



HONG LAM MARINE

# SUSTAINABILITY REPORT

## 2024



## MESSAGE FROM CHIEF EXECUTIVE

Dear all,

I am very pleased to announce the release of Hong Lam Marine's inaugural Sustainability Report. Whilst we are an SME, we believe that we have a responsibility to all our stakeholders to do the right thing, for the environment, for our staff and for all who deal with Hong Lam Marine. Resources are limited and for many years, we have always wanted to issue a Sustainability Report, but asking our staff, who have existing duties, to do this additional work, would not work. We finally decided to start an ESG Department in April 2024, we gave this opportunity internally, reskilled the staff, and the work in the last eight months of 2024, has borne fruit. We have rolled out many initiatives for the well-being of our staff, both shore and ship.



For the environment, again, resources are limited financially, but we take small steps and do what we can. As I said many times in external engagements, this journey of Decarbonisation is going to be expensive and all hands need to be on deck. Global regulations need to be consistent, providing clarity and creating a level playing field for the industry, so that the industry will be encouraged to invest in sustainable shipping. Financiers, Charterers, Local Governments must all do their part.

For Governance, we comply with all laws and regulations, provide clear rules and regulations for our staff, our clients and our suppliers and vendors. Our financials are prepared with clear aim of transparency so that it is easily understood by our financiers.

We continue to strive for excellence whilst we evolve and improve as a company that will be known as a company to trust by all stakeholders and, responsible socially and environmentally.

Thank you.

**Caroline Yang**  
Chief Executive  
Hong Lam Marine



*"You need all hands on deck to support this: the owners, charterers, bankers and even the governments: all need to have a skin in this decarbonization journey." - Mdm Caroline Yang*

# Table of Contents

## 01

### **About this Report**

1.1 Introduction	5
1.2 Purpose and Scope of the Report	5
1.3 Standard and Framework of the Report	5
1.4 Data Source and Boundary of the Report	5

## 02

### **The Company**

2.1 History	7
2.2 Company Overview & Main business	7
2.3 Our Fleet	8
2.4 Our Partners	9
2.5 Company Mission and Value	10
2.6 Highlights in 2024	11

## 03

### **ESG Commitment and Strategy**

3.1 Company's commitment	13
3.2 Materiality assessment and stakeholder engagement	14
3.3 Our Key SDGs	15

## 04

### **Progress on ESG**

4.1 Environmental	17
4.2 Social	21
4.3 Governance	26

## 05

### **Data & Appendices**

27



**1**

# **ABOUT THE REPORT**

# ABOUT THE REPORT

## 1.1 Introduction

At Hong Lam Marine Pte Ltd. (hereinafter referred to as “Hong Lam Marine”, “the company” or “we”), we believe that sustainability is not just a goal, but a journey. This report marks a significant milestone in our commitment to transparency, accountability, and continuous improvement in our environmental, social, and governance (ESG) practices. As we present our first sustainability report, we reflect on the progress we have made and the challenges we have faced.

We are proud of the steps we have taken so far, but we recognize that there is still much work to be done. Our journey towards sustainability is guided by our core values and we are committed to integrating sustainable practices into every aspect of our business, from our operations to our community engagements.

We extend our gratitude to our employees, partners, and stakeholders who have supported us in this endeavor. Together, we can build a more sustainable future.

## 1.2 Purpose and Scope of the Report

This report details Hong Lam Marine's performance and activities for fiscal year 2024 and it primarily shares an overview of our efforts and achievements in the realm of sustainability over the past years. This report is intended to provide insights into our strategies, initiatives, and performance in key areas of Environmental, Social, and Governance. As our inaugural Sustainability Report, the data may be limited to some extent, and simultaneously and occasionally incorporating information from previous years for consistency. Nonetheless, we view this as a baseline and are committed to continuous improvement moving forward.

## 1.3 Standard and Framework of the Report

We have taken Global Reporting Initiative (GRI) standards and the United Nations Sustainable Development Goals (UN SDGs) as reference for the preparation of this Sustainability Report.



## 1.4 Data Sources and Boundary of the Report

All data presented in this report were collected from relevant departments within the company as well as from the vessels that are owned by the company. Several materiality topics will be addressed in this report following a materiality assessment conducted through stakeholder engagement.

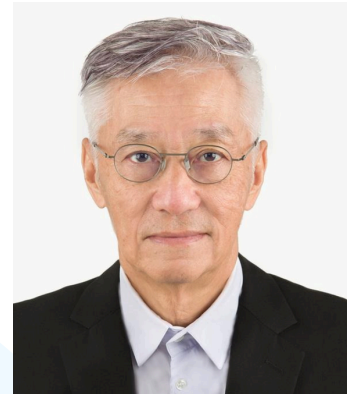
# 2

## THE COMPANY

# THE COMPANY

## 2.1 History

Hong Lam Marine Pte Ltd was established in 1981 and is a prominent ship-owning company based in Singapore. The company was founded by Mr. Lim Teck Cheng (right) together with his father, starting with two wooden barges chartered to Esso Singapore for fuel transportation within the port.



Over the years, Hong Lam Marine has grown significantly, expanding its fleets and operations. By 1987, the company began building single-hull ships and later ventured into double-hull vessels in 2005.

Pioneering innovation is in part of our company's ethos. In 2005, the company made history by operating the first double-hulled bunker tanker in Southeast Asia, surpassing 9000 DWT. Subsequently, in Jun 2009, we introduced 2 purpose-built bunker tankers of a remarkable 21,999 DWT, acclaimed as an exceptionally large vessel by industry experts and touted as the world's largest purpose-built bunker tanker at that time. We are also proud to have introduced our fleet of six hybrid electric bunker tankers of 6,200 DWT, strategically positioned within the bustling Singapore Harbour. Other prominent pioneering innovations include the use and promotion of MFMs for bunkering in Singapore in 2011 and the world's first ship to ship green Methanol bunkering to a container ship in the world in 2023.

