

Going Green: We take it personally for Sustainability
Sustainability Report 2021



Orient Overseas (International) Limited

(Incorporated in Bermuda with members' limited liability)
Stock code: 0316.HK



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This report can be downloaded from our website at:
<https://www.ooilgroup.com/corporate/environmentalprotection>

This Sustainability Report has been translated into Chinese. If there is any inconsistency or ambiguity between the English version and the Chinese version, the English version shall prevail.

此中文版可持續發展報告為英文版譯本，如中、英文兩個版本有任何抵觸或不相符之處，應以英文版本為準。



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Our Reporting Approach

This compilation is the **eleventh** Sustainability Report by Orient Overseas (International) Limited (“OOIL”), which manifests our continual commitment to sustainability, transparency and accountability.

Reporting Scope

This report covers the significant environmental, economic and social aspects of the business arising from the principal activities of OOIL and its subsidiaries (the “Group”) during the reporting period between 1st January 2021 to 31st December 2021. It also reports on the key sustainability strategies, objectives, management approaches and initiatives taken by the Group to improve our performance in sustainability, transparency, and accountability.

This report would not have been possible without engaging our stakeholders. Throughout our sustainability journey, we have been constantly engaging with various stakeholders to collect important feedback on improving our sustainability performance and address their needs and expectations in this report. For more details, please refer to our Stakeholder Engagement section.

Reporting Standards

To continue with our commitment in aligning with international sustainability guidelines and principles, this report is prepared with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards and based on the reporting principles of materiality, quantitative, consistency and balance, which have been set out in the Environmental, Social and Governance (ESG) Reporting Guide on The Stock Exchange of Hong Kong Limited, Appendix 27 of Main Board Listing Rules. This report also refers to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to disclose how the Group manages climate-related risks and opportunities.

Report Assurance

This report has been assured by the independent business assurance service provider, Lloyd’s Register Quality Assurance (LRQA), with respect to the extent of its coverage and information provided with reference to our adopted reporting standards. In doing so, this demonstrates our commitment to high standards in governance, credibility and transparency. The independent assurance statement is presented on page 69 of this report.

Date of Issue

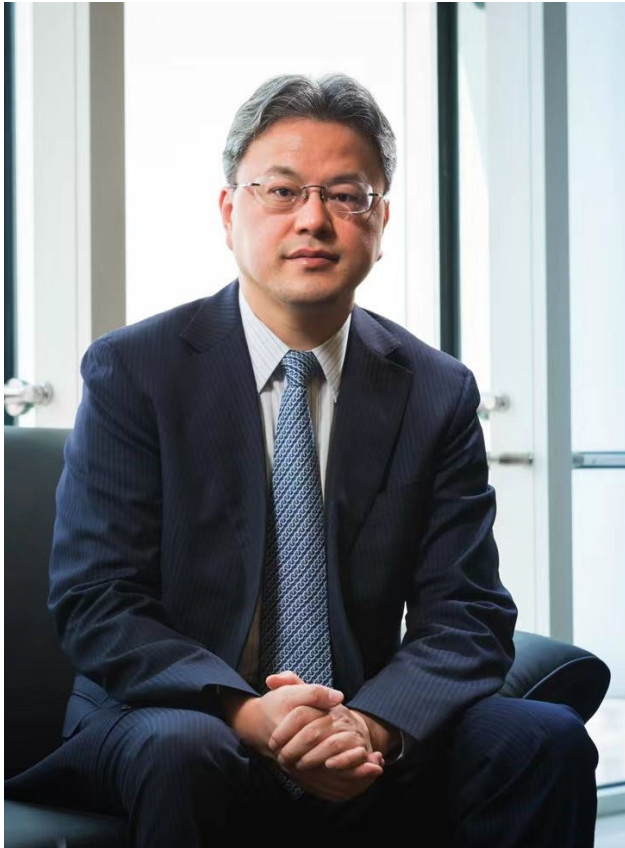
April 2022

Group Companies



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Chairman's Message and Board Statement



Chairman's Message

I am pleased to present the Orient Overseas (International) Limited ("OOIL") Sustainability Report 2021, which is the eleventh publication of Sustainability Report of our Group. Sustainable development is one of the Group's beliefs, and Environmental, Social and Governance (ESG) issues have been the core of our business for many years. Through stakeholder engagement and internal analysis, we are well aware of and take into the account the impacts of our business activities on the environment and society. At the Group level, several sustainable development goals and strategies have been formulated for value creation to our stakeholders and promoting quality sustainable development for the society.

To live up to the rising expectations from the society for enterprises while achieving the Group's business standards and long-term goals, the Group has integrated the principles of sustainable development into our corporate governance structure. OOIL has established a cross-departmental ESG Working Team to oversee the key ESG issues, position sustainable development, review targets, new regulations on ESG, and the Group's strategies and policies. Through regular review and reporting by the Working Team, this corporate governance structure facilitates interdepartmental communication and collaboration on sustainability issues. In 2021, COSCO SHIPPING Holdings Co., Ltd. (COSCO SHIPPING Holdings) established a COSCO SHIPPING Holdings Sustainable Development Enhancement Project Team aiming to enrich its sustainable development data collection, analysis, climate change risk identification and formulation of sustainable development goals, etc. OOIL maintains close collaboration with other subsidiaries of COSCO SHIPPING Holdings to jointly strive for COSCO SHIPPING Holdings' sustainable development.

Last year, amid the global public health crisis, sustainable development and related topics drew unprecedented attention and discussion at the 26th United Nations Climate Change Conference of the Parties (COP26). As a key economic industry and trade facilitator, the shipping industry can play a pivotal role in mitigating and adapting to climate change. The shipping industry itself is simultaneously affected by climate change, rendering climate change adaptation a major challenge for the industry.

OOIL emphasises our environmental impacts. The Group adopts the United Nations Sustainable Development Goals (UNSDGs) to reaffirm our commitment to this global issue. We strive to realise green operations, actively participate in eco-friendly initiatives, and address the critical environmental challenges, including climate change, air pollution, biodiversity loss, marine environment degradation, and energy consumption. As carbon neutrality has become an urgent international agenda item, we will investigate and explore which solutions would suffice to serve the needs of low-carbon transition, green shipping development, and achieving carbon neutrality in the future. The solutions to be explored include vessel deployment, sustainable marine fuel, market-based mechanisms, and other advanced environmental technologies. Last year, in line with the deployment of the national carbon neutrality plan, OOIL participated in the carbon inventory project of China COSCO SHIPPING Group to identify key sources of carbon emissions, seek technology roadmaps for energy conservation and emissions reduction, and formulate practical proposals for carbon neutrality. We comply with the requirements of the International Maritime Organization (IMO), which limits the sulphur content in ships' fuel oil

to 0.50%. This collective effort is expected to reduce the industry's total sulphur emissions by 85%. On the other hand, the Group continues to be a leader in adopting green technology, including shore-based power alternatives and smart solutions. OOCL joined forces with other major global ocean carriers and port operators to launch the Global Shipping Business Network (GSBN), which facilitates information exchange and digital transformation in the shipping industry using blockchain technology. Effectively reducing energy consumption and operating costs, GSBN provides customers with value-added supply chain services and responds to customer needs in a timelier manner. Our contribution and efforts in environmental protection has been recognised by the society. Last year, we were honoured to be awarded the "Hong Kong Sustainability Award" organised by the Hong Kong Management Association (HKMA).

"People, People, People" is one of the core values of the Group. We strictly adhere to the ethical rules and principles in our business, and ensure our people are treated with dignity and respect. The Group is an equal opportunity employer with a clearly defined policy that promotes the corporate culture of encouraging fairness, open and frank communication, as well as recognitions. Through investing in people-development programmes and education, we strive to provide our employees with long-term development opportunities and grow with them.

We believe that employees are the most valuable assets. The Group attaches great importance to the health and safety of our employees in both onshore and offshore settings. We adopt different measures to eliminate potential health and safety hazards in our workplace. As such, the Group has implemented the Safety, Security and Environment (SSE) Policy to promote the culture of safety, underpinning our commitment to ensuring safe

working environment. OOIL not only strictly abides by relevant laws and regulations but also apply industry best practices and support different initiatives. With the growing concern over the piracy issue, we signed the Gulf of Guinea Declaration on the Suppression of Piracy, urging to combat piracy in the Gulf of Guinea and protecting seafarers working in the area.

Apart from our employees' effort, the support from our society greatly contributes to the success of the Group. We therefore devote ourselves in helping the society, realising the Group's another core value – "Community Responsibility". In addition to our contribution to environmental protection, we also work closely with non-governmental organisations, launch and support initiatives in other three distinct areas, namely Education of Youth, Community in-Need, and Promotion of Arts and Culture, to create value to the community where we operate our business. Throughout the COVID-19 outbreak, our global employees still initiated and participated in various community service activities, reaching out to communities in need and giving back to society.

We have been implementing flexible and effective preventive measures to maintain normal operations while protecting the health of our employees and their families. In the past year, our employees and seafarers exercised outstanding teamwork, work efficiency and professionalism to timely deliver medical supplies to different countries. The shipping industry has a huge impact on the entire supply chain, and seafarers hold an important role in the shipping industry. The efforts and sacrifices of our crew enable the international trades in these two years, hence we all owe them a special debt of thanks. As a signatory of the Neptune Declaration, we encourage all parties to facilitate crew change, ensure the safety and wellbeing of our seafarers, and go the extra mile to help them return home at the end of each assignment.

In terms of security, we stay vigilant and make every effort to ensure that our employees, customers, vessels, cargo, equipment, and data are not threatened by any security issues. To maintain the highest security standards, we strictly abide by various security regulations, set up tight security measures and take all feasible precautions to combat acts that endanger maritime or freight security. With the advancement of information technology, we take advantage of our outstanding information security management to strengthen the information system and enhance employees' awareness to secure our company's and customers' data.

Despite the challenging year, thanks to our employees' and stakeholders' support for our sustainability strategy, the Group managed to attain prominent achievements. Moving forward, we will continue to strengthen our sustainability governance structure, actively mitigate climate-related and other business risks, and explore opportunities of sustainable operations to the Group. We look forward to joining hands with our stakeholders to create long-term value and accelerate the sustainable development of the shipping industry.

Wan Min
Chairman
April 2022

Board Statement

The Board of Directors of the Company (the “Board”) delegated the OOCL Executive Committee (EXECO) to oversee all key Environmental, Social and Governance (ESG) issues, strategy reporting principles, boundaries. The EXECO is also responsible to endorse ESG targets and changes in key ESG items, if any. An ESG Working Team was established to oversee the key ESG issues, position sustainable development, as well as to review targets, strategies and policies. With the support from and approval by our management team, the ESG Working Team is coordinated by Risk Management Unit of Legal and Risk Management Department (LRM Risk Unit) and comprised of representatives from Corporate Sustainability Affairs Team, Corporate Human Resources, Fleet Management Department, Internal Audit Department as well as LRM Risk Unit. A series of targets was proposed in 2021 to meet the ESG reporting requirements by the Hong Kong Stock Exchange. The target aspects cover reduction in direct and indirect Greenhouse Gas (GHG) emission intensities, onshore and vessel general waste intensities, vessel hazardous waste intensity, and onshore and vessel freshwater consumption intensities. The achievement status of these targets is to be reviewed by the EXECO annually to ensure that our headquarters, global regional offices, and vessels are at a satisfactory pace to achieve the respective targets. Upon review, the Key Performance Indicators (KPIs) in 2021 are in progress towards these targets. The formation of the ESG Working Team reflects our strong commitment to ESG. With the collective effort from functional departments, the ESG Working Team and the EXECO, this ESG reporting mechanism allows the respective Committees and the Board to be informed and reported on how the key ESG-related issues are being managed and overseen in a structural and systematic approach.

In 2021, an Internal Control Enhancement Process of ESG Management was developed for the Group to follow the principles of compliance, risk management and internal control, while meeting the Company’s fundamental interests. The controls of this Internal Control Enhancement Process of ESG Management aim to mitigate the potential legal and compliance risks, business risks, financial risks, reputational risks, as well as internal control failures brought to the Group by inadvertent acts. It is also intended to optimise process activities and improve the comprehensive efficiency of the ESG management process through reducing invalid and repeated operations.

For many years, the Group has been taking on a leadership role in implementing many ESG initiatives to address and tackle global environmental and social challenges. Our green investment, innovation of green IT solutions and GHG management contribute to the success and comprehensiveness of our overall sustainability profile. In 2021, OOCL received the “Hong Kong Sustainability Award” organised by the Hong Kong Management Association (HKMA). By recognising organisations which have demonstrated outstanding sustainability practices in economic, social and environmental aspects, while achieving good business and organisational performance, the award programme also advocates cross-sector sharing of best practices and inspires organisations to entrench sustainability within their operations and culture. To ensure data integrity, we achieved a limited level of assurance by Lloyd’s Register Quality Assurance (LRQA) for the data published in the Sustainability Report using the Global Reporting Initiative (GRI) principles. Upon the external audit, no material issue regarding the stakeholder inclusivity, materiality, responsiveness and reliability was identified in the sustainability data for the Sustainability Report.

OOCL is committed to conducting our business with high standard and based upon ethical best practices and principles. Anti-bribery and anti-corruption are important parts of corporate compliance and responsibilities. The Group launched a mandatory Code of Conduct training for our directors and staff covering key areas such as compliance with legal standards, anti-bribery and anti-corruption, anti-harassment, and personal data protection. With the growing concern over the piracy issue in the Gulf of Guinea, OOCL joined forces with other organisations across the maritime industry (including flag state administrations, ship owners, charterers, and shipping associations) in signing the Gulf of Guinea Declaration on the Suppression of Piracy, demanding that no seafarer should face the grave risks of kidnapping and violence when transporting cargo in the Gulf of Guinea.

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Our Business

Headquartered in Hong Kong, China, Orient Overseas (International) Limited (“OOIL”), a company with total revenues in excess of US\$16.8 billion, has principal business activities in container transport and logistics services. OOIL is listed on The Stock Exchange of Hong Kong and has around 420 offices in about 90 countries / regions.

Our Philosophy

Mission Statement

To be the best and most innovative international container transport and logistics service provider; providing a Vital Link to world trade and creating value for our customers, employees, shareholders and partners.

Core Values

OOCL has four core values that are central to everything the Company does.



Segment Information

The principal activities of the Group are container transport and logistics. Container transport and logistics include global containerised shipping services in major trade lanes, covering Trans-Pacific, Australasia, Trans-Atlantic, Asia-Europe, Intra-Europe and Intra-Asia, Latin America, Mediterranean-West Africa, Asia-Africa Trades, and integrated services over the management and control of effective storage and flow of goods.

Business Description

Liner Services

OOCL is one of the world's largest integrated international container transportation and logistics companies. As one of the most recognised global brands, OOCL provides customers with fully-integrated logistics and containerised transportation services, with a network that encompasses Asia, Europe, the Americas, Africa and Australasia.

OOCL is well respected in the industry with a reputation for providing customer-focused solutions, an excellence-through-quality approach and continual innovation. OOCL is one of the leading international carriers, providing a full range of logistics and transportation services. It is also an industry leader in the use of information technology and e-commerce to manage the entire cargo process.

Logistics Services

As a world-class provider of innovative logistics and supply-chain services and solutions, OOCL Logistics has an extensive network of more than

140 offices in over 40 countries / regions. Providing advanced customer-specific solutions through its value-creating services and IT technology in supply-chain management, OOCL Logistics' dedicated and experienced professionals focus on serving customers with global sourcing and supply-chain-management needs, creating value through innovative end-to-end international logistics programmes. It is also a leader in providing sophisticated transportation, warehousing and distribution services in the Mainland China, offering professional and efficient 3PL and 4PL solutions. As a global company based in Asia, OOCL Logistics is exceptionally positioned to serve both international and domestic customers in the world's fastest-growing markets.

Digital Transformation Services

CargoSmart empowers companies to digitally transform their global supply chains by providing global shipment management software solutions that enable shippers, consignees, logistics service providers, non-vessel operating common carriers (NVOCCs), and ocean carriers to improve planning and on-time deliveries. CargoSmart leverages big data sources and a cloud-based platform to offer shipment visibility, documentation and compliance solutions. It also offers comprehensive and professional integration services.

Carrying the meaning of “Intelligence to Accelerate Transformation”, IQAX strives to take up a convener role to drive digital transformation in the shipping industry through close collaboration with major stakeholders in the global supply chain. IQAX serves as a trusted adviser to foster digital collaboration amongst industry partners, such as shippers, freight forwarders, carriers, terminals, and financial institutions, to deliver effective, secure and reliable solutions for the industry.

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Approach to Sustainability

As a responsible corporate citizen, the Group is committed to incorporating sustainability into our business operations. We have been proactively developing and managing our Environmental, Social and Governance profile through building trust with our stakeholders. With the formulation of our Sustainability Strategy, various sustainable development goals and objectives have been established in tackling global environmental and social challenges that we are facing today. Looking ahead, we will continue exploring new sustainable development opportunities to create long-term value for our stakeholders.

Corporate Governance

The OOIL Group believes that the success of our Company is built on the commitment to a high level of ethical and professional Code of Conduct. The Group is committed to honesty, integrity and fairness in everything it does, and expects all employees to know and adhere to the standards. Our customers judge our Company not only by the quality of the products and services we provide, but also by the professional conduct and business ethics of our employees. Effective corporate governance is an important part to corporate success and the enhancement of shareholder value.

Governance Framework

OOIL is committed to conducting its business in accordance to high ethical standards and the Company considers that effective corporate governance is an important part to corporate success and the enhancement of shareholder value.

The Company has adopted its own corporate governance code (the “CG Code”), which in addition to applying the principles as set out in the Corporate Governance Code (the “SEHK Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), also incorporates and conforms to local and international best practices. The CG Code sets out the corporate governance principles applied by the Company and its subsidiaries (the “Group”) and is constantly reviewed to ensure transparency, accountability and independence.

The Board currently comprises of four Executive Directors, four Non-Executive Directors and five Independent Non-Executive Directors. More information can be found in our 2021 Annual Report, under the Corporate Governance Report section. The OOCL Executive Committee (EXECO) comprises members of the top management team and is led by the Chief Executive Officer. The EXECO sets the corporate agenda and establishes strategic directions of Environmental, Social and Governance (ESG) initiatives from a macro perspective by endorsing ESG targets, evaluating and addressing any associated risks and opportunities that would help improve or raise the company’s overall performance.

At OOCL, an ESG Working Team was formed to ensure the effective compliance of all present and future mandatory disclosure requirements. With the support from and approval by our management team, the ESG Working Team is coordinated by Risk Management Unit of Legal and Risk Management Department (LRM Risk Unit) and comprised of representatives from Corporate Sustainability Affairs Team, Corporate Human Resources, Fleet Management Department, Internal Audit Department as well as LRM Risk Unit. The ESG Working Team is

responsible to review and propose ESG agenda for the EXECO’s discussion and endorsement. Moreover, it will submit targets that are proposed by corresponding functional departments to the EXECO and the relevant committees for review and endorsement. The Risk Committee and Compliance Committee at the corporate level will be informed about the decisions and approvals made by the EXECO, which will then be reported to the OOIL Board. The formation of the ESG Working Team reflects our strong commitment to ESG and Corporate Social Responsibility (CSR). With the collective effort from functional departments, the ESG Working Team and the EXECO, this ESG reporting mechanism allows the respective Committees and the Board be reported on how the key ESG-related issues are being managed and overseen in a structural and systematic approach.

For Safety, Security and Environment Protection (SSE) issues, the organisation is structured with a Corporate SSE Steering Committee at the corporate level and a Regional SSE Committee for each region. The Corporate SSE Steering Committee’s role is to set direction and policies for SSE and ensure the proper execution of related corporate directives and policies in all corporate departments and regions. Respective Corporate Functional heads of the committees will work out the directions and policies for review and endorsement by the Corporate SSE Steering Committee in order to ensure compliance of the concerned functional areas in each corporate region. The Steering Committee is chaired by a designated representative titled Global Safety, Security and Environmental Protection Officer (GSSEO), who takes a proactive role in overseeing and supporting all relevant legal and regulatory requirements for environment and health & safety. The GSSEO would advise the Corporate Steering and Regional Committees of the latest regulatory, market and competitive developments, and report on the key issues and latest SSE development in the Group. The GSSEO also coordinates SSE policies and implementation efforts with the relevant Corporate Functional Departments and Regions. The GSSEO would also report to the Steering Committee members on key issues and latest SSE developments in the Group.

Risk Management Framework

OOIL has set up and integrated risk management procedures with a “three lines of defence” model as a precautionary approach to identify, evaluate and manage major and significant risks, including climate-related and ESG-related risks, that may bring material impact on the Group’s business. The Group monitors risks using a principal risk dashboard and a functional risk dashboard. The functional risk dashboard, which monitors functional risks including IT risks associated with operation and cybersecurity, summarises the performance of risk items under the control of responsible functional units.

On behalf of the Board, the Risk Committee sets the strategic direction for multi-disciplinary risk management. These specific risks are owned, identified, proceeded and assessed by the company-wide functional units. The precautionary and mitigating responses proposed by functional units are checked, measured and monitored by LRM Risk Unit through the functional risk dashboard. Key risks identified are reviewed regularly by the Group’s management. The effectiveness of the risk management system is assessed by the Internal Audit Department. The Board conducts review on the effectiveness and adequacy of the risk management and internal control systems by reviewing the work performed by the Risk Committee and Audit Committee annually.

Operational Risk Assessment

The purpose of the Operational Risk Management guidance is to align with the EXECO directive to implement an Operational Risk Management process and report operational risks. By integrating Operational Risk Management into our daily business activities, we can prevent and minimise harm to people, loss to business and damage to environment that may arise from our operations.

Operational Risk Management shall be implemented company-wide and reports back to EXECO on a quarterly basis through the SSE Committee. All

corporate functional departments and regions are to be accountable for identifying, assessing, controlling, reviewing and reporting operational risk areas that fall under their respective functional and regional scope. While an accident summary is one source where risks can be identified, this directive encourages a fresh look at our operations to identify new risks while managing existing ones.

Our Policies

Anti-Corruption

In the interest of adhering to the highest ethical standards, the Group has a formulated Code of Conduct which serves as a guideline to ensure compliance with all local, national and international legal standards and to preclude offences under local, national and international laws, any breaches of confidentiality, non-disclosure requirements or intellectual property rights and any conflicts of interest, acts of bribery, corruption or political contribution and any other areas of deemed misconduct.

Our Management takes oversight and implementation of our policies against bribery and corruption very seriously. The Group’s Code of Conduct has a chapter on “Bribery and Corruption” which provides a clear and comprehensive guidance on how to conduct business in an ethical, fair and legal manner. The Company will regard any violation of this policy as a serious matter and it is likely to result in disciplinary action, including employment termination, that is consistent with relevant and applicable laws. Regional and function-specific training on anti-corruption and anti-bribery policies are offered to our employees.

In addition, comprehensive procedures are in place to address, identify, manage and control risks that may contain elements of corruption and bribery, with an impact on the business of the Group. The Group’s “Whistle Blower Policy”, established in 2006, is one of our formalised procedures through which employees can anonymously file reports or register concerns and help govern the reporting and thorough investigation of allegations of suspected improper activities.

We conduct a mandatory vendor assessment for all new intermediaries including vendors, suppliers, agents, and contractors to confirm their compliance to our Code of Conduct. This assessment serves as a channel to communicate with our intermediaries regarding our company policy. It allows us to take immediate actions if any corruption and bribery risks are identified.

OOCL is a member of the Maritime Anti-Corruption Network (MACN), working together to eliminate all forms of maritime corruption and foster fair trade practices. Following the MACN Anti-Corruption Principles, we avoid all kinds of bribe, facilitation payment, and corruption by adopting shared methodologies, framework, risk assessment tools, training, and campaign, helping our employees and third parties to strengthen the anti-corruption approach. Not only do we work with MACN, but our Company also engages with different industry members, local governments and civil society to reinforce and promote the culture of integrity through collective action.

Our current approach is considered to be effective and sufficient. We have not received any reported cases of corruption within the Group and we ensure that all our practices are in full compliance with relevant laws and regulations. Although our industry is less vulnerable to corruption, we continue monitoring and reviewing our policies and practices to maintain “zero corruption”. We would also evaluate whether it is necessary to launch comprehensive anti-corruption risk assessments for our existing and new global offices, business partners, vendors, suppliers and agencies.

Whistle-Blowing Framework

Under the Group’s whistle-blowing policy, employees may report any concern regarding accounting, internal accounting controls and auditing matters to the Audit Committee without fear of dismissal or retaliation. This framework helps ensure that the Group complies with all the applicable laws and regulations, accounting standards, accounting controls and audit practices.

The Audit Committee will review each complaint, the investigations and the follow-up actions, including disciplinary actions, by management on substantiated cases.

Extortion, Fraud, Money Laundering & Other Related Crimes

The guidepolicy of Code of Conduct requires all employees to comply with any laws, rules and regulations that are aimed at preventing, detecting and remedying economic crime and, in particular, fraud, extortion, money laundering and other related crimes. Employees must not engage criminal activities nor choose to ignore them. We ensure that all our business practices and operations are in full compliance with relevant laws and regulations and during the reporting year, no such crimes have been discovered.

OOCL's Sanctions Compliance Policy

Sanctions are national and international rules and regulations which regulate or prohibit activities with or in certain countries, with certain persons or entities and in respect of certain goods and services. The international nature of OOCL's activities means that its activities will be affected by sanctions and it is very important that all employees of OOCL understand fully the need to comply with such rules and regulations on sanctions.

To reinforce OOCL's commitment to sanction compliance, the Board of Directors of OOCL has endorsed the Sanctions Compliance Policy which sets out the Policy and procedures put in place to ensure that all employees of OOCL are and remain committed to ensuring compliance with it.

OOCL Corporate Compliance Training

Being a responsible corporate citizen, OOCL upholds the corporate compliance standards in an ever-changing business environment. It is important for us to refresh our knowledge and understanding as the laws and regulations are constantly evolving. In view of this, stepping into 2021, we launched a series of six online training courses on OOCL Corporate Compliance Training.

The themes of the six courses are Code of Conduct, Cyber Security Awareness, Warehouse Risk Management, Internal Security Auditors Training, Anti-Bribery & Anti-Corruption, and Competition Law Online Programme respectively. The series covers OOCL employees in respect of various training objectives and requirements. To ensure and align the understanding and expectation of our business representatives to the relevant compliance requirements and the Company's standard, some of the courses were extended to our Third-Party Agents who work on our behalf.

Code of Conduct e-Learning

OOCL is committed to conducting business and managing the organisation with honesty, integrity, and fairness. To uphold a high standard of business ethics, further to the Code of Conduct as one of the Company's policy, on 18th January 2021 we launched a Code of Conduct e-Learning and make it mandatory for all our employees and business representatives. Global employees from OOCL will need to complete the training biennially and declare any possible conflict of interest annually.

With the use of real-life scenarios, the e-Learning will help our learners better understand and align with the Company's expectations and standards of behaviour in conducting business. It covers four learning areas, namely Legal Compliance, Job and Business-related Requirement, Workplace Discipline and Non-Compliance and Misconduct.

The Legal Compliance session covers topics such as compliance with legal standards, anti-bribery and anti-corruption, anti-harassment, discrimination, and personal data protection.

Inspection Policy on Dangerous Goods (DG) Containers

To increase the safety of our employees, customers' cargo and properties on shore and at sea when carrying DG containers, the SSE Steering Committee has decided to apply an inspection policy on DG containers. The inspection programme will raise awareness of cargo safety amongst shippers, contribute to safer cargo transport and reduce risk and costs arising from DG incidents.

