ONE
OCEAN NETWORK EXPRESS

SUSTAINABILITY REPORT
2021

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About This
Report

This is **Ocean Network Express's (ONE)** fourth annual sustainability report. It provides a summary of our progress in managing our material sustainability issues and implementing our sustainability commitments.

The report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. This is the third year we are using the GRI reporting framework which is the most widely used reporting framework globally. For a full list of disclosures referenced in this report, please refer to the GRI Content Index on page 42. As we continue to improve in our reporting, we will also look at referencing other reporting frameworks that can provide our stakeholders with useful and relevant information about our sustainability performance.

SCOPE AND BOUNDARY
This report contains information pertaining to the period 1st January 2020 to 31st December 2020, covering our liner network services. It does not cover our inland services nor terminal operations.

EXTERNAL ASSURANCE
We have not sought independent external assurance of our sustainability report, but will explore the opportunity to do so in future reports.

CONTACT
We welcome feedback from our stakeholders to help us improve and progress in our approach to sustainability and sustainability communication. Please contact our Sustainability team at:
sustainability@one-line.com

Message from our CEO

> "I am confident that our collective efforts, anchored in our ONE Core Values, will steer us towards a more sustainable future."

Dear stakeholders,

2020 was a momentous year for several reasons. It was the third year of operations for Ocean Network Express (ONE) since we launched in April 2018, but one that tested us beyond measure. As the world continues to battle the COVID-19 pandemic, businesses and communities sought to find new ways of working and living.

At ONE, we faced multiple operational challenges caused by the global supply chain disruptions, requiring us to double down on efforts to cater to the unexpected surge in container demand and maintain our service reliability. Besides deploying empty sweeper vessels to accelerate the repositioning of almost three million TEUs of empty containers and stepping up container procurement to secure our supply, we also made use of AI-based technology to improve our demand forecast system and enhance predictability.

The drive to adopt technology and digitalize our business processes has played a big role in helping us adapt relatively seamlessly to working and operating during the pandemic. Our ROOT enterprise architecture project was kicked off in 2020, comprising 25 digitalization initiatives across e-commerce, customer relationship management and business intelligence. It is the first phase of ONE's

digitalization roadmap, and part of our data-driven enterprise strategy, with the ultimate objective to achieve operational and service excellence, capture new opportunities and deliver greater value to our customers.

Amidst these extraordinary times, it is heartening that the transition to a clean energy future has only accelerated, with a groundswell of support for climate action arising across the world. ONE is committed to play a proactive role in driving decarbonization within our industry. We have been accelerating our own efforts towards achieving carbon-neutral shipping with initiatives to improve fuel efficiency and reduce carbon emissions in our operations. We successfully completed a first trial using sustainable biofuel blend to power the M/V MOL Experience across the Atlantic in 2020 and will continue with further trials to establish the viability of biofuels as a greener alternative. More recently, we set up the Green Strategy Department to drive our environmental sustainability

endeavors. Through close collaboration with internal and external stakeholders, we seek to contribute to sector-wide initiatives in innovating and advancing sustainability, including the use of future fuels and efficient ship design, among others.

In 2021, we took a further step in our green strategy direction by joining six industry partners to establish a fund for a maritime decarbonization center to be set up in Singapore. Under the Memorandum of Understanding with the Maritime and Port Authority of Singapore (MPA), ONE will contribute S$10 million to support the establishment of the center, fund maritime-decarbonization-related research and technology development projects, and collaborate with institutes of higher learning and research institutes.

Our progress is made possible only with the dedication and support of our people, who have persevered through the challenging times to deliver the service excellence that has come to be associated with the ONE name. People development remains a key focus for us as we strengthen our talent base for future success. We launched the THRIVE platform during 2020 to ensure our people can have an engaging and effective learning experience even when working

from home. We continue to prioritize the health and safety of our colleagues, implementing pandemic safety measures in our office while allowing for flexible working arrangements.

At the same time, we are mindful of the support we must render to the ship crew who work on our chartered vessels – our maritime front liners who play a critical role to keep the global supply chain moving. ONE signed the Neptune Declaration for Seafarer Wellbeing and Crew Change, joining stakeholders from across the value chain to push for the resolution of the international crew change crisis.

Looking back at 2020, I am grateful for the utmost support of our employees, customers, shareholders and partners, that has enabled us to overcome challenges and forge ahead. The future may be uncertain, but it presents opportunities for us to build further resilience in our business to withstand waves of disruption that we may yet foresee. It is more important than ever for us to integrate sustainable ways of working as we transition into the new normal. Our priorities in the year ahead will reflect our commitment to be sustainable and resilient, and a trusted partner for our customers in

delivering global shipping solutions. We will press on with our company-wide digitalization, upgrade our fleet to be more sustainable and efficient through technical modifications and newbuilding program, and continue to implement initiatives to work towards our carbon reduction targets. It will not be easy, but it must be done. I am confident that our collective efforts, anchored in our ONE Core Values, will steer us towards a more sustainable future.

We will strive to communicate our progress openly and consistently. In this fourth edition of our sustainability report, we have included a new section to provide an overview of our key targets and commitments to manage our material sustainability topics. I hope this report provides you with a snapshot of ONE's sustainability efforts and performance to date, and I look forward to continuing this journey together with you.

Sincerely,

Jeremy Nixon
Chief Executive Officer

Summary of **Targets and Performance**

This section summarizes our key targets and commitments to manage our material sustainability topics, as well as our current performance and actions against these targets and commitments.

More information about our material sustainability topics can be found in the section on Materiality on Page 19.

Environment

	Targets/Commitments	2020 Performance	Current Actions
Climate Change (including Energy)	• 25% reduction of CO_2 emissions (in gram/TEU-km) from 2018 baseline by 2030; and 50% reduction of CO_2 emissions (in gram/TEU-km) from 2018 baseline by 2050 • Maintain 100% compliance with IMO2020 sulphur limit	• 10% reduction in CO_2 emissions per TEU-km from 2018 • 100% compliance with IMO2020	• Measures to enhance vessel fuel efficiency, such as installing high-efficiency propellers and special propeller boss cap, an energy saving device • Measures to improve operational efficiency to reduce energy consumption and emissions • Trialling alternative low-carbon fuels such as biofuels • Continuous monitoring and enforcement to ensure 100% compliance with IMO2020 and further evaluation of other compliance approach *Read more on Mitigating Climate Change*
Marine Pollution and Conservation	• ONE will work with chartered vessels to ensure zero significant spills* *A significant spill is defined as more than 150 litres overboard/case*	• No significant spills reported for 3 years	• Continue to ensure vessel safety compliance via Vessel Quality Standard (VQS) inspection and maintaining fleet standards • Working closely with vessel owners to ensure that best practices are implemented onboard and sharing information regarding any incidents, drawing up countermeasures where needed *Read more on Preventing Marine Pollution*

Operational Excellence

	Targets/Commitments	2020 Performance	Current Actions
Customer Experience	• 100% of customer bookings done via digital platform by 2025 • 100% rollout of Customer Live Chat platform by 2022 (except 3rd party agents)	• 90% of bookings done via digital platform • Live Chat rolled out to more than 30 countries (>20%)	• Continue to encourage customers to use digital platform for bookings • Plan to remove option for manual booking under normal circumstances • Continue to roll out Live Chat to more countries *Read more on Raising the Bar on Service Quality*

	Targets/Commitments	2020 Performance	Current Actions
Container and Cargo Safety	• Zero large-scale* or fatal accidents • Less than 14 hours of average downtime per vessel per year, while working towards goal of zero downtime *Large-scale accident is defined as an accident with possible loss of life, major impact on seaworthiness of vessel, or major damage to third party facilities*	• No large-scale or fatal accidents reported • Average downtime per vessel due to accidents or problems onboard was 20.78 hours	• Vessels chartered by ONE undergo periodic VQS inspections – aim to conduct at least 100 inspections per year • Continue to work closely with shipowners and ship crew of chartered vessels to comply with ONE's safety policies and processes, provide guidance on how to manage and respond to incidents, and improve safety awareness • MARS enable proper records and root cause analysis of accidents, to better review and improve on safety practices *Read more on Container and Cargo Safety*

Social

	Targets/Commitments	2020 Performance	Current Actions
Employee Health and Safety	• Ensuring the health and safety of our employees, striving for zero fatalities	• Maintained zero fatalities since 2018 • No incident of high-consequence work-related injury	• Occupational Health and Safety (OHS) policies and procedures established across all ONE entities according to legal requirements and regulations • Procedure in place for employees to report any accident, injury or work-related hazard • OHS training provided and OHS information disseminated • Monitoring of work-related injuries and fatalities *Read more on Taking Care of Our People*
Talent Management	• We are committed to developing a diverse and inclusive workforce of engaged employees, embracing all employees as ONE, irrespective of our diverse backgrounds	• Average training hours of 9.7 per employee • Turnover rate of 4.61%	• Launch of THRIVE learning platform to provide a more effective and engaging learning experience, even remotely • Incorporated measures to promote gender diversity during recruitment at the GHQ level *Read more on Empowering Our People*

Governance

	Targets/Commitments	2020 Performance	Current Actions
Ethical Business Conduct	• We are committed to meeting the highest ethical standards to ensure that our business activities contribute to the sustainable development of society, as set out in our Business Credo	• 86 virtual compliance training workshops were conducted globally. • 22,337 e-learning courses on key compliance topics were completed by employees globally	• Code of Conduct, the Business Credo and other compliance-related policies such as the ONE Basic Anti-Bribery Policy are put in place which all employees must adhere to • Whistle-blowing channel and process are in place for employees to raise any concerns or compliance issues • Training on key compliance topics such as Business Credo, anti-corruption and anti-fraud continued online despite COVID-19 restrictions *Read more on Ethical Business Conduct*

About ONE

Ocean Network Express (ONE) is a container shipping company which offers an extensive liner network service portfolio covering more than 120 countries internationally.

Scale of Operations

Total revenue
US $14.4 billion

7,736 employees in 211 local offices, 5 regional HQs and 1 Global HQ across **47** countries

Serving more than **14,000** customers in **106** countries

6th largest fleet capacity in the world

Fleet of **220** vessels, including **46** super large vessels of 14,000 and 20,000 TEUs

Total vessul capacity of **1,611,060** TEUs

220 vessel port calls and **140** service loops

Company Profile

ONE operates an extensive liner network service portfolio covering more than 120 countries. With a vessel capacity of 1,611,060 Twenty-foot Equivalent Units (TEUs), we are the 6th largest in the world. Established in 2018 and headquartered in Singapore, ONE was formed through the integration of the container shipping services of three Japanese shipping companies Kawasaki Kisen Kaisha, Ltd. (K Line), Mitsui O.S.K. Lines (MOL) and Nippon Yusen Kaisha (NYK). NYK owns a 38% holding in ONE while MOL and K Line own 31% each.

Value Chain of our Business

ONE handles end-to-end shipping services for businesses in a wide variety of industries, including inland services by rail, barge or truck in addition to coastal services. We also provide value-added services such as market intelligence, e-commerce services and procurement of operation assets.

All our vessels are chartered vessels, including those from our parent companies. We are responsible for the vessel operations, such as scheduling and voyage instructions, arrangement of bunkers, and so on. We work closely with the vessel owners who are responsible for the maintenance of vessel quality and for the crew on board. Our Marine Safety and Quality (MSQ) Department works closely with the ship owners to ensure safe operations.

ONE's Value Chain

Research & Development	Procurement	Production	Sales	Shipping	Services
Utilise resources to determine market demand and supply, vessel specifications and market growth	Obtaining vessels, containers, fuels terminal, inland supply chain and IT infrastructure	Obtaining vessels, containers, fuels terminal, inland supply chain and IT infrastructure	E-commerce platform management, publicity and outreach, space confirmation and booking	Vessels and Cargo operation	Documentation, vessel and cargo tracking. E-commerce functions, freights settlements and sales support

RHQ London

EUROPE – NORTH AMERICA

INTRA EUROPE

ASIA – NORTH AMERICA

ASIA – EUROPE

EAST ASIA

AFRICA

RHQ Richmond

WEST ASIA

RHQ Hong Kong

GHQ/RHQ Singapore

LATIN AMERICA

OCEANIA

RHQ Sao Paulo

Our Core Values

Our core values define what we stand for and guide our decisions and behaviours. They are embedded in our Business Credo, Code of Conduct and other policies.

LEAN & AGILE

Breaking through conventions to make ideas into reality quickly

BEST PRACTICE

Continuing to improve ourselves based on the knowledge cultivated internally and externally to deliver the best services

QUALITY

Pursuing the best quality that always exceeds customer expectations

INNOVATION

Delivering services that contribute to the customer's business through self innovation and creativity

TEAMWORK

Respect individual diversity to build a team that can work together to create new value

CHALLENGE

Leveraging on individual strengths and continuing to meet challenge without fear of failure

RELIABILITY

Delivering stable, sustainable and professional services

CUSTOMER SATISFACTION

Focus on customer needs well and deliver satisfaction that exceeds expectations

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ONE recognizes our role in providing safe and reliable services while meeting our customers' expectations and maintaining their trust. At the helm of our brand, ONE's Business Credo enshrines eight principles reflecting how we want to do business.

ONE's Business Credo

1. GOOD FAITH BUSINESS ACTIVITIES
    We respect national competition laws, engage in business practices that are fair, transparent, freely competitive, and appropriate, and do not tolerate bribery or corruption in any form.

2. ENVIRONMENTAL AND SAFETY INITIATIVES
    We undertake initiatives to enhance safety and to preserve the marine environment and natural ecosystems, and seek to develop and refine safe, environment-friendly transportation technologies.

