

Sustainability Report 2013



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1 | Managing Director's Statement

Since the establishment of Neptune Lines over three decades ago, we have built an enviable reputation for reliability, quality of services and operational excellence. At the same time, we are committed to conducting our business in a socially responsible and ethical manner.

Although responsibility towards the environment, local communities, the market and, our greater asset, our employees, has always been intrinsic to our philosophy, it is not until quite recently that we became aware that all these efforts needed to be formalized through a Corporate Sustainability strategy. For us, Corporate Sustainability is not an a one-off activity but a long term commitment based on moral principles. Corporate Sustainability allows us to present our organization's values and governance model, and demonstrate the link between our business strategy and our commitment to a sustainable global economy.

In an era where the need to address sustainability has become essential, a well-managed business is bound to be measured not only by its financial success, but by the means it achieves that success. Enterprises can no longer continue to focus on economic performance, while paying only scant attention to the larger picture.

Our approach to sustainability is no different from our approach to the rest of our business—we are committed to excellence in everything we do. This distinction is a never-ending challenge to take our efforts even further. This is why we are determined to work efficiently toward setting new, higher standards, not only for ourselves and our people, but also for the community in which we operate. In this, our first report, we highlight the current state of our organization, our recent initiatives and the goals we have set for the next several years. More importantly, the report signals the channeling of our long-standing practice into a coherent corporate sustainability strategy.

Our core business and sustainability efforts go hand in hand. This is not just part of our value system; it is for our own best interest to deliver efficient, sustainable solutions to our customers and partners, thus bringing growth and development to businesses—and to society as a whole.

Melina Travlos



Managing Director



2.1 | Purpose

This Corporate Sustainability Report is published as an expression of Neptune Lines' commitment to sustainability and serves as a means of sharing our yearly activities and performance with our stakeholders.

2.2 | Reporting Scope and Period (G4-17, G4-22, G4-23)

This is the first sustainability report of Neptune Lines Shipping and Managing Enterprises S.A. and it covers all activities performed at our premises in Greece and onboard our fleet vessels, for the period of one fiscal year from January 1st, 2013 to December 31st, 2013.

However, data from previous fiscal years starting from January 01st., 2010 are used for comparison purposes, presenting the improvement on the activities of Neptune Lines.

2.3 | Applying the Global Reporting Initiative (GRI)

Guidance

This report follows the basic principles, guidelines and directives "Sustainability Reporting Guidelines" (publication G4) of the Global Reporting Initiative (GRI). The level of adherence to the G4 standard is "In accordance - Core".

2.4 | Sustainability Contact Desk

Neptune Lines Shipping and Managing Enterprises S.A.
5-9 Iassonos Street
GR 185 37, Piraeus
Greece

HSQE Department

Tel: +30 210 4557 700

Website: www.neptunelines.com

Email: hsqe@neptunelines.com



NEPTUNE DYNAMIS

3.1 | Neptune Lines History and Fleet (G4-17)

Neptune Lines is more than a shipping company; our story begins with the aspirations and personal effort of Mr. Nicolas Travlos who founded Neptune Shipping Agencies S.A back in 1975 with the purpose of providing cargo and ship handling services to all Greek ports and has made the Company into what it is today: a Company that has evolved into the vehicles transportation backbone of the Mediterranean and Black Sea areas.

By 1980, Neptune Shipping Agencies S.A. activities had expanded to include chartering of vessels in the Mediterranean areas. In the early '80s, the fast-growing customer demand for reliable sea transportation services in terms of safety and cargo quality, led the way to the formation of Neptune Lines Shipping and Managing Enterprises S.A.

By 1986, Neptune Lines Shipping and Managing Enterprises S.A. was operating its first Ro/Ro vessel in European ports and soon thereafter its first Pure Car Carrier vessel. This marked the beginning of the current trading pattern of Neptune Lines Shipping and Managing Enterprises S.A. as it is today.

By the early '90s, Neptune Lines was enjoying the recognition of major car manufacturers and had increased the fleet under its management, by providing quality feeder services to Mediterranean and Black Sea ports.

For the period from late 2000 until 2006, the Neptune Lines fleet expanded even further through the construction and operation of four (4) new building vessels.

The Neptune Lines fleet has been growing ever since, in league with the constantly-evolving demands of the automotive industry and the contract-based services offered.

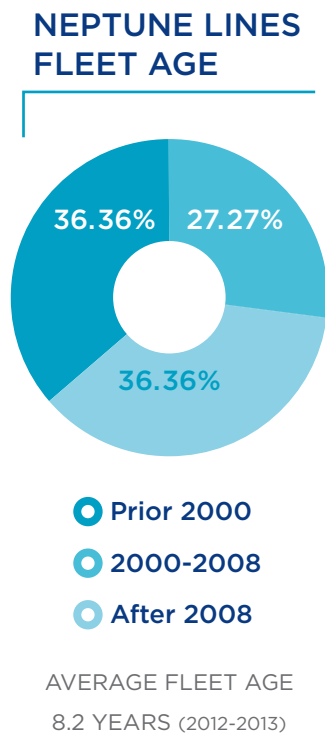


In 2009 and 2010, four new building sister vessels, Neptune Kefalonia, Neptune Ithaki, Neptune Odyssey and Neptune Iliad, were added to the fleet. These vessels can be utilized for both transoceanic and short-sea trade, and they each have a capacity of 3,200 medium sized cars.

Currently, Neptune Lines operates 13 Pure Car and Truck Carrier vessels, of which 11 are owned and two are on a time-charter basis, with a capacity ranging from 430 to 4,250 medium sized cars.

The company's latest acquisitions, Neptune Galene and Neptune Thalassa, are scheduled for delivery from Hyundai Mipo Dockyard in February and April 2014 respectively. These new buildings of 31,000 sq. m. carrying capacity each, are sister vessels of the four previous Pure Car Truck Carriers also built at Hyundai Mipo Dockyard, but are further enhanced with high-end environmental technologies, which result in improved energy efficiency and a reduced environmental footprint. They are also equipped with advanced maneuverability characteristics that make them suitable for short sea shipping.

The average age of the fleet (owned vessels) per car carrying capacity is 8.2 years old.



The Neptune Lines management system is based on market best practice and experience gained over the 35 years of presence in the maritime sector. The Neptune Lines Management System (both ashore and onboard fleet vessels) is certified for the purpose of Occupational Health and Safety (OHSAS 18001:2007), Quality of Service (ISO 9001:2008) and Environmental Management (ISO 14001: 2004) for the execution of daily activities which are being audited on an annual basis by independent organizations verifying the implementation of established procedures.



In 2012, Neptune Lines was awarded “Shipping Company of the Year” at the Automotive Supply Chain Global Awards,

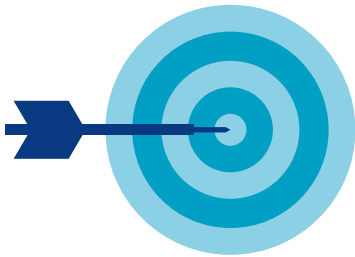


And in 2013 it won the “Leaders of Tomorrow” award of the same magazine.



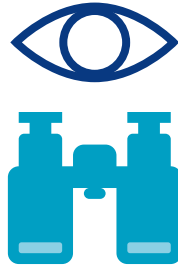
Whether excelling in what we already do or exploring more promising, remote and diverse markets, our strengths and values will always be our unwavering guide: Confidence, Flexibility and Trust.

3.2 | Mission, Vision, Values



MISSION

It is Neptune Lines' mission to maintain and further strengthen our reputation as the most trusted Car Carrier Company in the Mediterranean and the Black Sea, always providing flexible and tailor-made solutions to our customers who steadily evolve into strategic partners through long-term and mutually credible relations, while consistently investing in our most valuable asset – our people.



VISION

Our vision is to maintain our leading position in our target segment, while at the same time, to grow and expand our services in new markets. We will accomplish our goal by applying our values and a strong code of ethics to everything we do. For a family business, like Neptune Lines, values are the connective tissue—the source of our success, our commitment, and our longevity.

In our transition to a larger corporate structure, our values will continue to guide our philosophy: integrity, respect and close customer relationships. We will extend the power of our values to benefit our strategic partnerships and our people, but also the communities in which we operate, by keeping a vigilant eye on the social, political and economic factors that shape the world we live in.



VALUES

At the core of everything we do there are eight values. They form the foundation of our company and help us to foster each and every customer relationship.

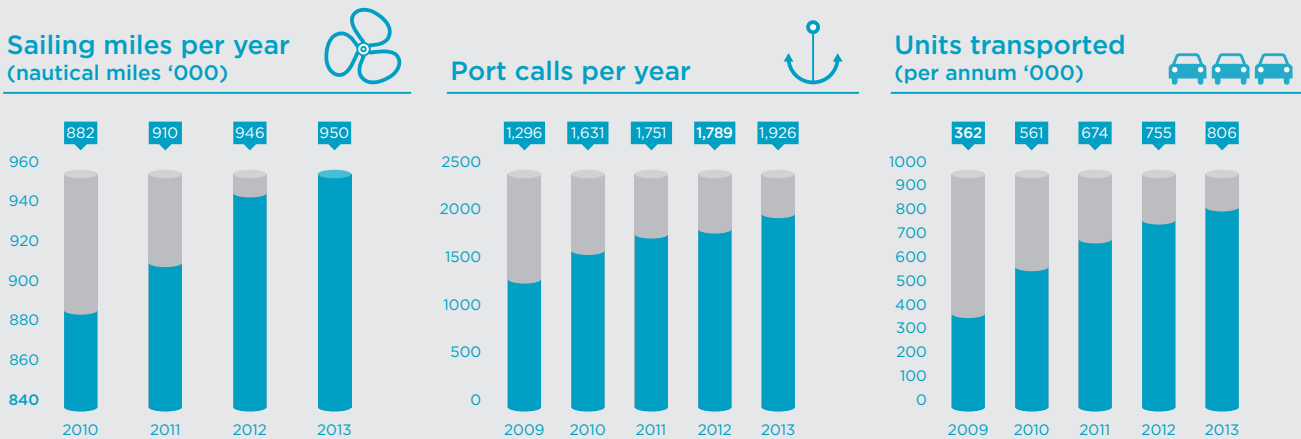
- 1 | TRUST:** Honoring relationships, old and new.
- 2 | FLEXIBILITY:** Tailoring our services according to our customers' needs.
- 3 | CONFIDENCE:** Providing peace of mind to our customers, year after year.
- 4 | INTEGRITY:** Conducting business according to a strict code of ethics.
- 5 | PIONEERING:** Encouraging and supporting innovative thinking in everything we do.
- 6 | HUMAN CAPITAL:** Investing in—and inspiring—people.
- 7 | EXCELLENCE:** Delivering excellence every day of the week, year-round.
- 8 | RESPONSIBILITY:** Caring for the community and the environment we live and work in.

3.3 | Neptune Lines Profile

Neptune Lines is a leading car carrier operator in the short sea transportation sector. The company operates regular liner services to more than 30 key ports in 18 countries in the Mediterranean basin, extending from the Atlantic ports of Vigo & Casablanca in the West, to the Black Sea in the East.

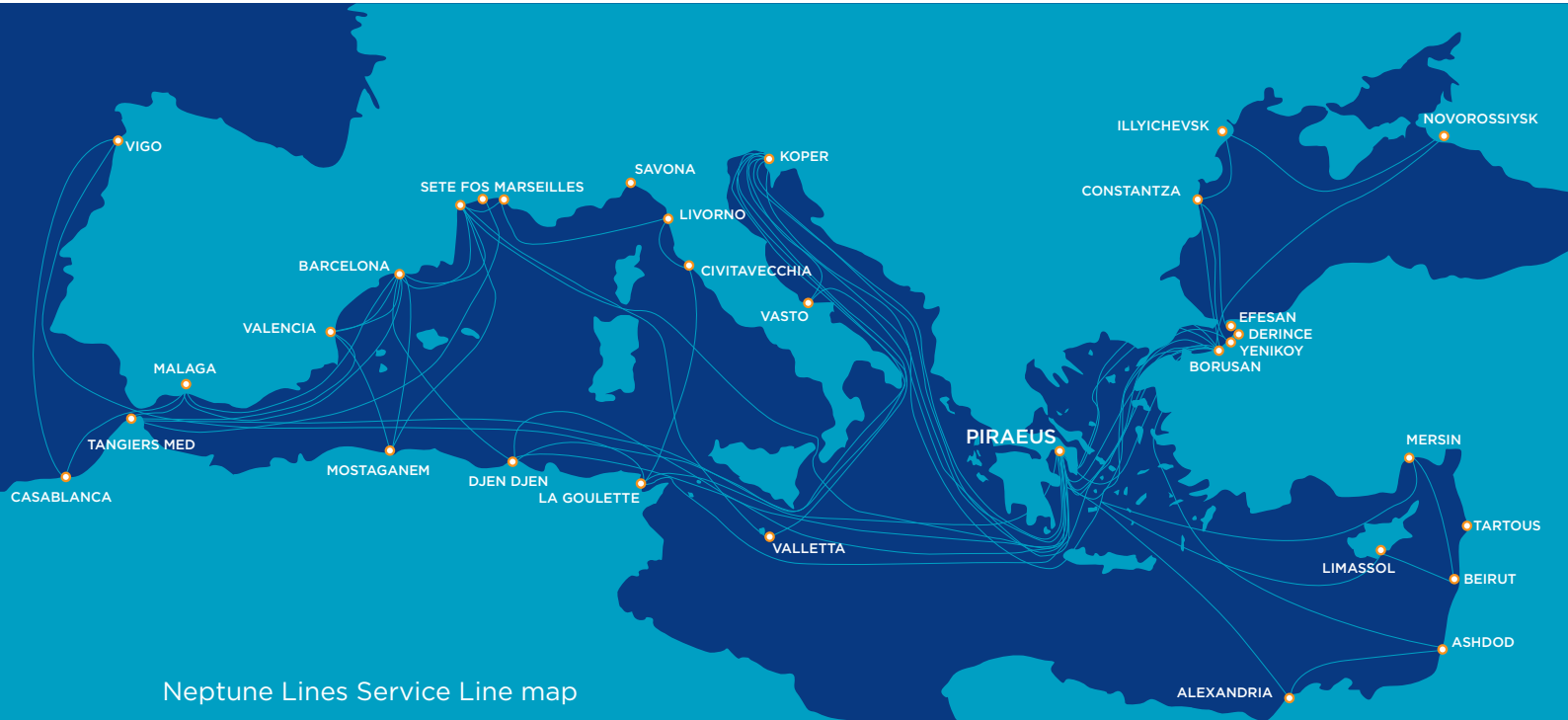
In 2013, the company transported more than 800,000 units (Cars and Light Commercial Vehicles) aiming at a further increase in 2014.