COVID-19 Business Continuity Plans

In view of the COVID-19 situation, the Company rolled out various measures to prevent and mitigate the threats to employees' health & safety in workplace, thereby our business continuity. A centralised platform was set up to keep our employees updated on the latest arrangement and the respective Business Continuity Plans along with a colour-coded alert system. Other measures to ensure that our operations remain as undisrupted as possible include having majority of our staff working from home with full systems and phone access just like the 'in-office' operations.

Given that COVID-19 is widespread and the fight against the virus is likely to continue for an extended period, we arranged special customer giveaway, automatic sanitiser dispensers, for our key customers to show our care and concern for their safety and well-being. Some of the dispensers were also reserved for OOCL offices around the world. OOCL hopes that all our colleagues, customers, vendors and their families are healthy, remain vigilant, and stay positive during these challenging times.

Corporate Safety, Security and Environment (SSE) Policy

OOCL goes the extra mile to make safety and security a top priority in our business operations, onshore and at sea, including people, cargo, ships and facilities. We maintain the highest safety and security standards and recognise that businesses must take responsibility for their industries' effects on the environment so OOCL proactively demonstrates our concern for the environment at every level of our organisation.

OOCL is committed to:

- Applying industry best practices, and going above and beyond compliance with relevant rules and regulations on Safety ^[1], Security ^[2] and Environment ^[3]
- Establishing and improving safety, security and environment objectives and targets
- Proactively promoting an Onboard Safety Culture and engaging in the highest levels of training
- Participating fully in the prevention and suppression of security threats against supply chain operations under our control and carrying out risk assessment on a continuous basis
- Using resources ^[4] efficiently and applying innovative voluntary measures to minimise the impacts on the environment and natural resources
- Regularly communicating our SSE Policy to all staff and business partners throughout the supply chain
- Continually re-assessing and upgrading our SSE commitments
- Serving our stakeholders by assessing their needs and providing information
- Taking every precaution to avoid any health & safety risks in business activities and services to employees, business partners and communities
- Identifying, evaluating and mitigating climate-related issues and risks in our business operations

OOCL evaluates opportunities for working with responsible business partners to achieve our sustainable procurement objectives at every level of the supply chain. We also strive to ensure that our commercial relationships are formed with partners that share our values on safety, security and environmental care and sustainable business practices.

[1] "Safety" includes but is not limited to the providing of a safe working environment to protect employees from occupational hazards.

[2] "Security" includes but is not limited to the preventive measures to ensure security onshore and onboard, as well as cyber security.

[3] "Environment" includes but is not limited to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste, and biodiversity issues.

[4] "Resources" include but are not limited to energy, water and other raw materials.

We believe that our strategies and approaches to sustainable development drive a long-term value creation for our business and stakeholders. Our core value on Community Responsibility is underpinned by our Corporate SSE Policy and supported by our Sustainable Procurement Policy. These policies are primarily focused on addressing the risks and opportunities in our business and incorporate the economic, environmental and social approaches to sustainability into our decision-making process.

Guidelines for Safety, Security & Environmental Care (SSE) Incident Reporting

Incidents that threaten life, cargo and property may occur in our business operations. Through SSE Incident Reporting, we can capture incident trends and lessons learnt so we can prevent the same from happening in other regions and in the future.

All incidents related to safety, security and/or environment should be reported according to the escalation matrix in our Corporate Emergency Response Plan (CERP). Types of reportable incidents include:

- Fatalities
- Staff work injuries, incurring lost workday(s)
- Truck / feeder / rail / land facility accidents with injuries
- Fire accidents causing serious property damage
- Security threats and breaches
- Environmental pollution / contamination to water and to land
- Cargo / container accidents which cause or threaten to cause injuries, security breaches, pollution and serious property damage

Safety, Quality and Environment Management System

OOCL was the first container shipping line in the world to have achieved the Safety, Quality and Environmental (SQE) Management System certification in 2002. The certification consolidates the International Safety Management (ISM) Code, ISO 9001 and ISO 14001 requirements.

Shipboard Safety, Quality and Environmental (SQE) Monitoring and Reporting

According to our certified Safety, Quality and Environmental (SQE) Management System, it is required all of our vessels to implement and maintain the Shipboard Safety, Quality and Environmental Monitoring and Reporting. Our SQE Coordinator is responsible for monitoring of vessel safety and environment protection. Upon receipt of all Master's Reviews from vessels the SQE Coordinator shall carry out a study of the Reviews. The SQE Coordinator also has to instigate necessary follow-up actions and report such actions and recommendations to the Fleet Management Department in headquarters.

Sustainability Strategy

As we continue to build on our efforts and accomplishments on environmental management the development of this Sustainability Report highlights our desire to move towards a more integrated approach to sustainable development. Developing our Sustainability Strategy has been an important step to further integrate sustainability considerations into our business decision-making process.

This Strategy is driven by our corporate philosophy and we feel that there is a need to further enhance our initiatives and bring our approaches to environmental management, economic development and social responsibility together into a more coherent structure, under the umbrella of sustainable development.

In the process of defining what sustainability means to the Company, it significantly helped steer how we set our plans and goals for the future. The result is the formulation of some key sustainable development priorities to initiate while setting targets and plans for each department in the Company to embrace and execute. Going forward, the development of our Strategy will continue to be refined according to the views of our stakeholders and objectives of the Company.



5

Stakeholder Engagement

We place a high priority on stakeholder engagement and recognise that it is fundamental to understanding the impact our business has on the communities in which we operate as well as the potential issues that may affect us. So reaching out to our stakeholders is imperative to achieving our business and sustainability objectives and we take every effort to gather their concerns and incorporate their views in our sustainable development strategies. The stakeholder engagement exercise provides us with a strong foundation to develop various management approaches on our material issues. We aim to deliver our commitment on the key objectives to address the relevant Sustainable Development Goal:



SDG 17: Partnerships for the Goals

Strengthen the means of implementation and revitalise the global partnership for sustainable development

As such, we will continue to strengthen our collaboration with various stakeholders and industry organisations.

In Progress

Our Stakeholder Engagement Pathway

To achieve long term success and sustainability, we are committed to building and maintaining lasting relationships with our key stakeholders across global operations. We establish strong communication channels to engage with as wide a variety of stakeholders as possible in order to gather their feedback towards our materiality assessment.

We identify and prioritise stakeholders based on their interest, influence and impacts on our business activities. Considering these three factors, we have identified and engaged more than 1,700 stakeholders from 10 key groups through various channels. Our key stakeholder groups include academic institutions, business partners, customers, employees, local communities, non-governmental organisations, professional & industry bodies, regulators & authorities, shareholders & investors, and suppliers & vendors. A great variety of communication channels is adopted to engage with our key stakeholder groups.

We make sure all key stakeholder groups are engaged via the communication channel(s) suitable for their natures, usual activities, and levels of expertise.

Moreover, our stakeholders were also invited to participate in an online survey which required them to rank the significance of various sustainability topics related to our business. The online survey consists of definitions of all topic choices available as one of the capacity building measures that facilitate all invited stakeholders to have the same interpretation of the survey. Our approach clearly demonstrates our efforts in engaging stakeholders through different channels and shows the level of commitment we have to the communities to ensure that their concerns are properly accounted for. The results from these communication channels are collected, consolidated, and communicated through the materiality assessment. The figure below summarises our selected key stakeholder groups, their priorities and engagement channels.



Customers

Customer feedback handling system



Regulators & Authorities

Ongoing dialogue and information disclosures



Shareholders & Investors

Shareholder committee meetings and information disclosures



Professional & Industry Bodies

Guest speakers and formulate industry best practices



Employees

People development programs and daily communication



Vendors & Suppliers

Sustainable Procurement Policy and supplier audit



Business Partners

Participate in industry forums and conferences



Academic Institutions

Research collaboration, sponsorships and scholarships



Local Communities

Staff volunteering and community involvement



NGOs

Dialogue through industry associations, donations

Materiality Assessment

The process of stakeholder engagement is central to materiality assessment and serves as a channel for us to engage with our stakeholders. It allows us to form a holistic view on the issues that our stakeholders are concerned about. From our stakeholder engagement exercise, 36 material issues were identified by different stakeholders and were categorised into environmental, social, governance, as well as information technology & security aspects. We mapped the results based on the two dimensions of “significance to business” and “importance to stakeholders”, and presented them in the materiality matrix.

Identifying the material issues is certainly an important step in our sustainability journey. To show our commitment to incorporating our stakeholders’ views in our sustainable development strategies, we defined the associated boundary and impact of the material issues by referencing to the GRI standards as well as in alignment to our management approach to them in this report.

The benefits of stakeholder engagement and materiality assessment on an ongoing basis are tremendous for our business. It helps us identify the key issues that we should address and prioritise towards the shaping of our corporate sustainable development strategies. Over the years, we engaged with a wide spectrum of stakeholders through a variety of effective pathways and successful communication channels to respond and tackle various ESG related issues. We will continue to reinforce our stakeholder engagement process and communications with different stakeholders regarding our sustainable development initiatives in order to better understand their views and meet their expectations.

Responding to Key Stakeholders’ Concerns

- Identifying and evaluating climate-related issues and risks in our business operations to set out the possible strategic actions with reference to the Recommendation of the Task Force on Climate-related Financial Disclosures
- Participating in the Voluntary Speed Reduction Program to significantly reduce carbon dioxide emissions
- Collaborating with industry bodies and environment-focused organisations on responsible business practices
- Sharing of our carbon footprint and greenhouse gas (GHG) [#] emissions data in a credible and transparent manner
- Offering the OOCL Carbon Calculator for customers to estimate the carbon footprint in their supply chains
- Adopting high energy efficient vessels, equipment and machineries
- Monitoring of responsible sourcing practices from our vendors and suppliers
- Enhancing environmental performance indicators for all global business units
- Studying feasible initiatives and technologies in our operations to address climate change and protect biodiversity
- Working with the environmental-focus organisations to improve the emission calculation methodologies
- Employing the external checker to verify the major sustainability data disclosure
- Informing our customers to be aware of GHG Scope 3 emissions from their upstream activities
- Enhancing corporate Environmental, Social and Governance reporting framework and its disclosure
- Supporting industry best practices to curb the trade of at-risk, endangered and protected species
- Supporting observatory and meteorological organisations engaged in marine climatology and climate change studies

[#] The emissions of six main greenhouse gases (GHG) are addressed by the United Nations Framework Convention on Climate Change (UNFCCC), namely carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF₆); also include a seventh greenhouse gas - nitrogen trifluoride (NF₃) from the GHG Protocol Corporate Standard.

Material Topics and Associated Boundary and Impact

	Material Topics	Boundary and Impact		GRI Standards	Page Number
		Internal	External		
1	Compliance	○	○	GRI 307, GRI 419	8-9, 18-19, 24, 64
2	Anti-competitive behaviour	○	○	GRI 206	17
3	Prevention of bribery & corruption	○	○	GRI 205	8-9
4	Political contribution	○	○	GRI 415	8, 18, 40
5	Sustainable procurement	○	○	GRI 204	17
6	Contraband management & anti-smuggling of sea cargo	○	○	-	19-20
8	Grievance handling	○	○	GRI 103	38, 40
9	Dangerous goods	○	○	-	9, 19, 41
10	Operational risk assessment	○	○	-	8
12	Customer feedback	○	○	-	17
13	Biodiversity & conservation	○	○	GRI 304	27-28
14	Energy	○	○	GRI 302	24-30
15	Climate change mitigation & adaption	○	○	-	21-26, 29-31
16	Emissions	○	○	GRI 305	24-26
17	Resources & materials	○	○	GRI 301	29
18	Wastewater	○	○	GRI 303	27, 63, 68
19	Marine plastic	○	○	GRI 306	28
20	Waste management	○	○	GRI 306	27, 29, 31
21	Collaboration & engagement	○	○	-	8, 34
22	Green investment	○	○	-	24-25, 29, 46
23	Community investment	○	○	GRI 413	53
30	Occupational health & safety	○	○	GRI 403	41-42
31	Emergency response	○	○	-	41
32	IT Innovation	○	○	-	46-49
33	Maritime security & piracy	○	○	GRI 410	19, 42, 51
34	Cyber security	○	○	GRI 410	50-52
35	Customer privacy	○	○	GRI 418	52
36	Intellectual property rights	○	○	-	52

Materiality Matrix



Governance Issues		Environmental Issues	
Social Issues		IT & Security Issues	
Other Considered Topics		Page Number	
7	Data transparency	2, 33	
11	Tax transparency	71	
24	Employee development & succession	35-37	
25	Work life balance	43	
26	Human & labour rights	38-39	
27	Child labour & forced labour	18, 38	
28	Diversity & equal opportunities	18, 38-39	
29	Freedom of association & collective bargaining	18, 38-39, 65, 67	

Key Issues from Operations

Engaging with a diverse group of stakeholders over the years has helped us identify the social and environmental impact that are relevant to our business. The diagram illustrates the various sustainability issues from different operational components in our business.

Environmental Issue

The most significant impact from our operations is in the consumption of non-renewable fossil fuels that generate air pollutant and greenhouse gas emissions. Efforts to restrain the impact on air quality and climate change have been focused on improving our vessels and facilities. Handling of dangerous goods is also another major environmental concern. The environmental impact from our on-shore activities are derived from emissions produced by our trucking and machinery operations, consumption of large volume of water, and hazardous chemicals from our maintenance works.

The Business

As a leading integrated international transportation and logistics company, our business strategy incorporates concerns from our customers, employees and suppliers. Our business success is dependent on our commitment and response to address the concerns and interests of key stakeholders.

Safety, Security and Health

Safety, security and health issues have always been of paramount importance and a first priority at our Company. We link our approach to quality and contingency planning. We employ a number of guidelines, procedures and precautionary measures to focus on safe operations both on shore and at sea, preventing any possible threats to security that are associated with transport operations.

The Community

We contribute extensively to the development of communities around the world. We help develop and maintain a sense of communal identity through various activities such as partnering with a variety of charities and Non-Governmental Organisations (NGOs) around the world, sponsoring academic projects, and supporting employee volunteering initiatives.



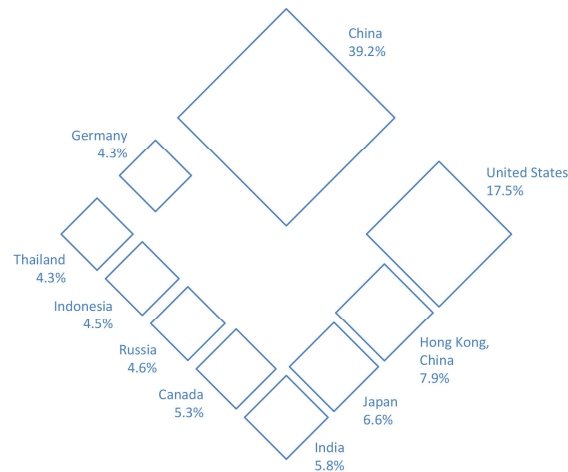
Key Issues	Vessels	Warehouses	Offices	Truckings
Air quality	○	×	×	○
Carbon emissions	○	×	×	○
Carbon footprint	○	○	○	○
Energy use	○	○	○	○
Energy efficiency	○	○	○	○
Hazardous waste	○	○	×	×
Marine biodiversity	○	×	×	×
Noise impact	○	×	×	○
Waste	○	○	○	×
Water consumption	○	○	○	×
Dangerous goods	○	○	×	○
Health and safety	○	○	○	○
Security	○	○	○	○
Customer issues	×	×	○	×
Human resources	○	○	○	○
Procurement	×	○	○	×
Regulatory compliance	○	○	○	○
Academic collaboration	×	×	○	×
Charity partnerships	×	×	○	×
Community investment	×	×	○	×
Research partnership	○	×	○	×

6

Value Chain

To achieve sustainable development and better manage the ESG risks throughout the whole value chain, we actively engage and closely collaborate with our business partners and customers. We also strive to maintain our operational agility and move quickly to adopt to any changes in the global supply chain, thereby enabling us to ensure customers are well-served with the best selection and most competitive suite of services.

Top 10 Countries/Regions with the Highest Number of Suppliers from the Group



Key Relationships with Customers and Suppliers

“Customer focus” is one of the core values of the Group. We believe in long-term, mutually beneficial relationships with our customers and strive to help create value for our customers through collaboration to enhance customer competitiveness. This is achieved by seeing things from the customer’s perspective, trying to understand their business and anticipate their requirements. All employees are trained to be proactive in meeting customers’ expectations and responding with a sense of urgency.

“We Take It Personally” is not just a slogan at OOCL, but also an attitude that all employees are encouraged to adopt in dealing with our customers. Each year we recognise hundreds of employees around the world for displaying initiative and going beyond the call of duty to meet our customers’ needs.

It is the Group’s policy to maintain a diversified customer base across all geographical regions and trade lanes. A Key Risk Indicator (KRI) of customer concentration is included in the functional risk dashboards for the Group’s liner business which are being monitored on a quarterly basis. Different tolerance limits for the KRI are set for regions, trades and the organisation as a whole. As at the end of 2021, OOCL had approximately 31,533 active customers and the customer concentration was at an acceptable level.

In the Group’s relationship with suppliers, we put special emphasis on the supplier selection process in which both quantitative and qualitative factors are considered objectively, independently and openly, according to the Group’s highest ethical standards. Pricing is not the Group’s primary consideration; instead, the Group focuses its attention on the suppliers’ quality service, safety and ethical standards. “Excellence through quality” is another core value of the Group. While we endeavour to provide the best quality service to our customers by setting high standards for ourselves, we demand the same high standards from our suppliers. It is also the Group’s policy to maintain a diversified supplier base across all geographical regions.

The Group developed supplier management KRIs to monitor supplier concentration in different regions and poor supplier service. Investigating the concentration of each supplier also helps us identify critical suppliers. Cases of supplier service failure were shared among employees to alert them to the importance of communicating our expectations to the suppliers and taking the right remedial mitigating actions. As at the end of 2021, OOCL had approximately 19,960 active suppliers and the supplier concentration was at an acceptable level.

Approximately 4.9% and 13.7% of the Group’s total expenditure on purchases of goods and services for the year are attributable to the largest supplier and five largest suppliers respectively.

Fair Competition

We support fair competition with the objective of ensuring prudent and just practices across our value chain, and we consistently strive to tackle anti-competitive behaviour. Competition law compliance is an integral part of business for all corporations operating in the global market place. Under the vigilance of our Competition Compliance Committee and the Competition Compliance Working Team, we have systematically and thoroughly implemented and enforced OOCL's Competition Compliance Policy to ensure that all our practices are in full compliance with competition laws.

OOCL has developed and implemented our competition compliance programme which includes the establishment of guidelines and mandatory training of employees to ensure our practices are in compliance with competition legislations.

Sustainable Procurement Policy

We are dedicated to promoting sustainable and responsible practices and our Corporate Sustainable Procurement Policy has been implemented in every aspect of our business and at every stage of the supply chain to manage and assess environmental and social risks.

OOCL is committed to:

- Reducing harmful pollutants and emissions
- Promoting greater environmental sustainability at every stage in the supply chain by conserving resources
- Promoting awareness among our suppliers of our expectations with regard to Safety, Quality and Environmental Protection
- Promoting ethical sourcing practices
- Contributing back to our community

Customer Identity Verification

OOCL is committed to enhancing shipment security and customer relations. Our booking acceptance policy and the Customer Profile (CPF) verification guidelines are the foundation to providing a clear accountability of each functional unit in verifying the validity of each customer and its legal identity against sanction lists, including those under the United States (US) and European Union (EU). In addition, a procedure has been developed to oversee the status of the CPF records and to switch them into an inactive status when they are not being utilised within two years. In order to ensure the entire supply chain is well controlled and managed, we are continuously refining our policy and workflows.

Customers Feedback Handling

In line with our Customer Focus core value, we treasure all feedback from our customers. To facilitate the collection of customer feedback, we have added a "Customers Feedback" page on our corporate website at www.oocl.com.

The purpose of this process is to ensure feedback from customers will be handled in an organised and timely manner so that appropriate action can be taken to address their concerns. Feedback may generally fall into two main categories; namely appreciation and complaints. Complaints may be service-related or on our Code of Conduct. Proper records on handling customer feedback must be maintained to enable us to learn from experience. Customary complaints are received and dealt with. In 2021, we received in total 351 complaints in relation to our service and all complaints were handled with appropriate actions in a timely manner.

Managing Our Vendors and Suppliers

To achieve our sustainable procurement objectives at every level of the supply chain, an assessment of existing and new vendors, suppliers, agents, and

contractors must be completed to confirm their compliance to our ESG standards through the OOCL Vendor ESG Assessment Platform. If deemed necessary, we would conduct audits in vendors' facilities. As minimum thresholds to be eligible as our suppliers, companies must comply with all applicable environmental, health & safety regulations.

The assessment of vendors must be completed to confirm their compliance to our Code of Conduct, which covers the scope of Environment, Social, Health & Safety, Governance, and Information Security & Privacy. This assessment is designed to provide us with a better understanding of how our vendors manage these aspects and risks to give insights into procurement and contractual decision-making, as well as to identify potential sustainability risks in our supply chain. As at the end of 2021, more than 70% of invited vendors and suppliers have participated in the ESG vendor assessment. Once compliance is confirmed we would monitor, review and work with our vendors, suppliers and business partners to ensure compliance levels are maintained. Customary performance and monitoring of the industry are implemented.

We also put emphasis on vendor and supplier diversity. We review the business nature of our potential vendors and suppliers in order to develop a more diverse portfolio and source from the most suitable and responsible parties. In exploring areas to promote environmentally friendly procurement when selecting vendors and suppliers, we have set up the Sustainable Procurement Policy to guide our colleagues in monitoring the procurement specifications and their deliveries.

Not only do our customers judge our Company by the quality of the products and services we provide, but also by our professional conduct. We believe that the success of our Company is built on the commitment and high level of ethical and professional standards of our employees. The objective of our Corporate Guideline is to set the Code of Conduct that we expect from each employee in every location where we operate, regardless of the employee's position or level.

Our Code of Conduct (Summary)

OOCL is committed to honesty, integrity and fairness in its business conduct and organisation management. OOCL also maintains the highest standards of professional ethics and integrity in dealing with its customers, vendors and partners.

Highlights of OOCL's Code of Conduct:

1. Legal Compliance
 - Comply with all applicable laws and regulations in the countries in which the Company operates.
2. Prohibition of Bribery and Corruption
 - Do not accept or offer gifts of material value, entertainment, or other gratuities of worth from or to business partners, in exchange for business opportunities or any privilege that can raise doubts as to objectivity and fairness of business decisions. Such offers include, but not limited to, cash, gifts, business opportunities or contracts, travel, entertainment and other expenses. Anyone aware of or suspect a violation must report to the competent authorities in the Company.
3. Political Contribution
 - We do not make any offer, payment or gift of material value, or promise of such, directly or indirectly, to any government or public official, political party or its representatives, candidate for political or governmental office.
4. Managing Conflict of Interest
 - Staff must declare and report any conflict of interest, directly or indirectly, that may impact fair business dealings and objective decisions. Where such conflicts exist by circumstances, alternative arrangements must be made to ensure fairness and objectivity.
5. Adherence to high ethical standards by respecting rights and dignity of all persons with whom we deal. Specifically we respect the provisions of the UN Universal Declaration of Human Rights and the Conventions of the International Labour Organization in regard to:
 - Elimination of all forms of forced, compulsory and child labour
 - Freedom of employment & association
 - Respect for the individual and elimination of discrimination through embracement of diversity in workplace
 - Safe and healthy working conditions
 - Payment of living wages and regular employment entitlements
 - Non-excessive working hours
6. Assurance of non-disclosure of the Company's business, customers and financial information and no misappropriation of our tangible or intellectual property.
7. Commitment to OOCL's Safety, Security and Environment (SSE) Policy.

Dangerous Goods

Transportation

Due to its hazardous nature, Dangerous Goods (DG) shipments are regulated under stringent rules and regulation throughout the entire transportation process. Vessel owners, container liners, port authorities, international organisations, and other related entities in the supply chain, all set various requirements concerning safe transport of DG. Information and knowledge need to be shared and a large amount of documents and certificates need to be granted and delivered among different parties. All of these requirements lead to complex and demanding operations.

There is no integrated solution for DG transportation thus far, though a few carriers maintain their own in-house systems; developed individually and isolated from their competitors. Subsequently, it has long been agreed that the best way of improving safety at sea is by developing international regulations, as well as treaties adopted by the IMO.

Our Service

The major regions that we serve in the Americas, Europe, Middle East and Asia Pacific, all have specific handling procedures and approval process for DG applications. A shipper or customer's DG cargo will be checked for its content accuracy and any legal requirements concerning its transport will be taken into account. In addition, OOCL ensures the relevant stowage and segregation requirements of dangerous goods are met. This helps provide additional safety to the cargo, vessel, crew, cargo handlers and the overall environment. OOCL's DG teams are also available to discuss and provide advice to our customers on all issues relating to different international and domestic regulations.

DGSmart

OOCL's Dangerous Goods System has a functioning application for managing real transactions, known as "DGSmart", which covers all parties involved in the DG transportation process, including carriers, forwarders, manufacturers, port authorities, and DG / chemical experts. Each party provides certain information and performs functions that are shared, followed up, and cross-checked further down the processing chain. DGSmart also links all the process involved in the whole DG transportation; our technical standard for data processing is regarded as consummate.

Security

We are committed to maintaining our vigilance to prevent any potential threats to security. Security measures, plans and standards are all in place and audited at every level of our organisation. We take every precaution to provide the highest levels of security for our customers and employees.

In a world where cargo security are becoming more complex in the international trading community, OOCL is strongly committed to the security of our operations against possible compromise and to the maintenance of the highest level of compliance in security related areas.

Corporate Security Policy

As a responsible company, we have to ensure the safety and integrity of all our employees, ships, customers' cargo and our port facilities. We are committed to preventing cargo bookings, transportation and logistics service for commodity which are prohibited by law, concerning security, public health, environment and international obligations. In this regard, we are obliged to offer our utmost cooperation to the Authorities including the Governments of all States in their fight against any act that will impinge on maritime or cargo security. Such acts may include, but not limited to, the following:

- Terrorist attacking a port facility
- Hijacking of ship
- Bomb threat
- Piracy
- Sabotage
- Shipping of weapons or agents of mass destruction
- Drug smuggling
- Stowaway / human smuggling
- Tampering with documentation / container / cargo
- Cargo Pilferage

Security Code

From our offices to ports, warehouses, shore facilities and onboard our vessels, we work with the authorities to ensure that every measure is in place to maintain the highest commercial and operational security standards as possible at all times, while all employees are educated and regularly updated through security training.

International Ship and Port Facility Security Code

OOCL complies with the International Ship and Port Facility Security Code (ISPS Code) to ensure security threats are detected and assessed and preventive measures are in place on our vessels and at our port facilities. A designated officer on each ship and at each port facility reports to the Company Security Officer who oversees the security plans, drills and training. With this in place, all our vessels continue to have an exemplary record containing zero breaches of security and clean detention records.

Partners in Protection

Our Company has been certified as a “Partners in Protection” (PIP) carrier by the Canada Border Services Agency (CBSA) Partners in Protection. It is a voluntary programme established by the CBSA for companies which assist to enhance border security, combat organised crime and terrorism, detect and prevent contraband smuggling, and increase the awareness of issues to secure the flow of goods and travellers across the US-Canadian border.

Customs-Trade Partnership Against Terrorism

Our Corporate Security Policy and internal guidelines fully satisfy the US Customs-Trade Partnership Against Terrorism (C-TPAT) initiative. We regularly conduct internal security checks to identify, evaluate, and prevent any security threats. Our security profile has been validated by the US Customs and Border Protection Agency through on-site checks of our Group’s offices and facilities including warehouses, depots and vessels.

