



CAPITAL LINK'S
3rd Annual
Shipping & Offshore CSR Forum
Thursday, October 24, 2013 - London

PRESS RELEASE

Capital Link held successfully the 3rd Annual Shipping & Offshore CSR Forum

Capital Link, the leading investor relations and communications firm, held successfully the **3rd Annual Shipping & Offshore CSR Forum, in London**, at the **One Moorgate Place**. More than 250 attendees participated in this Forum.

The Forum's objective was to help raise awareness about the practice and benefits of CSR in the shipping and offshore industries. Through this event, Capital Link sought to provide companies with additional incentives to follow CSR practices by publicizing the benefits of CSR not only to a wider audience of shipping and offshore industries, but also to the investment and financial communities as well as to the public at large. The event is part of Capital Link's objective to become a centralized informational source and communications platform on the topic of CSR, linking industry, government and non-government organizations, industry associations, the financial and investment community and the public.

It is the only Forum that covers all CSR areas such as environment, innovation, human resources, safety and security, corporate governance.

During this Forum, **Clay Maitland**, Founding Chairman - NAMEPA & Managing Partner - International Registries, Inc, was awarded with the "**Capital Link's 2013 Maritime CSR Leadership Award**" for his 'Leadership and Commitment to Sustainability & CSR in the Maritime Sector'. The presentation was made by **Harry Theochari** (Attorney, Head of Transportation, Norton Rose Fulbright)

The Forum opened with Welcome Remarks by **Nicolas Bornozis** (President at Capital Link) and **Clay Maitland** (Founding Chairman - NAMEPA & Managing Partner - International Registries, Inc.) who underlined the aim and importance of this Forum on Maritime CSR issues.

PRESENTATIONS

Mrs Helle Gleie, Director - The Sustainable Shipping Initiative (SSI)- inaugurated the proceedings of the Forum as Keynote speaker and presented on "**Sustainability - CSR & the Changing Face of the Shipping Industry**".

Helle Gleie, during her presentation used examples to conclude that we must collectively help to protect the future of the industry by working individually and together on progressive approaches that accelerate sustainability, to understand that CSR is an important element of sustainability and realize that it pays off at all levels.



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Gilles Longuève, President - Maritime Passive Safety Association (MPS), presented the topic **“The Salvage-Friendly Ship; A Comprehensive CSR Policy Must Include Accident Scenario”**.

Shipping and Offshore industries have proved uniquely slow to adopt corporate social responsibility policies compared by example to multi-modal shippers. While they are now catching up, some very sensitive fields such as accident preparedness often fail to enter CSR programs. Accidental Oil spill is the main threat considered by the wider audience when talking about shipping and offshore risks. As recent news demonstrated, in case an accident happens at sea, the whole chain of stakeholders comes under the spot. These players have huge difficulties to showcase a responsible face and many of them are deeply impacted in terms of reputation. As salvage companies and insurers have recently pointed out, this trend is likely to grow. Salvage operations have become more complex, risky and expensive than ever. Local authorities are increasingly demanding and the media monitor all the deeds and gestures of the players involved in the post-accident crisis management. It is time for the shipping and offshore industries to take a strong stance and include salvage-friendly measures as part of their CSR policies. Maritime Passive Safety cluster supports new technical solutions which allow all stakeholders to address the risk for major oil spills, be active in the crisis management and ultimately demonstrate their responsibility.

Stephanie Moffatt, Environmental Executive - Zodiac, gave a presentation on **“Health, Safety and Environmental Reporting and External Verification”**.

This presentation covered the business case for health, safety and environmental reporting, and the benefits Zodiac have observed in subjecting their published HSE reports to external verification.

Ruth Cowley, Partner - Norton Rose Fulbright, presented on **“CSR and Corporate Governance”**.

In the current social and economic climate, businesses are expected to adopt models of governance that reflect both traditional corporate governance norms and corporate social responsibility principles. This is reflective of increased scrutiny afforded to businesses by society as a whole, coupled with the growing recognition of the importance of external stakeholder opinion in shaping the long-term direction of a business. There is a strong interdependence between the two; effective corporate governance must incorporate CSR, whilst CSR relies on effective corporate governance to drive implementation.

Maria Bruun Skipper, Senior Adviser - Danish Shipowners' Association, presented on **“On Course for a Better World”**.