Neptune Lines operates through a wide agency network and draws on more than 35 years of experience in all ship agency functions. The company offers high quality maritime services to the international automotive industry through a workforce of 48 shore employees and 243 seafarers.



Two of Neptune Lines' key strengths are its ability to offer tailor-made solutions and its flexibility to change when needed. As a result, it has established long-standing relationships and direct contracts with major car and commercial vehicle manufacturers, such as Renault, Dacia, Volkswagen, Ford and Toyota, as well as with leading forwarders such as Gefco and Glovis. Neptune Lines is also providing transshipment services for overseas vehicle manufacturers, through all major global deep sea carriers.

3.4 | Trading Areas



Neptune Lines Service Line map

Neptune Lines covers all major ports in the area of the Mediterranean Sea, thereby connecting Europe, Asia, the Black Sea and North Africa, through a regular and frequent Pure Car Truck Carriers Liner Service.

In 2013, Neptune Lines innovated high-frequency liner service to the port of Novorossiysk, further enhancing its presence in Odessa (Illychevsk) and Constantza, already more than two decades long.

Neptune Lines has been a forerunner in establishing an extensive service network to North Africa.

Neptune Lines maintains a high-frequency network in North Africa serving Morocco, Tunisia, Egypt and Algeria. It is worth mentioning that especially for Algeria, half of the new car imports are transported by our fleet.

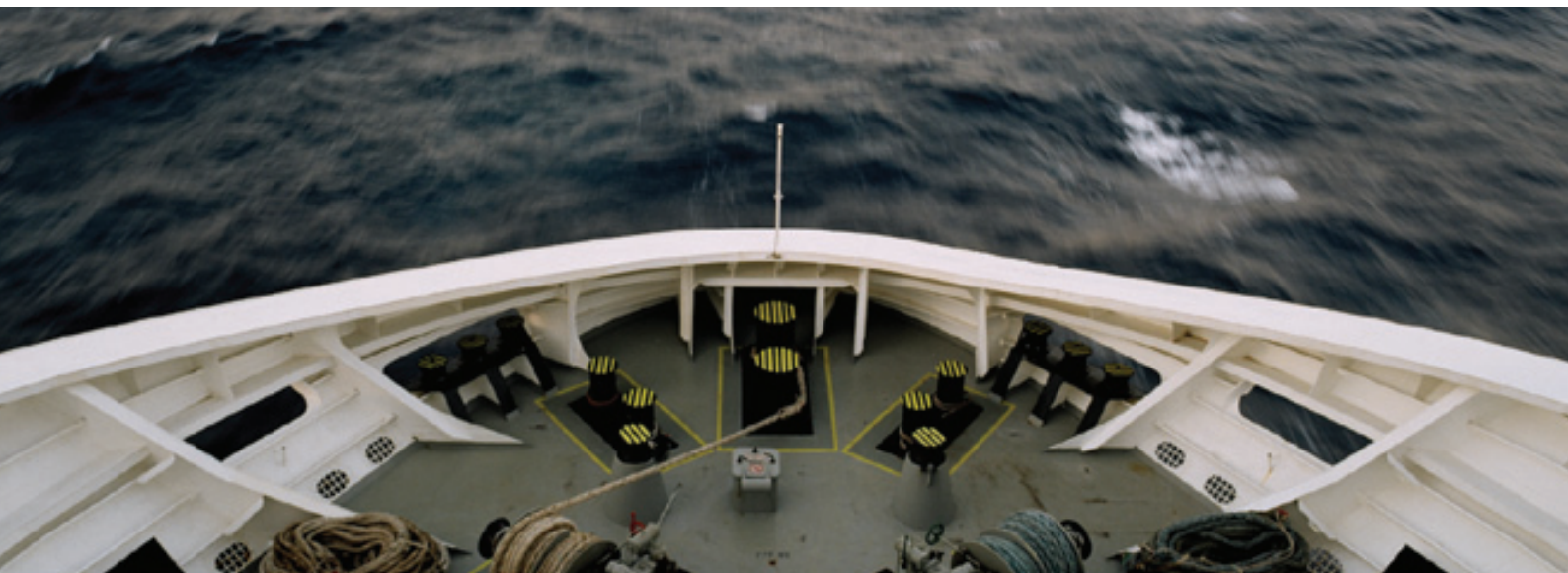
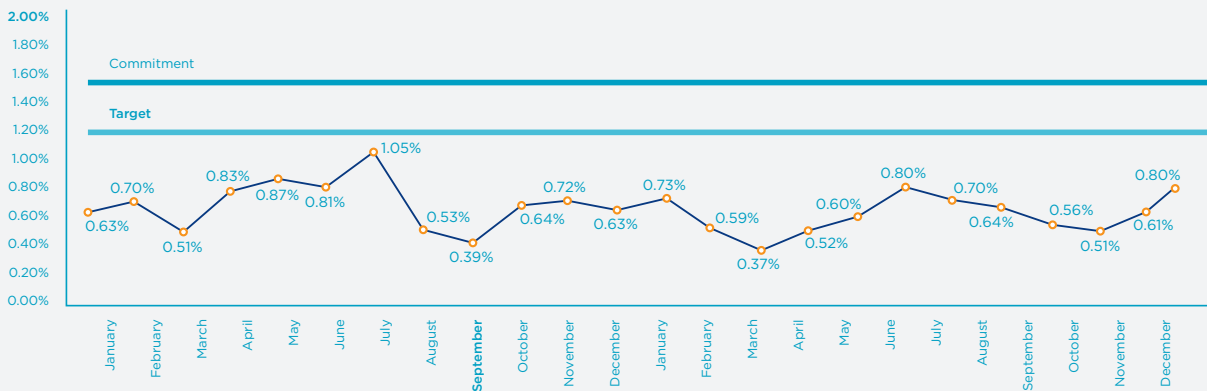


3.5 | Cargo Quality

Neptune Lines' strong commercial reputation is maintained and further enhanced by Neptune Lines' exemplary cargo quality record, as the company holds one of the lowest claim levels in the industry. Neptune Lines tailored services have yielded great results with a near zero percent ($\approx 0\%$) damage ratio and a very high level of performance during customers' quality audits.

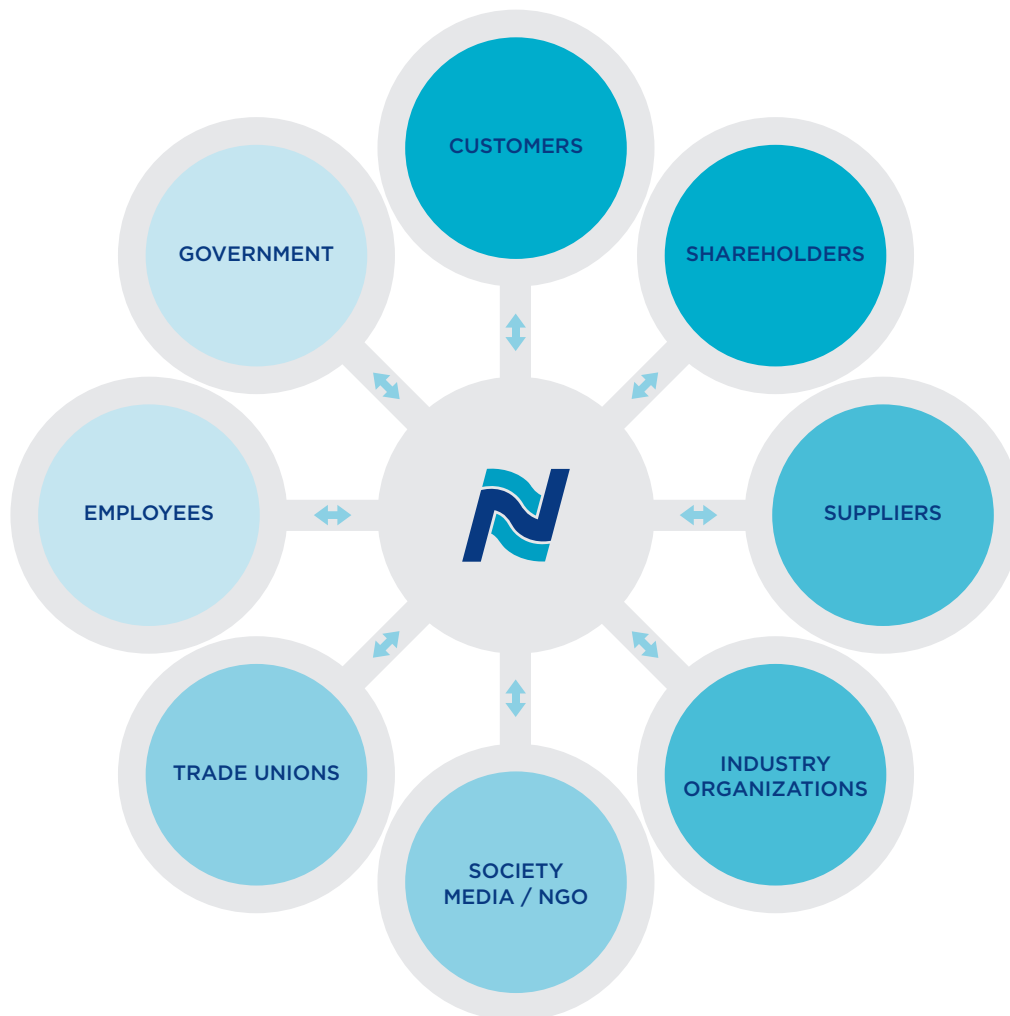
More specifically, all crew members who are involved in lashing operations undergo extensive training through our manning agencies (written test) and during their embarkation on board our vessels (lashing mock-up). Neptune Lines also performs extended measurement and evaluation of its quality service by unscheduled quality audits. Last but not least, there is a continuous monitoring of the company's customers' lashing requirements through their quality operations manual.

MARITIME & HANDLING DAMAGES 01.01.2012 - 31.12.2013



3.6 | Stakeholder engagement and interests (G4-24, G4-25)

Neptune Lines recognizes the importance of all stakeholder groups whether these are internal stakeholders such as shareholders and employees or external stakeholders such as suppliers and customers. Primary stakeholders have been identified as shown below:



Our corporate sustainability committee, in close cooperation with Department Managers, researched, debated and discussed, to determine our key list of stakeholders. Three steps were followed for the identification and selection of our stakeholders (stakeholder mapping):

- Identifying: listing relevant groups, organizations, and people
- Analyzing: understanding stakeholder perspectives and interests
- Mapping: visualizing relationships to objectives and other stakeholders

Identifying (G4-25):

Following our internal assessment process we have prepared our stakeholder list without particular screening, including everyone who has an interest in our objectives today and who may have one tomorrow.

Analyzing (G4-25):

Once we have completed our stakeholder list, we conduct further analysis to better understand their relevance and the perspective they offer, to understand their relationship to the issue(s) and each other, and to prioritize perspectives and interests based on their relative usefulness for this engagement. Criteria used for stakeholders' identification are the following:

- Contribution (value)

Does the stakeholder have information, counsel, or expertise on the issue that could be helpful to the company?

- Legitimacy

How legitimate is the stakeholder's claim for engagement?

- Willingness to engage

How willing is the stakeholder to engage?

- Influence

How much influence does the stakeholder have? (Need to clarify "who" they influence, e.g., other companies, NGOs, consumers, investors, etc.)

- Necessity of involvement

Could the stakeholders derail or de-legitimize the process if he was not included in the engagement?

Mapping (G4-25):

Mapping of stakeholders is conducted through our evaluation table, to further determine the kind of engagements which will bring maximum added value for all parties involved.

Neptune Lines operates a variety of communication channels to collect the suggestions and comments of different stakeholder groups.

Neptune Lines engages its stakeholder groups in a variety of ways, with the frequency and communication mechanisms based on the most effective means of facilitating dialogue. On the table below we have included our most important stakeholder groups, the way we engage with them, their expectations and frequency in which we engage.



