



# ENVIRONMENTAL, SOCIAL & GOVERNANCE **SUSTAINABILITY**







## OUR INDUSTRY. OUR BUSINESS. OUR COMMITMENT.

Eastern Pacific Shipping (EPS) is a global ship management company that is committed to the green and technology-driven growth of the maritime industry. Headquartered in Singapore, our mission is to be the safe and efficient transportation provider of choice to the shipping industry. Empowering that mission are 5,000 skilled and dedicated sea and shore staff that oversee a versatile fleet of 14 million deadweight-tonnes comprising of container, chemical, dry bulk, gas, car carriers, and oil tanker vessels.

As industry leaders we recognise that how we conduct business impacts the industry, our stakeholders, our people, and the environment in which we operate. We embrace this position by adhering to an Environmental, Social & Governance (ESG) policy that guides us in all that we do.



# OUR CORE VALUES

THE CORE VALUES WHICH UNDERLINE OUR ESG POLICIES ARE  
INTEGRITY, RESPECT, TEAMWORK AND COMMITMENT.



## INTEGRITY

We abide by our Code, our policies and all applicable laws, rules and regulations. We adopt a zero-tolerance approach towards corruption and bribery. All our dealings and transactions must be conducted in a transparent, above-board and lawful manner. We expect everyone to avoid and to report any conflict of interest or the appearance of any improper conduct.



## RESPECT

We respect our people, our counterparties and the environment. We are courteous in all our dealings and treat everyone with dignity, regardless of status or position. We strive to cultivate a warm and inclusive environment for our people, and to provide them with equal access to opportunities. We value diversity in the workplace and celebrate the unique cultures, backgrounds, talents and perspectives that each person brings to the organisation.



## TEAM WORK

We recognise the importance of teamwork and aim to foster an environment and culture that promotes trust, open communication and interactions, active collaboration, and the open sharing of ideas. We value each person's contribution as an integral part of the success of our organisation.



## COMMITMENT

We are committed to delivering quality and adding value in our business. We take pride in our work. We never cease in our effort to achieve excellence in our field. We encourage all our people to be efficient, self-motivated, responsible, disciplined and proactive.



# KEY AREAS OF FOCUS

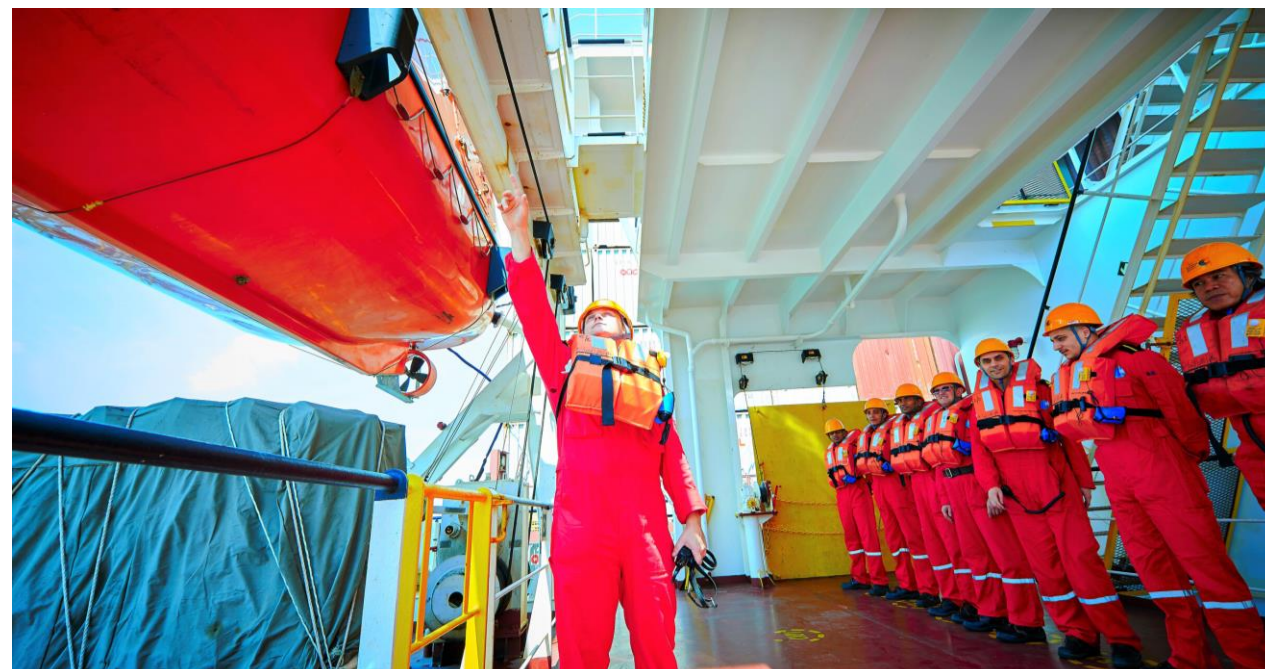
OUR ESG POLICIES ARE COMPRISED OF FOUR MAJOR THEMES



**ENVIRONMENT**



**GOVERNANCE**



**QUALITY, HEALTH & SAFETY**



**SOCIAL**



# ENVIRONMENT



EPS follows a comprehensive Environmental Protection Policy that applies to all that we do at sea and onshore. Per year, EPS typically moves two million TEU, 26 million metric tonnes of bulk cargo, 23 million metric tonnes of oil, gas, and oil products, and over 182,000 vehicles. This is in addition to an average of 4,000 port calls per year. EPS embraces the responsibility that is attached to these high volumes of transport metrics. This responsibility is taken on by all 5,000 employees across our fleet of 14 million deadweight-tonnes and our onshore offices.

