

ROOM VIII, Building E
Palais des Nations, Geneva
10-12 May 2016



Oceans economy and trade:
Sustainable fisheries, transport and tourism



**Sustainable Maritime Transport,
Enabler of a productive and Sustainable Oceans Economy**

Cdt. Dirk Vande Velde
MSC – Mediterranean Shipping Company



The vision of the Aponte family brought MSC exponential growth in terms of both volume and fleet capacity which now serve customers all over the world.

Over the past 45 years, Mr Aponte has led MSC from a one vessel operation to become a world leader in global container shipping.

Today, our focus remains on establishing long-term partnerships with customers ensuring our joint success.



CAPTAIN GIANLUIGI APONTE
Group Executive Chairman



DIEGO APONTE
President & CEO

MV PATRICIA WAS WHERE IT ALL BEGAN FOR MSC

The origins of the Aponte's family are in the peninsula of Sorrento, south of Naples, a region with a very long maritime tradition going back to ancient times.

MSC was created in Brussels, in 1970 with a single general cargo vessel, the Patricia.



MV PATRICIA
1970, CONVENTIONAL CARGO SHIP

MSC OSCAR, THE WORLD'S LARGEST CONTAINER SHIP

In January 2015, MSC introduced its flagship container vessel, the largest ever built.

- 395.4 m long
- 59 m wide
- Record-setting capacity of 19,924 TEU
- Approx. 2,76 g/t.km



MSC OSCAR
2015, FULLY CELLULAR CONTAINER SHIP

To transport the 19,224 TEU capacity of the MSC Oscar you would need:



active pro active
dare innovative proactive
entrepreneurial execute
ambition
to be experienced active do
effective culture restart
learn to control vision reset
ride the flexible
tiger learn design





Heat Waves - Food Shortage - Forest Fires - Endangered Species - Water Shortages - Drought
Melting Glaciers - Endangered Marine Ecosystems - SeaLevel Rises - Carbon Cycle - Wildlife

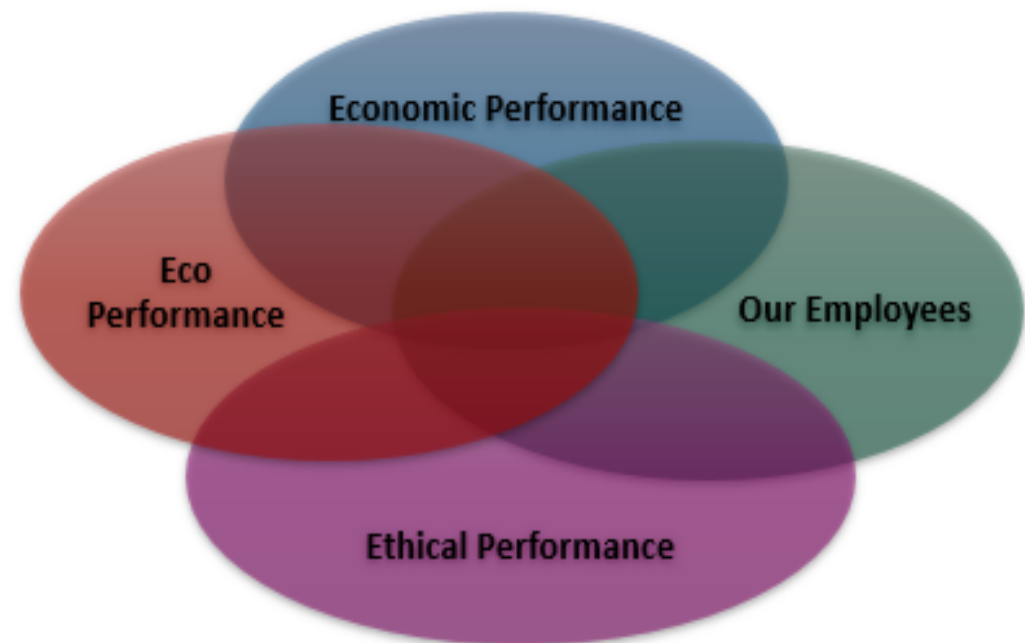
It is about our future generations.....

MSC CSR Vision

Sustainability is a development process that creates harmony with the natural environment and calls for measures to secure wellbeing of current and future generations.