Stakeholder Engagement Table (G4-26, G4-27)

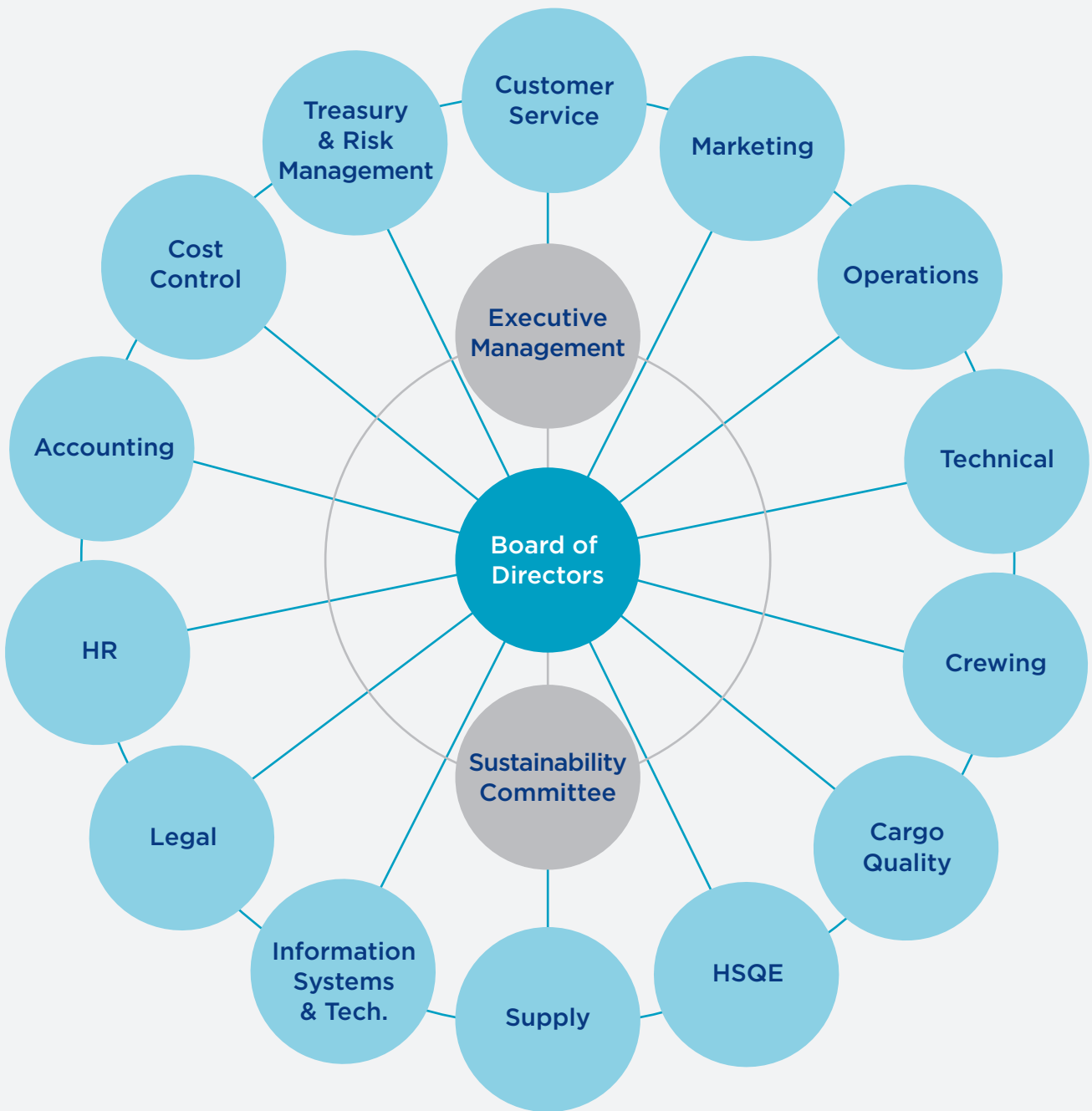
Our Stakeholders	Who are they?	How we engage?	What do they expect from us?
Stakeholders	* Shareholders	<ul style="list-style-type: none"> * Annual consultation / reports * Regular & Extraordinary Shareholders' Meetings * Presentations of financial results & performance indicators * Neptune Lines Sustainability Report (annual basis) 	<ul style="list-style-type: none"> * Responsibility * Reliability * Profitability * Sustainability * Transparency
Customers	<ul style="list-style-type: none"> * Automotive Companies * Original Equipment Manufacturers (OEM) * Logistic Service Providers (LSP) * Shipping companies * Individuals 	<ul style="list-style-type: none"> * Cargo Booking Process * Customer Service Coordinators assigned to key-account customers for easy and timely execution of customers requests * Customer satisfaction surveys through performance meetings * Frequent conference calls * Quality evaluation performance meetings (every 6 months) * Extraordinary meetings * Monthly reports as per customers' request * Participation in Customers' surveys as their major supplier * Communicating Customers' standards to the vessels through Circulars * Internal audits on our vessels to ensure compliance with customers' standards every six months * Company Announcements through email * Neptune Lines Sustainability Report (annual basis) 	<ul style="list-style-type: none"> * Quality services * Reliability & consistency in service provided * Flexibility in service solutions * Adherence & ongoing support * Availability * Responsibility when it comes to damages/claims * Timely information * Trouble-shooting ability * Easy adaptation on new requirements * Conducting business in an ethical manner/ human rights due diligence (ability to support by evidence) * Vessels operations to be conducted in a safe, environmentally friendly manner ("Greener Shipping" policies - supported by evidence/relative indicators-measurements) * Added value on service provided
Employees	<ul style="list-style-type: none"> * Shorebased personnel * Seagoing personnel 	<ul style="list-style-type: none"> * Ongoing and open communication between : <ul style="list-style-type: none"> - Management & Employees - Seagoing & Shorebased Personnel * Frequent internal meetings * Office Emergency Team availability on 24/7 basis * Ongoing familiarization training process for Shorebased & Seagoing Personnel (seminars, knowledge tests, classroom courses, questionnaires) * Company Announcements * Team Building events (annually) for shorebased personnel * Bi-annual employee satisfaction surveys to shorebased personnel * Onboard and shorebased complain procedure (seagoing personnel) * Senior officers (seagoing personnel) post service meetings * Annual Management Review report * Neptune Lines Sustainability Report (annual basis) 	<ul style="list-style-type: none"> * Compliance with contract terms * Motivation * Career Paths * Ethical Behavior * Recognition * Fair evaluation & equal treatment * Compliance with employee welfare -related acts/legislation, quality standards & conventions (ex. OHSAS 18001, MLC 2006, ITF working standards etc.)
Trade Unions	* Seafarers associations	<ul style="list-style-type: none"> * Collective Bargaining Agreements. Renewed on annual basis * Internal & External auditing process on annual basis * Keeping updated with latest rules and regulations coming in force on a day to day basis * Neptune Lines Sustainability Report (annual basis) 	<ul style="list-style-type: none"> * Commitment to Collective Bargaining Agreement terms and conditions * Compliance with applicable rules & regulations

Stakeholder Engagement Table (G4-26, G4-27)

Government	<ul style="list-style-type: none"> * The International Maritime Organization (IMO) * The International Labour Organization (ILO) * Vessels' Flag Administration * Hellenic Chamber of Shipping * Maritime and Coastguard Agencies * Port Authorities * Marine Accident Investigation Organizations * European Maritime Safety Agency (EMSA) * Customs & Immigration Authorities 	<ul style="list-style-type: none"> * Instructions to Vessels with latest rules and requirements * Incidents investigation & root cause analysis. Results are communicated to involved parties upon occurrence * Inspections & Auditing Process * Risk assessment implementation on a monthly basis * Company participation in policy development meetings * Neptune Lines Sustainability Report (annual basis) 	<ul style="list-style-type: none"> * Compliance with general rules and regulations * Safe & Environmental friendly operations * Strict implementation of quality standards (ISO, OHSAS etc) * Cooperation during emergencies * Verification of process implementation
Industry Organizations	<ul style="list-style-type: none"> * European Community of Shipowners Association (ECSA) * The Association of European Vehicles Logistics (ECG) * Union of Greek Shipowners (EEE) * Classification Societies * Auditing Parties/ Consultants 	<ul style="list-style-type: none"> * Board of Directors participation * Membership * Ongoing Company & Vessel audits * Company Announcements through email and website * Extraordinary Meetings * Technical Committee Membership (annual and adhoc meetings) * Seminars /lectures * Lobbying * Neptune Lines Sustainability Report (annual basis) 	<ul style="list-style-type: none"> * Active participation & collaboration * Compliance * Environmental friendly culture * Ethical behaviour * Transparency * Reliability
Suppliers	<ul style="list-style-type: none"> * Port Agents * Manning Agents * Infrastructure providers (terminal operators etc.) * Stores & Spares suppliers * Equipment Service providers * Waste Handling providers * Cargo Inspectors * Communication providers * Shipyards * Information Technology providers * Training & Consulting providers * Travel Agents * Insurance Agents * Bunker Suppliers * Chartering Brokers * Insurance Brokers * S&P Brokers * Shipowning Companies (chartered vessels) 	<ul style="list-style-type: none"> * Communication of our Sustainable policy * Engagement instructions to all major suppliers * Auditing process for all major suppliers (annual basis) * Meeting with major suppliers * Agreements * Suppliers Evaluation (annual basis) * Neptune Lines Sustainability Report (annual basis) 	<ul style="list-style-type: none"> * Accountability * Accessibility * Honor our agreement * Longterm relationship
Society / Media / NG and others	<ul style="list-style-type: none"> * Media * Environmental Protection Institutions (ex.HELMEPA) 	<ul style="list-style-type: none"> * Press releases * Membership (HELMEPA) * News published to Corporate web-site * Donations * Charities * Neptune Lines Sustainability Report (annual basis) 	<ul style="list-style-type: none"> * Availability of corporate information * Contactability & proper communication * Participation & Support

3.7 | Corporate Governance

The Board of Directors of Neptune Lines monitors all corporate activities, serving as the top decision-making body.



Emergency Response Teams have been established and are ready to respond in emergency environmental cases by following well implemented Contingency plans (ERS, SOPEP, Media Response etc) which have been developed with the assistance of classification societies, media response consultants and insurance bodies.

Companies aim to create closer links between risk management and strategic planning. Neptune Lines monitors this topic closely and has continued to work in this area to ensure a cycle of continuous improvement in the management of its risk model. Risk Assessment is performed in all operations conducted by Neptune Lines—preventatively—in order to avoid any potential emergency situation.

Neptune Lines follows below key established regulations and standards:

- ILO Principles
- Maritime Labor Convention 2006 (MLC)
- IMO Conventions
- ISO 9001: 2008
- ISO 14001: 2004
- OHSAS 18001: 2007

Neptune Lines is an active member of:

- Hellenic Chamber of Shipping (Board)
- Union of Greek Ship Owners (Board)
- Malta International Shipping Council (Board)
- European Community Ship Owners Association (Membership)
- DNV Technical Committee
- BIMCO (Membership)
- HELMEPA
- The Association of European Vehicle Logistics, ECG (Membership)

3.8 | Business Ethics

Code of Conduct

Neptune Lines conducts business in an ethical manner, with regard to not only our Customers but our Shareholders, Employees and other Stakeholders as well.

Neptune Lines' global operations are influenced by different laws and regulations, as well as by the local customs of countries we operate in. While complying with local laws and customs, Neptune Lines applies the same standards of ethics to

all employees. Our Code of Conduct sets forth the standards for conducting our day-to-day-activities and decision-making procedures. Any violation of the Code is penalized according to established corporate procedures which aim towards in the elimination of similar situations in the future.

All Neptune Lines Directors and Managers are bound to act as role models for the employees by leading the way and adhering to the content of our Code of Conduct.

Managers are obliged to diffuse the knowledge and apply the principles of the Code of Conduct in their respective departments, ensuring compliance.

Managers are encouraged to support employees to communicate openly and address any issues relevant to the application of our Code of Conduct.



4.1 | Materiality Methodology (G4-18, G4-19, G4-22, G4-23)

In order to identify areas that could represent opportunities or risks for our business either now or in the future, we analyzed certain issues in terms of their relevance for society/stakeholders and ourselves, using a scale from 1-10 (1 Low Importance - 10 High Importance). For Neptune Lines, a topic is of

material interest if it is considered relevant by our stakeholders' as well as from our own perspective.

We went through the following process:

- Reviewed best practice approaches to materiality and the approaches of our peers,
- Consulted a cross-section of stakeholders from across our business to define a list of material

issues and prioritize these into high, medium and low importance.

- Presented a draft materiality matrix in a scale defining issues that have high importance (8-10)
- Reframed and repositioned some issues to reflect the Internal Executive Meeting's feedback and produce a finalized version of the matrix.