## IN THIS SECTION

- Environmental Protection Policy
- Green Ship Recycling Policy
- Emissions Reduction and Tracking
- Single Use Plastic at Sea and Onshore
- Recognitions for our Environmental Policy



## ENVIRONMENTAL PROTECTION POLICY

EPS is committed to operate its fleet of vessels in a manner that minimises the environmental impact of its activities. This will be achieved by setting a policy for:

- 'ZERO SPILLS' to the sea and "ZERO UNPLANNED RELEASES" to the atmosphere.
- Compliance with all environmental laws and regulations applicable to the maritime industry.
- Promoting the use of alternative materials that have a lower environmental impact.
- Continual improvement of its environmental performance through evaluation and investment in innovative technology.

To achieve compliance with the stated policy, EPS shall:

- Prepare and implement operating and maintenance procedures to manage the environmental aspects of its operations in compliance with applicable laws and regulations.
- Subscribe to and implement the ISO 40001 Environmental Management Standard within the Company's fleet of vessels.
- Set targets and measures of its environmental performance and review them on a regular basis to gauge performance and drive continual improvement strategies.
- Provide appropriate environmental training and educate employees to be environmentally responsible.
- Communication and reinforce this policy through the company and its contractors.

## GREEN SHIP RECYCLING POLICY

It is EPS' policy that all our ships at the end of their economic lives will be recycled in a safe, sustainable, responsible and environmentally sound manner.

EPS will only engage ship recycling facilities that are fully certified by a reputable, independent and competent IACS Classification Society, accredited by the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC) and compliant with EPS' Code of Business Conduct.

EPS ensures that all ships maintain an up-to-date Inventory of Hazardous Materials and insist on Material Declarations from our suppliers.

Ship recycling is monitored closely and a Statement of Completion that complies with HKC will be obtained at the end of the dismantling.

EPS is fully committed to conserving the marine ecosystem and environments, prioritising safety and minimising risks to human health.



# EMISSIONS REDUCTION AND TRACKING

THE PATH TOWARDS IMO 2030, 2050 AND BEYOND



EPS' fleet is fully compliant with the IMO 2020 sulphur cap regulation. EPS, and the industry, is now focused on IMO 2030 and IMO 2050 which mandates a 40% and 50% reduction in Green House Gas (GHG) emissions. While these regulations are 10 and 30 years away, there are options available today, specifically, alternate marine fuels, that will significantly reduce GHG emissions. EPS intends to drive the agenda for decarbonisation and the preservation of the environment by using Liquefied Natural Gas as a marine fuel to reduce sulphur oxide, nitrogen oxide and CO<sub>2</sub> emissions while eliminating particulate matter discharge.

With a fleet of over 14 million deadweight-tonnes across various segments it is critical that we are able to quantify the environmental impact of our CO<sub>2</sub> emissions. These metrics allow us to benchmark our performance against ourselves and the industry. Our findings will be available to our peers so they too can benchmark their fleet efficiency, thus allowing the industry to collectively find best practices to reduce CO<sub>2</sub> emissions well ahead of IMO 2030 and 2050.



# EMISSIONS REDUCTION

Based on extensive research, EPS believes a very effective and practical way to lower emissions today is by using alternative marine fuels such as Liquified Natural Gas (LNG) and Liquified Petroleum Gas (LPG). Over the next few years, EPS will add LNG and LPG Dual-Fuel vessels across various segments creating a future-proof fleet that will comply with IMO regulations and significantly reduce emissions until even cleaner energy sources are available.

	SOx (0.5%)	SOx (0.1%) <sup>1</sup>	NOx <sup>2</sup>	PM	CO <sub>2</sub>
HSFO					
HSFO + scrubber					
VLSFO					
LSMGO					
LNG; LPG					
Biofuel					
Electric					

## REDUCTION

~50% in Carbon Dioxide\*

~80% in Nitrogen Oxide

~95% in Sulphur Oxide

~100% in Particulate Matter



\*per laden TEU (14mt) when compared to 1<sup>st</sup> generation 13,100 TEU container vessel



# EMISSIONS TRACKING

As outlined in our Environmental Protection Policy, EPS aims to limit our impact on the environment. To accomplish this goal we track, measure and quantify the CO<sub>2</sub> emissions from our diverse fleet.

To track our CO<sub>2</sub> emissions, EPS uses the Annual Efficiency Ratio (AER) and Energy Efficiency Operational Indicator (EEOI) formulas, as they are known to take into consideration factors such as fuel types, consumption, deadweight-tonnes, voyage distance and cargo weight. While this method produces acceptable metrics it is important to note that a variance in performance can be found when comparing similar vessels and voyages using the same methodology. To calculate these formulas we follow the International Maritime Organization’s guidelines for mass conversion factors (C<sub>F</sub>) as shown in the table below. C<sub>F</sub> is a conversion factor between fuel consumption measured in g and CO<sub>2</sub> emission also measured in g based on carbon content. EPS’ 2019 CO<sub>2</sub> Emissions Report can be found on the next page.



