

**X-Press Feeders Group**

# ANNUAL CSR REPORT

---

**2020**

---

JULY 2019 TO JUNE 2020

ALEX HARTNOLL & KELLY NG

“We do not inherit the Earth from our ancestors;  
we borrow it from our children.” – Native American Proverb

# TABLE OF CONTENTS

1. Sustainability at X-press Feeders
  - 1.1. Statement from our CEO
  - 1.2. Our Approach to Sustainability
  - 1.3. Sustainability Development Goals (SDGs)
  - 1.4. Memberships, Associations, and Initiatives
  
2. Company Profile
  - 2.1. Corporate Overview
  - 2.2. Our Core Values
  - 2.3. How we enable global trade
  
3. Governance, Ethics and Compliance
  - 3.1. Corporate Governance
  - 3.2. Ethics & Compliance
  - 3.3. Anti-bribery and Corruption
  - 3.4. Whistleblowing and Internal Complaints
  - 3.5. Information Security
  
4. Employees
  - 4.1. Talent Management
  - 4.2. Compensation & Benefits
  - 4.3. Employee Engagement
  - 4.4. Diversity, Equal Opportunity, and Non-Discrimination
  - 4.5. Work/Life Balance

# TABLE OF CONTENTS

## 5. Health and Safety

### 5.1. Health & Safety Performance

## 6. Environmental Objectives

### 6.1. Zero emissions

### 6.2. Marine Plastic reduction

### 6.3. Ship Strikes

### 6.4. Sustainable Ship Recycling

### 6.5. Sustainable Prevention of Hull Fouling

### 6.6. Ballast Water Treatment Systems

### 6.7. Ocean Health

## 7. Social objectives

### 7.1. Alleviating Poverty through education

### 7.2. Scholarships and Cadet Program

### 7.3. Other charities we supported

## 8. Campaigns and Partnerships

### 8.1. Campaigns

### 8.2. Partnerships

## 9. Economic Impact

### Appendix A: Summary of emissions

### Appendix B: List of Verified Vessels

# 1. SUSTAINABILITY AT X-PRESS FEEDERS

## 1.1 Statement from our CEO

I am excited to announce the release of our first CSR report. Sustainability has always been at the heart of our organization, and we are delighted to share where we are on this journey. This report gives an honest reflection of our performance highlighting the areas we are proud of but are also taking steps to improve which hopefully will be reflected in future reports.

The year of 2019-2020 was a transitional year in many respects both for bad and good. The IMO sulphur cap came into effect but so too did the global impact of Covid-19. I am tremendously proud of the efforts of our team during this particularly tough year, and how we responded to this global emergency through compassion, resilience, and innovation.

**"Sustainability has always been a core principle at the heart of our organization"**



Shmuel Yoskovitz  
Chief Executive Officer  
X-Press Feeders Group

# 1.2 Our Approach to Sustainability

At X-Press Feeders, corporate social responsibility is our commitment to ensuring we run a safe, sustainable, and ethical business. In addition, it makes sure we give back to the local communities that support our business. We see this strategy as a vital part of our sustained growth. To make our strategy comprehensive, we use three pillars: environmental, social, and economic.

We nurture the practice of environmental stewardship to promote marine ecology and eco-friendly solutions. The main challenges we face are emissions, ship recycling, plastics, biofouling, and whale collisions. The shipping sector faces many environmental challenges specific to the nature of its activities, and for a sustainable future, we have a part to do. So, we invest great efforts to protect the environment and minimize our environmental impact.

As a global company, we are proud to be a diverse and dynamic workplace for our employees. We employ hundreds of people in a variety of functions and departments. We are determined to provide equal development opportunities for all employees to enable their advancement within the organization.

The company has a responsibility to our stakeholders and employees to ensure the business continues to be a 'going concern' whilst abiding by a high standard of compliance, governance, and risk management. This safeguards alignment between management, stakeholders, the community, and our customers.

# 1.3. Sustainable Development Goals (SDGs)

Whilst X-Press Feeders is not an official signatory to the UN Sustainable Development Goals, we strongly believe in the principles, and follow them in the following areas. Moreover, we are always looking at how we can extend our contribution to more areas in future.

## Corresponding targets

## Chapters



- 7.1. Alleviating Poverty through education
- 4.2. Compensation & Benefits
- 4.5. Work/Life Balance
- 5. Health and Safety



Target 3.4

- 4.1. Talent Management
- 7.1. Alleviating Poverty through education
- 7.2. Scholarships and Cadet Program



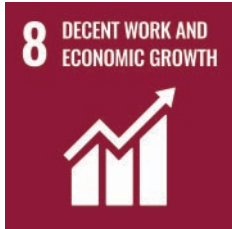
Target 4.3  
Target 4.4  
Target 4.5

- 3.1. Corporate Governance
- 4.1. Talent Management
- 4.2. Compensation & Benefits
- 4.4. Diversity



Target 5.1  
Target 5.5  
Target 5.c

4.1. Talent Management  
7.1. Alleviating Poverty through education  
7.2. Scholarships and Cadet Program



Target 8.7  
Target 8.8

4.4. Diversity  
5. Health and Safety  
7.2. Scholarships and Cadet Program



Target 12.2  
Target 12.5  
Target 12.6

6.1. Zero emissions  
6.2. Marine Plastic reduction  
6.4. Sustainable Ship Recycling  
6.5. Sustainable Prevention of Hull Fouling



Target 13.2  
Target 13.3

1.4. Memberships, Associations,  
and Initiatives  
6.1. Zero emissions



Target 14.1  
Target 14.c

6.2. Marine Plastic reduction  
6.4. Sustainable Ship Recycling  
6.6. Ballast Water Treatment Systems  
6.7. Ocean Health  
8.1. Campaigns  
8.2. Partnerships



Target 16.5  
Target 16.b

3.3. Anti-bribery and Corruption  
3.4. Whistle-blower and Internal Complaints  
3.5. Risk Management

# 1.4. MEMBERSHIPS, ASSOCIATIONS, AND INITIATIVES

One cannot achieve global sustainability alone, which is why we are a member of several large and accredited associations. To pool resources and knowledge to accelerate achieving our common goals, we are actively involved in the following initiatives and associations:

**Neptune Declaration** is an initiative which recognize the shared responsibility to ensure that the current crew change crisis is resolved as soon as possible and to use the learnings from the crisis as an opportunity to build a more resilient maritime supply chain.



**Clean Cargo** is 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.



**Getting to Zero Coalition** is a powerful alliance of more than 140 companies within the maritime, energy, infrastructure and finance sectors, supported by key governments and IGOs and is committed to getting commercially viable deep sea zero emission vessels powered by zero emission fuels into operation by 2030.



**GLOBAL  
MARITIME  
FORUM**



World Shipping Council collaborates with its member companies and governments to develop programs that improve maritime security without impeding the free flow of commerce and promote sound environmental stewardship through new international standards for ships and achievement of reduced air emissions.



Singapore Shipping Association is 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. SSA cooperates with other regional and international shipping organizations to protect the marine environment and promote freedom and safety at sea.



Dubai Shipping Agents Association provides a forum for members to pool information, focus on items of general concern / interest, facilitate interaction with the Government Authorities and / or other relevant bodies, and foster the future development of the shipping industry in Dubai.



# 2. COMPANY PROFILE

## 2.1 Corporate Overview

Founded in 1972, X-Press Feeders has since grown into the world's largest independent container feeder carrier. Our mission is to be "The Global Common Carrier" of choice, and we seek to provide the most reliable and cost-effective service solutions to support our customers' feeding needs.

Starting out with only operations in Southeast Asia, we have since expanded and are now operating throughout Asia, Middle East, Africa, Caribbean, Latin America, Mediterranean and Europe.

We have over 300 dedicated staff stationed across the globe, as well as a network of committed agents worldwide. Everyone at X-Press Feeders, including our agents, share a common goal: To provide the best network, schedules and expertise, giving our customers the most competitive and reliable services.

To sustain this, we empower the passion and knowledge of our staff with the latest technology and systems available. With this, we can seamlessly connect to give customers the quality and frequency of information they need to run a World Class Service.

We do not own, lease or operate any containers, and provide only transportation services to container operators and not for proprietary cargo interests or for the general shipping public. Without competing with our customers, X-Press Feeders acts as a trustworthy and completely impartial contractor.

## 2.2 Our Core Values

### **Integrity**

We are fully committed to serving our customers, professionally and ethically. We believe in establishing mutual trust with our customers and recognize the success which this brings.

### **Respect**

We respect our customers and place utmost importance on all services we provide to them.

### **Diversity**

We value every individual for the wealth of knowledge and unique talent they bring with them, regardless of background. At the heart of our business is diversity. Having a diverse workforce cultivates respect for individuality and supports the growth of the company by recognizing differences in values and ideas. We seek people of diverse backgrounds and life experiences and challenge them to work unconventionally.

## 2.3 How we enable global trade

The container industry is the lifeline of global trade. It is the network of liner services providing regular, cost effective, and timely transport solutions that keeps global markets and production systems running. This has empowered and enriched communities across the globe enabling them to competitively sell their products to markets far and wide.

The economies of scale and connectivity that liner shipping provides compared to other means of transport are unrivaled. By connecting the world liner shipping has helped lower barriers to trade, improve wealth inequality, raise competition, lower production costs, improve the quality of manufacturing and give consumers a huge choice of products.

The major benefits of the container trade have been through standardization of procedures, containerization of commoditized goods, and intermodal interoperability across the wider logistics network.

As a global common carrier, we support this network by providing an agnostic platform to combine more cargo onto larger networks and larger vessels to give both greater economies of scale and frequency of service.

# 3. GOVERNANCE, ETHICS AND COMPLIANCE

## 3.1 Corporate Governance

Since X-Press Feeders was established, operating our business ethically and legally has been a fundamental pillar of our business conduct. We understand that X-Press Feeders' public image is determined by our actions. Hence, we stand by our values and strive to apply them in our day-to-day work. We ensure our Business Conduct guidelines comply through regular monitoring and updates in accordance with national, international, other legal provisions and best practices.

Besides the Ethics and Compliance policy that can be found here, other corporate governance policies have also been implemented. For instance, we now have Whistleblowing Policy. Upcoming policies to be rolled out include Non-Discrimination Policy, Anti-Harassment Policy, and Disciplinary and Grievance Procedures.

## 3.2 Ethics & Compliance

Inappropriate behaviour on the part of even a single employee can cause the Company considerable damage. Every employee should be concerned with upholding the standards expected at X-Press Feeder. In all aspects of performing their job, every employee must focus on maintaining the good reputation of, and respect for, the Company principles on ethics and compliance.

