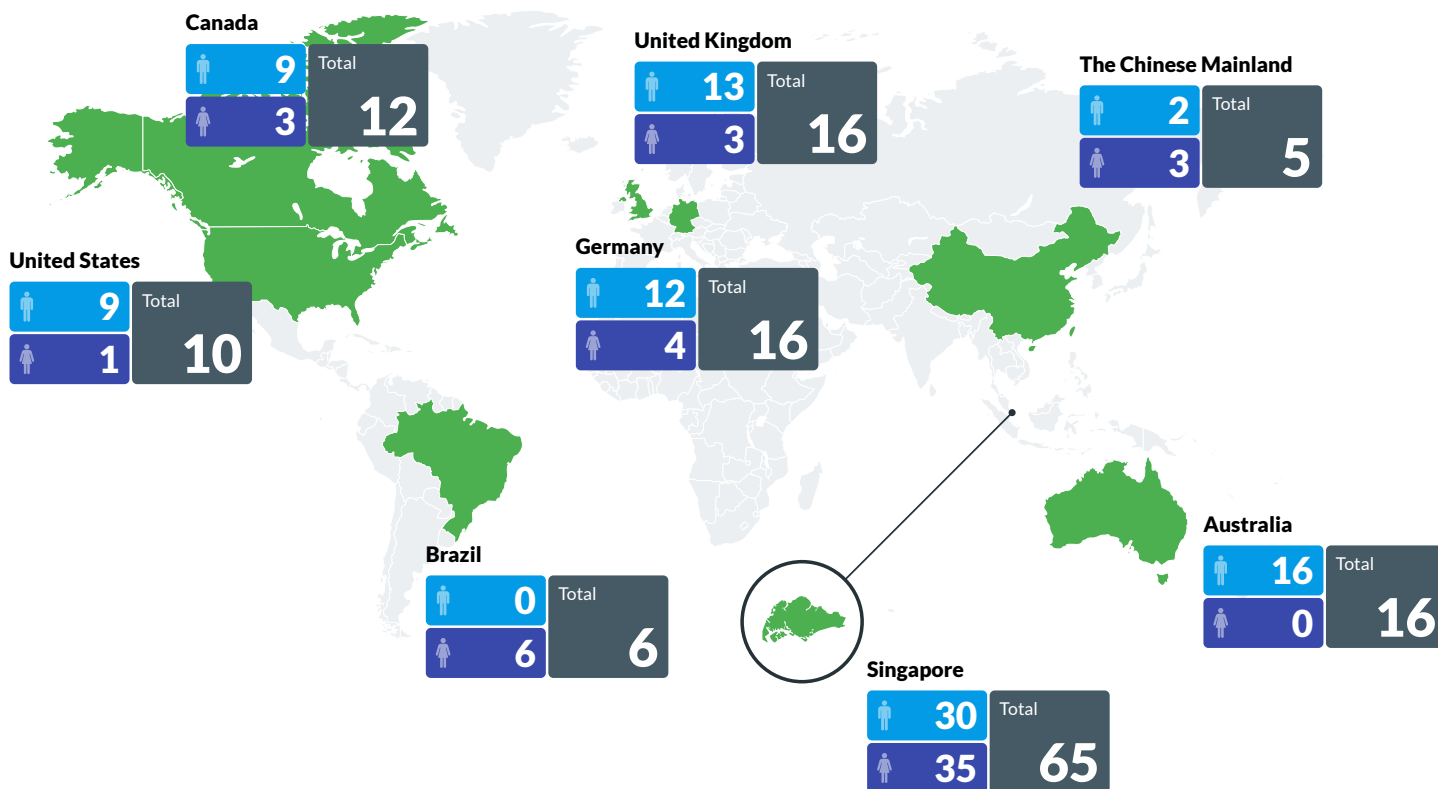
2022  20.8%

2025  30% TARGET

Including the shared services*

*Shared services refer to the S&D Department providing services to both Swire Bulk and Swire Shipping

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



In celebration of **Pink Friday**, which falls on 18th November, colleagues around the world were encouraged to dress in pink to show their support for diversity and Lesbian, Gay, Bisexual, Transgender, Queer and other terms (LGBTQ+) inclusion.