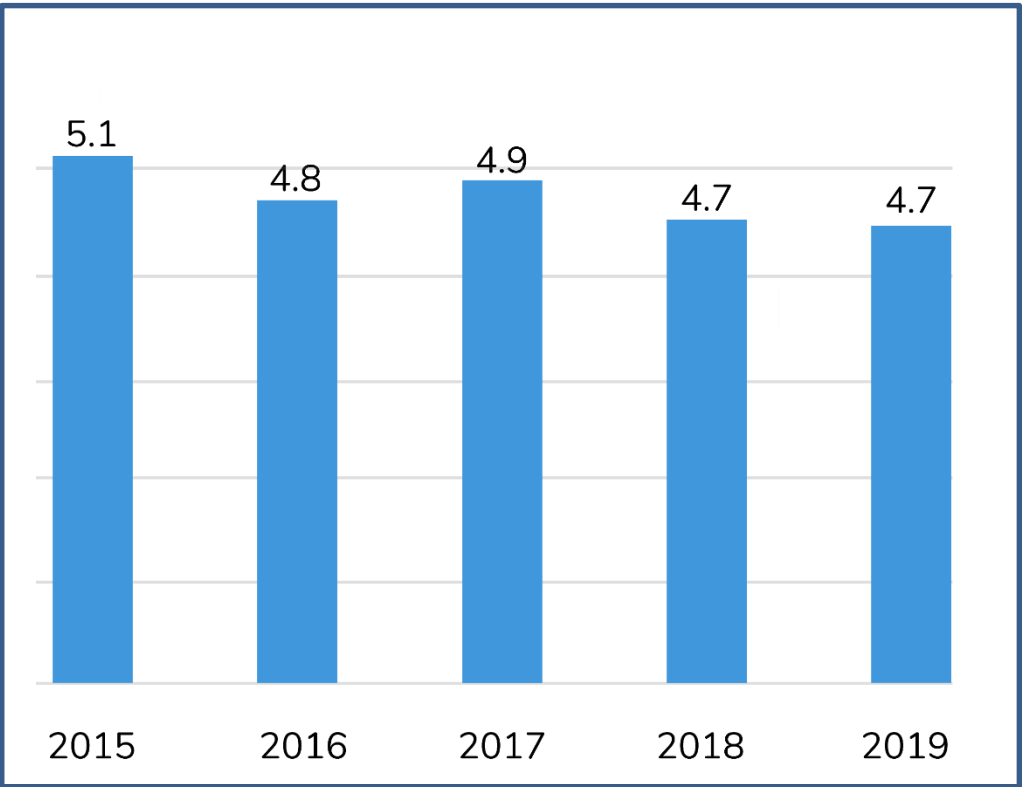
Fuel	Reference	Carbon Content	C <sub>F</sub> (t-CO <sub>2</sub> /t-Fuel)
Diesel/Gas Oil	ISO 8217 Grades DMX through DMC	0.875	3.206
Light Fuel Oil (LFO)	ISO 8217 Grades RMA through RMD	0.86	3.151
Heavy Fuel Oil (HFO)	ISO 8217 Grades RME through RMK	0.85	3.114
Liquified Petroleum Gas (LPG)	Propane	0.819	3.000
	Butane	0.827	3.030
Liquified Natural Gas (LNG)		0.75	2.750

In addition, EPS has commissioned an IACS class to validate the data required to obtain a Green House Gas Rating (GHG Rating) from RightShip, which verifies that vessels are operating at a certain level of efficiency that is suitable for the environment. A fleet wide study is currently underway that will produce a list of actionable items which will enhance the efficiency of our ships. It is our intention to have these independent parties continuously provide unbiased recommendations to ensure that our fleet is running in an environmentally efficient manner.



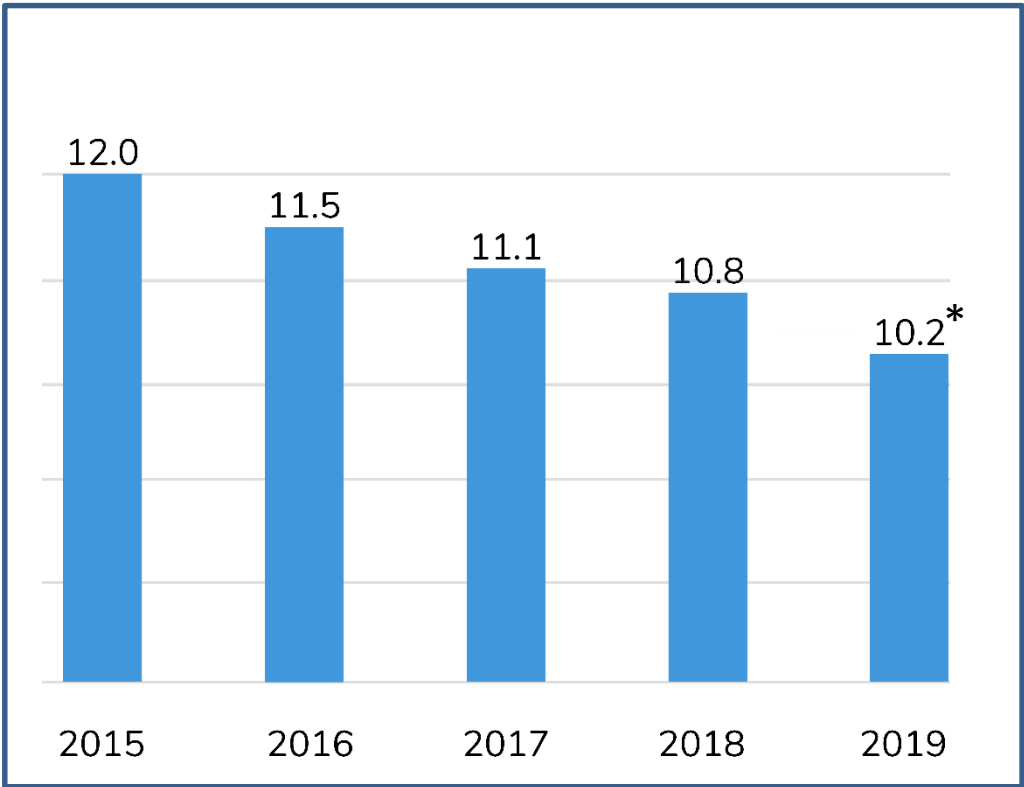
# 2019 CO<sub>2</sub> EMISSIONS REPORT

Annual Efficient Ratio (AER)  
g/DWT x mile



$$AER = \frac{\sum_j FC_j \times C_{Fj}}{DWT \times D}$$

Energy Efficiency Operational Indicator (EEOI)  
g/tonne x mile



$$EEOI = \frac{\sum_i \sum_j FC_j \times C_{Fj}}{\sum_i M_{cargo} \times D}$$

\* The 2019 EEOI industry average was 14 according to Clarksons Research.