Actual interactions between society, people, economy and the environment are unfolding crises at a rapid rate, including the climate, water, food, health, security, energy, economy and the earth.

Within MSC we have introduced the integration of the quadruple E-bottom line, being ;



“ We recognise the world's oceans are precious and must be protected from pollution. That is why MSC is committed to the development of positive ethical and environmental change within our company.”

DIEGO APONTE

President & CEO

MSC Mediterranean Shipping Company S.A



OVER
2.5
MILLION
TEU

OVER
450
OFFICES

OVER
150
COUNTRIES

OVER
24000
STAFF

OVER
465
VESSELS

OVER
200
ROUTES

OVER
315
PORTS OF
CALL

EFFICIENT



Enhanced Transit Times
More Direct Port Pairs
Larger Scope of Ports

RELIABLE



More Weekly Departures
Improved Schedule Integrity

SUSTAINABLE

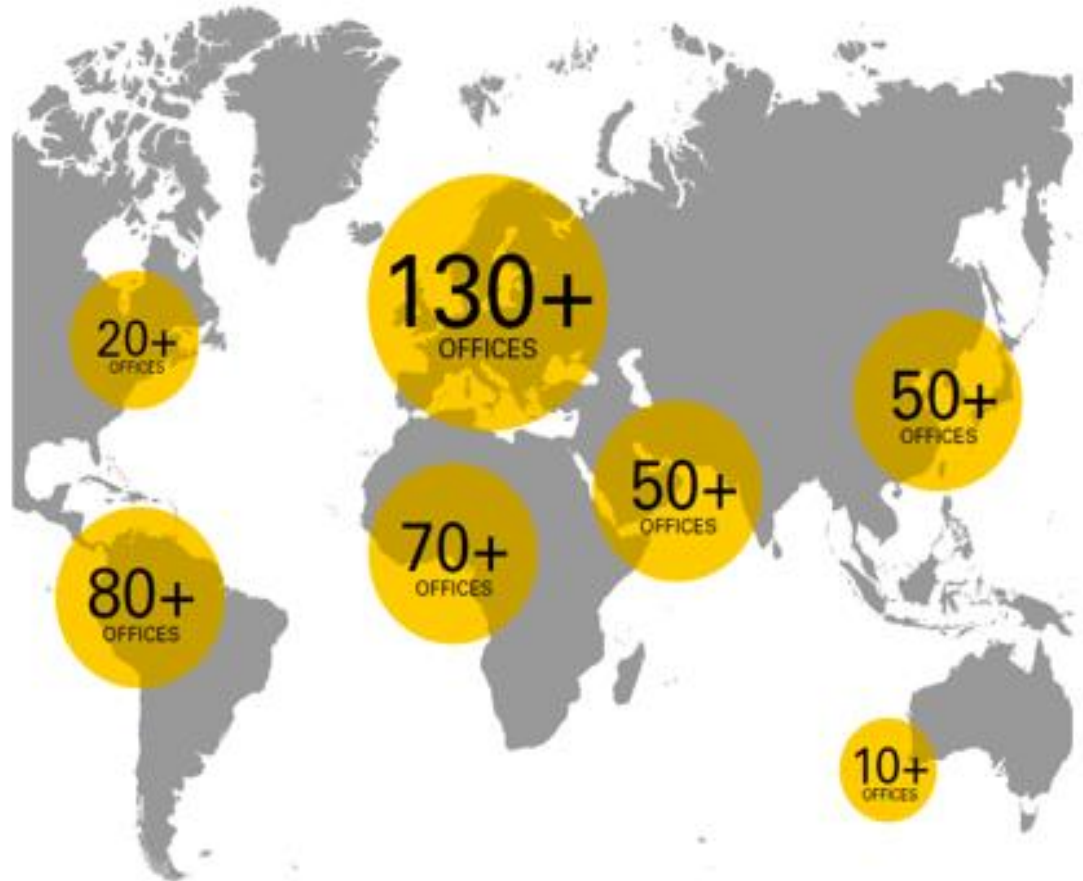


Fewer Vessels
Slower Steaming
Over 10% less CO²

WE MIGHT BE GLOBAL, BUT OUR SERVICE IS DELIVERED BY LOCAL PEOPLE

We know that each country has its own challenges and its own way of doing business.