## 2.2 Company Overview & Main business

Hong Lam Marine is a leading ship owner and operator in Singapore providing Chartering and Ship Management services. The company operates a diverse fleet of about 25 vessels in-port Singapore, Malaysia, Australia and New Zealand for fuel bunkering, bulk lubricants supply and the dedicated carriage of Jet A-1 to Singapore Changi Airport, with the others being ocean-going traverse regional Asian waters transporting petroleum and chemical products.

At the heart of our operations lies our absolute commitment to safely meeting our customers' needs earning us a distinguished reputation for safety and integrity. Continuously striving for excellence, our fleet is regularly upgraded and progressively expanded through new buildings with modern designs and acquisitions to meet the evolving demands of our clients and the shipping industry. We are fully dedicated to Crew Management for our fleet of vessels.

Innovative leadership is evident in us being the industry pioneer for the use of Mass Flow Meters (MFMs) for custody transfer which revolutionized transparency and productivity in the bunkering process. We also pioneered the building of purpose-built hybrid Diesel Electric power management system to be used for Bunker Tankers for fuel efficiency and minimize air and noise pollution. One of our bunker tankers has state of the art design with high automation for bridge and deck, and UMS ensuring safer operations with reduced manning and operating costs.



Launch of the first MFM system for commercial delivery in Singapore in 2012

# THE COMPANY

## 2.3 Our Fleets

We operate two fleets: the Harbour and the Ocean-Going. The Harbour Fleet consists of 19 tankers primarily operating in Singapore and Australian waters, providing services such as the transport of Jet Fuel, marine fuel bunkering, and marine lubricants supply.

### Harbour Fleet



BEYOND



SAVVY

### Jet Fuel Tankers



ABSOLUTE



EPITOME



ESSENCE



MAESTRO



MAJESTY



EMISSARY



DEBONAIR



DECORUM



DELPHINE

### Bunker Tankers



DEMURE



KOKAKO



ISANDA



LAUREL



ORACLE



ENCHANT



ENDEAR



ENTHRAL

### Lube Oil Barges

# THE COMPANY

The Ocean-Going Fleet comprises of 7 Oil & Chemical tankers that mainly operate in Southeast Asia area, transporting chemical and petroleum products.

## Ocean-going Fleet



AGILITY



BLOSSOM



CANOPUS



CAPELLA



CASSIOPEIA



STARGAZE



VERITY

## 2.4 Our Key Partners

Hong Lam Marine is honoured to serve some of the world's leading oil majors as our key clients. These industry giants rely on our expertise and robust logistics network to ensure the safe and efficient transportation of their valuable resources. Our clientele includes globally recognized names in the oil and gas sector, known for their commitment to excellence and innovation. By partnering with these prestigious companies, we uphold the highest standards of safety, reliability, and environmental stewardship, reinforcing our reputation as a trusted leader in maritime shipping.



# THE COMPANY

## 2.5 Company Mission and Core Values

### Mission

“Our mission is to provide good value for clients and to be recognized for its safe operations and quality service.”

It is of utmost importance to meet or exceed clients' expectations in terms of cost, efficiency, and reliability. We engage with clients to understand their specific requirements and preferences. This includes regular communications, meetings, and feedback sessions. We offer marine services tailored to the needs of each client. Additionally, we ensure that pricing remains competitive while maintaining high service standards by optimizing operations to reduce costs without compromising quality.

### Core Values

After years of dedication and collaborations, we have distilled our guiding principles into the following core values which serve as the foundation and identity of everything we do.



#### Integrity

We are ethical, we do the right thing and care for communities and environment



#### Innovation & Agility

We continue to learn, grow and improve



#### Accountability and Customer Focus

We ensure clear communication, active stakeholder engagement and continuous improvement



#### Respect

We show appreciation to one another. We are inclusive and we embrace diversity



# THE COMPANY

## 2.6 2024 in Brief

### Environmental

**Fleet:**

In 2024, ZERO oil spills in the Hong Lam Marine Fleet.

**Office:**

We have implemented measures to reduce single-use plastic for local harbour fleet.

### Social

**Fleet:**

- No ship staff injuries or incidents and fatalities onboard vessels in 2024.
- Initiated “Healthy Eating Day” in May and subsequently to “Healthy Eating Weekend” in Dec onboard the vessel to promote healthy eating habits.
- 1st batch of Ship’s Cook 5-day Culinary Training at shore in Dec.

**Office:**

- No incidents of discrimination and no major workplace injuries.
- Rolled out Gym corner with weekly training schedule.
- Participated in SPD Ability Walk 2024 in Sep held by local charity for raising public awareness of the disability cause and raising funds for person with disabilities.
- Awarded with Maritime Singapore LowCarbon50 AWARD 2024 from MPA/SSA/UN GLOBAL COMPACT Network Singapore in Apr.
- Honored to have received LETTER OF APPRECIATION from the REPUBLIC OF SINGAPORE NAVY for Continued Commitment to TOTAL DEFENCE and SINGAPORE in Jul.

### Governance

**Office:**

- No incidents of discipline issues due to violation of company’s code of conduct.
- There was an attempt on the company IT system by an external party in May 2024, and immediate precautions were taken by the IT department to avoid potential data breaches.

