### CMACGM SUSTAINABLE DEVELOPMENT ATAGLANCE

ACTING FOR PEOPLE, PLANET AND RESPONSIBLE TRADE

**CMA CGM** 





The recent economic, health and environmental crises have demonstrated both the fragility of the world we live in and the need to rethink our current models.

Looking beyond profitability, which is vital to the sustainable pursuit of their development, companies must also create value that serves social, societal and environmental aims. Corporate Social Responsibility must be an integral part of every company's strategy.

This is a firm conviction of our Group, linked to its family dimension and the profoundly human values to which we are attached.

As the global leader in transport and logistics services, we wish to contribute to the development of economic trade that is more balanced, and more respectful of people and the planet.

This commitment calls for both the setting of ambitious goals and the allocation of significant funds and resources to achieve them.

We have therefore announced our goal of becoming Carbon Neutral by 2050.

To achieve this, we have launched an unprecedented energy transition for our fleet, opting to use Liquid Natural Gas to power all our new orders of container ships. The first LNG-powered vessel, the CMA CGM JACQUES SAADE, will be delivered in August 2020 and will mark a major step forward. With capacity of 23,000 TEUs, it will allow for a significant reduction in greenhouse gas emissions and virtually eliminate sulphur oxide and fine particle emissions.

We have likewise initiated an international coalition to reduce the ecological footprint of transport. Already bringing together more than ten major corporations from different business sectors, the coalition aims to accelerate the development of new energy sources and optimize itineraries.

We have also made a commitment to ensuring our employees' professional development throughout their careers. To this end, we are investing in a new in-house university, the CMA CGM Academy, which will open in 2022. It will enable our employees to strengthen their skills in transport and logistics and obtain training in the new technologies that are constantly transforming our lines of business.

Finally, as a committed player in the communities in which we do business, our corporate Foundation is again this year supporting numerous associations that are dedicated to helping the most vulnerable children. Since its creation in 2005, near 300 associations and several tens of thousands of children have benefited from assistance provided by the CMA CGM Foundation.

All these initiatives demonstrate our determination to build sustainable globalization, one that creates value for our customers, our employees, the planet and humanity. This is a commitment that is shared by the Executive Committee and implemented daily by all the Group's teams.

### **RODOLPHE SAADÉ**

Chairman and CEO of the CMA CGM Group

# ANEW AMBITON

### **ACTING FOR PEOPLE**

The energy and commitment of our employees are the bedrock of the Group's success. With 110,000 employees of 148 nationalities, our workforce provides a variety of points of view that enrich our understanding of the world and the way we develop our activities.

Our employees are our most precious asset. That is why we constantly strive to improve the quality of their working life, to enable them to find fulfilment and train throughout their professional career.

Promoting diversity within the workforce, raising the proportion of women in management, doubling the number of training days annually, and offering healthcare to all our land-based and seafaring employees are among our top commitments.

### **ACTING FOR PLANET**

Improving our environmental footprint as well as that of our customers lies at the heart of our strategy.

By pledging not to use the Northern Sea Route, by choosing the Liquid Natural Gas (LNG) to power our new vessels, by investing massively in the development of zero-emission vessels, and by testing and using second-generation biofuels as of 2020, we are illustrating the philosophy that guides the Group's energy transition.

We are taking concrete steps using the best technical solutions available today while preparing actively for the future.

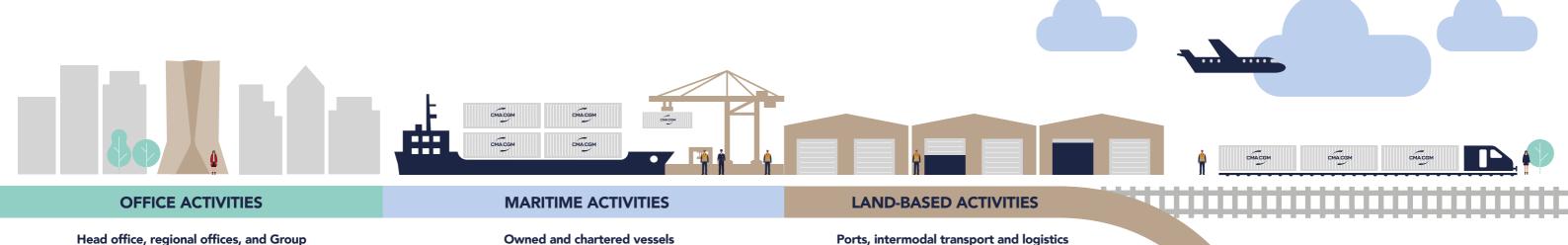
### **ACTING FOR RESPONSIBLE TRADE**

The CMA CGM Group's actions fit in with the sustainable development goals defined by the United Nations. Each year we redouble our efforts to safeguard human rights, ethics, compliance and the fight against corruption while following an ambitious sustainable procurement policy for the management of suppliers.

In dealing with our various stakeholders, the CMA CGM Group uses its clout to lift the entire value chain towards the highest standards.

On behalf of our 70,000 customers, we are ceaselessly innovating and designing the logistics solutions of tomorrow.