EPS’ total CO<sub>2</sub> emissions in 2019 was 2.5 million metric tonnes.

Formula Legend	
<i>j</i>	fuel type
<i>i</i>	voyage number
<i>FC<sub>j</sub></i>	mass of consumed fuel <i>j</i>
<i>C<sub>Fj</sub></i>	fuel mass to CO <sub>2</sub> mass conversion factor for fuel <i>j</i>
<i>M<sub>cargo</sub></i>	cargo carried (tonnes)
<i>D</i>	distance in nautical miles
<i>DWT</i>	deadweight tonnes

This information has been delivered to interested parties for information only of EPS managed vessels. While this information has been prepared in good faith, no representation or warranty, express or implied, is or will be made and no responsibility or liability is or will be accepted by EPS, the Owner or the Vessel in relation to the accuracy or completeness of this information and any such liability is expressly disclaimed. No undertaking is given to provide additional information, to update this information, or to correct any inaccuracies.



## SINGLE USE PLASTIC

EPS is committed to drive the agenda for the green growth of the maritime industry. Instead of taking a wait-and-see approach on how to react to regulations and trends, we look internally at what type of company we are and what kind of company we want to be.

That is why EPS implemented a ban on the use of single-use plastic (SUP) at sea and onshore from January 1, 2020. SUP's are a serious and credible threat to the well-being of our planet by having devastating effects on our environment and oceans. By changing behaviors to reduce consumption habits, and to find alternate ways of getting things done, EPS aims to curb the use and damage caused by SUP's.

Single Use Plastics include: straws, cups, water/beverage bottles, take-away bags, cutlery, and plates.

The policy will also eventually extend to shore and sea based vendors.



# SINGLE-USE PLASTIC- FREE ZONE



**Did you know?**

- It takes 450 years for a plastic bottle to break down to microscopic levels, meaning it never goes away
- Only 1% of marine litter floats, the majority sinks to the depths below
- Every day, 13,000 to 15,000 pieces of plastic are dumped into the ocean
- Two-thirds of the world's fish stocks suffer from plastic ingestion
- There are 46,000 pieces of plastic in every square mile ocean
- 100,000 marine creatures die from plastic entanglement per year

## RECOGNITIONS

EPS' Environmental Policies are ingrained in our culture and are actively followed by our team. As a result, we have been recognised by multiple third party organisations and governing bodies.

Our vessels have received the Green Award for enhanced environmental performance and Qualship 21 status for consistently adhering to environmental compliance. EPS was also awarded by The Port of Long Beach for voluntary vessel speed reduction.

On land our efforts were recognised by the Singapore Environment Council when they presented our Singapore headquarters with the prestigious Eco-Office Award. This audit-driven award is earned by companies who operate with high regard to waste management, energy, paper and water conservation and air quality. EPS is also proud to be ISO 14001:2015 Certified,



GREEN AWARD



Port of  
**LONG BEACH**  
The Green Port



2018 - 2021  
**Eco**  
Office  
Trademark of Singapore Environment Council



International Organization for Standardization  
**ISO**  
14001:2015



**QUALSHIP 21**



# GOVERNANCE



EPS is committed to doing what is right and acting in accordance with the highest ethical standards. We believe that everyone, including our colleagues, stakeholders and counterparties, must adhere to our ESG policies.

EPS has developed policies, processes and procedures which act as check and balance systems that ensure our integrity will not be compromised.

In our pursuit of excellence we take a zero-tolerance approach to any non-compliance with our Code, policies, procedures, and applicable laws and regulations.

## IN THIS SECTION

- Code of Business Conduct
  - Whistleblowing
  - Human Rights
  - Trade and Economic Sanctions
  - Bribery and Corruption
  - Gifts and Entertainment
  - Accurate Reporting and Records
  - Conflict of Interest
  - Anti-Money Laundering
  - Confidential Information
  - Anti-Trust and Fair Competition
  - Harassment and Discrimination
  - Data Privacy
- Financial Reporting
- Objectives and Key Results



## WHISTLEBLOWING

We encourage you to speak up and raise your concerns about any potential or suspected wrongdoing.

If you encounter or have any genuine concerns related to suspected wrongdoing or dangers affecting any of the Company's activities, you should contact as soon as possible one of the following persons:

- your line manager;
- the Whistleblowing Officer;
- the CEO; or
- the General Counsel.

Alternatively, you can make a report through the independent whistleblowing hotline. This hotline is administered by an independent third party, and is available 24 hours a day, 7 days a week. You can also choose to remain anonymous.



We take your concerns seriously and will conduct the necessary investigations into your complaint. We also respect the confidentiality of your disclosure and will take appropriate measures to keep your identity secret if you so request. We will not tolerate any threats or reprisals against whistleblowers. All persons who are involved in such conduct will be subject to disciplinary action.