Integrity guides employees' conduct toward business partners, colleagues, shareholders, and the general public. The Business Conduct Guidelines (here) are globally binding rules applicable to every X-Press Feeders employee.

These ensure all employees conduct their day-to-day work to the ethical standards expected of them. Compliance with the law and observance of the Business Conduct Guidelines is monitored on a regular basis in accordance with the national procedures and legal provisions. These principles shall apply to both internal cooperation and conduct towards external parties. This requirement is attached to every employment contract in Singapore and is now being rolled out to the rest of our offices.

## 3.3 Anti-bribery and Corruption

X-Press Feeders does not tolerate bribery and corruption and is committed to act professionally, fairly and with integrity in all its relationships and business dealings. We will uphold all laws relevant in every country. Our anti-bribery and corruption written policy and procedures can be found here. And is also available to all employees on our intranet.

## 3.4 Whistleblowing and Internal Complaints

It is important to the Company that any wrongdoing at work is reported and properly dealt with. Often the first people to know of any possible wrongdoing will be those who work in or for the Company. They may however feel that they cannot raise their concerns because this would be disloyal to their colleagues or the Company, or out of fear of reprisals.

In 2020, X-Press Feeders has updated our Whistle Blowing policy. The type of concerns that should be raised, the procedure on how to raise a concern and how reported complaints should be handled are described in detail in the policy, which can be found here. The Company has also created an alert system, whereby an email can be sent anonymously directly to the Compliance Team.

X-Press Feeders ensures that no employee shall suffer any adverse treatment as a result of refusing to take part in bribery or corruption, or for reporting in good faith any suspicion that an actual or potential offense has taken place or may take place in the future.

## 3.5 Information Security

### **IT/Cybersecurity**

Our information-security strategy emphasized on 3 core elements: people, processes, and technology. These 3 elements play an important role in maintaining our clients' trust and protecting our information by taking a risk-based approach to manage our digital assets; having industry-leading information-security technologies in place.

### **People**

All new employees must complete cybersecurity e-learning as part of onboarding requirements; 100% of employees must complete quarterly cyber-related e-learning that covers various topics (e.g., Phishing, Malware, Social Engineering, Password handling, etc.).

We contribute to IT/Cyber security articles in quarterly newsletter and ad-hoc-sent advisory to inform employees on high-risk attacks based on reliable sources (e.g., SingCert, Microsoft, etc.) or reminders on do's & don'ts when travelling (e.g., not to connect to any free Wi-Fi, etc.). We also conduct tests such as USB-drop and phishing campaigns.

All the above actions are done to raise cybersecurity awareness across the company. It helps employees to identify and avoid cyber risks, understand their responsibility in protecting the company, as well as protecting themselves and family in their personal environment (e.g., mobile devices, home Wi-Fi, SMART/IoT devices, etc.).

## **Process**

It is widely known that there have been an increasing number of attacks via BEC (Business Email Compromise) globally. In view of this threat, where appropriate, the respective business functions have setup manual validation and approval processes to ensure certain high risks business activities/requests (e.g., change of bank account, etc.) are legitimate.

## **Technology**

We ensure our systems are deployed with security built in. Our objective is to implement best-in-class defences, including technical solutions, governance, and employee capability building. Systems and controls are in place to govern and ensure compliance with industry best practices.

We contracted independent third parties to conduct annual Vulnerability Assessment and Penetration Test across our internal network and systems as well as external public-facing web applications. Any identified vulnerabilities were promptly mitigated in accordance with best practice. Our Information Technology and Security are audited by external auditor annually to ensure policies, procedures and guidelines are in-place, updated and enforced.

In addition, we have engaged professional Security-operations Centre (SoC) to ensure high level of information security for our internal and external-facing systems with 24x7 security-incident detection, analysis, containment, and mitigation.



# 4. EMPLOYEES

Employees are the most important asset a company can have. Without our employees, X-Press Feeders would not have come this far. We aim to provide our employees with a workplace that is motivated, friendly, and inclusive.

## 4.1 Talent Management

We believe the two fundamental aspects of talent management are talent acquisition, training and development.

### Talent acquisition

First and foremost, we believe in looking internally within the Group to ensure our staff are given the choices to apply for any openings. Internship and scholarship programs form a part of our talent acquisition policy besides sourcing externally. We use psychometric tools to assess our candidates to garner scientific insights to ensure a fairer hiring process as well as a better job fit.

### Training and Development

To stay at the forefront of the game, staff's development is of paramount importance to the business. Our aim is to develop them in a holistic manner. We do so by investing significantly in our people's technical skills and soft skills, such as people management and leadership development. Besides standard classroom training, we offer customized workshops and executive coaching - some programmes are tailored to specific needs.

Fresh graduates join as management trainees and are attached to key functions for training. This enables them to have a good overview of the business as well as for the company to identify their strengths for longer term deployments. Likewise, the management trainees can develop a good insight as to where their potential lies.

# 4.2 Compensation & Benefits

At X-Press Feeders, employees are our most valuable assets, hence we strive to be an attractive and competitive employer. To encourage employees to develop their potential and excel in the quality of their work, we provide appropriate compensation for on-shore and off-shore employees.

We take care of our employees through the following rewards and benefits:

## **Fair compensation**

As a minimum, we pay according to fair market rates. We regularly conduct benchmarking exercises to ensure our employees are paid correctly, and also for any annual increment exercises and performance reviews.

## **Variable compensation**

Annual bonuses are usually paid in the first quarter of every year. We reward staff according to the company's and individual's performance.

In July 2020, the company made the extraordinary move of paying a COVID bonus to give encouragement and assurance to staff amidst the surprise and chaos of the epidemic.

## **Long Service Award**

Staff are recognized from their 10th year onwards for their length of service.

### **Annual leave increment**

Staff who have completed 5 years of service will receive a one-off additional 5 days added to their annual leave entitlement. This is however not extended to staff who are already enjoying the maximum 26 days of entitlement.

### **Marriage leave**

Staff are granted 3 days of leave their first legal marriage.

### **New-born gift**

We celebrate with the staff by gifting their newborn a gift of \$150.

### **Paternity Leaves entitlement**

X-Press Feeders embraces workforce diversity and promotes inter-company exchange programme by taking care of our staff members who have relocated to Singapore with their families. We believe that allowing the father to be involved in the early days after the baby is born increases bonding, higher parental satisfaction rates and heightened engagement.

Only in Singapore, the paternity leave entitlement is not extended to non-citizens. Singaporean fathers are eligible for the state-granted 14-days paternity leave entitlement. As such, our Singapore office has extended the 14 days paternity leave to non-citizens this year. We believe in the importance of fathers in the raising of a child, especially with regards to the development of a child's emotional well-being.

While compensation and benefits are tangible, there are intangibles rewards such as recognition, work-life and development jointly referred to as total rewards.

## 4.3 Employee Engagement

In September 2019, our Singapore office held its first Bring Your Child To Work Day in answering the call of the Families for Life Council. Staff and their children reported to the office in the morning for some fun family activities, such as movie screenings, getting to know the superiors of their parents and some game sessions. Staff ended work an hour earlier to head home to have dinner with their loved ones.

At Barcelona office, one of the employee engagement methods takes place via a laughter therapy exercise. The exercise is done around Christmas time whereby everyone just simply laughs. This can help to reduce stress and depression among employees.

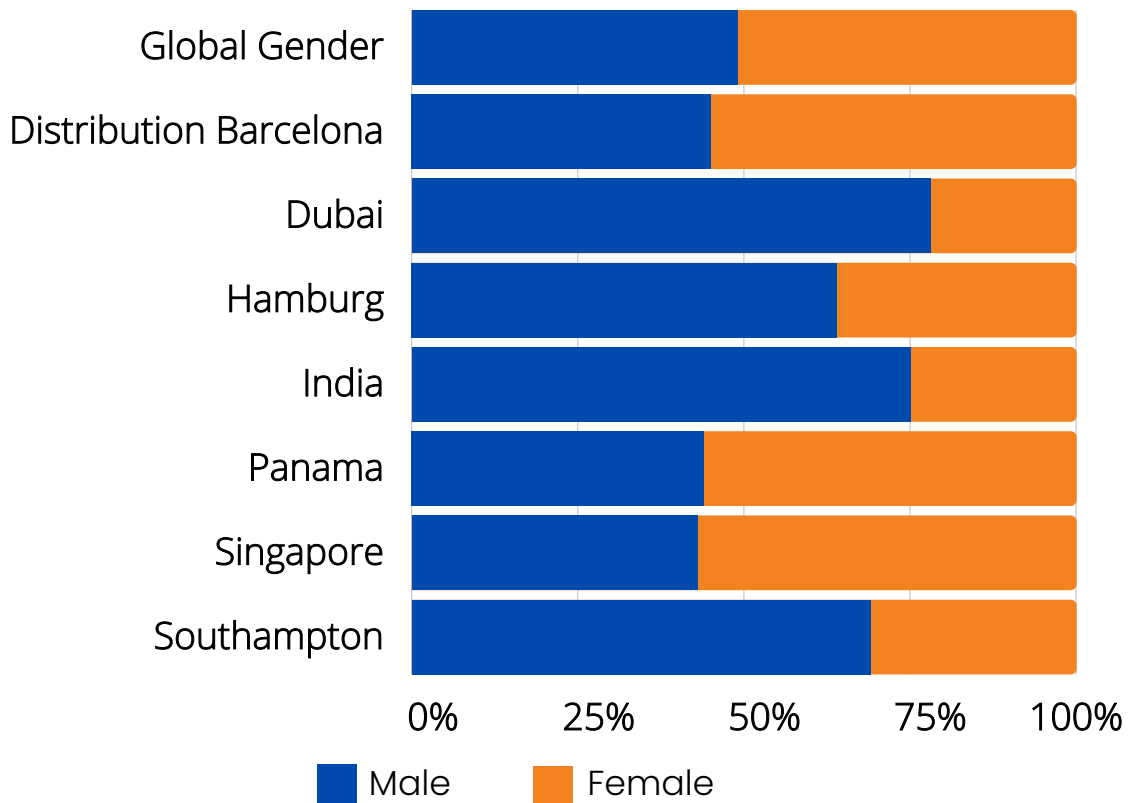
## 4.4 Diversity, Equal Opportunity, and Non-Discrimination

As a global company, X-Press Feeders strives to maintain a healthy workforce through transparent hiring practices. Generally, we have maintained a healthy gender distribution across offices.

As a diverse workplace, we are a merit-based company. We believe that an individual's potential should not be hindered by forced circumstances. To accomplish this mission, we hire individuals from all backgrounds regardless of their race, culture, physical disability, sexual orientation, religious and political beliefs, etc.