The Danish government has years ago launched an action plan for CSR and as the largest export industry in Denmark Danish shipping naturally plays a role in the government's strategy. The Ministry for Business and Growth has carried out a project called On Course for a Better World which from a micro as well as macro economic perspective illustrates how Danish shipping companies seek to maximize both business and socioeconomic benefits when tackling piracy, anti-corruption and air emissions. At the same time the project also offered inspirational material on responsible supply chain management taking the UN Guiding Principles on Business and Human Rights into account. The Danish Shipowners' Association has a clear CSR policy



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which entails openness, transparency and willingness to engage in a dialogue on CSR related challenges. The project On Course for a Better World underlines this approach.

Marten Lunde, CEO - Troms Offshore AS, presented on “**Best Industry Practices (Offshore)**”.

Troms Offshore Supply (TOS) is a subsidiary of Tidewater Inc., which in turn is the leading provider of larger offshore service vessels to the global energy industry with a fleet comprising about 328 vessels. Based on its' localization in Tromsø in Northern Norway, TOS has a focus on operations in the North Sea and in other cold clima areas and carries more than 30 years of experience in operating ships in arctic waters and in the ice. In addressing CSR related initiatives and efforts the CEO of Troms Offshore Supply, Marten Lunde comments as follows: "Safety, compliance and environmental awareness are cornerstones of our operations. In addition, we take great pride of being the leading shipping company in Northern Norway and through our localization in Tromsø, we emphasize to recruit local crew and officers, to co-operate closely with the two main universities in Northern Norway and with the maritime schools in the region, as well as participating in regional supplier networks and in other groups and networks that contribute to the sharing of experiences and competences from operating ships in the Arctic. This is an important contribution to the economic progress in our region".

DISCUSSION PANELS

”CSR - Beyond Regulatory Requirements; New Challenges & Industry Response”

Moderator: Helle Gleie, Director- The Sustainable Shipping Initiative – (SSI)

Panelists:

- **Patrick Verhoeven**, Secretary General (ECSA) - European Community Ship Owner’s Assoc.,
- **Giles Noakes**, Chief Maritime Security Officer - BIMCO,
- **Rob Lomas**, Secretary General - Intercargo

This panel discussion focused on the EU policy regarding CSR and, more in particular, the legislative proposal on non-financial reporting which is now being discussed in Parliament and Council and the role that EU trade associations can take in the field of CSR, given the specific EU policy context as regards sustainability and societal integration of shipping. The panelists also referred to Drug Smuggling – an ever growing problem and challenge from a ship owner security perspective. In a nutshell the industry should and could play a greater role with the authorities but the display of such a proactive and cooperative attitude by ship-owners should be seen as providing mitigating circumstances. Such ship-owner action ought in return to be rewarded with special benefits from customs’ authorities in the form of terms of priority treatment and minimizing delays and impact on crew, ship and ship-owner company.

“Maritime Safety”

Moderator: Rob Lomas, Secretary General - Intercargo

Panelists:

- **Gilles Longuève**, President - Maritime Passive Safety Association (MPS),
- **Simon Stonehouse**, Hull Underwriter - Brit Insurance, Revd.
- **David Potterton**, Honorary Chaplain - Sailor’s Society, and
- **George A. Tsavlis**, Principal - Tsavlis Salvage Group & Chairman – INTERMEPA



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The discussion focused about how does the Human Element impact on a) sea-staff and b) influencing the regulators, about how does the commercial world help, or hinder, transparency through restricting data, the role other stakeholders (i.e. not just owners / managers and seafarers) have in improving safety and what efforts can be made to better plan for safety - proactivity or reactivity works best. The panel finally concluded that safety is clearly a priority in the Industry but stakeholders, including “society”, has ambivalent views.

