

Sustainability Focus

Maritime and Port Authority of Singapore Singapore



Organizational Description

The Maritime and Port Authority of Singapore (MPA) was established on 2 February 1996, with the mission to develop Singapore as a premier global hub port and international maritime centre (IMC), and to advance and safeguard Singapore's strategic maritime interests. MPA is the driving force behind Singapore's port and maritime development, taking on the roles of Port Authority, Port Regulator, Port Planner, IMC Champion, and National Maritime Representative. MPA partners the industry and other agencies to enhance safety, security and environmental protection in our port waters, facilitate port operations and growth, expand the cluster of maritime ancillary services, and promote maritime R&D and manpower development.

As a leading maritime agency, sustainability is integral to MPA's operations and organisational strategy. MPA takes the lead in promoting good sustainability practices within the maritime community. This ensures that the maritime industry positively impacts society, the economy and the environment, enhancing Singapore's position as a clean, efficient and safe port.

Corporate Governance Structure

MPA was instituted by Parliament under the MPA Act. As an autonomous agency, MPA's Board determines the strategic directions to realise MPA's mission and fulfil its role. The Board, headed by a non-executive Chairman, includes the Chief Executive, and senior officials from the public sector and maritime industry representatives.

Stakeholder Engagement

As the agency driving Singapore's global maritime aspirations, MPA recognises the importance of forging strong partnerships with industry partners and stakeholders to remain highly responsive to industry needs. MPA continually invests in building enduring relationships with its diverse range of stakeholders. We interact with all stakeholders regularly, and have been increasingly engaging them on areas and issues related to sustainability.

Key customers and stakeholder groups, and the types, platforms and frequency of engagements are detailed annually within MPA's Sustainability/Integrated Report.

Major Environmental Initiatives

(1) Sustainability in Tuas Terminal Development

Recognising that port development and expansion might result in high material usage and waste, MPA's construction management is geared towards reducing the environmental impact. Continuing with the engineering innovations first deployed in Pasir Panjang Terminal Phases 3 and 4, Tuas Terminal development extensively uses alternative materials. Excavated earth from land construction projects as well as dredged materials from the deepening of basins and nearby fairway will be reused, and will make up more than 60% of the total fill material. Re-using, rather than disposing, these materials will reduce the amount of sand required for reclamation, and generate reclamation fill material costs savings of some \$1 billion.

(2) Maritime Singapore Green Initiative (MSGI)

The MSGI, launched in 2011, serves to reduce the environmental impact of shipping and related activities and to promote clean and green shipping in Singapore. In 2011, MPA pledged to invest up to \$100 million over a five-year period to support this comprehensive initiative, comprising the Green Ship Programme (GSP), the Green Port Programme (GPP) and the Green Technology Programme (GTP). These voluntary programmes recognise and incentivise maritime companies to adopt clean and green shipping practices and to go beyond the minimum mandated requirements for environmental sustainability.

The MSGI has received strong support from the maritime industry. The Green Ship Programme (GSP) saw more than 50% of qualifying ships exceed the current Energy Efficiency Design Index frame required by the International Maritime Organization (IMO). Today, we have about 340 Green Ships from some 60 companies under the Singapore flag. More than 4,000 vessel calls have also switched to marine fuel with sulfur content not exceeding 1% under the Green Port Programme (GPP). In addition, the Green Technology Programme (GTP) saw more than 15 projects involving over 56 vessels, with an estimated 250,000 tonnes of CO₂ reduced yearly. The encouraging results have prompted MPA to extend the MSGI to 31 December 2019.

From 1 July 2016, GSP incentives was extended to ships using Liquefied Natural Gas (LNG) as part of Singapore's longer term efforts to encourage LNG as a sustainable alternative fuel source. The sulfur oxides limit under the GPP was also reduced further to 0.5% for ships calling at the Port of Singapore to enjoy a flat rate of 25% concession in port dues for the use of low sulfur fuel during their entire port stay. Similar concession is also extended to ships using LNG in the Port of Singapore.

MPA further introduced two new programmes under the MSGI – the Green Awareness Programme (GAP) and the Green Energy Programme (GEP) in 2016. The Green Awareness Programme (GAP) focuses on creating awareness on possible avenues towards sustainable shipping. The Green Energy Programme (GEP) aims to promote adoption of alternate or cleaner marine fuels as well as wider adoption of energy efficient operational measures, in anticipation of developments on the global sulfur emissions cap.

The MSGI Programme extension strongly demonstrates MPA's commitment to creating an eco-friendly and sustainable global hub port. Its enhancement is aimed at incentivising the maritime industry to continue with its efforts to provide safe, efficient and sustainable shipping. MPA will ensure that the MSGI remains relevant and supports the move towards a more sustainable Singapore and global maritime community.