In Singapore, we employ staff with disabilities and constantly explore the possibilities of increasing their representation in our company thanks to the successful stories behind this group of wonderful colleagues. Despite the disabilities, they never demanded special treatments and have contributed greatly to the success of our business.

# Gender Diversity



Global Diversity Distribution (As of 30 June 2020)

Historically, shipping has been a male-dominated industry. Times have changed since and therefore to promote gender equality on board the vessel, since 2016, we have recruited 5 female crew members and will continue to recruit more female crew members and cadets when possible.

Typically, all seagoing crew look to return to work ashore at some point to spend more time with family and friends. This is another reason why we still see big imbalances in the ratios of men to women in certain onshore departments such as operations and fleet management. Whilst we strive for equality, we also recognize that offshore crew need somewhere onshore to return to for their mental and social welfare.

## 4.4 Work/Life Balance

At X-Press Feeders, our approach to work-life balance is two-pronged. At the corporate level, we have an overarching policy whilst maintaining a degree of localization to cater for regional differences across our various offices. Localization is great because it enables staff throughout the organization to get involved from a grassroots level, raising more awareness and enjoyment.

Work-life balance is an important aspect of a healthy work environment and maintaining work-life balance helps reduce stress and prevent burnout in the workplace. Hence, at X-Press Feeders, we offer a flexible work environment for our staff, to encourage them to spend more time with their family. An example in Singapore, we have the Eat with your Family Day whereby staff are allowed to leave work earlier to enjoy a meal and spend time with their children and family.

As we reach the endemic of Covid-19, X-Press Feeders is on the verge of introducing a telecommuting policy which will enable staff to telecommute twice a week. Covid-19 has proved to us productivity didn't suffer as a result of telecommuting. We hope that by introducing this tool, our staff can have a healthy level of flexibility to manage their family commitments.

COVID-19 has been tough on everyone as work-life balance became difficult to maintain. Staff had to work from home blurring the line between work and personal time. To reach out to staff, emails were regularly sent out to remind everyone about the importance of work-life balance, to switch off at a reasonable hour every day and to be more mindful towards colleagues who might be struggling with working from home.

To show the employees that the company cares for them and thinking of them during the tough times, weekly care packages were sent to the employees' homes as a kind gesture.. Every care package was carefully considered and thoughtfully prepared. The care packages included gifts and motivational messages to lighten their day and boost morale.



Weekly care packages sent to our employees

# 5. HEALTH AND SAFETY

We champion the right for staff to be safe at work by ensuring we are prepared for any emergency situations. Staff are sent for certified first aid courses on a voluntary basis. As of 2020, our Singapore and Barcelona offices have fully certified first aiders in each office. For the rest of the offices, we are arranging for the necessary training amidst COVID-19 restrictions.

Health and Safety at sea is largely driven by internal guidelines of Safety Management System. The system comprises of the policy, the procedures and instructions, the responsibilities and authorities, lines of communication between ship and shore, audit system, all written down to ensure the compliance and help identify all gaps that need to be bridged and included.

In 2020, our team at X-Press Feeders continued our commitment to better health and safety at sea, pollution prevention, and improving our environmental performance. The ships and services we operate follow national, international safety standards, namely the IMO's SOLAS requirements, and industry best practices.

## 5.1 Health & Safety Performance

### **Safety Culture**

Vessels are given the necessary resources and training to achieve our desired safety goals. Periodic review of the policies, management systems, objectives, and targets are conducted to ensure continual improvement.



Our Health, Safety, and Environment management system objectives are to:

- Provide for safe practices in ship operations and a safe and healthy working environment
- Assess and safeguard against all identified risks
- Continuously improve the Health, Safety, and Environment management skills of all personnel ashore and aboard our ships. Including preparing for emergencies related to both safety and environmental protection.

As a standard, we continue to benchmark ourselves on incidents, Port State Control (PSC) performance, and crew competitiveness. Our safety target every year is to achieve “Zero Accidents”. In the year 2020, no fatality or major injury was recorded on-board X-Press Feeders’ fleet.

However, minor first aid and work-related injury were recorded in the form of a report and circulated fleet-wide for information sharing and learning as a preventive measure. To minimize the risk of these incidents, regular reviews of procedures is carried out and checklist items are included as soon as any scope of improvement is identified.

Furthermore, Risk Assessment is used as a safety management tool to enhance & radically improve the prevailing ‘Safety Culture’ on-board X-Press Feeders fleet. The use of the risk assessment technique helps us categorize risk by level or degree of seriousness. Most importantly, it provides us with the tools and the mechanism separating the trivial from the more serious risk, thus enabling us to focus on finding ways to eliminate or reduce the risk to ‘As Low as Reasonably Practicable’.

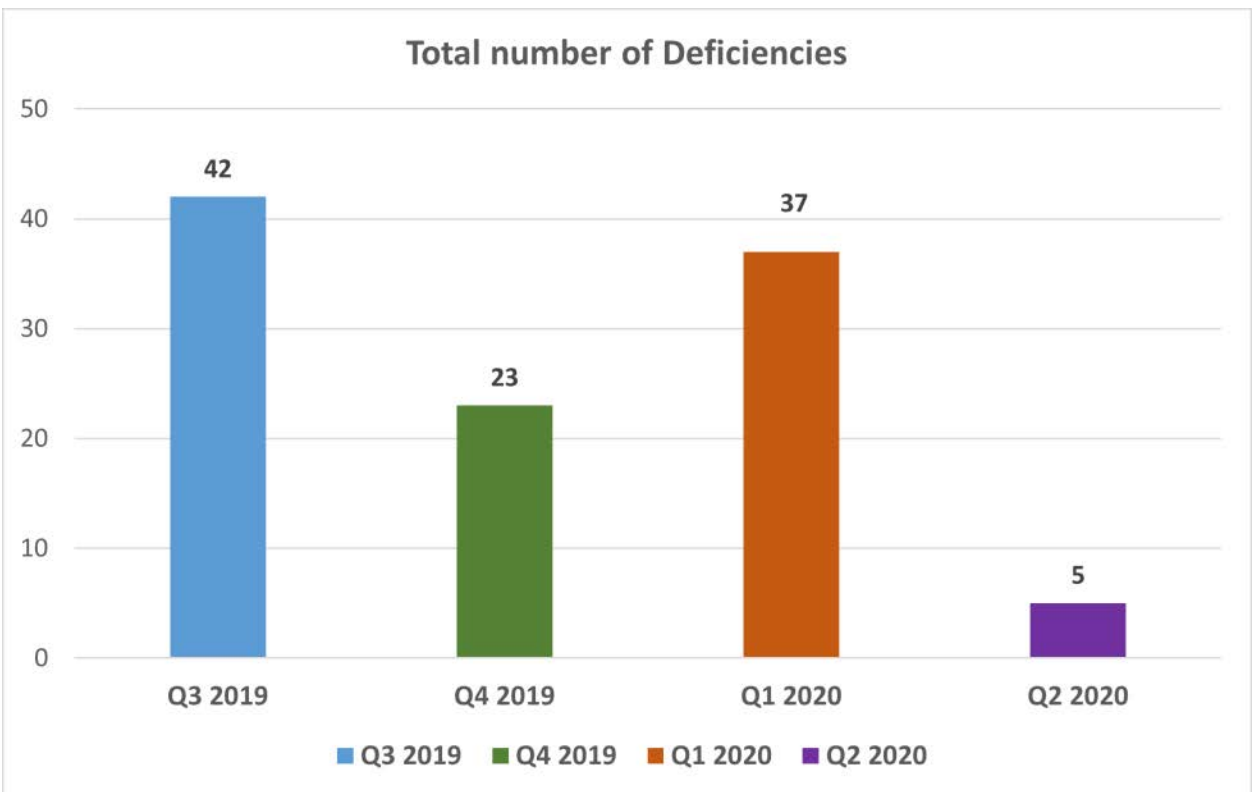
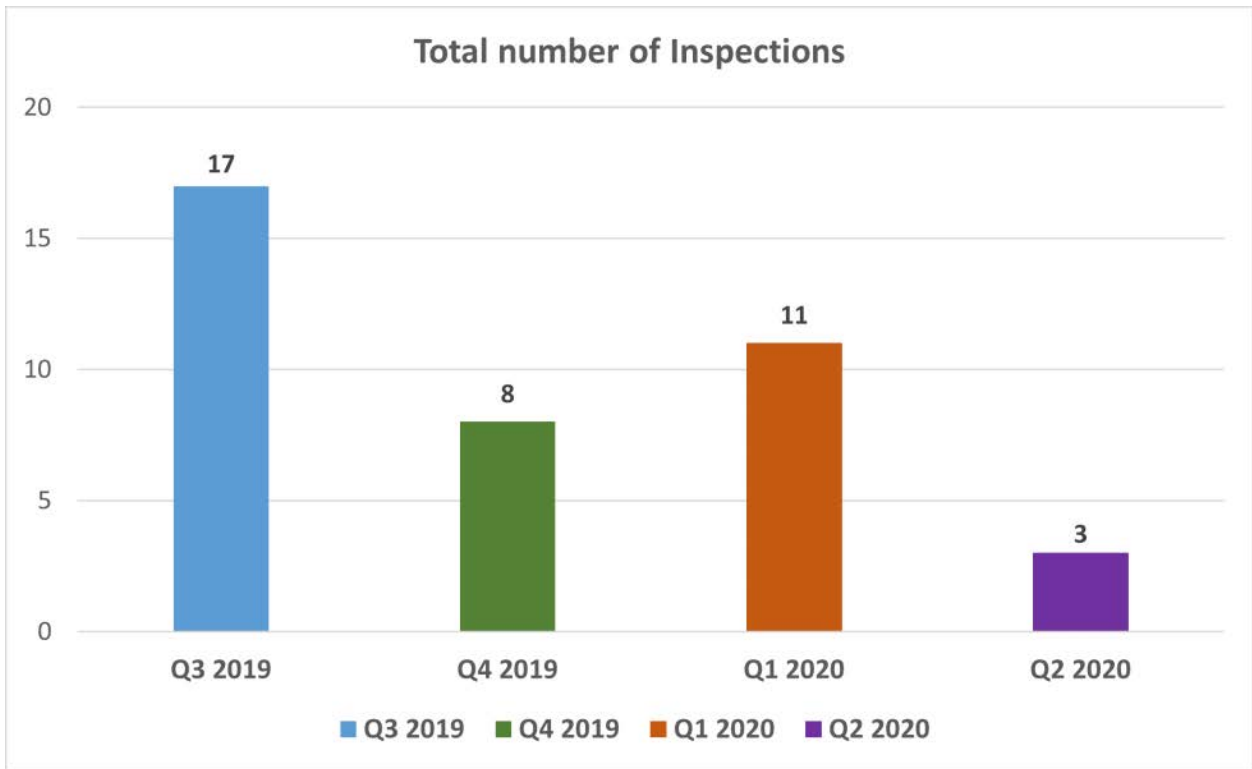
RISK MATRIX =S X L (Severity x Likelihood)					
	S1 First Aid	S2 Medical treatment	S3 Restricted Work Day	S4 Lost Workday	S5 Fatality or Long- term Disability
L1 Rare	1	2	3	4	5
L2 Unlikely	2	4	6	8	10
L3 Possible	3	6	9	12	15
L4 Likely	4	8	12	16	20
L5 Almost certain	5	10	15	20	25