3. ENHANCED SECURITY
    We have established strong security measures to prevent the disruption and abuse of international logistics networks, prohibiting any type of illegal activity and the unauthorized access and leakage of information.

4. COMPLIANCE WITH LAWS AND ORDINANCES, RESPECT FOR HUMAN RIGHTS
    We recognize our role in society and act in a manner that is fair and just by complying with national laws and ordinances and international norms. Corporate activities should adhere to social mores, respect human rights, honour local customs and practices, and address the concerns and interests of stakeholders.

5. EXCLUSION OF ANTISOCIAL ACTIVITIES
    We resolutely stand against all antisocial forces and organizations that threaten the order and safety of civic life.

6. DISCLOSURE OF INFORMATION AND COMMUNICATION WITH SOCIETY
    We disclose corporate information in a proactive and fair manner, rigorously protect and manage the privacy and personal information of our customers, employees and everyone involved in our business activities.

7. SOCIAL CONTRIBUTION ACTIVITIES
    We proactively contribute to social activities as a good corporate citizen.

8. PRESERVATION OF FAVOURABLE WORK ENVIRONMENTS
    We respect the diversity, individuality, and humanity of employees and facilitate the activities of a diverse workforce. We make every effort to preserve favourable work environments.
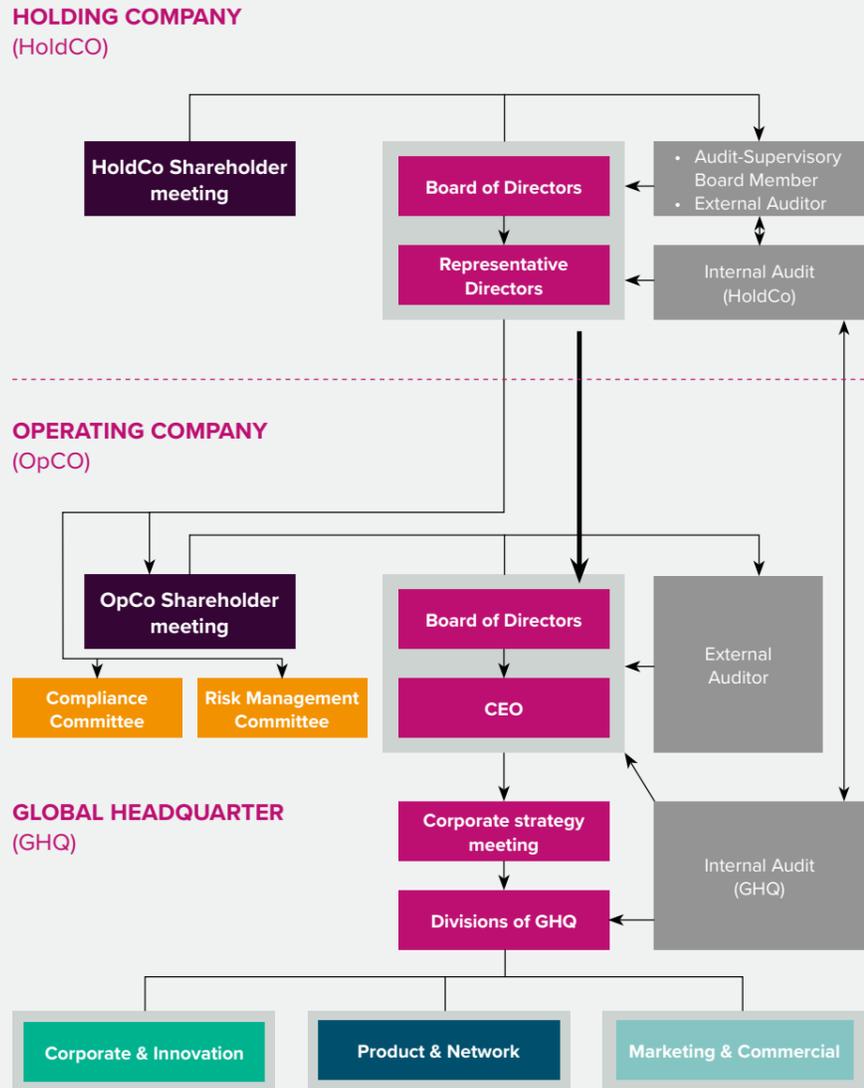
Corporate Governance

ONE's Holding Company (Hold Co) in Japan oversees the governance of our global headquarters in Singapore (ONE GHQ). As a company registered in Japan, Hold Co is held to comply with the Companies Act, Corporate Governance code which includes the need for an audit by external auditors for internal control systems.

ONE GHQ oversees the governance of regional offices, branches, subsidiaries and joint-ventures, with delegation to regional headquarters (RHQs). RHQs are situated in Hong Kong, Singapore, United Kingdom (UK), the United States of America (USA) and Brazil. RHQs oversee over 160 local representative offices that handle cargo coming into the local ports.

The Board has overall responsibility for performing the duties of strategic planning and providing oversight, including for the company's sustainability strategy. They are supported by three key functional Divisions, working closely with the Compliance Committee and Business Strategy Committee.

Corporate Governance chart

HOLDING COMPANY (HoldCO)

OPERATING COMPANY (OpCO)

GLOBAL HEADQUARTER (GHQ)

Industry Memberships and Associations

CLEAN CARGO:
A business-to business leadership initiative that involves major brands, cargo carriers, and freight forwarders dedicated to reducing the environmental impacts of global goods transportation and promoting responsible shipping.

DIGITAL CONTAINER SHIPPING ASSOCIATION (DCSA):
A non-profit organization established to further digitalization of container shipping through technology standards. ONE, A.P.Moller–Maersk, Hapag-Lloyd and MSC are founding members.

GLOBAL COMPACT NETWORK SINGAPORE (GCNS):
The local chapter of the United Nations Global Compact (UNGC). As a member, ONE endorses the ten UNGC Principles in the areas of Human Rights; Labour; Environment; and Anti-corruption.

GLOBAL MARITIME FORUM:
An international non-profit organization committed to promoting the shipping industry. ONE is a signatory to the Global Maritime Forum's Call for Action on the decarbonization of shipping in line with the International Maritime Organization's (IMO) strategy.

SINGAPORE SHIPPING ASSOCIATION (SSA):
Singapore's national trade association to serve and promote the interests of its members and to enhance the competitiveness of Singapore as an International Maritime Centre. As a member, ONE actively participates in forums, feedback and dialogue sessions with key regulatory agencies and international maritime organizations.

WORLD SHIPPING COUNCIL (WSC)
A trade group representing the international shipping industry. As a member, ONE collaborates with other companies and governments to develop actionable solutions for global transportation issues and promote environmental stewardship. ONE's CEO Jeremy Nixon has been nominated and acting as co-chairman since November 2020.

Awards and Certifications

AEO (Authorized Economic Operator):
ONE obtained AEO status in UK (2019) and Netherlands (2018). AEO is defined by the World Customs Organization SAFE Framework of Standards as a party involved in the international movement of goods that has been approved by a national Customs administration as complying with WCO or equivalent supply chain security standards.

ISO14001 (ENVIRONMENT MANAGEMENT SYSTEM):
An international environment management system standard set by the International Organization for Standardization (ISO). We have received our ISO14001:2015 certificate in 2018 from ClassNK.

ISO9001:2015 (QUALITY MANAGEMENT SYSTEM):
An international standard set by the International Organization for Standardization (ISO) that specifies requirements for a quality management system. We have received our ISO9001:2015 certificate in 2021 from ClassNK.

CTPAT (Customs Trade Partnership Against Terrorism):
ONE joined CTPAT, a voluntary public-private sector partnership program, since 2018, to work with the U.S. Customs and Border Protection to protect the supply chain, identify security gaps, and implement specific security measures and best practices. CTPAT members are considered to be of low risk, and are therefore less likely to be examined at a U.S. port of entry.

ECOVADIS:
ONE received a Silver medal from business sustainability ratings specialist EcoVadis for our commitment to driving sustainability in our business through our policies, actions, and results in 2020, putting us in the top 20% of companies rated by EcoVadis in our industry.

LLOYD'S LIST ASIA PACIFIC AWARDS:
This award recognizes and celebrates excellence, innovation and leadership in the maritime sector. ONE emerged as winner of the prestigious Lloyd's List "Excellence in Container Shipping" Asia Pacific award in 2019.

Approach to **Sustainability**

The international shipping industry is responsible for the carriage of around 90% of world trade.

While shipping is universally recognized as one of the most efficient means of commercial transport, the industry still has significant impacts on the environment and society that need to be managed. This is compounded by the rise of international trade driving continued growth in maritime traffic, which is expected to translate to a nearly threefold increase in Greenhouse Gas (GHG) emissions by 2050, according to estimations by the International Maritime Organization (IMO).

As the sixth largest container carrier in the world by fleet size, ONE recognizes the role we can play to mitigate such impacts and advance sustainability efforts in the industry. In 2019, we developed our sustainability strategy to focus our efforts around **four areas of priority**:
1. **Environment;**
2. **Social;**
3. **Governance;** and
4. **Operational Excellence**

These priorities are based on the material sustainability topics that drive long-term value for our business and our stakeholders. Underpinning our priorities, is our Business Credo, which forms the core of ONE's commitment to embedding responsible business practices.

4 areas of priority

1   Environment

2   Social

3   Governance

4   Operational Excellence

Sustainability Governance

Our Board of Directors at GHQ (which includes our Managing Director and CEO) drives the company's direction in sustainability strategy and growth. They are supported by the Business Planning Team who initiates and coordinates sustainability initiatives across the company at GHQ, RHQ and local offices levels.

Our ESG+O Framework

To be sustainable and resilient, and a trusted partner for our customers in delivering global shipping solutions.

OUR SUSTAINABILITY PRIORITIES

Environment

We protect the environment and ecosystems we all depend on by taking action on climate change, preventing marine pollution and using resources responsibly.

Social

We nurture and empower people in our business and the communities we operate in, by managing our talent, protecting their health and safety, respecting their human rights and supporting local communities.

Governance

We uphold the highest standards of ethical business conduct and corporate governance, in compliance with regulation and our own internal policies.

Operational Excellence

We drive operational excellence through digitalization, to enhance customer experience and ensure safe operations.

WE SUPPORT

UN GLOBAL COMPACT

SUSTAINABLE DEVELOPMENT GOALS

Supporting the United Nations Global Compact and Sustainable Development Goals

Adopted in 2015, the Sustainable Development Goals (SDGs) provide an internationally-agreed roadmap to build a better and more sustainable future by 2030. ONE believes that businesses play an important role in contributing to this global agenda for sustainable development.

We joined the United Nations Global Compact (UNGC) which calls on all companies to take action in support of the SDGs and align their practices with ten universally accepted principles in the 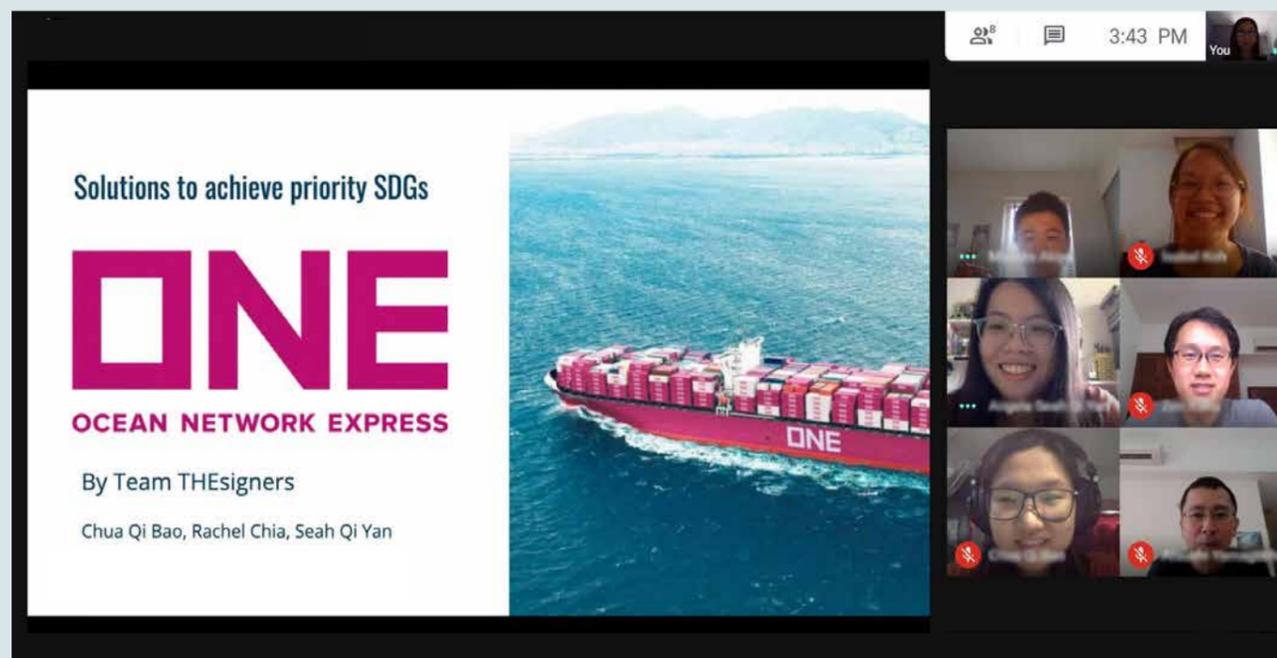areas of human rights, labour, environment and anti-corruption. We are committed to support UNGC by incorporating the ten principles in the way we do business. This report also serves as our Communication on Progress Report (COP) to the UNGC. Please refer to the UNGC reference table for our implementation of the ten principles of UNGC on page 48.