In celebration of **International Women's Day**, the Singapore office gave out red roses to all employees to recognise women's achievements and contributions in their respective fields and industries. Colleagues were also encouraged to pass on the roses to their female family members or friends to show their appreciation for their achievements.

On Pink Friday, colleagues around the world were encouraged to dress in pink to show their support for diversity and LGBTQ+ inclusion.



SUPPORTING OUR COMMUNITIES

Swire Bulk believes in doing right by communities where it operates and investing in worthy causes. The Company aims to support charities and community organisations as well as employees in need and is committed to establishing long-term, mutually rewarding relationships with partners and communities. This support for the communities focuses on education, health, youth, environment and biodiversity.

Swire Bulk allocates funding towards supporting key stakeholder communities in the various countries in which it operates. The Corporate Philanthropy fund is administered by the S&D Department.

In 2022, Swire Bulk has contributed to various charitable causes and fundraising initiatives which amounted to USD 128,010. Swire Bulk employees spent a total of 45 hours on supporting communities.

The Maritime Outreach Network (MaritimeONE) is an industry-led tripartite partnership comprising the industry, government and institutes of higher learning. With the Singapore Maritime Foundation, Association of Singapore Marine Industries and Singapore Shipping Association representing the industry, in cooperation with the Maritime and Port Authority of Singapore, MaritimeONE serves as a platform for maritime stakeholders to both raise awareness of the maritime industry and to attract quality personnel into this diverse and interesting sector.



Swire Bulk is sponsoring the MaritimeONE Scholarship for students who are interested in a maritime career to enrol in maritime-related courses of study. The student sponsored by Swire Bulk will be joining the Company for an internship in 2023. Swire Bulk is also a co-sponsor, with Swire Shipping, of the MaritimeONE Case Summit 2023 to engage students in solving some of the industry's most pressing challenges.

Swire Bulk also contributed to the Anglo-Eastern Maritime Services' seafarers relief fund (one of its third-party ship managers) to support seafarers during the pandemic.

Swire Bulk is a gold sponsor for the Adventure Race Japan in 2023, to support the work of Mission to Seafarers who work tirelessly supporting seafarers in over 200 ports around the world. Funds raised through the Adventure Race Japan will be used to fund the Emerging Port Strategy 2022 – 2026.

Swire Bulk believes in doing right by communities where it operates and investing in worthy causes.





Global Day of Service 2022

Ahead of the United Nations Public Service Day on 23rd June 2022, the day was marked by performing acts of service, through employees volunteering their time. It was a special way to celebrate 150th anniversary of CNCo and to connect with local communities in Singapore.

Employees participated in waterway clean-up programmes to combat water pollution in partnership with the Waterways Watch Society. Colleagues also served senior citizens with PEACE-Connect Cluster Operator by helping them with spring cleaning, spending quality time and having meaningful interactions while playing games. Some colleagues collaborated with differently-abled and disadvantaged communities with Project Dignity Pte Ltd in Singapore. They prepared dishes for a high tea session and received an introduction to sign language.

Fundraising activities by Swire Bulk London

Swire Bulk London took part in The Ocean and Shipping Community Advancing Children's Health and Research (OSCAR) Fundraising Campaign. The OSCAR campaign aims to bring together the shipping community to raise funds for treatments and research within the bone marrow specialism at the Great Ormond Street Hospital for Children and the UCL Great Ormond Street Institute of Child Health. A total of £3,050 was raised with Swire Bulk matching the initial amount raised by employees and sponsors through Employee Fund Matching Assistance Scheme.

Upcycling food waste with Insectta

With food waste a prevalent problem in Singapore, an educational outreach activity was organised with Insectta, a start-up in Singapore that aims to combat food waste using black soldier flies (BSF). Volunteers learned about food waste at different stages of the food supply chain and the potential of BSF in creating a circular food economy.

Swire Bulk employees spent a total of 45 hours on supporting communities.

EMBEDDING RESPONSIBLE BUSINESS

Ethical Business Conduct

Ethical business conduct and responsible business practices have converged. Corruption is increasingly viewed as much a human rights risk as it is a governance issue, and the basic expectation is that whistleblowing procedures are a 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.