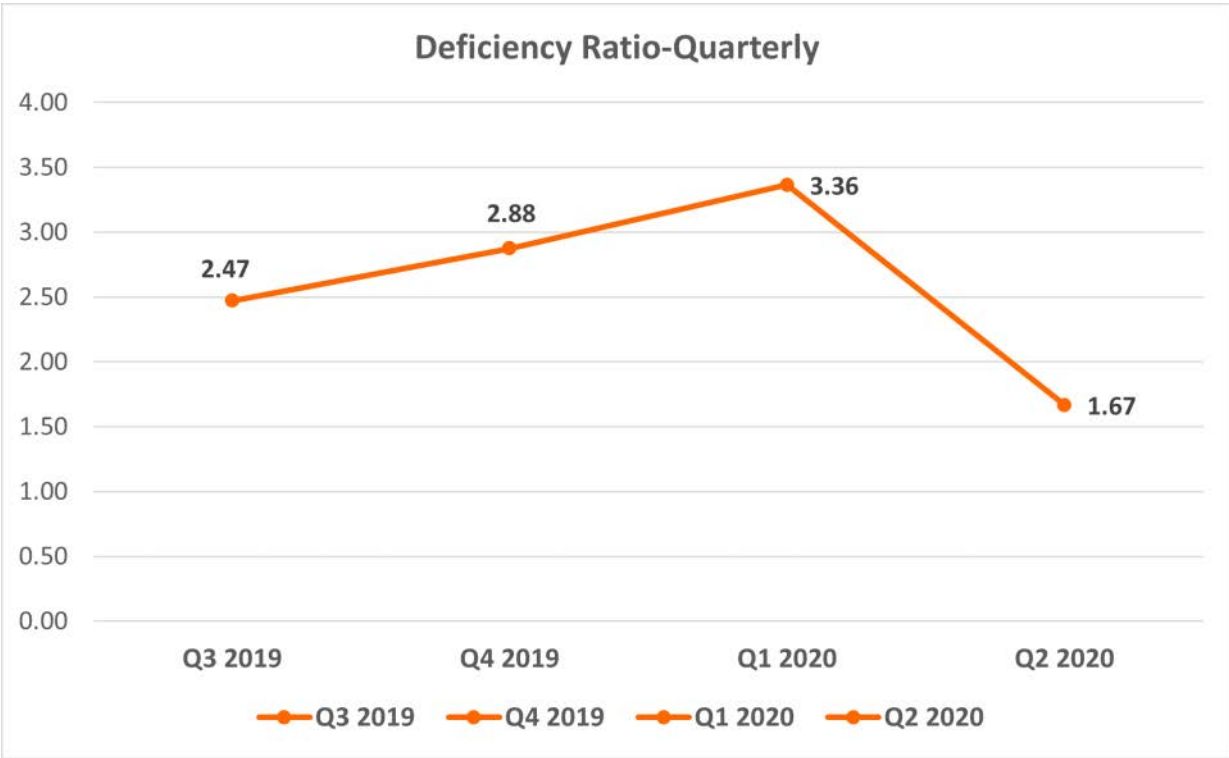
Note: Where the risk is associated with Extremely Harmful Consequences, further assessment is necessary to increase confidence in the actual likelihood of harm.

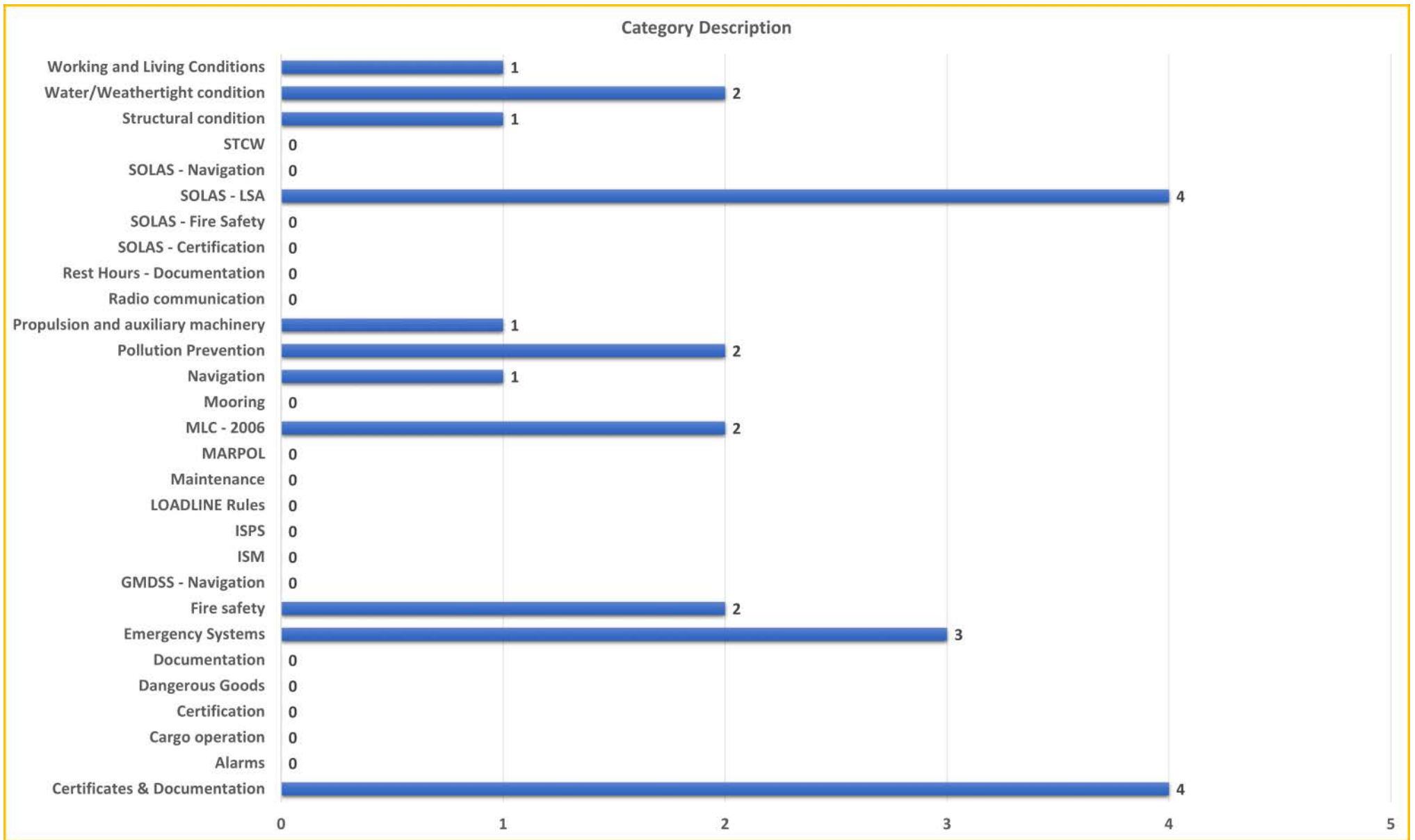
## Safety Performance & Review

PSC performance is an effective way to review the fleet status with regards to safety procedures, emergency preparedness, and compliance with international codes and conventions put forth by the maritime authorities. A port state control inspection involves checking several aspects of the ship, both on deck, inside the ship and the engine room to ensure ships leaving the port meet international safety, security, and marine pollution prevention standards. Internally, management has set our target deficiency ratio to 2.5 for third party inspections, port state, or flag state control. PSC inspection results conducted on fleet vessels, inspection reports & identified defects are collated and shared monthly with the entire fleet. Such sharing of information allows proactive measures for rectifying the defects fleet-wide.

The recorded defects are categorized under relevant sections to obtain an overview of areas that require attention. Follow-up inspections or special guidance from the office is then issued to all vessels to focus on concerned areas. A sample of data representation upon collection of data over 4 quarters is as below:







## **Safety Management**

In order to improve standards, main areas of focus are addressed.

SMS is a regularly revised and continuously evolving system to add/amend procedures and enforce improved guidelines

Company circulars, Bulletins, Fleet advisories, incident reports are shared fleet-wide for information and knowledge sharing. Various Flag circulars, safety bulletins, and security advisories are shared with vessels regularly.

We use a Planned Maintenance System (PMS) to provide service guidance and proper guidelines for inspection of each piece of equipment or machinery in the fleet. The platform triggers the maintenance plan due date and allows picture reports to be recorded along with the maintenance remarks.

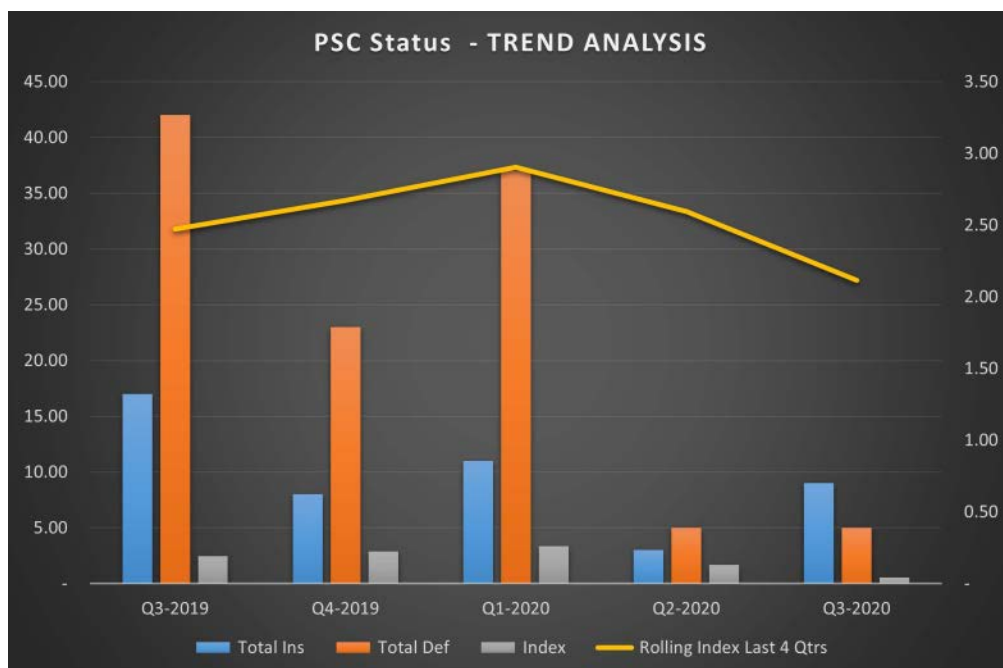
The data can be accessed and reviewed from the shore office and further tasks can be added to improve the job, as deemed necessary. Defect record relevant to any equipment or machinery can be raised promptly to identify (and record/address) items and follow-up for rectification. This allows effective identification, reporting, and rectification procedure.