Over the past 45 years, MSC has built our global network based on a local, personal approach.



- **Descriptions of the role of business in the society include:**
 - **corporate responsibility,**
 - **corporate social responsibility,**
 - **corporate citizenship,**
 - **ethical corporation**
 - **good corporate governance;**
 - **corporate philanthropy**
 - **corporate social responsiveness**

Sustainable Development & Risk Management

1. Value Chain
2. Environment & Climate
3. Waste reduction
4. Innovation
5. Energy Efficiency

1. Stakeholder Management
2. Corporate Citizenship

1. Ships and Infrastructure
2. Mobility & Travel
3. Office Facilities
4. IT and systems

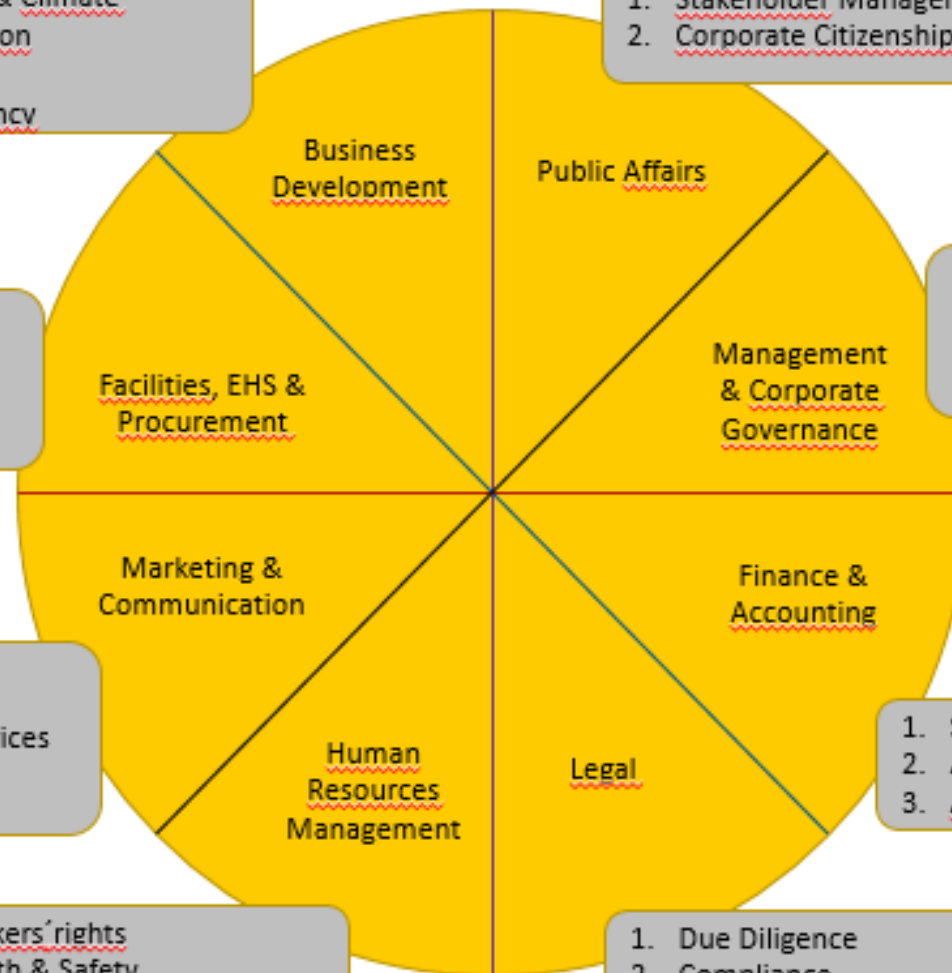
1. Corporate Governance
2. Fair Competition
3. Chain Management
4. Business Ethics

1. Eco-design
2. Media & privacy
3. International Sales & Services
4. Inter-culturality
5. Customer Awareness

1. SRI- Social Responsible Investing
2. Anti Corruption
3. Accounting

1. Workers' rights
2. Health & Safety
3. External Human Rights

1. Due Diligence
2. Compliance
3. Subcontracting



MSC Code of Business Conduct defines clear standards of ethical and responsible behaviour. These apply to each of our 24,000 employees and our suppliers.