To ensure our business partners are meeting the C-TPAT security criteria, according to our Corporate Security Plan, a verification process is applied to our logistics contractors to periodically review their processes and facilities based on our risk and security standards.

Container Security Initiative

OOCL is also committed to other international initiatives, rules and regulations such as the Container Security Initiative (CSI) and 24-Hour Advance Manifest Rule. We also actively engage various governments and authorities worldwide in their efforts against any act that would impinge upon maritime or cargo security.

Authorised Economic Operator

Similar to the C-TPAT, the EU Authorised Economic Operator (AEO) is a voluntary-based public-private partnership where participants who fully meet AEO requirements, such as customs compliance, appropriate record-keeping,

financial solvency and, where relevant, security and safety standards, can apply for AEO certification. Since 2011, our EU-based and UK companies and offices have secured and maintained AEO certification.

OOCL Logistics AEO Certificate in China and Korea

OOCL Logistics in China and Korea maintained the Authorised Economic Operator (AEO) Certificate. The voluntary AEO programme is part of a series of EU initiatives aimed at improving the security of the international supply chain as well as facilitating trade for AEO certified traders. OOCL Logistics understands the importance of maintaining globally recognised international supply chain and trade security standards. We set up a special team in the Quality Management Department to offer advanced training for every department responsible for maintaining AEO standards in order to ensure all requirements were well understood. OOCL Logistics will continue to apply these high standards to the management of every customer’s logistics and trade operations.

OOCL Logistics Promotes the Use of Cargo Transport Units (CTU) Code with Posters

Many incidents in transport can be attributed to poor practices in the packing of CTU. To ensure personnel safety and prevent costly damages to cargos, OOCL Logistics has designed a set of posters and signs to illustrate proper cargo stuffing and points to observe during the preparation of CTU. The content is inspired by a joint publication of IMO, the International Labour Organization (ILO), and the United Nations Economic Commission for Europe (UNECE) – the IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code). These posters and signs can be downloaded on OOCL Logistics’ website and shared to supply chain stakeholders. With these posters and signs, we believe that we can contribute to the security and safety of the supply chain while protecting the environment.



7

Natural Capital

We recognise that businesses must take responsibility for their industry's effects on the environment. Our Company is dedicated to meeting the needs of the present without compromising those of the future. We consistently encourage sustainable economic development through measures of innovative environmental care and a solid management approach. We aim to deliver our commitment on the key objectives to address the relevant Sustainable Development Goals:



SDG 13: Climate Action

Take urgent action to combat climate change and its impacts



SDG 14: Life Below Water

Conserve and sustainably use the oceans, seas and marine resources

Climate-related Risk Management

We fully support the initial climate change strategy adopted by the International Maritime Organization (IMO), which envisages for the first time a reduction in total GHG emissions by at least 50% by 2050 compared to 2008. As we are in progress toward achieving our own and IMO's carbon reduction targets, we urge regulatory bodies to lay out decarbonisation roadmaps and support the maritime shipping industry in the journey of net zero carbon emissions by 2050.

Given the scientific backup for potential climate change impacts and more stringent climate-related regulations and market initiatives expected to come, we refer to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to shed light on our governance, strategies, risk management, metrics and targets regarding climate-related risks and opportunities.

One of the scenarios constructed in the study combines RCP2.6 and the OECD baseline by assuming a relatively modest economic growth and an energy scenario for non-shipping sectors would limit the temperature increase to under 2°C by the end of this century. The following changes between 2018 and 2050 are projected in this scenario by IMO for the container shipping industry:

- Increase in emissions by 20% to 70%
- Increase in transport work by 70% to 140%
- Improvement in operational efficiency by around 30% due to an increase in sizes of ships and compliance with the EEDI regulation

Scenarios within the study were referred to gauge the resilience of our operations against the physical and transition risks brought by climate change.

Climate Scenario Analysis

The Fourth IMO Greenhouse Gas Study 2020 published in 2021 serves as an industry-specific reference to climate scenarios with various emissions projections. The transport work demand and emissions projections made in the study are based on both long-term socio-economic scenarios and energy scenarios.

Climate-related Risks, Opportunities and Financial Implications

A climate risk assessment was conducted with inputs from various departments to generally identify and evaluate material climate-related physical and transition risks and opportunities for our fleet, office and logistics operations.

Long-term Socio-economic Scenarios	Long-term Energy Scenarios
Socio-economic pathways (SSPs) developed by the Intergovernmental Panel on Climate Change (IPCC)	Representative concentration pathways (RCPs) developed by the IPCC
OECD long-term baseline projections developed by the Organisation for Economic Co-operation and Development (OECD)	

Physical Risks

Physical risks refer to the impacts attributed to climate change, for instance, how business operations and activities are affected by acute extreme weather events and chronic shifts in climate patterns.

Risk	Time Horizon #	Impact	Financial Implications
Acute – Increasing frequency and intensity of extreme weather events e.g. cyclones and floods	Short to Long term	<ul style="list-style-type: none"> - Disruption of onshore operations including offices and warehouses; - Rerouting by vessels and increase in bunker consumption; - Cargo loss and container damage; - Speed-up of wear and tear, thus repair and maintenance; - Deterred port operations, thus delaying cargo loading and other crucial tasks when vessels are berthed. 	<ul style="list-style-type: none"> - Increased operating expenses (OPEX) from increased bunker consumption, delayed operations, repair and maintenance, and increased insurance premiums; - Reduced revenue due to cargo loss.
Chronic – Recurrent events of drought due to changes in precipitation patterns	Short to Long term	<ul style="list-style-type: none"> - Cutting slot reservations by port or canal authorities; - Surcharges imposed by canal authorities to maintain thoroughfares' levels; - Rerouting by vessels and increase in bunker consumption; - Reduction in cargo load to prevent grounding. 	<ul style="list-style-type: none"> - Increased OPEX from surcharges and bunker consumption; - Reduced revenue due to reduced cargo load.

Transition Risks

Transition risks refer to the impacts brought about by the policy, legal, technology, and market changes entailed in the transition to a lower-carbon economy.

Risk	Time Horizon #	Impact	Financial Implications
Policy and Legal	Short to Medium term	<ul style="list-style-type: none"> - More stringent decarbonisation and energy efficiency regulations; - Imposition of carbon pricing regulations such as carbon tax and market-based mechanisms like cap and trade. 	<ul style="list-style-type: none"> - Increased OPEX for compliance purposes; - Increased capital expenditure (CAPEX) for investment in more energy efficient vessels and equipment; - Reduction in asset value and original investment returns from stranded assets.
Technology	Medium to Long term	<ul style="list-style-type: none"> - Technology breakthrough required for the industry to transit to low-carbon operations, including alternative low-emitting fuels with high availability, reliability, compatibility with vessels and presence of the corresponding bunkering facilities; - Substitution of existing vessels or their equipment with lower emissions options. 	<ul style="list-style-type: none"> - Increased CAPEX for investment in more energy efficient vessels and equipment.
Market	Short to Medium term	<ul style="list-style-type: none"> - Reduced demand for services from shipping companies with higher GHG emissions intensities; - Uncertainty in the prices of reliable alternative fuel and equipment compatible with it. 	<ul style="list-style-type: none"> - Reduced revenue if the reduction trend of GHG emissions intensity could not meet customers' expectations; - Increased OPEX and CAPEX for alternative fuels and related equipment.
Reputation	Short to Medium term	<ul style="list-style-type: none"> - Customer demand for shipping decarbonisation, manifested through both individual pledges for net zero emissions throughout customers' supply chains and collective call-to-action initiatives. 	<ul style="list-style-type: none"> - Reduced revenue if the reduction trend of GHG emissions intensity could not meet customers' expectations.

The time horizons of the identified risks are consistent with the useful life of vessels, our main tangible assets. In general, 'short term' indicates a duration within five years and 'long term' implies a period lasting for more than a decade, while 'medium term' refers to a duration between five and ten years.

Climate-related Opportunities

Despite the exposure to physical and transition risks, climate change and the transition towards a lower carbon economy also create opportunities for our operations and business development. Our mitigation and adaptation efforts could improve our operating efficiency, reduce OPEX, build up competitive edge, and generate revenues by serving customers with higher expectations on the sustainability performance of their business partners along supply chains.

We will explore any new mitigation and adaptation measures and closely review the resilience of our strategies against the projected changes suggested by the climate scenarios. Considering the climate scenarios, some questions regarding transition risks to be digested could be whether our GHG emissions reduction could help us avoid substantial expenses from possible mandatory carbon pricing initiatives, or whether our fleet's energy efficiency will suffice to satisfy the increase in transport work demand while still meeting the more stringent decarbonisation requirements expected to come.

Metrics and Targets

Based on the risks and potential impacts identified, it is reasonable to conclude that GHG emissions are one of the most material climate-related issues for the Group. Relevant KPIs, including Scope 1 and Scope 2 GHG emissions are adopted to assess our exposure to climate-related risks and opportunities. Meanwhile, we are constantly reviewing the need to expand our current coverage of Scope 3 GHG emissions to better understand climate-related risks and opportunities along our value chain. For figures of the Group's GHG emissions, please refer to Appendix I: Performance Data Summary in this report. Reduction targets of Scope 1 and Scope 2 emissions intensities are discussed in later part of the chapter Natural Capital.

Climate Change Mitigation and Adaptation

The Company has been paying efforts to mitigate and adapt to the potential impacts of the identified physical and transition risks. Climate change mitigation refers to efforts to reduce or prevent GHG emissions from the first place. The practices of anticipating the adverse affects of climate change and taking appropriate action to prevent or minimise the damage they can bring, are usually described as climate change adaptation. The following mitigation and/or adaptation measures are already in place, therefore they cover our current and future operations.

Measure	Mitigation	Adaptation
Invest in weather-routing systems for safer and shorter routes.		✓
Enhance Global Vessel Voyage Monitoring Centre (GVVMC) and Robo-advisor Solution to optimise berth visibility and minimise bunker consumption.	✓	✓
Order and launch containership newbuilds with energy-efficiency higher than the current requirements.	✓	
Conduct equipment retrofit in existing owned vessels.	✓	
Regular vessel maintenance and cleaning.	✓	✓
Engage with employees from diverse expertise, customers, industry peers and other stakeholders regarding decarbonisation roadmap and strategies, including the development of cleaner alternative fuel.	✓	
Strive for transparency of sustainability and climate disclosure.	✓	
Ensure the maturity of remote 'in-office' operations to prepare for disrupted office operations by extreme weather events.		✓

The details of the mitigation and adaptation measures are outlined in the remaining parts of this report.

Decarbonisation and Managing Harmful Emissions

We believe that by taking a proactive role in caring for the environment, we can help reduce the consumption of natural resources, minimise our discharges, wastes, greenhouse gas emissions, as well as other pollutants regulated under national laws and regulations, such as sulphur oxides (SO_x), nitrogen oxides (NO_x) and other particulate matters (PM), to make the world a better place to live for ourselves and future generations. We are committed to complying with all environmental regulation and requirements related to our operations. We encourage and expect the highest discipline and professional conduct from our employees, crew and vendors to take responsibility for their actions and comply with their environmental obligations.

Greenhouse Gases (GHG) emissions are widely associated to its effect on global warming and climate change which are major challenges that affect everyone. Although climate change presents challenging obstacles, we also recognise and acknowledge that there are business opportunities for innovation. Over the years, we have made use of our knowledge and experience to create greener services to improve energy efficiency beyond our own operations. We have also developed short, medium, and long-term green strategies and sustainable development goals to smoothen our pathway in turning climate-related risks into business opportunities. Our decarbonisation pathway also considers Hong Kong's Climate Action Plan 2050, which sets out the vision of "Zero-carbon Emissions · Liveable City · Sustainability Development" and outlines the strategies and targets for combating climate change and achieving carbon neutrality.

New Environmentally Friendly Technology Designs

We believe that clean technology will make an important contribution to environmental protection, such as reducing the level of greenhouse gas emissions. OOCL works hand-in-hand with shipyards and naval architects to implement new environmentally friendly technology designs on our vessels.

Weather-routing Systems for Safer and Shorter Routes

We invest in sophisticated weather routing systems to avoid bad weather and to take the shortest route possible to our destinations. If a vessel hits a storm or a typhoon, naturally it will be slowed down – perhaps from involuntary speed resistance from high winds, or voluntary slowdown to avoid damage to the vessel – and as a result the ship will tend to burn more fuel and be less efficient. With these systems, the Captain can avoid bad weather areas by planning the best routes possible.

Ship Energy Efficiency Management Plan

The Ship Energy Efficiency Management Plan (SEEMP) is an operational measure that establishes a mechanism to improve the energy of a ship in a cost-effective manner. Applied in all our vessels, the SEEMP provides an approach to manage ship and fleet efficiency performance over time using the Energy Efficiency Operational Indicator (EEOI) as a monitoring tool. The development of the SEEMP incorporates best practices for fuel efficient ship operation. The EEOI enables the measurement of a ship's fuel efficiency and to gauge the effect of any changes in operation, such as improved voyage planning and introducing new technical measures. The SEEMP encourages ship owners and operators like us to consider new technologies and practices when seeking to optimise the performance of a ship.

During the reporting period, no non-compliances in relation to air and GHG emissions, discharges into and on land, and the generation of hazardous and non-hazardous wastes violations were found.

Regular Hull Maintenance and Cleaning

Marine growths, such as barnacles, molluscs and algae, can weigh a ship down which in turn lead to more fuel consumption. We carry out regular maintenance on our ships to keep the hull completely clean and free of such growths.

Optimum Trim (balance of cargo) and Minimum Ballast

One way that we can burn less fuel is by maintaining the optimum trim and minimise the use of ballast. An optimum trim is the balance of cargo on board a vessel and if the load is too heavy at one end, the imbalance can result in more fuel being used to sail. Hence, we devise and implement sophisticated cargo loading plans to achieve the optimum trim.

Moreover, the minimal use of ballast water can also help achieve a lighter vessel load and better trim of ship draughts by good stowage, thereby burning less fuel.

Cold Ironing (Alternative Maritime Power)

All of OOCL's new buildings currently under construction are installed with Alternative Maritime Power (AMP) Systems, also known as "Cold Ironing", which allows the vessels to use shore-supplied electricity instead of burning fuel when at berth. According to the Port of Los Angeles, the use of AMP technology has demonstrated an average reduction of 95% in NO_x, SO_x, and PM emissions per vessel call and helped nearby communities improve air quality. In the first two years of their AMP programme, over 80 metric tons of pollutants were eliminated at the Port of Los Angeles.

Using Low Sulphur Fuel

OOCL is fully compliant to the EU, North America and IMO mandated requirements of using 0.1% or lower sulphur content fuel in all SO_x Emission Control Areas (SECA).

We are also compliant to the requirements of using 0.1% sulphur content fuel when our vessels are berthed at designated EU ports. Also, we strictly comply with the Air Pollution Control (Ocean Going Vessels) (Fuel at Berth) Regulation is the first in Asia, mandating fuel switching at berth where vessels over 500 gross tonnage must switch to using 0.5% or lower sulphur fuel in the auxiliary engine(s), generator(s) and boiler(s) when berthing at the Hong Kong port. This regulation paves the way for the establishment of an Emissions Control Area (ECA) in Asia, a more sustainable and long-term solution to effective and lasting air quality improvements in sync with international best practices as seen in Europe and North America.

OOCL vessels also ensure that the sulphur content of our fuel is well below the IMO prescribed standard of 0.5% when sailing in the high seas with the adoption of both cleaner fuel and scrubber technology.

OOCL Fleet Moves Forward to Meet IMO 2020 Regulation

The industry steps into an important chapter in its history by ensuring all ocean-going vessels in our fleets are able to meet the IMO's new sulphur cap regulation by January 2020. With this new sulphur cap on marine fuel lowering from 3.5% to 0.5%, approximately 85% of sulphur emissions is expected to be reduced but at a significant cost to the entire industry.

In preparation for this change, the industry has been grappling with the challenges associated to fleet adjustment options. When we explored and adopted our options and what would be best for our fleet, considered the market factors, including cost efficiency and uncertainties in the availability and accessibility of the 0.5% Low Sulphur Fuel; also the environmental protection and port emission restriction factors, OOCL implemented both Low Sulphur Fuel and scrubber system in our fleet, completed our transition to ensure the compliance. We believe that we are taking the right step towards a greener and more transparent direction forward in the industry as we all embrace the IMO 2020 Regulation together.

As a responsible and committed member of the international community, OOCL continues to work closely with our customers and business partners to strive for further improvements in all aspects of our businesses for a greener future in the generations to come.

Initiatives to Reduce Nitrogen Oxides

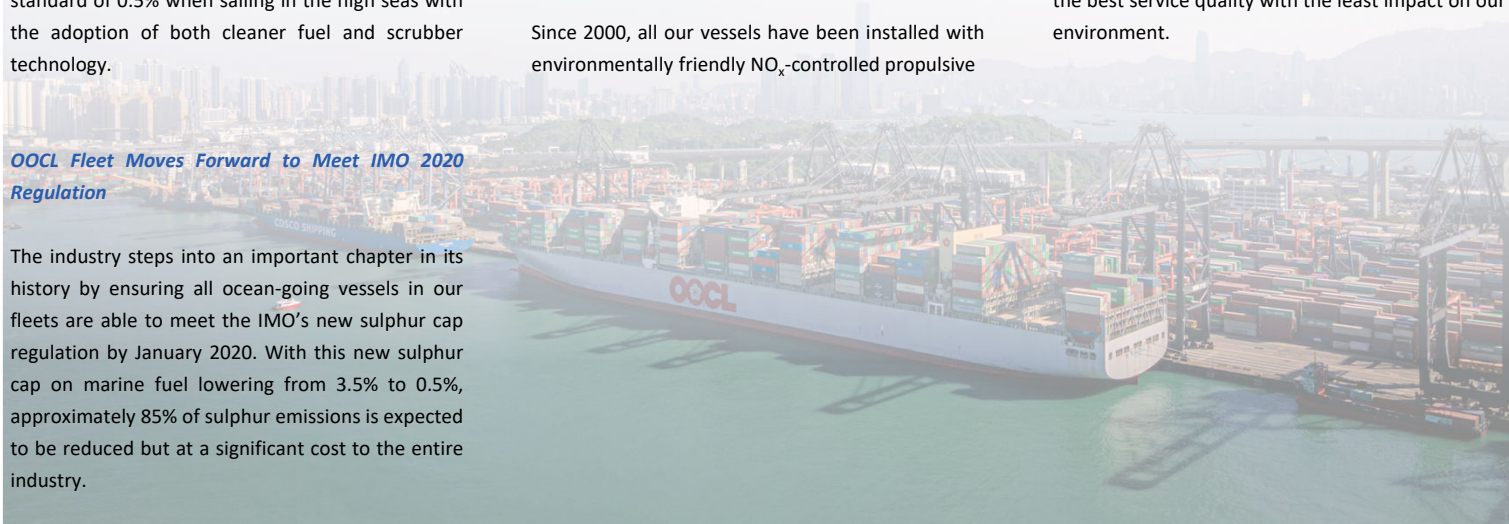
Since 2000, all our vessels have been installed with environmentally friendly NO_x-controlled propulsive

engines while advanced slide fuel injection valves are also being adopted to help reduce NO_x emissions by 30%.

Investment in Climate Change and Environmental Protection

We see businesses that take a proactive role in encouraging and managing current and future economic, environmental and social development through innovation will prosper as leaders in a highly competitive and changing global business environment. Therefore, OOCL is very serious about sustainability investing.

Furthermore, we understand that businesses must take responsibility for their industries' effects on the environment. Our Company is thus dedicated to meeting the needs of the present without compromising those of the future. We continue focusing on green investment which includes fuel-efficient vessels, and eco-friendly machineries and equipment. By doing so, we believe this reinforces our commitment to customers that we offer them the best service quality with the least impact on our environment.



CO₂ Intensity from Vessel Operations

Container shipping is the most environmentally sound way to transport large volume of goods across the world. Most of the world's manufactured goods and products travel by container ship and, when this startling fact is considered, the relative impact upon the environment is low in comparison to other modes of transport.

For example, for every kilometre that a container ship carries a tonne of cargo, it is far more energy efficient and emits much less in the way of harmful CO₂ emissions than any other type of freight transport, including airplane, truck and train. It is estimated that on average a container ship emits around 40 times less CO₂ than a large freight aircraft and over three times less than a heavy truck. Container shipping is also estimated to be two and a half times more energy efficient than rail and seven times more than road.

In addition to the adoption of clean technology in our operations, the best way to reduce emissions in the shipping industry is to save fuel and we have been focusing on our bunker saving programmes for many years to achieve our targets. By taking these initiatives, OOCL has cut carbon dioxide emissions nearly 55% since 2004. In addition to reducing our emissions, we are able to help our customers achieve a lower carbon footprint in their supply chains.

Target Review



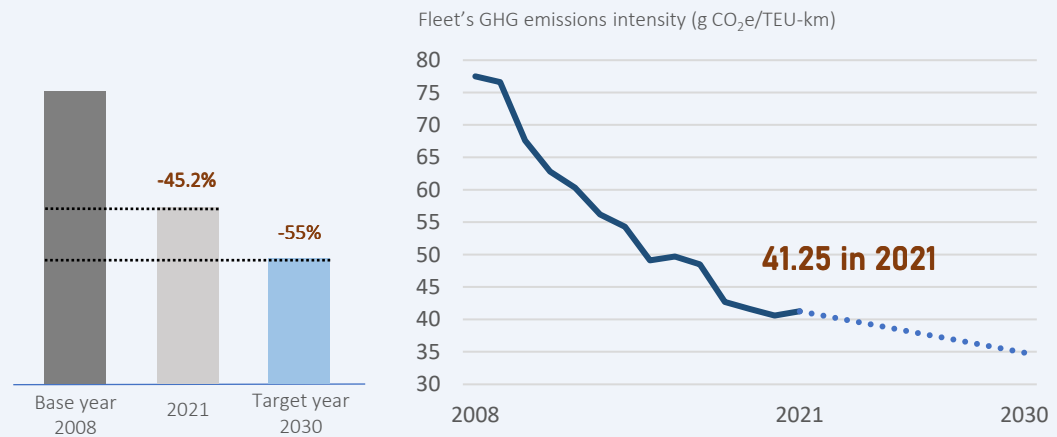
SDG13: Climate Action

Take urgent action to combat climate change and its impacts

Support the IMO targets of

- 50% reduction in annual GHG emissions from international shipping by 2050, compared with their level in 2008
- Reducing carbon intensity of international shipping by at least 40% by 2030, pursuing efforts towards 70% by 2050, compared to 2008

Direct GHG (Scope 1) emissions intensity & Marine fuel consumption intensity reduction



Respect for Biodiversity and Marine Environment

We are committed to respecting aquatic biodiversity. We comply with mandatory requirements and join voluntary programmes to minimise the impacts of our operations on marine biodiversity, especially on critical biodiversity, if the impacts are unavoidable due to our business nature. Upon conducting biodiversity impact assessments of our vessel operations, it is concluded that the marine environment is exposed to potential risks associated with ballast water, oil spillage, marine plastic and marine waste.

Collaborating with external parties such as NGOs like WWF, port authorities, and local communities is one main way to live up with our commitment and not only generate No Net Loss (NNL) impacts, but even Net Positive Impact (NPI) on biodiversity. While our impact of onshore operations on biodiversity may seem negligible compared to the vessel operations, we engage in conservation activities for biodiversity on land when seemed suitable. In addition, our Group proactively takes part in ecosystem restoration project such as tree planting and replanting of coral and mangrove. The following environmental measures are some of our management approaches and control measures.

OOCL Containers

Today, OOCL only uses CFC-free refrigerants for all of our refrigerated (reefer) containers. OOCL's newest reefer containers have one of the lowest power consumption in the industry. All our containers have been applied with tin-free paint and we also introduced the use of eco-friendly bamboo floors instead of the traditional hardwood ones.

Using Non-Toxic Hull Paint

OOCL always uses environmentally friendly and non-toxic hull paint on our vessels to help protect marine life. All our ships have been painted with tributyltin free (TBT-free) paint that are also both tin and copper-free. OOCL is constantly striving to improve the marine environment by implementing a policy for all newbuildings to use silicone-based foul-release paint.

Onboard Waste Management

At sea, we apply the onboard waste management system and deploy appropriate waste handling facilities to meet our reduction objective. Our vessels are equipped with incinerator, food dispenser and garbage compactor, which are in accordance with the MARPOL Convention requirements. At port, we dispose non-hazardous and general wastes to facilities that are authorised by the local authorities.

We continuously monitor and reduce the amount of sludge being generated by each vessel by using specialised equipment, such as homogenisers and oil purifiers, to minimise the development of sludge. We also take every effort to ensure hazardous wastes are handled accordingly and comply with local and international laws and regulations where they may apply. All hazardous wastes generated onboard are collected and treated by facilities that are authorised by the port authorities.

Ballast Water Management Programme

All container ships discharge ballast water, which can contain organisms that are harmful to the environment. We have a policy of exchanging ballast water only in the open sea (200 nautical miles away from the nearest coastline) and aim to achieve zero ballast water exchange when berthed at ports.

Ballast Water Treatment

In 2004, the IMO adopted the International Convention for the Control and Management of Ships' Ballast Water and Sediment (BWM Convention) to prevent and eliminate the risk in the introduction and dispersal of invasive species into habitats where they do not belong. In addition to the introduction of treatment standards over the coming years, the IMO convention specifies a set of criteria for the treatment process to make sure at least 99.9% of all living organisms carried in ballast water are killed or removed before being discharged.

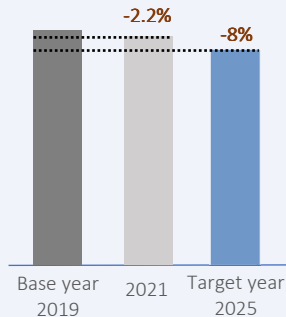
Most of our owned vessels have Ballast Water Treatment Systems (BWTS) of the D-2 standard installed, while the remaining owned vessels will undergo retrofit before the due date of their International Oil Pollution Prevention (IOPP) Certificates. OOCL's newbuilds will also be equipped with BWTS approved by the IMO and the United States Coast Guard (USCG) to effectively treat ballast water before discharging. To help lessen the harm to the marine environment, OOCL has been actively exploring different kinds of technologies to effectively treat ballast water that is in line with our environmental policy. The electrolysis BWTS we currently use on vessels are equipped with different treatment technologies, including filtration, electrolysis or electro-catalysis, and neutralisation.

Target Review

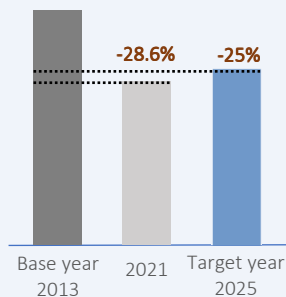
**SDG 14: Life Below Water**

Conserve and sustainably use the oceans, seas and marine resources

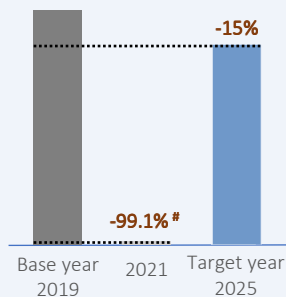
Enhance offshore water efficiency by reducing freshwater consumption intensity



Offshore general waste intensity reduction



Offshore hazardous waste intensity reduction



The sharp reduction is due to the irregular nature of hazardous waste disposal by vessels.