Certification module & Safety tasks are recorded in one platform. All certificates along with the expiry date trigger (reminder) are updated in the system used on the vessel and office ashore. This platform gives us the ability to monitor the validity of various certificates and assists in pro-active renewals. Safety tasks provide the schedule for safety training on-board and allow the record-keeping of safety reports, accessible from shore office to review and discuss for further improvement.

Crew Training & Familiarization is carried out through video training methods. A dedicated training module is installed on-board all vessels to provide regular training to ship staff. A Vessel's condition is monitored through the frequent inspections or picture reports received weekly from vessels. Regular monitoring of progress and verifying them upon vessel visits improve the overall condition of the fleet, thereby having a positive impact on PSC statistics as well.

QTR	Total Inspections	Total Deficiencies	Index	Rolling Index Last 4 Qtrs
Q3-2019	17	42	2.47	2.47
Q4-2019	8	23	2.88	2.68
Q1-2020	11	37	3.36	2.90
Q2-2020	3	5	1.67	2.60
Q3-2020	9	5	0.56	2.12

As evident from the below rolling index, X-Press Feeders has seen improvement with respect to PSC deficiencies and we aim to follow the same trend to bring down the PSC ratios further.

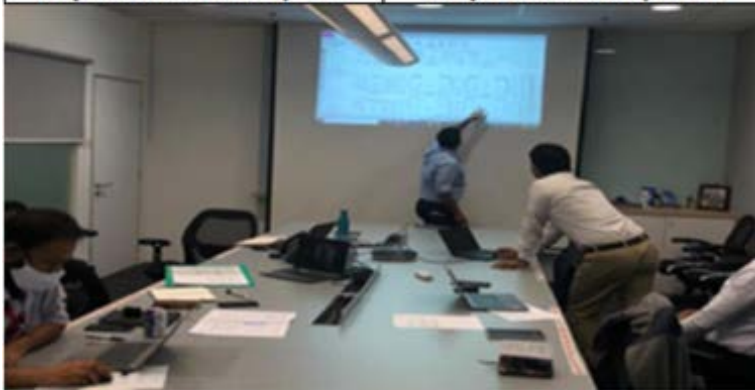


### Crew safety: Training, Emergency preparedness & Welfare

The emergency preparedness on board is continuously improved through open communication with staff on board and the shore-based management. Periodic shipboard drills are scheduled to allow regular training followed by briefing & discussion on the scope of improvement noted during drills. To have a well-trained crew, drills are conducted as realistically as possible for as many conceivable scenarios as practical. It is essential that the ship's staff are familiar with the life-saving systems onboard their ships and they have confidence the systems will be effective in the event of an emergency.

On-board trainings are based on the following guidelines:

- Familiarization with the Response plan on ship
- Shipboard Mitigation Procedures
- Notification procedures
- Familiarity with shipboard equipment.



In addition to on-board drill schedule and training, shore-based drills and tabletop exercises are also conducted to give an opportunity to not only ship-staff but also the shore-emergency response team to follow the required routine in handling and collecting data, determining lessons learned, and improving safety manual. Picture (Left) displaying teams working on a ship and ashore to control the emergency scenario simulation during a ship-shore drill.

With the unprecedented disruption of Covid-19, X-Press Feeders continued to focus on pre-Covid requirements of Pre-joining medical, necessary training, and orientation; alongside evolving requirements to the training of Covid precautions and best practices.

Company-appointed doctors were available for remote medical assistance over the telecom, email, and direct line for quick reference and consultation. Company circulars with the latest information and updates on Covid-19 developments were shared regularly with vessels. Company procedures were established to implement all necessary precautions on-board and restrict the spread of infection. Special measures were shared through advisories and guidance notes on continuous monitoring of crew health on-board and immediate actions to follow in case of a suspected, or confirmed case on-board.





One of the challenges on board, especially post Covid-19, is the mental wellbeing of the crew. To ease the challenge of being constrained 24/7 on-board a ship for long periods and far away from friends and family, the company has taken steps to improve on-board amenities such as internet access, accommodation, and recreational activities. The internet connection fleet-wide is currently being upgraded to unlimited internet data helping the ship staff connect with their family and friends while at sea.

Travel restrictions due to the coronavirus pandemic made it difficult to effect crew-change on ships. Ports around the world are denying entry to certain ships and accessing healthcare ashore when needed is challenging. Supply chain disruptions, shortage of workforce, and implementation of social distancing measures in ports and shipyards are causing delays.

In order to address the issue, management continually reviewed the restriction and regulations to devise the best-suited process to enable the crew change on-board X-Press Feeders' fleet. A few of the effective measures to conduct crew change can be marked as below:

- Deviation of a vessel – In the view of liner trade, if the vessels were only calling ports with strict regulations and restricted rules on crew change, the vessels were diverted to the nearest convenient port only to carry out crew change on fleet vessels.
- Chartered Flights – As commercial flights were unavailable at times for crew travel, chartered flights were arranged to bring the joining crew from home country to the vessel, and transfer signing-off crew back to home country.
- Mass Crew Change – in the view of volatile travel restrictions worldwide, mass crew changes were scheduled on-board vessels at convenient ports. The crew members were signed off in advance to avoid an extension or unforeseen delays in sign-off after the completion of a contract.
- Crew Vaccination – Continuous efforts are in place for the registration of vessel staff and crew ashore with relevant authorities and services to procure vaccination.

To summarize, X-Press Feeders will continue to uphold rigorous training sessions, conduct regular inspections, and engage with regulators to keep our people as a priority, and maintain its status of the best global common carrier in the world.

# 6. ENVIRONMENTAL OBJECTIVES

At X-Press Feeders, we nurture the practice of environmental stewardship to promote marine ecology and eco-friendly solutions. The main challenges we face are reducing emissions, sustainable ship recycling, plastic reduction, sustainable prevention of biofouling, whale collisions, and overall ocean health.

In the following sections, we elaborate on the unique challenges each of these issues presents to our company and how we are working to address them.

## 6.1 Zero emissions

Emissions include all greenhouse gas emissions, not only CO<sub>2</sub> (carbon dioxide). We believe all emissions are harmful to the environment and need to be addressed. Nevertheless, the most high-profile shipping emissions recently have been sulfur, NO<sub>2</sub> (nitrogen dioxide), and chiefly CO<sub>2</sub>. You can find the full break-down of our past year's emissions in Appendix A.

The Paris Climate Accord set targets to reduce CO<sub>2</sub> emissions by 30% by 2030, and 50% by 2050 from a 2008 baseline to limit a global climate temperature increase to 1.5°C. The IMO has aligned the shipping industry with the Paris Accord by committing to reduce CO<sub>2</sub> emissions by 40% by 2030 and 70% by 2050.

The targets set by the IMO have come under scrutiny with many actors in the industry believing the targets set by the IMO are not ambitious enough. This is one reason why X-Press Feeders decided to join the Getting to Zero Coalition, which is committed to getting commercially viable deep-sea zero-emission vessels powered by zero-emission fuels into operation by 2030.

The shipping industry today carries 90% of global trade and contributes 2.3% of global CO<sub>2</sub> emissions annually. Furthermore, the container sector has a projected fleet growth of about 4.8% this year (2021), which is expected to continue at a rate of 4-5% per annum until at least 2024. This growth will bring more emissions even though the newbuilds should be more efficient.

This highlights the challenging situation that the wider shipping industry and X-Press Feeders find themselves in. How to reduce emissions whilst supporting the growth of the global economy and continuing to be a going concern to the benefit of all our stakeholders?

For the 2019-2020 reporting year, we hired YTL to prepare a full GHG emissions inventory report, which can be found under this link. Our emissions inventory for the period between 1 July 2019 to 30 June 2020 is broken down into scope 1 (direct), scope 2 (indirect), and scope 3 (other indirect emissions).

Scope 1 emissions are all direct emissions from the activities of an organization or under their control, such as the operated fleet. Scope 2 emissions are indirect emissions associated with the purchase of electricity, steam, heat, or cooling. Scope 3 emissions are the result of activities from assets not owned or controlled by X-Press Feeders. Whilst X-Press Feeders has no direct control over scope 2 and 3 emissions, they can be influenced by negotiating with suppliers and making more sensible purchasing decisions.

The report shows that X-Press Feeders emitted a total of 1,771,391 MTs of CO<sub>2</sub> and 82.8 MTs of NO<sub>x</sub>. 66% of those emissions were generated by direct scope 1 activities, whilst 34% were from scope 3 activities. Scope 2 emissions only accounted for 0.012% of the total emissions. A limitation of the study is that it does not consider the scope 3 emissions from boxes loaded under partner and non-operated vessels, which we will address in next year's report.

Lastly, we also report our emissions data under the Clean Cargo Working Group. Our partners DNV-GL verify our emissions reported underneath the EU-MRV and IMO DCS conventions for our owned fleet, Eastaway. The list of verified vessels is available in Appendix B.

Therefore, we are undertaking the following action plan:

Short-medium term:

- Recruit a senior manager to take charge of our emissions action plan who will be empowered to take proactive action to reduce our carbon emissions in line with the GTZ coalition and IMO targets.
- Review the results of our first emissions inventory and establish more specific key performance indicators and measures for reducing our GHG emissions, by the time of next year's report (2022).
- Use the results of our emissions inventory to explore carbon offset schemes as an interim measure to mitigate the impact of our emissions before more permanent solutions can be implemented. Results and outcomes of this investigation are to be raised and discussed in next year's report.
- Expand our emissions inventory to cover X-Press Feeders' historic emissions beyond 1 year.
- Set up a system to measure, report and document our emissions on a kilograms per TEU or Ton mile carried basis, as well as overall emissions
- Work smarter through speed and voyage optimization. We are already testing a state-of-the-art fuel optimization system with our partners 'Molflow', and 'Fuel Opt' onboard the X-Press Guernsey.
- Review vessel parameter improvements (trim, draft, etc.).
- Retrofit existing ships with energy-saving devices to reduce fuel consumption and emission.
- Order new fuel-efficient ships, such as our order in February 2021 by our ship-owning company "Eastaway" for 3 + 2 x 3,100 TEU ships, which will be 40% more fuel-efficient than equivalent ships.