### **BUSINESS MODEL**



### THE 3 PILLARS OF **OUR SUSTAINABLE DEVELOPMENT POLICY**

and subsidiaries' agency networks

**ACTING FOR PEOPLE** 

**ACTING FOR** - PLANET

**ACTING FOR RESPONSIBLE TRADE** 

### **KEY RESOURCES**

- 35,800 EMPLOYEES, 148 NATIONALITIES, 132 COUNTRIES
- 4,960 FRENCH AND INTERNATIONAL SEAFARING PERSONNEL
- 37% OF MANAGERS ARE WOMEN
- MORE THAN 420 PORTS OF CALL
- MORE THAN 200 SHIPPING LINES
- MORE THAN 500 OPERATED VESSELS, INCLUDING 190 **COMPANY-OWNED**
- FLEET CAPACITY OF MORE THAN 2.7 MILLION TEUS
- MORE THAN 7,782 KTONNES OF FUEL PURCHASED FOR THE MARITIME FLEET
- 46 TERMINALS
- MORE THAN 50,000 SUPPLIERS
- MORE THAN 750 OFFICES WORLDWIDE

### **RESULTS**

- 249,908 HOURS OF EMPLOYEE TRAINING
- 0 FATAL ACCIDENTS
- 13,000 CHILDREN SUPPORTED BY PROJECTS SPONSORED BY THE CMA CGM FOUNDATION
- MORE THAN 980 CONTAINERS AND 7,500 TONNES OF RELIEF SUPPLIES TRANSPORTED SINCE THE BEGINNING OF THE "CONTAINERS OF HOPE" **OPERATION**
- 61 PROJECTS TO HELP LOCAL COMMUNITIES IN 23 COUNTRIES
- MORE THAN 70,000 CUSTOMERS
- INNOVATION: 125 COMPANIES RECEIVED FUNDING FROM THE GROUP
- 348 SUPPLIERS EVALUATED FOR THEIR CSR POLICY
- USD 30,254 MILLION IN REVENUE
- 21.6 MILLION TEUS TRANSPORTED
- 24.3 MILLION TONNES OF CO2
- 0 MAJOR POLLUTION INCIDENTS
- 1 CONTAINER LOST AT SEA
- WHISTLEBLOWING SYSTEM: 54 ALERTS RECEIVED

### **AWARDS 2019**

EcoVadis

Certifications ISO

CDP - Carbon Disclosure Project

**IWAY Standard** 

Go Green

Most Accomplished Asia Pacific Ship Owner of the Year Double récompense aux Seatrade Maritime Awards Asia 2019

Container Shipping Line of the Year / America Trade Lane Label « Happy Candidates 2020 »

Label « Happy Trainees 2020 »

### **PARTNERSHIPS 2019**

**UN Global Compact** 

Business Action Platform for the Ocean

World Shipping Council

Armateurs de France

L'Association Française des Entreprises Privées

Clean Cargo Working Group

Plateforme GNL

The Society for Gas as a Marine Fuel

The Ship Recycling Transparency Initiative

Maritime Anti-Corruption Network Container Ship Safety Forum

Cargo Incident Notification System

Business Actions to Stop Conterfeiting & Piracy

Centre INter-entreprises De l'EXpatriation The Digital Container Shipping Association

The Federation of European Private Port Companies

and Terminals

The International Cargo Handling Coordination Association

### MANAGEMENT AND GOVERNANCE

The CMA CGM Group's new Sustainable Development approach is based on three core principles spanning eight themes.

Twenty-five new indicators have been defined, all with ambitious targets. These are in addition to the forty or so already followed by the Group. Progress shall be assessed carefully and presented quarterly at the scale of the executive committee, whose members are responsible for attaining the targets set.

A new governance structure has been implemented to support this system. This is centred around three main bodies:

### SUSTAINABLE DEVELOPMENT COMMITTEES The Sustainability The Sustainability The Sustainability Advisory Committee **Executive Committee** Steering Committee Comprising members of the executive Comprising all of the Group's Comprising directors and persons qualified to enhance and support the Sustainable Development officers on committee, directors of the Group's an operational scale. Monthly meetings Group's Sustainable Development policy main regions and representatives of in accordance with best practices. subsidiaries. This committee defines are held to ensure that the Sustainable the strategic direction of the Group's Development policy is implemented Sustainable Development policy across the Group as a whole and to and is responsible for monitoring receive on-the-ground feedback targets and plans. from across the network.

The UN's sustainable development goals set a new standard for companies like CMA CGM that want to be responsible corporate citizens and assume the economic, social, societal and environmental impact of doing business.

These 17 universal goals aim to advance human rights and fundamental freedoms, fight inequality and preserve the environment. In 2018, CMA CGM aligned its sustainable development policy with the UN's 17 Sustainable Development goals.

### **UNITED NATIONS GLOBAL COMPACT**

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During COP 25, CMA CGM joined the United Nations Global Compact and agreed to comply with the 10 principles of respecting human rights, international labour standards and environmental regulations as well as combating corruption.

The Group has also joined the Business Action Platform for a Sustainable Ocean, a technical network dedicated to marine issues, as well as the Sustainable Ocean Principles, a set of nine principles for the preservation of the oceans.







# ACTING FOR PEOPLE

The CMA CGM Group has built its success on strong people-friendly values. The promotion of equality, diversity and a culture of safety guide our actions with our employees and with all our stakeholders.

# COMMITTED TO OUR EMPLOYEES

Our employees are our most precious asset. We do all we can to ensure their professional development and personal fulfilment under the best conditions.

### **2019 AWARDS**

"Happy Trainees" label for the 5th consecutive year

"Happy candidates" label: CMA CGM ranked 1st among companies with more than 1,000 employees

### We are key players in diversity

Diversity is a formidable asset for our Group, a source of emulation, mutual enrichment and inspiration as well as a reflection of our presence across the globe:

- 35,800 employees worldwide, with 148 nationalities from 132 countries.
- 37% of our managers are women, and 100% of our French seafaring female staff members are officers.
- "We Are Shipping" is a programme designed to help women with their career advancement via training workshops. Since it was launched, more than 80 women have benefited from the programme, which was deployed internationally in 2020.
- C-Box Diversity was launched to identify possible forms of discrimination and to plan actions within teams to promote diversity and inclusion.

