

# CORPORATE SOCIAL RESPONSIBILITY

PERIODIC REPORT – OCTOBER 2023

MSC Shipmanagement Limited is committed to a socially responsible behavior among with contribution to sustainable development. It has adopted the guidelines of ISO 26000 with the assistance of Bureau Veritas. This report, of our 2023 activities, is posted on the MSCCS website in order to inform and engage with the stakeholders who may be influenced by the activities of MSC Shipmanagement Limited.

## HUMAN RIGHTS



- No cases of discrimination.
- No reported cases of violation of civil rights.
- Company continues to comply with Modern Slavery Act in all parts of organization including its procurement and supply chain.
- MSC Shipmanagement Limited is now an ‘Investors In People – PLATINUM’ organization, advancing from the ‘Investors In People – GOLD’ Accreditation held since 2021.
- MSC Shipmanagement Limited received since last report:
  - a) “Environment Keeper - GOLD” Award at the Cyprus Environment Awards 2022 presented by the President of Cyprus His Excellency Mr. Nicos Anastasiades at the Presidential palace in Nicosia.
  - b) “Maritime Excellence Achiever 2023” for Maritime Research, Training and Skill Development Awarded at GMIS23.
  - c) AMVER Awards, Automated Mutual-Assistance Vessel Rescue System, sponsored by United States Coast Guard, for 123 vessels managed by Company.
  - d) National Maritime Award for the “Best Foreign Employer of Indian Seafarers” awarded by the Govt. of INDIA at NMDC 2023.

## LABOUR PRACTICES



- Numerous alerts were sent by the office regarding safe working practices onboard.
- LTIF for the year 2022 was 1.38 and in 2023 till end of September is 1.15.
- All managed company vessels and practices are in full compliance with Maritime labor convention (MLC 2006 and all related amendments) requirements.
- All employees ashore and onboard continued to be made aware of MSC Code of Conduct, Whistleblower policy and MSC Speak-up Line platform to report any deviation from MSC Code of Conduct and all reports made are investigated till successful resolution.
- Very strong focus on Crew wellness and welfare activities including 24x7 support and access to Doctors of various specialties in multi-language followed by regular surveys to assess the Crew physiological and mental health.

- Over 100 plus vessels diverted or delayed in various port to allow timely crew changes.
- Crew retention rate of over 97% (based on Interntanko formula) continues to be among highest in Industry.
- Training and awareness on MSC's Zero-tolerance approach to all forms of bullying and harassment.
- Fleetwide deployment of new digital learning & assessment platform with clear focus on vessel, trade, ranks and compliance with various regulatory requirements.
- Commencement of installation of ORCA AI thermal camera system on all vessels in 2023, an additional company initiative to support and enhance safe navigation through the seas.

## CONSUMER ISSUES



- No complaints received from the principals.
- Collaborating with Key customer's to report data on key human rights and labor issues.

## ENVIRONMENT



- Protecting the Environment remains one of the top items on Company's Sustainability agenda.
- Very active participation in number of workshops conducted with Company's HQ at Geneva on Sustainability priorities with Company Management taking part in Group Steering Committee on Sustainability.
- CO2 emissions, in terms of MT carried per NM, reduced in 2022 (compared to 2021) by 12%.
- CO2 emissions, in terms of MT carried per NM, reduced in 2023 till end Sept (Vs. 2022) by 15%.
- EEOI for cargo (TEU) was improved in 2022 (compared to 2021) by 13 %.
- EEOI for cargo (TEU) is improved in 2023 till end September (Vs. 2022) by 2.8%.
- Target for reduction of waste streams (ISO 14001) is 0,5% (Incl Single Use Plastics by 10% onboard generation).
- Target for reduction of fuel consumption (ISO 50001) is 1% by use of best practices.
- Huge investment in retrofit of vessels with new design of propellers, boss cap fins, bulbous bow, high quality hull anti-fouling paints to reduce GHG emissions from Vessel's operation combined with automatic data acquisition system to monitor these and support decision making.
- Installation of ORCA AI thermal cameras on vessel to aid in the safety of whales and further bolster our whale protection program.

## FAIR OPERATION PRACTICES



- All vendors prior being approved have to comply with business ethics certificate terms of the company.
- No instances of corrupt practices were reported.
- MSC Group had joined MACN (Maritime Anti-corruption Network) since Oct 2017 and each year MSC Shipmanagement continues to train large number of Masters and successfully launched 'Say No Campaign' at Suez Canal, Nhava Sheva, Ukraine & West Africa with nearly 100% success.

## COMMUNITY INVOLVEMENT & DEVELOPMENT



- Valuable support to over 1500 war displaced families from Ukraine, consisting of MSC Family crew members on leave and shore staff which included their boarding & lodging costs at Romania, providing medical insurance to over 5500 families spread at various locations of Europe. Additionally working together with MSC Foundation, all possible mental and physiological support provided to such families and close follow up done on their return to home country.
- Supported the victims of earthquakes in Syria & Turkey, provided shelter onboard our vessel MSC Aurelia with over 1000 beds and ample rations. Facilitated the transport of houses offered by the Prince of Qatar to Turkey in the wake of the earthquake.
- Leadership and other professional development courses were conducted for both ship and office staff.
- Providing fast Internet facilities on all managed ships for longer duration to enable crew to connect to families and also for online learning platform.
- Building capability through the recruitment of large number of trainees.
- New local recruits for shore operations in 2023 – 34 in Cyprus, 11 in Ukraine and 27 in India.
- Female employee ratio for shore operations (new local recruits) - 55% (Cyprus), 81% (Ukraine) and 30% (India).
- As part of our commitment to promote equality and women's empowerment, our company has become one of the signatories of Women's Empowerment Principles (WEP) in 2023.
- "Adopt a ship program" for our new generation, was introduced on 40 of our MSC vessels for increasing awareness about shipping in new generation. All the Masters of 40 vessels were asked to share some good pictures, challenges and adventures at sea and any other attractions, which can motivate youngsters of participating schools in Limassol to select shipping as a career.
- Company is active member of Cyprus Shipping Chamber (CSC) for promoting Cyprus Shipping interests locally and overseas. It has also actively supported and participated in creation of Cyprus Marine academy at Larnaca and each year recruits number of graduates upon completion of studies.
- MSC Shipmanagement Limited upholds safety of human life and ensures active participation in any Search & Rescue operations. Since the last periodic report, our vessels were involved in 24 Search & Rescue operations, within which 3 survivors were picked by up vessels managed by MSC Shipmanagement Limited & a total of 228 human lives were saved by taking them onboard. In the other operations, marshalling was one for similar number of lives & own vessel moved from on scene only after the arrival of naval vessel.
- MSC Shipmanagement continues to support the Marine and Maritime Research Innovation and Technology Centre of Excellence (CMMI).
- MSC Shipmanagement Limited is among few handful shipping companies whose shore office and all managed fleet is accredited with ISO 9001 (Quality Management), ISO 14001 (Environment Management), ISO 50001 (Energy Management), ISO 26000 (Social Responsibility), ISO 27001 (Information Security Management System) and OSHAS 18001 (Health & Safety) standards of certifications now upgraded to ISO 45001.

Providing Career opportunities by creating jobs in Cyprus, India, Ukraine, Philippines, Pakistan, Bangladesh, Russia, Kenya, South Africa, Myanmar, China, Ethiopia and Ghana etc. by increasing number of crew members employed from these countries providing real opportunity to people from these countries. MSC Shipmanagement Limited actively takes care of the future generation offering them opportunities and the chance for a great career at sea.

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