---

<https://www.molflow.com/>  
<https://leanmarine.com/fuelopt/>

- Our SBUs will be aiming to reduce emissions by consolidating cargo onto fewer larger ships that use much less fuel to move a container than smaller ships.
- Work with energy suppliers to run a trial with green fuel on one of our ships within 2021.

#### Long term:

- Plan the next generation of ships which will burn less than half the fuel of existing ships in a fleet replacement program.
- Work with engine manufacturers to specify the most technologically advanced engines for our new buildings, which can burn blue and green fuels including methanol and ammonia NH<sub>3</sub>.
- Invest in Core Power (UK) Ltd who is involved in the development of a modular Molten Salt Reactor (MSR) to propel ships and provide energy for manufacturing blue and green fuels. The prototype MSR reactor is due to start trials in 2025. This technology delivers a base power load with zero emissions and minimal residual waste on decommissioning. Measuring 3.5 x 3.5 x 7.5 meters and weighing 450 tons, it can be produced in factory-controlled conditions.
- Work with the energy companies who produce, distribute, and retail fuel for blue and green fuel solutions. New fuels will become available between 2035 - 2040.

## 6.2 Marine Plastic reduction

According to the International Union for the Conservation of Nature (IUCN) "At least 8 million tons of plastic end up in our oceans every year and make up 80% of all marine debris from surface waters to deep-sea sediments. Marine species ingest or are entangled by plastic debris, which causes severe injuries and deaths."

---

<https://www.iucn.org/resources/issues-briefs/marine-plastics>  
<https://www.statista.com/chart/12211/the-countries-polluting-the-oceans-the-most/>

Therefore, marine plastic pollution is a major threat to our oceans and the environment. 4 of the top 5 plastic polluters exist around the South China Sea, one of the areas where X-Press Feeders originated. To combat this plastic pollution, X-Press Feeders has partnered with Seven Clean Seas to perform our first-ever plastic audit. We are undertaking this audit to gain better insights into the annual plastic pollution generated by our fleet and to understand how we can effectively reduce, offset, and hopefully eliminate it altogether in the future.

It will cover all 48 of our group company, Eastaway's, owned fleet. The results of the audit will sadly not be available for this annual CSR report but will be included in next year's report, which will include the following points:

- Summary and breakdown of annual plastic output from our owned fleet.
- List of mitigation strategies to reduce and eliminate plastic from certain on-board processes.

With the results of the audit, we can begin to set concrete objectives and implement strategies to reduce the plastic pollution of our fleet. We will also investigate the feasibility of plastic offsets to reach net-zero plastic. However, we do not see this as an ideal solution as it does not solve the underlying issue of continuing marine plastic pollution.

In addition to the larger steps outlined above, we have also been working within our offices across all regions to implement plastic recycling programs. This has been met with mixed results because the availability of effective recycling programs in certain countries is completely absent or very limited in their coverage. For example, in Singapore, access to effective recycling programs is limited since most waste ends up in the country's giant incinerator.

Lastly, for the 2020 Ocean Awareness month in our company, we held an awareness event for all our staff members worldwide, which included screening the documentary "A Plastic Ocean " by the Plastic Ocean International to raise awareness about marine plastic pollution amongst all our staff.

## 6.3 Ship strikes

Many of the world's busiest shipping lanes overlap with areas where whales feed and breed. When ships travel through these areas, there is a high risk of collision, injury, and death, as whales are often unable to get out of the ship's path in time. The risk is not limited to whales of course with large sharks' species and other large marine animals being affected by ship strikes.

To prevent our vessels from colliding with the whales, our crews' vigilance and actions are the best defense today. We send out regular circulars to all our owned and chartered vessels, to remind them of our company policy to avoid ship strikes on whales. Moreover, the training of crews for our owned vessels includes safety awareness about ship strikes on whales and how to avoid them.

The instructions are to slow the vessel speed to below 10 knots if whales are spotted fine on the bow' and within two nautical miles. They are to continue at that speed until the vessel passes the area of the sighting. Studies have shown that the risk of ship strikes at speeds below 10 knots greatly decreases. These are in line with the recommendations of a 2009 IMO study and the recommendations by the "International Whaling Commission" (IWC) to minimize the risk of ship strikes to cetaceans.

These instructions complement the requirements that all our vessels follow internationally recognized traffic separation and control schemes, such as off West Coast South America and California.

We also mandate our crews to report any whale collisions if they do occur in the IWC ship strike database . This information is used by the IWC to identify high-risk areas and prevent future ship strikes. We are also looking to improve our reporting of such incidents on-board our vessels to build a clearer data set to improve our training, awareness, and preventative measures.

---

- <https://plasticoceans.org/about-a-plastic-ocean/>

- IMO (2009). Guidance Document for Minimizing the Risk of Ship Strikes with Cetaceans. London: IMO.

[https://iwc.int/private/downloads/dr1UJzeCuNpAWs9Xf9caBw/IWC\\_Strategic\\_Plan\\_on\\_Ship\\_Strikes\\_Working\\_Group\\_FINAL.pdf](https://iwc.int/private/downloads/dr1UJzeCuNpAWs9Xf9caBw/IWC_Strategic_Plan_on_Ship_Strikes_Working_Group_FINAL.pdf)



Over long watches, in the dark and through rough weather it can be hard to spot the signs that large marine animals are within the vicinity. We are actively looking for technological solutions that can help warn our crew about marine animals in the vicinity and other maritime navigational hazards to our vessels.

Lastly, we did explore underwater sonar solutions to help ward off animals from the bow of our vessels but the scientific data highlights these have limited impact given the ambient 'noise' in the ocean and the different frequencies that marine life relies on. Therefore, we have decided to not explore these types of devices any further, until we hear about a significant breakthrough in this field.

## 6.4 Sustainable Ship Recycling

Sustainable ship recycling is the safe and environmentally responsible disposal of vessels at the end of their life. Nowadays, 70% of the annual vessel disposals are done in South Asia . In the city of Alang (India) alone, this industry employs about 50,000 laborers' bringing huge economic benefit to this region. However, the health and environmental safety standards of most of these yards remain questionable.

Environmental challenges from ship recycling can arise from the presence and removal of hazardous materials contained on board. These include asbestos, chemicals, and heavy metals (like lead and mercury), plastics, ozone-depleting substances, oil pollutants, and anti-fouling paints. Waste discharges to the sea and the environment surrounding the recycling facility are also potential risks.

- 
- <https://iwc.int/ship-strikes>
  - <https://www.statista.com/chart/17336/countries-scrapping-the-most-ships-and-countries-of-shipowners/>
  - <https://timesofindia.indiatimes.com/city/rajkot/ship-recycling-to-create-1-5-lakh-more-jobs-in-3-yrs/articleshow/80636807.cms>
  - [imca-int.com/information-notes/environmentally-sustainable-ship-recycling/](http://imca-int.com/information-notes/environmentally-sustainable-ship-recycling/)
  - <https://www.offshore-energy.biz/ngo-shipbreaking-platform-24-deaths-recorded-at-beaching-yards-in-south-asia/>

Dismantling can impact air, water, and soil quality, therein affecting biodiversity and local ecosystems. And recycling can generate heavy metals and pollutants in cutting areas. Furthermore, there are big variations in the health and safety standards in the yards around the world. In 2018, 24 deaths were recorded in South Asian shipyards. Sub-standard training and safety procedures pose huge risks to the workers who cut and dispose of the vessels.

We are mindful of the issues surrounding sustainable ship recycling and we are reviewing our internal processes. To ensure we abide by the relevant rules and regulations in relation to the health and safety, and environmental issues which may arise from ship recycling.

## 6.5 Sustainable Prevention of Hull Fouling

Biofouling or biological fouling is the accumulation of microorganisms, plants, algae, or small animals on our ship hulls and equipment. Fouling on a ship's hull significantly increases drag, reducing the overall hydrodynamic performance of the vessel, increasing the fuel consumption and emissions of our fleet.

At X-Press Feeders, we ensure all our operated and non-operated vessels hulls are regularly cleaned every 6 months to avoid excessive biofouling, and consequently to prevent increased fuel consumption and emissions. In addition, all our owned vessels use anti-fouling paint on our hulls to mitigate hull fouling. Fresh coats of this paint are applied every few years with each vessel's special survey / dry-docking.

The use of toxic anti-fouling paints, which contain biocides, heavy metals, and toxic chemical compounds, is a controversial topic in the industry. Biocide-free products are available, but we do see a trade-off in performance in terms of CO2 emissions.

---

<https://www.sciencedirect.com/science/article/pii/S1369702110700584>

These toxins from biocides leach into the ocean throughout the lifetime of that 'hull coat' as it breaks down. An application of anti-fouling paint on a hull can involve thousands of liters of paint and thereby huge quantities of toxins dangerous to marine life.

At X-Press Feeders, most of our owned vessels use hull paints that contain cuprous oxide and a combination of CPT and zineb biocides. Since Tributyltin, the IMO has been challenging the industry to be more environmentally sustainable and all currently approved biocides are subject to high levels of scrutiny from the IMO. We have fully complied with the requirements from IMO in this respect. Most currently approved biocides are toxic to marine life but do have very short half-life's when exposed to the environment. Therefore, they degrade in short term to harmless and benign agents that are not bioaccumulative.

Nevertheless, we are working with our partners (Hempel) to evaluate and test more sustainable hull paints that contain lower to no biocides but are still effective at preventing biofouling and the increase in CO2 emissions.

We are also exploring the possibility of installing of an ultrasonic anti-fouling system on-board one of our vessels in the next 12 months. Ultrasonic marine growth prevention is very simple: any object, immersed in seawater, vibrates in the ultrasonic frequency range, and with enough sound pressure, will not be fouled. Larvae of fouling organisms do not settle on objects in ultrasonic vibration. This is seen as a much more sustainable means of hull fouling prevention than conventional means.

## 6.6 Ballast Water Treatment Systems

Invasive aquatic species present a major threat to marine ecosystems, and shipping has been identified as a major pathway for introducing species to new environments. The problem increased as trade and traffic volume expanded over the last few decades - the introduction of steel hulls has allowed vessels to use water instead of solid materials as ballast.

The effects of the introduction of new species in many areas of the world have been devastating. Quantitative data shows that the rate of bio-invasions is continuing to increase at an alarming rate. As the volumes of seaborne trade generally continue to increase, the problem may not yet have reached its peak. However, the 2004 Ballast Water Management Convention, aims to prevent the spread of harmful aquatic organisms from one region to another by establishing standards and procedures for the management and control of ships' ballast water and sediments.