MPA as a Choice Employer

MPA seeks to develop human capital and bring out the best in its people through meaningful and fulfilling jobs while providing equal opportunities for career progression.

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Board's Role in driving leadership for Excellence and Innovation

Our Board fully supports and drives forward the Company's strategy, which requires excellence and innovation to get us to where we want to be: to become one global company delivering indispensable content through modern channels to serve new customer needs with our forward-leaning culture. We remain focused on the commercial marketplace and continuing to be the world's largest and best provider of insight about businesses. Our strategy is designed to drive long term sustainable growth in the years ahead and we remain committed to increasing Total Shareholder Return through revenue growth. To achieve these goals, our Company's focus has been to transform the Company, relying upon excellence and innovation in five ways:

- To globalize the business, moving from a regional structure to an integrated global organization
- To invest in content, improving the quality and consistency of our data globally, developing new analytic tools and scores to improve the predictive capability of our content
- To modernize content by transitioning from older, traditional platforms to more agile cloud-based and Data-as-a-Service offerings
- To modernize the brand by providing a reimagined, data driven, content-led digital experience for our customers; and
- To create an outside-in, forward-leaning culture.

The Board has been laser-focused on enabling and supporting the Company in the achievement of its strategy.

In terms of leadership, our Board performs talent reviews of each direct report's organization, with a view toward raising up and supporting the pipeline of Company leaders and providing the resources necessary to train and enhance leaders' skill sets. To that end, the Company has developed the CEO Leadership Development Program, which provides a series of offsite workshops and meetings for selected talent at the Company. Our Chairman/CEO plays a role in each of the sets of meetings and most recently, a session included one of the Company's independent directors. In addition, team members below the executive level who present to the Board or a committee are regularly invited to attend Board dinners, which provides directors with the opportunity to get to know and mentor young leaders.

Innovative Corporate Governance Initiatives

Our Board of Directors exhibited progressive leadership when in 2009, the Company created the Innovation & Technology Committee to focus on matters like information technology and security and product development. Among other things, this committee oversees our information technology security risks and related cybersecurity risks. In addition, the I&TC provides a venue for forward leaning events and recently hosted a cybersecurity governance training session for the Board of Directors which included the chief information security officers from several prominent companies. As a point of reference, only 9% of companies in the S&P 500 have a technology-related board committee, according to a recent study by Spencer Stuart. ■

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MPA employs a diverse workforce and is a firm believer in nurturing its people through continuous learning and development, placing a strong emphasis on both their professional development and personal growth. MPA's training arm, MPA Academy, plays a key role in coordinating and driving technical training of MPA staff to enhance their competencies and to be better equipped for their jobs. Regular engagement sessions, both formal and informal, are held with employees to ensure that they remain engaged and motivated.

Approach to Sustainability

The MPA Sustainability Office was formed in 2014. The office, which drives both internal and external sustainability efforts, reports directly to MPA's Chief Executive and regularly updates the Board on the progress of initiatives and Key Performance Indicators. Its core objectives are to foster a culture of good governance, prudent resource management, and conscientious environmental and social practices.

MPA is an early adopter of the Global Reporting Initiative (GRI) Standards for its 2016 Sustainability/Integrated Report, which was amongst the first few reports worldwide to adopt the new standards – the report successfully completed the GRI Materiality Disclosures service in Apr 2017.

Being consistently recognised as a frontrunner on sustainability in the maritime industry and the Singapore public sector, MPA recognises its

ability to influence the maritime industry and the public sector to undertake enhanced sustainability reporting. Thus, in 2016, MPA launched a new co-funding initiative on Sustainability / Integrated Reporting for SGX-listed maritime companies who take on early adoption of the new Singapore Exchange requirement for Sustainability/Integrated Reporting. Under the scheme which is part of the Green Awareness Programme under the enhanced Maritime Singapore Green Initiative (MSGI), MPA would co-fund up to 50% of the qualifying costs for the production of their Sustainability Report on a reimbursement basis, up to a cap of S\$50,000 per company. Companies that take up the co-funding would have to publish their sustainability report using world standards such as but not limited to Global Reporting Initiative (GRI) Standards.

The MPA Sustainability Office organises and participates in sessions to share its sustainability journey and sustainability best practices with industry and the rest of the public sector. The feedback received is used to further develop and refine MPA's sustainability journey. MPA has also stepped up to sponsor some sustainability-related awards for maritime companies to further promote clean and green shipping. ■

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