Stop Shipping Shark, Whale, Dolphin, Their Related Products and Hunting Trophies

OOCL is committed to our policy that bookings for whale, shark, dolphin, their related products and hunting trophies will not be accepted. These policies show our commitment in supporting the global effort to curb the trade of at-risk, endangered and protected species.

Marine Plastic Management

We are committed to complying with the existing and forthcoming regulatory framework on marine plastic management, and adopt best practices in preventing marine plastic leaking and entering the oceans through ship-based activities to minimise harmful effects on marine life, biodiversity, as well as human health. The action plan supports IMO's commitment to meeting the targets set in the SDG 14 on the oceans.

OOCL Participated in Enhancing Cetacean Habitat and Observation (ECHO) Program

OOCL participated in the Enhancing Cetacean Habitat and Observation (ECHO) Program between 1st June 2021 and 30th November 2021 to study how to reduce the cumulative effects of shipping on at-risk whales throughout the southern coast of British Columbia in Canada. For the 26 weeks of this Program, 85% of our vessels voluntarily sailed at slower speeds in the research region. OOCL's commitment and contribution to this Program was an important part of our sustainability work in addressing the "SDG 14: Life Below Water" component of marine life protection and conservation.

OOCL Honey Freshly Made from the UK Office

As part of last OOCL Green Week, our UK colleagues attended a talk from a local beekeeper, who explained about how bees are essential to our ecosystem. The talk was well received by our colleagues and inspired many to want to learn more. In 2021, it was agreed to have two beehives with bees placed on the grounds of our UK office in Levington.

The introduction of beehives will encourage more bees and wildlife to help with local pollination and to improve the ecosystem. It also provides our employees with the opportunity to don their own beekeeping suits and visit the hives to learn more about bees and how their roles in nature.

As the bees have been very busy making honey from all the nectar that they have collected during their pollination trips, now we have our own OOCL honey – a natural product that is created on OOCL grounds. The OOCL honey can be unique gifts to our customers or donated as raffle prizes to raise money for charity.



The Environment and Natural Resources

Our policy encourages us to help minimise potential impacts of operational activities on the environment and the natural resources through innovative environmental care measures. We are committed to environmental measures that respect aquatic biodiversity and natural environment. OOCL continually invests in environmentally friendly equipment such as ballast water treatment systems, and uses sustainable materials, such as non-toxic paint, bio-degradable stern tube oil and bamboo flooring, to help protect marine environment and forests.

Use of Resources

Our Group has set out policies to use resources efficiently, including energy, water and other raw materials. Our Group actively minimises the consumption of electricity, fuel and other raw materials in vessels, warehouses and offices. We continue focusing on green investment which includes fuel-efficient vessels, and eco-friendly machineries and equipment. Each regional office of our Group has their own local recycling initiatives. In order to meet onboard water efficiency objective, our vessels utilise onboard desalination plant to convert seawater into potable water so as to reduce freshwater consumption. By doing so, we believe this reinforces our commitment to customers that we offer them the best service quality with the least impact on our planet.

OOCL Adopts Extended Speed Reduction

Since 2005, OOCL adopted the voluntary speed reduction programme at the Port of Long Beach and the Port of Los Angeles to help reduce emissions when sailing into port. Initially, this programme encouraged vessels to reduce their speed within 20 nautical miles of the ports and subsequently the revised programme extended the radius to a 40 nautical miles zone.

OOCL had adopted the 20 nautical miles zone since the introduction of the programme and has also committed to adopting the extended speed reduction zone. Reduced vessel speed results in less fuel being used and therefore less emissions, such as sulphur oxides and nitrogen oxides, diesel particles and greenhouse gases being released near the coastline. Furthermore, the extended voluntary speed reduction can also reduce the chance of ship strikes with whales, preventing the collisions between whales and vessels which might lead to injury or fatality.

Group Offices

Our focus is to create and maintain a “paperless office” environment by eliminating the use of faxes and unnecessary paper documents. As a business which has traditionally relied on paper documentation with customers, such as bills of lading and invoices, we have successfully taken innovative measures to effectively reduce our paper consumption by 20% in the first year of implementation.

We have implemented a “reduce, reuse and recycle” campaign in all our offices around the world, encouraging employees to switch off computers after work, powering off copiers and lights after use, and to install energy-saving office equipment, such as energy-efficient lighting systems.

In exploring areas where we can reduce the use of natural resources, we adopt the mixed source Forestry Stewardship Council (FSC) certified paper for our publications, such as corporate calendars, corporate brochures and reports.

Going Green by Harnessing Solar Energy

A total of 814 solar panels were installed at our Levington office in the United Kingdom to leverage on green energy sources. By harnessing the power of the sun in a solar photovoltaic (PV) array, it can provide about 50% of the office’s annual electricity consumption, thereby reducing approximately 123,000 kilograms of CO₂ emissions each year. The expected life of the solar array is around 40 years, which means this green initiative can continue contributing to OOCL’s green credentials for many years to come.



Office IT Equipment Disposal Management

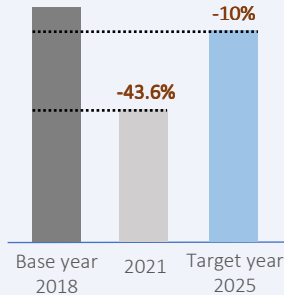
OOCL applies IT Equipment Hardware and Software Disposal Guidelines for handling Waste from Electrical and Electronic Equipment (WEEE). Prior to disposal of IT equipment, requests need to be submitted with detailed business justification. Upon approval, offices should follow certain disposal priority order based on OOCL’s Asset Disposal Guideline. Trading and donation to charity organisations are prioritised while disposal as garbage is least preferred. In case of disposal as garbage, OOCL offices must ensure that the IT equipment are disposed in an environmentally responsible way, by appointing vendors that are authorised by local government to perform computer or electronic devices related recycling business. All responsible colleagues must also comply with our Data Migration and Data Disposal Policy to prevent company data leakage.

Target Review

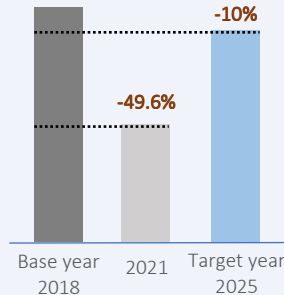
**SDG 13: Climate Action**

Take urgent action to combat climate change and its impacts

Electricity consumption intensity reduction



Indirect GHG (Scope 2) emissions intensity reduction

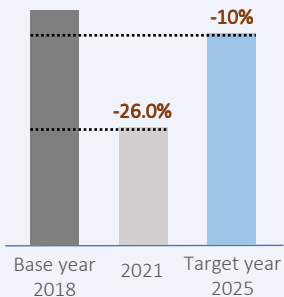


Target Review

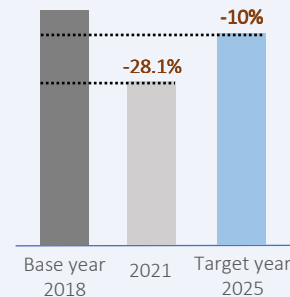
**SDG 14: Life Below Water**

Conserve and sustainably use the oceans, seas and marine resources

Enhance onshore water efficiency by reducing freshwater consumption intensity



Onshore general waste intensity reduction



These targets, which are applicable to liner activities, are reviewed and approved through our ESG reporting mechanism.

OOCL Carbon Calculator

In 2010, OOCL launched the OOCL Carbon Calculator online and also on smartphone platforms. The calculator allows OOCL customers to measure the carbon dioxide emissions in their supply chains. It is one of the first emissions calculator of its kind to offer multiple shipment searches and full intermodal emissions data.

This calculator has demonstrated OOCL's commitment to environmental care and our drive to help our customers understand and manage the carbon footprint in their end-to-end supply chains.

The scope of the calculator spans across vessel, truck, feeder, barge and rail with over 70,000 port pairs. It offers customers a user-friendly interface, allowing them to generate summarised reports according to their preferred specifications.

OOCL spearheaded this project in 2010, partnering with the Department of Logistics and Maritime Studies of the Hong Kong Polytechnic University that act as our third-party verifier. The Calculator has been checked and verified for its methodology, accuracy and carbon footprint calculations by The American Bureau of Shipping (ABS) Consulting.

OOCL Logistics Launched CO₂ Emissions Calculator

Over the years, carbon dioxide (CO₂) emissions from business activities have contributed to climate change which poses a serious threat to the global ecological environment. Such changes have in many ways impacted our health, society and global economies.

To demonstrate our commitment to environmental care, OOCL Logistics developed an online CO₂ Emissions Calculator to help our customers achieve the lowest possible carbon footprint in their end-to-end supply chain. OOCL Logistics continues to improve the transparency of carbon disclosure during transportation of shipment and help our customers better manage their emission reduction targets.

We have always placed great emphasis on environmental protection, and the launch of the CO₂ Emissions Calculator is just another step we are taking to ensure the sustainability of our business and our planet.

Sustainable Ship Recycling

Vessels are one of the most important assets for OOCL. Upon the end of their operational lives, which usually last for 20 to 30 years, vessels are dismantled and have their materials recycled or disposed of. As vessels may contain environmentally hazardous substances, the ship recycling process could impose threats on the environment, workers' health, and their safety if it is conducted without proper procedures.

The two major regulations addressing the topic of ship recycling are IMO Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC) and the European Union Ship Recycling Regulation (EU-SRR), which has entered into force in December 2013. Both regulations require each applicable ship to maintain an inventory of hazardous materials (IHM) to provide ship-specific information on the actual hazardous materials present on board, their locations and approximate quantities. As an IHM includes the details of a vessel's hazardous materials, it helps reduce the health, safety and environmental risks where the ships are being recycled.

Part of OOCL's business strategies involves operating a modern fleet. Our vessels are sold and delivered long before reaching their end-of-life. To ensure sustainable ship recycling by our vessel buyers, most of our owned vessels have been maintaining a valid and certified IHM onboard. Each of the IHM was issued with a Statement of Compliance for EU-SRR and/or a Statement of Voluntary Compliance for HKC. All OOCL's coming new building vessels will conform to both HKC and EU-SRR with certificates issued by Classification Societies upon delivery.

Following our Sustainable Ship Recycling Policy, we adopt the concepts of Life Cycle Assessment (LCA) in the strategic planning stage to minimise the environmental impacts when our vessels are being decommissioned. Other than relevant law and regulation compliance, when we sell our owned vessels for further trading, we provide buyers with approved IHM and encourage buyers to ensure and/or conduct responsible recycling.

Global Vessel Voyage Monitoring Centre (GVVMC)

To enhance fuel saving and improve fleet performance, OOCL and CargoSmart™ have been working closely together to utilise AIS signals to monitor vessels activities through CargoSmart's GVVMC (Global Vessel Voyage Monitoring Centre), which operates around the clock tracking the movements of more than 17,000 vessels, the status of over 1,200 container ports and 1,800 container terminals.

The GVVMC monitors real-time vessel movements to identify vessel exceptions, such as speed and route deviation, for marine operation users to response to business disruption immediately and plan for the recovery. Through big data analytics and machine learning, GVVMC correlates sailing schedules, historical sailing patterns and weather data to come up models to project vessel's estimated time of arrival to the future ports, which serves as an important data to increase customer satisfaction, on the other hand to improve collaboration with business partners upon schedule discrepancy.

The Suez Canal blockage in March 2021 alarmed that the global supply chain disruption would be severe. The state-of-the-art GVVMC made use of the big data analytics and machine learning techniques to monitor the real time canal blockage situation, including how many vessels were waiting at the south/north bound waiting area; which vessels de-toured via the Cape of Good Hope; whether the de-toured vessels had routed back to the Suez Canal passage after Ever Given re-floated and the canal started to resumed operation. A monitoring dashboard was built to visualise the vessel movement and patterns in the two key canals – Suez Canal and Panama Canal, and provide business insight for marine operation in respond to canal related disruptions in a timely manner.

On efficient bunker consumption, it is observed that a substantial amount of the bunker consumption has been saved when compared to the same voyages at the same period last year, regardless the increase in lading factor increased in this year.



Robo-advisor Solution

Leveraging GVMC's foundation and AI simulations, the Robo-advisor solution provides berth visibility and bunker optimisation to support marine operation's decision making. Since the solution has been deployed a year ago, different business attributes, such as terminal operation behaviour and latest situations have been gradually factored into the AI system to strengthen the berth visibility and bunker optimisation models to maximise the business value, for example on enhanced operational efficiency, different schedule recovery simulations have increased daily operation efficiency; better berth visibility has improved collaboration with regional operation, alliance partners and terminal; visualised operation dashboard has provided valuable and timely information to reveal potential disruptions from terminals or alliance partners.

In 2021, two major product features were newly introduced for marine operation to deal with the port congestion and the increasing concern about vessel punctuality, namely the Port Status Monitoring and the Sailing Operation Monitoring. The Port Status Monitoring integrates GVMC's infrastructure and leverages AI models to visualise vessels, schedules and terminal exception status, details and impact in a set of dashboards, facilitating business users to quickly understand port congestion situation around the world or in specific region and plan for schedule recovery. The Sailing Operation Monitoring strengthens the full fleet close monitoring on vessel with deviation of sailing speed, time and distance; vessel's main engine power throughput; bunker consumption per nautical miles; and the trend of vessel's average moving speed and engine's average rotational speed over time. It facilitates efficient communication between marine operation, vessel masters and schedule planners on tightened bunker control and vessel punctuality. For example, marine operation could easily identify that a vessel was not speeding up for schedule integrity and communicate with the vessel master to reveal potential engine problem.

Green Week

Since 2007, the first week of July each year has been designated as the OOCL Green Week in support of environmental care. Improving the environment is one of our key focus under one of OOCL's core values and demonstrates our commitment to corporate social responsibility. Green Week is a global programme for everyone at our offices around the world to promote environmental care through special events and meaningful activities. They are organised to remind our colleagues on the importance of "Going Green" and we have been successful in showing our long-term commitment to protecting our environment through such initiatives.



Zhuhai Colleagues Volunteered for Sustainability

Throughout 2021, 616 OOCL Zhuhai colleagues volunteered in various cleanup events at parks, beaches and countryside around the city. During the activities, participants took an immediate act to make positive difference to the environment. These volunteering activities aim to raise our employees' awareness of nature conservation.



Green Workshop and Gift Exchange for Christmas by OOCL Singapore

In December 2021, OOCL Singapore organised a fun terrarium workshop, in which colleagues learnt to create their own unique plant crafts. The facilitator gave participants a science refresher on plants, such as what plants need and the theory of photosynthesis. She then introduced some basic concepts of terrarium and methods to take care of them. Although Green Week 2021 was cancelled due to the pandemic, mini-activities like the online terrarium workshop promoted sustainability and green living to our colleagues.

Green Living Challenge for Philippines Colleagues

Although OOCL Green Week was suspended due to the pandemic, our OOCL and OOCL Logistics colleagues from the Philippines continued to uphold the Group's commitment of environmental protection and community responsibility. In July 2021, they organised a competition with the theme of green living, in which our colleagues could take part despite the remote working arrangements. Titled "Work for Our Home", the contest required participants to complete 12 eco-friendly activities over a period of three months.



SDG14: Life Below Water

Conserve and sustainably use the oceans, seas and marine resources

Participate and initiate over 100 marine life protection and conservation courses, activities, and programmes by 2030, with every Region where OOCL has presence to have been involved in initiative related to Life below Water.

58% Achieved

Awards and Recognition

OOCL is proud and honoured to receive recognition and awards for our commitment and efforts to corporate sustainability each year and we highlight some of our achievements in 2021

Sustainability Disclosure Verification

OOCL has been taking a leadership role in building our ESG profile to tackle a wider spectrum of environmental challenges we face across the industry. Verified by Lloyd's Register Quality Assurance (LRQA) for the seventh consecutive year, OOCL adopted the internationally recognised and accepted Clean Cargo Working Group (CCWG) verification standard to certify the transparency, accuracy, completeness, consistency and relevance of disclosure on carbon dioxide and sulphur oxides emissions of OOCL vessels.

Throughout the independent verification process, we prepared all the proper documentation and records showing the effective management and internal controls for collecting and reporting of the required data to meet the standards. We are pleased that not a single discrepancy, misstatement and nonconformity was identified.

In addition to our work related to vessel emissions, OOCL achieved a limited level of assurance by LRQA for the data published in this Sustainability Report using the Global Reporting Initiative (GRI) principles. The independent assurance statement can be found in this Report.

Hong Kong Green Organisation Certification (HKGOC)

The HKGOC aims to benchmark the performance of “green” organisations to encourage them to sustain their various environmental best practices. It also presents organisations with the opportunity to demonstrate their commitment to improve different aspects of their environmental performance. In appreciation of our efforts towards environmental protection, OOCL was given the status of “Hong Kong Green Organisation” (HKGOC) by the Environmental Campaign Committee (ECC) from being a Gold Winner in the Hong Kong Awards for Environmental Excellence (HKAEE).

“Excellence Level” Wastewi\$e Certificate

OOCL also received environmental recognition for our participation and performance in the Wastewi\$e Certificate under the Hong Kong Green Organisation Certification (HKGOC). In order to be granted with the “Excellence Level” Wastewi\$e Certificate, participants must successfully implement all applicable Mandatory Measures and at least 80% of all non-Mandatory Measures

of the four categories. The four categories of measures include Guidelines / Action Plan / Training, Waste Avoidance, Recycling and Green Procurement.

HKMA Hong Kong Sustainability Award 2020/21

OOCL was honoured to receive the “Hong Kong Sustainability Award” in the large organisation category at the HKMA 60th +1 Anniversary Celebration cum Hong Kong Sustainability Award Presentation Ceremony for 2020/21 on 14th December 2021. Organised by the Hong Kong Management Association (HKMA), a leading professional organisation in the city, the Hong Kong Sustainability Award aims to promote the importance of sustainability and to provide a platform for organisations to benchmark best practices of sustainability. By recognising organisations which have demonstrated outstanding sustainability practices in economic, social, and environmental aspects, while achieving good business and organisational performance, the award programme also advocates cross-sector sharing of best practices and inspires organisations to entrench sustainability within their operations and culture.



Green Flag Award

Since its launch, OOCL has been an outstanding voluntary participant in the Port of Long Beach's Green Flag Program by complying to sail at slower speeds within 40 nautical miles of the coastline. To acknowledge OOCL for our commitment to reducing harmful emissions, we received a Green Flag Award from the Port of Long Beach in 2021, a recognition that we have received every year since 2005.



OOCL will continue our efforts in cutting air pollutants such as smog-forming NO_x, diesel particulate matters and greenhouse gases. Port officials estimate that the amount of NO_x generated by containerships would be decreased by approximately 550 metric tons a year if all the vessels comply with this programme.

Participation in Environment-focused Organisations

As an active participant in addressing and demonstrating the support to issues of environmental protection and mitigating climate change, we are a member of a few environment-focused organisations:

Clean Cargo

Clean Cargo is a collaborative partnership between ocean container carriers, freight forwarders, and cargo owners. The mission of the partnership is to generate high quality, decision useful containership GHG emissions performance data for members and to serve as a forum for container transportation decarbonisation best practice sharing amongst members. The Clean Cargo methods are consistent with the Global Logistics Emissions Council (GLEC) Framework. OOCL was a member of the Clean Cargo Working Group (CCWG), a Working Group under the Business for Social Responsibility (BSR) from 2003 to 2021. In November 2021, Smart Freight Centre (SFC) and BSR announced that Clean Cargo would transition into SFC. Following Clean Cargo's transition into SFC, we support SFC's goal to guide the global logistics industry to reach zero emissions by 2050 or earlier, consistent with a 1.5°C future.

World Shipping Council

The World Shipping Council (WSC) provides a platform for the liner shipping members to voice out and collaborate on actionable solutions for some of the world's most challenging transportation issues such as those that relate to the environment. As a member company, we strive to promote and develop sound environmental solutions through the development of sustainable new international public policies and regulations to reduce air emissions and mitigate climate change. The WSC routinely works with a broad range of stakeholders from the public and private sectors to advance together in such areas.

Business Environment Council

The Business Environment Council (BEC) is a non-profit organisation promoting corporate social and environmental responsibility. Members share their responsible business practices which balance economic, social and environmental interests.

BEC EnviroSeries Conference

On 1st December 2021, OOCL joined the BEC EnviroSeries Conference organised by Business Environment Council. The conference was themed as “Transforming Business for Sustainability” and aimed for conversations on business transformation and how that would enable the building of a local sustainable city. The conference was attended by close to 900 local and overseas participants, either joining in-person or online.



OOCL was invited to join the panel discussion at the session of “Transforming Logistics and Supply Chain for Resilience” with representatives from other major industry players. With focus on ways to make the supply chain resilient, agile, sustainable, and transparent, speakers shared their best practices and successful stories of their companies and industries.



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Human Capital

As a responsible corporate citizen employing the highest standards of business ethics in all that it does, the Group understands that the process begins with the treatment of its employees. As a successful corporation, the Group appreciates that its success, growth and performance are attributable to the skills, dedication and teamwork of its employees. It regards people as its greatest asset and takes good care of them. In line with the Group's values, we manage to invest in our people and support our employees to achieve their full potential. We aim to deliver our commitment on the key objectives to address the relevant Sustainable Development Goal:



SDG 8: Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

We are committed to ensuring decent working conditions and equal opportunities at the workplace and eliminating all kinds of human and labour rights issues.

In Progress

Employee Profile

We employ 10,678 full-time employees around the world where the majority of them are hired locally and 94.45% of the employment are on a regular basis.

Staff Retention

The Group is a stable organisation with a good staff retention rate. The Company has proactive strategies in place to try and retain employees through various programmes to enhance job satisfaction and improve staff retention. In 2021, the total and voluntary turnover rates for employees across our operations were 14.4% and 11.9% respectively.

Long Service Awards

In recognition of our staff's hard work and dedication to the Group, we celebrated with more than 800 Long Service Award recipients from our offices across the world. In 2021, there were 77 proud colleagues who received the 25-Year Long Service Award, while 252 were recognised for their 10-Year Long Service, and 478 for their 5-Year Long Service.

Professional Development

Learning and Growth Culture

At OOIL, we encourage openness and innovation in our work environment. Every employee is entitled to equal training and development opportunities. Our policy on "Training & Development" sets out to groom our people to support our business growth and their own professional development while discharging duties at work. The Group provides employees with extensive learning and development

opportunities to realise their potential and improve their knowledge and skills. Examples are job assignments and rotation, talent development programmes, soft skills training, global e-learning, mentoring programmes and various learning and development programmes.

People Development

People Development remains a cornerstone of the corporate culture. This enables effective operation of OOIL's career development policy through recruitment and promotion from within. While on the job, our employees can be nurtured and given numerous learning and development opportunities. OOIL has, over the past years, committed big investment and effort into its various management and functional development programmes, aimed at further enhancing their competencies to better serve our customers and contribute to the growth of the Group.

Staff Movement – Transfer / Reassignment

The framework for Staff Movement is established to facilitate effective human resources deployment, supporting achievement of business objectives and employee development. There are many opportunities available for career growth at OOIL. We may, in the interest of staff career development and the operational needs of the Company, assign them to different positions, or transfer them to different departments or Group companies, either on a temporary or permanent basis. When such opportunities become available, we will consider their career goals and provide career counseling at their request. In addition, they may take advantage of career opportunities by applying for open positions within the Company. Position openings will be posted through our Internal Recruitment Bulletin.

Our People's Success is OOIL's Success

The Group is an equal opportunity employer with a clearly defined policy covering areas such as treating all employees with fairness and dignity, promoting the corporate culture of encouraging open and frank communication throughout the organisation, investing in its employees and caring for their hopes and aspirations through people-development programmes and education, as well as recognising their efforts and achievements.

Six-month Short-term Job Rotation Program

With “People, People, People” being the first of our four Core Values, OOCL is committed to investing in our people – our greatest asset. As part of our continuous people development effort, OOCL launched a six-month short-term Job Rotation Program to broaden colleagues’ exposure, experience and perspective by

- Working in different cultural and business surroundings;
- Taking on a challenge with full accountability and performance measurement in a different functional setting;
- Learning to appreciate a new set of business issues in a different geographical environment.

Program participants benefit from the exchange of knowledge, skills, insights and best practices, as well as the opportunity to enhance their communication and collaboration abilities to foster continuous improvements on business processes and decision making, thereby heightening overall organisational capability.

Success Management System (SMS)

The Success Management System has been an effective tool to evaluate an individual's performance in terms of meeting both the Company's objectives and their own goals and competency requirements.

Employee Engagement Survey

In order to measure OOCL's performance in employee engagement and boosting of staff morale and sense of pride with the company, we have been conducting employee engagement surveys in which all OOCL staff are to be engaged on a quarterly basis. The survey results are monitored periodically and shared with the management team to identify areas for improvement and action items with the objective of making OOCL a better place to work at.

Global Recognition Program and Service Culture

Global Recognition Awards are designed to promote and recognise the “Take It Personally” spirit among OOCL employees with the purpose of promoting quality service to all our customers.

SPOT Award

Everyone likes to be thanked and recognised for a job well done. At OOCL, we strongly believe in the importance of encouraging, thanking and recognising the contributions and hard work from our colleagues. This could be making a suggestion which improved efficiency at work, completing a job which exceeds expectations, or even demonstrating behaviour which exemplifies our Core Values and/or Core Competencies. The SPOT Award is part of our “Global Recognition Award” which is aimed at promoting quality customer service both internally and externally.

Staff Communication / Knowledge Sharing

The Group employs an innovative approach to internal communications, employee learning and people development. The Group recognises that on demand performance support to its employees is

the key to help them deliver what customers need and unleash potential. The Group has utilised its intranet, called “InfoNet”, as a learner-centric platform for dissemination of company news and business updates while providing its employees with a tool to share knowledge, exchange views and formulate ideas. The Group adopted a wide range of enterprise level collaboration tools. In addition to conventional methods of communication such as email, other tools such as OOCL Wiki and WeLearn platform have become very effective in the global sharing of information and knowledge as well as facilitate collaboration amongst colleagues around the world. They have also helped us support accelerated learning by providing us with the means to leverage resources, ideas and hence solutions. Since 2016, we have also enlisted the resourceful usage of the Office 365 cloud-based information platform to further our internal communication goals.

Talent Development – International Executive Development Program (IEDP)

We run IEDPs for managers and executives worldwide. The Program was first launched in May 1998. Up until now, more than 690 OOCL executive participation from across all regions are recorded to have completed the IEDP.



All Staff Learning

1. Lunch & Learn

Launched in 2013, OOCL's "Lunch & Learn" programme was created to offer colleagues the opportunity to learn more about a topic or business area which is not normally within their own job scope in a relaxed environment during lunch. The Lunch & Learn programme first started in head offices and over the past year the success of the programme encouraged other regional offices to conduct their own programmes.



2. Harvard ManageMentor e-Learning Portal

As OOCL's learning culture continues to flourish and in an effort to create more opportunities in people and core business skills development, we have launched the Harvard ManageMentor e-Learning portal to further strengthen our employees' professional development and growth. We target two levels of objectives in the eLearning programme. At the individual level, we facilitate self-paced learning and growth. At the organisation level, we create the supportive learning environment and culture and to foster a company-wide people development approach that is consistent with OOCL Competencies. The objective is to strengthen the capability for leadership succession in long term.

In 2021, a new topic Digital Intelligence became available at Harvard ManageMentor. Colleagues will learn about the importance of digital intelligence, how to develop a digital mindset, lead a digitally capable team, draw insights from data, and act on promising digital opportunities.

Environmental Awareness and Training

1. On ship

All OOCL senior officers on ships are professionally trained to acknowledge the importance of environmental protection and abide to the Company's policy and procedures, such as the Ballast Management Plan, Garbage Management Plan and the Shipboard Marine Pollution Emergency Plan, to protect the environment. Subsequently, all other OOCL crew members are then trained by their senior officers.