The full policy can be found on [MSC.com](https://www.msc.com)

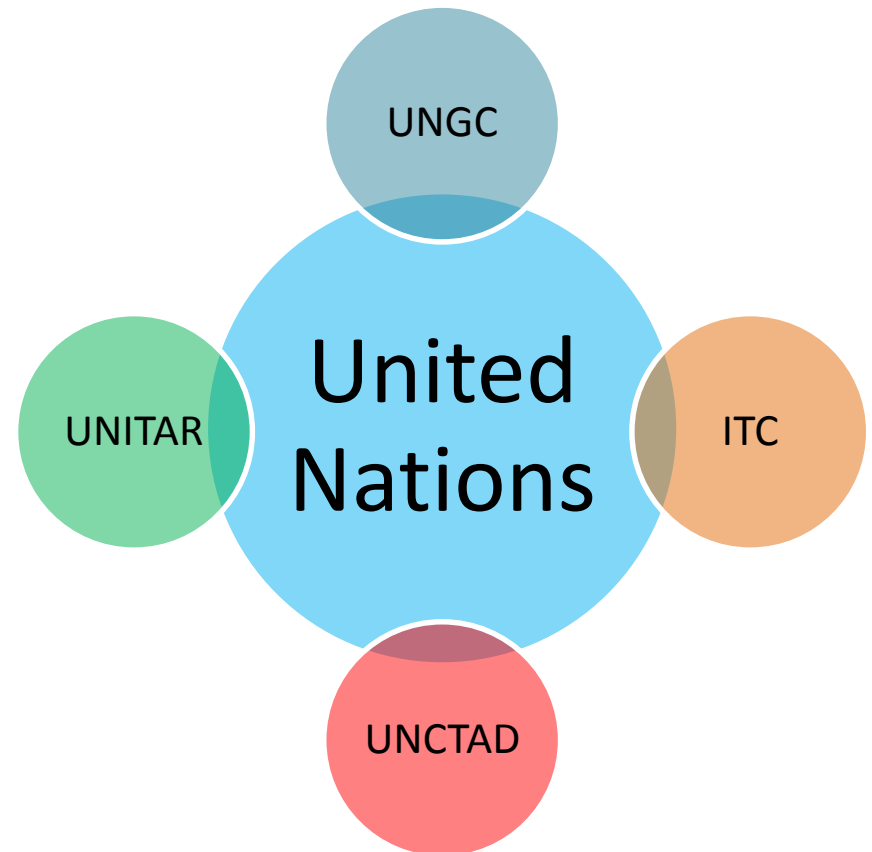


MSC works with foundations and charities of all sizes in nations around the world.

We are equally proud of our major global initiatives (such as our support of UNICEF) and the many local programmes undertaken by our personnel locally.



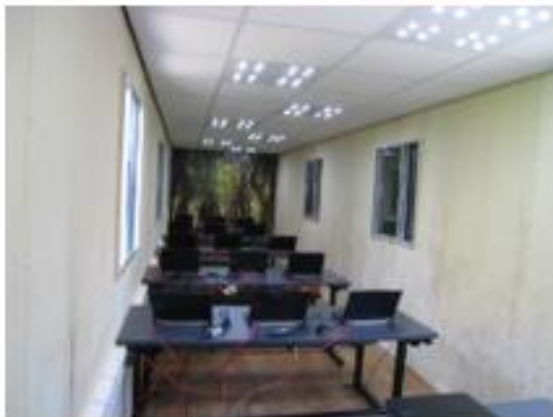
Via Public and Private Partnerships - MoU



- *Our CSR and Sustainable Business Models are not based on charity*
- *But we are changing Challenges into Opportunities by engaging and leveraging the strengths of all parties involved.*



4 Mobile Schools for Africa, because we believe in education and training of our future generations



40 feet containers build into a mobile class room, equipped with computers

all material can be recycled

Solar panels mounted on roof



Batteries and inverter system



Solar monitoring system
(also remote monitoring)