INDICATOR	2019	TARGET
% of women in TOP 100	14%	20% by 2025

INDICATOR	2019	TARGET
% of nationalities in TOP 100	20%	30% by 2025





### We cultivate our talent

Our employees are our most determining asset, which is why we are constantly investing in their skills development and their professional fulfilment:

- 249,908 hours of training for our employees, a 17% increase over the previous year;
- The CMA CGM Academy has launched a leadership programme that enables employees to develop specific techniques in communications, stress management, conflict management and feedback;
- More than 17,000 hours of mentoring to promote best practices within the Group's fleet was provided by and for dedicated officers.

### HEALTH INSURANCE FOR ALL OUR EMPLOYEES, BOTH LAND-BASED AND SEAFARING, BY 2021

INDICATOR	2019	TARGET
% of employees with supplemental health insurance	84%	100% in 2021

### We work tirelessly to ensure that all our employees enjoy the best possible working conditions

We want to facilitate our employees' daily life and help them strike the best work-life balance possible:

- Enhancing our seafarers' quality of life at work: a partnership with ESP Consulting, a company specialising in sports and performance, aims to optimize the health of our seafarers and to reduce accidents;
- Several initiatives were taken to encourage our employees' eco-mobility, such as the installation of a bike container early 2020, rounding out the green transport options available near the head office.

### "LAND - SEA -LAND" CAREER MANAGEMENT

This career management system for fleet officers has been strengthened to facilitate the transition from land to sea and back again by creating opportunities for landbased careers.

### A SOCIALLY RESPONSIBLE CONCIERGE SERVICE

The Group has set up a concierge service to facilitate employees' daily life and help them save time. Merci Oscar is a service provider that integrates workers with disabilities and promotes short supply chains and local resources.

# SAFETY IS OUR RESPONSIBILITY

Our fleet of Group-owned vessels has received triple certification for Quality, the Environment and Health & Safety.



### Constantly improving the management of hazardous goods

Thanks to an upgraded version of our digital app, we are able to respond in near real time to more than 60% of all requests to load hazardous goods. The Group provides a team of experts who advise shipping companies and commercial agencies on how to safely handle hazardous goods.

### **Ensuring optimal protection** for all our employees

The Group has implemented a global safety policy that aims to reduce the risk exposure of the Group's business activities and personnel internationally, whether for security, health, environmental or technological risks.

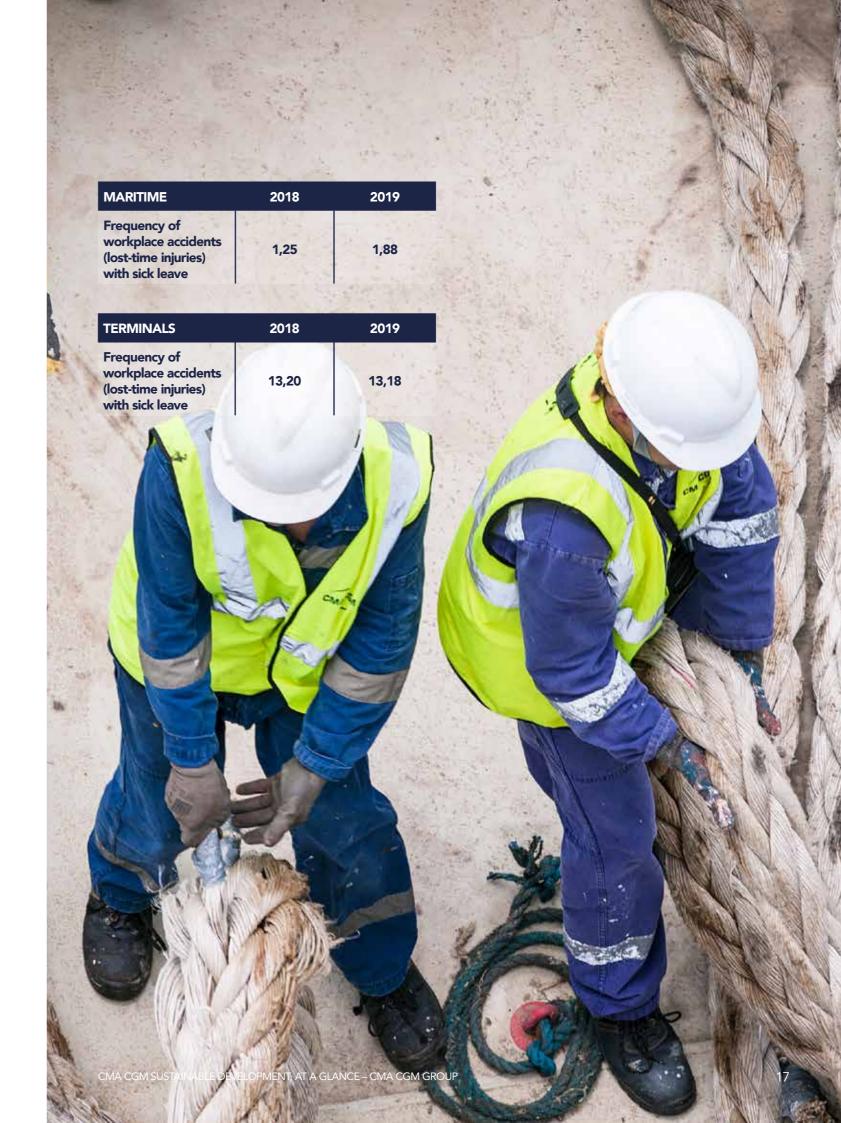
- Passengers travelling to a high-risk country or area must first register with the Group Safety Department and be informed of the procedures in place. In 2019, the Safety Department managed over 1,000 trips to 85 high-risk countries;
- 2019 brought a significant increase in weather-related incidents and social unrest (including major unrest in Lebanon, Iraq, Chile, Bolivia and Hong Kong). The Group had to handle more than 101 events with a direct impact on its business and/or personnel (compared with 84 direct events in 2018), some of which required the deployment of a special crisis management team.