2. Land side

All OOCL employees undertake basic training on environmental awareness through learning the Company's core values within the first few weeks on the job. This is an important part of the mandatory employee induction training delivered through the Company's ePeopleSmart learning platform.

Knowledge is Power

At OOCL, information and knowledge are always at our fingertips, so that we are always well informed and in touch. That is what makes us stand out from our competitors. All this knowledge is aggregated from our staff in various departments.

We have various tools for sharing: OOCL Wiki, for recording and discussing information to build a powerful reference database; E-mail, which remains useful for all kinds of sharing; and Instant Messenger (IM) for instantaneous communication.

OOCL Wiki

OOCL Wiki is an internal platform that hosts and shares information and knowledge about the Group and our industry. All our employees are encouraged to create, edit and facilitate discussions. To date, we have created more than 15,000 Wiki pages.

WeLearn Platform

Aiming at shaping OOCL into a learning organisation, we have built a learning platform named "WeLearn" to serve as our corporate library for knowledge sharing. This centralised repository will be a one-stop shop giving our global colleagues a handy reference and learning opportunities of cross-functional business knowledge and soft skills. Items on WeLearn at its launch include corporate and compliance trainings materials for new hires and all staff, core Business Knowledge Pack, Headquarters and Trade-related knowledge, functional knowledge, soft skills, and other general information sharing from Regions, Harvard e-learning, as well as Lunch and Learn.

Core Business Knowledge Pack

A platform called Core Business Knowledge Pack was launched to build a global repository for knowledge sharing, learning and collaboration with a focus on the business cycle and functions of OOCL's business. With handy references, the Core Business Knowledge Pack provides cross-departmental knowledge for both current colleagues' reference and new hires' learning in the future.

New World of Welcome (WOW) Package for New Hires

Living up to our core values – People, People, People, OOCL respects, recognises and invests our colleagues. A simplified yet comprehensive World of Welcome (WOW) package was launched to give the new hires a brief introduction of OOCL and its business. A page named New Hire Welcome Kit was also built as a handy guide with links to useful information. These initiatives help the new hires settle in comfortably and quickly and make them feel welcome to the OOCL family.

Human & Labour Rights

The Group is committed to ensuring our people are treated with dignity and respect. Therefore, Human and Labour Rights is an important element to our Corporate HR Guidepolicies in which it serves as a guideline to ensure compliance with all local, national and international legal standards. In particular, we respect the provisions of the Declaration, Compact and Principles from the United Nations in respect to human and labour rights[#] and the Conventions of the International Labour Organization. We have taken actions with regards to:

- Elimination of all forms of forced, compulsory and child labour
- Freedom of employment & association
- Respect for the individual and elimination of discrimination
- Safe and healthy working conditions
- Payment of living wages and regular employment entitlements
- Non-excessive working hours

Other chapters, such as, “Code of Conduct”, “Equal Opportunity in Employment”, “Prohibition of Harassment” and “Grievance Handling Process” are also incorporated in the Corporate HR Guidepolicies and communicated to our employees through new-hire orientation, training and Group’s intranet.

We invited various stakeholder groups to complete a stakeholder engagement survey to access all possible human and labour rights issues in our business activities. The results showed that the risk and impact from this assessment area were relatively not significant in our stakeholders’ perspective. Please refer to the Materiality Matrix for more details.

We have not received any reports on non-compliance, violations or grievance related to human and labour rights issues in the reporting year. In our approach to protecting the right of our people, we periodically monitor and review our employment practices to safeguard the best interests of our people. Meanwhile, our employees or employee representatives can anonymously report any human and labour rights issues to the company management through a formal grievance handling process. It allows us to investigate the findings of the reported incidents, and to perform remedial actions following the reported incidents in a timely manner. These mechanisms help us ensure that we continue to be in full compliance with the related laws and regulations in order to maintain ‘zero incidents’. We constantly monitor and assess if there are any human and labour rights impact or risk to any of our existing, new and/or potential operations or projects. If a risk has been identified, the Operational Risk Management process will be implemented company-wide for risk mitigation. The Operational Risk Management process is reported to the Executive Committee on a quarterly basis through the SSE Committee.

[#] For example: The UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights from The UN Global Compact.

Modern Slavery Act Transparency Statement

Modern slavery is defined as “slavery, servitude, and forced or compulsory labour” as well as “human trafficking”. We are absolutely committed to ensuring that modern slavery in any form has no place in our business and supply chain through active participation in the Group’s global policies, many of which are relevant to modern slavery and human rights. We expect our suppliers and contractors to operate fair and ethical workplaces and practices, where workers are treated with dignity and respect, and the standards of human rights are upheld.

Our Modern Slavery Act Transparency Statement endorses the United Nations Guiding Principles on Business and Human Rights and supports the principles contained within the International Bill of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.

Policy for Anti-Harassment

A chapter of the Global HR Policies & Guidelines is designated to define harassment and formulate the Company’s zero-tolerance policies on prohibition of harassment in the workplace. As the summary of the Policy:

- In the event that any sort of ethical, racial, religious, or sexual harassment, or similarly abusive verbal or physical conduct creates an intimidating, hostile or offensive work environment, the Company urges employees to contact their supervisor or the Regional Human Resources Department
- The colleagues’ supervisor or the Regional Human Resources Department will serve as an escalation channel and the reported incidents will be handled with the highest possible degree of confidentiality
- If the Company determines that harassment has occurred, disciplinary action against the harassers, up to and including dismissal, will follow



Equal Opportunity and Anti-discrimination

We are committed to equal opportunity in recruitment and employment. The Group would like to encourage and retain the diversity of employees in all the locations it operates to offer local employees fair promotion opportunities and benefit from the diversity of thought. It is the Group's policy not to discriminate against any employee or applicant for recruitment and employment on the grounds of nationality, race, colour, religion, creed, age, sex, disability, pregnancy, childbirth and related marital status, sexual orientation, veteran status and any other category as guided by local laws and regulations. We have also taken action to manage and improve workforce diversity and avoid various discrimination. In 2021, women and men accounted for 55.23% and 44.77% of our onshore workforce respectively. We strive for maintaining such gender balance among our workforce.

In case of redundancy, voluntary or involuntary, the Group has established proper procedures so as to ensure that there is no discrimination and to remove any effects which could be disproportionate and unjustifiable.

Board Diversity

Apart from the general workforce diversity, Board diversity and inclusiveness are highly valued in the Group. Having a Board with diverse background and skills is crucial for developing business resiliency, sustainability and long-term corporate strategies. Recognising the vitality of diversity for the Board, the Company has been adopting a Board Diversity Policy since 2013. Guided by the Board Diversity

Policy, the selection of candidates by the Nomination Committee will be based on a range of perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, industry experience, skills, knowledge and length of service. More details regarding our Board diversity can be found in Appendix I: Performance Data Summary.



Equal Remuneration, Fringes Benefits and Compensation

Our employee salary and benefits are maintained at competitive levels. All employees are paid fairly and equitably in terms of total remuneration based on the principles of internal equity with reference to job sizes and accountabilities, and external competitiveness with reference to comparable companies in the industry. Employees are rewarded on a performance related basis within the general policy and framework on the Group's salary and bonus schemes which are regularly reviewed. For promotion, the Group assesses all possible candidates and ensures that nobody with potential has been overlooked. Human and labour rights, safe and healthy working conditions and non-excessive working hours are provided. Under the guideline policy of "Employment Terms and Conditions", benefits and compensation includes but are not limited to: Rest Periods, Holidays and

Leave Entitlement, and Contribution Scheme. Other welfare and benefits include medical insurance and pension funds to ensure our employees are well taken care of. During the reporting period, no incidents of human rights violations, discrimination and labour rights issues were observed. The Group fully complies with relevant standards, rules and regulations on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

Human Rights Due Diligence for Seafarers

Human Rights Due Diligence (HRDD) takes up an indispensable part of our recruitment and crew engagement processes to mitigate human rights risks and support the standards outlined in the ILO Maritime Labour Convention, 2006, which is also known as the "MLC, 2006". The MLC, 2006 articulates that all ratifying members shall secure the rights of all seafarers to freedom of association, collective bargaining, decent working and living conditions on board ship, onboard medical care, food and catering etc. All forms of forced labour, child labour, and discrimination in respect of employment and occupation shall be eliminated. As proof of compliance with the MLC, 2006, all our vessels operating on international voyages carry Maritime Labour Certificates (MLC) and Declaration of Maritime Labour Compliance (DMLC). Other than the focus areas above, during the recruitment and crew engagement process, our HRDD ensures equal opportunity for candidates and equal remuneration for respective ranks of crews. Candidates are well informed of their rights, as well as potential remuneration, benefits, roles and responsibilities should they become part of the crew.

Grievance Handling Process

The guidepolicy of Grievance Handling Process is in place to define and formulate the framework for handling grievances raised by employees and ensure that all such matters can be resolved in a fair, consistent and expeditious manner and in strict confidence. Any complaint or grievances will be promptly and thoroughly investigated by the immediate supervisor or Corporate Human Resources or any other person as appointed by the Company. The investigation will be communicated with relevant employees through channels deemed appropriate by the Company determines that a complaint is founded or grievance has occurred, appropriate relief for the employee bringing the complaint or grievance and appropriate disciplinary action against the source of complaint or grievance will follow. Complaint or grievance matters can be extremely sensitive and as such, all communications such as interviews and witness statements will be kept confidential.

The Company will strive to ensure that there will be no retaliation or adverse action taken against the employee who raised the complaint or grievance by providing information in confidence. The Corporate Human Resources is actively involved in the consultation and resolution process to ensure a proper settlement.

In line with the Company's core value on People, People, People, which takes into consideration of equal opportunity, respect and dignity of all employees in a supportive environment, this guidepolicy is to define and formulate the framework for handling workplace grievances raised by employees to ensure that all such matters can be resolved in a fair, consistent and expeditious manner and in strict confidence.

As a defined escalation process, any complaint or grievance over inequitable treatment, procedural unfairness and infringement of Human and Labour Rights including any form of harassment and discrimination (linked to Code of Conduct) in the workplace will be promptly and thoroughly investigated by the immediate supervisor or Regional HRA Department, or any other person as appointed by the Company if independent investigation and/or arbitration is necessary and appropriate. The result of such an investigation and/or arbitration will be communicated through channels deemed as appropriate by the Company to the employee. If employees feel particularly vulnerable, grievances can be lodged anonymously.

Not only do we handle grievance internally, our grievance handling process also includes external stakeholders. Through the stakeholder engagement exercise, we can handle any grievance issues that may arise from the community. We

invite our stakeholders to complete a survey annually to review whether our business activities play a vital role to the communities where we operate. The survey explicitly covers human rights issues and all the data we collect are kept confidential and anonymous. In addition, the general public can offer us feedback and comments regarding our business activities through our corporate website.

Code of Conduct

In the interest of adhering to the highest ethical standards on an ongoing basis, the Group has a formulated Code of Conduct which serves as a guideline to ensure compliance with all local, national and international legal standards and to preclude offences under local, national and international laws, any breaches of confidentiality, non-disclosure requirements or intellectual property rights and any conflicts of interest, acts of bribery, corruption or political contribution and any other areas of deemed misconduct.

We have set up procedures to identify, manage and control risks that may have an impact on the business of the Group. The Group's "Whistle Blower Policy", established in 2006, is one of our formalised procedures through which employees can anonymously file reports or register concerns and helps govern the reporting and thorough investigation of allegations of suspected improper activities.

Disciplinary Action

The guidepolicy of Disciplinary Action defines and formulates a system of progressive disciplinary actions on instances of non-compliance by employees who have repeatedly failed to meet conditions of employment. Our policy ensures that when administering disciplinary actions, there is strict observance and adherence to established procedures so as to maintain fairness and consideration and to minimise any potential disruption to our operation. All employees should observe standards of job performance and professional conduct as specified in Code of Conduct, Employee Handbook, Personal Data Protection and Privacy, Anti-Harassment Policy, Equal Opportunity and Anti-Discrimination Policy and other local Human Resources policies. For first time offenders, the Company will endeavour to provide employees with necessary guidance and opportunity for correction. However, if the employee fails to improve, he/she may be subject to disciplinary action and in cases of serious misconduct, be subject to summary dismissal.

Occupational Health & Safety

We never compromise on workplace safety. Our Corporate Safety, Security & Environmental Care (SSE) Policy underpins our commitment that, so far as is reasonably practicable, our operations are executed in a safe working environment to avoid any occupational hazards, health & safety risks to the employees and stakeholders including our contractors. Maintaining a zero rate of accidents and injuries are our primary safety objective. We frequently carry out comprehensive risk and hazardous assessments for reefer and dangerous cargo. Prior to loading, dangerous goods are systematically sampled and inspected to ensure that they are correctly packed and properly stored. Strict onboard checking systems have also been implemented for other sensitive cargo. Special drills for ship safety and anti-pollution measures are periodically conducted both onboard a vessel and at office locations. Occupational Health & Safety is being pursued through establishing and prioritising action plans. The SSE Steering Committee meets on a quarterly basis to discuss and evaluate the Company's performance in health risk mitigation and monitor the progress against the target of zero accident rate.

Our Zero Tolerance Approach

The Health & Safety of our people is a high priority and remains a key focus for the Group as we take a zero-tolerance approach to work-related injuries and ensure full compliance with the required health & safety laws and regulations at all locations of operations. We believe that Zero Tolerance is a fundamental sustainability objective.

Emergency Response

In the event of emergency and crisis situations, a Corporate Emergency Response Policy is in place to ensure such events are handled appropriately and in a timely manner. Under this policy, Emergency Response Teams (ERT) are formed in each Region, reporting to the Corporate Emergency Response Team (CERT), and ultimately to the Executive Committee where needed.

Emergency Response Teams (ERT)

In the event of a serious incident, the Regional Emergency Response Team (RERT) should first become involved in dealing with the immediate situation. If the situation becomes more serious, the RERT will escalate the case to CERT. A standardised formation of ERTs means clear communication lines can be quickly established for an efficient crisis response mechanism.

Safety Training

In addition to the IMO's mandatory safety training, we also offer additional safety programmes for our sea staff to raise awareness and reduce operational health & safety incidents, which is in line with one of our core values, "People, People, People". One of our ongoing programmes is the Onboard Mentoring Program, which helps train newly recruited or promoted sea staff and cadets on safe and efficient performance. The Master, Chief Officer, Chief Engineer and Second Engineer would closely "mentor" them for a specific period of time with continuous appraisal reports.

An Onboard Safety Culture is constantly being promoted and all crew members are kept up-to-date on safety measures and initiatives through various training and re-education systems. OOCL offers a web-based training programme and is designed for individual self-study with the purpose of upgrading safety awareness. The course is accredited by recognised organisations and an examination is given at the end of each module.

Crew members are expected to apply the knowledge acquired within the context of their ship's operation after the course is completed. For over 10 years we have conducted the Bridge and Engine Resource Management Courses for OOCL officers and engineers. These courses were conducted at the OOCL Maritime Academy (formerly called the Zhoushan Orient International

Seaman Training Center) in China. All OOCL sea staff, including ship masters, officers and engineers, would be sent for mandatory training and re-education courses every four years on a rotational basis.

To promote safety and quality training for future seafarers, OOCL also sends our experienced technical staff, ship masters and chief engineers to conduct presentations on topics such as safety, security, shipboard communication skills, and our in-house SQE System (Ship Safety / Security, Quality and Environment System) to students at the Zhejiang International Maritime College in China.

International Maritime Dangerous Goods Code Refresher Training

The International Maritime Dangerous Goods (IMDG) Code is the regulatory framework regarding all aspects of handling dangerous goods and marine pollutants in sea transport. Training for shore-side staff involved in dangerous goods transport by sea is mandatory. In compliance with these requirements and to ensure staff safety, OOCL has been providing regular IMDG refresher training since 2013. The content of the training will be revamped regularly in order to keep our staff alert of the IMDG updates.

During the reporting period, no incidents of health & safety standard violations were found. There were no work-related fatalities occurred in each of the past three years including the reporting year within the Group. No lost-time injury and fatality occurred among our contractors providing vessel-related services.

Preventive Measures of Infectious Disease

Our guidepolicy of preventive measures of infectious disease is in place to provide guidance to Regions in ensuring that consistent preventive measures of infectious disease are in place for all employees and in all offices. It defines infectious disease and outbreak; proposes action to prevent infectious disease, and provides guidance in personnel, hygiene and environmental hygiene, as well as proper actions to prevent and control global health issues in case of suspected or confirmed infectious disease. In addition, subject to the situation, the Company may provide with preventive vaccination programme in the office / Region where there is an outbreak. Each region shall use the colour-coded alert system and principles to work out and adopt its own contingency plan according to the local situation. The contingency plan should be regularly updated to ensure its validity. Priority is to ensure health, safety and business continuity.

Epidemic Precautions by OOCL Logistics to Ensure Customer and Employee Safety

Throughout the COVID-19 outbreak, OOCL Logistics remained committed to providing customised solutions to our valued customers and to ensure employees' safety by enforcing stringent measures prevention and control measures. At Guangzhou Logistics Center of OOCL Logistics China, strict prevention and control measures were implemented to minimise infection risks arising from cross-broader transportation. All cross-border truck drivers were required to provide negative COVID-19 test results. Drivers were asked to have their temperature checked. All trucks were disinfected and parked at designated loading docks for unloading, while drivers were advised to stay within trucks during the unloading process.

With the increasing availability of COVID-19 vaccines, Guangzhou Logistics Center team arranged company transportation to send some colleagues to the hospital for vaccination.

Piracy

Piracy was common across the Middle East region and with occurrences in the southern end of the Red Sea, Gulf of Aden, Arabian Sea and down into the Indian Ocean, stretching from the Somali coastline all the way across to within close proximity of the Indian coast. To combat the increasing threat of maritime piracy, OOCL applies anti-piracy measures by adopting best practice guidelines and establishing close communication with staff onboard.

Anti-piracy Measures

OOCL follows anti-piracy measures before our vessels enter the High Risk Area (HRA). One of the key measures is to maintain a 24-hour, 360-degree counter-piracy visual and radar watch and to assign additional watch-keepers at the bridge and on the deck while transiting through the HRA to watch out for suspected pirate crafts. OOCL has also adopted the Industry Best Management Practices to avoid, deter or delay pirate attacks.

We cooperate with navy forces and relevant anti-piracy organisations to exchange information on safety and security measures, piracy policies and procedures. Close communication is also kept between the vessels and our Fleet Management Department office which has a 24-hour emergency hotline and is always on standby in case of any emergency.



The Gulf of Guinea Declaration on Suppression of Piracy

With the growing concern over the piracy issue in the Gulf of Guinea, and in response to increasing attacks in the Niger Delta, a taskforce of stakeholders from across the shipping industry drafted the Gulf of Guinea Declaration on the Suppression of Piracy. OOCL has joined organisations across the maritime industry (including flag state administrations, ship owners, charterers, and shipping associations) in signing the declaration, demanding that no seafarer should face the grave risks of kidnapping and violence when transporting cargo in the Gulf of Guinea.

Safety Review

In addition to carrying out regular occupational health & safety trainings to raise awareness and reduce operational health & safety incidents, internal inspection, external audits and comprehensive risk and hazardous assessments for any existing, new and/or potential operations or projects, one of the most important adoptions to help maintain a zero rate of accidents and injuries is that we have "No Blame Policy" in place to encourage our sea staff to report incident of any scale to us. Rather than focusing on blame, this policy helps us perform monitoring and investigations that focus on identifying real and fixable root causes in case of any incidents or injuries. It allows us to disclose the investigations and findings of the reported incidents in a timely manner, and to perform actions following the reported incidents.

Qualship 21 Certificates

OOCL vessels have been recognised for our exceptional safety and environmental standards under Qualship 21 since 2004. Our vessels were recognised as Qualship 21 participants for their high standard of excellence; marking the most OOCL vessels ever certified under the programme to date. Some of our vessels also received the E-Zero designation on their Qualship 21 certificate, which is an additional programme to recognise exemplary vessels that have consistently adhered to environmental compliance. We are particularly proud of the fact that according to the United States Coast Guard, only a small percentage of the foreign-flagged ships that operate in the United States have qualified for this initiative.

Work-life Balance (Health Wellness)

We have many different clubs that cover a broad range of recreation and special interest areas and they are formed with the aim of promoting work-life balance for all colleagues who can gather together for various activities after work. Colleagues can take these great opportunities to meet others in the Company who share the same interests.

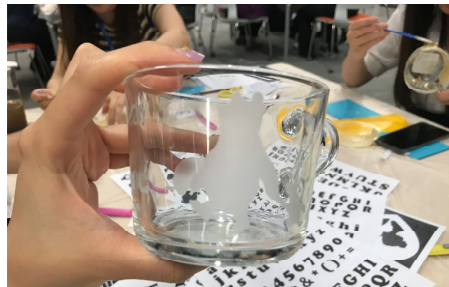
The recreation club, for instance, organises family outing, cooking & baking classes, painting & clay classes, calligraphy workshop, wine appreciation workshop, DIY ukulele and ice-cream workshop, champagne glass etching, cloth bag pad-printing, 3D latte art & etching, environmentally friendly leather crafting, laser war game, pottery class, DIY storm glass workshop, DIY preserved Rose Lamp, drum class, DIY jam class, VR experience, glass coffee cup etching workshop, DIY Decoupage shoes, aroma stone workshop, flower letter light workshop, DIY thumb piano, Kokedama workshop, Christmas wreath workshop and different activities that allow colleagues to relax and learn after work. For some particular clubs that are more popular among colleagues, they would gather more often to have regular activities and even organise for sports competitions too!

Currently, we have sports and special interest clubs that include bowling and hiking. These clubs not only help our colleagues attain better work-life balance, but they also make the workplace more fun and bring about the employee's sense of belonging to the Company. In addition, colleagues joining these clubs can build their leadership and organisational skills through arranging different activities.

Fun Online Interest Classes for Hong Kong Employees

The Recreation Club was established with the aim of promoting work-life balance for all colleagues who can gather to join various activities after work. With the restriction on face-to-face activities due to the pandemic, the Recreation Club organised several online interest classes for employees, including Easter Island Aroma Stone Workshop, Flower Letter Light Workshop, Latte Art Workshop and Snowy Mooncake Workshop.

In these classes, the participants got to learn about arts and crafts and worked on their own DIY items. As there are constraints on the types of activities that can be conducted online, it was not easy to organise online recreation activities. Even so the Recreation Club still managed to organise fun and engaging interest classes for our colleagues.



Flexible Working Arrangements

OOCL has set up virtual offices in several locations like the US, Germany and the Mainland China. The virtual office set-up enables employees to work from home and offers flexibility for customer-facing employees who need to travel constantly. For Regions where flexible working is a statutory obligation of employers, the Company has formulated and implemented a policy in accordance with the law. For example, in the UK, employees can request for flexible working arrangements e.g. flexible start and finish times or working from home to suit their needs.

Online Activities Hosted by Zhuhai Colleagues

During the COVID-19 pandemic, our Zhuhai office also paid attention to promote staff morale and their sense of belonging by hosting a variety of online activities, such as birthday parties, marathon competition, festivals' celebration parties, funny dubbing competition, electronic sports, etc. Hosting these activities online allowed high flexibility and less constraints on time, space and number of participants.

Vietnam Colleagues and Families Showcased Talents in Mid-Autumn Festival Art Contests

To immerse in the atmosphere of the Mid-Autumn Festival while observing social distancing measures, in September 2021, our Vietnam colleagues organised a series of Mid-Autumn Festival-themed art contests for colleagues and their families to enjoy the festivities at home, including painting, photo and video contests. While we were thrilled to see some talents from our colleagues and their children, we hope that the contests sparked some joy for our colleagues and their families while staying home to celebrate the special occasion.

Home Daily Workout Challenge Competition by Vietnam Colleagues

To encourage exercise at home, our Vietnam colleagues organised a Home Daily Workout Challenge in October 2021, encouraging participants to finish a series of workouts at home over a period of seven days. A total of seven teams took part in the competition, which included workouts like sit-ups, squats, plank etc. The participants would record their daily workouts via photos and video clips. Each team also made a video to tell the story of the team's experience in this challenge. The ultimate goal of this challenge was to encourage our colleagues to build long-term workout routines.

Three-month Fitness Programme

Employees from the headquarters and the Philippines took part in a three-month health and fitness programme. The initiative encouraged participants to work towards their health or weight goals through a programme of their choice. They were encouraged to post photo or video updates, healthy tips and workout plans on Microsoft Teams regularly. On top of the personal workouts, there were also bi-monthly five-minute stretching and yoga sessions attended by teams across the regions. The programme emphasised the strengths of individuals and facilitated the collaboration across domains and regions. It created a whole new definition of remote teamwork as participants shared new ideas, suggestions and best practices with cross-team members and counterparts.

OOCL Thailand Engaged Employees with Online Friday Happy Hour

Most employees in our OOCL Thailand offices had been working from home since April 2021. In September 2021, a series of virtual group activities at lunch time was held to bring team members together. An initiative called Online Friday Happy Hour aimed to provide employees with the opportunity to socialise, connect with co-workers and get to know members from other functions or departments whom they had scarce chance to meet in the offices for a while. During each Online Friday Happy Hour session, colleagues had virtual lunch together and learnt more about a useful or interesting topic shared by a volunteering colleague who is an expert of certain subject, such as stretching exercises, makeup tips with face mask and productivity apps.

Virtual Fitness Session by OOCL East & North Europe Group

Due to the pandemic, around 80% of staff from the OOCL East & North Europe Group were working from home. Meanwhile, gyms and sports clubs were closed. To help colleagues maintain a healthy lifestyle, a virtual fitness session under physiotherapeutic guidance was introduced, aiming to improve colleagues' postures and general wellbeing. On the other hand, it helped colleagues to reduce stress level and fostered team spirit.

OOCL UAE Employee Engagement Activities to Promote Wellness and Boost Productivity

From June to August in 2021, OOCL UAE organised a series of employee engagement activities to promote mental and physical health, and to increase productivity. Sports activities such as badminton practice, weekly yoga sessions and biweekly Zumba sessions were held. OOCL UAE also arranged health workshop featuring proper nutrition, posture, wellness tips and medical check-up.



OOCL Australia Launched OOCL Bingo

From October to December 2021, OOCL Australia held an employee engagement initiative – OOCL Bingo – where colleagues completed an assigned activity in groups each week. The main objective of the initiative was to bring together the OOCL team members who had been working from home, and to share the joy of doing some day-to-day activities with each other.

Randomly assigned to eight groups, our colleagues had to work together as a team on activities from six themes, such as Quiz Week, Cleaning Project, Halloween Week, and Healthy Cooking Project etc. One benefit was that everyone got to know different team members across Australia and New Zealand whom they do not deal with on a daily basis. The initiative was a great success – all colleagues from OOCL Australia, OOCL New Zealand and OOCL Logistics Australia participated in this initiative.

OOCL Australia Launched Fitness Challenges

OOCL Australia launched a three-month Fitness Challenge for its employees, with an aim to encourage regular exercise. During the three-month period starting 12th April 2021, contestants had to share a weekly summary of their physical activities to the panel of judges. Based on steps taken and calories burned, the three most active employees were the winners.

As outdoor activities were restricted due to the nationwide lockdown, OOCL Australia launched a Home Gym Challenge to encourage colleagues to keep up with physical exercise at home. From 16th August to 30th September 2021, participants formed into seven teams and were required to provide their weekly physical activity summary tracked by fitness exercise apps. The most active team would be the winner. Over the same period, weekly Home Gym Sessions were organised every Wednesday and Friday, where participants would complete a series of challenging workouts together via online meetings.