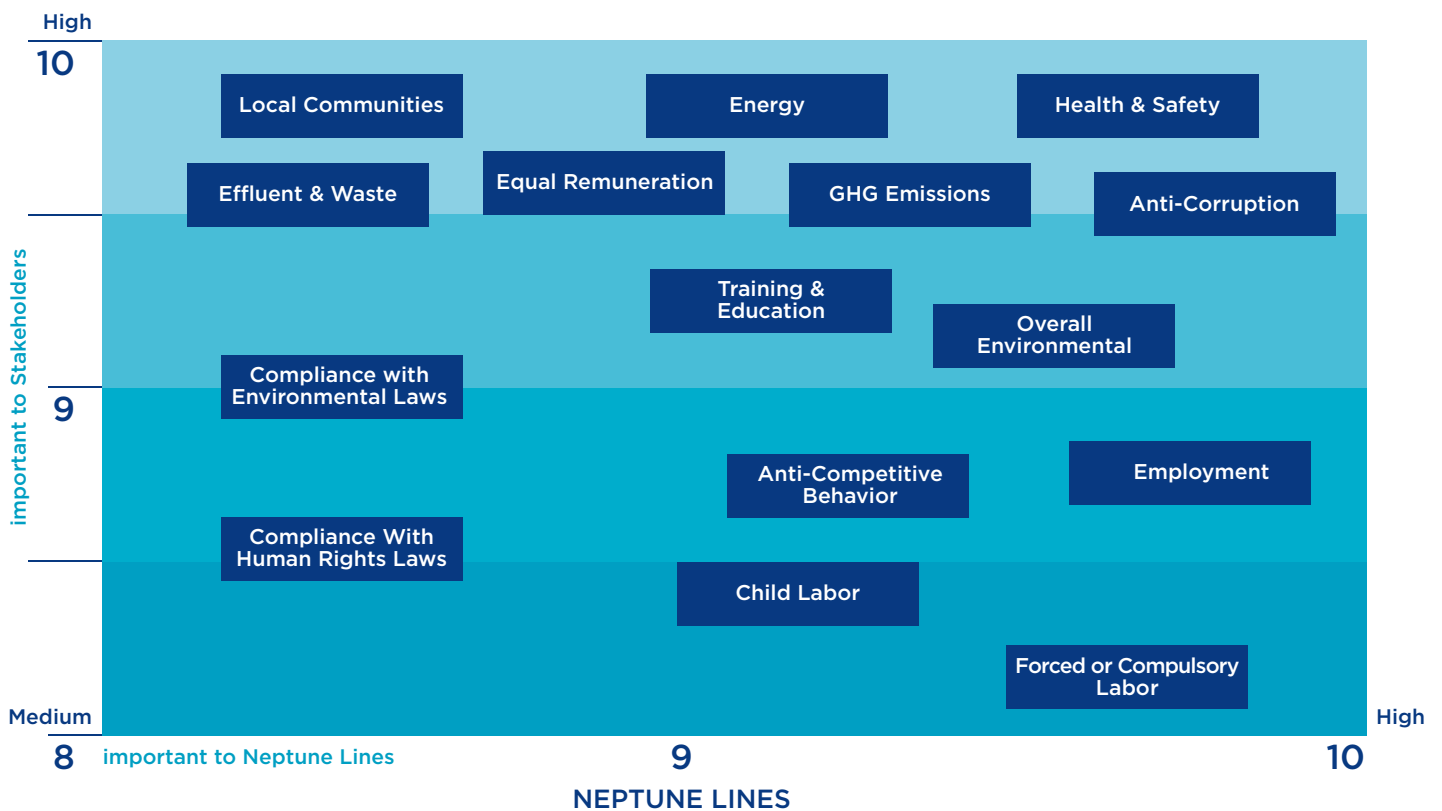


Figure: Material issues for Neptune

As this is our first Sustainability Report we have focused on environmental, social and market topics which are material to our organization and our stakeholders.

We have undertaken a materiality assessment that is presented in the above figure to identify

which are topics of priority for the organization and external stakeholders. Based on this assessment we consider our material topics to be:

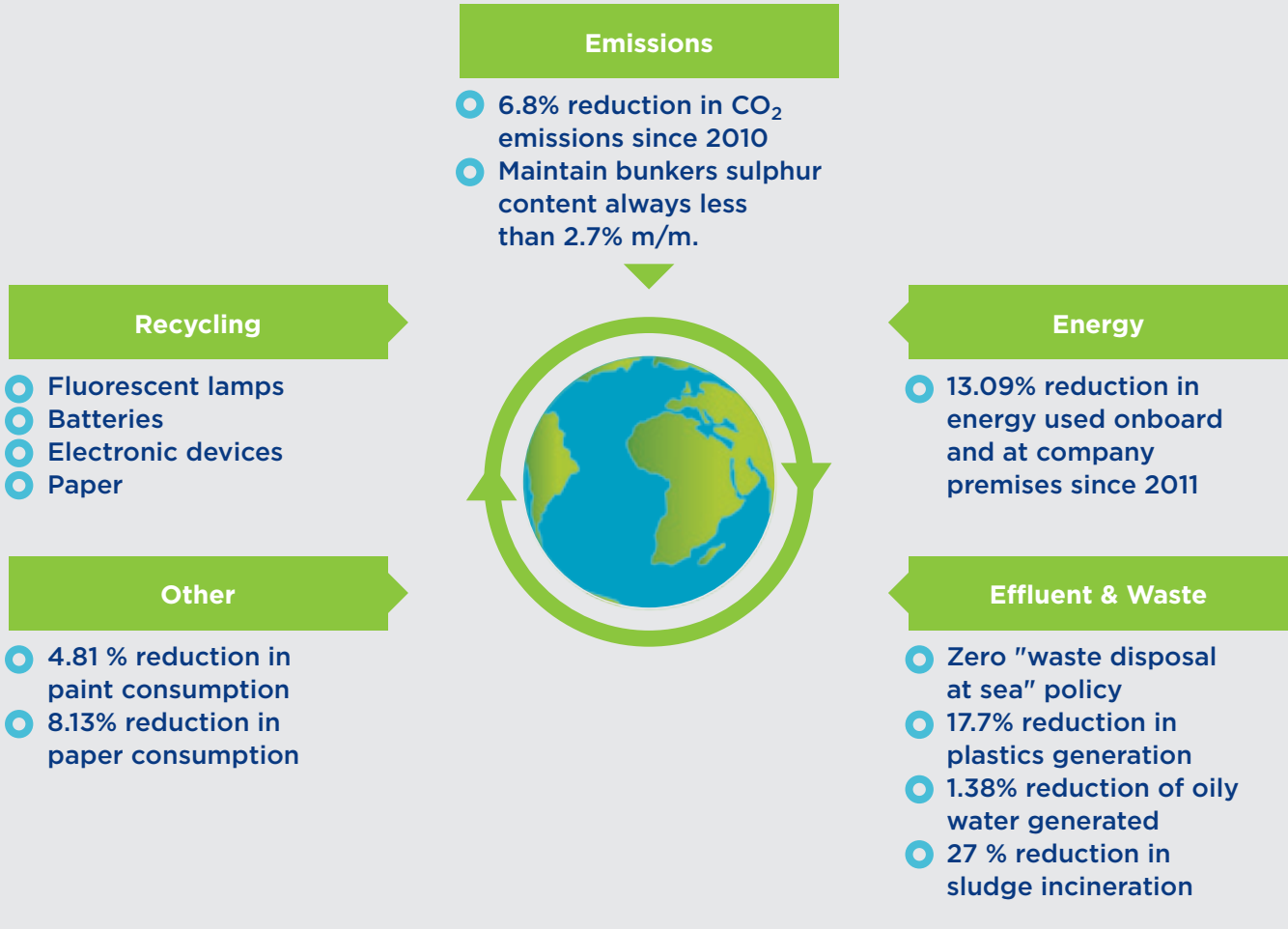
- Energy
- GHG Emissions
- Effluent and Waste
- Compliance with environmental laws and regulations
- Overall environmental performance

- Employment
- Occupational health & safety
- Training & Education
- Equal Remuneration for women and men
- Child Labor
- Forced or compulsory labor
- Local Communities
- Anti-Corruption
- Anti-Competitive behavior
- Compliance with human rights laws and regulations

BOUNDARIES AND LIMITATIONS OF MATERIAL ISSUES (G4-20, G4-21)				
Material Issues	Boundaries		Limitations	
	Within the Organization	Outside the Organization	Within the Organization	Outside the Organization
Energy	Office & Vessels	-		
Emissions of greenhouse gases	Office & Vessels	-		-
Effluent & Waste	Office & Vessels	-		-
Compliance with environmental laws & regulations	Office & Vessels	Customers, Suppliers		-
Overall environmental performance	Office & Vessels	-		-
Employment	Office & Vessels	-		-
Occupational health & safety	Office & Vessels	-		-
Training & Education	Office & Vessels	-		-
Equal Remuneration for women & men	Office & Vessels	-		-
Child Labour	Office & Vessels	-		-
Forced or compulsory labour	Office & Vessels	-		-
Local Communities	Office	Local communities, Local authorities		-
Anti-Corruption	Office & Vessels	Customers, Suppliers		-
Anti-Competitive behavior	Office & Vessels	Customers, Suppliers		-
Compliance with human rights laws & regulations	Office & Vessels	Customers, Suppliers		-



5.1 | Achievements Summary



Safeguarding the environment is an integral part of corporate policy and investment decisions for all Neptune Lines' activities. We are fully committed to an approach in which the environmental awareness and economic development can exist side by side. Neptune Lines adopts specific certified management systems for all activities. Neptune Lines as well as all Neptune vessels are certified under ISO 14001: Environmental Management System since 2008 by Det Norske Veritas (Norwegian Classification Society).

In line with our Environmental Management System, we set targets, devise yearly plans and monitor our performance in order to efficiently reach our goals. Our key issue is to address climate change and to further reduce the environmental impact arising from our day-to-day operations.

5.2 | Emissions & CO₂ Efficiency
 Neptune Lines acknowledged early on that "Greener Shipping" has significant potential in the preservation of our environment

while, at the same time, promoting a cost-effective business culture. Our strategy is summarized in our Energy Efficiency Policy, serving as the basis for the development of our energy and environmental management system manuals and procedures. Reduced fuel consumption means reduced CO₂ emissions and subsequently improved environmental footprint.

Neptune Lines aims to reduce CO₂ emissions from owned vessels by 8% until 2018, taking January 1st, 2010, as a starting point.

The following graphs indicate CO₂ emissions as from 2010 till 2013 without taking into consideration the volume of the transported work. So far we have achieved a 6.8% reduction in our CO₂ emissions being well ahead of our initial planning.

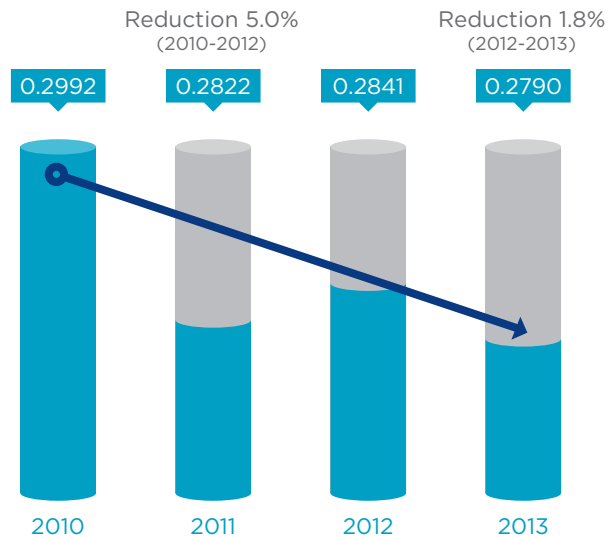
For each year following 2013, we are aiming for a further annual reduction in CO₂ emissions of 0.5% until 2018. Our plan is not just to reach but exceed this target.

To calculate our CO₂ emissions, we collect our data from monthly reports received from the vessels for distance travelled and fuel consumed. The nautical miles data used in our analysis are retrieved from the vessels and include pilotage miles, all deviations due to weather, drifting etc. Mass (tons) of CO₂ per nautical mile sailed (Fuel consumption X distance sailed X emission factor for Heavy Fuel Oil and Gas Oil used).

Below we are listing the specific measures taken for achieving the reduction process:

1 | Environmentally friendly specification in our new building vessels. In 2012-2013 the company ordered two new vessels from Hyundai Mipo Dockyard (HMD) for delivery in 2014. These vessels are similar in

CO₂ Emissions (tons/nautical mile sailed)



capacity to the four (4) vessels built in Korea previously but have been designed with a number of environmental features that make them unique. Their fuel efficiency is expected to be improved substantially as compared to the previously built vessels.

2 | Speed optimization. In 2013 we progressed with a speed optimization project. This is an operational measure and we have been monitoring the results regarding fuel consumption.

The fuel consumption showed similar trends to 2012. The owned fleet covered fewer miles in 2013 (8.5% reduction) at a lower average speed but with higher utilization than in 2012.

3 | Re-blading and propeller optimization for optimized operating speed effected, as pilot case, to one of our fleet vessels with very good performance results.

4 | Trim optimization and reduction of ballast carried/GM control. Trim optimization and ballast control is now applied to 8 vessels in the fleet. For each group of vessels (sister vessels) we purchased and installed specialized software which assists vessels' crew in minimizing the ballast and optimizing the trim upon departure from the port.

5 | Foul release coatings to reduce fuel consumption. Foul release antifouling coatings (silicon based). They have been applied on 4 vessels for a total period of 10 years.

6 | Chemical treatment of fuel oil to reduce sludge generation and improve main engine performance. We are currently running our fuel treatment project on three (3) vessels from two suppliers to reduce the sludge generation and improve the combustion of fuel oil on the main engine.

Bunker Sulphur Content - SO_x emissions reductions

For the seventh year in a row, we continue to restrict the mean sulphur content of the heavy fuel oil bunkered for the company fleet to under 2.8%. As of January 2012, the global limit was reduced to 3.5%. For 2013, the mean value was 2.34%, far below the required 3.5%.

Direct and indirect GHG emissions and the energy consumption of our everyday operations are monitored and calculated. In 2013, Neptune Lines emitted a total of 0.2790 tons/nautical mile sailed of GHG in Scope 1 (from Vessels).

5.3 | Energy

Neptune Lines utilizes different types of energy sources at premises and onboard vessels. Heavy fuel oil and gas oil are used onboard vessels while electricity and diesel oil for heating are used at company premises.

Since 2011, Neptune Lines has achieved an energy reduction of 13.09% by implementing energy-saving policies onboard our vessels and our company premises (graph).

Energy saving policies implemented at company premises:

1 | Optimization of energy settings on all computer stations. IT Department optimized all computer energy

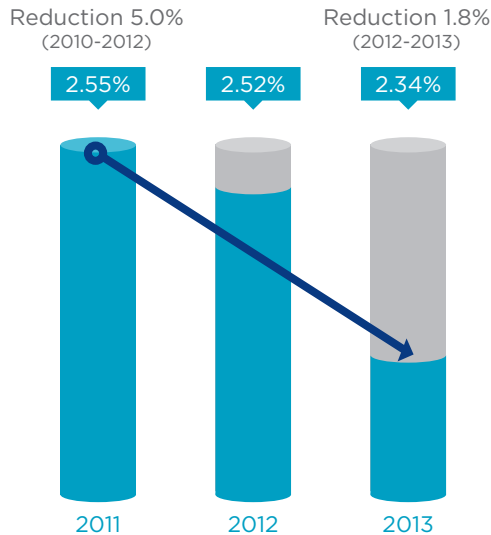
settings which place user PCs into sleep mode if not used for a certain period of time. Hibernate policies dictate that all computers and printers will be shut down if left at idle at the end of each working day. Lastly, electricity consumption is reduced considerably when PC screens are automatically switched off after a certain

period of being idle.