# 3

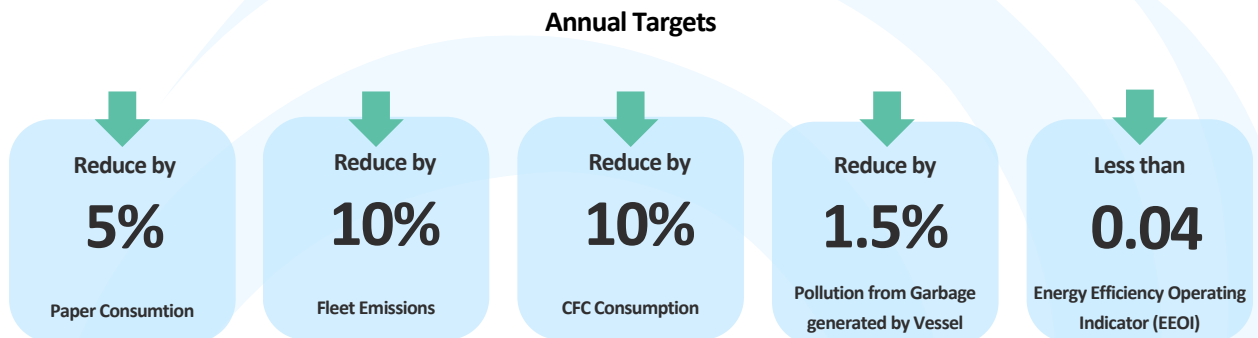
## ESG COMMITMENT & STRATEGY

# ESG COMMITMENT & STRATEGY

## 3.1 Company's commitment in ESG

### Environmental

In line with our company's objectives that's addressed in our integrated management system, Hong Lam is committed to continue our efforts to operate our vessels in an environmentally sustainable way. We ensure our vessels comply with the rules, regulations, and guidelines of IMO, reducing our pollution by emissions, garbage, and CFC consumption and we embrace digitalization to be environmental-friendly.



### Social

Regarding our social responsibility, we have integrated staff, community, and societal goals within our management system to promote physical and mental well-being for all employees. We advocate for a safe and healthy working environment both onboard ships and in the office. Our aim is to foster a culture of care by building connections and aligning individuals toward common purposes and objectives. We are committed to training and fully developing each staff of the company's capabilities. Additionally, we actively contribute to the community through volunteer work or activities with charitable organizations and by providing financial support to them.



Company trip at Osaka, Japan 2024

### Governance

We are committed to governance, which serves as the cornerstone to operate our company with ethical business conduct, transparency, and accountability. Our Code of Conduct is believed and practiced by all staffs. We ensure full compliance with company policies, procedures, and regulatory rules and regulations. Our assets and data are protected through strong corporate governance, cybersecurity, and risk management, including a personal data protection policy in line with the PDPA Act. We engage with a diverse range of stakeholders, and our Board of Directors plays a significant role in overseeing the company's strategic direction, ensuring the protection of shareholder rights.

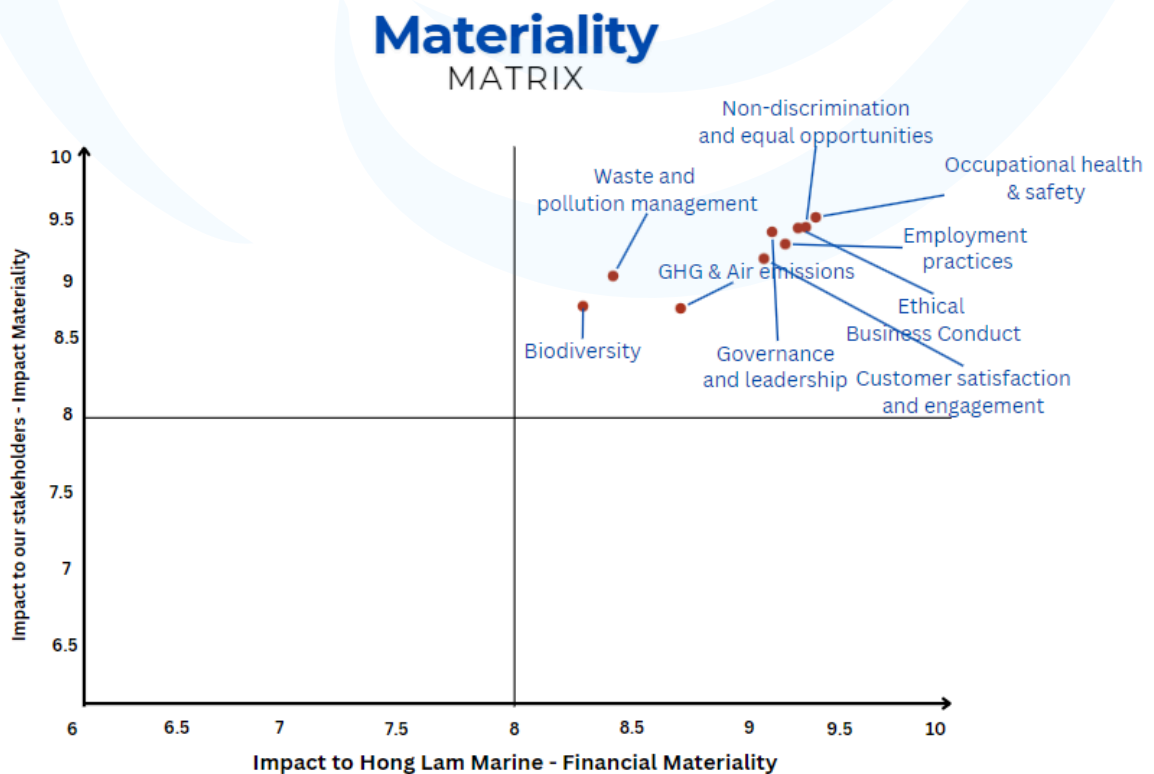
# ESG COMMITMENT & STRATEGY

## 3.2 Materiality Topics and stakeholder engagement

We have identified several important topics through materiality assessment after engaging with our stakeholders by conducting face to face interviews, feedback surveys, as well as regular meetings. By listening directly to our stakeholders, it ensures that our Sustainability Report addresses issues are significant to both our stakeholders and the company. Based on a double-materiality assessment philosophy, we consider both the impact of our business practices on the environment and society ("inside-out") and the financial and operational impact on our company from implementing these practices ("outside-in").