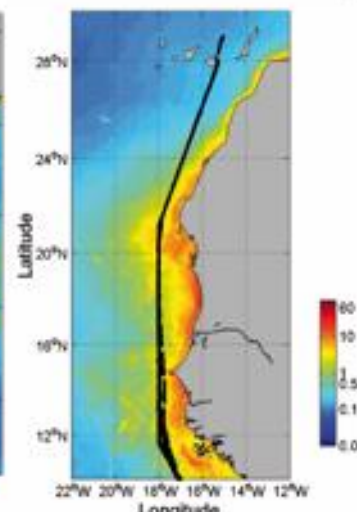
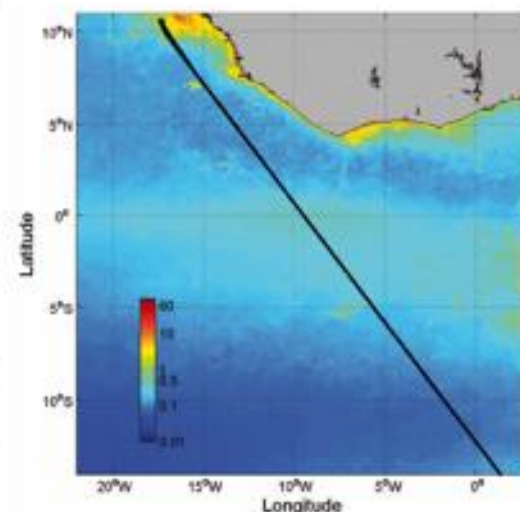
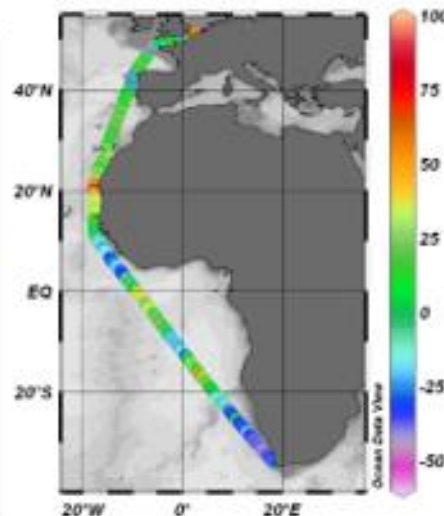
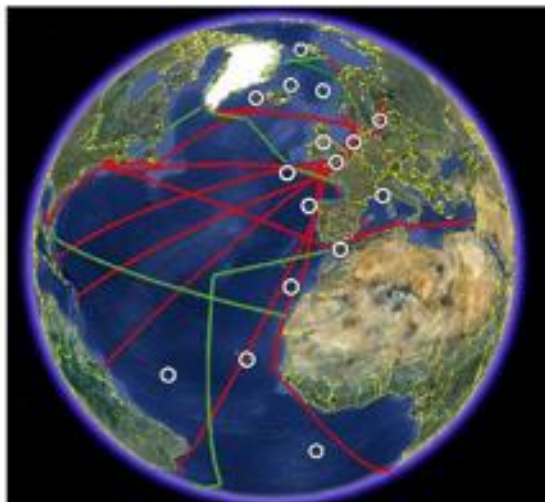
- Mobile Schools Project together with Close the Gap

The MSC Emergency Rescue System, Protecting Local Communities.

- ✓ MSC Emergency Container Units are in use for more than 15 years.
- ✓ Located in strategic ports around the world in areas with difficult access.
- ✓ Used in Djibouti, Salalah, Manzanillo, Cristobal, Freeport, etc.
- ✓ No victims, no environmental pollution.
- ✓ Minimize immediately high risk consequences of fire, explosion,



- As it is indicated in the Atlantos proposal, the VOS line crossing the East Atlantic from North Europe to South Africa is essential for our knowledge about the role played by the oceans and how they are reacting again the increase in the atmospheric CO₂ concentration.
- The **Mediterranean Shipping Company** is, therefore, one of the most important contributors for the continuous monitoring of the surface ocean carbon dioxide concentration, being the only company crossing the East Atlantic in a constant route
- Below tracking emissions research by MSC Martine, MSC Gina and MSC Benedetta