### "SAFETY FIRST"

The CMA CGM Group's Safety First policy aims to prevent any accidents that can lead to injury or loss of human life, for our seafaring, land-based and office staff, as well as any major damages, whether to our facilities (vessels and terminals), merchandise or the environment.

### **NO FATAL ACCIDENTS IN 2019**

In 2019, not a single fatal accident was caused by any of the Group's activities. We nonetheless experienced a slight increase in the number of minor accidents, which will require greater vigilance in the future.



# THE CMA CGM FOUNDATION AT THE SERVICE OF THE GENERAL INTEREST

### We are a core logistics partner for humanitarian organizations

- Since the "Containers of Hope" campaign was launched by the CMA CGM Foundation, more than 1,000 containers and 8,000 tonnes of humanitarian equipment have been shipped through partner organization programmes (Doctors Without Borders, Action Against Hunger and the French Red Cross);
- The Humanitarian Services Office, created in late 2017 by CMA CGM, proposes customised solutions to international organi zations and NGOs providing emergency aid. In 2019, it over saw the transport of over 10,000 containers.

### We participate in the social and economic development of the countries in which we do business

More than 60 volunteer initiatives were carried out in 2019, a 60% increase compared with 2018, 68% of which were local actions with societal goals and 32% for environmental purposes.

### We encourage our employees to engage in skills sponsorship programmes

- Through skills sponsorship, employees use their working hours on behalf of charitable associations;
- Employee wages are covered by the CMA CGM Foundation;
- In 2019, 35 Group employees were able to invest 3 days of their working time in nine associations, six in Marseille and three in Le Havre;
- In 2020, 100 employees are committed to about 10 associations.

GROUP EMPLOYEES WERE
ABLE TO INVEST 3 DAYS OF
THEIR WORKING TIME IN 9
ASSOCIATIONS, 6 IN MARSEILLE
AND 3 IN LE HAVRE

INDICATOR	2019	TARGETS
% of countries conducting at least one local initiative	17%	70 % in 2021 100 % in 2023



NUMBER OF ASSOCIATIONS SUPPORTED BY THE CMA CGM FOUNDATION SINCE ITS CREATION IN 2005



# ACTING FOR PLANET

Facing major environmental challenges, the CMA CGM Group is resolutely pursuing its ecological transition. We have made concrete, pioneering decisions to mitigate the impact of our business activities on the climate, air quality and biodiversity.

# EFFORTS TO REDUCE GREENHOUSE GAS EMISSIONS PAY OFF



Although maritime transport is still by far the solution that produces the least greenhouse gas emissions per tonne of merchandise transported, reducing energy consumption has always been one of the Group's core concerns.

### Reduction in the Group's CO<sub>2</sub> emissions

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- In 2019, the fleet cut its global CO<sub>2</sub> emissions by 6% com pared with 2018 levels, to 24.29 million tonnes.
- The fleet also improved its performance significantly with an 11% decline in CO<sub>2</sub> emissions per container shipped.
- Since 2008, the Group has reduced its CO<sub>2</sub> emissions by 48% per TEU-km, in line with our voluntary target of reducing greenhouse gas emissions by 50% by 2030.

Several factors contributed to these positive performances:

- More recent, energy efficient vessels equipped with the latest eco-technology;
- Optimized asset usage thanks to the growing importance of alliances;
- $\bullet\,$  A more efficient fleet operating policy that helps save energy.

In June 2020, Rodolphe Saadé announced that the CMA CGM Group has pledged to be carbon neutral by 2050.

### Intermodal solutions, a key driver for reducing CO<sub>2</sub> emissions

In goods transport, a significant share of  ${\rm CO_2}$  emissions is generated in the last kilometres.

Greenhouse gas emissions can be reduced sharply by switching to trains and river barges, which unlike trucks can carry several hundred containers at once.

The CMA CGM Group gives preference to grouped solutions: 60% of our goods transported inland use rail or river-based solutions. Despite a shortage of services in several geographic regions around the world, the Group's target is to lift this figure to 70% by 2025.

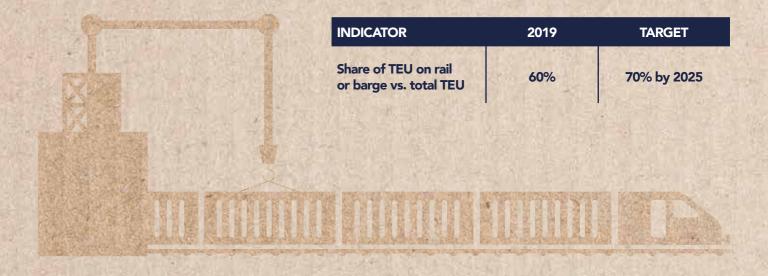


**BETWEEN 2008 AND 2030** 



BY 2050

INDICATORS	2018	2019	% CHG.	TARGETS
CO <sub>2</sub> emissions of maritime business (g of CO <sub>2</sub> /TEU-km	60	54	-11%	-50% in 2030 (compared to 2008) Or 51 g CO <sub>2</sub> /TEU-km
Overall CO <sub>2</sub> emissions (tonnes, millions)	25,76	24,29	-6%	Net zero carbon by 2050



# PULL OUT ALL THE STOPS TO ACHIEVE A MASSIVE AND SUSTAINABLE REDUCTION IN OUR EMISSIONS

Curbing global warming implies a drastic reduction in our greenhouse gas emissions. Yet there are still no mature technical solutions for zero-carbon merchandise transport. The CMA CGM Group is investing massively in Research and Development (R&D) to design the clean vessels of the future. It is already committed to using the best solutions available today to stay on track to meet its medium to long-term objectives.