The more aligned convergence between corporate governance and responsible business practices will lead to further governance and legal compliance footprints into both environmental and social issues. Companies are expected to move from complying with anti-corruption and ESG laws into 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 with 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. The Corporate Code of Conduct is the Company's main governance document which together with other policies and procedures, sets strong foundations on how operations are conducted.

The Corporate Code of Conduct, 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 employees' daily work / duties.



This governance compliance training programme covers:

- Corporate Code of Conduct;
- 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; 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. 100% of employees completed this training in 2022.

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 is a member of MACN and takes a strong stance against corruption refusing any requests for facilitation payments on board owned and managed vessels. Any requests for small items ranging from cigarettes to alcohol and soft drinks etc are being recorded and reported to MACN. There were 833 requests reported during the reporting period. No cash payments were made.

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 2022.

In 2022, a total of 10 grievances were reported using the whistleblowing or confide channels. Six were unsubstantiated and four cases were addressed by the third-party ship management companies, as they involved their seafarers, in accordance with the established procedures.

Swire Bulk is committed to act with integrity, transparency and accountability with high standards of business ethics and corporate governance, including zero tolerance towards any corrupt practices.

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.

Swire Bulk aims to build stronger partnerships with partners and suppliers and ensure that they adhere to the same high ESG standards. Through understanding supply chain risks, conducting due diligence on suppliers and supply chain partners, Swire Bulk will ensure that its 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 the Company's Supplier Code of Conduct.

Technical management services are outsourced to third-parties. All subcontractors are carefully selected, following a thorough due diligence process, prior to entering any contractual agreement. 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 MLC 2006 requirements.

Third-party ship managers use several manning agencies in various countries around the world. Audits on the manning agencies are conducted internally by the appointed third-parties and externally by ROs in compliance with the International Safety Management 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 owned vessels.

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

Swire Bulk remains committed to being a leader in sustainability and supporting customers' ambitions of having sustainable supply chains.



EcoVadis Sustainability Rating

Swire Bulk has been awarded a Silver Medal for its sustainability efforts from EcoVadis, the world's largest and most trusted provider of business sustainability ratings. Swire Bulk was judged to be in the top 16% of companies rated by EcoVadis within the Sea and Coastal Water Transport sector.



<https://uk.linkedin.com/showcase/vive-programme>

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). As the backbone of global trade, shipping has a key role in ensuring sustainable value chains.

In 2022, Swire Bulk achieved an overall VIVE score of 95%, an improvement on last year's score of 93%.



Physical Security

Safety is the top priority for Swire Bulk which takes all risks seriously. Security has been identified as a material issue for the business in addition to a legislative requirement and the importance of security for all vessels is highlighted.

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



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.

Placement 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). Owned vessels are not permitted to transit specified 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. Traffic Light indicators are used to assess the risk based on routine assessment of piracy attacks in the West Africa region.



Data Privacy and Cybersecurity

Swire Bulk has identified "Data Privacy and Cybersecurity" as a material topic for the business and takes very seriously any risks associated with control and management of data privacy and protection.

Information Security and IT System Governance Policies are in place, and the importance of cybersecurity is recognised. For the owned fleet, this is addressed by the 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.

Swire Bulk also values the privacy of the personal data collected from employees, 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.

The Data Protection & Privacy Policy together with the Employee Data Protection Policy and Employee Data Handling Policy, outline how personal information is being collected, used, retained, and disclosed. Data Subject access rights and complaints procedures are clearly stated. A Data Governance Committee and a Data Protection Officer are in place to ensure compliance with all applicable data protection legislations.

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

There were no notifiable data breaches or cybersecurity incidents in 2022.

ANNEXES

Annexes

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SASB Index

Marine Transportation Industry Standard

Topic	Accounting Metric	Unit of Measure	Data for 2021	Data for 2022	SASB Code	Further Information*
CO₂ Emissions						
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Metric tonnes CO ₂	1,507,485.51	1,193,442.81	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 16-17 2021 Report	See pages 4, 15-17	TR-MT-110a.2	
Energy Consumed						
	(1) Total energy consumed	Gigajoules (GJ)	(1) 19,467,635.39	(1) 15,408,897.07	TR-MT-110a.3	2
	(2) percentage heavy fuel oil	Percentage (%)	(2) 92.13%	(2) 90.04%		
	(3) percentage renewable		(3) 0%	(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	BD40 - 4.7 Imabari - 5.5 Oshima - 4.6 Hakodate - 5.4	TR-MT-110a.4	

*Disclaimer and Assumptions for the SASB Disclosures

- 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 operational control approach defined by the 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).
- Total energy consumed: calculated based on available data from fuel purchases, using the fuel properties defined by UK DEFRA, conversion factors, 2022 – note that properties concerning bunker fuel oil were obtained from the IMO. The figure includes all operated vessels and covers Scope 1 emissions.