“CSR & Technological Innovation”

Moderator: Katharine Palmer, Environmental Manager - Lloyd’s Register

Panelists:

- **Iraklis Prokopakis**, COO - Danaos Corporation,
- **Steven Jones**, Maritime Director - Security Association for the Maritime Industry –SAMI, and
- **Diane Gilpin**, Director - B9 Shipping

Technology and innovation are significant for a sustainable future, but how technology and innovation are addressed within each organization represented by the panelists? They were also asked to provide a success story / shared learning, the barriers to technology and innovation as a mean to sustainable business growth and the key areas of focus in technology and innovation and how the company that each panelist represents positions itself, for example as a leader or follower of technology and innovation. **Diane Gilpin** commented “The barriers we’ve experienced to uptake of technology in shipping - include uncertainty, conservatism, skepticism, fear of the unknown, the lack of international imperative / global policy - none of these relate to the technology per se and require a new way of thinking. We’ve addressed this through collaboration, by engaging with players from across the shipping 'eco-system' - designers, regulators, classification societies, ship yards, naval architects, owners, operators, brokers, crew and cargo-owners.” “Technical innovation, for CSR perspective, for a shipping company like Danaos, is primarily focused towards (1) the safety, health and comfort of life at sea, (2) the ability to utilize clean fuels on board and (3) improve energy and efficiency and reduce emissions of existing fleet and new building designs” said **Iraklis Prokopakis**. “Technology is something which shipping has historically fought shy of, but today is a time of rapid and expansive change. Innovation is something which can lead to genuinely positive change. For the change we need tomorrow we need to harness innovation and the technological advances to boost the “triple bottom line” – of “Profit, People and Planet”. Alas we cannot achieve collective industry CSR goals while still consigning seafarers to months without access to the internet. We must work to ensure the technology is available, or we must innovate until it is” said **Steven Jones**.

“CSR & The Human Factor-Anticipating New Challenges”

Moderator: Kuba Szymanski, Secretary General - InterManager

Panelists:

- **Elias Ladas**, DPA, HR & Training Manager - Danaos Shipping Co. Ltd,
- **Constantinos S. Galanakis**, CEO - Elvictor Group,
- **Nigel Shattock**, Director of Communications - Seafarers UK and



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- **Revd. Canon Ken Peters**, Director of Justice & Welfare - Mission to Seafarers

The discussion focused on the Human Element. Is this really best term to call our Sea and Shore staff? Is this not degrading us? Are we treating this “Human Element” with the same “precision and love” we treat other “elements” in shipping? The reasons why shipping is still predominantly contractual – hire and fire except top end of the industry (Oil and Gas) and if CSR is just an empty, MBA invented term, or real boon for sea and shore staff. It has also been showcased the crew shortage and the domino effect it presents, which then discusses the oxymoron of either increasing or decreasing the synthesis on board, in order to identify alternative solutions. Finally, it suggests possible steps that would promote seafarers and contribute to reducing, or hopefully eliminating the problem in question.

“CSR as a Financial Advantage”

Moderator: **Brian Devine** , Partner, Norton Rose Fulbright

Panelists:

- **Barry Wingate**, Director Global Banking - HSBC Investment Bank,
- **Alisdair Pettigrew**, Shipping Operation Lead - Carbon War Room,
- **Nikos Stratis**, Senior Investment Manager - Northern Shipping Funds

“There is a wealth of clean technologies available now that are increasingly proven to deliver tangible returns. Unlocking capital flow to accelerate take-up of these technologies is therefore crucial not only to improving shipping’s sustainability and reducing its emissions, but also to strengthen the market and provide the much-needed fuel efficiency improvements and associated cost savings. Despite increased take up of eco efficient new build vessels and, to a lesser extent, retrofitting clean technology, there remains a lack of coordination between charterers (who pay for 70% of the world’s shipping fuel) and ship-owners in terms of securing the capital required to install the technology .As a result, there is a real need for innovative financing to cut through the rhetoric and enable ship-owners to take action with efficiency technology that is readily available and currently underutilised. As has been demonstrated in the building sector with energy efficiency retrofits, there is always finance available for good projects with high yields; not least projects in which payback periods extend little more than two years as we are discovering within the shipping sector”, **Alisdair Pettigrew** commented.

“Sustainable Ship Recycling”

Moderator: **Nikos Mikelis**, Non-Executive Director - GMS Dubai

Panelists:

- **M. Abdul Rahim**, Regional Manager Europe & Africa - Class NK,
- **Patience Mayaki**, Environmental & Social Specialist - FMO and
- **David Roberts**, Senior Manager Sustainability & Technical - Gearbulk (UK) Ltd.

Dr Nikos Mikelis presented the topic and brought up the point that for more than fifteen years, Bangladesh, India and Pakistan have been recycling around 70% of all the tonnage that is recycled in the world. These three South Asian countries are less developed and are poorer when compared to the other recycling destinations. As poverty is usually linked to lower safety, social welfare and environmental standards and he



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then posed the question to the panelists on whether a ship owner's Corporate Social Responsibility and the recycling of his ships in South Asia are mutually exclusive.