The 9 material topics we identified included GHG & Air emissions, Biodiversity, Waste and pollution management, Occupational health and safety, Employment practices, Non-discrimination and equal opportunities, Ethical business conduct, Governance and leadership and Customer satisfaction and engagement. Below is the material topic matrix to illustrate the level of impacts of each.

	Importance to Stakeholder (Impact Materiality)	Importance to the company (Financial materiality)
GHG & Air Emission	8.70	8.62
Biodiversity	8.70	8.46
Waste and Pollution Management	9.05	8.49
Occupational Health and Safety	9.43	9.27
Employment Practices	9.32	9.14
Non-discrimination and Equal Opportunities	9.30	9.14
Ethical Business Conduct	9.38	9.14
Governance and Leadership	9.32	9.00
Customer Satisfaction and Engagement	9.08	9.08



# ESG COMMITMENT & STRATEGY



## 3.3 Our Key Sustainability Development Goals (SDGs)



### SDG 3 – Good Health and Well-being

We promote physical & mental health and well-being of all our staffs.



### SDG 8 – Decent Work and Economic Growth

We strive to provide a safe and positive work environment on our ships and in the office, engaging with stakeholders and aiming for customer satisfaction.



### SDG 10 – Reduced Inequalities

We advocate for non-discriminatory employment practices and providing equal opportunities to all our staff. We strive to offer fair pay and benefits based on experience, performance, and, for ship staff, take into considerations of ship's trading patterns.



### SDG 13 – Climate Action

We continue to put in effort to reduce our pollution by emission, garbage, and CFC consumption and we embrace digitalization to be environmental-friendly.



### SDG 14 – Life below Water

We are ISO14001:2015 certified with an environmental management system in line with international standards. We take steps to cut single-use plastic and protect biodiversity.



### SDG 15 – Life on Land

We support reducing carbon footprint from staff commutes and business trips by opting for low-carbon transport and encouraging virtual meetings.



**4**

**PROGRESS ON ESG**

# PROGRESS ON ESG

## 4.1 Environmental

### 4.1.1 Company's environmental policy

Hong Lam Marine prioritizes environmental protection and management, striving to conserve and safeguard the environment from various forms of pollution, including marine, atmospheric, and office-based waste. We maintain ISO 14001:2015 registration, reflecting our commitment to high environmental standards. We also enforce a "Zero Spill" to the sea policy, aiming to prevent pollution at its source by upholding stringent safety standards and adhering to all relevant legislation and conventions for both sea and land operations. Management is dedicated to continuously improving methods to achieve this goal, utilizing equipment and practices that minimize waste generation.

Scope 3 emissions for our company mainly include waste from our vessels and office, and the carbon footprint from business travel and employee commutes. We encourage virtual meetings and offer one work-from-home day per week to reduce these emissions. However, frequent business travel for ship inspections, surveys, and crew changes remains a challenge due to the nature of the maritime industry.

Emissions in 2024 (Kiloton CO2e)		
Scope 1 (Fleet emissions)	Scope 2 (Purchased electricity)	Scope 3 (Generated waste, Business travel, and Employee Commute)
136.167	0.0242	0.108

### 4.1.2 GHG emissions & Air emissions

Greenhouse gas (GHG) emissions are a critical component of our sustainability efforts. As a company committed to environmental stewardship, we recognize the importance of monitoring, managing, and reducing our GHG emissions.

Scope 1 emissions primarily include our fleet emissions, which constitute the majority of our overall emissions.

Scope 2 emissions include electricity purchased for our office. Since relocating to Paya Lebar Square, we have upgraded to full LED lights, which are more environmentally friendly, longer-lasting, reduce waste, and are cost-effective. While we strive to conserve energy, some controls are managed by the building, which has its own emission mitigation practices. Our office building has achieved the Green Mark Platinum certification, recognizing it as environmentally friendly, energy-efficient, and sustainable.



# PROGRESS ON ESG

## Fleet renewal

Hong Lam is improving fleet efficiency through fleet renewal, selling older ships and acquiring new ones with advanced, energy-efficient designs like diesel-electric and dual-fuel capabilities. Since 2011, the company has delivered several diesel-electric bunker vessels, enhancing fuel efficiency and reducing pollution. Currently, 40% of the harbor bunker tanker fleet is diesel-electric.

The company has committed to build new vessels with hybrid electric systems, combining mechanical engines with electric propulsion and energy storage system. This design reduces fuel consumption, lowers emissions, and increases operational flexibility which lowers carbon footprints for our end customers. Hong Lam aims to have these new vessels delivered from the end of 2026 onwards.



Kegoya Dockyard Japan, November 2024

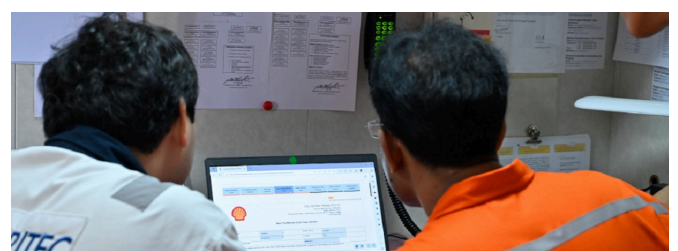


Successful e-BDN trial with ONE, Shell and Hong Lam Marine 2023

## Digitalization

The most direct and positive impact of digital transformation is the reduction in paper consumption, which lowers the carbon footprint and improve productivity. In 2023, Hong Lam launched a digitalization project to integrate most operational functions into a digital platform, enhancing communication and productivity.