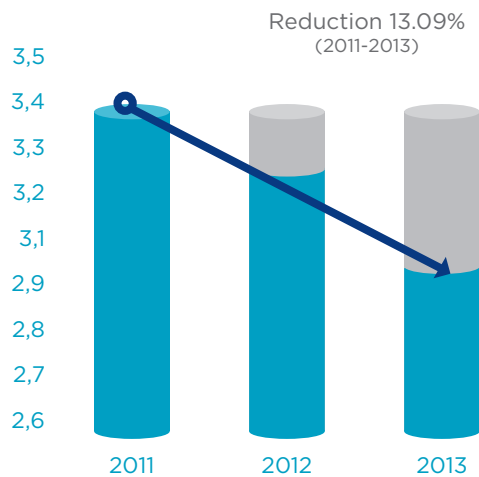
2 | All employees undergo a familiarization process with regard to the energy-saving operation of all electrical devices as well as the proper use of the building's heating and cooling systems.

3 | Replacement of all conventional electrical lighting bulbs with energy saving.

Bunkers Sulphur Content (%m/m)



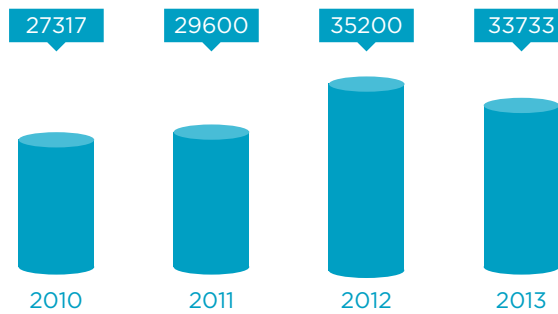
Energy Consumption (MJ)



Energy consumption is calculated separately for Office and Vessels. Energy consumption calculated is based on the fuel oil average calorific value as identified during fuel oil analysis results performed by laboratories.

Office energy consumption is calculated on the electricity consumed as well as on the diesel oil consumption used for heating purposes. Cooling energy consumption is included in the electricity consumption.

Energy Consumption (kWh/month)



The energy consumed is coming exclusively from non-renewable sources.

5.4 | Effluent and Waste

Our main environmental concerns are:

- the minimization or even the elimination of non-hazardous waste disposal at sea (processed food)
- the environmental handling of waste disposal.
- the minimization of waste generated onboard our vessels during daily operations.

We review our objectives and target record, and set specific action plans for achieving our environmental goals, on an annual basis.

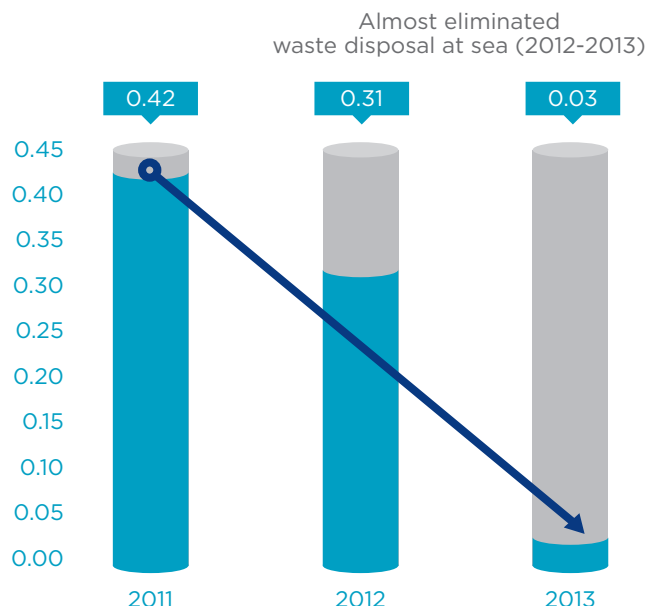
Handling of processed food

At the beginning of 2011, Neptune Lines decided to minimize—even eliminate—the disposal of processed food at sea, which is the only waste allowed to be disposed at sea as per our policy.

Due to frequent port calls to various European and Black Sea ports (on average, one port call every two days), European regulations for compulsory discharge of waste at each European port call and sufficient storage capacity onboard our vessels, made it possible for

Neptune Lines to achieve a 90.66% reduction in waste disposed at sea since 2012. The total disposal of non-hazardous waste per vessel for 2013 stood at 0.03 m³/vessel/month when at the end of 2012 stood at 0.31 m³ / vessel / month.

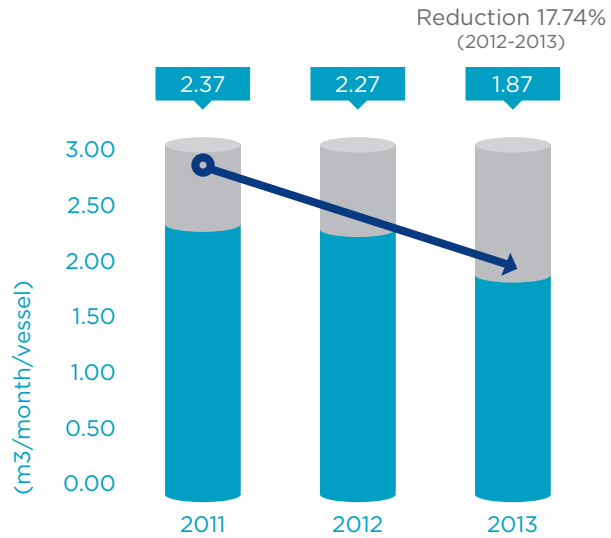
Waste disposal at Sea (m³/vessel/month)



Plastics generated and discharged ashore

The quantity of plastics discharged ashore was reduced in 2013 to 1.87 m³ / month / vessel from 2.27 m³ / month / vessel in 2012. Taking into consideration that the discharge of plastics at sea is strictly prohibited by regulations in force, our target focused on minimizing the generation of plastics onboard. The reduction can be attributed to the improved packaging of the supplied materials following our initiative to motivate our Suppliers in minimizing the packaging materials to the absolute necessary; This was achieved by incorporating a standard message in the lower part of our Requests for Quotation and Orders.

Total weight of plastics generated (m³/month/vessel)

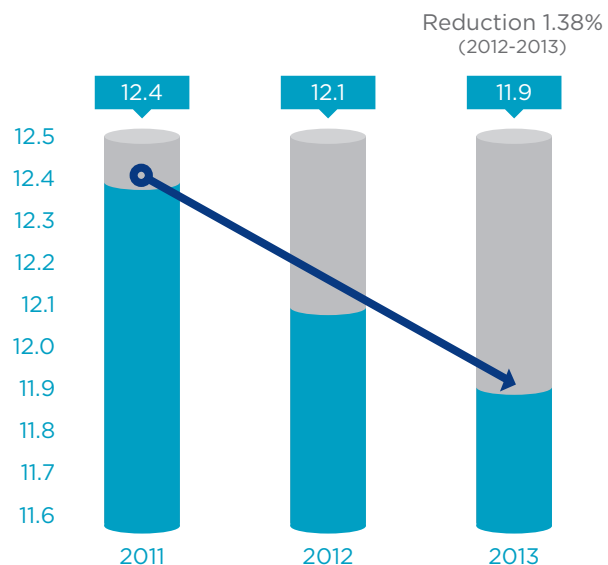


By this way, we achieved a 17.74% reduction since 2012 which will be considered as our baseline for the target set for 2014 (1.9 m³/vessel/month).

Oily water

Oily water generated for 2013, was slightly reduced in comparison to 2012. The environment-friendly features of our new building vessels prevent any drain to be directed overboard but to be collected instead in the dedicated bilge tanks. The target is to maintain the same levels and dispose either at shore facilities or through the approved oily-water separation filtering equipment onboard the vessel.

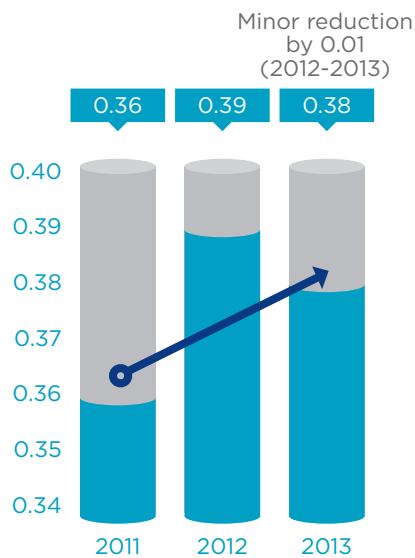
Oily Water Generated (m³/month/vessel)



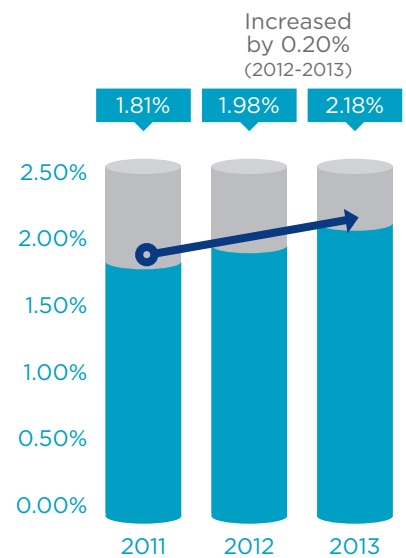
Sludge

Sludge percentage in total fuel oil consumption increased in 2013 (2.18%) in comparison with 2012 (1.98%). Therefore our target to maintain and improve the sludge generation was not achieved in 2013. Fuel additives (treatment chemicals) used in 2013 did not have the expected result for the reduction of sludge generation.

Sludge Generated
(m³/day/vessel)



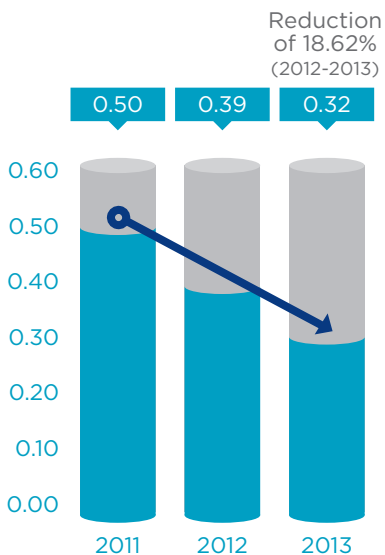
Sludge % on total FO cons



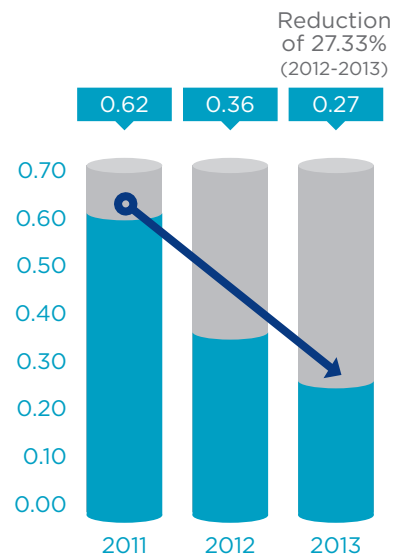
Incineration

We aimed at reducing the incineration process as much as possible for 2013 taking into account that shore disposal of waste and sludge, is compulsory at home ports like Barcelona and Piraeus. Garbage incineration figures were in fact was reduced from 0.39 m³ / vessel / month in 2012, to 0.32 m³ / vessel / month for 2013 while sludge incineration figures reduced from 0.36 m³ / vessel / month to 0.27 m³ / vessel / month. The target set for 2014 is to further reduce waste and sludge incineration by 5%.

Garbage Incineration
(m³/month/vessel)



Sludge Incineration
(m³/month/vessel)

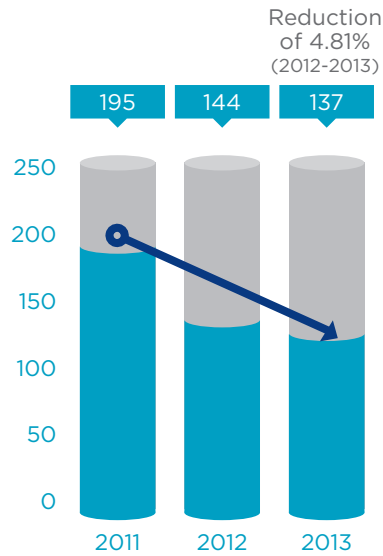


5.5 | Overall environmental performance

Optimize paint consumption

Monthly paint consumption per vessel was reduced by 4.81% in 2013 as compared to 2012. Paint maintenance policy was revised for 2013 was aiming to optimize the use and supply of paints as per established maintenance plan rather than supplying on a periodical basis. The target was accomplished, maintenance was kept in very good levels and paint use was optimized. Same policy will be followed for 2014.