**Reporting Information** – If you have any questions regarding the Company's Whistleblowing Policy or the independent whistleblowing hotline, please contact the Legal & Compliance department. Hotline: +44 1249661808, email: [wrs.expolink.co.uk/EPS](mailto:wrs.expolink.co.uk/EPS)

## HUMAN RIGHTS

We conduct our business in a way that respects human rights and the dignity of all people.

We recognize our responsibility under the UN Universal Declaration of Human Rights and comply with the Maritime Labour Convention of 2006 by the International Labour Organisation (the "Convention"). We maintain the highest standards for our seafarers: conditions of employment, accommodation, facilities, health, welfare and others under the requirements in the Convention. All personnel (including agents acting on our behalf) are expected to strictly adhere to the principles under this policy. We do not make use of forced or compulsory labour under any circumstances and do not employ anyone underage.

**Reporting Information** – Any actual breach or identified risk of breach of human rights standards should be reported immediately to the Legal & Compliance Department.





## TRADE AND ECONOMIC SANCTIONS

We conduct our business in compliance with all applicable laws and regulations including those imposing trade and economic sanctions.

There are different types of sanctions that prohibit or restrict us and our managed vessels from dealing with designated persons, entities and/or countries, transporting certain goods, and calling to specified areas. We have implemented a compliance program to manage the compliance risks arising from sanctions and to ensure that our business and activities do not violate sanctions or expose other parties to sanctions. This involves requiring our employees and seafarers to undergo compliance training, reviewing and assessing sanctions risks in transactions, issuing sanctions briefings and updates, screening **counterparties and vessels to ensure that they are not designated under sanctions, and including protective trade and economic compliance clauses in contracts with counterparties. We only transact with counterparties that have been screened and approved in accordance with our counterparty screening procedures.**

**Reporting Information** – Please inform the Legal & Compliance Department immediately if:

- o you have any doubt as to whether a deal or transaction might violate Sanctions;
- o you become aware of certain circumstances which you think could result in the Company violating or being exposed to Sanctions.



## BRIBERY AND CORRUPTION

Bribery and corruption damages the public, innovation, fair competition, and undermines integrity. Our principles and values stand for everything that is the opposite of what bribery and corruption represent. Improper payments can take many forms: money, gift certificates, excessive gifts and entertainment, rebates, discounts, favourable payment terms etc. The question is whether the giving of something of value could be regarded as intending to directly influence the decision of our counterparties: including suppliers, customers government officials or other interested stakeholders.

**EPS prohibits the giving or receiving of payments or the promise to give or soliciting for payments from any of our counterparties that can influence the business decision.** This includes any payments or promise to pay anything of value as described in the above paragraph. Any inappropriate payment or promise of such payment to a counterparty is expressly prohibited under our policy. Similarly, employees of EPS and its representing agents are prohibited from soliciting or receiving any inappropriate payments from a third party. Gifts or entertainment to or from our counterparties should always be of modest value and in line with industry practices and standards.

Under no circumstance may any employee of EPS, including the employed agents acting on EPS' behalf, make inappropriate payments or promise to make inappropriate payments to government officials or other third parties.





## GIFTS AND ENTERTAINMENT

While we recognize the importance of building good business relationships by providing occasional hospitality such as gifts and entertainment, we must take care to ensure that such gifts and entertainment are of modest value and do not create the appearance of impropriety. Providing or receiving gifts and entertainment should always be moderate in value by our industry standards and should never be used to inappropriately influence the bona fide business relationship. Gifts and entertainment should never be used as a cover for bribery.

Before providing or accepting any gift or entertainment, we must ensure that it is in line with our policy as well as applicable laws and regulations. You should never give, promise to give, offer, or accept any cash to or from any of our counterparties. The provision of gifts or entertainment to government officials strictly requires the prior approval of the respective Heads of Departments and the Legal & Compliance Department. Under the laws of Singapore, there is a presumption of corrupt intent in cases where gratification was given to or received by a government official. Therefore, we need to be particularly careful when dealing with any government officials and seek prior review and written approvals.

**Reporting Information** – Please seek advice from the Legal & Compliance Department if you are unsure if any gifts or entertainment can be provided or accepted. Before any gifts, entertainment and/or hospitality may be provided to any government officials, you must:

- o complete and submit the Gifts & Entertainment Approval Form set out in Appendix 1 of the Anti-Corruption & Bribery Policy;
- o obtain approval from your Department Head; and
- o obtain approval from the General Counsel.

## ACCURATE REPORTING AND RECORDS

Any information or data which we prepare must be accurate. This could include financial records such as invoices, expense reports, claims, or non-financial records such as operational reports, meeting minutes, time sheets and other relevant business reports. Honest and accurate reporting is not only a requirement under the law but also part of our obligations and duties to the Company.

Any falsification, unauthorized destruction, or misstatement of company records is a violation of this Code. We must ensure that all of our financial statements and documents reasonably and accurately reflect the reality of our business. We must comply with all applicable laws and policies when creating, maintaining, retaining or destroying documents. We must not:

- (a) distort the true nature of any transaction;
- (b) falsify any document;
- (c) enable another person's efforts to evade taxes, launder money or evade other laws.

We must all act with complete integrity in our expense claims and ensure that they are legitimate business expenses. All submissions of expense claims or any payments (including cash payments) must be accompanied by an official receipt or supporting documents.

**Reporting Information** – If you suspect that any documents have been falsified, destroyed or otherwise altered, please speak to your line manager and contact the Legal & Compliance Department immediately.



## CONFLICT OF INTEREST

A conflict of interest arises when our private interests interfere with our duties and obligations to the Company. We are committed to conducting our business without conflicts of interest and endeavor to avoid situations which may lead to an actual or perceived conflict of interest.

