



MODERN SLAVERY STATEMENT

This statement is made by MSC Cruise Management (U.K.) Limited, on behalf of itself and its parent company MSC Cruises S.A. (together and hereinafter “MSC Cruises” or the “Group”) and is made in accordance with Section 54 of the U.K. Modern Slavery Act 2015.

It provides an overview of the actions that MSC Cruises has taken to date and will take in the future to manage the risk of modern slavery within its operations as well as its supply chain. MSC Cruises is dedicated to conducting its business in a fair, ethical, and responsible manner, and is committed to a zero-tolerance approach to modern slavery in any form.

As we issue this updated statement, we find ourselves in uncharted waters; the continuing public health emergency created by COVID-19 is one of the biggest challenges that the travel and tourism sector and the cruise industry has ever faced. Concerns about the virus are having a significant impact on our cruise operations but we believe that our business model is strong and resilient and can weather this storm. Rather than distracting us from delivering our ambitions, this crisis has reminded us that we are all connected and responsible for taking care of one another. In the spirit of cooperation that defines our Group, we will work together to overcome the challenges ahead and set a course towards calmer waters.

ABOUT MSC CRUISES

MSC Cruises is part of the MSC Group, which is comprised of leading transport and logistics companies. It is the world’s largest privately-owned cruise Group and the number one cruise line in Europe and South America.

As of June 2020, the MSC Cruises fleet comprises 17 modern, highly innovative ships, which will be expanded to 29 ships by 2027. Our Group caters for nearly 2 million passengers through itineraries in 83 countries, calling at 211 different ports.

Headquartered in Geneva, Switzerland, the Group, employed over 22,000, people across the globe at the end of 2019, both ashore and on board its ships. It has an active distribution network in 68 countries.

MSC Cruises is a member of the Cruise Lines International Association, the world’s largest cruise industry trade association that serves as the unified voice for the cruise industry and supports policies and practices that foster a safe, secure, healthy and sustainable cruise ship environment.

MSC Cruises’ Group values



Five key values form the bedrock of our Group. These values support MSC Cruises vision, shape culture and set our future course. These values are as follows:

- **We are a Family Group;**
- **We have Passion;**
- **We are in Continuous Evolution;**
- **We believe in Equal Opportunities and**
- **We Care for People.**

Our ethical approach

Our success comes from providing outstanding service to our guests, while always conducting business responsibly and with the utmost integrity. To ensure this continues in the future, we have established the MSC Cruises Ethics and Compliance Programme. This is made up of our Code of Business Conduct, Anti-Bribery Policy, Conflict of Interest Policy and Gift and Hospitality Policy. All our employees must comply with the Code and its supporting policies, and we also expect our partners and suppliers to behave ethically at all times.

MSC Cruises is also committed to undertaking business fairly and to upholding all applicable anti-bribery laws in our business dealings worldwide.

Our Code of Business Conduct affirms the core principles and standards by which we do business, including the importance of protecting human rights and labour standards. It also highlights that MSC Cruises does not tolerate discrimination of any kind and strongly opposes any form of exploitation, harassment or abusive conduct. MSC Cruises supports employees' right to join trade unions and to bargain collectively.

MSC Cruises supports and respects internationally recognised 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 Cruises 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 passionately involved in childhood development programs throughout the world. These commitments are clearly stated in MSC Cruises' Code of Business Conduct.

The labour relationship between the Group and the seafarers employed on its ships are governed by collective agreements negotiated by the International Transport Federation on behalf of the on-board employees and meet or exceed the standards of the Maritime Labour Convention (MLC) of 2006.

MSC Cruises strives to provide a working environment where its employees can flourish and reach their full potential. MSC Cruises strongly respects the fundamental dignity of all its employees, both on-board and ashore, and it does not tolerate any form of harassment or abusive conduct.



The Group strictly prohibits any discrimination based on race, religion, colour, language, gender, national origin, age, disability, political or ideological beliefs, marital status, sexual orientation, or family responsibilities. Furthermore, MSC Cruises is firmly committed to support equal employment opportunity and diversity.

MSC Cruises strongly believes that fundamental aspect of effective compliance is through education and training. A Group-wide training plan on the Code of Business Conduct and its related Policies and Procedures was finalised during this year and has been launched. It includes a specific module on the prevention of modern slavery. In parallel, selected employees in key positions have already completed detailed training on modern slavery.