Heavy fuel oil constitutes IFO, LSIFO and VLSFO.

SASB Index

Marine Transportation Industry Standard

Topic	Accounting Metric	Unit of Measure	Data for 2021	Data for 2022	SASB Code	Further Information*
Other Emissions to Air						
Air Quality	(1) NO _x (excluding N ₂ O)	Metric tonnes	(1) 37,613.72	(1) 29,389.85	TR-MT-120a.1	3
	(2) SO _x		(2) 5,419.57	(2) 3,985.03		
	(3) particulate matter (PM10)		(3) 3,006.57	(3) 2,332.73		
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	1,318.27	TR-MT-160a.1	4
Percentage of Fleet Implementing Ballast Water						
	(1) Exchange	Percentage (%)	100%	100%	TR-MT-160a.2	
	(2) treatment		100%	100%		
Spills and Releases to the Environment						
	(1) Number	Number	0	0	TR-MT-160a.3	
	(2) aggregate volume	Cubic meters (m ³)	0	0		
Lost Time Incident Rate						
Employee Health & Safety	Lost time incident rate (LTIR)	Rate	Offices - Nil Vessels - 0.17	Offices - Nil Vessels - 0.33	TR-MT-320a.1	5

*Disclaimer and Assumptions for the SASB Disclosures

- 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% and 0.1% sulphur by weight for IFO, LSIFO, MGO and LSGO 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 operated vessels, including chartered-in vessels.
- Shipping duration in marine protected areas: includes times in Sulphur Emission Control Area zones. Scope: owned ships only.
- 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.

SASB Index

Marine Transportation Industry Standard

Topic	Accounting Metric	Unit of Measure	Data for 2021	Data for 2022	SASB Code	Further Information*
Corruption Index						
Business Ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	2	1	TR-MT510a.1	
Corruption						
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Reporting currency	0	0	TR-MT-510a.2	
Marine Casualties						
Accident & Safety Management	Marine casualties	Number	0	0	TR-MT-540a.1	
	Very serious marine casualties	Percentage (%)	0%	0%		
Conditions of Class						
	Number of Conditions of Class or Recommendations	Number	0	0	TR-MT-540a.2	6
Port State Control						
	(1) Deficiencies	Number	(1) 81	(1) 57	TR-MT-540a.3	
	(2) detentions		(2) 2	(2) 0		

***Disclaimer and Assumptions for the SASB Disclosures**

- 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. There were zero such incidents during the period covered by this report.

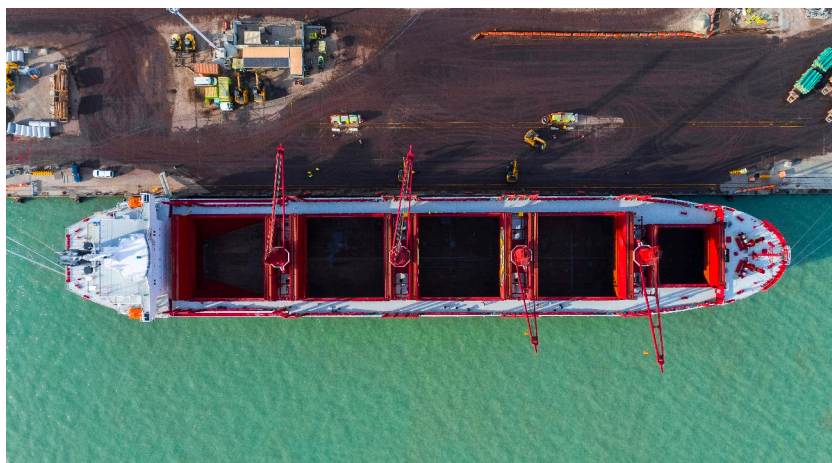
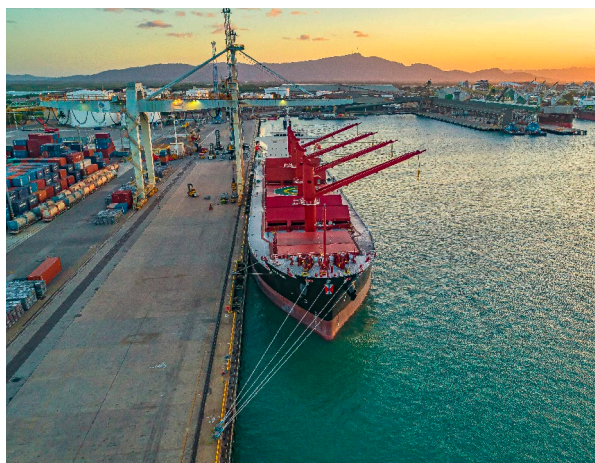
SASB Index