### Liquefied natural gas, the best solution available today

The CMA CGM Group has opted to use Liquefied Natural Gas (LNG) to power its new vessels. In addition to reducing air pollution, LNG produces up to 20% less  ${\rm CO_2}$  emissions than traditional marine fuel. By 2022, the Group will have more than 20 LNG-powered vessels.

### **Second-generation biofuels**

In 2019, CMA CGM tested second-generation biofuels in partnership with the IKEA Group. Derived from recycled cooking oil, this biofuel does not compete with food supply chains in the agricultural sector.

By harnessing organic matter that has stored carbon throughout the plant's life, these biofuels help reduce greenhouse gas emissions (GGE) by 80-90% compared with fossil fuel equivalents.

### **Tomorrow: zero-emission vessels**

Several technical solutions offering promising prospects are currently at the prototype phase. Using rigid wing sails to tap into wind power promises to significantly reduce energy consumption. Thanks to green hydrogen and other synthetic fuels, we should have a completely green-powered fleet in the future. CMA CGM is investing heavily in R&D to adapt these solutions for use in large-scale container vessels as quickly as possible.

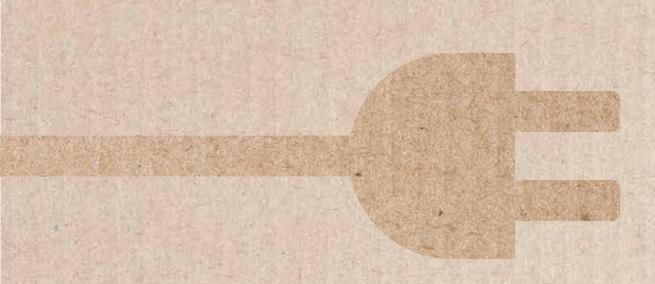
INDICATOR	2019	TARGET
Alternative fuels, tonnes (Biofuels/ LNG/Bio LNG)	<1%	10% by 2030

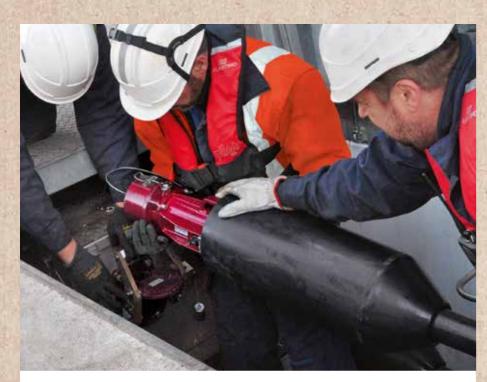


To massively increase and pool investment in reducing the carbon footprint of transport and logistics for the entire value chain, Rodolphe Saadé, Chairman and CEO of the CMA CGM Group, officially established a coalition for the transport energies of tomorrow with the backing of French President Emmanuel Macron.

The CMA CGM Group has joined forces with Energy Observer, the first hydrogen-powered vessel to circumnavigate the globe, with a shared goal: to develop zero-emission maritime transport. The project aims to test and develop energy solutions based on hydrogen, solar, tidal and wind power. CMA CGM will provide its industrial expertise to this «experimental vessel» to promote the deployment of hydrogen as a future propulsion system for maritime transport. In return, the CMA CGM Group will receive feedback on the new technology being tested by Energy Observer under real conditions.

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### CMA CGM INAUGURATES A COLD-IRONING SYSTEM AT THE PORT OF DUNKIRK

The cold ironing system installed at the Terminal des Flandres will become fully operational during the first half of 2020. Through this ambitious operation, the Port of Dunkirk and the CMA-CGM Group have demonstrated their determination to protect the environment.

The cold-ironing facility is integrated into six 40-foot containers, converting the public power supply for use by vessels at port. With capacity of 8 MW enough to power nearly 1,000 homes, this system is one of the most powerful ever to be installed in Europe.

# FIGHTING AIR POLLUTION IS ANOTHER GROUP PRIORITY

Emissions of sulphur oxides, nitrogen oxides and fine particles are a major public health hazard.

### Global Sulphur Cap 2020: fully compliant

In October 2016, the International Maritime Organisation (IMO) lowered the limit on the sulphur content of fuel to 0.5%, from 3.5% previously.

By implementing various technical solutions, CMA CGM is fully compliant with the new regulation:

- Fuels with a maximum sulphur content of 0.5%;
- LNG-powered vessels;
- Scrubbers. The Group has opted for hybrid scrubbers that can be used in a closed-loop system, which enables residue to be collected for treatment at land-based facilities.



### In port, vessels are increasingly plugging into onshore power supplies to reduce exhaust emissions.

By plugging into an onshore power supply (also known as «cold ironing»), container ships calling at port can shut down their auxiliary engines while still getting the power they need, particularly to maintain controlled temperatures in refrigerated containers (Reefers). CMA CGM vessels practise cold ironing in California, in compliance with local regulations, and on a voluntary basis in various ports that offer a cold-ironing service, mainly in China and Europe.

This technology has prevented 20,000 tonnes of  $CO_{2'}$  10 tonnes of Sox, 355 tonnes of  $NO_x$  and 24 tonnes of PM10 from being released into the atmosphere.

### The Group significantly lowered its air pollutant emissions in 2019

INDICATORS	2018	2019	% CHG.
Sulphur oxide emissions (k tonnes of SOx)	400	364	<b>-9</b> %
Nitrogen oxide emissions (k tonnes of NOx)	700	654	-7%



The sustainable use of the oceans and respect for marine life are core principles of the CMA CGM Group.

### Abandoning the Northern Sea Route: a historic decision on behalf of the Arctic's unique and fragile ecosystems

At the G7 summit in Biarritz in August 2019, Rodolphe Saadé announced that none of the CMA CGM Group's vessels would use the Arctic sea route that have opened up to traffic recently due to the melting of polar ice.

### Ballast water treatment using UV light

- As of 2015, CMA CGM began equipping its vessels with an innovative ballast water treatment system using UV light;
- This system allows to eliminate any living organisms that might impact marine biodiversity locally.