OOCL Australia Earned 2021 Great Place to Work Certification

OOCL Australia was recognised as a Great Place to Work in Australia. Conducted by consulting and research institute Great Place to Work, the worldwide programme recognises top organisations that help to provide a great working environment to employees.



Healthy Work Environment

We conduct various approaches to promote public health and hygiene in our work environment. This includes organising various health talks for the staff to learn how to prevent the outbreak of an infectious disease that could have a devastating impact on our operations.

Health Square

Health Square promotes the need for a healthy lifestyle to our colleagues through various channels. Prevention is better than cure so we promote health awareness by organising health



talks and classes for all colleagues. Our Health Square programme organises a series of health classes, such as Wellness Yoga, "Tai Chi", "Wing Chun", Boxing Aerobics, "Qi Gong", "Ba Duan Jin", Acupuncture Points Pain Relief Massage and Lymph Exercise, Jazz Dance, Sport Climbing, Kickboxing, Pilates, Running, Boxing, First-Aid Course, Archery, Zumba, Aerial Yoga, Bounce Fit, Taekwondo, Stretching class, Self-massage, Floor Curling Class and Funky Dance, Sport Climbing and Running Class to promote a healthy lifestyle to our colleagues. Our aim is to arouse their awareness of staying healthy and develop an interest in doing different forms of exercise.

Neptune Declaration on Seafarer Wellbeing and Crew Change

COVID-19 has imposed significant impacts on not only people on land but also seafarers at sea. Since the virus outbreak, hundreds of thousands of seafarers have been stranded on ships beyond their original contracts. As prolonged periods at sea could put great stress on seafarers' mental and physical well-being, we have signed the Neptune Declaration on Seafarer Wellbeing and Crew Change to urgently call for four main actions to address the crisis, including:

- Recognise seafarers as key workers and give them priority access to COVID-19 vaccines
- Establish and implement gold standard health protocols based on existing best practice
- Increase collaboration between ship operators and charterers to facilitate crew changes
- Ensure air connectivity between key maritime hubs for seafarers



**The Neptune Declaration
on Seafarer Wellbeing
and Crew Change**

9

Intellectual Capital

As an industry leader in the use of information technology, we aspire to provide the most innovative international container transport and logistics services in the business. In our strategies and management in driving digital transformation, we are committed to enhancing operational efficiency, bringing innovative solutions to our customers, and developing green IT solutions for our business. All this contributes to our competitive position as well as our service quality hallmark, which are widely recognised by customers and peers in the industry. We aim to deliver our commitment on the key objectives to address the relevant Sustainable Development Goal:



SDG 13: Climate Action

Take urgent action to combat climate change and its impacts

Introduce efficient and environmentally friendly vessels.

In Progress **Introducing Newbuilds**

Sustaining Growth by Innovation

Newbuilding Orders by OOCL

OOCL placed newbuilding orders for 12 container vessels with a nominal capacity of 23,000 TEU, and 10 container vessels with a nominal capacity of 16,000 TEU each. We expect to begin taking delivery of the 23,000 TEU vessels in the year 2023, while the 16,000 TEU vessels are expected to be delivered between 2024 and 2025. These new buildings are part of our ongoing programme to introduce large, modern, and fuel-efficient vessels to further strengthen our fleet competitiveness as well as fleet rebalancing by increasing the proportion of the ships we own in the core fleet.

Furthermore, these new vessels will help bring economies of scale to OOCL's unit cost structure and enable the company to continue to play an influential role in offering more competitive and best-in-class services to customers. We are pleased to say that the latest engine technology and other state-of-the-art equipment will be used to achieve greater operational efficiency and reduce carbon emissions, which is consistently in line with our work and commitment to corporate sustainability and environmental protection.

Energy Efficient "GIGA Class" Containerships

OOCL reached a milestone from launching six "GIGA Class" vessels, each with a carrying capacity of 21,413 TEU, which are among the most energy efficient vessels in the industry today. We are committed to exceeding international standards and these "GIGA Class" vessels are an important part to enhancing the competitiveness and efficiency of our modern

fleet. Designed and built with efficiency objectives in mind, these vessels can provide better economies of scale and sailing performance at sea. By embracing innovative designs and the latest green technologies, these vessels lead to lower energy consumption levels and achieve an Energy Efficiency Design Index (EEDI) value that is 48% better than the EEDI baseline requirement by the IMO.

In many of today's environmentally conscious supply chains, customers are paying more attention to sustainability and their effects on the environment. The investment on these vessels in our fleet reinforces our commitment to customers in reducing our negative impact on the environment.

Verified Gross Mass (VGM) requirements under the Safety of Life at Sea (SOLAS) Convention

To improve safety in the supply chain, the IMO has made amendments to the Safety of Life at Sea (SOLAS) convention indicating that all shippers must comply with mandatory container weight verification requirements, or Verified Gross Mass (VGM).

Principle

"No VGM, No loading." A container without a VGM is not allowed to load onto the vessel. The shipper is responsible for the potential regulatory penalties and all costs associated to the exception handling of the containers without the VGM."

Mobile App for SOLAS VGM Compliance

CargoSmart announced BoxSnap, a free app to easily collect and share container weight information through a smartphone to comply with the Safety of Life at Sea Convention's Verified Gross Mass requirements (SOLAS VGM).

The mobile app simplifies and expedites the process for shippers, truckers and cargo weighing parties to obtain VGM information and submit it to their ocean carriers to comply and minimise the risk of held cargo or penalties. Leveraging optical character recognition (OCR) technology, truckers and cargo weighing parties can take a photo of a container, check the captured container number and tare weight, and share it with the parties responsible for filing the VGM.

BoxSnap allows shippers to receive container weight information as soon as it is available, either when a container is packed at a warehouse or is at a weighing station, to meet critical VGM submission deadlines. Shippers, truckers, and cargo weighing parties can save time from having to search through carriers' websites for container tare weights, conveniently share scanned container information, and retain digital image records for future reference. Shippers who submit VGMs through CargoSmart's online platform can designate third-parties to provide the container weight details through the app and receive alerts when they can submit the VGM to their carriers.

MyOOCLReefer Services

MyOOCLReefer (MOR) services leverage the latest technologies in areas such as Artificial Intelligence (AI), Internet of Things (IoT), mobile and telematic devices to bring an unprecedented level of transparency, visibility and convenience to shippers when managing their reefer cargo shipments with us. This level of access to information on the container

can greatly help shippers in their cargo protection and inventory management process. At sea, the real-time monitoring of the shipment's schedule and substantially more accurate Estimated Time of Arrival (ETA) can give shippers more control over the supply chain where timing of their products to shelf is of paramount importance. On land, customers will appreciate the AI's constant oversight on possible deviations to the container's reefer settings where they can immediately take recovery action to any major impact affecting the cost, profit margin and market value of the shipment.

The introduction and adoption of these innovative technologies are making a very positive contribution to the way we do business in the industry. Moving forward, OOCL will continue to innovate and differentiate ourselves from the competition by working closely with our business partners to bring more visibility, control and convenience to our customers in their reefer shipments with us because "We take it personally".

CargoSmart Connected Reefer Solution

CargoSmart Connected Reefer Solution is a one-stop reefer cargo management solution for ocean carriers and shippers. The AI and IoT-enabled solution features end-to-end information transparency, including enhanced reefer container Pre-Trip Inspection (PTI) support, real-time container status monitoring updates, and predictive cargo arrival status. It allows carriers to offer best-in-class performance to shippers with lowered operating costs. It has been proven effective and efficient.

My OOCL Center

We understand that buyers and suppliers have to lower their costs, react quickly to market changes

and operate a high-speed supply chain in order to meet the formidable challenges. My OOCL Center (MOC) is an online tool offered by OOCL to enhance the interaction with all key parties involved in a shipment, thus helping customers become more cost efficient and ultimately more competitive.

MOC's innovative "dashboard" user-interface enables customers to easily monitor and control all the interactions regarding their shipments.

OOCL Lite App

OOCL Lite is one of OOCL's customer-focused and innovative IT products developed by CargoSmart™, an independently-operated company with OOCL investing in the development of the solution platform. OOCL Lite allows users to: access real time sailing schedules, cargo and vessel tracking data, port schedules, rates of exchange for the selected voyage, detailed container specifications, carbon calculator functions, shipment details, and corporate news at their finger tips. OOCL Lite is available for download at the App Store (iPhone / iPad) and Google Play (Android). The demonstration videos can be viewed in English on the OOCL YouTube Channel and in Mandarin on Youku.

ISCMS-Lite

ISCMS-Lite (International Supply Chain Management Service) is designed to enhance visibility and control over the traditional freight forwarding by utilising our global logistics network and experienced, local customer service teams. It is specifically engineered with the small to medium sized enterprises in mind. It allows a simple, quick onboarding process to create immediate results. The diverse and experienced OOCL Logistics team will drive and support the implementation of our latest product offering ISCMS-Lite to ensure that products arrive to customers as promised.

MyPodium App

MyPodium App is designed specifically for use by the International Supply Chain Management customers moving cargo and shipments with OOCL Logistics. It is the mobile extension of our MyPodium internet-based supply chain visibility and purchase order management information technology. MyPodium App allows the customer to view, track and trace the latest progress of important purchase orders, shipments, and merchandise anytime, anywhere with their smartphone devices. It gives them on-the-go access to exceptions, status updates and fast communication with their logistics network around the globe.

Digital Chatbot “ACE” on VendorPodium

Digital Chatbot “ACE” on VendorPodium OOCL Logistics’ digital chatbot assistant named ACE, is an interactive communication channel on our proprietary VendorPodium platform offering a helpful user experience through an interactive desktop friend. VendorPodium is one of our PODIUM families of integrated supply chain solutions for our customers to enhance visibility and control of product flow.

OOCL Logistics has been a long-time leader in utilising advanced IT to maximise business efficiency and productivity while smoothing the operation processes. With our ACE Chatbot feature in VendorPodium, OOCL logistics makes good use of latest information technology and advanced digitisation solutions to maximum cost- and time-saving potentials and help our customers make better supply chain decisions.

Looking Deeper with Supply Chain – Insight

OOCL Logistics launched an enhanced version of the Supply Chain – Insight, an intelligence tool under

the PODIUM® product line that offers near real-time monitoring of supply chain performance, shipment process and KPI across various dimensions. In the newly developed reports with additional indicators such as CO₂ emission summaries and enhanced functionalities, the upgraded Supply Chain – Insight can help customers closely monitor their shipment processes and analyze supply chain performances to enhance their supply chain decisions and thus improve their competitive advantage.

OOCL Logistics Launched PODIUM® Precision

On 2nd May 2021, OOCL Logistics introduced PODIUM® Precision, the next-generation end-to-end supply chain technology that processes multiple real-time data sources to offer full visibility, convenient traceability, and enhanced transparency on shipments. With accurate predictive analytics capabilities, PODIUM® Precision provides new levels of insight into supply chain management and optimisation, which greatly contribute to the decision-making process when mitigating for any potential risks or unexpected shipment disruption events. By combining today’s industry technologies – intelligent data processing, automation, and performance optimisation methods – with OOCL Logistics’ expertise in efficient global supply chain management, this innovative solution helps to ensure that shippers can consistently meet their customers’ standards and requirements while staying ahead of the competition.

CargoSmart Customer Innovation Center Drives Digital Transformation

CargoSmart opened its Customer Innovation Center to help shippers leverage the latest technologies and innovative solution development methods to drive digital transformation. The specialists there are working closely with shippers to digitise their

shipment management processes through an iterative development process to identify challenges, quickly develop applications, as well as test and refine the solutions. Experienced engineers in various technology areas such as Artificial Intelligence (AI), machine learning, Internet of Things (IoT), and Application Programming Interfaces (APIs) work closely together to create new products for shippers and to help transform their businesses in an innovative way.

OOCL Built Chatbot with Power Virtual Agents to Handle Employees’ FAQ

OOCL Zhuhai office launched a chatbot on Microsoft Teams to provide employees with 24/7 support for frequently asked questions regarding human resources. Using the Power Virtual Agents for Teams, it is now possible to build a chatbot without the need of writing code. Human Resources colleagues often encounter a lot of questions from employees asking about leaves, social security, and shuttle bus arrangement, etc. With an automated chatbot, our Human Resources colleagues can work more efficiently and provide timely support to other colleagues.

OOCL Logistics China Launched Webinar Series on Supply Chain Digital Transformation Journey

In the changing market environment, enterprises now have a higher demand for supply chain visibility and flexibility. Fourth Party Logistics (4PL) plays an increasingly important role in enhancing supply chain visibility, providing real-time supply chain status, improving efficiency and optimising costs. With our expertise in 4PL, OOCL Logistics China launched a webinar series on the supply chain digital transformation journey. Through the sharing from our veteran logistics professionals, we aim to provide insights into the challenges and opportunities for enterprises and share our experience in 4PL’s digital transformation.

Public Release of FreightSmart

In January 2021, an OOCL advanced online platform – FreightSmart was released publicly. FreightSmart is an online platform providing instant quotation as well as booking with space and equipment protection from OOCL. Customers are able to quote, order and book with OOCL anywhere, anytime online. The highlights of FreightSmart include product variety, instant order-placing, and space and equipment protection. Prolific selection of Global Trade Routes for the available service loops are on shelf with high visibility on FreightSmart. On the platform, customers can get real-time price quotations anytime simply with a few clicks. Once an order is placed, FreightSmart will secure the rates, ocean freight rate and all standard Origin and Ocean Surcharges, while space will be immediately reserved for customer.

Since the launch of FreightSmart in early 2021, there were already several enhancements of the platform. For example, its regional coverage has been expanded to cover all trade lanes within OOCL's service network. More service options, inland locations, and value-added services will be covered in FreightSmart progressively.

FreightSmart PlumSmart Loyalty Programme

PlumSmart – a loyalty programme that offers premium discounts and benefits to our valuable FreightSmart customers was rolled out. The PlumSmart programme is divided into two dimensions – Platform Level and Sailing Level – to provide comprehensive benefits based on customers' support in each quarter. The more a customer orders, the more offers the customer can receive for their next booking. Platform Level represents a customer's overall support to FreightSmart by measuring their overall volume on the platform. PlumSmart awards customers different sailing levels according to their support per trade lane on FreightSmart. Different discounts are offered to users according to their sailing levels in each Trade.

To ensure space availability for more FreightSmart customers in peak seasons, FreightSmart occasionally imposes limits on selected voyages or trade lanes. In addition to the distinctive discounts, customers with a higher sailing level can also enjoy a higher maximum purchase limit to cater for their business needs.



IQAX Participated in the 5th World Intelligence Congress

IQAX participated in the 5th World Intelligence Congress (WIC) in Tianjin from 20th to 23rd May 2021. WIC has gained good reputation in hosting a platform for collaboration and knowledge exchange regarding intelligence between global experts and officials, industry giants and entrepreneurs. The theme for the congress was "New Era of Intelligence: Empowering New Development, Fostering New Pattern". At the event, IQAX shared its latest shipment solutions and achievements in the field.

Blockchain Consortium to Develop the Global Shipping Business Network (GSBN)

CargoSmart initiated the formation of the blockchain consortium with eight other leading ocean carriers and terminal operators to develop the GSBN, an open digital platform based on distributed ledger technology. CargoSmart is leveraging its deep shipping domain knowledge, big data analytics, and expertise in developing software applications with artificial intelligence (AI), Internet of Things (IoT) and blockchain technologies to help network participants improve their shipping and logistics operations.

The GSBN provides the foundation for an application that can transform documentation flow for shipment management including dangerous goods documents, invoices, and cargo release. The first planned application will allow shippers to digitise and organise their dangerous goods documents and automatically connect with relevant parties to streamline the approval process.

Blockchain Initiative to Simplify Shipment Documentation Processes

CargoSmart developed a blockchain solution for shipment documentation to improve complex supply chain processes. The solution establishes a digital baseline for trusted shipment documentation management across the shipping and logistics industry. Shippers, forwarders, carriers, truckers, and customs agencies will be able to collaborate more efficiently through the platform for a single version of truth and an immutable audit trail with low latency. When connected through a blockchain documentation platform, the entire shipping ecosystem can reduce disputes, avoid late penalties from customs agencies, expedite documentation turnaround times, and better manage detention and demurrage costs. CargoSmart projects a 65% reduction in the amount of time required to collect, consolidate, and confirm data from multiple parties and to handle shipping data that is repetitive in different documents by leveraging its blockchain shipment documentation solution. Document handling is particularly extensive for shippers and their logistics service providers with specialised cargo. For example, shipping dangerous goods requires numerous certificates to ensure that declared goods are classified and packed correctly but some of the shipping document contents are filled repeatedly into different declaration forms. CargoSmart's blockchain solution reduces the risk of mis-declaration and speeds up the filing process. When documents are submitted accurately and timely, the cargo can continue to move according to plan.

Information Security

The Company's information security and cybersecurity risks, which are grouped under IT risk as registered on the functional risk dashboard. These risks are safeguarded by the Information Services Department, which is led by Chief Information Officer, a member of the executive committee of OOCL, to oversee a full spectrum of IT-related strategies of the Group. We did not experience any breaches of information security, such as receiving complaints concerning breaches of customer privacy, or other cybersecurity incidents over the past three years.

Security Threat Monitor Center

Security Threat Monitor Center (STMC), collocated with Global IT Infrastructure and Security Center (GISC) in our Zhuhai office, provides 24/7 technical support to our global IT infrastructure and security services including cybersecurity, desktop, server, network and infrastructure services. It provides real-time monitoring of the company's security posture, detection of security threat, timely respond and remediation of potential security risks.

There are multiple dashboards monitoring the global cybersecurity threat, including a global map showing the real-time network connectivity status and offices with security threats detected and being mitigated. The overall cybersecurity posture and risk score measure the current corporate cybersecurity posture. Real-time attack sources/destinations, attack types and counts provide additional insight in case need to drill down to a particular security threat.

Multi-layered security protection including network firewall, intrusion prevention system, web application firewall, database firewall, secure email gateway and endpoint protection deliver all-round protection to our IT assets. Big data security analytics identify security threat in real time by correlating machine data with Indicators of Attack (IoA), Indicators of Compromise (IoC) and cyber threat intelligences that would trigger automatic blocking of malicious connections at the firewall, for example blocking user connections to a malicious

website. In case any malicious activities are found, the corresponding process would be blocked to stop the threat, for example blocking a ransomware process that attempts to perform data encryption. These automated responses at firewall and endpoint can remediate the security risks timely without manual effort.

Security Certification in OOCL Data Centre

OOCL was successfully certified with the ISO/IEC 27001:2013 standard that puts more emphasis on measuring and evaluating how well an organisation's Information Security Management System (ISMS) conforms to risk assessment requirements and meets the high corporate IT Security management, planning and control standards.

The ISO 27001 Information Security Certification is an internationally-recognised code of practice for the management and protection of information security. With the certification, it recognises that the data centre is professionally secured to world-class standards. The importance of information security is to ensure that timely and accurate information are available when delivering products and services while at the same time, preventing and minimising security incidents. OOCL has been accredited with the ISO 27001 Certificate since 2005 and successfully upgraded to the latest edition of ISO/IEC 27001:2013 in 2014 by SGS, an international certification body.

The certification covers the primary production Data Centre, also extends to secondary Data Centres for "Research and Development" and "Disaster Recovery" services, as well as to our Bimodal Innovation Center for both "Production" and "Research and Development" purposes.

The ISO 27001 specifications contain a number of objectives and controls. These include: Information security policies, Organisation of information security, Human resource security, Asset management, Access control, Cryptography, Physical and environmental security, Operations security, Communications security, System acquisition, Development and maintenance, Supplier relationships, Information security incident management, Information security aspects of business continuity management and Compliance.

External verification is performed at least annually by a third-party security service provider with appropriate certification. The external verification includes penetration testing of critical systems/applications and simulated hacker attacks to test and verify the effectiveness of our security protection measures.

As an industry leader in technology, OOCL strives to provide the most innovative international container transport and logistics services in the business. As part of its core business philosophy, OOCL excels in its services through continuous improvement and adoption of cutting-edge technology and information systems.

Escalation Process for Information Security

In the event an employee notices something suspicious, the employee can escalate the case to our 24/7 Global IT Infrastructure and Security Center. For each case, the Center will perform investigation, risk assessment and severity classification. If it is confirmed as a security risk, the Center will perform risk containment, remediation and escalation to subject matter experts to remediate the risk if necessary. Management would be notified if there is any major impact to the business.

Incident Response

A business continuity plan in case of cyberattacks is put in place. It defines the process and procedures to restore critical IT infrastructure and business applications under a cyberattack. This cyberattack recovery plan is drilled and tested at least annually.

Cybersecurity – Enforcement of Anti-Spoofing Email Policy

In order to counter email spoofing, the Company has enforced several security measures including Sender Policy Framework (SPF), DomainKeys Identified Mail (DKIM), and Domain-based Message Authentication, Reporting & Conformance (DMARC). SPF and DKIM security measures have already been implemented in the Group's emails so that external parties can distinguish the sender of the emails. The DMRAC policy that helps external recipients to reject the phishing emails has also been also enforced. These email security measures could ensure our company remains as a trusted email sender and help our customers to counter the phishing email messages.

Phishing Email Awareness Exercise

Cyber attacks can seriously affect businesses and it is vital that our colleagues learn how to prevent these attacks and deal with suspicious emails. OOCL launched awareness exercise focusing on phishing emails. Emails were sent out to our staff under the guise of a hacker designed to track how people fall victim to the phishing and help to assess our organisation's vulnerability to an actual attack.

IMO Cyber Risk Management

To comply with IMO's new requirement which implements from 1st January 2021 about maritime cybersecurity, we have incorporated a Cyber Risk Management Plan into our SQE Management System to support safe and secure shipping. This Plan will also be reviewed regularly for continuous improvement to safeguard shipping from current and emerging cyber threats and vulnerabilities.

Personal Data Protection and Privacy

Embedded in the group-wide compliance management, our Personal Data Protection and Privacy Policy outlines how personal data of employees should be processed in compliance with the General Data Protection Regulation ("GDPR") and other applicable data protection law relevant in those jurisdictions where personal data of individuals is processed. The data protection obligations for employees when handling vendors' and customers' personal data are also provided in the policy. In the event of a suspected personal data breach, each employee must inform the Local Privacy Officer in the Regional Office immediately to further contact the Privacy Compliance Team. The Privacy Compliance Team will escalate this to the Group Privacy Officer, who shall take all appropriate measures.



Cyber Security Awareness Training

Traditionally, antivirus and malware detection software would provide a boost to our computer security by helping our computers stay away from being “infected”. But as the development of the Internet is becoming more sophisticated than ever, signature-based virus / malware detection tools alone are no longer sufficient today.

This is because the “Advanced Persistent Threat”, a set of stealthy and continuous computer hacking processes often orchestrated by attackers targeting a specific entity by taking advantage of security loopholes, is growing. APT has been observed to target organisations and/or nations for business, financial and/or political motives. “Corporate Security Breaches”, “Email Spoofing”, “Spear Phishing” and “Social Media Fraud” are some of the common types of cyber attacks.

To boost our employee’s knowledge and awareness of cybersecurity, new initiatives and programmes have been developed to ensure everyone takes part in protecting our assets and become more resilient against such threats. This includes an annual cybersecurity training and mandatory test for all employees, monthly knowledge and trend updates, and sophisticated monitoring and protective systems. This Worldwide Cyber Security Awareness Training programme demonstrates our commitment to IT security and best practices to protect Company and customer information.

A Cyber Security Awareness Refresher course was launched in August 2021 for our global staff. The course is designed to help users at all levels to refresh their understanding and awareness of cybersecurity. This time the refresher course put more focus on phishing email attacks and how to avoid being a victim. We continuously emphasise on work-from-home cybersecurity because of the rise of remote working due to the COVID-19 pandemic.

We initiated a Big Data Security Analytic project to further enhance our protection systems. It is to reduce the danger of zero-day malware when APT happened and unknown attacks in our environment by providing early detection and near-real-time alerts.

Building Trusting Customer Relationships

Data Privacy and Intellectual Property Rights

We have attained the ISO 27001 Information Security Certification and evaluated our information security management system to protect our customer and business data privacy from cyber risks. Our Privacy and Security Statement sets out how we collect, use, store and protect the personal data and information. We ensure our business activities comply with EU General Data Protection Regulation (GDPR) and other applicable data protection law relevant in those jurisdictions when we process personal data of individuals. All personal data are strictly encrypted and only accessible by authorised personnel within the Company.

The Group’s Code of Conduct ensures intellectual property rights are observed and protected. This policy assures that the Company’s business and customer information are well protected and that there is no misappropriation of our intellectual property.

Commitment to Product and Service Responsibility

The Company is committed to honesty, integrity and fairness in everything it does. We support fair trade and operation practices; and ensure that our advertising, marketing and communications materials are appropriate, updated and in compliance with government regulations and industry best practices; and provide an appropriated and updated. Our guidepolicy on advertising is defined and formulated according to a framework to ensure that all advertising projects and related matters are in line with our fair trade and operation practice as well as in compliance with applicable government regulations and industry best practices.



We are also committed to adhering to the principles set out in our Safety, Security and Environment (SSE) Policy which outlines our operating principles that employees can follow to maintain high standards of health & safety in the workplace in order to avoid any associated risks to the Company’s business activities.

We strictly comply with the requirements of relevant laws and regulations related to the product and services we provide to our stakeholders. Taking a zero-tolerance approach for all these areas, the Group is not aware of any material noncompliance with relevant laws and regulations on health & safety, advertising, information security, cybersecurity and privacy matters related to products and services provided during the reporting period. So there was no any redress action undertaken. Recall of products sold/shipped data, as well as its quality assurance process and recall procedures are not applicable to our industry as we do not manufacture or sell any physical products.

10

Social and Relationship Capital

We embrace Community Responsibility as one of our Core Values. These values are our underlying beliefs and the foundation of our corporate ethos, shared by every member of the Group. Our core values provide us with a yardstick by which we measure and make our judgments and decisions. Managing our social and relationship capital is a key to success in running our business. We aim to deliver our commitment on the key objectives to address the relevant Sustainable Development Goals:



SDG 4: Quality Education

Ensure inclusive and quality education for all and promote lifelong learning

Offer scholarships for Universities and employees' children, vocational training, internships, and other programmes to over 20,000 beneficiaries by 2030.

In Progress 43% Achieved



SDG 17: Partnerships for the Goals

Strengthen the means of implementation and revitalise the global partnership for sustainable development

As such, we will continue to strengthen our collaboration with various stakeholders and industry organisations.

In Progress

We believe that our community contributes greatly to our Group's success. We have policies on community investment and community engagement as we try to understand the needs and interests of the communities where our Group operates and to adjust our activities accordingly. In addition to our environmental contribution, we also give back to the community in other three focus areas, namely Education of Youth, Community in-Need, and Promotion of Arts and Culture, which all link to our business strategy.

Education

We believe it is essential to contribute to the skills development and capacity building of young people.

OOCL Academy

To further our Education for Youth objectives, an initiative called the "OOCL Academy" was launched in 2008 on a global scale. It aims to leverage the competencies of OOCL and align with the four Community Responsibility focuses of the Group. The Academy offers students unique opportunities to learn and practice in the areas of container transportation, logistics and information technology. These opportunities are offered to undergraduate and postgraduate students studying in these three areas and could take the form of internships, work placements, mentorships, sponsorships, and personal development programmes. The Academy also supports university research projects and places strong emphasis on the importance of collaboration.

