



MODERN SLAVERY STATEMENT

FINANCIAL YEAR 2016

This statement by MSC Mediterranean Shipping Company SA (hereinafter “MSC”) is made in accordance with Section 54 of the UK Modern Slavery Act 2015. It provides an overview of the actions taken by MSC during the financial year 2016 to manage the risk of modern slavery within MSC’s own operations as well as within its supply chain. MSC is dedicated to conduct its business in a fair, ethical and responsible manner and is committed to ensure slavery and human trafficking is not taking place in its activities and supply chain.

ABOUT MSC

MSC is a world leader in global container shipping operating within 150 countries and has an established fleet of 460 container vessels with an intake capacity of circa 2.75 million TEU (twenty-foot equivalent unit). MSC global sailing schedules cover 200 routes and call 315 ports. MSC relies on a network of over 160 shipping agencies and 440 offices in each country where MSC operates (hereinafter “MSC Agencies”) and MSC’s vessels call.

MSC also provides integrated network of road, rail and sea transport resources stretching around the globe and employs 25,000 people worldwide¹. The technical management of MSC owned vessels and the crewing activity is handled by MSC ship management offices.

MSC POLICIES AND INITIATIVES

MSC CODE OF BUSINESS CONDUCT

MSC commitment is illustrated by MSC Code of Business Conduct, which represents the high standards imposed to all MSC’s employees in MSC headquarters in Geneva, Switzerland and worldwide (hereinafter “Employees”).

MSC Code of Business Conduct was introduced in January 2015 with the strong support of MSC top management, who made its implementation the highest priority. MSC Code of Business Conduct is available on MSC’s public website (<https://www.msc.com/che/sustainability/governance>) and Intranet and constitutes a guideline to help Employees running ethical business. MSC expects all Employees to fully adhere to and abide by MSC Code of Business Conduct.

MSC supports and respects internationally recognized human rights and strongly opposes the use of forced labour and any form of exploitation or slavery as defined by the ILO C029 - Forced Labour Convention. MSC is also strictly opposed to the use of child labour as defined by the ILO C058 - Minimum Age (Sea) and C138 - Minimum Age Conventions and is involved in childhood development programs throughout the world. These commitments are clearly stated in MSC Code of Business Conduct.

More generally, MSC strives to provide a good working environment to its Employees. MSC is a strong advocate of the fundamental dignity of all Employees and it does not tolerate any form of harassment or abusive conduct. MSC Code of Business Conduct explicitly provides for human rights and labour standards. It strictly prohibits any discrimination based on sex, race, religion, language, gender, national origin, age disability, political or ideological beliefs, marital status, and sexual orientation or family responsibilities. Furthermore, MSC is firmly committed to

¹ The number of employees for MSC SA cargo only.

support equal employment opportunity and diversity. For instance, in 2016, 35 different nationalities were represented within MSC headquarters. MSC is proud to count within its Employees people with very different social and economic background as well as different level of education. MSC is also committed to increase male and female parity within the workplace. In 2016, women were composing 38% of MSC headquarters' total workforce and 30% of middle management positions were held by women.

IMPLEMENTATION OF MSC CODE OF BUSINESS CONDUCT

MSC Code of Business Conduct has been circulated to all Employees and translated in 20 languages for a better understanding and a better implementation within MSC Agencies worldwide. To enhance Employees' awareness on MSC Code of Business Conduct, MSC invests in training. A dedicated team of compliance experts within MSC headquarters, MSC Geneva Corporate Legal Compliance Team, provides regular live and webinar trainings to all MSC Agencies on MSC Code of Business Conduct. Employees are made aware of modern slavery issues and are required to exercise care and control specially over MSC's suppliers, and to escalate any suspicious or non-compliant situations. An e-learning program specially dedicated to MSC Code of Business Conduct is currently being developed for a better reach globally.

Within each MSC Agency, one employee was appointed Code of Business Conduct Coordinator and is in charge to make sure that all MSC Agency's employees have read, understood and have been trained on MSC Code of Business Conduct. This person is also responsible to monitor the observance of MSC Code of Business Conduct locally and reports to MSC Geneva Corporate Legal Compliance Team.

SPECIFIC CONTRACTUAL REQUIREMENTS

MSC's fight against modern slavery in its supply chain is also MSC's priority. MSC Geneva Corporate Legal Compliance Team is working in close collaboration with MSC Geneva Corporate Legal Contract Review Team in order to implement specific compliance clauses within contracts.

Thanks to strong cross-transversal team efforts, MSC's suppliers, service providers and business partners are required, through specific anti-slavery compliance obligations in contracts to comply with all applicable anti-slavery and human trafficking laws, statutes and regulations, including but not limited to the UK Modern Slavery Act 2015. MSC also expects its business partners not to have been convicted of any offence involving slavery and human trafficking and are not subject to any investigation in relation to modern slavery. MSC also encourages its business partners to commit to similar principles to those set out in MSC Code of Business Conduct or to have their own ethical standards.

CREATION OF WHISTLEBLOWING CHANNEL

MSC encourages its Employees to share any concern they may have in relation to MSC's activities or its supply chain. A whistleblowing channel is available to Employees who are free to report any alleged infringements of MSC Code of Business Conduct as well as any misconduct, any labour conditions issues, and any potential human rights violations. MSC takes potential violations very seriously and will fairly investigate each allegation with care, discretion and confidentiality. There should be no retaliation against any Employee making a report in good faith. Once received, complaints are carefully evaluated and depending on the seriousness of the allegation, MSC Audit Department is put on notice and might inquire on-site the veracity of the allegations.

CORPORATE INTERNAL AUDIT

The responsibility of the Corporate Audit Department as well as its objective are to continuously, independently and objectively evaluate and report to the Management the effectiveness of internal controls put in place as well as compliance of MSC Agencies' procedures with MSC instructions.

Through structured working procedures, the Corporate Audit Department is able to communicate and report important information about the areas of improvements to various stakeholders, which allows the implementation of prompt remedial actions. On average twenty MSC Agencies are audited every year.

The internal audit work is guided by a clear audit framework, including consolidation of data, analysis as well as on site execution and reporting. The Corporate Audit Department ensures the appropriate conduct of the agencies.

The internal audit methodology has been reviewed in order to enhance due diligence and increase awareness in evaluating risks and red flags of modern slavery and human trafficking within MSC Agencies. Furthermore, the Corporate Audit Department is in the process of educating and raising awareness of MSC Agencies management concerning modern slavery issues.

The Corporate Audit Department benefits from the strong support of MSC Management in relation to the fight against modern slavery. During the audit assignments, MSC Corporate Audit is observing the overall well-being of employees as well as ensuring MSC Agencies have appropriate procedures to comply with local laws including local labour laws and market standards. Moreover, whenever deemed necessary, MSC appoints external auditors to perform on-site external audits.

MEMBER OF UN GLOBAL COMPACT

MSC is proud to have joined UN Global Compact in April 2016. UN Global Compact is the world's largest corporate sustainability initiative which gathers companies with a voluntary, best practice framework in the areas of human rights, labour, environment and anti-corruption. MSC strongly supports the ten principles of the Global Compact and is committed to make the Global Compact and its principles part of the strategy, culture and day-to-day operations of the company.

This statement was approved on June 29, 2017

Signed

Diego Aponte
President & CEO
MSC Mediterranean Shipping Company SA