Energy Efficiency Retrofit - Joint Projects

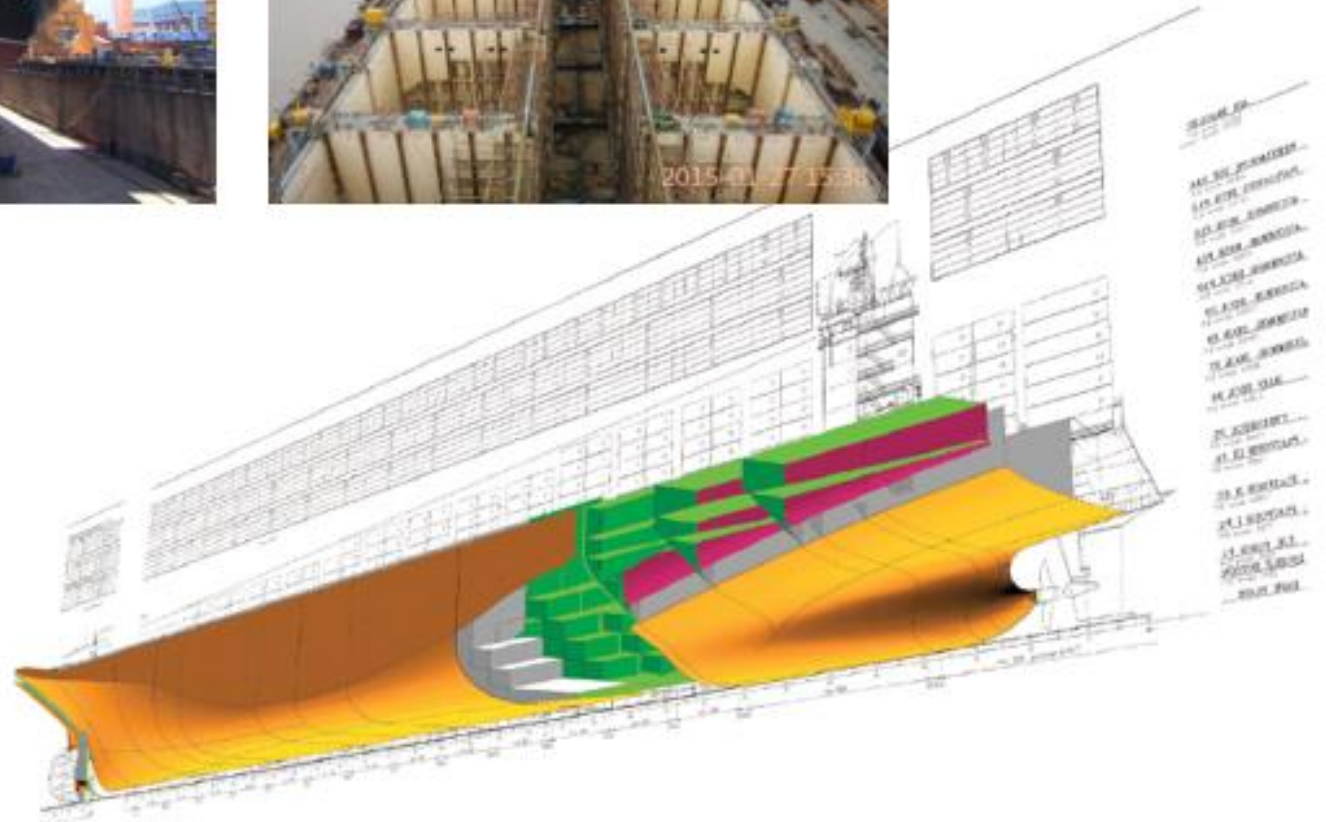
Eco-Bow



Propeller



For a total of 448,000 TEU and 8,615,000 tdw



Other Examples are **Waterballast Treatment;**

All new building project are delivered with Ballast water treatment system using Ultra Violet Technology and some are using electrolysis technology, While for the rest of fleet, we are actually involved in a retrofit project, with installation of BWTS using Ultra Violet Technology.
All the vessel are using procedure according BWM plan.

But also use of **TBT free Paint on board all MSC ships.**

Or **Weather Routeing Systems** for the MSC ships

And there are many more examples, which unfortunately we can not all describe due to the time restriction for this presentation.



Assurance Statement over the approach to Corporate Social Responsibility

Upon request from management at MSC SHIPMANAGEMENT Ltd, Bureau Veritas Italia has performed an independent assessment of the Company's approach to and systems for the management of Corporate Social Responsibility (CSR) issues and responsibilities against principles and guidelines in ISO26000 standard.

The assurance started with a gap analysis between ISO26000 standard and MSC SHIPMANAGEMENT Ltd current practices, which resulted in the identification of opportunities for alignment and integration in existing processes.