The panelist **M. Abdul Rahim** (Regional Manager Europe & Africa - Class NK) stated "ClassNK strongly supports the CSR initiatives of ship owners with respect to the ship recycling convention, through the development and certification of the Inventory of Hazardous materials (IHM) for existing ships and Ship Recycling Facility Plan (SRFP) for Ship Recycling Facilities, complying with the Ship Recycling Convention. ClassNK already carried out 60 trials for IHM, 10 trials each for SRP and SRFP. Two Chinese ship recycling facilities were already issued Statement of Compliance. ClassNK also provides IHM expert training, and is currently working with ship recycling facilities in China, India, Japan and Turkey".

Patience Mayaki (Environmental & Social Specialist, FMO) referred to the important role the financial sector can play in supporting incremental environmental and social improvements in the ship recycling industry. As providers of financial capital, they are in a unique position to work in strategic partnerships with clients, use their financial leverage to channel funding to long term sustainable improvements and increase value add. This is now emerging in Bangladesh as the ship recycling industry and the local banking sector work in close cooperation to tackle environmental and social challenges in the ship recycling sector".

"CSR as a Commercial & Operational Advantage - The Demand for CSR by Charterers"

Moderator: Clay Maitland, Founding Chairman - NAMEPA & Managing Partner, International Registries, Inc.

Panelists:

- **Anders Holbech**, CSR & Sustainability Manager - Maersk Tankers,
- **Marc Forster**, Deputy European Manager – RightShip

Clay Maitland introduced and moderated the next panel and he made the following point "There are two general systems for effecting a credible program of corporate social responsibility. The first embodies concern for, and service to, the community as a whole, beyond its area of commercial endeavour. Larger publicly-held corporations often take this approach. The second specific system is where a company commits to act in a socially beneficial manner, delivering value to the community at large, by what it does within the actual field of its business. For example, a shipping company -- be it an owner, charterer or other stakeholder -- may elect to deliver a superior standard of environmental performance; elimination of nitrogen and sulphur oxides beyond the official regulatory requirements; meeting the highest possible ballast water standards, again above present national and international standards. It may also adopt a special degree of quality in respect of the quality of life that it delivers to its seafarers. Of course, many companies will adopt a mix of both of the two models that I cite, as well as others".

The panelist **Anders Holbech** (CSR & Sustainability Manager, Maersk Tankers) stated "In Maersk Tankers sustainability is everybody's business. It is an integrated part of delivering consistent and reliable tanker service. It creates value for us as a ship-owner and for customers by reducing risks and costs and by increasing the reliability of our services".



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Marc Forster (Deputy European Manager, RightShip) referred to the increasing number of charterers who have recognized the importance of factoring energy efficiency into their chartering selection process. “These charterers are enjoying the benefits of: reduced bunker costs (which are significant) reduced carbon footprint which supports their company sustainability objectives, enhanced reputation through demonstration of their commitment to sustainability and a means of measuring baseline emissions to set annual improvement goals. An increasing number of customers are publishing case studies on their use of A – G in their annual reports and also Ports are also coming on board to financially reward ship owners that invest in sustainability. It’s survival of the greenest and Ship Owners / Managers recognize that a higher environmental rating helps them to stand out from other vessels in the same deadweight category”.

“Best Industry Practices (Tanker, Dry Bulk & Container Industries)”

Moderator: Richard Meade, Editor - Lloyd’s List

Panelists:

- **John Adams**, Managing Director - Teekay Shipping Limited,
- **Cpt Panayiotis Drosos**, Deputy Managing Director - Tsakos Columbia Shipmanagement (TCM) S.A, and **Hans Noren**, President - Concordia Maritime AB.

