



SHANDONG SHIPPING CORPORATION



Celebrating another milestone

Focusing for the future

“We are devoted to serving our customers with high-quality logistics solutions satisfying the global trading needs.”

Shandong Shipping Corporation (SDSC) is a large state-owned enterprise by the Shandong Provincial People's Government and initiated by Shandong Marine Group Ltd., its controlling shareholder, with a registered capital of three billion yuan.

SDSC is one of the shipping companies that has tolerance, responsibility, self-motivation and perseverance set as our core values. We are devoted to serving our customers with high-quality logistics solutions and satisfying global trading needs. We've been enjoying worldwide reputation for a good, quality and trustworthy service, sticking to continuous innovation and leading management.

Our key areas of focus

We focus on marine transportation of bulk cargo including mineral products, grain, energy resources, chemicals and general cargo, and our voyage routes cover most main ports around the world. The bulk carrier fleet of Shandong Shipping ranks top in the country.

We operate the world's largest ore carrier of 400,000dwt and are the first to invest in building



the world's-leading ore carrier of 250,000dwt. Furthermore, SDSC has built the largest LPG tanker fleet in China whose size ranks top in the world.

Look ahead

In the future, SDSC will keep on promoting service quality through advanced business model and technology innovation,

and supplying a more convenient, economic and environmental logistics service for international trade activities. By building a highly-efficient logistics system and closely interconnecting the world, SDSC is committed to be a comprehensive international logistics service to provide and create superior value for customers, shareholders and society.



<https://en.sdshipping.cn/column/1.html>
Video available on digital version



A time of celebration

Shandong Shipping signed a letter of intent (LOI) for the construction of 10 50,000dwt tankers as it took delivery of the first of a separate series of eight tankers for charter to Shell.

The 50,000dwt IMO II tanker Solar Sally was handed over at a delivery ceremony on April 23, 2021 at Jiangsu New Times Shipbuilding Co. in Jiangsu Province, China. Solar Sally is the first in a series of eight tankers ordered at New Times Shipbuilding by Shandong Shipping in 2019. The ships will all be chartered to Shell for eight years on delivery and will be jointly inspected by China Classification Society and DNV. The owner and yard named the second vessel in the series Solar Cheryl (pictured opposite).

LOI also signed

The LOI signed on April 23 was for a further ten 50,000dwt IMO II refined oil/chemical tankers. Shandong Shipping said the vessels would 'further expand Shandong's shipping capacity, enhance Shandong's long-term revenue stability and sustainable profitability, and consolidate its advantages of scale in the field of petrochemical transportation.'



Deepens ties with maritime colleges

Shandong Shipping also signed a strategic co-operation agreement with Dalian Maritime University and Shanghai maritime university.

'Once the agreement is implemented, Shandong Shipping will deepen co-operation with the two top domestic maritime colleges in terms of resource sharing, talent training, scientific research co-operation, industrial development, and academic exchanges, focusing on cultivating outstanding industry talents, promoting technological innovation and improving industry management capabilities,' said Shandong Shipping.

The signings were witnessed by Chen Baiwei, Deputy Director of the Foreign Affairs Office of the People's Government of Shandong Province, Bao Jianying, Secretary of the Party Committee and Chairman of Shandong Ocean Group, Sun Yuqing, President of Dalian Maritime University, Song Baoru, Secretary of the Party Committee of Shanghai Maritime University, Yuan Kaifei, Chairman of Jiangsu New Times Shipbuilding Co., Ltd., China Shipbuilding Class Vice President Fan Qiang, and General Manager of Greater China, DNV, Norbert Kray. The ceremony was presided over by Yu Bing, Deputy General Manager of Shandong Ocean Group, and Secretary of the Party Committee and Chairman of Shandong Shipping Co., Ltd. Bao Jianying.

Shandong Ocean group operates 87 ships totalling 12m dwt, the third largest in China.

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Interview with Yu Bing

Shandong Shipping is on a mission to establish itself as a respected brand in the tanker space.

Chairman of Shandong Shipping Corp and Vice President of Shandong Marine Group, Yu Bing, gave an exclusive interview to Seatrade Maritime News as the company took delivery of the first of eight tankers for a charter deal with Shell, and signed a letter of intent for the construction of a further 10 vessels.