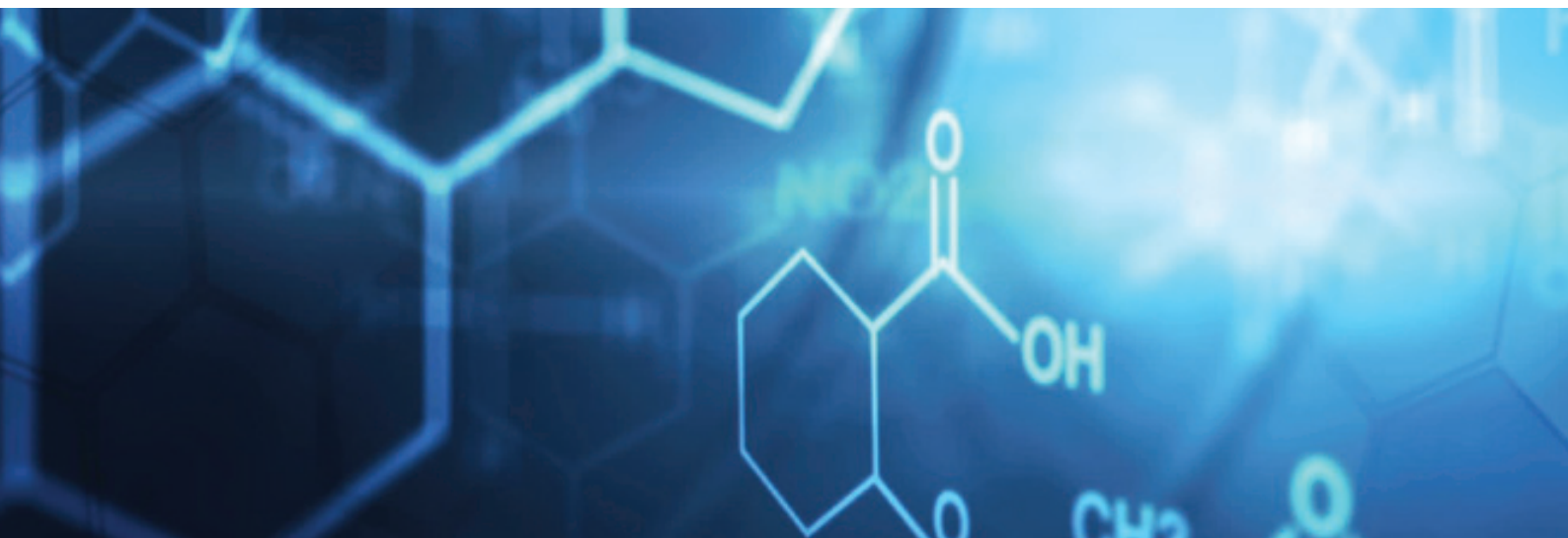
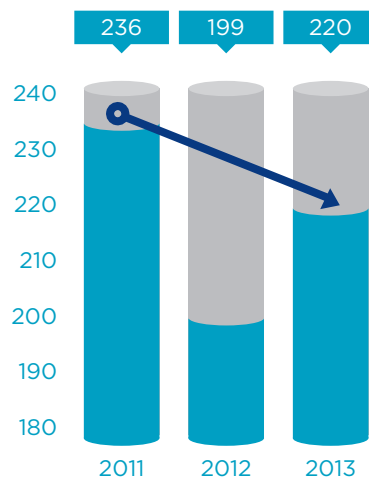
Paint Consumption
(liters/vessel/month)



Chemical Consumption

Chemical consumption increased from 199 liters per month to 220 liters per month per vessel failing to achieve the target set for 2013, due to fuel treatment additives used for main engine. Fuel additives will no longer be used as they did not have the expected result. The target set for 2014 is a 5% reduction of chemical consumption.

Chemicals Consumption
(liters/vessel/month)



Paper Consumption

Paper consumption was reduced by 8.13% in 2013 as compared to 2012. The target is to have a further reduction of 10% in 2014. Even though the majority of reporting is now being performed through electronic means there is still room for improvement through the re-organization of our electronic filling.

Recycling Process

Neptune Lines recycles fluorescent lamps and batteries from vessels as well as paper and electronic devices from the company premises.

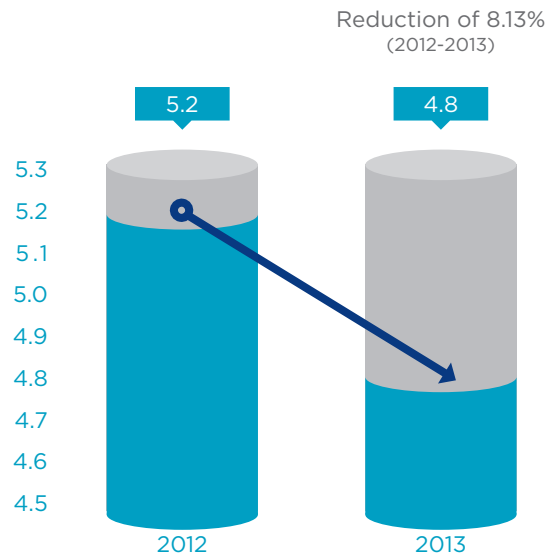
Recycling of onboard waste is performed only through the port of Piraeus. Vessels are instructed to collect burned fluorescent lamps as well as empty batteries throughout their voyages and place them at the recycling facility of Piraeus. The target set for 2014 is to increase recycling of lamps and batteries by 5%.

All office employees have been directed to recycle their paper. All office paper is being collected and forwarded for recycling on a weekly basis. By enforcing electronic processes of communication & data exchanging, Neptune Lines is trying to further reduce paper consumption.

Compliance with environmental laws and regulations

Neptune Lines fully complies with all applicable environmental rules and regulations.

Paper Consumption
(no of packets/month)



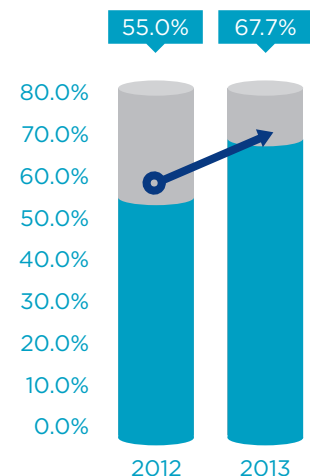
Our Company, operates always under the strict implementation of established rules and regulations, and makes every effort to avoid any possible violation that will lead to significant fines or non-monetary sanctions.

Neptune Lines achieves its compliance with applicable environmental rules and regulations by maximizing the performance of our fleet vessels during third party inspections which take place as part of the established regulatory framework. In particular, one of the key performance indicators set is the measurement the flawless inspections performed onboard fleet vessels by inspecting authorities. Flawless inspections as a KPI is measured by calculating the number of inspections conducted onboard the vessels by a third party/authority without any reported deficiencies, and dividing this number with the total number of third party

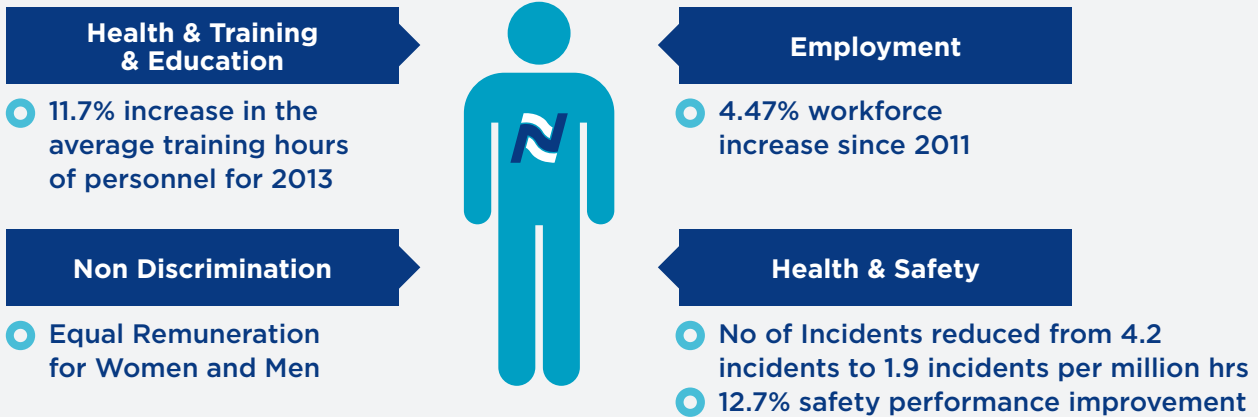
inspections conducted during the same period.

As can be seen in the graph below from the total number of inspections performed onboard fleet vessels for the reporting period of 2013, 67,7% were conducted without deficiencies, marking an improvement of more than 12% since last year.

Flawless Inspections
(PCS, Flag, P&I Club)



6.1 | Achievements Summary



6.2 | Employment

The Neptune Lines Code of Conduct states the basic principles and rules that govern all business activities of our Company and Personnel. It is not only based on best market practices but also goes beyond existing legal and regulatory obligations. All employees are bound to respect these principles in carrying out their duties and to recognize, acknowledge, accept and support the ten (10) universally accepted principles of the United Nations Global Compact (UNCG) in the areas of human rights, labor, environment, and business activities.

At Neptune Lines we know that our human capital is our most important asset and we believe that “it is all about people”. As the company is expanding, new personnel is hired and in our transition to a larger and stable corporate structure, we believe that it is imperative to establish:

A | A top tier employee recruiting and selection process, as well as
B | A policy of conducting an Employee Attitude Survey.

Neptune Lines Employee Recruiting and Selection Process

It is our people that make the difference every day, from the first day. At Neptune Lines we have recently established a tailor-made Recruiting and Selection process, assessing all the relevant candidate attributes such as Education, Working Experience, Motivation aspects, Competencies and Personality characteristics. We run tailor-made Assessment Centers of multiple steps, incorporating Assessment tools as Competency Based Individual and Group Business Simulations, custom-made Tests, Personality Questionnaires and Personal Interviews.

Neptune Lines Employee

Attitude Survey

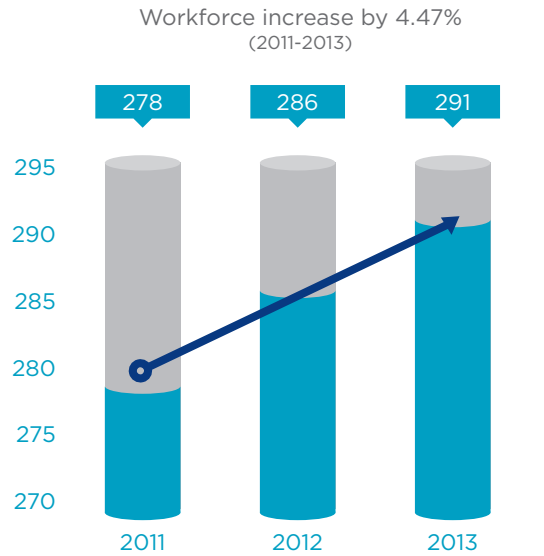
At Neptune Lines we are committed to delivering excellence every day through a motivated workforce. Thus, since it is imperative for our stakeholders to be aware of the employees’ beliefs and way of thinking, we have introduced the policy of conducting regularly an Employee Attitude Survey. The E.A.S. is a structured tool through which we measure job satisfaction, motivation, and attitudes, giving our people the opportunity to provide confidential feedback on their opinions of our company. Our goal is to take into account everyone’s suggestions regarding possible improvements as well as to enhance commitment and productivity.



The Neptune Lines Employee Attitude Survey focuses of all relevant sectors such as:

- ▶ The Company
- ▶ Communication
- ▶ Organization, Processes, Policies
- ▶ Relationships with Supervisor and the Management team
- ▶ Performance Appraisal
- ▶ Co-workers
- ▶ Working environment & conditions
- ▶ Job Role
- ▶ Training and Development

Total Workforce (no of employees)



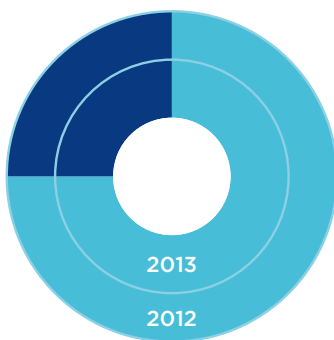
Two hundred ninety one (291) employees are currently working for Neptune Lines, forty eight (48) of whom are shore-based personnel and two hundred forty three (243) who work on board our fleet vessels.

As can be seen in the table above a total workforce increase of 4.47% has taken place since 2011.

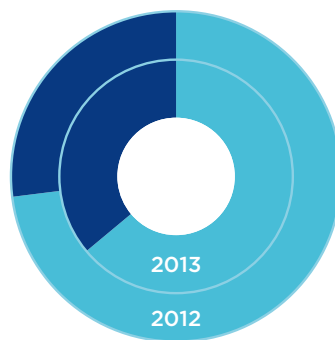
Contrary to the traditional “Male Dominated” shipping practice, Neptune Lines is promoting women in the Shipping profession by employing nine (9) women in Officer and Junior Officers positions onboard fleet vessels.

Total workforce by employees and supervised workers and by gender

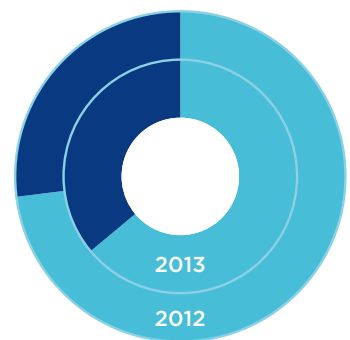
Directors’ Workforce by gender (office)



Managers’ Workforce by gender (office)



Employees’ Workforce by gender (office)



● Men ● Women

Neptune Lines shore-based personnel is covered with full-time employment contracts, while our sea-going personnel is covered with fixed term contracts following international shipping practices. All Neptune Lines personnel is covered under valid collective bargaining agreements.

Full-time employees are receiving the following benefits:

- o Life Insurance
- o Health Insurance & extra employment injury benefit
- o Neptune Lines employees possess the right to be involved in trade unions and professional associations, without any limitations. On the table below we can see all new employees by age group and gender.