Marine Transportation Industry Standard

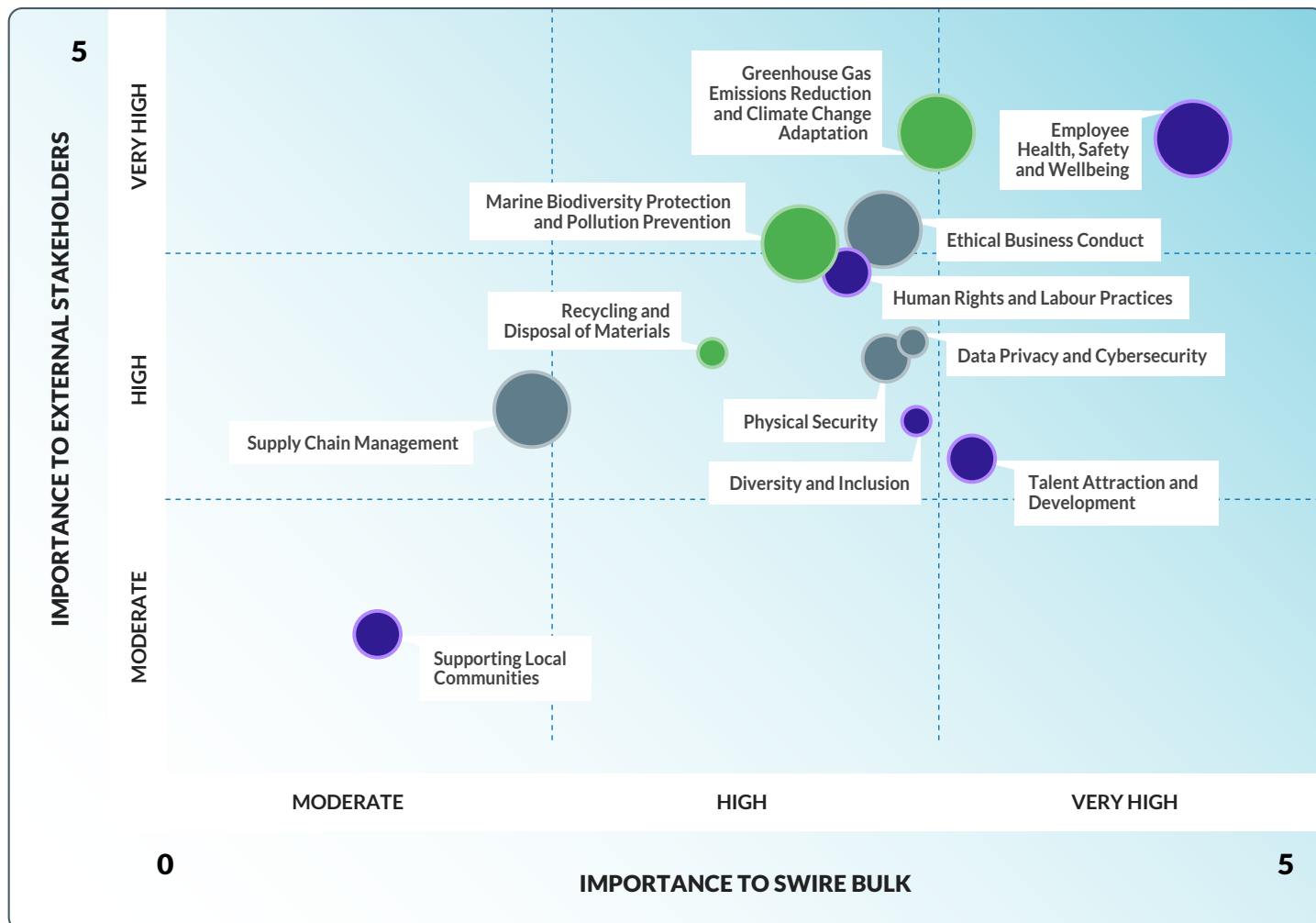
Topic	Activity Metric	Unit of Measure	Data for 2021	Data for 2022	SASB Code	Further Information*
Marine Transportation Activity Metrics	Number of shipboard employees	Number	660	580	TR-MT-000.A	7
	Total distance travelled by vessels	Nautical miles (nm)	6,233,557	5,068,192	TR-MT-000.B	8
	Operating days	Days	54,001	42,194	TR-MT-000.C	9
	Deadweight tonnage	Thousand dead-weight tonnes	17,952	14,090	TR-MT-000.D	
	Number of vessels in total shipping fleet	Number	366	309	TR-MT-000.E	
	Number of vessel port calls	Number	2,712	2,991	TR-MT-000.F	9, 10
	Twenty-foot equivalent unit (TEU) capacity	TEU	Not applicable	Not applicable	TR-MT-000.G	