This shift from manual processes saves time, improves efficiency, and reduces errors. A notable achievement is the electronic bunker delivery note (e-BDN) trial with Ocean Network Express and Shell in September 2023, which digitalizes bunkering operations, reducing errors and enhancing transparency. While some departments still face challenges in going fully paperless, we are committed to digitalizing our operations as much as possible.



# PROGRESS ON ESG



ESG Presentation Interaction Session at Crew Seminar 2024

## Awareness-raising

The company established an ESG department in April 2024 to promote sustainability and through collaborations to steer the business towards a more sustainable future. Briefing sessions were held for office staff via virtual presentations and for ship staff during our crew seminar. These sessions aimed to raise awareness about sustainability and discuss actionable steps. Despite the abundance of information on climate challenges, environmental pollution, and social issues that are available online, we must continuously share such information through emails, newsletters, or seminars to ensure staff understand how daily actions impact the environment, helping to reduce harm to our natural world and marine ecosystems. Every small effort counts and can together contribute to a larger impact.



*"Small acts, when multiplied by millions of people, can transform the world" – Howard Zinn*



Crew Seminar at Batam, 2024

# PROGRESS ON ESG

## 4.1.3 Biodiversity

### Adoption of Environmental-friendly Products

All our vessels' hulls are coated with silicone anti-fouling paint to improve fuel efficiency and reduce emissions by decreasing the vessel's resistance in water, which leads to lower fuel consumption. The silicone anti-fouling paint is generally more environmentally friendly compared to conventional hull coating paint, as it does not contain biocides that can harm marine life. Additionally, Hong Lam prohibits the use of asbestos on our ships to prevent contamination of water, air, or soil during ship operations. Avoiding the use of asbestos helps in preventing these contaminations and protects marine and coastal ecosystems.



### Ballast Water Management

Treating ballast water is important for protecting marine biodiversity. Complying with the IMO BWM Convention is essential for everyone involved in Maritime business. Hong Lam has developed ship-specific plans to manage ballast operations within their Integrated Management System. By adhering to these procedures, Hong Lam aims to minimize ecological risks associated with ballast water discharge to protect marine environments.

## 4.1.4 Waste and Pollution Management

### Reduce Waste Generation

One of our key initiatives this year is to reduce single-use plastics, which significantly impact marine life and human health. Hong Lam Marine is limiting the purchase of mineral water in single-use plastic bottles on ships and encouraging staff to use filtered water dispensers. We've installed more dispensers in 2024, streamlined maintenance, and conduct tests every six months. Additionally, we've provided all ship staff with biodegradable wheat straw water bottles to support this effort.

We adhere to the ISO14001:2015 standard, certified by DNV, to minimize environmental pollution. Our life cycle approach ensures proper waste management during machinery maintenance and store supply, complying with regulations. For example, we dispose of used equipment's metal and plastic parts at approved shore facilities, as documented by off-landing reports. Additionally, we follow a garbage management plan, maintain a detailed garbage log, and implement other measures to support environmental sustainability.

In the office, we have recycling bins in the pantry for plastic, metal, and paper, and a designated area for e-waste disposal. We've also set printers to default to double-sided printing and encourage printing only when necessary. We bulk purchase office supplies to reduce packaging waste, and our team consolidates ship loadings to minimize packaging waste as well.



# PROGRESS ON ESG

## 4.2 Social

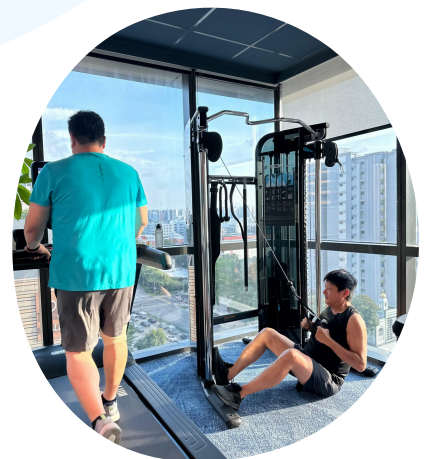
At Hong Lam Marine, corporate social responsibility involves being good and doing good to our people, external stakeholders, and the environment. As an SME, our resources are limited. Nevertheless, we aim to use these resources sustainably and responsibly for the benefit of all our stakeholders. We also strive to give back to the community through our volunteering with charity organizations and in cash donations.



### 4.2.1 Occupational health and safety

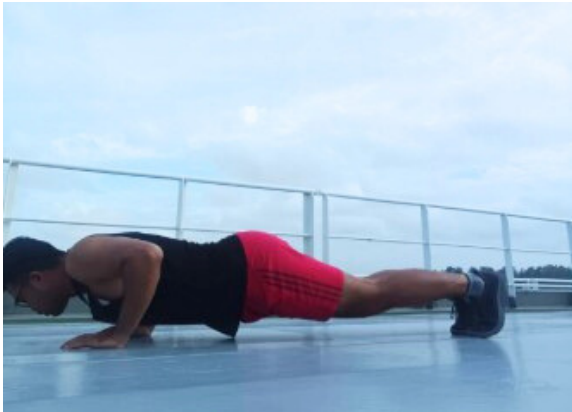
#### Promoting physical and mental health

One of our social initiatives is to promote physical and mental health of all our staff, which also aligns with the Sustainable Development Goal No. 3 – Good Health and Well-being. Since relocating our office in Sep 2023, we have established a small gym corner within our office premises and scheduled weekly in-house training sessions. Since early this year, nearly 50 sessions have been conducted with active participation from office staff. The goal of these sessions is to promote physical activity and foster the development of regular exercise habits, thereby supporting a healthy lifestyle in a convenient manner. In an effort to enhance this initiative, starting in 2025, the company is planning to introduce weekly yoga sessions to offer a chance for our office staff to unwind and relax from their busy work schedules.