New hires	2013
Men	
Total number of newly-hired office personnel	4
Total number of newly-hired vessels crew	40
Rate for newly-hired office personnel	1.37%
Rate for newly-hired vessels crew	13.75%
Women	
Total number of newly-hired office personnel	5
Total number of newly-hired vessels crew	2
Rate for newly-hired office personnel	1.72%
Rate for newly-hired vessels crew	0.69%
New hires by age group	
2013	
Total number of newly-hired office personnel < 30 years old	4
Total number of newly-hired office personnel between 30 - 50 years old	4
Total number of newly-hired office personnel > 50 years old	0
Total number of newly-hired vessels crew < 30 years old	25
Total number of newly-hired vessels crew between 30 - 50 years old	19
Total number of newly-hired vessels crew > 50 years old	1

At the table below we can see the total number of employee turnover during the reporting period, by age group, gender and region. By the word “turnover” we describe employees from vessels and the officers who have left the organization voluntarily or due to dismissal, retirement, or death in service.

Employee Turnover	2013
Men	
Office	2
Vessels	4
Women	
Office	0
Vessels	0
Seafarers	
2013	
Dismissed seafarers	4
Voluntary	17
Retirement	0
Death in Service	0

6.3 | Occupational health & safety

Neptune Lines places strict emphasis and demonstrates its strong commitment to the safe operation of our fleet Vessels which are operating under the highest standards of quality, remaining a preferred business partner for our customers and our people.

It is our policy to conduct our activities in a manner that promotes the health and safety of our employees. To this end, the health and safety responsibilities of all personnel have been defined and allocated.

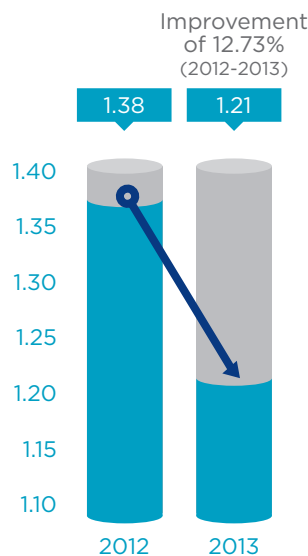
Neptune Lines Safety Management System is intended to affirm that we have achieved our purpose in this area and is based on the philosophy that accidents can be prevented by the identification and management of risk.

Port State Control (PSC)

Port State Control random inspections are carried out by Port Authorities in order to verify Vessels' compliance with the maritime safety rules and regulations in force as well as to verify Vessels' compliance in terms of occupational health issues. A total number of twenty four (24) PSC inspections were performed onboard our vessels during 2013. Compared with 2012 there was an increase of 46% in the total number of PSC inspections performed while the average no of deficiencies raised

per Port State Control inspection was reduced from 1.38 in 2012 to 1.21 deficiencies per inspection in 2013 achieving our target for less than 1.5 deficiencies per inspection.

Port State Control Inspections (deficiencies per inspection)



Incidents at Sea

Neptune Lines takes all possible measures to prevent incidents that have a negative impact on the environment during the operation of vessels. In the event of an incident, emergency response actions shall be taken from the Office and Vessel Emergency Teams to mitigate any extend of damage. During the reporting year, we had no such incidents.

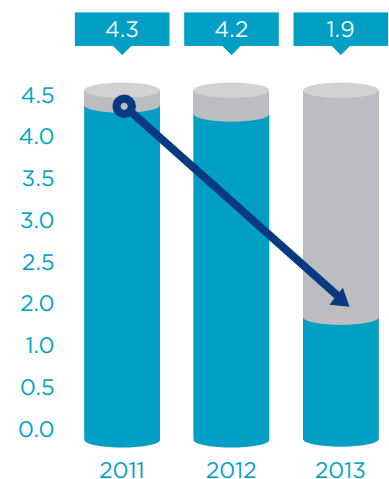
In an effort to act preventively and minimize any possibility for a serious incident to occur, we record and investigate all incidents which can potentially lead lead to a serious situation if not analyzed.

The total number of minor incidents was reduced by 48% in 2013 in comparison with 2012 exceeding our target for 10% improvement. Our target is to maintain the minor incidents at the same level for the year to come (2014).

Lost Time Injury Frequency Rate

Lost Time Injury Frequency rate (LTIF) is a calculation of the frequency of injuries onboard the vessel. It measures the number of injury incidents which resulted in more than 1 day loss of work. The frequency of the lost time injuries was reduced significantly from 4.2 incidents in 2012 to 1.9 incidents per million hours in 2013. LTIF is calculated by multiplying the Lost Time Injury incidents X 1,000,000 hours and dividing the result by the total exposure hours which are the total scheduled working hours. Our target for 2014 is to maintain our LTIF at the same levels with 2013.

Lost Time Injury Frequency (no of work-related injuries resulted in more than 1 day loss of work)



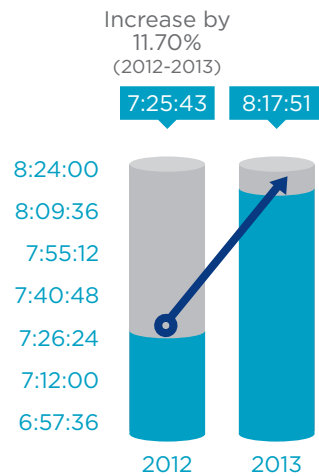
6.4 | Training & Education

Believing in the ongoing training & continuous education of our personnel, a total increase of 11.7% in the average training hours of personnel was achieved in comparison with 2012. Our target was achieved for 2013 and a further 5% increase is our new target for 2014. In the table below we can see analytically the hours of training by employee function and gender during the reporting period.

Below major training sessions took place during 2013:

- 1 | Corporate Social Responsibility Training
- 2 | Ship Energy Efficiency
- 3 | Media Response Training
- 4 | Internal Auditors Training

Training & Education (average training hours per employee)



Total training hours of Office personnel by employee level and gender		2013
Managers		
Men		73
Women		21
Employees		
Men		251
Women		78
Total training hours of Office personnel by employee function		2013
Accounting & Finance		36
Administration		0
Cargo Quality		8
Commercial		88
Crewing		8
HR		11
Information Technology & Information Systems		16
Legal		2
Operations		20
Secretariat		24
Security		0
HSQE		63
Supply		8
Technical		139
Total Training Hours		424

6.5 | Equal Remuneration for women and men

At Neptune Lines, we implement equal remuneration and basic salary for women and men. We believe in equal opportunities and fair treatment and we prohibit any form of discrimination between genders.

6.6 | Child Labor and forced or compulsory labor

Neptune Lines monitors and adopts the relevant labor legislation, including the prohibition of child and forced labor, provisions for human rights and working conditions and is in full agreement with the collective and relevant international conventions.

6.7 | Local Communities

At Neptune Lines, we care for the community in which we operate. The port of Piraeus as well as the wider Attiki region is defined as our significant location of operation—being the location of our premises—and subsequently defined as our local community. Supporting local communities within our network is an important way for us to give back to society. We support people and activities in various ways by engaging and contributing on many levels to the communities we are associated with.

- We actively support the Union of Greek Shipowners, in their program of social welfare and

solidarity which was set up in response to the recent economic situation in Greece, in order to support a significant part of the population mostly affected by the financial crisis.

Most of Neptune Lines donations are administered under the umbrella of the Union's program which was implemented in 2012 and further expanded in 2013.

The initiatives are nationwide and offer direct support to more than 50,000 people in 110 locations throughout the country. The focus areas are: food and provisions for families with minor children, medical aid for vulnerable groups, strengthening of social entities affected by the economic crisis and support of maritime education.

- We are committed to supporting local families through charitable donations channeled through the Holy Metropolis of Nikaia and the Holy Church of Virgin Mary of Nikaia. These religious institutions offer social welfare programs with the aim to provide goods and services to parishioners and local residents in need (located in the areas of Perama, Keratsini, Nikaia, Korydallos, Agia Varvara, Aegaleo and Haidari). For more than two decades, we have been assisting their mission in combating poverty.

- We are engaged in supporting the mission and activities of the Metropolitan Community Clinic of Helleniko through an ongoing monthly program for vaccinations for the uninsured, homeless and resourceless patients.

- We have established a stable co-operation with the non-profit charitable association 'Friends of the Child'. A special education teacher is now integrated in the educational program of the nursery in support of the children who are physically disabled, sensory impaired (i.e. deaf/blind), have speech and language difficulties such as dyslexia, have a mental disability such as autism, are emotionally vulnerable, have behavioral difficulties or have a combination of these disabilities. The educator provides assistance and support not only to the children but also to their parents.

- We provided domestic heating oil for the Model National Nursery of Kallithea, dedicated to the protection of children in need aged between 2,5 - 5 years old.

- We regularly support the Hellenic Police by making donations according to their needs (personal protection equipment, tactical equipment, office supplies etc).

7.1 | Achievements Summary

Compliance

- Zero incidents of non-compliance



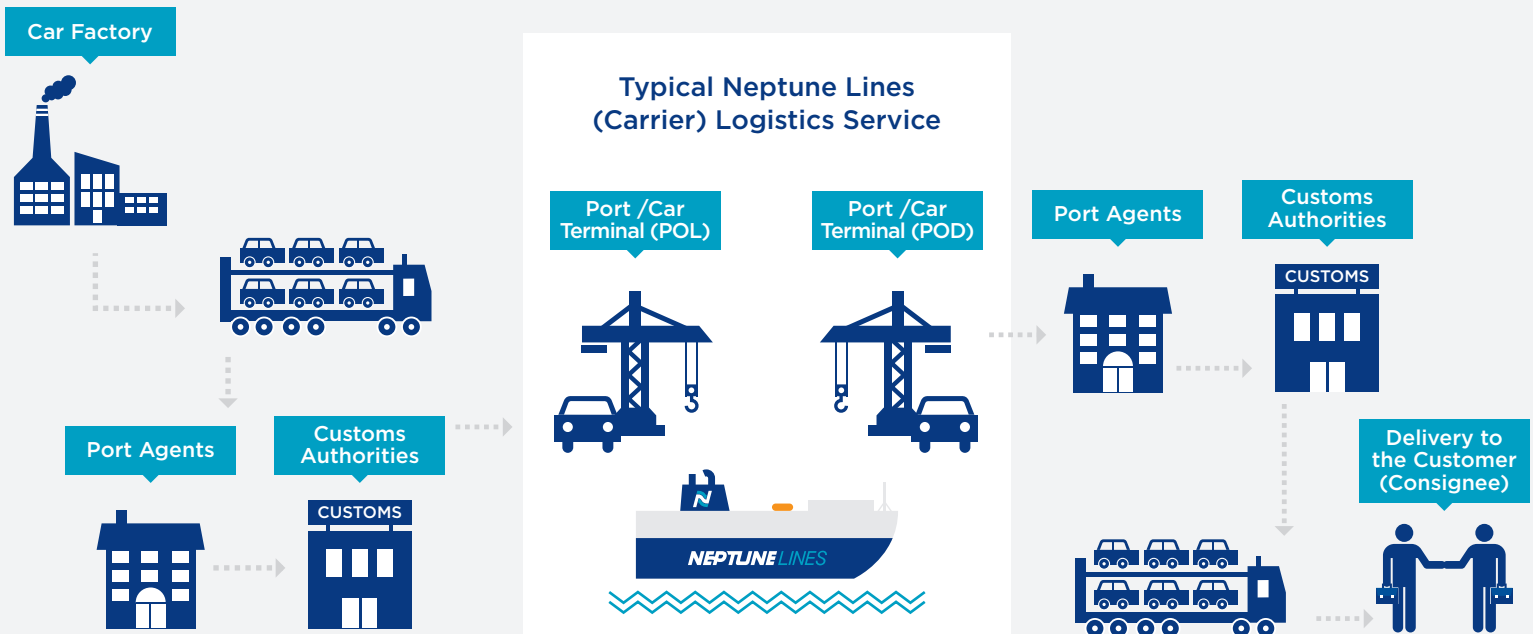
Anti- Corruption

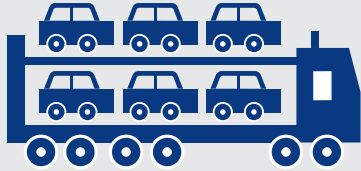
- Code of Conduct
- Zero incidents



7.2 | Neptune Lines Role in Supply Chain

NEPTUNE LINES ROLE IN SUPPLY CHAIN





Road Transport

Transportation of the units to the point of agreement



Customs Authorities

- Dealing with Logistics Service Providers, agencies & governmental bodies in order to fulfill all contractual and tax obligations
- Customs clearance process (customs broker)
- Authentication of documentation
- Verification of Cargo declaration



Port Agents

- Preparation of necessary documentation (Cargo documents e.t.c)
- Communication link among shipper - carrier - consignee
- Arrangements for smooth vessels' & cargo operations (ex. drivers, arrangements for special/heavy cargo e.t.c)
- Cargo & Entry Summary Declaration to the Customs



Port /Car Terminal

- Port Operations (Handling/Loading-Discharging)
- Facilities (ex. equipment, machinery)
- Surveying
- Pre-Delivery Inspection (at the POD)
- Washing
- Warehouse services (Short-term and long-term storage)



In many cases some of these operations/functions are performed by the **4PLs**

Neptune Lines has been serving the transportation needs of the international automotive industry for more than three decades. Customer relations are central to any marketing strategy. A fact all the more evident in the case of Neptune Lines, as it maintains long-term, fruitful relationships with most car and original equipment manufacturers, that are in themselves global companies with sophisticated value and supply chains, for whom time and quality of delivery is of extreme importance. For instance, Neptune Lines has been transporting SEAT vehicles since 1983. Furthermore, we are proud to have had the Renault Group on our client roster for the past 30 years. In fact, all top global manufacturers have been—or currently are—clients of Neptune Lines.