You should not be involved in any activity that would be in conflict with the interests of the Company or alter your judgment in performing your duties. There are numerous ways that conflicting interests can arise and, if in doubt, you should disclose the potential conflict of interest to the relevant personnel.

For example, your family member's business activity may result in a conflict between your personal interest and that of the Company's if your family member owns a company that supplies vessel parts to the Company. In such instances, the potential conflict of interest has to be disclosed.

External activities, including external employment or affiliation, serving as officers or directors of another company, or having an ownership interest in suppliers or counterparties that engage in regular business with the Company, could result in potential conflicts of interest. Prior to your commitment to external activities that may give rise to actual or apparent conflicts of interest, you must seek written approval from management and the Legal & Compliance Department.

Actual or apparent conflict of interest can be resolved in a manner that is acceptable to both the Company and the employee. However, it is important to first disclose the potential conflict of interest in an honest manner.

**Reporting Information** – Any potential conflict of interest should be disclosed to your line manager and the Legal & Compliance Department.

## ANTI-MONEY LAUNDERING

Money laundering is the process of disguising illegal funds as legitimate earnings. It also includes the use of money from a legitimate source to support terrorism. We must never be involved in any money laundering scheme, whether directly or indirectly.

We conduct thorough due diligence on all our counterparties before we engage or conclude any transactions with them. Subject to a limited number of exceptions, it is compulsory for all our counterparties to be registered on our Counterparty Registration and Management System ("CRMS") before we transact with them and before any payments can be processed to them. As part of the CRMS registration process, counterparties are required to provide information such as their corporate registration details, directors' information and bank account details. Payments to counterparties should only be made to bank accounts held in the name of that counterparty and not a bank account held by a third party. We do not give or receive endorsed money orders or cheques, and any payments in cash must be fully supported by official receipts or other supporting documents.

**Reporting Information** – Please contact our Legal & Compliance department if you are aware of any suspicious transactions or activities.





## CONFIDENTIAL INFORMATION

We may obtain confidential information during the course of our employment with the Company. Confidential information is information that is generally not available to the public. Examples of confidential information include personal information of our staff members, private information of our counterparties, the Company's financial data and business plans or other sensitive internal/external documents. We have to be especially careful with how we handle confidential information.

We must not abuse or disclose confidential information that we obtain during our work to any third parties except as required by law or with the consent of the information provider and with approval from management and the Legal & Compliance Department. This duty of non-disclosure survives even after employment with the Company terminates. Failure to properly safeguard confidential information could lead to dismissal or prosecution.

We must also not seek to obtain confidential information from external parties unless there is express consent by the party. We should not solicit confidential information from a competitor's employees, former employees, or customers. The use of any confidential information must only be for our business purposes, for the benefit of the Company and not for our personal benefit.

**Reporting Information** – Please contact your line manager and/or the Legal & Compliance department should you have any queries on how confidential information should be handled.

## ANTI-TRUST AND FAIR COMPETITION

We support free enterprise and seek to compete freely and ethically within the framework of applicable anti-trust and competition laws.

Competition and anti-trust laws prohibit any agreements or conduct that restricts fair trading and competition between businesses such as the formation of cartels, price fixing or bid rigging. Such laws serve to promote and safeguard competition and to deter and punish anti-competitive behaviour. We do not tolerate anti-competitive practices and behaviours. All applicable anti-trust and competition laws must be strictly complied with. As such, we must not share any commercially sensitive information with competitors, for example our pricing, costs or business strategies.

We must be cautious when meeting our competitors personally or through any trade associations. Under no circumstances are we allowed to disclose or discuss any matter that may appear to be inappropriate information sharing. Improper communications with competitors may result in allegations of anti-competitive behaviour, exposing us to reputational damage and the risk of severe penalties and sanctions.

**Reporting Information** – Please consult the Legal & Compliance Department if you have any questions about our anti-trust and fair competition practices.



## HARASSMENT AND DISCRIMINATION

We are an equal opportunity employer. We aim to provide a workplace free of harassment, discrimination and bullying so that all staff are free to undertake their work and grow and develop to improve not only themselves, but the organization.

Our employment practices are undertaken without regard to age, disability, race, religion or belief, sex, sexual orientation or gender identity. Harassment, discrimination and bullying undermine the integrity of the employment relationship at the Company and will not be tolerated.

We must always treat others with respect and avoid situations that may be perceived as inappropriate. We should ensure that no employee is subject to any intimidating, hostile or discriminatory behaviour. Inappropriate behaviour will lead to disciplinary action being taken by the Company and could result in dismissal.

**Reporting Information** – Please notify management immediately if you or somebody around you is subjected to harassment, discrimination, bullying or abuse. Employees can also make a report using the whistleblowing hotline.



## DATA PRIVACY

We respect the privacy of individuals and are committed to handling personal data in a lawful, ethical and professional manner. We aim to keep all personal data in confidence and take reasonable efforts to maintain confidentiality for as long as necessary.

Personal data means information relating to an identified or identifiable individual. During the course of your employment with the Company, we will collect and process your personal data. You may also come into contact with data or information that is personal to other employees (prospective, current and/or ex-employees), or our counterparties such as charterers, suppliers or agents. EPS employs a Data Protection Officer to ensure the integrity of our safeguards remains in tact at all times.

We should only collect, process, disclose, transfer and otherwise deal with personal data in accordance with our company policies. Generally, we should not collect, use or disclose personal data unless:

- (A) the relevant individual has given informed consent to the processing of his or her personal data;
- (B) the relevant individual is deemed to have consented to the processing of his or her personal data; or
- (C) the processing of the data is required or authorised by law.