*Disclaimer and Assumptions for the SASB Disclosures

- 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: owned vessels only.
- 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 operated fleet during the reporting period.



MATERIALITY MATRIX



LEGEND

Impact of issue on environment and society

- Major impact (Large sphere)
- Moderate impact (Medium sphere)
- Minor impact (Small sphere)

Color coding:

- Green: Environment
- Purple: Social
- Grey: Governance

The 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.

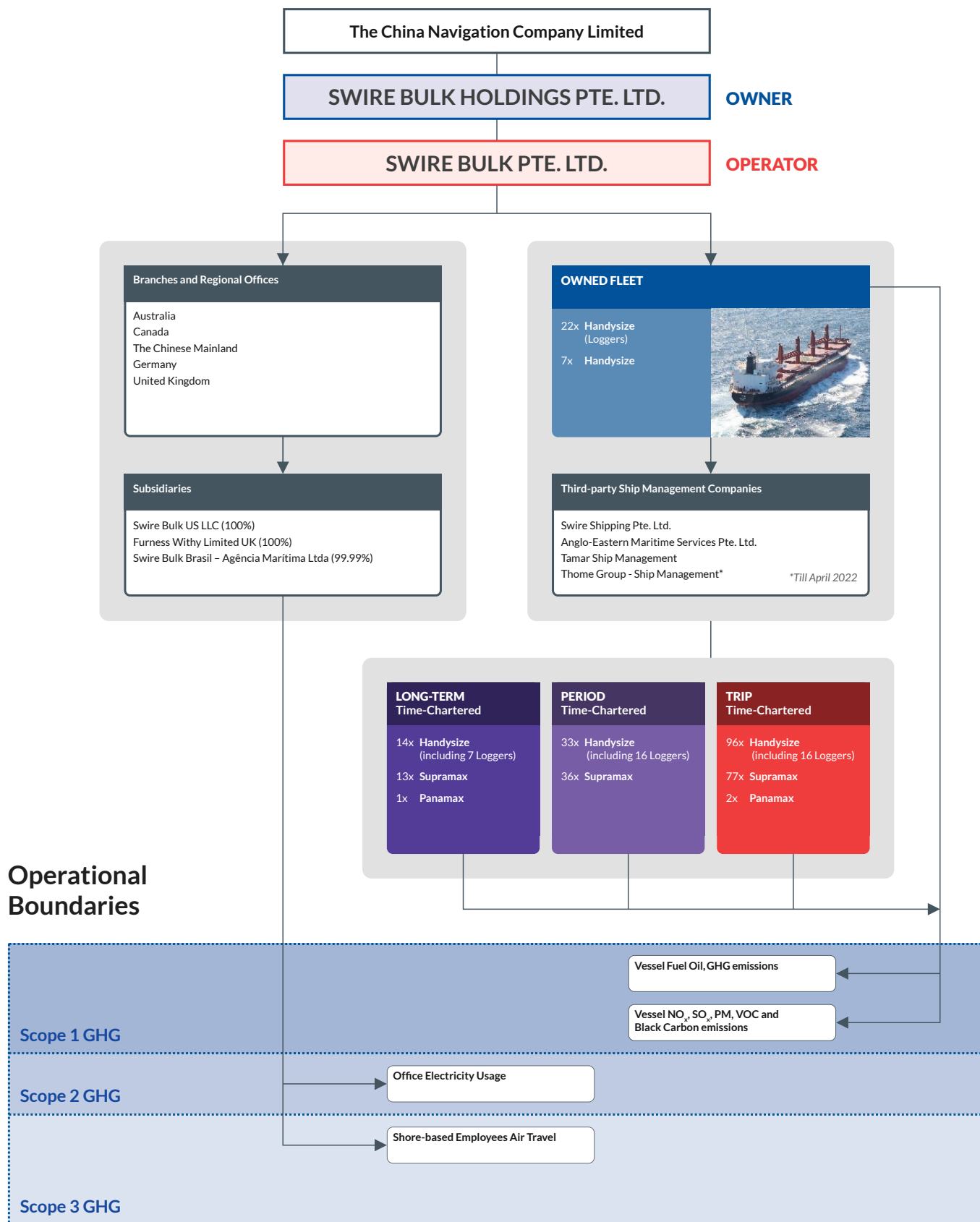
The impact of the issues on the environment and society is represented by the size of the spheres, ranging from major to minor.