Customers are strategic partners for us and we are committed to providing them with a high-quality and continuously improving level of service. Long-term customer loyalty is an asset that derives not only from traditional relationships but from everyday effort, for every voyage and every transaction, no matter how big or small. This is the reliability and service delivery that ultimately leads to trust, the most coveted of our advantages in a highly competitive environment

7.3 | Anti-corruption and anti-competitive behavior

In Neptune Lines, we have a zero-tolerance policy toward bribery, fraud, money laundering

or abuse. Our anti-corruption policy demands of each business and each employee never to engage in bribery practices or offer, provide, accept, or promise, either directly or indirectly, any undue financial or other advantage to a public and/or private official for the purpose of obtaining any favorable treatment or business advantage. To ensure knowledge and awareness of corruption risks, we have conducted extensive training activities and implemented anti-corruption clauses in our contracts. Until now, there were no incidents of anti-corrupting behavior from our stakeholders that Neptune Lines is aware of.

In 2013, Neptune Lines created a Code of Conduct that applies to all its employees and suppliers. Neptune Lines ensures that clients, business partners and stakeholders are informed of the content of this Code of Conduct so that they may act in accordance. Any breach of this policy could result in disciplinary action being taken and ultimately could result in dismissal or civil and/or criminal sanctions.

7.4 | Compliance with human rights laws and regulations

Respecting human rights and ensuring compliance with international laws, standards, codes of conduct and our own business principles are non-negotiable to Neptune Lines. Our commitment to the respect of human rights is grounded in the Universal Declaration of

Human Rights, related covenants and the International Labor Organization's Declaration on Fundamental Principles and Rights to Work. Human Rights principles are also included in the UN Global Compact. We are publically committed to these principles, which we have integrated in the policies and processes of the company. Moreover, our Code of Conduct ensures compliance with all applicable laws or regulations. Until now, there were no incidents of non-compliance with laws and regulations from our stakeholders.

Our employees and those who do business with us around the world, know we are committed to earning their trust with a set of values that represent the highest standards of quality, excellence, compliance with the law and respect for the unique customs and cultures in communities where we operate.

We honor our responsibility to respect internationally-recognized human rights conventions. Respect is according to diverse values, individuality, and privacy of individuals, and no discrimination is tolerated against any sector in society (e.g. on grounds of gender, race, age, nationality, religion or disability). Wherever we operate in the world, we comply with applicable laws and regulations and respect local customs, culture and social mores.

Neptune Lines' overall performance is being monitored on a daily basis and corrective actions may be taken instantly to adjust our "sailing course" and achieve the targets set at the beginning of each year. During our annual Management Review meeting, we evaluate the effectiveness of our established Neptune Lines Management System and we set the goals for the next year to come.

Topic	Actions planned for 2014
Improved environmental performance	Delivery of two new building vessels within 2014, incorporating the latest environment-friendly technologies which will improve our environmental footprint.
Sustainability	To review existing policies and set the path for the implementation of UN Global Compact principles. Expected to be completed by the end of 2014.
Occupational Health and Safety (OHSAS 18001 Certification)	To incorporate all our fleet vessels to OHSAS certification. Expected to be completed by the end of 2014.
Employment	To maintain managers' and employees' workforce by gender at the same levels for 2014. Increase women employment onboard vessels by 5% for 2014.
Electronic Training & Education Program	To implement electronic training & education program onboard fleet vessels. Expected to be completed by the end of 2014. To increase average training hours per office employee by 5% for 2014.
Cargo quality	To maintain maritime damage ratio for cargo transported at less than 0.20% of the total transported cargo.
Anti-corruption & anti-competitive behavior training program	All office employees shall receive relevant training by the end of 2014.

OHSAS awareness program	All office employees shall receive relevant training by the end of 2014.
Minimization of environmental impact	<p>To reduce CO2 emissions by 0.5% for 2014.</p> <p>To reduce energy consumption by 2% till the end of 2015.</p> <p>To maintain zero waste disposal at sea for 2014.</p> <p>To maintain zero oil spills at sea for 2014.</p> <p>To reduce chemicals consumption by 5% for 2014.</p> <p>To reduce paper consumption by 10% for 2014.</p> <p>To maintain mean sulphur value at less than 2.7% for 2014.</p>
Minimizing injuries & illnesses	<p>To maintain LTIF at 1.9 incidents per million hrs for 2014.</p> <p>To maintain zero fatalities for 2014.</p>
Establish new CSR programs	To establish CSR programs related to local communities.
Combating poverty	To support local families through charitable donations.
Vaccination program for non-insured, homeless and resourceless patients	We are engaged in supporting the mission and activities of the Metropolitan Community Clinic of Helleniko through an ongoing monthly program for vaccinations for the non-insured, homeless and resourceless patients for 2014.
Support of non-profit charitable association "Friends of the Child"	A special education teacher will continue to be supported for 2014 in the educational program of the nursery in support of the children who are physically disabled, sensory impaired (i.e. deaf/blind), have speech and language difficulties such as dyslexia, have a mental disability such as autism, are emotionally vulnerable, have behavioral difficulties or have a combination of these disabilities.



Compliance Assurance Level GRI G4

This Sustainability Report of Neptune Lines is the first Report and covers the activities carried out by Neptune Lines during 2013. The Sustainability Report covers all activities performed at our premises in Greece and onboard our fleet vessels. The Centre for Sustainability and Excellence (CSE), assessed Neptune Lines Sustainability Report in accordance with the instructions of the GRI G4 and confirms that they are in compliance level “In Accordance - Core”.

Table of GRI.G4 Indicators – GRI Content Index for “In accordance – Core”

GENERAL STANDARD DISCLOSURES			
Indicator	Description	Page/Reference/Notes	External Assurance
Company Profile			
G4-1	Management statement	p. 03	No
Organizational Profile			
G4-3	Name of the reporting organization	Neptune Lines Shipping and Managing Enterprises S.A	No
G4-4	Primary brands, products, and/or services	p. 5-6, 9	No
G4-5	Location of organization’s headquarters	p. 4	No
G4-6	Countries where the organization operates	p. 10	No
G4-7	Ownership structure and legal form	p. 16	No
G4-8	Markets served	p. 9-10	No
G4-9	Scale of the organization	p. 9-10, 29	No
G4-10	Workforce profile	p. 30-31	No
G4-11	Employees covered by collective bargaining agreements	p. 30	No
G4-12	Organization’s supply chain	p. 36-37	No
G4-13	Significant organizational changes in the reporting period	p. 9-10	No

G4-14	Application of the precautionary principle	p. 17	No
G4-15	Voluntary support for external economic, environmental and social charters or initiatives	p. 17	No
G4-16	Memberships in associations and Advocacy organizations	p. 17	No
Identified Material Issues and Boundaries			
G4-17	List of entities included in the organization's consolidated financial statements	p. 4	No
G4-18	Process for defining report content	p. 18-19	No
G4-19	Material Issues	p. 18	No
G4-20	Issues, boundaries and limitations within the organization	p. 19	No
G4-21	Issues, boundaries and limitations outside the organization	p. 19	No
G4-22	Explanation of the reasons for re-stating information provided in earlier reports	This is the first Sustainability Report of Neptune Lines, p. 4	No
G4-23	Changes from previous reports	This is the first Sustainability Report of Neptune Lines, p. 4	No
Stakeholder Engagement			
G4-24	Stakeholder groups engaged by the organization	p. 12	No
G4-25	Stakeholder identification	p. 12-13	No
G4-26	Approaches to stakeholder engagement	p. 14-15	No
G4-27	Topics raised by stakeholders	p. 14-15	No

Report Profile			
G4-28	Reporting period	p. 4	No
G4-29	Most recent previous report	This is the first Sustainability Report of Neptune Lines	No
G4-30	Reporting cycle	Annual	No
G4-31	Contact point for questions	p. 4	No
G4-32	Location of the Standard GRI Disclosures	p. 4, 42	No
G4-33	External Assurance	p. 42	No
Governance			
G4-34	Corporate governance structure	p. 16	No
Ethics and Integrity			
G4-56	Corporate policies, mission and values statements related to sustainability	p. 8, 17	No
SPECIFIC STANDARD DISCLOSURES			
Material Aspects	Description	Page/Reference /Notes	External Assurance
Category: Environmental			
Energy			
DMA		p. 23-24	No
G4-EN3	Energy Consumption within the organization	p. 23-24	No
G4-EN6	Reduction of energy consumption	p. 23	No
G4-EN7	Reduction in energy requirements of products and services	p. 23	No
Emissions			
DMA		p. 21	
G4-EN15	Direct greenhouse gas emissions	p. 21-22	No
G4-EN16	Indirect greenhouse gas emissions	p. 21-22	No

G4-EN18	Greenhouse gas emissions Intensity	p. 21-22	No
G4-EN19	Reduction of greenhouse gas emissions	p. 22	No
Effluents & Waste			
DMA		p. 24	
G4-EN22	Total water discharges by quality and destination	p. 24	No
G4-EN23	Total weight of waste by type and disposal method	p. 24-26	No
G4-EN25	Quantity of hazardous solid waste	p. 26	No
Compliance			
DMA		p. 28	
G4-EN29	Significant fines and sanctions for non-compliance with environmental laws	p. 28	No
Overall			
DMA		p. 27-28	
G4-EN31	Total environmental protection expenditures and investment type	p. 27-28	No
Category: Social			
Employment			
DMA		p. 29	
G4_LA1	Total number and rates of new employee hires and employee turnover	p. 31	No
G4-LA2	Benefits provided to full-time employees	p. 31	No
Occupational Health & Safety			
DMA		p. 32	
G4-LA6	Occupational injuries and lost day rates	p. 32	No
Training and Education			
DMA		p. 33	

G4-LA9	Average hours of training per year, per employee	p. 33	No
G4-LA10	Programs for skills management and lifelong learning	p. 33	No
Equal Remuneration for Women and Men			
DMA		p. 34	
G4-LA13	Ratio of basic salary and remuneration of women to men	p. 34	No
Child Labor			
DMA		p. 34	
G4-HR5	Operations and suppliers identified as having significant risk of child labor and measures taken	p. 34	No
Forced or Compulsory Labor			
DMA		p. 34	
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor and measures taken	p. 34	No
Local Communities			
DMA		p. 34	
G4-SO1	Impacts on local communities	p. 34	No
Anti-corruption			
DMA		p. 17, 38	
G4-SO5	Confirmed incidents of corruption and actions taken	p. 38	No
Anti-competitive behavior			
DMA		p. 38	
G4-SO7	Legal actions for anti-competitive behavior	p. 38	No
Compliance			
DMA		p. 38	
G4-SO8	Significant fines for non-compliance with laws and regulations	p. 38	No

The United Nations Global Compact incorporates ten fundamental principles relating to human rights, labor rights, environmental protection and anti-corruption. We are committed to these principles, which we have integrated in the policies and processes of the company. Neptune Lines Sustainability Report 2013 contains information relating to our social and environmental practices and the outcomes thereof, which underline our commitment to the Global Compact. The following chart lists the compliance of Neptune Lines with the ten Global Compact Principles, by making reference to the relevant chapters of the Sustainability Report 2013, and to the GRI indicators taken into account in compiling the Report.

The ten Principles of the Global Compact		Reference in the Sustainability Report or Description of the Implementation Approach	GRI Indicator (G4)
Human Rights			
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	Compliance with human rights laws and regulations Employment	G4-SO7, G4-SO8
Principle 2	Businesses should make sure that they are not complicit in human rights abuses	Compliance with human rights laws and regulations Employment	G4-SO7, G4-SO8
Labour			
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining		
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor	Child Labor and forced or compulsory labor	G4-HR6
Principle 5	Businesses should uphold the effective abolition of child labor	Child Labor and forced or compulsory labor	G4-HR5
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Equal Remuneration for women and men	G4-LA13
Environment			
Principle 7	Businesses should support a precautionary approach to environmental challenges	Environmental Performance	G4-EN3, G4-EN6, G4-EN15, G4-EN16, G4-EN18, G4-EN22, G4-EN23, G4-EN29
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility	Environmental Performance	G4-EN3, G4-EN6, G4-EN15, G4-EN16, G4-EN18, G4-EN22, G4-EN23, G4-EN29
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies	Environmental Performance	G4-EN7, G4-EN19, G4-EN25
Anti-corruption			
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Anti-corruption and anti-competitive behavior Code of Conduct	G4-SO5, G4-SO7

This Sustainability Report was created with the support of CSE.





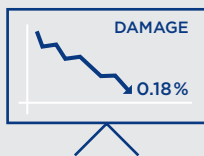
- The youngest and among the largest Vehicle Carrier fleets in the Mediterranean and the Black Sea incorporating latest technology developments.



- “Leaders of Tomorrow”, 2013, award by Automotive Supply Chain Global Awards.
- “Shipping Company of the Year”, by Automotive Supply Chain Global Awards.



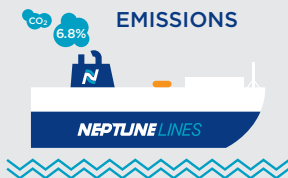
- 800.000 finished vehicles transported during 2013.



- Achieved 0.18% Maritime Damage Ratio over the total transported work.



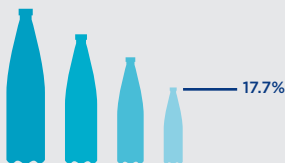
- “Zero waste disposal at sea” policy.



- 6.8% reduction of CO₂ emissions since 2010.



- 13.09% reduction on energy used onboard and at company premises since 2011.



- 17.7% reduction on plastics generation for 2013.