**Reporting Information** – Concerns about personal data and privacy breach, please contact the Data Protection Officer and the Legal & Compliance Department. If you are aware of or suspect a cybersecurity data and security breach, please contact the Cybersecurity Response Team.



## FINANCIAL INTEGRITY

Financial integrity is a cornerstone of EPS. As a privately held company we are not obligated to carry out many of the check and balance systems we have in place. We opt into these practices as they serve as safeguards for our employees, partners, clients, and vendors. They demonstrate that we hold ourselves to a high standard of transparency, honesty, and integrity.

To maintain this standard, we carry out several internal and external measures that ensure our financial records are accurate, true and fair.

### **Internal Safeguards:**

An Internal Control Manager conducts quarterly compliance reviews with relevant departments within EPS. These reviews encourage adherence to prescribed policies and procedures; effectiveness and efficiency of operations; reliability of financial reporting; compliance with applicable laws and regulations; and, the detection and prevention of errors and irregularities in a timely manner.

### **External Safeguards:**

Periodic external audits are conducted by independent qualified auditors to obtain reasonable assurance about whether EPS financial statements are free from material misstatement, whether due to fraud or error. The audit evaluates the effectiveness of EPS' internal controls; the integrity of clearly defined areas of authority and responsibility; proper authorisation procedures; adequate documentation; segregation of incompatible duties; and, independent checks on performance and physical safeguarding of assets.

The audit also includes substantive procedures to determine the validity, completeness and accuracy of the financial statement balances using analytical procedures and tests of transactions and balances.

## OBJECTIVES AND KEY RESULTS

Every year, EPS' CEO and senior management, gather for strategy sessions where the past fiscal year is reviewed and goals are set for the upcoming year and beyond.

EPS uses the Objective and Key Results (OKR) methodology to define and track these goals and their outcomes. This framework allows the organisation to define how to achieve objectives through concrete, specific and measurable actions.

OKRs are set at company level and then each department is assigned its own OKR to help achieve the company's overall goal. Department heads then work with their respective teams on developing actionable plans to realize individual and departmental goals.

This methodology aligns every person in the organisation and allows them to work with a sense of purpose and direction.





# QUALITY, HEALTH & SAFETY



As an organisation, EPS conducts regular inspections, audits and trainings to ensure the health and safety of our seagoing colleagues and those who can be affected by our actions. We comply with the International Convention for the Safety of Life at Sea (SOLAS), International Convention for the Prevention of Pollution From Ships (MARPOL), International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW), International Safety Management Code (ISM Code) and other relevant conventions by the International Maritime Organization (IMO).

In addition, our managed fleet of 14 million dead-weight tonnes are certified by classification societies which are members of International Association of Classification Societies.

A quarterly management review is conducted to report to management on various quality, health & safety issues that have been identified followed by appropriate planning and implementation of a mitigation plan.

## IN THIS SECTION

- Quality, Health & Safety Policy
- Drugs and Alcohol Policy
- New Tonnage Policy
- Ship Visit Policy



## QUALITY, HEALTH & SAFETY POLICY

It is the policy of Eastern Pacific Shipping Pte. Ltd. to operate and manage vessels in a safe and environmentally friendly manner, meeting customers needs and requirements. We shall exercise our individual responsibility for quality, health and safety in all our activities and strive for continuous improvement in the level of services provided.

### OBJECTIVES:

- To provide ship management services consistent with customer satisfaction.
- To provide safe and efficient cargo transportation services in accordance with applicable international legal requirements.
- To assess all identified risks to the ship, personnel and the environment and establish safeguards and an emergency response system.
- To prevent ill health, human injury or loss of life by providing a safe and healthy working environment and adopting safe working practices.
- To prevent marine pollution and damage to property.
- To maintain a competent and motivated work force through training and continuous improvement of quality and safety management skills.
- To ensure safe and healthy working conditions for each employee at sea and onshore.

Our objectives shall be achieved by maintaining a management system based on the requirements of ISO 9001, OHSAS 18001, and IMO's ISM Code and by taking into account all applicable codes, guidelines, and standards recommended by IMO, Flag States, and other maritime industry organisations.

The Company is committed to achieving the highest management standards. Particular emphasis is placed upon marine safety, safe working practices, health and the protection of the marine environment with the target of zero accidents and incidents.

The Company is committed to provide the necessary resources and training in support of our policy and objectives and complying with all applicable national and international rules and regulations.

The Company is committed to continually improve the effectiveness of its quality management system.

## DRUGS AND ALCOHOL POLICY

It is the policy of Eastern Pacific Shipping Pte. Ltd. to provide and maintain a safe, healthy, and productive working environment for all employees. The Company recognises that alcohol or drug abuse by employees will impair their ability to perform properly and as a result will have serious adverse effects on the safety, efficiency, and productivity of other employees and the Company as a whole.

### ACCORDINGLY:

- The misuse of legitimate drugs or the use, possession, or distribution or sale of unlawful or unprescribed substances is strictly prohibited in the company's premises, ashore or on board vessels.
- At no time shall any employee be under the influence of alcohol which shall be defined as a blood alcohol content of 40mg/100ml or greater.
- The Company runs "ALCOHOL FREE" ships. Possession, use, distribution or sale of alcoholic beverages on company vessels is prohibited.
- Substances maintained on board for medical purposes shall be controlled. Issuance and disposition of such substances shall be carried out in accordance with defined procedures.
- Non-compliance with the above requirements shall be considered a serious offense and grounds for termination of employment.

All offshore employees are required to undergo medical examination including drug and alcohol tests prior to joining, and will be subject to unannounced searches for drugs and possession of alcohol and random annual drug and alcohol testing.

All employees are encouraged to report violation of the Company Drug and Alcohol Policy to [dpa@epshipping.com.sg](mailto:dpa@epshipping.com.sg).