### Hull inspection using underwater drones: a pilot project with Notilo Plus

- Notilo Plus, a start-up nurtured by the ZeBox incubator and accelerator, funded by the CMA CGM Group, develops underwater drones that can be used for hull inspections;
- This technology improves hull monitoring and makes it easier to identify molluscs that can reduce a vessel's hydrodynamic performance.

### Reducing vessel speeds in whale breeding areas

- On the east coast of the United States and Canada, CMA CGM vessels reduce their speed to 10 knots when navigating in the breeding areas of cetaceans and marine mammals, in order to reduce the risk of collision;
- The port of Long Beach gave the CMA CGM Group an award for reducing the speed of its container vessels with nearly 100% compliance.

### The highest standards for dismantling vessels

The CMA CGM Group uses dismantling sites that comply with the Hong Kong convention's health, safety and environmental standards.

CMA CGM audits these dismantling sites itself and uses thirdparty organizations to monitor procedures on a daily basis. In 2019, the Group sent three vessels to be scrapped.

### SHIP RECYCLING TRANSPARENCY INITIATIVE (SRTI)

SRTI is an information-sharing platform on the recycling of vessels based on a set of predefined criteria developed collectively by the main stakeholders of the maritime industry.



### **ZERO HYDROCARBON POLLUTION**

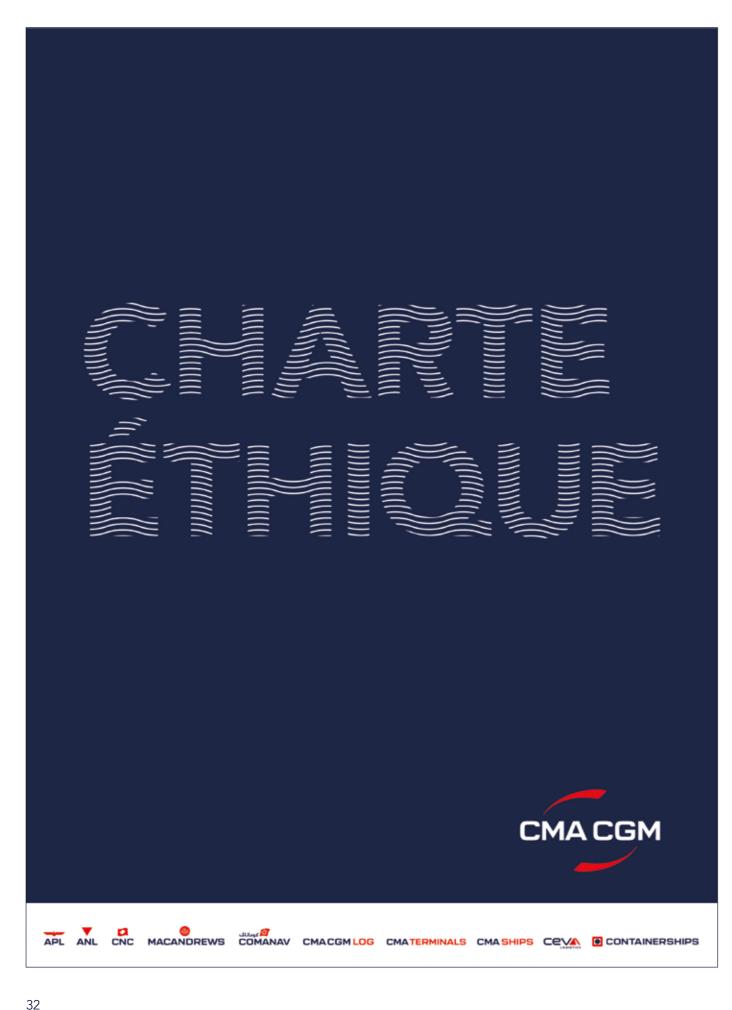
In 2019, CMA CGM did not report a single incident involving the accidental discharge of waste into the ocean. Waste discharges, especially hydrocarbon pollution from the Group's vessels or terminals, represent the biggest risk for the environment. A whole series of risk-prevention measures have been put into place to prevent the risk of pollution, including fleet maintenance, regular onshore-offshore simulations and exercises, and a robust crisis management policy.





# ACTING FOR RESPONSIBLE TRADE

The CMA CGM Group is committed to promoting responsible international trade through strict compliance with existing laws and regulations and by encouraging its suppliers and customers to follow its lead and to adopt best practices.



# HOLDING OURSELVES TO THE HIGHEST STANDARDS OF BUSINESS ETHICS AND COMPLIANCE

### A corporate culture predicated on acting with integrity and abiding by the rules

- The Group's Code of Conduct serves as a key guide for all staff members. It is backed up by other documents including the Anti-corruption code, the Gifts and hospitality policy, the Conflict of interest policy and the Lobbying policy.
- Since March 2014, the Group has been a member of the Maritime Anti-corruption Network, which is working towards the vision of a maritime industry free of corruption.
- The Group possesses a specialized legal team equipped to deal with business ethics and integrity issues, economic sanctions, competition law and personal data protection.
- The Group has also put in place arrangements to ensure it complies with the latest French anti-corruption rules (Sapin II Act) and the duty of due diligence.

### **Ethics Hotline: secure framework** protecting whistle-blowers

The Ethics Hotline launched by CMA CGM in 2019 can be accessed by all Group employees and by third parties (suppliers, subcontractors, etc.).

It operates 24/7 and can take calls in several different languages. The Ethics Hotline protects the anonymity of whistle-blowers. In 2019, it received 54 tip-offs, reflecting a high level of take-up of the system by the Group's employees and its stakeholders.