Results from this gap analysis were then further progressed by MSC SHIPMANAGEMENT Ltd through a self-assessment activity, followed by our independent assurance performed in March 2015.

Following such assurance activities, Bureau Veritas Italia has produced this Assurance Statement as a result of our independent assessment.

Bureau Veritas applies internally a Code of Ethics and we believe there were no conflicts of interest between members of the assurance team and MSC SHIPMANAGEMENT Ltd at the time of the assurance.

Objective of the assessment

The objective of Bureau Veritas Italia's activity was to assess the CSR approach and systems in MSC SHIPMANAGEMENT Ltd.

In particular, the Third Party assessment has been performed in order to determine whether and to which extent the principles in ISO26000 have been converted in a set of Policy, Responsibilities and Procedures, and integrated into the company's existing systems and processes.

Scope of the assessment

Scope of the Third Party assessment was focused on operations directly managed and controlled by MSC SHIPMANAGEMENT Ltd. The assessment was performed at the company head office in Limassol, Cyprus and no significant exclusion or omission was applied to the scope of our work. As MSC SHIPMANAGEMENT Ltd is fully controlled by the MSC group of companies, attention was also made to corporate CSR systems and policies directly relevant to this exercise, such as MSC Sustainability Ambitions 2020.

Assessment methodology

Bureau Veritas Italia focused its assessment on the following core subjects from ISO26000:

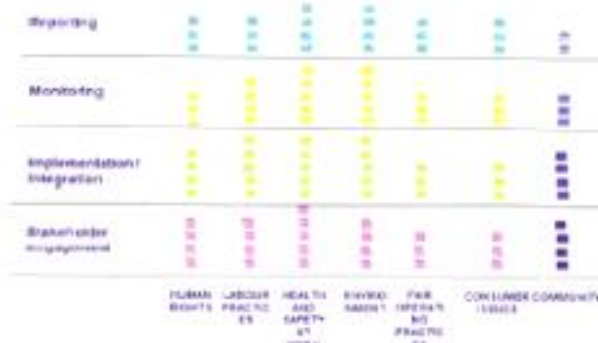
- ▶ Human Rights
- ▶ Labour practices
- ▶ Environment
- ▶ Fair Operating Practices
- ▶ Consumer Issues
- ▶ Community

The assessment was carried out against the following parameters:

- ▶ **Stakeholder engagement:** How are stakeholders engaged on CSR issues? How are stakeholders' expectations embedded in the decision making process?
- ▶ **Implementation:** What policies, systems and procedures are in place governing CSR issues?
- ▶ **Monitoring and control:** How are CSR systems and processes monitored for effective implementation and achievement of targets? Which indicators are used?
- ▶ **Reporting:** How is information communicated internally and externally to stakeholders?

Results

Reported below are the summary assessment results for each core subject, ranging from 1 (less structured approach) to 5 (best in class). ISO26000 core subject 'Governance' has been assessed through a cross-section review of the other areas and calculated as an average score accordingly (3,7). Overall, it was found adequate to ensure proper implementation of defined policies and procedures.



Opinion of Bureau Veritas Italia

On the basis of assurance activities performed, Bureau Veritas Italia believes that CSR issues at MSC SHIPMANAGEMENT Ltd are addressed through an adequate set of policy, procedures and systems. Processes in place are particularly robust for the management of responsibilities in those areas identified as particularly material to the business: Environment, Health and Safety at Work, Labour Practices, Fair Operating Practices and Consumer Issues are less developed areas for MSC SHIPMANAGEMENT Ltd which operates under the full control of and exclusively towards the parent MSC group of companies and for this reason has limited direct interactions with consumers. No gaps were identified in the company's implementation and monitoring systems. In addition, MSC SHIPMANAGEMENT Ltd has identified Key Performance Indicators for its core CSR subjects and has started a process for increased reporting to its stakeholders. Overall, MSC SHIPMANAGEMENT Ltd demonstrates a substantial supervision over its CSR aspects and responsibilities, and is progressing its ability to respond to challenges and improvement opportunities in a more systematic and structured manner.

Milan, April 10th 2015
Lodovico Jucker – Local Technical Manager

Move Forward with Confidence



BUREAU VERITAS

Thank You



Dear Ladies and Gentlemen,

Thank you for your attention.