Answering the question made by **Richard Meade** what does Best Industry Practices mean for each of the companies represented by the panelists, **Cpt Panayiotis Drosos** said ” Corporate responsibility is about conscience: conscience for our people, our community and our planet. Corporate responsibility is about ideology, a duty, which goes beyond expectations and regulations, which goes beyond the compulsory and the necessary. Shipping has to do with people. CSR has to do with create awareness for our industry's potential. Building people. Within this scope the Group has established The "Maria Tsakos" Foundation- International Centre of Maritime Research and Tradition N.G.O. as part of the Group's inherent social responsibility to the maritime industry. Acknowledging the value of our maritime heritage was the idea upon which this non-governmental organization was created. The Foundation’s vision is to ensure that this tradition will not cease, but will be further enhanced and preserved. On an industry level we should: 1) Capitalize on the powerful collection of leaders. We need to take coordinated action, combined effort and overcome fragmentation. This will be a shared commitment by us all, 2) set clear goals, targets and deliverables. Measurement will be a key part of this, 3) come up with some shared, measureable aspirations such as good labour conditions and safety, zero emissions. A possible process would be to research what everyone is doing (building detail into the existing survey), sharing the data and using that as a basis for what we are trying to do, 4) bring the wider industry within this scope and finally 5) Communicate our vision across the board. Influence. Be more target driven. And lead by example.”

John Adams made the following point: ”Best Industry Practice must drive Sustainability in today’s shipping world, with the need for a sustainable business model that ensures the long-term health and success of our people, the environment that we work and live in, and our business,— in short, the focus on our People, our Planet, and our Profits.The shipping industry must also develop and implement strategies that drive



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sustainable organization performance. Sustainable Organization Performance is the maintenance of high performance levels with respect to People Management; Environmental & Societal Contributions; Financial Indicators - for which the 3 main drivers and enablers are: Leadership; Engagement; and Organization Development”.

Finally, for **Hans Noren** ”to be a “sustainable” shipowner of today you need to have a holistic view on CSR. It is really something that needs to be a “corporate culture” – and does not develop overnight. And it starts from the top. At the heart of all shipping is safety. When you develop a safety culture on board your vessels – with zero tolerance for accidents or incidents – you will find that it is easier to get attention and implement other projects in the CSR area such as fuel efficiency programs” and he concluded ”The customers, the oil companies, in that respect help contributing to a positive development via their strict vetting requirements”.

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CONFERENCE MATERIAL

All conference material is available on Capital Link’s website, at:
<http://forums.capitallink.com/csr/2013london/index.html>

ABOUT THE ORGANIZERS – CAPITAL LINK

Capital Link is a New York-based Advisory, Investor Relations and Financial Communications firm. Capitalizing on our in-depth knowledge of the shipping industry and capital markets, Capital Link has made a strategic commitment to the shipping industry becoming the largest provider of Investor Relations and Financial Communications services to international shipping companies listed on the US and European Exchanges. Capital Link has developed new initiatives aiming to become an information hub on CSR matters



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in the shipping and offshore industries. Capital Link's headquarters are in New York with a presence in London and Athens.

In our effort to enhance the information flow to the investment community and contribute to improving investor knowledge of shipping, Capital Link has undertaken a series of initiatives beyond the traditional scope of its investor relations activity, such as:

- **www.CapitalLinkShipping.com**
A web based resource that provides information on the major shipping and stock market indices, as well as on all shipping stocks. It also features an earnings and conference call calendar, industry reports from major industry participants and interviews with CEOs, analysts and other market participants.
- **www.MaritimeCSR.com**
A web hub with information on CSR issues in the shipping and offshore markets; company and regulatory news, interviews, events etc.
- **Weekly Capital Link Shipping Newsletter**
Weekly distribution to an extensive audience in the US & European shipping, financial and investment communities with updates on the shipping markets, the stock market and listed company news.
- **www.CapitalLinkWebinars.com**
Sector Forums & Webinars: Regularly, we organize panel discussions among CEOs, analysts, bankers and shipping industry participants on the developments in the various shipping sectors (containers, dry bulk, tankers) and on other topics of interest (such as Raising Equity in Shipping Today, Scrapping, etc).
- **Capital Link Investor Shipping Forums**
In New York, Athens and London bringing together investors, bankers, financial advisors, listed companies CEOs, analysts, and shipping industry participants.
- **www.MaritimeIndices.com**
Capital Link Maritime Indices: Capital Link developed and maintains a series of stock market maritime indices which track the performance of U.S. listed shipping stocks (CL maritime Index, CL Dry Bulk Index, CL Tanker Index, CL Container Index, CL LNG/LPG Index, CL Mixed Fleet Index, CL Shipping MLP Index – Bloomberg page: CPLI. The Indices are also distributed through the Reuters Newswires and are available on Factset.

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