MATERIAL TOPICS

TOPIC DEFINITION

Environmental Topics	
GHG Emissions Reduction	Putting measures in place to reduce GHG emissions, including SO ₂ and NO _x , by implementing energy efficiency measures, adopting new technologies and using alternative fuels.
Climate Change	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 its 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 the business and supply chain.
Supporting Local Communities	Supporting key stakeholder communities in countries where it operates, 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.

ORGANISATIONAL BOUNDARY DIAGRAM



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-in for a single leg only.

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Assurance Statement

Swire Bulk Pte. Ltd. (Swire Bulk) commissioned Copeland & Partners Ltd. (CPL) to conduct limited independent assurance of the Accounting and Activity Metrics for each Sustainability Disclosure Topic of SASB's Marine Transportation Industry Standard disclosed in its 2022 Sustainability Report (the Report), in accordance with the scope outlined below.

CPL's responsibility for this assignment was only to Swire Bulk and CPL denies any liability or responsibility to others. It is the responsibility of Swire Bulk to collect, analyse and present all data and information to address: the Accounting and Activity Metrics for the Disclosure Topics specified by the Industry Standard in the SASB Index, including the guidance of the relevant Technical Protocols; related content within the Report; and to sustain operative governance and internal controls over the processes and systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of Swire Bulk.

Objective and Scope

The objective of the assurance process was to determine Swire Bulk's conformance to the requirements of the Industry Standard for the Accounting and Activity Metrics disclosed, through desktop research and direct engagement with Swire Bulk's representatives to confirm the company's approach to collecting and disclosing data and information for these metrics, and to provide recommendations to management on the disclosure approach.

Methodology

The assurance process, which was conducted from May to June 2023, involved a desktop review of Swire Bulk's 2022 Report and supporting statements/policies accessed through the report website links, as well as data and information related to the Accounting and Activity Metric disclosures, for verification against related SASB requirements. Information was provided by, and discussions were held with, Swire Bulk's Head of Sustainability on behalf of representatives of the company to confirm the data collection and disclosure approach and content related to these metrics. Based on this review process, observations were made that resulted in Swire Bulk making minor amendments to the SASB Index.

Findings and Recommendations

Based on the data reviewed for the Accounting and Activity Metrics and the further information provided in the SASB Index, Swire Bulk's 2022 Report includes accurate and robust information to support the company's commitment to, and performance in, addressing the SASB Disclosure Topics, which broadly align with the material topics of the company's Materiality Matrix.

The commitment and resources that Swire Bulk has dedicated to integrating sustainability into its business processes and to managing potential risks and opportunities is admirable, as is the progress made in addressing the SASB Disclosure Topics. Going forward, Swire Bulk is encouraged to consider aligning with evolving international standards and stakeholder expectations, particularly those that fulsomely address the concepts of impact and financial materiality for all of the company's material topics.