We also support the local chapter of the United Nations Global Compact, the Global Compact Network Singapore (GCNS) in promoting sustainable development. For example, ONE participated as a case company in the CDL-GCNS Young CSR Leaders Award 2020, an annual case competition that offers young people a platform to champion sustainable development and SDG integration into business, and continues to do so in 2021.

While our business activities touch on all 17 interrelated SDGs, directly or indirectly, we have identified four priority SDGs (please see next page) which we believe we can have the biggest impact on through our core business activities as well as through partnering with others. These SDGs are of greatest relevance and alignment to ONE's business and sustainability priorities, representing opportunities where we can best contribute to sustainable development. In addition, we identified SDGs 4, 5, 8, 12, 16 and 17 as also relevant to ONE's overall sustainability agenda, constituting secondary focus areas where ONE's activities can positively contribute to.

CDL-GCNS YOUNG SDG LEADERS AWARD 2020

Celebrating 10 Years of Nurturing Young Sustainability Champions

Certificate of Appreciation

This is proudly presented to

Ocean Network Express Pte Ltd

In appreciation for their support towards the CDL-GCNS Young SDG Leaders Award 2020

CITY DEVELOPMENTS LIMITED   Global Compact Network Singapore

ONE team members discussing with student participants of the CDL-GCNS Young CSR Leaders Award 2020 case competition on how to align our sustainability efforts with SDGs.

OUR IMPACT ON SDG 7:
AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, reliable, sustainable and modern energy for all

Underlying targets that we contribute to:

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

7.3 Double the global rate of improvement in energy efficiency by 2030

ONE has been exploring alternative fuel options while making consistent improvements in our fleet fuel efficiency. Our biofuels trial had yielded encouraging results and we will continue to invest in seeking out cleaner energy. See our Environment section Pg 22-25 for more details.

ONE also signed a memorandum of cooperation (MoC) with the Maritime and Port Authority of Singapore (MPA) to establish a fund for a maritime decarbonization center to be set up in Singapore, together with five other industry leaders, to support maritime decarbonization-related research and technology development projects in collaboration with institutes of higher learning and research Institutes.

OUR IMPACT ON SDG 9:
INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Underlying targets that we contribute to:

9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

ONE has embarked on its Digitalization Roadmap in 2020, with the aim to build a strong digital foundation to enhance existing business models and services, develop new ones through digital technologies, and ultimately create new value for the market. See our Operational Excellence section Pg 27 for more details.

Beyond our own operations, we actively participate in industry-wide initiatives through our membership in the World Shipping Council, which our CEO is co-chairing, and Global Maritime Forum, addressing industry issues such as building a modern and efficient maritime infrastructure, safety and compliance.

OUR IMPACT ON SDG 13:
CLIMATE ACTION
Take urgent action to combat climate change and its impacts

Underlying targets that we contribute to:

13.1 Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries

13.3 Improve education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning

ONE has been continuously seeking improvements in our energy efficiency and reducing the carbon footprint of our operations. We have set emissions reduction targets in support of the International Maritime Organization (IMO) GHG Strategy and contribute to the industry climate goals. See our Environment section Pg 22-25 for more details on how we are working towards our goals.

ONE has also been raising awareness of climate change issues within our company and communities through our CSR activities (held prior to the COVID-19 pandemic) and will continue to do so when the situation allows.

OUR IMPACT ON SDG 14:
LIFE BELOW WATER
Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Underlying targets that we contribute to:

14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, particularly from land-based activities, including marine debris and nutrient pollution

14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration, to achieve healthy and productive oceans

14.3 Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels

ONE takes comprehensive measures to prevent accident spills and operational discharges from our shipping activities. Through our stringent Vessel Quality Standard (VSQ), we ensure compliance with international conventions on ballast water management and anti-fouling systems to prevent adverse impact on marine ecosystems through the introduction of foreign organisms. See our Environment section Pg 26 for more details.

Our vessels also take part in speed reduction program on certain service routes to reduce noise pollution and risk of striking marine animals in coastal areas. Before the COVID-19 pandemic, our employees regularly conduct beach clean-up activities as part of their CSR programs. We endeavour to do more on marine protection and conservation going forward.

Materiality Assessment

In 2020, we worked with specialist sustainability consulting firm Corporate Citizenship to conduct an assessment of our most material sustainability topics, building on from our previous assessments. We followed a four-stage process which included:

1

Context and Topic Identification

Conducted desk-based research and a benchmarking exercise to identify relevant industry trends and sustainabliliy issues, developing a shortlist of sustainablity topics to be prioritized.

Surveys

Launched an online survey for internal and external stakeholders to prioritize the shortlist of sustainability topics identified in the previous stage.

2

3

Interviews

Conducted a series of interviews with customers and shareholders to gather further insights into the sustainability context of ONE and the industry.

Analysis and Validation

Analyzed and presented the findings and results to the senior management team at ONE, before finalizing the list of material sustainability topics.

4

In the beginning of 2021, we conducted a review of our material topics to ensure that we keep up-to-date with current and emerging issues, especially in light of the unprecedented events of 2020, and to determine whether any new material topics have emerged, or if there is a shift in the importance and impact of the current topics.

Based on the review, our list of material sustainability topics remains unchanged. However, certain topics like climate change, employee health safety and wellbeing have become more salient during the year, necessitating greater attention and resources to manage. We also witnessed the acceleration of digitalization, which has become

ever more important as a means to improve efficiency and risk management. The risks and opportunities represented by these topics are taken into consideration as we review our enterprise risk heatmap as part of Our Approach to Risk Management (see page 40).

Digitalization

Our Material Sustainability Topics

	Direct Impact: Topics ONE can directly influence and manage	**Indirect Impact:** Topics ONE can indirectly influence and manage, working with partners including vessel owners and other stakeholders along the value chain
Material Topics: Sustainability topics that are of high importance to the business and medium to high importance to stakeholders. These form the focus of ONE's strategy and reporting.		
Customer Experience — Ensuring high-levels of service quality and reliability to maintain customer satisfaction and loyalty.	✓	
Marine Pollution and Conservation — Preventing ocean pollution and protecting marine life through the responsible management of ballast water and the prevention of spills/leakages.	✓	✓
Container and Cargo Safety — Ensuring the safe operation of ships and the safe handling of containers.	✓	✓
Employee Health, Safety and Wellbeing — Protecting the health, safety and wellbeing for our employees and contractors.	✓	✓
Ethical Business Conduct — Ensuring adequate systems and processes are in place to uphold the highest standard of ethical business conduct, including measures to promote anti-corruption and fair competition.	✓	
Climate Change — Putting measures in place to reduce energy use and greenhouse gas (GHG) emissions, including SO_2 and NOx, across our operations. Building resilience against climate change risks.	✓	✓
Innovation and Digitalization — Engaging in industry collaboration and partnerships for innovation in marine technology and streamlining our operations through digitalization.	✓	
Talent Management — Attracting highly-skilled individuals, providing training and development opportunities and promoting a diverse and inclusive workplace, to build a high-performing shipping company.	✓	

	Direct Impact: Topics ONE can directly influence and manage	Indirect Impact: Topics ONE can indirectly influence and manage, working with partners including vessel owners and other stakeholders along the value chain
Relevant Topics: Sustainability topics that are of medium importance to the business and of sufficient interest to stakeholders to warrant disclosure as relevant.		
Supply Chain Management — Mitigating the environmental, social and governance risks in our supply chain through responsible procurement practices.	✓	✓
Supporting Local Communities — Supporting communities in need, through education programmes, logistical support during natural disasters, and environmental awareness.	✓	
Human Rights and Labour Practices — Respecting human rights and having zero tolerance for all forms of child labour, forced labour or other forms of exploitation.	✓	✓
Recycling and Disposal of Materials — Minimizing the amount of waste generated and ensuring the safe disposal of hazardous materials, including during the dismantling of ships at the end of their lifecycle.	✓	✓
Responsible Tax Practices — Managing increasingly complex tax laws and ensuring transparency on our approach to tax payments.	✓	
Illicit Trade — Combatting human trafficking and the illegal trafficking of goods such as narcotics and endangered wildlife.	✓	✓
Piracy and Security — Adopting proper measures to prevent attacks and the hijacking of our commercial vessels as well as protecting our business systems through cyber security.	✓	✓

Stakeholder Engagement

An important tenet of our approach to sustainability is engaging our stakeholders, and being accountable and responsive to their concerns. We value our stakeholders' opinions and feedback to ensure we are continuously improving our practices and performance.

Our stakeholders have been identified and prioritized based on the impact our activities have on them, their knowledge of the sector and ONE, as well their importance to the success of our business.

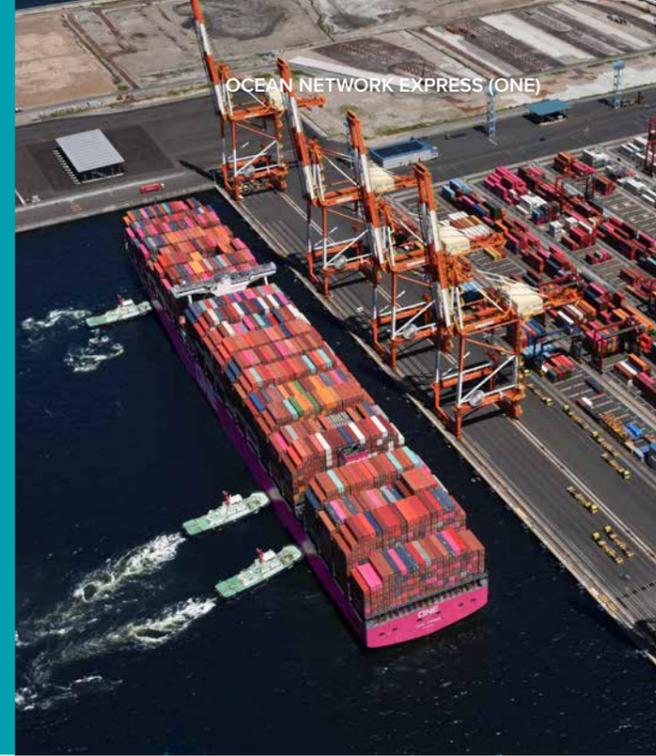Stakeholder engagement happens throughout the year, both formally and informally, through a variety of channels. We focus on better understanding their needs and expectations, and seeking collaborative ways to work and achieve shared objectives.

For details on our stakeholder engagement, including how we engage them, please see the stakeholder engagement table in Annex 1 of this report.

OUR KEY STAKEHOLDERS

Employees

Local Community

Shareholders

Suppliers

Customers

Environment

The importance of ocean shipping to the world is widely recognized – we move around 90% of global trade.

At the same time, the sheer volume of maritime traffic means our activities have significant environmental impacts, including air and sea pollution. As the world reaches a tipping point in our response to climate change that will determine the trajectory of the planet's health in this century, the imperative for the shipping sector to act decisively is clear.

In response to this, the International Maritime Organization (IMO) announced its initial IMO strategy in 2018 to reduce greenhouse gas (GHG)

emissions from the international shipping sector by at least 50% by 2050 compared to a 2008 baseline, in order to meet the Paris Agreement goals to keep global temperature rise well below 2 degrees Celsius. This ambitious target requires the collective action of all players within the sector to accelerate the shift from business-as-usual towards a net-zero future.

Mitigating Climate Change

ONE is committed to do our part to tackle climate change and support the IMO GHG

strategy. We have sought to align with IMO's ambitions in developing our carbon dioxide (CO_2) reduction targets:

By 2030:	By 2050:
25% reduction of CO_2 emissions per TEU-km	**50%** reduction of CO_2 emissions per TEU-km

*Our reduction targets are with reference to a 2018 baseline as we only started operations in 2018.
**The reduction targets apply to our direct shipping fleet (Scope 1 emissions) and does not include emissions from other operations such as those in our office buildings and those from our supply chain such as terminal operations.

Working towards Decarbonization

To work towards our targets, we have implemented initiatives aimed at improving our operational and fleet fuel efficiency, to reduce energy consumption and CO_2 emissions.

In 2020, we made some new progress to improve our fleet fuel efficiency. These include modification of bulbous bow to reduce wave resistance, replacement with high

Improving operational efficiency:
- Ensuring optimum scheduling and shorter port stay times to increase trip efficiency
- Slow steaming where possible
- Use of shore electric power where facilities are available
- Monitoring of marine weather for better navigational performance
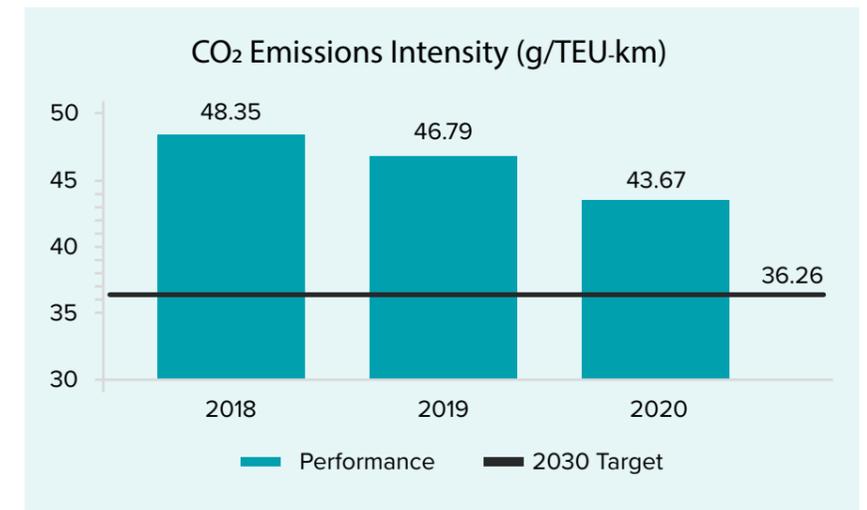
Enhancing fleet fuel efficiency:
- Mainenance of hulls and propellers to reduce fricton casued by fouling
- Installed special fins for propellers to improve propulsion efficiency and reduce fuel consumption
- Other technical modifications and maintence to optimise fleet performance
- Use of in-house fleet performance monitoring system to understand the impact of our efficiency measures and seek continuous improvement

efficiency propellers and attachment of special propeller boss cap. These measures are expected to reduce up to 10% of emissions from fuel use per vessel. We will continue to implement these modifications progressively across our fleet.