Internship Programme

Internship is one of the opportunities offered to undergraduate and postgraduate students of Maritime, Logistics and Information Technology from our OOCL Academy Program. Other than recruiting from universities, we also encourage employees' children to apply for our internships. Through the internship programme, We offer various business development projects to enable summer interns to gain experience in their field of study and broaden their global perspectives.

OOCL Internships Around the World

Education of Youth is one of the few important community outreach initiatives of OOCL. We offer students unique opportunities to learn and practice in the areas of container transportation, logistics and related information technologies. These opportunities are offered to undergraduate and postgraduate Maritime, Logistics and Information Technology students in the form of internship, mentorship, sponsorship, or personal development programmes. In 2021, OOCL regional offices around the globe opened their doors to offer internships to deserving students for the summer months. Participating offices in Australia, Cambodia, China, Denmark, Egypt, Finland, France, Germany, Italy, Malaysia, Pakistan, the Philippines, Poland, Russia, Singapore, Sweden, the US and Vietnam hosted a total of 409 interns to offer them the opportunity to work with us and learn more about our industry.

Management Trainee Program

We also offer Management Trainee Program to candidates with outstanding qualifications from leading universities. The 3-year Management Trainee Program is a structured development programme, which aims at growing and nurturing future business leaders. Through taking up different on-the-job training in various departments, trainees will gain a better understanding and valuable hands-on exposure of our key operations. Our high-performing management trainees are given the chance to fast track their careers to management positions across a broad range of business areas.

Graduate Training Scheme

We have always been recognised as a pioneer in information technology development for the liner and logistics industry and investing in a tremendous amount of resources on training young IT talents to further boost their professional development.

We continue to contribute to the local community through academic engagements. We have been certified as a Hong Kong Institution of Engineers (HKIE) Scheme “A” Company in 2009 and since then, we have been running HKIE Fresh Graduates Trainee programmes to provide young talents with a nourishing ground to become seasoned IT professionals through a structured training module.

OOCL IT Academy

The OOCL IT Academy was established with the aim of strengthening and ultimately grooming our IT talent pool in a more structured way. The idea behind the OOCL IT Academy was to provide a 3-month intensive boot camp-style training for all our newly-hired IT graduates. The training would encompass technical know-how, process, and hands-on experience as well as knowledge sharing on OOCL culture. The training helps to motivate them to continue on their learning journey throughout their career at OOCL. With the academy set up and running, the plan is for all future IT graduates to complete the boot camp before they begin working at the Company.



OOCL IT Internship Programme

Every year, Zhuhai office recruit around 50 interns majoring in IT to join internship at OOCL for six to twelve months, strengthening and ultimately grooming our IT talent pool in a more structured way. Interns are assigned to different teams for work and can take part in various IT technical trainings, such as blockchain technology, VueJS and Spring Boot, to name a few. All these training courses could help interns to quickly adapt to the working environment and acquire technical skills for their career development. This programme demonstrates OOCL's social responsibility in talent development. Approximately 30% of interns pass the ITA interview and join OOCL after graduation annually.

CargoSmart Virtual Business Centre (VBC) School Program

Since 2010, OOCL have embraced and supported the VBC business model to maintain flexible options in our workforce. In cooperation with local colleges in Zhuhai, VBC has recruited more than 1,540 interns from 2010 to 2021, providing support for our recruitment objectives and maintaining a stable human resources pipeline in the Centre. In this Program, all interns would receive professional training on shipping and other business topics. Meanwhile, we also supply soft skills training like communication skills and career planning, which would help them adapt to the workplace quickly. In 2021, we conducted six sessions, and 72 interns attended the program. Upon the completion of internship, the interns would receive star certificates and contract employment opportunities with OOCL. A series of trainings were conducted to equip our VBC colleagues with various skills to facilitate the functioning of VBC:

– Effective Performance Appraisal Interview Training

In January 2021, to improve colleagues' practical communication skills for performance review, an Effective Performance Interview Training was delivered to 36 VBC colleagues with such role. The seminar aimed at sharpening the colleagues' skills of performance review communication and team management.

– Interview Skills Training

In June 2021, an Interview Skills Training was designed and conducted for 20 VBC colleagues who are involved in recruitment interviews. The training covered interview standard and practical skills to improve the colleagues' efficiency of recruitment and skills of scouting talents to fulfill operational needs.

– Mentoring Skills Training

Starting from December 2021, a series of Mentoring Skills Training was designed and conducted to improve VBC staff's mentoring skills. Attended by 28 VBC colleagues, the training series included three sessions, respectively shedding light on mentor's role, communication skills and training skills, for the 28 participants to learn more about the role of a mentor and skills required for mentoring.

– Process Management Training



In December 2021, a Process Management Training was set up for VBC colleagues with daily roles in process management. Throughout two days of training, 34 trainees learnt more about process thinking, design and judgement to optimise process and enhance operational effectiveness and efficiency.

Collaboration with Academics Institutions

OOCL Maritime Academy

OOCL collaborated with the Zhoushan Municipal Government to construct the Zhejiang International Maritime College (ZIMC) in China, the first of its kind in the country. Today, to be in line with our continual commitment to the education of young people, and to help provide training to our crew members, a renewed collaborative agreement was reached with the ZIMC that lead to the construction of a training base on the college's campus.

With the mission to promote maritime education and supporting the role that Chinese seafarers play in the world's maritime transportation and logistics industry, OOCL Maritime Academy and the International Seaman Training Center was unveiled in Zhoushan, Zhejiang Province, China.

This training facility called the OOCL Maritime Academy (OMA) was constructed for international seafarers and is used to train crew members and recruit talented



young cadets by providing them with opportunities to work onboard our vessels. This also includes training and exposure for the ZIMC teachers and faculty through workshops and seminars conducted by key members of our experienced fleet management team and other senior sea officers.

OOCL has established an own-operated training centre in collaboration with a maritime college. This partnership greatly helps promote the important role that China plays in the global maritime arena – with the aim to strengthen safety, security, and environmental protection practices as well as encouraging Chinese students to join the maritime and shipping industry.

OOCL Zhuhai Colleagues Delivered Lecture at Beijing Normal University

On 21st April 2021, our Zhuhai colleagues were invited to deliver a lecture on the topic “Agile Development”, covering topics like the importance of Agile and Pair Programming, to around 120 junior students. At the end of the session, the director of Information and Technology school highly appreciated our colleagues for going the extra mile to share knowledge for their students and contributing to community responsibility.

Community-in-need

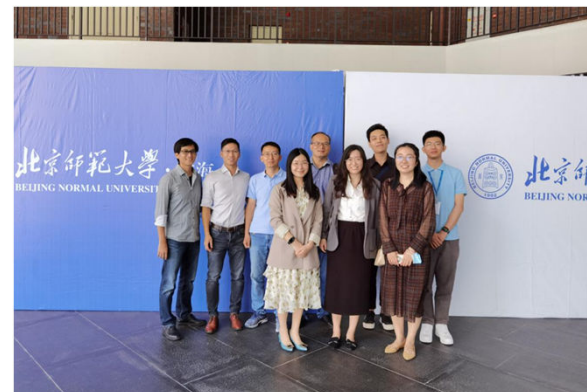
Being an integral part of the community, we are a caring company that actively considers the needs of the people in our society. Our main focus is on underprivileged children and other similar groups in the community. Through our commitment to children's right, we ensure that children's childhood, potential, and dignity will not be deprived under any circumstances. All our employees from every office around the world are encouraged to give something back to the communities in which they live through charitable activities such as fundraising and volunteering their time and efforts to helping others in need. In 2021, we contributed 1,462 hours to community and volunteering events.

Charitable Support

In 2021, the Group donated about US\$8,736,000. In addition to financial donations, the Group also contributes in kind.

Disaster Relief

In our guidepolicy of “Community Responsibility” for disaster relief, the Group may initiate joint relief efforts in conjunction with relevant regional offices of the Group. Employees may also raise funds for local charities on their own where the Group may consider providing further financial support. In-kind donations such as operational equipment and office equipment may be considered for designated charity organisations and schools to the benefit of the community. On certain disaster relief or general charity occasions, container transportation service might be provided by the Group.



OOCL Vital Link

OOCL Hong Kong formed an official volunteer team, called the OOCL Vital Link in December 2004 and currently there are over 100 members in this team. Since its establishment, a total of 136 charitable events were organised. These include fund-raising, donation, environmental protection and servicing events.



A Charity Credit Program was launched to show our appreciation for our colleagues' active participation in public service initiatives, community outreach and volunteerism.

– Volunteering Activities Organised by Vital Link

The pandemic did not stop us from caring for our community and those in need. Over 2021, Vital Link organised several volunteering activities. We are grateful to see that our volunteers contributed their time, craftsmanship and creativity for spreading love in the community.

– Donation of Gift Packs to Elderly

Before the Chinese New Year last year, our volunteers from Vital Link co-organised a gift pack distribution event with The Hong Kong Federation of Youth Groups – Jockey Club Ping Shek Youth S.P.O.T. Vital Link sponsored the gift packs, and our volunteers also took their time to pack the gifts. Items in gift packs include face masks, hand sanitisers and some food. The gift packs were donated to the organisation and passed to elderly.



– Green Donation Campaign

In August 2021, Vital Link organised a green donation campaign to avoid waste while helping our community. We invited colleagues to donate clothes, accessories, and home appliances in clean and good condition. The donated goods were collected and sent to elderly living alone, homeless people and others in need through The Salvation Army.

– Santa Letter Workshop



Partnering with non-profit organisation Mymailbox852, Vital Link organised a Santa Letter Workshop to share love and happiness through handwritten letters in this digital world. Participants were invited to reply in name of Santa Claus to the Christmas cards and letters collected by Mymailbox852.

– Volunteer Service Skills Training – Effective Communication Skill

To better equip our volunteers with service skills, Vital Link arranged an Effective Communication Skill Training workshop for our volunteers. The workshop was delivered by social workers from the Agency for Volunteer Service – an NGO that is experienced in volunteer training and has been providing many local volunteering opportunities.

– Mooncake Donation to Underprivileged families

To reduce waste in Mid-Autumn Festival and to help those in need in the community, Vital Link organised a mooncake donation programme to gather surplus mooncakes to be re-distributed to underprivileged families through Food Angel, a food rescue charity. All the donated mooncakes were delivered to Food Angel on 28th September 2021.

– Donation of Food and Disinfection Materials to Elderly funded by Environmental Award's Cash Prize

After winning the Gold Award (Service Industry Sector) of the 2019 BOCHK Corporate Environmental Leadership Awards in October 2020, part of the prize money was spent to support the donation of food and hygiene kits including face masks and disinfection materials to the elderly of our community.

Between December 2020 and February 2021, we collaborated with Mong Kok Kai Fong Association Limited Chan Hing Social Service Centre by donating and distributing the hygiene kits and food packs to the elderly. Besides, we also collaborated with Hong Kong Federation of Youth Groups Jockey Club Ping Shek Youth S.P.O.T., to pay home visit and distribute the hygiene kits and food packs to the elderly during the collection period between July and August 2021. With environmental friendliness in mind, in the hygiene kits, we selected soap over hand wash liquid, and sourced relatively sizeable portable hand sanitisers to minimise the use of plastic bottles. We hope the Company's efforts in community responsibility will help alleviate the burden of the elderly during the COVID-19 pandemic.

Supporting Partner for Pass-it-On Campaign of HKRC

OOCL Logistics proudly continued its support to the Hong Kong Red Cross (HKRC) annual fundraising “Pass-it-On Campaign” for the seventh consecutive year. Succeeding with the theme of “Love and Found”, the campaign encourages people to care for their loved ones and be aware of the less fortunate, especially during the pandemic. Two charitable items “Reddie Bear Infinity Backpack” and “Reddie Bear Treasure Bag” were available for participants to purchase and donate. As a supporting partner, we were pleased to provide our expertise in supply chain management and logistics solutions to HKRC for this meaningful charity event.



Volunteering in Zhuhai Library

OOCL Zhuhai colleagues took part in the volunteering activity in Zhuhai Library. The volunteers helped the library to collect books and maintain order. This volunteering programme is a continuous on-going activity and has been organised for many years.

Community Responsibility Project by OOCL Singapore

In March 2021, OOCL Singapore kicked off its first community responsibility project for the year. Further to the successful collaboration with the NGO Beyond Social Service in 2020, OOCL Singapore once again partnered with the NGO to support the elderly and underprivileged families through the “Sharing the Love” project. With generous support from our donors i.e. our vendors and customers, we successfully



raised fund to buy grocery vouchers for a hundred of families. At year-end, another charitable project was organised with the same NGO to send bags of daily necessities and grocery vouchers to over one hundred families.

Fundraising Campaign for Mount Semeru Eruption

OOCL and OOCL Logistics employees in Surabaya, Indonesia initiated a fundraising campaign to help the refugees of the volcanic eruption of Mount Semeru.



This initiative was greatly supported by all Indonesian employees across various locations in the form of donations of money and food. The OOCL Indonesia team coordinated with the Regional Disaster Management Agency to purchase necessity items, such as gas stove burners and pans, based on its advices.

Donation of Relief Supplies to Flood Victims in Malaysia

In December 2021, the continuous torrential rain hit hard in Selangor, Malaysia. Floods caused massive damage that greatly impacted the daily lives of many families and made the restoration work extra difficult. During these challenging times, OOCL and OOCL Logistics Malaysia assisted the communities by donating 100 packs of necessities, including rice, sugar, salt, flour, instant noodles, canned food, and beverages, to the victims via the Lions Club of Sentul Kuala Lumpur.

Thailand Colleagues Organised Donation Drive for Medical Supplies to Hospital

To show support and care for medical professionals who have been working heroically to fight COVID-19 on the front lines, OOCL and OOCL Logistics Thailand organised a donation drive to raise money for purchasing medical supplies for a

local university hospital. We purchased the most needed items including protective suits, nitrile gloves, disposable medical caps and medical masks. On 2nd September 2021, our representatives delivered the medical supplies to the hospital.



Sponsorship of Crossroads Foundation's Charitable Shipments



Amid the challenging times influenced by the COVID-19 pandemic, OOCL sponsored a total of three shipments from the Crossroads Foundation to Odessa, Ukraine and Haifa, Israel in July and December 2021. The shipments included medical supplies, stationery, appliances, and clothing that catered to the essential needs for the impoverished communities in the Middle East and Eastern Europe. Through local NGOs, the donations reached and benefitted thousands of vulnerable families and people with disabilities in Moldova, Ukraine and Israel.

With the concerted effort of OOCL, global and local charities, we are able to extend our care and support to those in need far and wide, and we will continue to live out our "Take It Personally" spirit in both our day-to-day operations and community services.



OOCL Logistics Costa Rica Spread Christmas Kindness

In the spirit of Christmas giving, OOCL Logistics Costa Rica reached out to the disadvantaged communities in San Jose with festive presents. There was a weekly "Casual Friday" donation at our Costa Rica office, in which colleagues who dressed casual on Fridays would contribute a certain amount to charity. Last December, part of the proceeds went to Fundación Yeyo, a local NGO that offers daily necessities, skill training and job searching services to underprivileged families in San José. This was our third time supporting the foundation since our Costa Rica office opened in early 2021. A number of toys ranging from dolls, toy trucks to soccer balls were purchased as Christmas gifts to children in need. Apart from toys, the office also donated goodie bags of fruit to Asociación Fútbol Base Coronado, a community football league supporting young players.

OOCL Australia Celebrated Multicultural Diversity and Raised Fund for Charity

As an international company, OOCL embraces diversity and strives to create an inclusive work environment. 15th to 21st March 2021 was Australia's Harmony Week. Australia colleagues organised an OOCL Multicultural Day to celebrate multicultural diversity. Colleagues volunteered to prepare dishes representing their culture for fundraising. More than 80 employees participated and dressed in their national clothes, the donation was passed to Cancer Council Australia.



Equipment Support for Transportation of Donated Masks to Port of Long Beach

OOCL Long Beach partnered with Pacific Drayage Services to transport face masks donated by a clothing company to the Port of Long Beach. Pacific Drayage Services required the short-term use of a container to transport the masks from the warehouse to the Port of Long Beach Maintenance Building for further distribution in the Port. On 30th May 2021, the coordination of all parties went smoothly, and the masks were delivered on time. The majority of these masks went to the Long Beach Health Department.



Promotion of Arts and Culture

We believe that exposure to different cultures can enrich people's lives. By supporting and sponsoring the performing arts, we aim to stimulate the public's interest and appreciation of the cultural treasures from around the world.

Others

Hong Kong Voluntary Observing Ships Scheme

Under the Voluntary Observing Ships Scheme by the Hong Kong Observatory (HKO), our ship officers would make regular weather observations and report the conditions to the HKO for analysis. These observations can provide vital information about the weather conditions at sea and are particularly important for the timely preparation of warnings of hazardous weather to highly populated areas. There are 52 OOCL vessels participating in this voluntary scheme.

Awards and Recognition

OOCL Honoured with the 15 Years Plus Caring Company Logo

We have been recognised by the Hong Kong Council of Social Services (HKCSS) for our years of contributions to caring for our community. We were awarded with the "15 Years Plus Caring Company" status by the HKCSS and it is given to companies that have demonstrated a caring spirit with the aim to cultivating good corporate citizenship and strategic partnership among the business, public and social service sectors.



OOCL Receives Social Capital Builder Logo Award

OOCL received the Social Capital Builder Award in recognition of our contributions to building social capital in Hong Kong, China. Social capital refers to the network of relationships among people who live and work in a particular society and enabling that society to function effectively. OOCL was successful in demonstrating the six core social capital dimensions to the judging panel, including social networks, mutual help and reciprocity, social cohesion and inclusion, information and communication, social participation, as well as trust and solidarity.



Recognition from the Hong Kong Observatory

In 2021, 52 OOCL vessels participated in the Hong Kong Voluntary Observing Ship (HKVOS) programme by the Hong Kong Observatory to gather and provide marine climatology data needed to help identify prevailing weather conditions for preparing forecasts and warnings to the maritime community.

To recognise our outstanding efforts to help improve maritime safety, at the HKO annual meeting on 26th November 2021, OOCL Chongqing, OOCL Korea and OOCL Utah received the "Platinum Award" for contributing 400 or more weather reports in 2020, whereas four OOCL vessels, namely OOCL Dalian, OOCL London, OOCL New York and OOCL Tokyo received the "Gold Award" for their contribution of more than 300 weather reports. In addition, two OOCL vessels, namely OOCL Busan and OOCL Guangzhou, had been presented the certificates of appreciation for their assistance in deploying five drifting buoys in the western North Pacific and the South China Sea to enhance ocean observation during the typhoon season in 2020.



11

Sustainable Development Goals

To continue with our commitment in meeting and exceeding international standards on all our Sustainable Development Goals and objectives, we have introduced new targets to help us better benchmark and manage our performance.



As ethical business behaviour and corporate sustainability are becoming increasingly more important, many companies are taking a closer look at themselves to openly communicate and measure their business values and impact on the environment and communities in which they operate.

As a socially responsible company, we are committed to maintaining safe and secure business operations for a sustainable future. To continue with our commitment in meeting and exceeding international standards on all our sustainability goals and objectives, we have introduced new targets to help us better benchmark our performance.

The United Nations (UN) has adopted a set of bold new Global Goals that charts sustainable development for the people and planet by 2030 as a universal, integrated and transformative vision to make our world more prosperous, inclusive, sustainable and resilient.

The OOIL Group supports the Sustainable Development Goals (SDGs) set out by the UN and we are committed to taking action and formulating the relevant SDGs to contribute to tackling global environmental and social challenges we face across industries while building on our ESG profile and recognition as an industry leader on sustainability initiatives.

Mapping of the United Nations Sustainable Development Goals (UNSDGs) against Stakeholders' Expectations

Following our previous stakeholder engagement and materiality assessment, four UNSDGs have been selected as most important to our stakeholders, namely Decent Work and Economic Growth, Climate Action, Life Below Water and Partnerships for the Goals. The results provided good insights and serves as a strong foundation for us to formulate our long-term sustainability targets and objectives. In addition to our existing sustainable development goals, we developed targets for the two extra SDGs: Goal 8 and Goal 17. Moving forward, we will continue to grow our business responsibly with the help of these directions in our sustainability efforts and join hands with every stakeholder to contribute to sustainable development.

12

Targets Review

We established programmes or action plans to monitor and ensure our sustainability targets are met. Objectives and Targets aim for continual improvement in sustainability agenda or for minimising the relevant impact. Targets are therefore quantified wherever possible to measure our achievements.

Progress in 2021

The Environment

- No breach of any environmental rules and regulations. | ✓ |
- Targets to avoid and reduce the following environmental impacts and resources # : | O |
 - Direct (Scope 1) GHG emissions and marine fuel consumption intensities
 - Indirect (Scope 2) GHG emissions and electricity consumption intensities
 - Onshore and offshore general waste intensities
 - Offshore hazardous waste intensity
 - Onshore and offshore freshwater consumption intensities
- # These targets, which are applicable to liner activities, are reviewed and approved through our ESG reporting mechanism. The quantitative progress can be referred in the Natural Capital chapter.
- Enhance our Sustainability Assurance and Reporting by employing independent checker to assure our sustainability data integrity. | ✓ |

Our People

- Give all staff members access to various internal communication channels based on their job nature and requirements such that our employees can submit feedback, contribute ideas and share knowledge across our global offices for effective teamwork. | ✓ |

Health & Safety

- Zero occurrence of major maritime accident.
- Participate in at least two safety programmes.
- No severe or fatal crew injury cases. | ✓ |
- Ensure our existing training materials and procedures are up-to-date.
- Regularly review and deliver updates of any international safety standards and regulations to every crew member.

Security

- Maintain our compliance with C-TPAT, AEO and related security programmes at all times. | ✓ |
- Constantly and meticulously follow any updates regarding security issues.

The Community

- Maintain an average of two hours volunteering service per full time employee count. | O |

Appendix I: Performance Data Summary

We gather a wide variety of measurable data to help monitor and evaluate our sustainability performance and identify any critical areas for improvement. Consistent methodologies had been adopted to allow for meaningful comparisons of our sustainability data over time. ⁱ

GRI Reference	Performance Indicators	Unit	Scale	2020	2021
GRI 301-1	Materials Consumption				
	Paper	Metric Ton	Actual	80.8	81.2
	Cardboard Box	Metric Ton	Actual	114.4	129.0
	Printer Cartridge	#	Actual	4,663	4,584
	Battery	#	Actual	31,164	31,843
	Marine Lubricant	Litre	Thousand	11,238.3	10,713.1
	Marine Paint	Litre	Thousand	366.5	284.0
	Stretch Film / Stretch Wrap	Kg	Actual	2,315	7,249
	Refilled Refrigerant ~ R134a	Kg	Actual	7,920.3	6,276.5
	Refilled Refrigerant ~ R404a	Kg	Actual	22,230.7	17,132.9
	Refilled Refrigerant ~ R407c	Kg	Actual	5,118.6	4,598.6
	Refilled Refrigerant ~ R452a	Kg	Actual	90.7	132.0
GRI 301-2	Recycling				
	Paper	Metric Ton	Actual	39.6	51.7
	Oil Sludge	Metric Ton	Actual	25,673	25,256
	Plastic	Kg	Actual	3,748	6,066
	Printer Cartridge	#	Actual	542	662
	Battery	#	Actual	737	2,045
GRI 302-1, 302-2	Energy Consumption				
	Electricity ⁱⁱ	MWh	Actual	20,415.63	20,866.84
	Renewable Energy ~ Solar Energy ⁱⁱⁱ	kWh	Actual	202,026	186,030
	Natural Gas	Thermal	Actual	20,016	18,096
	Marine Fuels	Metric Ton	Thousand	1,744.78	1,747.43
	Diesel	Litre	Thousand	715.94	618.62
	Gasoline	Litre	Thousand	127.79	120.77
	Kerosene	Litre	Actual	597	1,423
	Liquefied Petroleum Gas (LPG)	kg	Actual	7,370.00	6,475.00
	Ethyne	kg	Actual	1,371	1,554

GRI Reference	Performance Indicators	Unit	Scale	2020	2021
GRI 302-3	Energy Intensity				
	Electricity Intensity	kWh/TEU ^{iv}	Actual	2.74	2.75
	Natural Gas Intensity	Thermal/TEU	Thousandth	2.68	2.39
	Marine Fuels Intensity	g/TEU-km ^v	Actual	12.82	13.02
GRI 303-4, 303-5	Water Consumption, Reuse and Discharge				
	Fresh Water	Metric Ton	Thousand	138.30	164.02
	Water Intensity	Metric Ton/TEU	Actual	0.019	0.022
	Seawater Desalination	Metric Ton	Thousand	179.23	161.63
	Seawater for Ballast Exchange	Metric Ton	Thousand	1,785.55	1,336.32
	Water Discharge ^{vi}	Metric Ton	Thousand	138.30	164.02
GRI 305-1, 305-2, 305-3	Greenhouse Gas Emissions (GHG) ^{vii}				
	Carbon Dioxide (CO ₂) - Direct	Metric Ton	Thousand	5,448.06	5,454.17
	GHG - Electricity Use ^{viii}	MtCO ₂ e ^{ix}	Thousand	11.66	11.89
	GHG - Business Travel by Air	MtCO ₂ e	Thousand	0.374	0.102
	GHG - Business Travel (Accommodation)	MtCO ₂ e	Thousand	0.258	0.079
	Methane (CH ₄) - Direct	MtCO ₂ e	Thousand	2.45	2.46
	Nitrous Oxide (N ₂ O) - Direct	MtCO ₂ e	Thousand	88.0	87.5
	GHG - Total ^x	MtCO ₂ e	Thousand	5,538.50	5,556.21
GRI 305-4	Greenhouse Gas Emissions (GHG) Intensity				
	GHG Intensity - Fuel Use	g CO ₂ e/TEU-km	Actual	40.62	41.25
	GHG Intensity - Electricity Use	g CO ₂ e/TEU	Actual	1,563.26	1567.13
GRI 305-5	Reduction of Greenhouse Gas Emissions				
	Export Solar Energy to Local Electricity Grid	kWh	Actual	87,395	73,697
GRI 305-7	Other Air Emissions				
	Sulphur Oxides (SO _x)	Metric Ton	Thousand	16.40	16.43
	Nitrogen Oxides (NO _x)	Metric Ton	Thousand	131.76	132.42
	Particulate Matter (PM)	Metric Ton	Thousand	11.79	11.93
	Non-Methane Volatile Organic Compounds (NMVOCs)	Metric Ton	Thousand	5.39	5.42
	Carbon Monoxide (CO)	Metric Ton	Thousand	4.92	4.94