Anne Copeland
CEO & Sustainability Advisor, Copeland & Partners Ltd.
1st June 2023

Progress against United Nations Sustainable Development Goals

SDG	Relevant Material Topics	Relevance to Swire Bulk's operations / Progress over 2022 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"> • Zero Harm to employees, customers, contractors, and the wider community as top priority • Operations Policy / Labour practices / Employee welfare and benefits • Enhancing the approach to safety through promoting Zero Harm campaigns • Cargo operations and port community safety measures • Respect in the Workplace Policy • Crisis support helpline • Onshore Safety Committees • Supporting employees and seafarers during the global pandemic
 <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 • Target: 30% female senior managers by 2025 • Workplace Harassment prevention training module • Grievance mechanism • Flexible working arrangements • 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>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Employee Health, Safety and Wellbeing</p> <p>Diversity and Inclusion</p> <p>Human Rights and Labour Practices</p> <p>Supply Chain Management</p> <p>Talent Attraction and Development</p>	<ul style="list-style-type: none"> • Inclusive labour practices across all countries of operation • Good and safe working conditions • Equal pay for work of equal value • MLC compliance • Diversity and Inclusion Policy and Respect in the Workplace Policy • Health & Safety standards • Whistleblowing Policy / Third-party due diligence • Modern Day Slavery assessments and published statements • Supply Chain management • Code of Conduct / Supplier audits • Strong Governance, Compliance training, Grievance reports • Signatories to the Neptune Declaration on Seafarer Wellbeing and Crew Change
 <p>10 REDUCED INEQUALITIES</p>	<p>Diversity and Inclusion</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 • Equality in pay structures and rewards • Unconscious bias training for managers • Good and safe working conditions
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Recycling and Disposal of Materials</p> <p>Supply Chain Management</p>	<ul style="list-style-type: none"> • Environmental policy and practices • Hazardous materials management practices and disposal • Sustainable ship recycling practices • Transparent S&D reporting in accordance with SASB Standards • Supplier Code of Conduct in place • Sustainably Produced Food Policy • Supply Chain risk assessments and audits

Progress against United Nations Sustainable Development Goals

SDG	Relevant Material Topics	Relevance to Swire Bulk's operations / Progress over 2022 calendar year
	GHG Emissions Reduction and Climate Change Adaptation	<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 • Investigating alternative energy sources • Memberships of <i>Getting to Zero 2030</i> Coalition, MMMCZCS, SSI • Initiatives to improve fuel efficiency / use of performance management systems (Energy Efficiency Technologies) • Publicly reporting environmental performance via Sustainability reports • Internal fleet efficiency KPI scorecard • KPIs for reducing EEOI performance • Eco-office / sustainable office practices
	Marine Biodiversity Protection and Pollution Prevention	<ul style="list-style-type: none"> • Biodiversity Policy / Investment in clean and green technologies • Custom-built Container with HME filter for cleaning cargo holds • Membership of World Ocean Council • BIC and 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's Green Flag programme • Blue Whales and Blue Skies Vessel Speed Reduction incentive programme in California • Deviating vessels from the Southern waters of Sri Lanka to protect endangered whales
	Ethical Business Conduct Supply Chain Management Data Privacy and Cybersecurity Physical Security	<ul style="list-style-type: none"> • Strong Governance, Compliance training covering Corporate Code of Conduct / Anti-Bribery / Antitrust • VIVE Sustainable Supply Programme Award • EcoVadis Sustainability Rating • Whistleblowing Policy / Third-party due diligence • Sanctions checks • Membership of MACN • Privacy Policies, procedures and training • Cybersecurity / EU GDPR and Singapore PDPA training for employees • Supplier Code of Conduct in place • Supply Chain risk assessments and self-audits
	GHG Emissions Reduction and Climate Change Adaptation Supporting Local Communities	<ul style="list-style-type: none"> • Stakeholder engagement at international fora • Memberships of <i>Getting to Zero</i> Coalition, MMMCZCS • Memberships of SSI, WOC, World Shipping Council • Partnerships with Universities, Research Institutions and NGOs • Corporate Philanthropic investments in our key stakeholder communities

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