Yu outlined Shandong's journey to reaching its initial target of operating over 30 tankers

'In the 10 years since Shandong Marine Group's establishment, we have been committed to developing Shandong as a strong maritime province. The group has a structure comprising modern marine transport and logistics, clean energy, modern fisheries, inland water transportation investment and operation, marine financial services, etc.

'The group has been developed to be a comprehensive marine industry player with significant influence in domestic and international market. Oil and chemical product transportation is one of our businesses which has achieved its target, Shandong Shipping Tanker Company will not just focus on fleet capacity expansion, we will strive to become a comprehensive oil and chemical products transportation service provider with strong competitiveness, excellent performance and a well-recognised and respected brand.'

The rise of Shandong Shipping Tanker Company in its five-year history has been a focus on customers, said Yu.

'We have implemented a major customer strategy, establishing co-operation with world-class enterprises such as Shell. We gain revenue stability from our good reputation and partnerships, and at the same time it encourages us to improve our service capability.

'Meanwhile, we insist on innovation in the areas of business model, technology and the asset-light model. We believe innovation is the primary driving force for our company's development. More importantly, we are not content to be a traditional, typical shipowner; we expect to redefine thinking around the shipping industry, especially from a financial perspective.'

Shandong's investment in the tanker market comes at a difficult time for the sector, but Yu is confident the time was right.

'Since last year, the COVID-19 pandemic greatly hurt the world economy, especially in demand for and transportation of oil and chemical products. With the improvements in anti-virus measures and the global vaccination programme, I'm confident of a global economic recovery, demand will increase from natural, organic growth.

'In the long term, the widespread use of new materials worldwide will bring a comparatively big growth in demand for oil and chemical



products transportation. We are engaged in providing optimised transportation solutions for the products and materials that will improve our lives in the future. That's the reason we chose the sector of oil and chemical products transportation.'

New Times Shipbuilding both delivered the first of the series of vessels for Shell and received the LOI for 10 more tankers for Shandong, a partnership that is working well for the companies, said Yu.

'In the midst of the COVID-19 pandemic, New Times Shipbuilding has been working closely with us to ensure ship quality and delivery schedule for multiple vessels, which is a difficult task which required a great deal of co-operation.

'We recognise New Times Shipbuilding's professional dedication and technical capability throughout this co-operation, and we believe we can achieve great things together through future co-operation.'

Perhaps the biggest question facing shipowners is how to build ships today that will be fit for purpose in an increasingly decarbonising society, an area Yu says Shandong is actively involved in.



'China is very ambitious in its targets to reduce carbon emissions, with a target of peak carbon emissions by 2030, and carbon neutrality by 2060, if I remember correctly.

'Shandong Marine Group has been actively participating in global environment protection and strongly promoting low carbon emissions in the development of each of its business sectors. We are insisting on technological innovation, implementing various measures such as ship hull design optimisation, low speed propellers, energy saving Kort nozzles, as well as the exploration of LNG dual fuel, air lubrication, wind propulsion, LED illumination, and new fuels such as ammonia and biomethane, which will be partially used in the newbuildings to realise energy savings and emission reductions.

'We are pleased to apply new environment friendly technologies and are pioneers for green shipping industry development.'

In recent years, with consistent development of maritime transportation, Shandong Marine Group (SDMG) has achieved rapid growth in the field of dry bulks, petrochemicals, LPG transportation and other businesses. While maintaining its first place in the size of VLGC fleet, SDMG has raised its capacity of petrochemical-tanker fleet to the third place in China. So far, the total capacity controlled by SDMG has reached 13.23m dwt, continuously ranking the third domestically. SDMG will continue to support the maritime business by continuously improving the vessel management to provide better transportation services for customers and create a new scenario of mutually beneficial and win-win progress.

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Based on a poll conducted in 2021
Shandong Shipping Corporation was voted as

‘Asia’s fastest growing tanker owner’

Voted by Seatrade Readers



Shandonghaiyun Building, No.18 Liaoyang West Road, Qingdao, 266034, China
Tel: 86-532-68620100 • Fax: 86-532-68620116 • Postcode: 266034
Email: shipping@sdshipping.cn • Website: en.sdshipping.cn