Hong Lam Marine Office Gym Corner

# PROGRESS ON ESG



## Promoting physical and mental health - *continued*

Our ships are furnished with various exercise facilities, including treadmills, dumbbells, and table tennis tables (on larger vessels), which provide our ship staff with the opportunity to remain active after their duty hours. Earlier this year, we initiated health monitoring for our ship staff by tracking parameters such as BMI, Blood Pressure, etc. Although the data may not be fully precise, it indicates that many of our ship staffs have a BMI classified as overweight, raising concerns within the company. In response, we introduced a Healthy Eating Day in May 2024 to promote and advocate for nutritious dietary habits onboard. Additionally, a quarterly Cooking Competition was launched in March 2023 to foster collaboration among the ship staff to present the best dishes as the initial objective, and the competition has since incorporated healthy cooking instructions to encourage healthier eating practices. To further support this health initiative, the company has supplied air fryers to all vessels to encourage low-oil cooking methods.

## Mental Health Awareness

Good mental health is crucial and affects all aspects of our lives. Our integrated management system addresses mental health awareness, guiding staff on identifying signs of mental health issues and outlining actions to address them. For ship staff, we provide training to recognize distress and manage stress by talking to peers or superiors. Confidential counseling hotlines are available for professional support and fostering emotional resilience.

Office staff are encouraged to speak to peers or superiors about work-related stress or other mental issues, and health talk sessions have been arranged for them. Additionally, our Whistleblowing Policy allows all employees to report inappropriate conduct, ensuring full support and prioritizing mental health as equally important as physical health.



Mental Health Session by certified Psychotherapist at Crew Seminar 2024

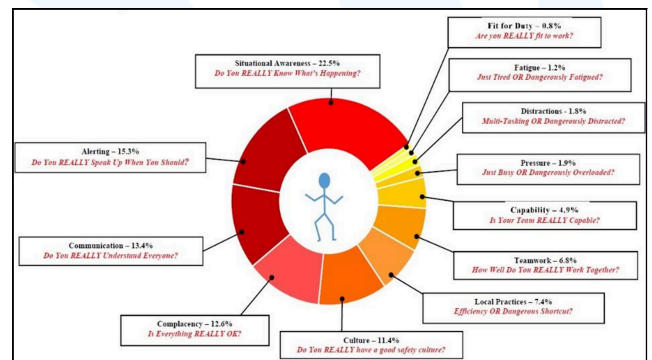
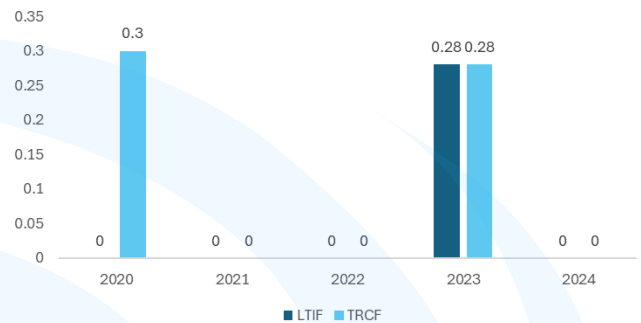
# PROGRESS ON ESG

## Achieve ZERO injuries overall

Hong Lam Marine is clearly committed to a policy of safety to personnel, safe ships and the protection of the environment, and strives to achieve ZERO injuries while ensuring smooth operations. We have been continuously fostering a strong safety culture by management's commitment to always put safety at first, and arranging comprehensive trainings to mitigate potential risks.

In addition to our other safety initiatives, the company is implementing Human Factor Management Policy to enhance safety performance and the well-being of individuals involved in shipping operations. This approach takes into account human capabilities, limitations, and behaviors, integrating these factors into our systems and processes to reduce human error and ensure safe and efficient operations. Our Human Factor Management encompasses ship and office staff selection, training programs, communication strategies, human-machine interface design, fatigue management, work-rest hours, safety culture, as well as physical and mental well-being.

5-Yearly LTIF & TRCF Record



Deadly Dozen Chart

## 4.2.2 Employment Practices

### Fair hiring and treatment

Employment practices are vital in the shipping industry, as people drive business success. At Hong Lam Marine, we ensure fair hiring and treatment for all. Our Human Resources team follows thorough recruitment procedures to select candidates best suited for each position based on job requirements and management's expectations. Ensuring that all selected candidates undergo proper orientation and job training according to the training plan for new hires.

For ship staff, our Marine Personnel team adheres to the established recruitment procedures specific to ship staff. This includes verifying that they hold the relevant certifications appropriate to their ranks, enabling them to perform their respective duties onboard. Additionally, multiple interviews are conducted by Superintendents from both the operations and safety departments, ensuring that candidates possess not only theoretical knowledge but also a strong awareness of safety practices.

118

Total number of Office Staff in 2024

551

Total number of Ship Staff in 2024

9.17%

Office staff Turnover Rate in 2024

99.55%

Ship Staff Retention Rate in 2024

# PROGRESS ON ESG

At Hong Lam Marine, senior management understands that employee welfare is key to retaining and attracting talent. In addition to a fair remuneration package, the company offers various fringe benefits, including health screening packages and medical insurance for full-time staff. Flexible benefits for wellness and self-enrichment courses are also provided. Additionally, there's a board game corner in the office pantry for employees to unwind and relax during lunch breaks.