## NEW TONNAGE POLICY

EPS is continuously adding new tonnage to its fleet, and a majority of this tonnage comes from newbuild projects.

EPS only selects ISO and OSHA certified shipyards that pass a rigorous internal vetting process which verifies it can complete the project to our specifications. The shipyards must also adhere to our Environmental Protection and Quality, Health & Safety Policies, as well as international regulations, such as the International Labour Organization.

This includes, but is not limited to, the ethical procurement of materials, the consideration of environmental risks, proper safety plans and contingencies in place, and a focus on the safety and health of the shipyard workers.

To ensure these requirements are being met, it is our policy to place EPS employed superintendents on site at the shipyard for the entirety of the project.

When increasing tonnage through acquisitions, EPS ensures the vessel complies with our environmental policy and operates in an efficient manner as to limit our overall environmental impact.



## SHIP VISIT POLICY

Part of our commitment to Quality, Health & Safety is ensuring that all persons onboard EPS managed vessels comply with our safety instructions and policies. This includes our sea and shore staff, suppliers, contractors, guests, and any other person. Visitors are required to liaise with their EPS person of contact to obtain specific policies, forms, and instructions before boarding.

At a minimum all persons going onboard an EPS managed vessel must undergo a safety briefing upon embarkations and wear the following basic personal protective equipment when walking about designated areas of the ship: safety shoes, hard hats, goggles and gloves.

For suppliers and vendors who are carrying out works onboard, or sailing with the vessel, they must complete and sign the relevant forms and obtain the appropriate permits such as the Common Permit to Work, Enclosed Space Entry Permit, Hotworks Permit, and the Mandatory Safety & Shipboard Familiarisation Checklist.





# SOCIAL



People are at the core of EPS. This includes not only our team of 5,000 dedicated and talented sea and shore employees, but also the people who work for our suppliers, clients, partners and those who live in the communities where we operate.

Managing these relationships is important to us. That is why it is our objective to create a community, where all people who are in our ecosystem, can interact, bond, and grow together.

## IN THIS SECTION

- Life at Sea
- Corporate Social Responsibility
- Social Media Policy
- Equal Employment Opportunity



## LIFE AT SEA

The majority of EPS' 5,000 strong workforce are seafarers, and their well being is one of our top priorities. We strive to provide a physically and mentally safe working environment for them. In 2018, we launched a fleet-wide 'Gymnasium Living Onboard' initiative that will see our vessels become fully equipped with state-of-the-art gyms to promote an active lifestyle, which is proven to have an array of physical and mental benefits.

We have also engaged a renowned design house to reimagine the common and accommodation areas of our vessels to create an inclusive and collaborative onboard experience.

In addition, we have are providing free WiFi in common areas, introducing communal kitchens, and providing recreation areas stocked with a range of entertainment options such as a PS4, karaoke, and ultra-high-definition television.

These features are intended to increase connectivity between our seafarers and their loved ones on land, while simultaneously creating a positive work environment that increases camaraderie and productivity at sea.



## CORPORATE SOCIAL RESPONSIBILITY

As part of our community outreach programme, EPS actively participates in various Corporate Social Responsibility (CSR) initiatives.

CSR is part of our ESG policy, but more importantly, we engage in these activities because it's the right thing to do. As industry leaders we are aware that we can make a positive impact in the lives of those around us.

Our activities focus on four key areas:

### VOLUNTEERING

The Willing Hearts organisation is an industrial kitchen in Singapore that prepares and delivers food boxes for those in need. As regular volunteers, EPS employees volunteer their time to assist with the cooking, packing and delivery of these meals. This initiative is supported by EPS through coordination, promotion and the provision of time off to participate.

### FUNDRAISING

EPS has successfully raised funds through voluntary donations in response to international disasters and the needs of charitable organisations. Recently, 100% of funds raised from the sale of old office furniture were donated to the Society for the Prevention of Cruelty to Animal (SPCA), Singapore.

### DONATIONS

EPS is proud to support various charities and causes to help them further their mission to help others. Recently, we made significant contributions to Mercy Ships, the Sailors' Society, and the Salvation Army Singapore

### EDUCATION

We believe that we should never stop learning and always look to better ourselves. EPS provides our team with continued learning opportunities by sponsoring online courses through edX. We also provide an annual scholarship of up to \$60,000 to deserving children of our team to be used for their tertiary education.



## SOCIAL MEDIA POLICY

EPS is active on three social media platforms: Facebook, Instagram and LinkedIn.

The content shared on these platforms revolve around safety, environment, people, vessels and innovations. Our hashtag, #epshipping, is a tool that has helped strengthen the sense of community between our 5,000 employees. It helps bridge the gap between sea and shore and reinforces that we are one team.

EPS invites everyone to share photos, videos and other content relating to EPS and its employees by utilising our hashtag #epshipping. Those who use the hashtag must adhere to our content standards and safety policy.

Please visit [www.epshipping.com.sg/others/social-media/](http://www.epshipping.com.sg/others/social-media/) for EPS' full social media policy.



#epshipping

## EQUAL EMPLOYMENT OPPORTUNITY

EPS is proud to provide equal opportunities in employment. EPS has the vision to be one of the best places in the world to work by giving each candidate an equal opportunity for employment.

Each employee is rewarded according to merit, treated with respect and given a chance to develop and grow their talents. We pride ourselves on our ability to attract, develop and retain top talent and create an inclusive work environment where employees are motivated to maximise their potential.

EPS abides by international labour laws and adopts Singapore's Tripartite Guidelines on Fair Employment Practices which promote fair and responsible employment practices.