Our efficiency measures have reduced our emissions intensity by 10% since 2018. We expect further improvement in the years ahead as we continue to achieve reductions through technical retrofitting and operational optimization towards our reduction goals.

Our Scope 2 emissions stem from electricity consumption in our offices. From the onset, we have implemented measures to reduce electricity consumption such as use of energy saving LED lights, automatic lighting, reminders to staff to switch off lights and devices, etc. Our GHQ

Making progress on our CO_2 emissions intensity reduction

CO₂ Emissions Intensity (g/TEU-km)

- 2018: 48.35
- 2019: 46.79
- 2020: 43.67
- 2030 Target: 36.26

Legend: Performance | 2030 Target

office is also located in a "green" building certified by the Singapore Building and Construction Authority as having excellent environmental performance in terms of energy,

water and material resource usage. These measures, as well as lower usage in 2020 due to the COVID-19 situation, have helped reduce our Scope 2 emissions by 11.6% from 2019.

Scope 1 and 2 Emissions (tonnes of CO₂ equivalent, tCO₂e)

Scope 1 Emissions from fuel consumption

Oil Type	2018	2019	2020
Fuel Oil	9,191,451	12,163,491	10,638,466
Gas Oil	898,882	1,284,634	949,117
Total	**10,090,333**	**13,448,125**	**11,587,582**

Scope 2 Emissions from electricity consumption

Electricity Type	2018	2019	2020
Purchased electricity	161.10	157.82	139.55

Note: As ONE only began operations in April 2018, the emissions data for 2018 only cover April to December, whereas the 2019 and 2020 data cover the full year.
The operational control approach is used for the consolidation of data based on the GHG protocol.
Scope 1 emission factors are referenced from the Clean Cargo Working Group (CCWG) and only CO2 is included. Based on CCWG, "Given that all relevant energy consumption from ocean container transportation stems from fuel combustion on vessel engines, CO2 emissions is an appropriate approximation of total GHG emissions." Scope 2 emissions are based on the Electricity Grid Emissions Factors provided by the Singapore Energy Market Authority.
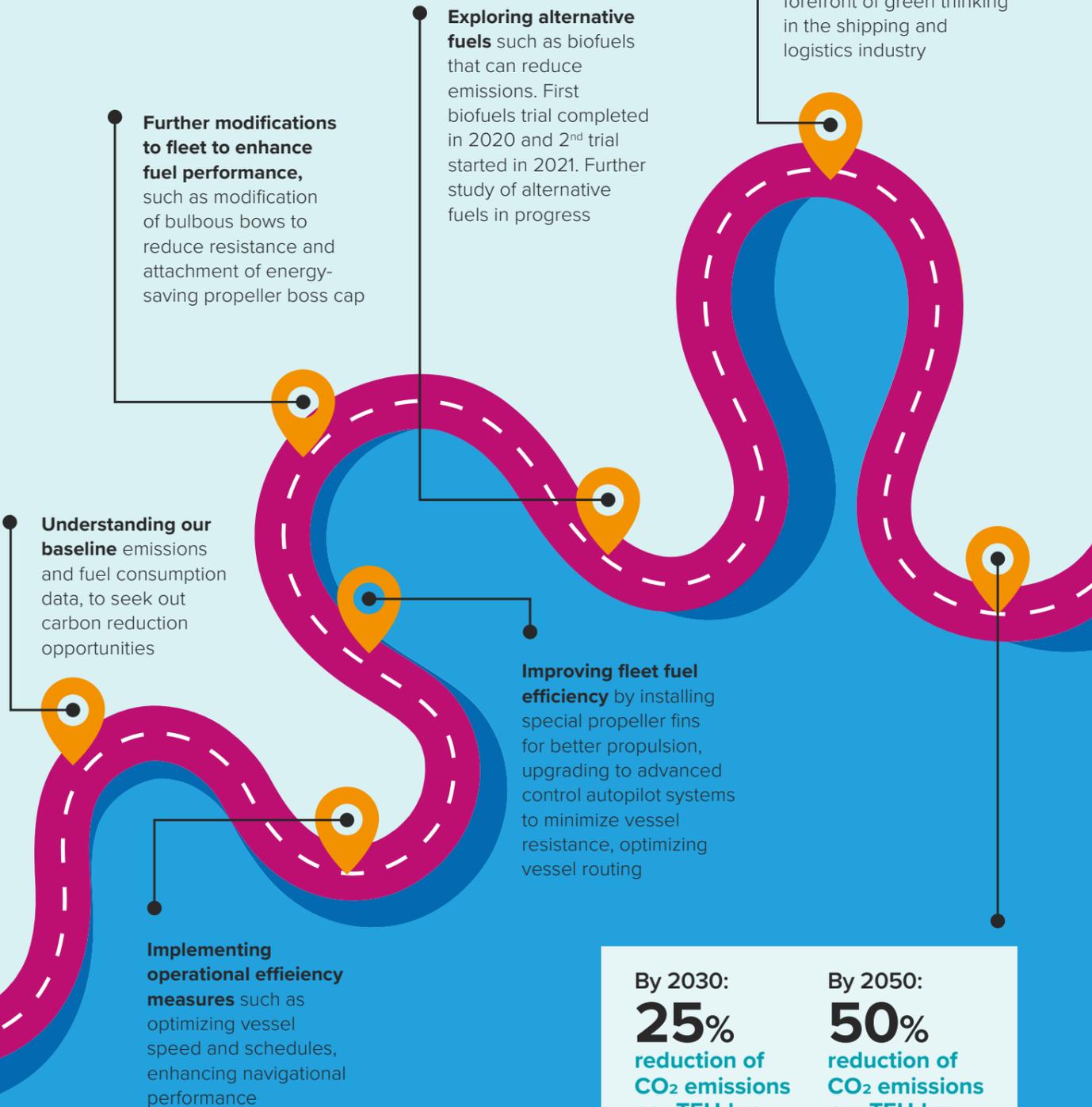
Fuel consumption from non-renewable sources (TJ)

Oil Type	2018	2019	2020
Fuel Oil	119,229	157,715	136,428
Gas Oil	12,056	17,230	12,730
Total	**131,285**	**174,945**	**149,158**

Note: Fuel Oil consists of Heavy Fuel Oil and Very-Low Sulphur Fuel Oil. ONE did not consume fuel from renewable sources.
Conversion from fuel quantity to TJ is based on conversion factors provided in CDP Technical Note: Conversion of fuel data to MWh, CDP Climate Change Questionnaire 2020

As transport volumes are expected to continue growing, we recognize that improving efficiency is not enough. Our next step is to look at how we can effectively decouple emissions from growth by exploring alternative clean fuel options and work towards developing absolute CO_2 emissions reduction targets. We are currently mapping available pathways towards carbon neutral shipping.

Our Progress Since 2018

Further modifications to fleet to enhance fuel performance, such as modification of bulbous bows to reduce resistance and attachment of energy-saving propeller boss cap

Exploring alternative fuels such as biofuels that can reduce emissions. First biofuels trial completed in 2020 and 2nd trial started in 2021. Further study of alternative fuels in progress

Green Strategy Department set up in 2021 to drive ONE's environmental sustainability endeavors through close collaboration with stakeholders and ensuring ONE is at the forefront of green thinking in the shipping and logistics industry

Understanding our baseline emissions and fuel consumption data, to seek out carbon reduction opportunities

Improving fleet fuel efficiency by installing special propeller fins for better propulsion, upgrading to advanced control autopilot systems to minimize vessel resistance, optimizing vessel routing

Implementing operational effieiency measures such as optimizing vessel speed and schedules, enhancing navigational performance

By 2030:
25%
reduction of CO_2 emissions per TEU-km

By 2050:
50%
reduction of CO_2 emissions per TEU-km

Seeking Cleaner Fuels

Biofuel is a fuel that is derived from renewable sources and gained attention around the world as an environmentally-friendly alternative to fossil fuels.

As part of ONE's decarbonization plans, we are exploring the use of biofuels to power our fleet. In 2020, we collaborated with shipowner Mitsui O.S.K. Lines and leading sustainable biofuel pioneer GoodFuels to conduct a trial use of biofuel to power the M/V MOL Experience.

During this first trial, the sustainable biofuel was blended in a 10/90 mix with conventional fossil fuels enabling the M/V MOL Experience to make its Atlantic crossing between Europe and the USA successfully. It is estimated that the use of this biofuel mix contributed to approximately 10% tank-to-wheel reduction in carbon emissions. This marks a positive step forward for ONE in its decarbonization journey.

We have commenced a second trial using a higher percentage mix of the biofuel which will yield greater reduction in carbon emissions. We believe biofuels are a viable and promising clean fuel alternative, and will continue to look into issues of availability, technical specifications, regulations and cost, to bring it to fruition.

GoodFuels' sustainable biofuels are virtually free of sulphur oxides and deliver 80-90% "well-to-exhaust" CO2 reduction versus fossil fuel equivalents. They are functionally equivalent to petroleum derived marine fuels, and no modification is required to the engine or the fuel infrastructure.

GoodFuels only works with renewable feedstocks that cannot be used for any higher quality application or recycling and are therefore regarded as truly sustainable.

❝ The successful completion of the trial has confirmed that for ONE, biofuel is one of the solutions to reduce Greenhouse Gases. We at ONE, shall continue to invest in a cleaner, greener future. ❞
—Takashi Mishima, General Manager of Fleet Management, ONE

Building for the Future
In December 2020, ONE signed a Letter of Intent for the 15-year long-term charter of six new Ultra Large Container Ships (ULCS) with capacity greater than 24,000 TEUs each, the world's largest class ever. This new class of ships will join our core fleet, helping to bring economies of scale and significantly lower carbon emissions through a state-of-the-art hull design that aims to maximize cargo intake and minimize fuel consumption. This is part of our ongoing strategy to introduce large, modern, and fuel-efficient vessels to further strengthen our fleet competitiveness while reducing our environmental impact. We expect to take delivery in 2023/2024.

ONE Columba

Protecting the Environment

The shipping industry has an impact on the environment through air and sea pollution, which can have profound implications on human health and marine biodiversity.

Embracing environmental sustainability is a priority for ONE and our actions are focused on finding ways to minimize our environmental footprint and improving sustainable practices in our operations. As stated in our Environmental Responsibility Policy, ONE is committed to the protection of the environment including prevention of pollution and integrating leading environmental management practices into the company's business strategy and processes. In October 2018, we achieved the ISO14001 certification for our Environmental Management System.

Complying with IMO2020

With effect from January 2020, every vessel in the world must comply with a sulphur content limit of less than 0.5% in fuel oil, known as IMO2020. This landmark regulation from IMO is a bid to cut sulphur dioxide emissions resulting from the combustion of marine fuel oil.
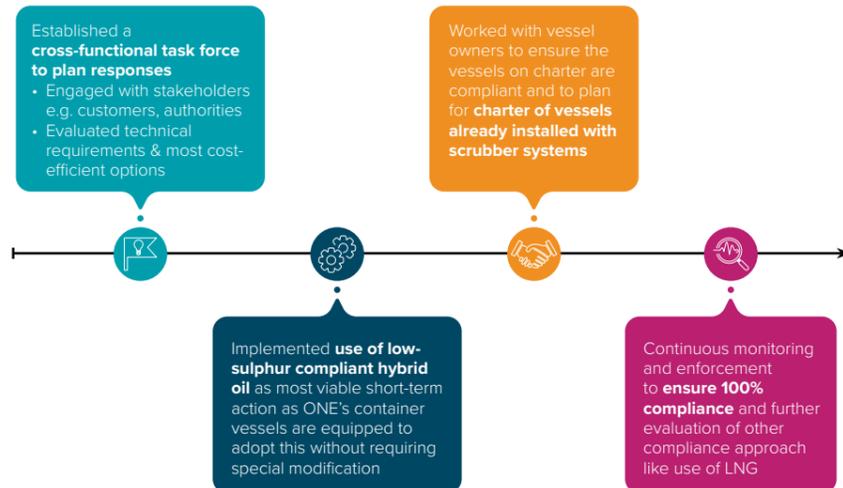
Compliance with IMO2020 has considerable cost implications. However, it is necessary to mitigate the global health risks from sulphur dioxide emissions. ONE is fully supportive and compliant with this regulation, and has prepared for IMO2020 since it was announced.

Preventing Marine Pollution

Accidental spills and operational discharges are key causes of marine pollution from shipping activities, with potential widespread adverse impact on marine life. ONE works closely with the owners of the vessels we charter to ensure that best practices are implemented onboard, and all relevant regulations are complied with.

Chartered vessels will undergo periodic Vessel Quality Standard (VQS) inspections to ensure their Safety Management System (SMS) meets our requirements. They are also checked for compliance with international conventions like MARPOL requirements on ballast water management and IMO convention on anti-fouling systems, as well as local regulations on waste and effluents treatment/discharge. The same checks are conducted before chartering any vessel. Quarterly feedback sessions are carried out between ONE and the third-party companies involved in carrying out VQS inspection of the ships to identify areas of improvement.