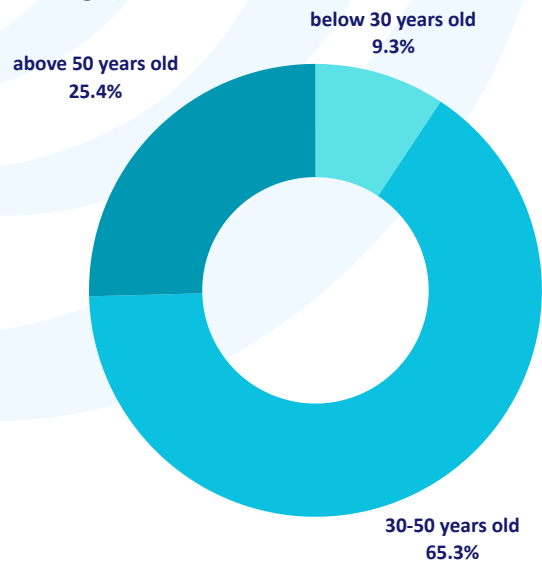


## 4.2.3 Non-discrimination and equal opportunity

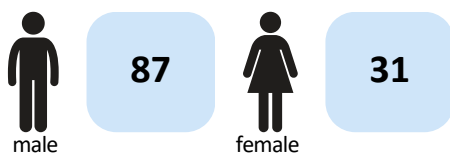
Despite the predominance of male staff due to our trading patterns, we have encountered challenges in achieving gender balance among our ship staff. Recently, however, we made significant progress by hiring our first female cadet for the engine department on one of our ocean-going vessels. The Marine Personnel Department conducted thorough hiring procedures, ensured the availability of a single cabin onboard, emphasized respect for all ship staff, and provided extensive pre-joining briefings and training prior to her joining the ship.

Regarding age requirements, the company enforces an age limit of 18 to 45 years old for new recruits, and existing ship staff must not exceed 60 years of age.

### Age (Office Staff)



### Gender (Office Staff)



In terms of office demographics, we have 26% female employees, with 10.3% occupying senior executive positions or higher. The age range of the staff at Hong Lam Marine demonstrates the company's commitment to non-discriminatory practices in recruitment, particularly regarding age.

# PROGRESS ON ESG

## Staff training and development

Hong Lam Marine places equal importance on staff training and development as it does on operational performance and business revenue. Apart from following the management system of office staff recruitment, recognizing that talented individuals are crucial to business success, each office staff is required to complete a learning needs analysis (LNA), indicating the areas they wish to improve by attending relevant courses or training sessions. The company then uses the LNA of each staff, alongside their job requirements, to plan and schedule both internal and external training programs. In 2024, a total of SGD 63,174.93 invested in trainings with an anticipated attendance of 71 office staffs.



Health Talk Session by HPB WOW Programme

For ship staffs, the company adheres strictly to certification requirements, ensuring that each of its ships is operated by duly qualified, certified, and medically fit staff in compliance with national and international regulations. A comprehensive training matrix is in place for ship staff, which includes external training specific to their respective ranks. The company also arranges additional external training programs to enhance ship staff skills to strive for performance excellence. For example, the company has organized external training sessions for ship staff on topics which suits for Deck and Engine staffs respectively since a few years back. Although these training sessions were halted during the pandemic, they resumed in June this year in Surabaya, Indonesia, covering essential topics for both deck and engine staff, including Marine High Voltage, Bridge Resource Management, and Cargo Handling. These sessions were supervised by our in-house superintendent to ensure continuous improvement.



Furthermore, the company has recently inaugurated its first Culinary Course for the Chief Cooks of the fleet, which was held onshore. This course imparts culinary knowledge with a focus on healthier ingredient selection, mindful preparation techniques, and stringent food safety practices.

A robust performance review system is in place for both Hong Lam's office and ship staff, aimed at facilitating their career progression and development.

For office staff, appraisals are conducted mid-year and at the end of the year to evaluate overall performance. These sessions allow direct superiors or directors to provide face-to-face feedback for continuous improvement and serve as a guideline for each employee's career development including promotion and remuneration packages.

Similarly, the performance of ship staff is monitored by marine personnel and respective superintendents through a comprehensive development checklist and certificate requirements for various ranks. Equal opportunities for training, courses, and upskilling programs are provided to both office and ship staff according to their needs and job requirement.

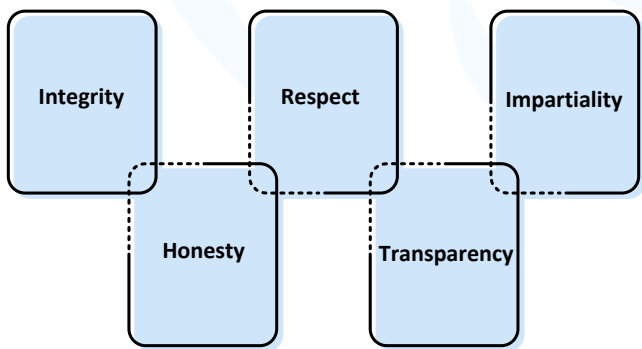
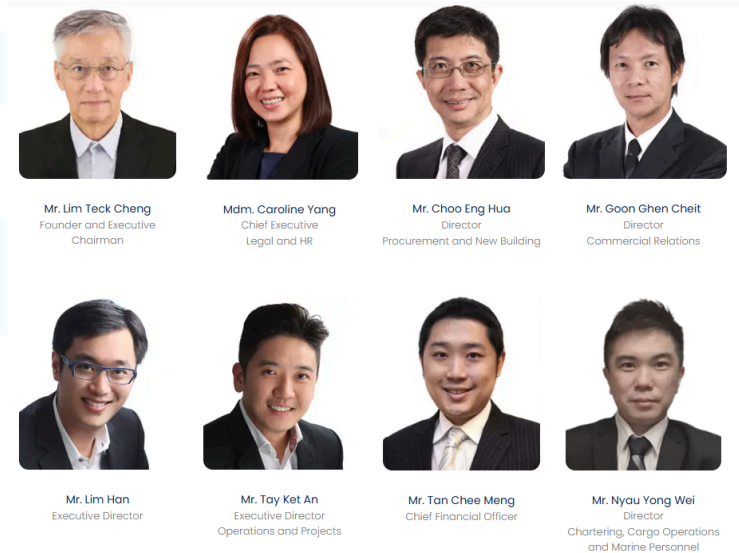
# PROGRESS ON ESG

## 4.3 Governance

At Hong Lam Marine, we recognize that robust governance practices are essential to our long-term success and sustainability. Our governance framework is designed to ensure accountability, transparency, and integrity in all aspects of our operations. As a leading player in the shipping industry, we are committed to upholding the highest standards of corporate governance.