Under the Convention, all ships in international traffic will be required to manage their ballast water and sediments to a certain standard, according to a ship-specific ballast water management plan. All ships will also have to carry a ballast water record book and an international ballast water management certificate. The ballast water management standards will be phased in over a period. As an intermediate solution, ships should exchange ballast water mid-ocean. From 2024, all ships are required to have an approved Ballast Water Management Treatment System, according to the D2 standard.

Three of our existing fleet vessels already had BWMTS systems fitted onboard already. Eight of our new build vessels came out from the yard with BWTS systems fitted on them. We have carried out a retrofit of BWMTS systems on 5 of our vessels so far. In total, 16 vessels of our owned Eastaway fleet now have a BWTS system. The remaining fleet will be done by 2023 as required by the IMO regulation.

We have signed an agreement with Alfa Laval to purchase standard BWMTS equipment for all our vessels, so they are uniform across the fleet. The Alfa Laval 'Pure Ballast' system 3.0 is a third-generation automated inline treatment solution for biological disinfection of ballast water. It operates without chemicals, combining initial filtration with an enhanced form of UV treatment to remove organisms under stipulated limits.

In terms of third-party owned vessels operated within our fleet, we expect Owners to fully abide by the new IMO regulations on BWMTS systems by 2023. We will review our policy in the coming 12 months to evaluate if our existing policies towards third-party owners on this subject are sufficient.

## 6.7 Ocean Health

Almost all the topics discussed above, address our companies' approach to ocean health and wellbeing. In addition to this, we work with several regional partners to sponsor programs that support ocean well-being, such as CRAM, a foundation that supports the wellbeing of oceanic animals around the coast of Catalonia, Spain. Please check out our partnerships section for more details.

We also have a strict policy against the carriage of shark fin products on any of our vessels, and consumption of such products at any of our company events. We are signatories to the WWF's 'Say no to Shark Fin campaign'. Since sharks are critical to maintaining a healthy structure to marine ecosystems, our company is fundamentally against the trade in shark fin, which kills between 63-273 million sharks every year.

# 7. SOCIAL OBJECTIVES

## 7.1 Alleviating poverty through education

At X-Press Feeders, our chosen social objective is the alleviation of poverty through educating children. Education gives children the power to pursue meaningful careers that will lead them and their families out of poverty. Every child should have the right to quality education no matter what their social status is.

Our flagship partner in achieving this goal is the non-profit organization Future Hope, located in India. We chose Future Hope as a partner because they target the most vulnerable children in the slums of Kolkata, bringing them into a safe environment where they are given the opportunity to pursue a brighter future for themselves. Combining education and sports means all pupils at the school are well-rounded individuals with a stable social environment. We donate to the school every year and we have also considerably contributed to the purchase of land on the outskirts of Kolkata which will host a new, vibrant campus.

Covid 19 has been tough on everyone, but it had been even tougher for people living in poverty. Due to Covid-19 lockdowns, many of them were unable to go out to work, there was no food on the table. Students were unable to attend school due to lockdown, and they were unable to afford laptops or desktops to attend online lessons. To help to alleviate the situation, X-Press Feeders donated USD 5000 to Future Hope, provide food and support for families struggling to get by.

All our global offices also support similar local initiatives. X-Press Feeders' Panama office has partnered with Fundación Ofrece Un Hogar, an orphanage that provides support and teaching to children from vulnerable backgrounds in and around Panama City.

Besides Panama, our Barcelona office has also worked with Fundació Maria Raventós, a foundation whose primary purpose is to help and protect young women who are at risk of social exclusion. The mission of the Foundation is to welcome and accompany these people to facilitate their social and employment integration.

Lastly, our Singapore office has been working with Fei Yue, an organization that helps the vulnerable and disadvantaged communities, and assists those in need to get their lives back on track. In addition, the Singapore office also makes yearly donations to The Straits Times School Pocket Money Fund. The Fund provides pocket money to children from low-income families to help them through school. The Fund beneficiaries can use this money for school-related expenses, including lunch meals, transportation, or other school needs.

## 7.2 Scholarships and Cadet Program

Since 2012, X-Press Feeders has offered yearly sponsorships for two students from the Bangladesh Marine Academy as an initiative to give back to the community, and to support those who are in need. However, the sponsorship only covers for Cadets' school and training fees.

Our official Cadet Program for our owned fleet was started in 2015 with only two cadets from Singapore. This initiative aims to support ambitious young individuals aspiring to seagoing careers with financial support, mentorship, and training.

In 2016, we started taking in four Cadets from the United Kingdom through a recruiter and third-party Cadet Management service to further the program.

In 2018, there was a vision to create our own pool of Officers. With the vision to having Officers trained in the spirit of X-Press Feeders' from the start of their seafaring careers. Thus, we increased our intake of Cadets from Singapore from two to four.

Initially the Singaporean Cadets were only recruited through MPA's Tripartite Maritime Scholarship scheme, but we opened our recruitment to Wavelink Maritime Institute and the Singapore Maritime Academy for non-scholarship applicants. Concurrently, we also began recruiting Cadets from India, committing to taking a total of 4 Cadets from Tolani Maritime Institute in Pune, and T. S. Rahaman in Navi Mumbai yearly.

With the introduction of X-Press Sousse under the Moroccan flag, there was a need by the flag state to train Moroccan Cadets. As such, we took in two cadets from Morocco in 2019 from Institut Supérieur d'Etudes Maritimes Casablanca, training them on our Moroccan and Singapore flagged vessels.

In 2019 we also increased our annual recruitment of Cadets from Bangladesh Marine Academy from two to four individuals. We hope that they will continue to sail with us as Officers once they complete their examinations.

In 2020, there was a major update in the UK cadet program whereby we discontinued the services of the recruiter and third-party Cadet Management. As X-Press Feeders was recognized by the MCA as a Training Provider with a presence in the UK. We also streamlined our sourcing areas to only two colleges, City of Glasgow College, and Warsash Maritime Academy. But, due to a lack of Engine Cadets since 2017, in 2020 we also started recruiting from the National Maritime College of Ireland.

To date, we have a total of 46 Cadets from Bangladesh, India, Morocco, Singapore, and the UK. Currently, we have one Singaporean, one Indian, and one Moroccan Officer who were our Cadets in the past, and are sailing on X-Press Makalu, X-Press Annapurna, and X-Press Sousse, respectively, as 4th Engineers. Our remaining cadets are either still in college, onboard, or going through their exams to be certified as Officers of the Watch.

Talent acquisition is a constant preoccupation at X-Press Feeders, where we strive to ensure that our team is dynamic yet balanced. To achieve that goal, our Singapore office works with the Singapore Maritime Foundation to provide two scholarships to outstanding individuals each year. The scholarship provides flexibility in addressing talent needs.



Initially, the scholarship only targeted students from the Maritime Studies at Nanyang Technological University but as years go by, the field of study expanded to also include Computer Science, Computer Engineering, and Business Analytics. Likewise, we also widened our recruitment to students from Singapore Management University and the National University of Singapore.

Upon graduation, the scholars join the company to work in departments such as Line Management or Customer Service. At X-Press Feeders, we believe in providing opportunities for our employees, which is why we send our staff members, including scholars, on overseas stints. These help them broaden their horizons, understand how each department works, and how they come together to create the X-Press Feeders business.

## 7.2 Other charities we supported

Apart from the charities each hub supported in 7.1, we also support the following charities on a yearly basis.

We believe that children and their families from impoverished communities should not be denied their basic human rights such as education, healthcare, and community development humanitarian services. This is why we support the works of Christina Noble Children's Foundation, Vietnam.

The Foundation (CNCF) is dedicated to serving the physical, medical, educational, and emotional needs of vulnerable children. One of its core beliefs is that every child is an individual who deserves love, respect, and freedom from all forms of abuse and exploitation. The Foundation advocates for a united world where children are free from suffering, poverty, exploitation, fear, oppression, and where children are aware of their fundamental human rights.

In Pakistan, we supported The Citizens Foundation and Shaukat Khanum Memorial Cancer Hospital. The Citizens Foundation runs more than a thousand schools all over Pakistan, most of which are located in low-income areas of Karachi, and provide quality education to children from disadvantaged backgrounds. The Foundation aims to remove barriers of class and privilege to make the citizens of Pakistan agents of positive change through the power of quality education enabling moral, spiritual, and intellectual enlightenment.

Shaukat Khanum Memorial Cancer Hospital provides free medical treatment particularly to children and young adults with cancer, education to health care professionals and the public. The hospital also performs research into the causes and treatment of cancer.

In India, apart from Future Hope, we also supported the Aashray Centre of Rehabilitation. The Centre believes that every child matter, including children with special needs. The Centre is committed to contributing to the education and overall well-being of children with physical and mental disabilities.

We also support the Mission to Seafarers, who are on call providing help for seafarers in over 200 ports around the world day and night for 365 days per year. Seafarers need our help because they are often working in dangerous conditions, with no one else to turn to. Our crew is very important to us, so we feel charities like the mission to seafarers provide an important service to the seafaring community.

# 8. CAMPAIGNS AND PARTNERSHIPS

In addition to our typical CSR policies, we also engage in other campaigns and form partnerships to address issues our employees feel passionate about, such as typhoon relief and cancer research.

## 8.1 Campaigns

### **Say No to Shark Fin**

X-Press Feeders is pleased to announce we have joined WWF-Hong Kong's 'say-no to shark fin' campaign. We are committed to working responsibly to combat the overfishing of shark species. Therefore, we will be implementing procedures to ensure that our vessels and services are not used for the carriage of shark fin products.

Shark fin demand is one of the greatest threats to shark species today. Nearly 100 million sharks are estimated to be killed every year. One-quarter of sharks and related species are threatened with extinction. Sharks are considered a 'keystone' species of our marine ecosystem. "Shark losses can contribute to the destruction of the delicate balance of ocean ecosystems, which are essential for the numerous species that depend on it and for humans." Protecting sharks is vital to promoting healthy oceans around the world.

## 8.2 Partnerships

As mentioned in page 45 on environmental health, we work with several regional partners to sponsor programs that support ocean well-being, one being CRAM, and another AZRAQ.

## **CRAM**

A private non-profit organization dedicated to the protection of the marine environment and its inhabiting species. Its lines of action are the clinic and rescue of marine fauna, research and conservation of marine species and ecosystems, and raising awareness of the conservation of our seas and oceans. By working with CRAM, the staff members of the X-Press Feeders' Barcelona office get to visit their center to understand how they can help with the conservation of the marine biodiversity and protection of the marine environment.

Besides that, our staff also have the chance to participate in beach cleaning day, a little effort from Barcelona office, to help keep our seas clean from pollution.