Any incident involving spillage is investigated, analyzed and recorded in ONE's Marine Accident Report System (MARS). Countermeasures are drawn up where necessary, to prevent recurrence. Employees can report any observed negligent actions that could result in damage to the environment via ONE's Hotline system. There were no significant spills (more than 150 litres overboard) reported in 2020.

Documented ship strikes of marine animals such as whales have been recognized as a growing concern worldwide. Our vessels deployed on routes that cross national marine sanctuaries on the US West Coast participate in speed reduction programs initiated by local authorities to reduce the risk of vessel strike to whales.

As part of our CSR activities, our employees also organize and take part in beach cleaning activities to collect litter before they end up in the water and drift out to sea, posing a hazard to marine animals and the marine ecosystem. In 2020, we were unfortunately not able to conduct our usual CSR activities due to the COVID-19 situation.

Minimizing Waste

We seek to minimize the amount of waste generated in our operations and ensure the safe and responsible disposal of waste.

ONE arranges for shore disposal of garbage and generated sludge onboard, and requires chartered vessels to maintain proper records for waste and effluents treatment/discharge which are checked during VQS inspections. Any non-compliance with regulations is addressed with ship owners and to be rectified.

At our offices, recycling bins are provided and e-waste such as batteries and laptops are disposed through licensed recycling companies.

ONE does not currently own any vessels and will comply with the IMO Ship Recycling Convention when we do have ownership in the future. For the scrapping of ship hulls, we carry out preliminary surveys on dismantling yards to ensure that proper practices are in place to reduce impact on the environment and workers before they can be engaged by ship owners.

Established a **cross-functional task force to plan responses**
• Engaged with stakeholders e.g. customers, authorities
• Evaluated technical requirements & most cost-efficient options

Implemented **use of low-sulphur compliant hybrid oil** as most viable short-term action as ONE's container vessels are equipped to adopt this without requiring special modification

Worked with vessel owners to ensure the vessels on charter are compliant and to plan for **charter of vessels already installed with scrubber systems**

Continuous monitoring and enforcement to **ensure 100% compliance** and further evaluation of other compliance approach like use of LNG

Operational Excellence

Operational excellence is a mindset and way of working that we embrace at ONE.

When we first started operations in 2018 as one of the newest players in the industry, we knew we had to bring our best to the table to successfully compete in the market. This strategy has enabled us to strive for sustainable improvements within our operations and high levels of service quality.

Raising the Bar on Service Quality

Innovation and digitalization are critical enablers of operational excellence at ONE. In 2019, we established our Digital Strategy Committee and Digitalization Roadmap, to build our digital capabilities and enhance existing business models and services, with a focus on delivering better customer experience and operational efficiency.

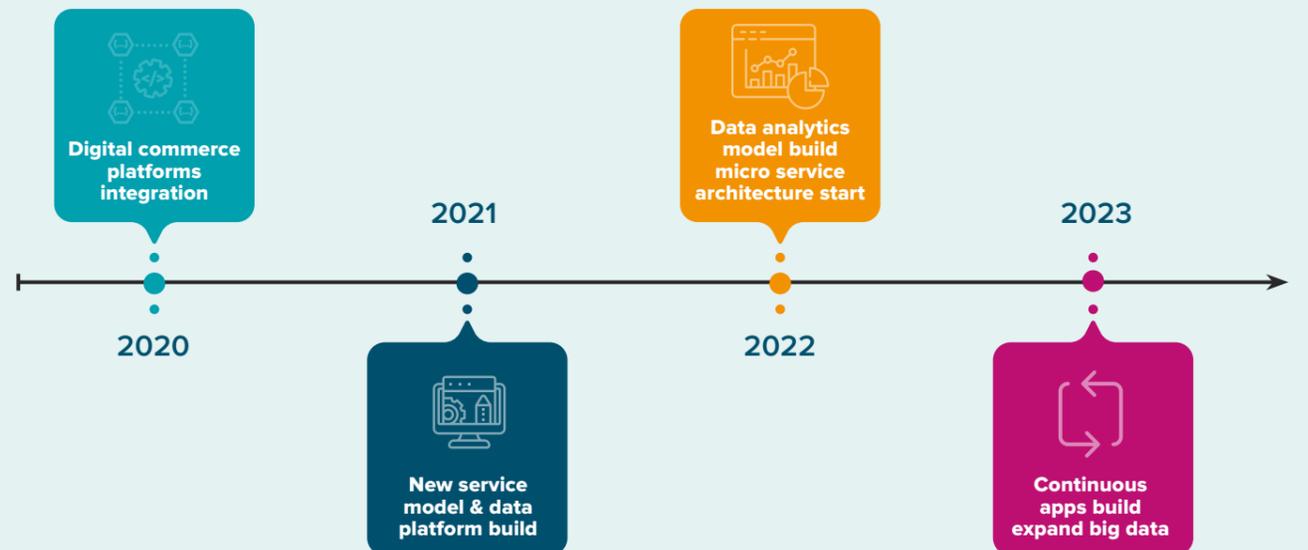### Delivering Better Customer Experience

We commenced the first stage of our Digitalization Roadmap in December 2020, digitalizing our channels, operations and assets to provide an end-to-end customer experience within a single digital environment from quotation to e-invoice.

We continue to enhance our Customer Relationship Management (CRM) system to provide full visibility of customer information and interactions across global and regional offices for key accounts, in order to improve customer communication and experience. We also started deploying Robotic Process Automation (RPA) for our booking documentation process to improve quality, accuracy and turnaround time. We aim to have 100% of customer bookings done via our digital platform, to be transitioned over the next few years by 2025.

With increased digitalization comes the need to build strong defence against cybersecurity risks and protect both customer and corporate data. We manage our cybersecurity risks with a well-designed IT infrastructure

Digitalization Roadmap

- **2020** — Digital commerce platforms integration
- **2021** — New service model & data platform build
- **2022** — Data analytics model build micro service architecture start
- **2023** — Continuous apps build expand big data

Digitalization		
Channel Digitalization	**Operations Digitalization**	**Asset Digitalization**
We developed and launched our digital quotation platform "ONE Quote" to enable customers to receive an instant quotation and place bookings anytime, anywhere. Not only does it improve customer experience, it also provides more dynamic and transparent price options.	We implemented the "Tiger" system in 2020 to automate and standardize the end-to-end process from rate request, quotation to filing. This will help to eliminate human errors in quotation, filing and communication while improving efficiency and customer service.	We are working on a data-driven enterprise project to improve our agility and decision-making abilities with real-time data from a single data source that can be securely accessed across multiple platforms. This includes the development of a new Business Intelligence tool as well as training of more employees in data analytics skills.
Find out more about ONE Quote here		

and a robust Security Information Policy. Please see Page 41 for more details. There were no substantiated complaints concerning breaches of customer privacy and losses of customer data in 2020.

Maintaining Our Operational Edge

High levels of customer satisfaction and service quality cannot be met if we do not execute on-time delivery of our customers' goods. That, in turn, requires us to achieve the best operational efficiency at sea and on land.

One of the initiatives implemented is the ONE Agile Supply Chain Integrated System (OASIS) which is a centralized inventory management system that uses data analytics to forecast container demand and supply from shippers (export) and consignees (import) so we can optimise our container positioning strategy. It

has been implemented in 99% of locations in ONE's depot network, with realized savings on equipment cost and empty container reposition costs.

Another initiative is our Terminal Partnership Program (TPP), launched in 2018 to partner terminal operators to improve productivity and service reliability through close cooperation on scheduling, stowage planning and equipment deployment. It is now expanded to more than 10 terminals including a number of major terminal operators all over the world.

In 2020, the COVID-19 situation presented various operational challenges due to the widespread supply chain disruption. The first half of the year saw the global economy grind to a halt with a significant drop in cargo volume. However, there was a sudden surge in cargo demand in

the second half of the year, resulting in container equipment shortage, port congestion and schedule delays. ONE tapped on our existing initiatives and embarked on new ones to counter these challenges and uphold high customer service levels.

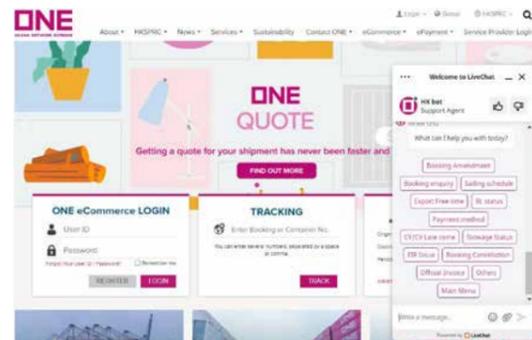Catering to the surge in container demand

- Using OASIS, we accelerated empty container positioning around the world as well as arranged for empty sweeper vessels, repositioning around 3 million TEUs back to deficit locations.
- Our equipment team worked tirelessly to procure and safeguard ONE's supply of containers - we had 76% more units on hire in Q3 than in Q2.
- We adopted AI-based technology to improve our demand forecast system and enhance predictability.

Optimising operations through collaboration

- We set up a COVID-19 Contingency Working Group within ONE shortly after the pandemic broke out to facilitate operational management across teams.
- Working closely with our terminal partners in the Terminal Partnership Program (TPP) has helped us counter the pandemic-induced operational challenges.

Cargo and Container Safety

The safe transportation of cargo is fundamental to delivering the highest standards of customer service and enabling a smooth flow of operations. It also protects ship and land crew from unnecessary harm. We ensure safe cargo transportation and operations onboard by enforcing strict safety standards and inculcating safety awareness in our employees and contractors.

Vessel Safety

ONE's stringent Vessel Quality Standard (VQS) drives our approach to vessel safety. The VQS ensures high safety standards are maintained on ships, based on requirements for ship safety and quality management systems that are in line with industry standards.

Vessel inspections are carried out in accordance with ONE's VQS to manage and monitor vessel safety, by third-party survey companies, in close collaboration with our Marine Safety and Quality Department (MSQ). Our Fleet Management Department work with the shipowners of our chartered vessels to ensure compliance with ONE's safety policies and processes. If vessels are found to be in violation of any ONE safety standards, ONE will work with the ship owners ensure that risks are addressed and minimized.

In 2020, we conducted a total of 25 VQS inspections before we had to stop due to the worsening COVID-19 situation in March. To adapt to this, we launched Safety &

ONE VESSEL QUALITY STANDARD (ONE-VQS)

| Marine Safety & Quality | Inspection company | Owner / Ship Manager | Vessel |

Quality campaigns in two phases to all vessels to encourage ship crews to carry out self-inspections of their vessels. These campaigns were designed based on findings from past VQS inspections to help them focus on key areas of vessel safety. We received valuable feedback from their inspection reports and showed appreciation for their continued commitment to safety and quality even amidst these challenging times.

Navigational and Operational Safety

To ensure the safe operation of ships, we developed and implemented an Operational Standard to provide guidance to ship crews on how to manage and respond to issues such as cargo damage, heavy weather, accidents and fires, as well as on safe navigation of areas at high-risk of piracy and conflict zones. Issues such as robbery and theft, unauthorized stowaways, and the smuggling of firearms, drugs, and other illegal contraband are also addressed in the Operational Standard.

The Global Vessel Operations department conducts daily monitoring of our vessels' position together with the current weather condition to ensure timely response to any navigation risks. They have also developed heavy weather thresholds for safe navigation by different sizes of vessels.

Any accidents that occur are recorded in ONE's Marine Accident Report System (MARS). The information collected allows us to process accident cases swiftly and analyze root causes of accidents.

The MSQ department will work with relevant internal departments to formulate and implement preventative measures. They also make use of the database of accident information to review and improve on safety practices that will be shared with all our global office, all operational vessels, shipowners and ship management companies. This is communicated through a monthly safety newsletter to foster greater safety awareness. ONE also works closely with shipowners and ship management companies to advocate the importance of safe practices in lashing, cargo stowage and maintenance of equipment to ship crew.

In 2020, the average downtime per vessel due to accidents or problems onboard was 20.78 hours. The increase from 2019 was mainly due to 3 vessel incidents involving container collapse owing to inclement weather. ONE strives to lower the downtime of vessels below 14 hours, with the ultimate target of zero downtime. We aim to achieve this through regular monitoring, analyzing accidents and identifying areas of improvement. We implement necessary action plans for improvement, including revising or adopting new safety policies or processes.

An annual Safety Management Review is conducted by our senior management to evaluate our policies and performance, and implement any changes if necessary. We also conduct an annual large-scale accident drill to maintain our preparedness and response capability in the unfortunate event of an accident. There was no large-scale or fatal accident in 2020.

Case Study

Supporting Customers with Live Chat

Our Customer Live Chat platform was first launched in 2019 across 10 countries to handle e-commerce enquiries, enhance direct communications with our customers and improve productivity. In 2020, we continued the roll-out and now cover more than 30 countries.

We are working to expand it to at least 50 countries and areas by 2022. We have also developed the 24/7 Chatbot who can handle an even greater volume and range of customer enquiries, including booking amendment request, inquiry on charges as well as technical support for using our e-commerce platform.

To better leverage our Live Chat platform to enhance customer experience and decision making, we are currently working on a dashboard that can provide easy access to data to evaluate our service quality in terms of response time, case resolution ratio, customer satisfaction, etc.

Terminal Partnership with PSA Singapore

Our partnership with PSA Singapore is focused on productivity improvements at our joint venture Magenta Singapore Terminal (MST). The ONE team works closely with PSA Singapore on measures such as increase of crane deployment or concentrated bay stowage to improve crane productivity by avoiding high hoisting and unnecessary movement of cranes. Such stowage improvements are reviewed and evaluated daily between our MST Vessel Operations team and PSA to improve terminal operations efficiency.