### A Group committed to preventing the illicit trafficking of protected species

The CMA CGM Group has tightened up its procedures for shipping protected species, trade in which is regulated by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Whenever any animal or plant goods are carried, shippers must expressly state whether a species is covered by the CITES convention and, where appropriate, provide the requisite export permit. In parallel, the CMA CGM Group has drawn up a list of prohibited exporters suspected of involvement in illicit trafficking. We are also providing better training for our sales agents around the world and tightening up our know-your-customer audit procedures, in coordination with the CMA CGM Academy and CITES.

### SUSPENSION OF ALL TIMBER EXPORTS **FROM GAMBIA**

Following several cases where suspicion arose that undeclared rosewood may be in containers loaded in Gambia, the Group has decided to halt its timber exports from the country until further notice. Rosewood is a protected species, and trade in it is regulated by CITES. This highly sought-after wood is felled illegally in the region and then exported under various guises. This activity is contributing to deforestation in West Africa.

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# A NEW PACKAGE OF HIGH VALUE-ADDED SERVICES FOR OUR CUSTOMERS

CMA CGM innovates and plans tomorrow's merchandise transport solutions for more than 70,000 customers worldwide.

### Innovation on behalf of our customers

### A new package of innovative services with CMA CGM+

This package comprises 17 different value-added products and services to protect customers' merchandise and facilitate administrative procedures.

We have assembled this offer into two product categories: **CARE** aims to protect our customers' business and **BOOST** aims to expand our customers' business.

### New innovative services were added in 2019 to enrich this offer:

- Serenity Cargo Value Guarantee: a revolutionary approach to claims management for damages arising during merchandise transport.
- Reefer Pharma Division: A refrigerated container service designed specifically for pharmaceutical products, supported by dedicated expertise and enhanced controls for particularly sensitive products.

### **CMA CGM Ventures: support for start-ups**

Rodolphe Saadé, CMA CGM's Chairman and CEO, initiated a veritable strategy to support innovation by creating a special investment vehicle: CMA CGM Ventures.

In 2019, the Group increased its investments in innovative companies by nearly 50%.

INDICATOR	2018	2019	% CHG
Number of companies funded by the Group	85	125	+47%



### We develop ecological products and services for our customers, who expect innovative and sustainable solutions

### My Carbon Footprint Report

For the fourth consecutive year, the Group is offering a personalized carbon reporting service that analyses the carbon footprint of all bookings by the same customer.

113 customers in 2019 (vs. 85 in 2018)

### **Carbon optimization studies**

The Environmental Services department proposes solutions to optimize maritime itineraries as well as various intermodal options for door-to-door transport.

### A new line of green solutions

Starting in 2020, the CMA CGM Group will propose a complete line of green solutions that will enable customers to report zero-emission merchandise transport.

These solutions are based on the growing importance of alternative fuels (biofuels and LNG), itinerary optimization systems, and carbon offsetting services.

# SUSTAINABLE PROCUREMENT: CREATING A SUSTAINABLE RELATIONSHIP WITH SUPPLIERS AND SUBCONTRACTORS

### The Group steps up its sustainable procurement policy

In 2019, the CMA CGM Group enhanced its efforts to promote sustainable procurement by deploying a global evaluation system for suppliers and intermediaries.

This system has 5 parts covering financing, corruption, Corporate Societal Responsibility (CSR), economic sanctions, competition laws, and personal data protection (GDPR).

### A new, more ambitious and rigorous Third-Party Code of Conduct

The Third-Party Code of Conduct sets forth non-negotiable minimum standards that CMA CGM expects from our partners, especially our suppliers, their employees and subcontractors. The principles presented in this document apply to all contractual relationships between CMA CGM and its business partners.

In 2019, CMA CGM overhauled its Third-Party Code of Conduct by developing enhanced principles based on more detailed normative references.

INDICATOR	2019	TARGETS
Number of suppliers assessed	348	10,000 a year 100% in 2025

# GOMBAS ACIDAS ACIDAS

Faced with the pandemic that swept the globe in 2020, the CMA CGM Group has stepped up efforts to protect and support all its employees while maintaining its international logistics chain. At the same time, it has launched numerous charitable actions internationally while providing support for its employees, who have continued to work under what are sometimes difficult conditions.

### 1 THE GROUP ON THE FRONT LINE FACING THE PANDEMIC

The Group's Chairman and CEO spoke regularly with employees through videos, expressing his support, informing them of the crisis economic impact and outlining the conditions for recovery. These highly appreciated messages reflect both the Group's solidity and agility, which has enabled it to adapt rapidly to exceptional situations.

Through regular meetings with the press, Rodolphe Saadé has also affirmed his vision of more balanced international trade. The Group's Chairman and CEO confirmed that the regionalization of trade observed over the past two years has become a stronger trend and pointed out that CMA CGM is well positioned in this respect.

### The exceptional mobilization of Group employees ensures the continuity of the logistics chain

Throughout the crisis, Group employees have demonstrated an exemplary commitment to continuing to supply the world with essential products, especially foodstuffs, medical equipment and pharmaceutical products.

Despite the lockdown, and thanks to effective online solutions, office staff ensured continuity of service while working from home. Our seafarers had to cover longer rotations than normal once crew replacements were halted.

### CMA CGM has supported its employees throughout this unprecedented crisis

The Group placed just over 200 employees on short-time work either because they were unable to work from home or their jobs were impacted by a decline in or the suspension of their lines of business. To limit the impact of a situation that was beyond the employees' control, exceptionally Rodolphe Saadé decided to guarantee their full net wages throughout the duration of their short-time employment. Thanks to this strong gesture, the situation did not have a financial impact on the employees concerned. The Group's Chairman and CEO also decided to grant an exceptional bonus to seafarers who had to stay at sea on unusually long rotations.

The Group also created a solidarity fund to help support COVID-19 victims among Group employees.