## **AZRAQ**

Our office in Dubai works with Azraq to support ocean well-being. Azraq is a not-for-profit organization in Dubai. Azraq is the Arabic word for "Blue" and it defines the marine environment that Azraq serves to conserve and protect. Founded in 2018, Azraq focuses on the protection, defense, and conservation of marine life in the United Arab Emirates.

Their mission is to end the destruction of habitat and slaughter of wildlife in the world's oceans to conserve and protect the marine ecosystem and species. They aim to achieve this mission by undertaking activities that EDUCATE through awareness programs and community presentations, MOTIVATE the community to make a difference, and ACTIVATE them by offering a range of activities on, in and around the ocean.

They organize a range of activities from mangrove tree plantations, beach and desert clean-ups to in-water clean-ups by way of kayaking and snorkeling. With 2020 being an extremely challenging year for everyone, Azraq found a way to continue their good work and navigate the obstacles to get the job done! They introduced a socially shy package whereby the members of Azraq can organize and carry out the activity on our behalf whenever the government tightens the restrictions. This enabled us to do our small part for the environment while adhering to the social distancing and group gatherings restrictions in Dubai as mandated by the government. Thanks to the supportive team at Azraq, our colleagues in Dubai were able to make a positive impact on the environment.

# 9. ECONOMIC IMPACT

The company has a responsibility to our stakeholders and employees to ensure that the business continues to be a 'going concern', whilst abiding by a high standard of compliance, governance, and risk management. This safeguards alignment between management, stakeholders, the community, and customers.

As an independent common carrier, X-Press Feeders does not own, lease or operate any containers. We provide only transportation services to container operators and not for proprietary cargo interests or the general shipping public. Without competing with our customers, it allows X-Press Feeders to act as a trustworthy and completely impartial contractor.

Being a SOC common carrier, X-Press Feeders does not compete with any of our customers. We operate a fleet of more than 110 vessels (up to New Panamax size), including 43 fully owned, covering all the major global transshipment hubs throughout Asia, Africa, Caribbean, Latin Americas, Europe, Mediterranean, and the Middle East.

As an international company operating around the globe, we are influenced by market fluctuations, changes in the shipping sector, wider global trends, natural disasters, and pandemic situations. Many challenges and risks would arise and need to be addressed, and there would be opportunities for growth and improvements, such as efforts to reduce the carbon footprint while improving our vessel performance.

# APPENDIX A: SUMMARY OF EMISSIONS

Summary of emissions (tCO2e)					
<i>Direct or Scope 1 emissions</i>					
Ships	Fuel Consumed at Sea (tonnes)	Fuel Consumed at Port (tonnes)	Emissions at Sea (tCO2e)	Emissions at Port (tCO2e)	Total Emissions (tCO2e)
Owned & Operated by X-Press Feeders	136,892.31	32,495.59	433,771.94	103,359.60	537,131.54
Leased Ships from External Parties	163,008.16	31,193.95	517,724.38	99,849.10	617,573.48
Refrigerants	Quantity Consumed (KG)	-	-	-	Total Emissions (tCO2e)
R-404	2622	-	-	-	10,553.55
R-407	1140	-	-	-	2,135.22
<i>Indirect or Scope 2 emissions</i>					
Country	Electricity Consumption (MWh)	-	-	-	Total Emissions (tCO2e)
Singapore (Duxton)	233.77	-	-	-	95.50
Singapore (Shenton)	50.99	-	-	-	20.83
Sweden	166.67	-	-	-	3.83
Hamburg	13.88	-	-	-	6.62
Barcelona	326.30	-	-	-	62.00
Dubai	4.18	-	-	-	2.82
Panama	3.21	-	-	-	1.87
Kolkata	0.75	-	-	-	0.68
Chennai	0.95	-	-	-	0.86
Tuticorin	0.85	-	-	-	0.77
Cochin	0.46	-	-	-	0.42
Mumbai	1.15	-	-	-	1.05
Gandhi Dham	0.45	-	-	-	0.41
United Kingdom	29.52	-	-	-	6.82
United Kingdom (Fuel Usage)	32.74	-	-	-	6.02
<i>Other indirect or Scope 3 emissions</i>					
Type of Fuels	Fuel Consumed at Sea (tonnes)	Fuel Consumed at Port (tonnes)	Emissions at Sea (tCO2e)	Emissions at Port (tCO2e)	Total Emissions (tCO2e)
HFO	184,530.20	28,816.70	100,655.69	15,718.64	116,374.33
MDO	41,087.41	21,249.20	29,054.96	15,026.37	44,081.33
VLS	127,648.51	20,337.47	86,008.29	13,703.18	99,711.47
ULS	29,557.22	2,283.35	19,915.36	1,538.50	21,453.86
LSFO	3,077.02	949.72	2,073.27	639.91	2,713.18
MDO	647.00	81.00	457.53	57.28	514.81

<b>Ship Waste</b>	<b>Quantity of waste (m3)</b>	-	-	-	<b>Total Emissions (tCO2e)</b>
Sludge	4,813.23	-	-	-	7,551.95
Plastics	615.99	-	-	-	5.50
Food Wastes	140.38	-	-	-	88.00
Domestic Wastes	389.42	-	-	-	170.31
Operational Wastes	111.38	-	-	-	51.03
E-Waste	2.80	-	-	-	0.03
Metal	55.57	-	-	-	3.92
Cooking Oil	2.94	-	-	-	1.70
<b>Office Waste</b>	<b>Pulp paper and cardboard (KG)</b>	<b>Food, beverages and tobacco (KG)</b>	<b>Glass metal other inert (KG)</b>	<b>Total Quantity of Waste (KG)</b>	<b>Total Emissions (tCO2e)</b>
Singapore	2,085.12	26,359.20	707.04	29,151.36	18.70
Hamburg	4,160.00	12,480.00	37,440.00	54,080.00	1.01
Dubai	1,080.00	-	-	1,080.00	1.13
Panama	228.00	-	108.00	336.00	0.24
India (Kolkata)	200.00	300.00	200.00	700.00	0.40
India (Chennai)	200.00	1,000.00	200.00	1,400.00	0.84
India (Tuticorin)	200.00	500.00	200.00	900.00	0.52
India (Mumbai)	300.00	1,000.00	200.00	1,500.00	0.94
India (Gandhi Dham)	300.00	300.00	200.00	800.00	0.50
<b>Business Travel</b>	<b>Total Flight Distance (KM)</b>	-	-	-	<b>Total Emissions (tCO2e)</b>
Single Trip	640,480.86	-	-	-	96.99
Return Trip	2,470,163.60	-	-	-	345.30
<b>Employee Commuting</b>	<b>Total Distance Travelled (KM)</b>	-	-	-	<b>Total Emissions (tCO2e)</b>
Dubai	156,572.00	-	-	-	25.38
Germany	138,554.00	-	-	-	9.61
India	332,982.00	-	-	-	22.16
Panama	63,648.00	-	-	-	8.97
Singapore	1,312,656.80	-	-	-	49.70
Spain	200,876.00	-	-	-	7.85
Sweden	7,826.00	-	-	-	1.17
UK	73,866.00	-	-	-	11.07
<b>Expenses</b>	<b>Value (USD)</b>	-	-	-	<b>Total Emissions (tCO2e)</b>
Purchase goods and services	10,971,055.07	-	-	-	2,460.68
Capital Goods	5,197,485.93	-	-	-	1,041.49
<b>Downstream Leased Assets</b>	<b>Fuel Consumed at Sea (tonnes)</b>	<b>Fuel Consumed at Port (tonnes)</b>	<b>Emissions at Sea (tCO2e)</b>	<b>Emissions at Port (tCO2e)</b>	<b>Total Emissions (tCO2e)</b>
Leased Ships to External Parties	86,646.89	10,027.90	275,031.20	31,929.29	306,960.49
Total Emissions (tCO2e)	-	-	-	-	1,771,391
<b>Emissions Intensity (tCO2e/TEU)</b>	-	-	-	-	0.276



# Appendix B: List of Verified Vessels

No.	Vessel Name	IMO Number
1	X-Press Euphrates	9311737
2	X-Press Yamuna	9152909
3	X-Press Brahmaputra	9152911
4	X-Press Monte Bianco	9276341
5	X-Press Mulhacen	9365960
6	Yerupaja	9412488
7	X-Press Karakoram	9348924
8	X-Press Kailash	9348912
9	X-Press Makalu	9327683
10	Orinoco	9412476
11	X-Press Nuptse	9678630
12	X-Press Lhotse	9678642
13	X-Press Monte Rosa (Formerly named as X-Press Nile)	9305934
14	X-Press Vesuvio	9328651
15	X-Press Monte Cervino	9292943
16	X-Press Meghna	9360556
17	X-Press Hoogly	9399117
18	X-Press Sousse	9354349
19	X-Press Agility	9483671
20	X-Press Elbe	9483669
21	X-Press Shannon	9315032
22	Baltic Tern	9313199
23	Baltic Shearwater	9313228
24	Baltic Petrel	9313216
25	Baltic Fulmar	9313204
26	Eastaway Jamuna (Formerly named as Safeen Oryx)	9348998
27	X-Press Kohima	9155016
28	X-Press Kangchenjunga	9374595
29	X-Press Ganges	9301093
30	X-Press Cotopaxi	9256391
31	X-Press Irazu	9323493
32	X-Press Machu Picchu	9325441
33	X-Press Khyber	9374571
34	Diyala	9159646

<b>No.</b>	<b>Vessel Name</b>	<b>IMO Number</b>
<b>35</b>	X-Press Godavari	9353735
<b>36</b>	X-Press Kabru	9793727
<b>37</b>	X-Press Guernsey	9631876
<b>38</b>	X-Press Jersey	9622007
<b>39</b>	Mediterranean Express (Formerly named as Hammonia America)	9622019
<b>40</b>	X-Press Anglesey	9623843
<b>41</b>	X-Press Bardsey	9477323
<b>42</b>	X-Press Odyssey (Formerly named as Tommi Ritscher)	9656137

# ACKNOWLEDGEMENTS

We would like to take this opportunity to thank and acknowledge all of those that have contributed to this report, which includes:-

- Our communications team
- Our department heads
- Our management
- Our stakeholders who contributed to our materiality assessment
- YTL-SV Carbon Sdn Bhd
- Our colleagues from Local and Regional Hubs
- Our partners from charity organizations
- Our Local and Regional Hubs CSR teams
- All our employees

**We thank you for your continued support in our efforts to contribute to the UN's Sustainable Development Goals.**

## Contact

X-Press Feeders Group  
Sea Consortium Pte Ltd  
11 Duxton Hill, Singapore 089595

+65 6322 3120  
Alex@x-pressfeeders.com  
  
+65 6216 8550  
Kelly.ng@x-pressfeeders.com