> " This close collaboration had facilitated the fast turnaround of a ship even amidst the pandemic situation in March 2020. The Madrid Bridge was turned around in a record time of under 9 hours at a gross berth productivity of 457 moves per hour. This was a record productivity for MST. "
>
> — PSA Singapore

Exploring an Ocean of Opportunities

How can the latest technologies like Artificial Intelligence (AI) and Machine Learning be applied in the world of shipping and bring innovation to this industry?

Since 2018, ONE has been participating as a corporate partner in the Ocean of Opportunities or O3 Innovation Challenge, which invites start-ups from around the world with innovative ideas for improving the shipping industry to pitch and develop solutions to real-life business challenges. Such innovation crowdsourcing serves to complement ONE's own innovation efforts as well as develop talent for the sector.

Between 2018 and 2020, we assessed 200 proposals, awarded 9 winners for our challenge statements and are working with 2 start-ups to trial and deploy solutions in AI dynamic pricing and vessel space control via machine learning technology. Portcast is one of them.

> " The proof of concept phase allowed us access to sandboxed datasets, regular steering committee discussions and ongoing improvement feedback that ultimately resulted in the technology proving to be valuable for ONE vessel space control. We truly appreciated the positive experience of working with the ONE team and their openness to new technologies like machine learning to build solutions that add value to customers. "
>
> — Nidhi Gupta, Co-Founder of Portcast

Social

At ONE, we are committed to empower and take care of our people and communities. We believe that wherever we operate, we have the responsibility to support and enhance their wellbeing, and bring about positive economic and social benefits to the wider communities.

Empowering Our People

Our people make it possible for us to deliver the highest standards of business excellence and customer service. We seek to support them with a conducive, inclusive and safe environment to work in, where they feel respected, valued and empowered to do their best.

At the end of FY2020, our global workforce consisted of 7,736 employees in 47 entities across 47 countries. Turnover rate for the year was 4.61%.

Talent Management

To continue thriving and meeting the challenges of the future, it is crucial for us attract, retain and develop a diverse pool of talent. We pursue equal opportunity in employment, personnel administration, wages, training and promotion as part of our commitment to fair personnel treatment.

All employees undergo an annual performance review which also serves as a channel for employees to have a dialogue about their career aspirations, work satisfaction and developmental needs with their supervisors. Once these are determined, they can enrol in a variety of training and development programmes to upskill on topics such as leadership and management, operational and technical competency, e-commerce, soft skills, etc. Such trainings are conducted via face-to-face and virtual workshops, as well as on our e-learning platform.

Number of employees by employment contract

	2019		2020	
	Permanent/Full-time	Contract/Part-time	Permanent/Full-time	Contract/Part-time
Male	3,552	29	3,684	33
Female	3,740	172	3,880	139

Average training hours **per employee**

9.7
hours
in 2020

Number of training hours per employee

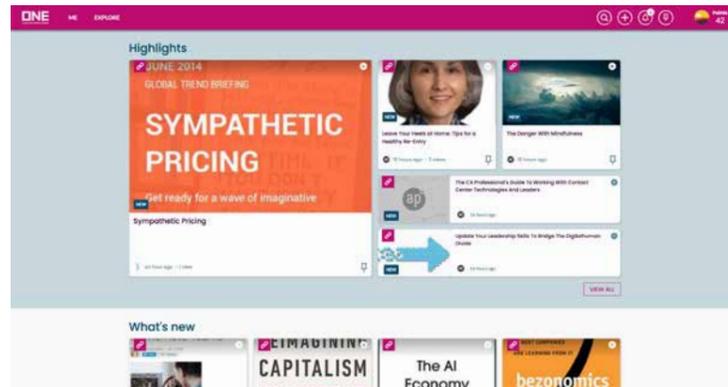|	2019	2020
Non-Executive & Junior Management	12.1	12.1
Middle & Senior Management	19.0	11.1
Board	10.7	6.3

Helping Employees to Thrive

In 2020, Group HR launched the THRIVE learning experience platform to provide a more engaging and effective learning experience for employees. The platform enables employees to access learning opportunities anytime from anywhere, which is especially beneficial in the current COVID-19 situation when employees may need to work from home.

THRIVE is designed to support employees with personalised content tailored to their learning needs, by defining easy-to-follow pathways for building specific capabilities, using video tutorials that employees can complete at their own pace and creating bite-sized learning content which is more palatable. Employees are also recommended new content based on their needs and interests. These include topics on leadership, management, communications, IT skills, as well as life skills and general wellbeing. THRIVE also has a social element to it, allowing employees to interact virtually on the platform just like a social network.

1,453 employees have used the platform since its launch. With THRIVE, we hope to enhance the learning experience for our people, helping them to build up the right skills and mindsets to better adapt to the future of work.

We are committed to developing a diverse and inclusive workforce of engaged employees. This is underwritten by our Code of Conduct which expects all employees to treat one another with respect and dignity, regardless of age, race, creed, religion, nationality, gender identity or ability. We have zero tolerance for any form of discrimination or harassment on any such basis.

Our slogan of "As ONE, We CAN" encapsulates our principle of embracing all employees as ONE from the beginning, irrespective of our diverse backgrounds.

The Human Resources Department is responsible for managing the anti-discrimination and harassment policies and procedures of our company and addressing any incidences that arise. All employees have access to ONE's whistle-blowing hotline system to report any incidence of discrimination or harassment that they experience or observe. This service is available 24/7, 365 days a year in all languages used at ONE. (Please refer to Pg. 39 for more details of the whistle-blowing hotline.) There was 1 incident of discrimination reported in FY2020 which has been duly investigated and resolved with the immediate dismissal of the perpetrator.

Employees per employee category by gender (percentage)

	2019		2020	
	Male	Female	Male	Female
Non-Executive & Junior Management	53.3	46.7	55.9	44.1
Middle/Senior Management	71.8	28.2	71.8	28.2
Board	93.3	6.7	93.9	6.1

Employees per employee category by age group (percentage)

	2019			2020		
	< 30 years	30-50 years	> 50 years	< 30 years	30-50 years	> 50 years
Non-Executive & Junior Management	22.1	61.0	16.6	21.9	58.4	19.7
Middle/Senior Management	0.4	61.0	27.7	0.6	59.9	39.5
Board	0	27.7	72.3	0	32.0	68.0

Promoting diversity and inclusion in the workplace takes different forms in our offices around the world. It includes understanding the different diversity strands within the organization, addressing diversity and inclusion matters during manager trainings, planning cross-cultural, international day celebrations and team-bonding activities to build greater awareness and respect for diversity of cultures and customs.

At the GHQ level, we have incorporated measures to promote gender diversity during recruitment, knowing as we do that the shipping industry is a traditionally male-dominated sector. For example, we try to have at least 30% of females in the total number of shortlisted job applicants (across all vacancies on average) presented to hiring managers, as well as ensuring at least 10% female representation on the interview panel for all interviews conducted.

Taking Care of Our People
Ensuring the health and safety of our employees is our highest priority. Our employees are mainly office based, although some marine and vessel operations staff go onboard our vessels as part of their work to conduct vessel inspections, incident investigations or discuss operational matters. There are some activities we required to be carried out that are performed by workers who are not our employees, such as those engaged in vessel husbandry, trucking, office cleaning and maintenance, security and IT administration. Where such activities are undertaken within ONE's premises, they are covered under our health and safety management system. If workers are not within ONE's premises, such as attending to vessels on ONE's behalf at the terminal, they have to adhere to the safety guidelines at the work location and of their own company.

Health, Safety and Wellbeing
An Occupational Health and Safety (OHS) management system is implemented in the majority of ONE's entities, which complies with the respective local legal requirements and labour regulations or guidelines.

Where there is no formal OHS management system established, the office puts in place safety policies and procedures according to the local regulations or guidelines of the country of operation, in line with the ONE Code of Conduct and Global HR policy to provide healthy and safe work environments. All workers, activities and workplaces are covered by an OHS management system or safety policies and procedures.

The Human Resources (HR) Department and General Affairs (GA) Department at each ONE entity are responsible for managing their respective OHS management systems while some entities appoint a designated safety officer. They conduct OHS risk assessments, on a regular basis (monthly, quarterly or yearly) or as-needed. Risk assessments are reviewed by the risk assessment committee, comprising members from HR, GA, Legal departments and board of directors, to seek improvements in the management of health and safety at the workplace.

Employees must report any accident, injury or work-related hazard to their supervisor or direct manager. This will then be followed up by the HR or GA Department to investigate and put in place measures to prevent recurrence and minimize risks where required. Employees can stop work due to safety reasons without fear of reprisals as part of the OHS policy.

We also seek to minimize the occupational health risks that employees are exposed to. For example, health management services are provided through external service providers and employees are educated on safe working practices to prevent work-related illnesses and injuries. In some entities, staff can access medical service 24/7 via teleconsultations while other entities provide corporate healthcare services through hospitals and clinics in the vicinity or company doctors. Other initiatives include

training staff on first aid skills, engaging external consultant to advise on occupational health, annual review of office ergonomics, and providing regular medical check-ups for staff.

Health and safety information is disseminated through online channels such as email and internal online portal, as well as through the employee handbook, town hall sessions, health and safety workshops and trainings. Trainings provided to employees include workplace first aid, administering CPR and AED, fire evacuation, risk identification, and safety and hygiene practices.

Employees can provide feedback on health and safety management practices to their HR or GA Department, through their participation as a member of the local health and safety committee

or during safety trainings and workshops.
Employees are also covered under group medical/healthcare insurance, personal accident and group term life insurance, as an employment benefit. Some offices also provide health promotion activities such as smoking cessation, weight control and mental wellness programmes. To promote employee wellbeing and engagement, they organise sport activities for employees.

ONE consistently monitors the number of work-related injuries and fatalities that may occur.

The recordable work-related injuries sustained by our employees include accidental slip and fall, tripping and injuries sustained in traffic accident during commute to work. Measures taken to mitigate these risks are safety awareness trainings and putting up of safety signs.

Occupational Health & Safety Performance for 2019 and 2020

	2019	2020
Number of fatalities	0	0
Number of high-consequence work-related injury	0	0
Number of recordable work-related injury	9	12
Rate of recordable work-related injury *(per 1 million hours worked)*	Not available in 2019	0.98
Lost-time Injury Frequency Rate (LTIFR)	Singapore GHQ 1.19 *Global LTIFR was unavailable*	Global: 1.01

Case Study

Working Safe and Keeping Well Amidst the Pandemic

As the COVID-19 pandemic continued unabated, we sought to support our people through this crisis and ensure their health, safety and wellbeing are prioritized.

Since the virus outbreak in early 2020, our Crisis Management Committee has been activated to implement measures to minimize impact to the Company, ensuring business operations can continue via digital platforms and our people are able to transition effectively to remote working.

We continue to implement a hybrid arrangement of work-from-home and work-from-office, with flexible working hours. Safety measures

in the office, such as mask wearing, temperature taking and safe distancing, are enforced, complying with the local pandemic safety policies or guidelines.

Pandemic anxiety and fatigue, stress and isolation of working from home can result in a decrease in mental wellbeing. We continue to hold virtual gatherings for ONE colleagues to stay connected to one another through the STAY CONECTed programme at GHQ, RHQ and local levels, sharing WFH experiences and how to best work together on virtual platforms. Employees can also access videos with tips to maintain their wellbeing on the THRIVE platform.

ONE Philippines colleagues staying connected amidst working from home

Case Study

Safety and Wellbeing at Sea

Health and safety management onboard our chartered vessels are under the purview of the shipowners / ship management companies. We are nevertheless committed to ensure high level of safety standards at sea. We check that our chartered vessels comply with ONE's stringent Vessel Quality Standards (VQS) and our Marine Safety & Quality (MSQ) department conduct a pre-embarkation briefing for captains to explain safety policies and procedures. MSQ regularly share with them safety information and lessons learnt from accidents and injuries. More information how we ensure safe ship and cargo operations can be found in the Operational Excellence chapter.

While ONE does not manage ship crew directly, we work closely with vessel owners and ship management companies to ensure seafarers' safety and wellbeing. During the COVID-19 situation, seafarers' wellbeing were deeply impacted. ONE liaised effectively with ship owners & Masters to facilitate crew change, even with the challenges posed by COVID-19. Around 15% of ONE's operating vessels conducted extra calls for crew change in cooperation with the ship owners/crew. ONE kept in regular communications with the vessels to update about COVID-19 situations, and port requirements for port operations, shore leave and crew changes. ONE signed the Neptune Declaration for Seafarer Wellbeing and Crew Change, joining more than 800 signatories

across the maritime supply chain to establish a collaborative and multi-stakeholder response needed to solve the international crew change crisis as soon as possible.

ONE also contributed to The Mission to Seafarers "Flying Angel Campaign" to raise funds for much-needed services and equipment in response to the COVID-19 crisis, such as for PPE and digital chaplaincy. Besides the donation of S$5,000 in 2020, ONE has become a Gold sponsor of the ongoing Sustaining Crew Welfare campaign, to help respond to urgent needs in providing for seafarers globally, as well as to support initiatives such as mental health resilience and wellbeing training for seafarers.

Group HR monitors cases of suspected and actual infections at the five RHQs to effectively respond and take countermeasures to protect colleagues at the offices.

Human Rights and Labour Standards
Underlying how we manage and take care of our people is our commitment to respect fundamental human rights and labour practices, as enshrined in our Code of Conduct. It is also part of our commitment as a member of Global Compact Network Singapore.