Recruitment and development

In 2019, we welcomed 8,045 new employees to our shore and onboard teams and we are proud to have 124 nationalities working for the Group.

The success of the business relies on the ability to recruit thousands of skilled and qualified employees, train them and integrate them into our business, maintaining the highest level of customer service that our guests rightly expect. Recruiting and retaining the best people means that having a great working culture must remain a top priority. Our people strategy is first and foremost to keep people safe and well. Beyond this, we want to develop our employees to the best of their abilities, promote diversity, ensure equal opportunities, and encourage employees to stay with us for the long-term.

A total of 7,418 new onboard employees were hired in 2019, engaged by a unique team of MSC Cruises recruitment professionals based in Italy, Switzerland, America, India, Indonesia and Brazil.

Our talent acquisition is based on our belief of diversity and inclusion, as we strategically enter new geographical areas. We have invested in several areas in Africa as a source of talent for our Deck, Engine and Hotel departments which has grown our diversity mix aboard significantly.

In 2019, we promoted or hired 490 new managers on board our ships across the world, from Italy, Eastern Europe and Central and South America. 49% of these were promoted from within the Group, and 51% were external talent recruited. Of these new managers, 61% were male and 39% female.

As part of our existing process for shoreside employees, our Competency Model, designed to define competencies and behaviors expected from our leaders, was launched in early 2019. Between January and March 2019, 457 managers worldwide participated in training workshops introducing the model. We also initiated a Leadership Program and half of our target 450 managers attended Level One of the programme in 2019, the remaining half will participate in due course. The programme is truly global – 2019 sessions took place in Europe, South Africa, China and the US.

Crew wellbeing



We manage our crew in full compliance with the Maritime Labour Convention (MLC) when it comes to assigning working hours. The MLC stipulates a maximum of nine months at sea with two months leave, unless otherwise specified by individual countries. Our average crew contracts last for a period of eight months at sea, followed by three months shore leave. We take care to repatriate all our people for their shore leave and make all possible efforts to provide certainty on when and where their next contract will begin, prior to disembarking.

We also offer numerous services to our crews to enhance their wellbeing while on board.

MSC CRUISES SUPPLIERS COMPLIANCE PROGRAM

MSC Cruises pays attention to the working conditions not only of its employees, but also of those persons working in its supply chain. Suppliers of MSC Cruises are expected to undertake to carry out all their activities following the requirements of law and in accordance with the International Labour Organization's Declaration of Fundamental Principles and Rights at Work.

MSC Cruises does not conduct business with companies that have been convicted of any offence involving slavery or human trafficking.

MSC Cruises has updated and further strengthened its contractual requirements with suppliers, explicitly concerning workers' rights and continues to review its business procedures to ensure that the risk of modern slavery is considered and properly managed. MSC Cruises' Suppliers Compliance Program contains a dedicated platform to manage its current and/or future suppliers. On this platform, suppliers must complete a performance related questionnaire before being accepted as an approved supplier. This questionnaire supports the Group's risk assessment and includes specific questions relating to modern slavery.

MSC Cruises is committed to working together with its suppliers to ensure its policies are effective in managing risk and driving improvements within the entire supply chain.

INTERNAL REPORTING

MSC Cruises actively encourages its employees to raise and report any concerns they may have in relation to MSC Cruises' activities or its supply chain. MSC Cruises takes potential violations very seriously and investigates each allegation with care, discretion, and confidentiality. There should be no retaliation against any employee making a report in good faith.

In order to further strength these initiatives, a Whistleblowing Program has been finalised and is now launched. The Program contains training, awareness campaigns, a detailed policy and a dedicated platform to provide an anonymous reporting tool for all onboard and ashore employees.



The concerns and reports will be investigated by the Group' competent functions and subsequent actions will be taken based on the outcome of the investigation.

ADVISORY AND AUDIT FUNCTION

MSC Cruises implemented a dedicated Advisory and Audit function aimed at providing Board Members and management independent, objective and comprehensive assurance (audit) and advisory services, including evaluating of the effectiveness of internal controls, as well as compliance with MSC Cruises' internal policies, including the matters set out in this statement. In order to further strengthen the role of compliance as of January, 2020 the Compliance function became part of this independent department.

This statement is effective for the financial year ended 31 December 2019.