### Management team and their responsibilities

Our senior management team is composed of highly experienced professionals with diverse backgrounds, ensuring a wide range of perspectives in our decision-making processes. They are responsible for setting the tone and strategic directions and ensuring that our operations align with our core values and regulatory requirements.



Code of Conduct 5 Principles

### Company governance policies

We have established a comprehensive Code of Conduct that outlines our commitment to ethical business practices in our interactions with customers, suppliers, clients, co-workers, management, agents, and the public. It is adhered to by all Hong Lam staff and is reinforced through annual training sessions conducted by the Chief Executive to ensure continued compliance. In 2024, Hong Lam Marine did not receive any incidents of discipline issues due to violation of company's code of conduct.

In response to the increasing number of cybersecurity concerns in recent years, Hong Lam Marine strictly adheres to PDPA policies to protect both company data and employee personal information. The company ensures compliance with these policies by conducting regular online awareness training sessions aimed at enhancing staff knowledge on cybersecurity. In 2024, there was an attempt to the company IT system made by an external party in May 2024, and immediate precaution actions were taken by IT department to avoid potential data breaches.



# 5

## **DATA & APPENDICES**

# DATA & APPENDICES

## ESG Performance data (Office)

Topic	Indicator	Unit	2024	
Employment	Total number of employees	persons	118	
	Number of permanent employees (without fixed-term employment contracts)	persons	114	
	Number of non-permanent employees (fixed-term employment contracts)	persons	4	
	Breakdown by job level			
	Number of top management	persons	10	
	Number of middle-level management	persons	29	
	Number of general and technical staff	persons	79	
	Breakdown by age			
	below 30 years old	persons	11	
	30 to 50 years old	persons	77	
	over 50 years old	persons	30	
	Breakdown by gender			
	Male staff	persons	87	
	Female staff	persons	31	
Employee Recruitment and Retention	Total number of new employees	persons	16	
	Number of staff turnover	persons	11	
	Employee turnover rate	%	9.17	
Training	Total number of staff trained	persons	71	
	Total investment in training	SGD	63,174.93	
	Number of new employees trained	persons	0	
	Number of management and technical staff	persons	9	
Anti-corruption	Number of corruption prosecutions concluded	cases	Confidential	
	Number of valid reports received during the year	cases		
	Follow-up feedback rate on valid reports	%		
	Number of individuals dealt with for disciplinary reasons	persons		
	Number of disciplinary cases handled	cases		
	Total number of persons trained in anti-corruption	persons	118	
	Total hours of anti-corruption training for employees	hours	1	
Supply Chain Management	Total number of suppliers	suppliers	1,800	
	Break down by country: within Singapore		suppliers	1,160
	other countries		suppliers	640
	Integrity agreement signing rate of suppliers	%	100	
	Number of suppliers assessed during the year	suppliers	28	
	Number of suppliers certified to ISO 14001 as of the end of the reporting year	suppliers	100	
	Number of suppliers certified to ISO 9001 as of the end of the reporting year	suppliers	Approx. 1,200	

# DATA & APPENDICES

Topic	Indicator	Unit	2024
Energy	Consumption of purchased electricity	kwh	64,124
	Diesel for company vehicle	liters	1,512
Office Material	Paper consumption	Ream	41
Waste	Total amount of waste	Kg	1,033
Occupational health and safety	No. of work related injuries	no. of cases	0
Emergency	No. of fire drills by office building	times	3
Public benefit activities	Total amount of charitable donations	SGD	45,000
Employee care	Annual physical examination coverage rate of employees	%	31.36

## ESG Performance data (Ship)

Topic	Indicator	Unit	2024
Fleets	No. of Ship Staff in Hong Lam Marine	Person	551
	No. of owned and managed vessels in Hong Lam Marine	vessels	26
Energy	Total fuel consumptions		
	Breakdown: VLSFO	Metric Ton	14046.89
	LSGO	Metric Ton	5536.34
	DO/MGO	Metric Ton	3624.29
Material Used	Paper consumption by ship	reams	920
Greenhouse Gas Emissions	CO2 Emission (bunkers)	Metric Ton	74,403.332
Air Pollutants	NOX Emission (bunkers)	Metric Ton	2068.951
	SOX Emission (bunkers)	Metric Ton	118.019
Waste	Total amount of waste		
	Breakdown: CAT A - Plastic disposal	cubic metre	62.307
	CAT B - Food waste	cubic metre	76.075
	CAT C - Paper products, rags, metal, glass, etc. disposal	cubic metre	68.402
	CAT D - Cooking Oil disposal	cubic metre	4.858
	CAT E - Incinerator ash	cubic metre	0.640
	e-Waste	cubic meter	1.603
Occupational health and safety	number of work-related injuries (fatality, PTD, PPD, LTI, MTC, RWC, FAC)	no. of cases	0
	LTIF & TRCF	%	0
	Number of working days lost due to work-related injuries (LTD)	days	0


# DATA & APPENDICES

## ESG Performance data (Ship)


Topic	Indicator	Unit	2024
Emergency & Near Miss	Accident rate of work-related deaths	%	0
	Number of emergency drills	no.	6
	Number of regular and irregular inspections	no.	93
	Number of near misses	no.	90
	Rectification rate of Near Misses	%	100
Operations	Operating days	days	275

## CONTACT US

We value and appreciate your comments, feedback, and queries on this report and our performance. Please send your feedback and contact us at:

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