The Group set up a medical hotline for all employees. A team of three medical doctors took calls and answered employees' medical questions about COVID-19 and how to access healthcare.

Through proactive in-house communications throughout the crisis, the Group kept employees up to date with regular information on operational management during the pandemic, as well as targeted content on working from home, managing stress and building resilience. Several vice-presidents also used videos to provide updates on the impact of the crisis on the Group's business.

# CMA CGM SPEARHEADS A LOGISTICS BRIDGE TO SUPPLY FRANCE WITH EMERGENCY MEDICAL EQUIPMENT

The CMA CGM Group and its subsidiary CEVA Logistics set up a logistics bridge between China and France in record time to ensure the supply of medical equipment to France.

Through several charter flights each week, hundreds of millions of face masks have been delivered to France in response to the health emergency and to supply hospitals, nursing homes, local authorities and companies considered to be essential businesses, such as supermarkets and hypermarkets.

This air bridge worked thanks to the mobilization of Group employees throughout the logistics chain, from loading merchandise at factory outlets to delivering it to end users.

As a result, the Group ensured that essential medical supplies were delivered extremely rapidly, which made a significant contribution to the French government's crisis management strategy.

# BUSINESS CONTINUITY PACK: A TAILOR-MADE OFFER TO SATISFY OUR CUSTOMERS

CMA CGM has launched BUSINESS CONTINUITY PACK, a new global product line that provides customers with solutions to adapt and protect their supply chain during the COVID-19 pandemic.

This business solution makes it possible to adjust the speed of shipments, support business and protect merchandise, and also to continue operating remotely thanks to our online solutions. One of the proposed services is DELAY IN TRANSIT, which allows customers to temporarily store containers at a dedicated

hub until they are ready to be received at the final point of destination indicated on the B/L. With this new solution, customers are able to control and reduce warehousing and storage costs and other expenditures that might be added on during the shipment of merchandise.

### **04** DEALING WITH A HEALTH EMERGENCY

Since the beginning of the health crisis, the CMA CGM Foundation has actively contributed to efforts to combat the COVID-19 pandemic. It has done so by mobilizing the CMA CGM Group's logistics expertise and international networks to procure, ship and deliver essential medical equipment and supplies to those who need it most. Thanks to this mobilization, several hundreds of thousands of face masks have been distributed to healthcare workers on the front line of the battle against the pandemic.

### In Marseille and the rest of France

### Donation of 100,000 FFP2-type face masks to the French administration and 200,000 FFP2-type face masks to Marseille-based hospitals

The CMA CGM Group donated 100,000 face masks to the Ile-de-France Regional Healthcare Agency and 200,000 face masks to the Provence-Alpes-Côte d'Azur Regional Healthcare Agency, marking its special relationship with France and the greater Marseille area.

FFP2-type face masks, which provide the highest level of protection for healthcare professionals and staff, were distributed to Marseille-based hospitals at a time when France was experiencing major difficulties in procuring personal protective equipment (PPE).

### Supporting Marseille-based hospitals (APHM and IHU Marseille)

The CMA CGM Foundation donated 50,000 pairs of gloves and 30,000 medical gowns for healthcare workers at the APHM and IHU and provided a serology testing unit to facilitate testing and the reopening process.

### Internationally

In Lebanon, CMA CGM donated 50,000 FFP2-type face masks and 10,000 tests to the Rafic Hariri State Hospital, Hôtel Dieu de France and the Lebanese Red Cross as well as to the Lebanese Army for redistribution to the other Lebanese hospitals. In Morocco, CMA CGM donated MAD 1.6 million to the special fund created by His Majesty, Mohammed VI, King of Morocco, for management of the COVID-19 pandemic. Two containers were transformed into local emergency screening and triage units to support Moroccan hospitals.

In Algeria, CMA CGM donated 200,000 surgical masks to the Algerian Red Crescent. The Group maintains strong ties with Algeria, a country in which it has been doing business since 1996, employs 500 staff members and makes more than 800 calls on its ports each year.

CMA CGM also donated 500,000 face masks to support healthcare organizations in several African countries where the Group does business: the Ivory Coast, Nigeria, Senegal, Cameroon and Mauritania.

# THE CMA CGM FOUNDATION IN SUPPORT OF POPULATIONS FRAGILISED BY THE HEALTH CRISIS

The COVID-19 pandemic has had a big impact on the most vulnerable communities that no longer have access to healthcare, essential products and education.

### Combatting school failure with Emmaüs Connect

Educational inequalities worsened during the lockdown due to the digital divide. Many students do not have access to computers and lack the family support necessary to continue studying from home. Thanks to funding by the CMA CGM Foundation, 450 low-income students from Marseille were provided with computers and internet connections so that they could continue their studies and avoid dropping out of school during the lockdown.

### Helping the most vulnerable communities with Action Against Hunger and UNICEF

The COVID-19 epidemic poses a particularly big threat to the homeless and those living in emergency shelters.

Without direct access to water and personal hygiene products, and poorly informed about the dangers of the pandemic, they are often left with no protection against the virus.

Thanks to the CMA CGM Foundation's support, Action Against Hunger and UNICEF were able to expand their programmes to Marseille, distributing hygiene kits to homeless individuals and those living in emergency shelters. Food suitable for young children was also distributed.

### Distribution of essential products via the Food Bank in Marseille

Due to the socio-economic consequences of the current crisis, many low-income households are finding it particularly difficult to access a healthy, safe and diversified food supply. Thanks to joint funding by the CMA CGM Foundation and the OM Foundation, the Food Bank will distribute 6 tonnes of foodstuffs to 12,000 beneficiaries.

### Providing food assistance in Lebanon, through 23 local charities

The CMA CGM Foundation, which has been active in Lebanon from the beginning, will provide funding for 23 local charities to distribute emergency food assistance. More than 50,000 families located throughout the country will benefit from this aid.