GRI Reference	Performance Indicators	Unit	Scale	2020	2021
GRI 306-3, 306-5	Wastes				
	General Wastes - Disposal	Metre Cube	Actual	16,886	16,589
	General Wastes - Incineration	Metre Cube	Actual	1,077	1,262
	Hazardous Wastes ^{xi}	Metre Cube	Actual	827	8.39
	General Waste Intensity – Onshore	Metre Cube/TEU	Thousandth	1.80	1.73
	General Waste Intensity – Vessels	Metre Cube/TEU	Thousandth	0.46	0.45
	Hazardous Waste Intensity	Metre Cube/TEU	Thousandth	0.11	0.0011
-	Spills				
	No. of Spills	#	Actual	0	0
	Toxic Waste Spilled	Metric Ton	Actual	0	0
GRI 307-1	Environmental Incidents				
	Cases of Environmental Incidents	#	Actual	0	0
	- Cost of Fines, Penalties or Settlements	#	Actual	0	0
GRI 102-8, 403-9	Health & Safety				
	No. of Employees - Shore Staff	FTE ^{xii}	Actual	8,507	8,586
	No. of Employees - Sea Staff	FTE	Actual	2,045	2,092
	No. of Employee - Consolidated Group Total	FTE	Actual	10,552	10,678
	No. of Fatalities - Consolidated Group Total	#	Actual	0	0
	No. of Cases with the Actual Lost-time Injury ^{xiii} - Shore Staff	#	Actual	4	9
	Lost-time Injury Rate ^{xiv} - Shore Staff	#	Actual	0.047	0.105
	Lost Day due to Injury - Shore Staff (NEW)	Day	Actual	23	93.5
	No. of Cases with the Actual Lost-time Injury - Sea Staff	#	Actual	4	1
	Lost-time Injury Rate - Sea Staff	#	Actual	0.196	0.048
	Lost Day due to Injury - Sea Staff (NEW)	Day	Actual	12	0.5
	No. of Cases with Injury - Contractors (NEW) ^{xv}	#	Actual	-	7
	No. of Cases with the Actual Lost-time Injury - Contractors (NEW)	#	Actual	-	0
GRI 102-8	Workforce by Area				
	Mainland China	%	Actual	46.7	47.3
	Hong Kong, China	%	Actual	13.6	13.1
	North America	%	Actual	7.0	7.0
	Europe	%	Actual	7.0	7.1
	Others	%	Actual	25.7	25.5

GRI Reference	Performance Indicators	Unit	Scale	2020	2021
GRI 102-8	Employment Type				
	Regular	%	Actual	93.64	94.45
	Contract & Temporary	%	Actual	6.36	5.55
GRI 102-41	Labour / Management Relation				
	Collective Bargaining Agreements (CBA) ^{xvi}	%	Actual	100	100
GRI 401-1	New Employee Hires (<i>NEW</i>)				
	By Gender				
	Women	#	Actual	647	961
	Men	#	Actual	522	623
	By Age Group				
	30 Years Old and Below	#	Actual	892	1,185
	31-49 Years Old	#	Actual	255	366
	50 Years Old and Above	#	Actual	23	34
GRI 401-1	Employee Turnover (Voluntary)				
	Shore Staff	%	Actual	7.8	11.9
	Sea Staff	%	Actual	10.3	8.3
	Consolidated Group Total	%	Actual	8.3	11.2
	By Area				
	Mainland China	%	Actual	9.1	13.3
	Hong Kong, China	%	Actual	10.0	16.9
	North America	%	Actual	3.6	9.2
	Europe	%	Actual	5.3	8.3
	Others	%	Actual	4.9	8.9
	By Gender				
	Women	%	Actual	7.0	12.6
	Men	%	Actual	8.0	11.3
	By Age Group				
	Under 30 Years Old	%	Actual	13.9	22.6
	30-39 Years Old	%	Actual	5.2	8.8
	40-49 Years Old	%	Actual	3.0	5.2
	50 Years Old and Above	%	Actual	2.2	3.6

GRI R	nce	Performance Indicators	Unit	Scale	2020	2021
GRI 404-1		Trainings				
		Employees Trained by Employee Category				
		Executive	%	Actual	100	91.21
		Managerial	%	Actual	100	98.22
		General Staff	%	Actual	99	94.41
		Employee Trained by Gender				
		Male	%	Actual	99	94.59
		Female	%	Actual	99	94.47
		Average Training Hours by Employee Category				
		Executive	#	Hour	3.98	5.52
		Managerial	#	Hour	7.70	7.76
		General Staff	#	Hour	6.63	8.31
		Average Training Hours by Gender				
		Male	#	Hour	6.33	7.11
		Female	#	Hour	6.88	8.31
GRI 404-2		Trainings				
		Online Courses or Exams at ePeopleSmart Enrolled	#	Actual	44,442	38,875
		Code of Conduct Training <i>(participation rate)</i> ^{xvii}	%	Actual	96.00	99.58
		Competition Compliance Training <i>(participation rate)</i>	%	Actual	99.63	99.93
		Cyber Security Awareness Training <i>(participation rate)</i>	%	Actual	97.60	95.46
		Global SSE Awareness Refresher Course <i>(participation rate)</i> ^{xviii}	%	Actual	97.50	-
		Sexual & Workplace Harassment Training <i>(participation rate)</i> ^{xix}	%	Actual	100.00	100.00
GRI 405-1		Breakdown of Workforce (Onshore)				
		By Gender				
		Women in Workforce ^{xx}	%	Actual	54.50	55.23
		Men in Workforce	%	Actual	45.50	44.77
		By Age Group				
		Under 30 Years Old	%	Actual	35.15	34.51
		30-39 Years Old	%	Actual	33.32	32.59
		40-49 Years Old	%	Actual	19.47	20.72
		50 Years Old and Above	%	Actual	12.05	12.18

GRI Reference	Performance Indicators	Unit	Scale	2020	2021
GRI 405-1	Breakdown of Directors <i>(NEW)</i>				
	By Gender				
	Women	#	Actual	3	2
	Men	#	Actual	11	11
	By Age Group				
	Under 50 Years Old	#	Actual	1	0
	50 Years Old and Above	#	Actual	13	13
GRI 405-1	Nationality Mix of Seafarers				
	Mainland China	%	Actual	64.7	67.7
	Hong Kong, China	%	Actual	3.8	1.8
	Europe	%	Actual	4.0	3.6
	Malaysia	%	Actual	4.2	3.0
	Philippines	%	Actual	20.9	23.0
	Singapore	%	Actual	0.7	0.5
	Others	%	Actual	1.7	0.4
GRI 406-1	Human & Labour Rights				
	Incidents of Discrimination & Labour Rights Issues ^{xxi}	#	Actual	0	0
	- Actions Taken in Response to Incidents	#	Actual	0	0
	Incidents of Human Rights Violations ^{xxii}	#	Actual	0	0
	- Actions Taken in Response to Incidents	#	Actual	0	0
GRI 407-1	Freedom of Association				
	Independent Trade Unions ^{xxiii}	%	Actual	100	100
GRI 205-3	Corruption				
	Communication of Anti-corruption Policy to Employees ^{xxiv}	%	Actual	100	100
	Incidents of Corruption	#	Actual	0	0
	- Actions Taken in Response to Incidents	#	Actual	0	0
	- Cost of Fines, Penalties or Settlements	#	Actual	0	0
GRI 415-1	Public Policy				
	Political Contributions Made ^{xxv}	US\$	Actual	0	0
GRI 201-1	Economic Performance				
	Revenue	US\$	Thousand	8,191,304	16,832,185
	Liner Volume	TEU	Million	7.46	7.59
-	Management Systems				
	Percentage of Owned Vessels with SQE Certification ^{xxvi}	%	Actual	100	100

Notes:

- i. Data in Appendix I cover business activities from the global offices, warehouses, depots and our fleet from business entities of which the Group has 100% ownership. Some companies under the Group are omitted from the Sustainability Report either due to a low percentage of ownership or insignificant size of the companies.
- ii. Our electricity consumption covers business activities from global offices, warehouses and depots, where applicable.
- iii. Solar energy was harnessed in the Company's solar panel installation project in the United Kingdom.
- iv. TEU stands for Twenty-Foot Equivalent Unit.
- v. TEU-km stands for nominal TEU kilometre.
- vi. Water discharge is assumed to be equivalent to the consumed potable water. All effluent from offices are discharged into the public sewer. Wastewater generated onboard vessels are either treated and discharged to the open sea or being collected by facilities that are authorised by the port authority. All wastewater discharge methods comply with IMO, the local wastewater discharge laws, and adhere to World Health Organization (WHO) standards.
- vii. All GHG Scopes 1 & 2 emissions data are collected, consolidated, and verified on our OOCL Sustainability Data Collection e-Platform. The data covers all the electricity and fuel consumption from our vessels, global offices, and warehouses. The data are processed with appropriate carbon emission factors as well as related Global Warming Potential (GWP) values obtained from The Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5). The applicable GWP values are: 1 for CO₂, 28 for CH₄, and 265 for N₂O respectively.
- viii. Our indirect GHG (Scope 2) emissions are associated with the electricity consumption from business activities of our global offices, warehouses and depots. The location-based method is adopted with grid-average emission factor data obtained from the International Energy Agency (IEA).
- ix. Metric ton of carbon dioxide equivalent denoted as "MtCO₂e".
- x. Emissions of hydrofluorocarbons (HFCs), sulphur hexafluoride (SF₆), perfluorocarbons (PFCs) and nitrogen trifluoride (NF₃) are considered negligible and are not quantified.
- xi. The generation of hazardous wastes comes from our vessel fleet.
- xii. Headcount is in terms of Full Time Equivalent (FTE).
- xiii. Lost-time Injury means the result in the lost time of a minimum of one day.
- xiv. Lost-time Injury Rate represents the number of Lost-time Injuries per 100 employees per year.
- xv. We keep record of our contractors' injury cases to take appropriate follow-up actions. During the reporting period, seven cases of contractor injuries related to vessel-operations were recorded and none of them caused lost time of a minimum of one day. We are not aware of any contractors' injury cases occurred in our office areas.
- xvi. Percentage of crews covered by Collective Bargaining Agreements (CBA).
- xvii. A mandatory Anti-bribery and Anti-corruption Training was launched globally for our directors and staff in the past. Starting from 2021, it is replaced with the Code of Conduct Training, which covers topics such as compliance with legal standards, anti-bribery and anti-corruption, anti-harassment, and personal data protection.
- xviii. The Global SSE Awareness Refresher Course is conducted biennially.
- xix. It is only applicable to North America Liner staff.
- xx. The share of women in all management positions, including junior, middle, and top management is 34.5%. Meanwhile, women account for 36.3% and 27.3% of our workforce in junior and top management positions respectively. Within revenue-generating functions (including Marketing, Sales, and Trades functions), women account of 32.3% of the management positions. The share of women working in STEM-related position i.e. functions related to information technology is 46.3%.
- xxi. Labour issues covers child labour, forced labour, working hours, wage, etc.
- xxii. Human rights represents workforce diversity, equal opportunities, discrimination, etc.
- xxiii. Percentage of crew members represented by independent trade unions. As part of the Collective Bargaining Agreement, all seafarers of OOCL shall be members of at least one of the undersigned Union and OOCL pays invoiced Union fees for our crew members' membership for the Hong Kong Seafarers' Coordination Committee for each owned vessel. We acknowledge the right of seafarers to participate in union activities and to be anti-union discrimination as per ILO Conventions Nos. 87 and 98.
- xxiv. The updated Code of Conduct with anti-bribery policy is available in an accessible format at our intranet through Office 365 Portal for employees.
- xxv. No contribution to political campaigns, political organisations, lobbyists or lobbying organisations, trade associations and other tax-exempt groups were made.
- xxvi. The general management principles embodied by the ISM Code, ISO 9001, ISO 14001 and OHSAS 18001 have been incorporated in SQE certification requirement. We comply with the Safety, Quality & Environmental requirement of industry-recognised guide for marine health, safety, quality, environmental and energy management. External audit is performed annually for the SQE certification.

Appendix II : Independent Assurance Statement



LRQA Independent Assurance Statement Relating to Orient Overseas (International) Limited's Sustainability Report 2021 for the Year 2021

This Assurance Statement has been prepared for Orient Overseas (International) Limited in accordance with our contract but is intended for the readers of this Report.

Terms of Engagement

LRQA Limited – Hong Kong Branch ("LRQA") was commissioned by Orient Overseas (International) Limited ("the Company" or "OOIL") to provide independent assurance on its 'Sustainability Report 2021' ("the Report") – environmental, social responsibility and health & safety data for the year 2021 (from 1st January 2021 to 31st December 2021) against the assurance criteria below to a limited level of assurance and at the materiality of the professional judgement of the verifier using ISAE 3000 and Global Reporting Initiative (GRI) Principles.

Our assurance engagement covered OOIL's operations and activities in the Company with its group companies and specifically the following requirements:

- Verifying conformance with the Company's reporting methodologies;
- Evaluating the accuracy and reliability of data and information for only the selected indicators addressed in Appendix I: Performance Data Summary of the "OOIL Sustainability Report 2021"; and
- Evaluating if the sustainability performance disclosures have been presented with reference to the criteria set out in the GRI Standards and HKEx Environmental, Social and Governance Reporting Guide ("ESG Guide").

Our assurance engagement excluded the data and information of OOIL's suppliers, contractors and any third parties mentioned in the Report.

LRQA's responsibility is only to OOIL. LRQA disclaims any liability or responsibility to others as explained in the end footnote. OOIL's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of the Company.

LRQA's Opinion

Based on LRQA's approach, nothing has come to our attention that would cause us to believe that the Company has not, in all material respects:

- Met the requirements above; and
- Disclosed accurate and reliable performance data and information summarised in the Appendix I of the Report.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA's standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA, its affiliates and subsidiaries, and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'LRQA'. LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

The English version of this Assurance Statement is the only valid version. LRQA assumes no responsibility for versions translated into other languages.

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LRQA's Approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Auditing the company's data management systems to confirm that there were no significant errors, omissions or misstatements in the Report;
- Reviewing the application of the reporting principles in the preparation of the Report, the effectiveness of data handling procedures, instructions and systems, including those for internal verification;
- Interviewing with the key people responsible for compiling the data and drafting the Report;
- Sampling datasets and tracing activity data back to aggregated levels;
- Verifying the historical Greenhouse Gases and air emissions / energy consumption / solar energy generation / water consumption / waste disposal / use of resources / Code of Conduct / fatality and injury (employees and contractors) / cyber security practices / social responsibility data and records for the year 2021; and
- In light of the exceptional circumstances triggered by the COVID-19 outbreak, remote approach has been employed for this verification service as a special arrangement.

LRQA's Observations

Further observations and findings concerning reporting principles in the Report preparation, made during the assurance engagement, are:

- **Stakeholder inclusivity:**
We are not aware that any key stakeholder groups have been excluded from OOIL's stakeholder engagement process. OOIL has incorporated stakeholders' concerns into the management approach and decision-making processes in order to develop a well-structured engagement approach and response to sustainability issues.
- **Materiality:**
We are not aware of any material issues concerning OOIL's sustainability performance that have been excluded from the Report. OOIL has established criteria for determining which sustainability factor is material, and these material issues have been prioritised and influenced OOIL's disclosures.
- **Responsiveness:**
We are not aware of any findings in related to OOIL's internal and external communication beyond the expected time, and not adequate responding mechanism to communicate with various key stakeholder groups.
- **Reliability:**
We are not aware of any issues, affecting the reliability of OOIL's the well-defined data management system, internal information management and internal control.
- **Consistency:**
We are not aware that OOIL has not reported performance indicators in consistent scope, definition, reporting approach and methodology.
- **Balance:**
We are not aware of any biased evidence such as selections, omissions, and presentation formats, concerning OOIL's sustainability performance.
- **Quantitative:**
We are not aware that OOIL has not disclosed measurable and comparable sustainability performance indicators based on GRI Reporting Principles and HKEx ESG Guide.

Signed

William TSUI

William TSUI

LRQA Lead Verifier

On behalf of LRQA Limited

Unit 1508-1510, 15/F, Two Chinachem Central, 26 Des Voeux Road Central, Central, Hong Kong

LRQA reference: HKG6037379

Dated: 24th April 2022

Appendix III : GRI Standards Content Index

GRI Reference	Description	References and Remarks
GRI 101: Foundation 2016		
GRI 102 General Disclosures 2016		
Organizational Profile		
GRI 102-1	Name of the organization	Our Reporting Approach
GRI 102-2	Activities, brands, products, and services	Our Business
GRI 102-3	Location of headquarters	Our Business
GRI 102-4	Location of operations	Our Business
GRI 102-5	Ownership and legal form	Our Business
GRI 102-6	Markets served	Our Business
GRI 102-7	Scale of the organization	Our Business
GRI 102-8	Information on employees and other workers	Performance Data Summary
GRI 102-9	Supply chain	Value Chain
GRI 102-10	Significant changes to the organization and its supply chain	<i>No significant change</i>
GRI 102-11	Precautionary Principle or approach	Our Reporting Approach
GRI 102-12	External initiatives	Our Reporting Approach; Natural Capital
GRI 102-13	Membership of associations	Approach to Sustainability; Natural Capital
Strategy		
GRI 102-14	Statement from senior decision-maker	Chairman's Message and Board Statement
Ethics and Integrity		
GRI 102-16	Values, principles, standards, and norms of behavior	Our Business; Our Reporting Approach
Governance		
GRI 102-18	Governance structure	Approach to Sustainability
Stakeholder Engagement		
GRI 102-40	List of stakeholder groups	Stakeholder Engagement
GRI 102-41	Collective bargaining agreements	Performance Data Summary
GRI 102-42	Identifying and selecting stakeholders	Stakeholder Engagement

GRI Reference	Description	References and Remarks
GRI 102-43	Approach to stakeholder engagement	Stakeholder Engagement
GRI 102-44	Key topics and concerns raised	Stakeholder Engagement
Reporting Practice		
GRI 102-45	Entities included in the consolidated financial statements	<i>Refer to Annual Report 2021 – Principal Subsidiaries, Associated Companies and Joint Ventures</i>
GRI 102-46	Defining report content and topic Boundaries	Our Reporting Approach; Stakeholder Engagement
GRI 102-47	List of material topics	Stakeholder Engagement
GRI 102-48	Restatements of information	<i>Not applicable</i>
GRI 102-49	Changes in reporting	Our Reporting Approach
GRI 102-50	Reporting period	Our Reporting Approach
GRI 102-51	Date of most recent report	Our Reporting Approach
GRI 102-52	Reporting cycle	Our Reporting Approach
GRI 102-53	Contact point for questions regarding the report	Contents
GRI 102-54	Claims of reporting in accordance with the GRI Standards	Our Reporting Approach
GRI 102-55	GRI content index	GRI Standards Content Index
GRI 102-56	External assurance	Our Reporting Approach
Management Approach		
GRI 103-1	Explanation of the material topic and its Boundary	Stakeholder Engagement
GRI 103-2	The management approach and its components	<i>Refer to each chapter page for details</i>
GRI 103-3	Evaluation of the management approach	<i>Refer to each chapter page for details</i>
Economic Topics		
GRI 201: Economic Performance 2016		
GRI 201-1	Direct economic value generated and distributed	Our Business; Performance Data Summary; <i>Refer to Annual Report 2021 for details</i>
GRI 205: Anti-corruption 2016		
GRI 205-3	Confirmed incidents of corruption and actions taken	Approach to Sustainability; Performance Data Summary

GRI Reference	Description	References and Remarks
GRI 207: Tax 2019		
GRI 207-1	Approach to tax	Refer to Annual Report 2021 for details
Environmental Topics		
GRI 301: Materials 2016		
GRI 301-1	Materials used by weight or volume	Performance Data Summary
GRI 301-2	Recycled input materials used	Performance Data Summary
GRI 302: Energy 2016		
GRI 302-1	Energy consumption within the organisation	Performance Data Summary
GRI 302-2	Energy consumption outside of the organisation	Performance Data Summary
GRI 302-3	Energy intensity	Performance Data Summary
GRI 303: Water and Effluents 2018		
GRI 303-1	Interactions with water as a shared resource	Natural Capital; Performance Data Summary
GRI 303-4	Water discharge	Performance Data Summary
GRI 303-5	Water consumption	Performance Data Summary
GRI 305: Emissions 2016		
GRI 305-1	Direct (Scope 1) GHG emissions	Performance Data Summary
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Performance Data Summary
GRI 305-3	Other indirect (Scope 3) GHG emissions	Performance Data Summary
GRI 305-4	GHG emissions intensity	Performance Data Summary
GRI 305-5	Reduction of GHG emissions	Performance Data Summary
GRI 305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Performance Data Summary
GRI 306: Waste 2020		
GRI 306-1	Waste generation and significant waste-related impacts	Natural Capital
GRI 306-2	Management of significant waste-related impacts	Natural Capital
GRI 306-3	Waste generated	Performance Data Summary
GRI 306-5	Waste directed to disposal	Performance Data Summary

GRI Reference	Description	References and Remarks
GRI 307: Environmental Compliance 2016		
GRI 307-1	Non-compliance with environmental laws and regulations	Performance Data Summary
Social Topics		
GRI 401: Employment 2016		
GRI 401-1	New employee hires and employee turnover	Performance Data Summary
GRI 403: Occupational Health and Safety 2018		
GRI 403-2	Hazard identification, risk assessment, and incident investigation	Approach to Sustainability; Human Capital; Performance Data Summary
GRI 403-9	Work-related injuries	Performance Data Summary
GRI 404: Training and Education 2016		
GRI 404-1	Average hours of training per year per employee	Performance Data Summary
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital; Performance Data Summary
GRI 405: Diversity and Equal Opportunity 2016		
GRI 405-1	Diversity of governance bodies and employees	Performance Data Summary
GRI 406: Non-discrimination 2016		
GRI 406-1	Incidents of discrimination and corrective actions taken	Human Capital; Performance Data Summary
GRI 407: Freedom of Association and Collective Bargaining 2016		
GRI 407-1	Operations and suppliers in which the right to freedom and collective bargaining may be at risk	Human Capital; Performance Data Summary
GRI 415: Public Policy 2016		
GRI 415-1	Political contributions	Performance Data Summary

Appendix IV: HKEx ESG Reporting Guide Index

Appendix 27 Compliance List		Section / Statement
Aspect A1: Emissions		
General disclosure	Disclosure statement	Approach to Sustainability (p.10); Natural Capital (p.21)
KPI A1.1	Type of emissions and data	Performance Data Summary (p.63)
KPI A1.2	Direct and indirect GHG emissions in tonnes and intensity	Performance Data Summary (p.63)
KPI A1.3	Hazardous waste produced and intensity	Performance Data Summary (p.64)
KPI A1.4	Total non-hazardous waste produced and intensity	Performance Data Summary (p.64)
KPI A1.5	Description of emission target(s) set & steps taken	Natural Capital (p.21-26, 29-30); Target Review (p.61)
KPI A1.6	Handling of waste, and description of target(s) set & steps taken	Natural Capital (p.27-31, 33); Target Review (p.61)
Aspect A2: Use of Resources		
General disclosure	Disclosure statement	Approach to Sustainability (p.10); Natural Capital (p.29)
KPI A2.1	Direct / Indirect Energy consumption by type and intensity	Performance Data Summary (p.62-63)
KPI A2.2	Water consumption in total and intensity	Performance Data Summary (p.63)
KPI A2.3	Description of energy use efficiency target(s) set & steps taken	Natural Capital (p.21, 24-26, 29-30); Intellectual Capital (p.46); Target Review (p.61)
KPI A2.4	Issues in sourcing water & description of water efficiency target(s) set & steps taken	Natural Capital (p.27-30); Target Review (p.61)
KPI A2.5	Total packaging material	<i>Not applicable as our business does not manufacture or sell any physical / finished product</i>
Aspect A3: The Environment and Natural Resources		
General disclosure	Disclosure statement	Approach to Sustainability (p.10); Natural Capital (p.27, 29)
KPI A3.1	Description of significant impacts of activities	Natural Capital (p.24, 27-32)
Aspect A4: Climate Change		
General disclosure	Disclosure statement	Approach to Sustainability (p.8, 10)
KPI A4.1	Description of the significant climate-related issues & the actions taken	Natural Capital (p.22-23)
Aspect B1: Employment		
General disclosure	Disclosure statement	Value Chain (p.18); Human Capital (p.39-40)
KPI B1.1	Total workforce by gender, employment type, age group & geographical region	Performance Data Summary (p.64-68)
KPI B1.2	Employee turnover rate by gender, age group & geographical region	Human Capital (p.35); Performance Data Summary (p.65)
Aspect B2: Health and Safety		
General disclosure	Disclosure statement	Approach to Sustainability (p.10); Human Capital (p.41)
KPI B2.1	No. and rate of work-related fatalities occurred	Human Capital (p.41); Performance Data Summary (p.64)
KPI B2.2	Lost days due to work injury	Performance Data Summary (p.64)
KPI B2.3	Description of occupational health and safety measures adopted, implemented & monitored	Approach to Sustainability (p.10); Human Capital (p.41-42)
Aspect B3: Development and Training		
General disclosure	Disclosure statement	Human Capital (p.35-37, 41); Intellectual Capital (p.52)
KPI B3.1	The percentage of employees trained	Performance Data Summary (p.66)
KPI B3.2	The average training hours completed per employee	Performance Data Summary (p.66)

Appendix 27 Compliance List

Section / Statement

Aspect B4: Labour Standards		
General disclosure	Disclosure statement	Value Chain (p.18); Human Capital (p.38); Performance Data Summary (p.67)
KPI B4.1	Description of measures to review employment practices	Human Capital (p.38); Performance Data Summary (p.67)
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Human Capital (p.38)
Aspect B5: Supply Chain Management		
General disclosure	Disclosure statement	Value Chain (p.17)
KPI B5.1	No. of suppliers by geographical region	Value Chain (p.16)
KPI B5.2	Description of supplier engagement & no. of suppliers where the practices are being implemented and monitored	Stakeholder Engagement (p.12); Value Chain (p.17)
KPI B5.3	Description of identifying, implementing & monitoring environmental & social risks	Value Chain (p.17)
KPI B5.4	Description of promoting, implementing & monitoring environmentally preferable products & services	Value Chain (p.17)
Aspect B6: Product Responsibility		
General disclosure	Disclosure statement	Approach to Sustainability (p.10); Intellectual Capital (p.52) / <i>We have covered the information on policies and compliance matters relating to health & safety, advertising, and privacy matters relating to services, except labeling to product, which is not applicable as our business does not manufacture or sell any physical product</i>
KPI B6.1	Percentage of total products sold or shipped subject to recalls	Intellectual Capital (p.52)
KPI B6.2	No. of complaints received & how to deal with	Value Chain (p.17)
KPI B6.3	Description of practices relating to intellectual property rights	Approach to Sustainability (p.8); Value Chain (p.18); Human Capital (p.40); Intellectual Capital (p.52)
KPI B6.4	Description of quality assurance process & recall procedures	Intellectual Capital (p.52)
KPI B6.5	Description of consumer data protection & privacy policies, & how to implement & monitor	Intellectual Capital (p.52)
Aspect B7: Anti-corruption		
General disclosure	Disclosure statement	Approach to Sustainability (p.8-9); Value Chain (p.18)
KPI B7.1	No. of concluded legal cases regarding corrupt practices & outcomes	Performance Data Summary (p.67)
KPI B7.2	Description of preventive measures & whistle-blowing procedures, & how to implement & monitor	Approach to Sustainability (p.8-9)
KPI B7.3	Description of anti-corruption training provided	Approach to Sustainability (p.9); Performance Data Summary (p.66)
Aspect B8: Community Investment		
General disclosure	Disclosure statement	Stakeholder Engagement (p.12); Social and Relationship Capital (p.53, 55)
KPI B8.1	Focus areas of contribution	Social and Relationship Capital (p.53, 55)
KPI B8.2	Resources contributed the focus area	Social and Relationship Capital (p.53-59); Target Review (p.61)

Appendix V: Recommendations of the Task Force on Climate-related Financial Disclosures Index

Recommendations and Recommended Disclosures		Section / Statement
Governance		
Disclose the organisation's governance around climate-related risks and opportunities	a) Describe the board's oversight of climate-related risks and opportunities.	Approach to Sustainability
	b) Describe management's role in assessing and managing climate-risks and opportunities.	Approach to Sustainability
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Natural Capital
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Natural Capital
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2C or lower scenario.	Natural Capital
Risk Management		
Disclose how the organisation identifies, assesses, and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks.	Approach to Sustainability; Natural Capital
	b) Describe the organisation's processes for managing climate-related risks.	Approach to Sustainability; Natural Capital
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Approach to Sustainability
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Natural Capital
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Natural Capital; Performance Data Summary
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Natural Capital; Target Review



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