We work to ensure that we do not contribute to human rights violations, including forced and child labour, as a result of our global business activities. We comply with all applicable labour agreements and regulations relating to the protection of the rights of workers in the countries and regions in which

we operate. Such requirements are also incorporated into our Supply Chain Management Guidelines, which we request all our business partners, including suppliers, to adhere to when providing products and services to ONE. We published our statement under the UK Modern Slavery Statement in 2020 which can be found on our [website](#). An e-learning course on modern slavery act has been planned and to be rolled out in Q2 2021.

Supporting Local Communities
As a good corporate citizen, ONE seeks to actively contribute to the society and our local communities, recognizing that it forms an important part of our social

license to operate. We support and partake in a wide range of projects and activities around the world, primarily relating to environmental activities, children's causes, education, disaster relief and other fundraising events.

Our support comes in the form of funding, employee volunteering or leveraging on our container shipping services for free transportation. Local and regional offices have the autonomy to decide the type of local community initiative they wish to sponsor, while larger cash donations and requests for in-kind donation of free freight transportation are managed at the GHQ level.

CSR and COVID-19 Relief Activities

The unique circumstances of 2020 meant we could not conduct regular, in-person CSR activities as per normal due to COVID-19 restrictions. However, we continued to hold internal fundraising activities after March 2020 to support charities and local communities in need across our various global offices.

>900 employees contributing **>300** volunteering hours

over **40** CSR and COVID-19 relief activities in **19** countries

Free container shipping

- story books and wheelchairs to needy children in Africa and Paraguay
- materials to build a dormitory for refugee children at the Thai-Myanmar border.
- containers donated to Red Cross Italy to transport health equipment and medicines

Fundraising

- To provide underprivileged families and vulnerable communities in India, Brazil and Peru with basic necessities and food during the pandemic
- To support the fight against cancer in Denmark
- To help local charities in UK, Korea, India
- To bring cheer to disadvantaged children in Poland, Singapore and Brazil at Christmas

ONE Hong Kong - Providing care packs for the underprivileged

Partnering with HandsOn Hong Kong, a local charity with a mission of "empowering everyone in Hong Kong to volunteer", staff of ONE EA helped in the packing of hygiene items to be donated to two elderly centres. Such hygiene items like masks and sanitizers are necessary for protection during the pandemic but can be unaffordable for the low-income and vulnerable communities. 200 sets of such care packs were created by our staff.

ONE Denmark, Finland, Sweden - Fund raising

In Oct 2020, CSR Officer Jennie Otzen raised funds for the Danish Cancer Society (KNAEK CANCER) by recycling cans and bottles. In the same month, David Bech, Heidi Kristensen and Tina Petersen created a "fight cancer flower" made by company pen and bootz.com donated for each time the flower was shown on TV2. In Finland, Dec 2020, ONE colleagues managed to raise funds and donated to "Save the children" (Pelastakaa Lapset) while, in Sweden, ONE staff together with ONE donated funds to the Swedish Cancer Society (Cancerfonden).

ONE Delhi: Supporting charity partners

The Earth Saviours Foundation is an NGO dedicated to serving less privileged people founded in 2008 by Shri Ravi Kalra. It runs homes for the destitute elderly and persons with mental disabilities who are homeless, providing shelter, food and medical needs free of charge. During the ongoing COVID-19 situation, it is supporting around 500 people in its homes. ONE Delhi colleagues visited the home and met with the founder personally to understand how they are coping and to hand him a donation of INR 87,500 to support the organization in its ongoing efforts for the underprivileged.

ONE Thailand: Supporting national efforts against COVID-19

During the COVID-19 pandemic, Laemchabang Hospital suffered a severe shortage of N95 Respirators which are needed to protect the medical frontliners from infection. ONE Thailand donated 1,000 pieces of N95 Respirators to the hospital. ONE Thailand also rallied employees to donate blood at the National Blood Centre (Thai Red Cross Society) to boost the national blood reserves through the pandemic.

ONE India - Staying rooted

Trees provide us with many benefits necessary for survival, including clean air, filtered water, shade and food. They also teach us to stay rooted while soaring to great heights. That's why the team at ONE Tuticorin came together on 16 Feb 2020 to plant Neem and Pongamia trees around the office environment and add some much-desired greenery to the area. ONE India will dedicate itself towards a clean and green environment and work wholeheartedly to improve the quality of life within the community.

ONE Sri Lanka - Building food security during the pandemic

St.Vincent's Children's Orphanage had not receive regular donations during the COVID-19 pandemic and having difficulties in their daily food supply and essential needs. ONE Sri Lanka stepped in to assist in start a home vegetation project to grow vegetables and fruits, with the aim of building a more sustainable food supply, and inculcating an active and healthy lifestyle among the children. ONE provided basic agricultural tools, plants and seeds to kickstart the project. Staff from ONE Sri Lanka donated books, clothes and daily essentials for the children.

ONE Japan - Wheelchairs for disabled children in Paraguay

Our colleagues took part in an activity in Hamura City, Tokyo, with the NGO "The Volunteers Group to Send Wheelchairs to Overseas Children", whose goal is to deliver wheelchairs to disabled children overseas. The team helped clean and pack used wheelchairs, which were collected from a lot of supporters in Japan. ONE supported the goal and decided to provide free transportation of the wheelchairs to Paraguay via ONE operation. We wish that the supporters' thoughts could be delivered to children and families along with the wheelchairs.

ONE Hong Kong - Free transportation to a school building project in Mae Sot

More than 93,000 refugees are residing at nine camps along the border between Thailand and Myanmar and the children do not have the opportunity to receive formal education due to the lack of resources. Working with Crossroads Foundation to support a local NGO in Mae Sot offering schooling to refugee children, ONE EA provided free transportation to ship a variety of goods from Hong Kong to Bangkok in May 2020. With the new school buildings, the children can stay and learn in a safe environment and will not easily fall prey to those seeking to exploit them.

ONE Peru: Nourishing lives with food and hope

Due to the economic crisis caused by the pandemic, several communities in Peru were at risk of extreme poverty and hunger, exacerbated by job losses. ONE Peru rallied employees in a fundraising campaign to purchase basic food items. Working with the NGO Juguete Pendiente, able to send the donations to thousands of homes located in Pachacutec Ventanilla, a low-income district of Lima. Employees feel blessed to have been part of a good cause, helping and letting each beneficiary know that despite difficult times, hope still remains.

ONE GHQ - Caring for students in need

Care Corner Singapore has been supporting children from low-income and disadvantaged family backgrounds. The COVID-19 situation has caused even greater economic distress to some of their families. At the end of 2020, to spread festive joy and help them prepare for the new school year ahead, ONE GHQ and SAS RHQ came together to present Popular Bookstore vouchers and popcorn to 180 students aged 7 to 14 who are supported by Care Corner. We were heartened by how happy and grateful the students were with these gifts.

Governance

The continued success of our business is built on the trust and confidence that our stakeholders have in us. We are committed to conducting our business with the highest standards of ethics and integrity, as set out in our Business Credo.

This includes complying with laws and ordinances, respecting human rights and adhering to international rules and norms. In fulfilling our responsibilities to our stakeholders, we ensure that we implement an effective governance and risk management system, as well as address key risks associated with tax transparency, supply chain management, piracy and security, and illicit trade.

Ethical Business Conduct

ONE's Code of Conduct sets out the principles that guide the behaviours and decisions we take in our daily business activities. It covers the following:
- **Improvement of service quality, pursuit of safety, and preservation of the natural environment**
- **Fair business activities**
- **Prohibition of conflict of interest**

- **Respect for human rights and diversity of cultures**
- **Relationship with society**
- **Assurance of a safe and healthy work environment**
- **Treatment of information**
- **Responsibility of top management**
- **Report and consultation of suspicious behaviour**

All employees, including directors, are expected to adhere to the Code of Conduct, the Business Credo and other compliance-related policies such as the ONE Basic Anti-Bribery Policy. These are provided to employees via ONE's internal online portal. All employees are required to complete a mandatory e-learning module including a quiz to ensure they have understood and are able to apply these policies.

Anti-Bribery and Anti-Corruption

Anti-bribery and anti-corruption is an important part of ONE's

Code of Conduct. ONE conducts its business in full compliance with anti-bribery and anti-corruption laws, including but not limited to U.S. Foreign Corrupt Practices Act and U.K. Bribery Act. The provision or acceptance of bribes, whether at home or abroad, directly or indirectly, is strictly prohibited.

In addition to our Code of Conduct, the ONE Basic Anti-Bribery Policy sets out that no employee of ONE, whether directly or through third-parties, should engage in any form of corrupt practices, including bribery and extortion. Further, the Anti-bribery Risk Assessment Guidelines are established to assess and mitigate the risk of bribes being paid through third parties, which includes a process to conduct adequate screening of vendors and business partners. Reminders of the Guidelines are sent out regularly, with the last one in April 2020.

Whistleblowing and Raising Concerns

Employees have access to a Hotline System as a safe avenue to raise, without the fear of reprisal, any improprieties or non-compliances with regulation or our policies. Issues raised may relate to:
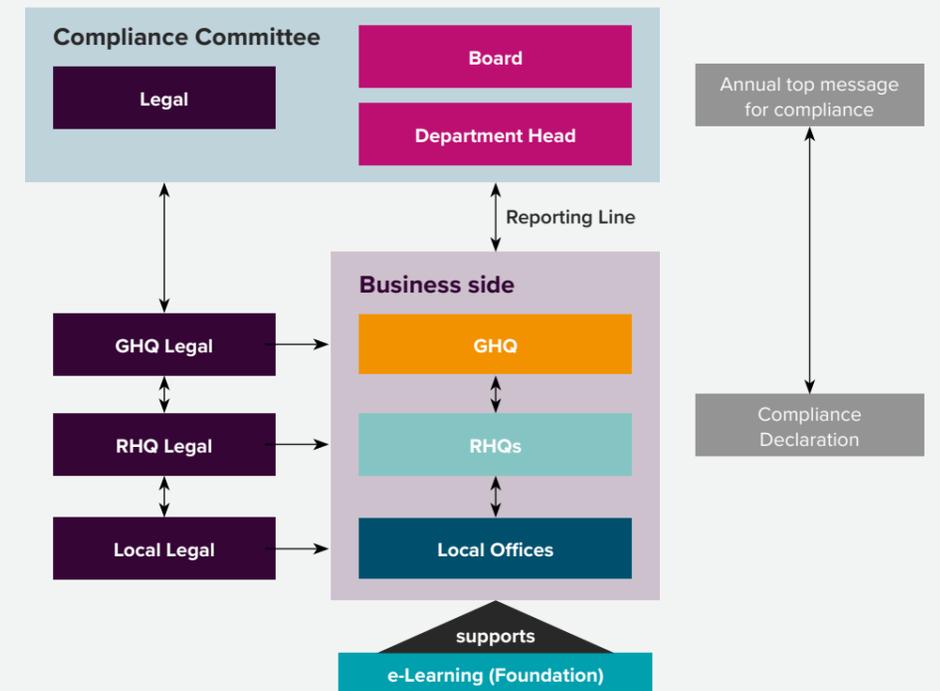- **Violation of any applicable laws and regulations, violation of any legal or professional obligation;**
- **Conduct that is inconsistent with any of ONE's internal policies and procedures;**
- **Bribery, corruption, conflict of interest, anti-competitive practices, breach of sanction regulations;**
- **Financial fraud or mismanagement;**
- **Discrimination or victimization; harassment; unethical behaviour;**
- **Abuse or theft of ONE's resources and assets;**
- **Danger to health and safety, criminal activity, damage to the environment; and/or**
- **Deliberate concealment of any of the above.**

Once an issue is raised and received, senior management will carefully examine it and determine the best next step. Depending on the severity of the issue, they will either conduct an investigation or escalate the issue to the Compliance Committee for further review. Once the issue has been resolved, ONE will ensure preventative measures are implemented and disciplinary actions against the offender are taken if required

Approach to Compliance

ONE's compliance programme is governed by the GHQ Compliance Committee – headed by the Chief Compliance Officer (CCO) and comprises the CEO,

Our Approach to Compliance

Managing Directors as well as GHQ department heads. Implementation is undertaken by the respective GHQ departments at the group, regional and local levels in each country. They ensure that our compliance initiatives are consistently applied and remain practical for each market.

Even under the COVID-19 situation in 2020, ONE's commitment to compliance as an essential part of our business remains unchanged. This was possible because of our swift transition on to digital working and collaboration platforms. The GHQ Compliance Committee continued meeting virtually in April and October 2020 to ensure compliance and heightened monitoring mechanisms amidst the challenging working environment. Cross-department collaboration for compliance initiatives was maintained, including on employee engagement through our internal social network and

posters to refresh compliance knowledge, local compliance officer training and upgrading of monitoring mechanisms related to sanctions compliance.

To set the tone from the top, the Board reinforced ONE's commitment to ethical business conduct and compliance to all GHQ employees through an annual video message. In response, all employees submitted a compliance declaration of adherence to ONE's Credo, Code of Conduct and other applicable policies which was also implemented without disruption.

> ❝ While embracing the 'New Normal'... we must continue to execute our responsibilities with a strong sense of ethics, at all levels, regardless of title, department or place of your office. ❞
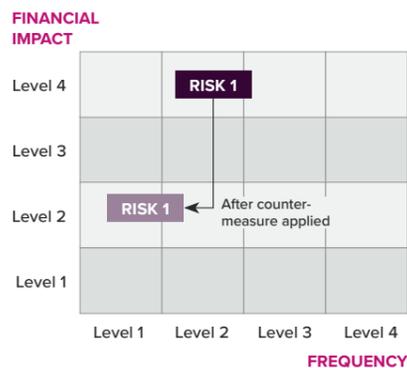>
> — Yu Kurimoto, Chief Compliance Officer, ONE

Training on key compliance topics such as our Business Credo, Code of Conduct, competition law, anti-bribery, economic sanctions, conflicts of interest, anti-fraud, and information security continued online. For example, a senior management seminar conducted by external consultants covering key compliance issues was held virtually and attended by 28 members of the Board and Senior Management. In addition, 86 virtual compliance training workshops were conducted globally. Each employee took an average of three e-learning modules in 2020. A total of 22,337 e-learning courses were completed globally.

Training on key compliance topics

A senior management seminar conducted by external consultants covering key compliance issues was held virtually and attended by

28 members of the Board and Senior Management

86 virtual compliance training workshops were conducted globally

Each employee took an average of **3** e-learning modules in 2020

A total of **22,337** e-learning courses were completed globally

Our Approach to Risk Management

As a global shipping company, ONE is exposed to various environmental, social, governance and economic risks. Our Risk Management Committee (RMC) is responsible for evaluating the business impact of such risks, and establishing and overseeing the risk control measures put in place to manage them. The RMC reports to ONE's Board of Directors and is made up of company Directors, with the Business Planning Team acting as a secretariat for the group.

To help provide a common understanding of risks across the company and a common language for assigning probabilities and potential impacts, we developed a 4 x 4 risk heatmap which categorizes our group-level risks by financial impact and frequency. Risks are mapped onto the heatmap after considering the extent to which

FINANCIAL IMPACT

Level 4		RISK 1		
Level 3				
Level 2	RISK 1	After counter-measure applied		
Level 1				
	Level 1	Level 2	Level 3	Level 4

FREQUENCY

corresponding countermeasures mitigate these risks, according to "Prevention Plans", "Minimization Plans" or "Recovery Plans". This risk heatmap is reviewed annually as part of continuous risk management at ONE.

The internal Audit Team reviews the overall risk management process, providing independent assurance and advice on ONE's risk management, corporate governance and internal control processes to ensure we are operating as effectively as possible. They also promote risk and control awareness within the company.

Responsible tax practices

ONE is committed to be a compliant and responsible taxpayer. We recognize the importance of tax transparency and disclosure, and strive to keep our compliance regime up to date with the evolving tax laws and regulations around the world. In line with our values, we do not condone the behaviour of profit shifting with a tax avoidance intent for the purpose of minimizing our tax obligation. Our Global Tax Policy (GTP) sets out the guiding principles and process protocols for the in-scope tax processes.

ONE's Tax Team is responsible for ensuring effective management of tax

processes to meet our tax obligations and putting in place appropriate internal controls to reduce the risk of unintentional compliance breaches.

Supply Chain Management

As a business, we purchase products and services from a range of companies. Critical to our operations are terminal operators, inland and coastal transportation companies, ships and container owners, bunker suppliers and IT vendors, without whom our core business activities cannot take place. We recognize that our procurement decisions can have significant environmental and social impact, and we seek to uphold high standards of sustainability and business conduct along our supply chain.

To align our suppliers with our standards, we developed the Supply Chain Management Guidelines. They provide clear guidance to our suppliers about our commitments and expectations on sustainability, which includes:
- Respect human rights, particularly around employee health and safety and labour rights.
- Comply with local and international codes of practice, covering the areas of corporate governance including issues of anti-competition, anti-bribery and prevention of money laundering.

- Provide safe and trusted services, training employees to undertake activities such as operation of machinery safely and have established emergency response capabilities.
- Improve environmental practices including the reduction of resource and energy consumption.
- Manage and protect intellectual property and information responsibly.

These guidelines are provided to all our suppliers and they are required to formally acknowledge and ratify these guidelines before entering into a formal contract with ONE. Those who agree to follow our guidelines can register their name on our website to recognize their efforts in following stringent social, environmental and governance standards. The number of registered companies is steadily increasing, from just 5 when we started implementing the guidelines to 308 in 2020, a testament of our ability to influence suppliers and their willingness to join us on this journey.

We provide training to ensure that managers in ONE have a thorough knowledge of the Supply Chain Management Guidelines and can act accordingly, sharing knowledge of this document and ensure a culture of compliance within their own teams.

Our procurement practices are guided by our internal Procurement Policy which encourages employees to make purchasing decisions through:
- Fair and unbiased evaluation,
- compliance with laws and social norms,
- respecting human rights,
- safety and environmental protection,
- and ensuring optimal quality and reasonable cost.

Illicit Trade

Illicit trade – whether in the form of arms, narcotics, endangered wildlife and other illicit goods on the black markets – undermines the global business environment and has

negative environmental and socio-economic impacts. ONE has zero tolerance towards the trade of illicit goods and human trafficking. We have a cargo screening process as part of our booking system to conduct due diligence and detect questionable goods. We work closely with ship masters and owners to prevent any occurrence of stowaways onboard our vessels.

Piracy and Security

It is crucial that we safeguard the security of our business and operations from serious threats like piracy and cyberattacks, to prevent the potential loss of lives and assets.

Piracy incidents and hijacking of commercial vehicles at sea has been a perennial issue and remains prevalent. Off the coast of Somalia and in the Gulf of Aden, we endeavour as much as possible to receive protection from Japan's Maritime Self-Defence Force and navies of various countries. In the Gulf of Guinea (West Africa) and in Southeast Asia, we have to rely a lot more on self-defence. We continue to remain vigilant and keep up efforts to ensure the safety of crew by: avoiding high-risk areas; maintaining high speeds; using high-pressure water nozzle; installing razor wire to prevent unauthorized embarkation; and providing bullet-proof vests and helmets. We also participate in industry dialogues through international organizations

like the World Shipping Council to collaboratively address the ongoing issue of piracy and maritime safety.

As we transform into a digital organization, our exposure to cybersecurity threats also increases. It is paramount that we protect our information technology and operational technology systems through cyber risk management measures to prevent cyberattacks on our business systems onboard and ashore.

Our Security Information Policy has been developed to protect ONE's information assets – both in digital and non-digital format. It details the minimum requirements and responsibilities for all our employees to ensure data confidentiality and privacy is maintained, as well as a process for reporting information security incidences. The Global IT Security Team is responsible for undertaking risk assessments for the information system assets identified and implementing risk countermeasures. They also oversee IT Security related training and education to raise awareness and improve technical competence. In addition, we have an IT Management Policy which defines the requirements for managing ONE's information technology assets throughout the entire lifecycle.

There were **no information security breaches, as well as no cases of piracy in 2020.**

GRI Content Index

This report has been prepared with reference to the GRI Standards. The table below presents our GRI content index, which specifies each of the GRI Standards and disclosures referenced in the report, including where the information can be found.

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page references
General Disclosures			
GRI 102: General Disclosures 2016	**Organizational Profile**		
	102-1	Name of the organization	3
	102-2	Activities, brands, products, and services	8
	102-3	Location of headquarters	Singapore
	102-4	Location of operations	9
	102-5	Ownership and legal form	8
	102-6	Markets served	9
	102-7	Scale of the organization	9
	102-8	Information on employees and other workers	9, 31
	102-9	Supply chain	8, 40
	102-10	Significant changes to the organization and its supply chain	There were no significant changes to our organization and supply chain in 2020.
	102-11	Precautionary Principle or approach	22
	102-12	External initiatives	12
	102-13	Membership of associations	13
	Strategy		
	102-14	Statement from senior decision-maker	4

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page references
	Ethics and Integrity		
	102-16	Values, principles, standards, and norms of behaviour	10, 11
	102-17	Mechanisms for advice and concerns about ethics	39
	Governance		
	102-18	Governance structure	14
	102-19	Delegating authority	14
	102-20	Executive-level responsibility for economic, environmental, and social topics	14
	102-21	Consulting stakeholders on economic, environmental, and social topics	18, 21
	Stakeholder Engagement		
	102-40	List of stakeholder groups engaged	21, 49
	102-42	Identifying and selecting stakeholders	21
	102-43	Approach to stakeholder engagement	21, 49
	102-44	Key topics and concerns raised	21, 49
	Reporting Practice		
	102-45	Entities included in the consolidated financial statements	3
	102-46	Defining report content and topic Boundaries	3, 19, 20
	102-47	List of material topics	19, 20
	102-48	Restatements of information	No information or data was reinstated.
	102-49	Changes in reporting	There were no changes in reporting.
	102-50	Reporting period	3
	102-51	Date of most recent report	3
	102-52	Reporting cycle	3
	102-53	Contact point for questions regarding the report	3
	102-54	Claims of reporting in accordance with the GRI Standards	3
	102-55	GRI content index	42
	102-56	External assurance	3

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page references
Material Issues			
Environment			
Climate Change (including GHG and other emissions)			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19
	103-2	The management approach and its components	22-25
	103-3	Evaluation of the management approach	22-25
GRI 302: Energy 2016	302-1	Energy consumption within the organization	23
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	23
	305-2	Energy indirect (Scope 2) GHG emissions	23
	305-4	GHG emissions intensity	23
Marine Pollution and Conservation			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19
	103-2	The management approach and its components	26
	103-3	Evaluation of the management approach	26
Recycling and Disposal of Materials			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20
	103-2	The management approach and its components	26
	103-3	Evaluation of the management approach	26
Operational Excellence			
Customer Experience			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19
	103-2	The management approach and its components	27-28, 30
	103-3	Evaluation of the management approach	27-28

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page references
Innovation and Digitalization			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19
	103-2	The management approach and its components	27-28, 30
	103-3	Evaluation of the management approach	27-28
Cargo and Container Safety			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19
	103-2	The management approach and its components	29
	103-3	Evaluation of the management approach	29
Social			
Employee Health, Safety and Wellbeing			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19
	103-2	The management approach and its components	33-35
	103-3	Evaluation of the management approach	33-35
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	33
	403-2	Hazard identification, risk assessment, and incident investigation	33-34
	403-3	Occupational health services	34
	403-4	Worker participation, consultation, and communication on occupational health and safety	34
	403-5	Worker training on occupational health and safety	34
	403-6	Promotion of worker health	34
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	33
	403-9	Work-related injuries	35

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page references
Human Rights and Labour Practices			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20
	103-2	The management approach and its components	35
	103-3	Evaluation of the management approach	35
Talent Management			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19
	103-2	The management approach and its components	31-33
	103-3	Evaluation of the management approach	31-33
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	32
	404-2	Programs for upgrading employee skills and transition assistance programs	32
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	33
GRI 406: Non-Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	32
Supporting Local Communities			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20
	103-2	The management approach and its components	35-37
	103-3	Evaluation of the management approach	35-37
Governance			
Ethical Business Conduct			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19
	103-2	The management approach and its components	38-40
	103-3	Evaluation of the management approach	38-40

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page references
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	40
Responsible Tax Practices			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20
	103-2	The management approach and its components	40
	103-3	Evaluation of the management approach	40
Piracy and Security			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20
	103-2	The management approach and its components	41
	103-3	Evaluation of the management approach	41
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	41
Illicit Trade			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20
	103-2	The management approach and its components	41
	103-3	Evaluation of the management approach	41

United Nations Global Compact COP

As a corporate member of the Global Compact Network Singapore (GCNS), the local chapter of the United Nations Global Compact (UNGC) network, ONE supports the ten UNCG Principles. Please refer to the UNGC reference table below for coverage of our efforts in relation to the ten principles. We will continue to support UNGC by incorporating the ten principles in the sustainable development of our business.

Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	p. 35, 38, 40, 41
Principle 2	make sure that they are not complicit in human rights abuses.	
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	p. 31-35, 40-41
Principle 4	the elimination of all forms of forced and compulsory labour;	
Principle 5	the effective abolition of child labour; and	
Principle 6	the elimination of discrimination in respect of employment and occupation.	
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	p. 22-26, 40-41
Principle 8	undertake initiatives to promote greater environmental responsibility; and	
Principle 9	encourage the development and diffusion of environmentally friendly technologies.	
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	p. 38-40

ANNEX 1 Stakeholder Engagement

Stakeholder Group	Engagement Method and Frequency	Topics and Concerns Raised	ONE's Response
Customers	Materiality survey and interviews (every 2-3 years) Customer feedback forms (annually) One-on-one communication from sales team through emails, meetings, etc. (regularly) Sustainability Report (annually)	Cargo and data security CO_2 Emissions Traceability, track and trace, and just-in-time shipment	Shared ONE's policy on data security Disclosed CO_2 emissions and reduction strategy Implemented end-to-end cargo tracking system with customer visibility.
Employee	Materiality survey and interviews (every 2-3 years) ONE's internal online portal (ongoing) Facebook Workplace platform (internal social network – ongoing) ONE Townhall session (annually) Annual employee appraisals Training and development programmes (ongoing)	Equal Opportunities Training and Development	Reiterated fair appraisal process Conducted a wider and richer variety of educational and training courses
Local community	Partnerships with Non-Profit Organizations (ongoing) Community engagement and CSR programmes (regularly)	Promote education Create environmental awareness Requests for free freight transportation and fundraising support	Shared community engagement activities on ONE CSR homepage.
Shareholders	Materiality survey and interviews (every 2-3 years) Sustainability Report (annually) Updates through email and meetings (as needed)	Timely information on business performance, strategy, operating landscape and business outlook	Provided timely and comprehensive information as requested
Suppliers	Corresponding email exchange with major suppliers (ongoing) Sustainability Report (annually)	Operational matters and business issues	Ensured suppliers agreed to Supply Chain guideline before engaged them.

ONE

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