

PRESS RELEASE

BCG and Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping co-develop publicly available Playbook enabling shipping companies to build robust ESG strategies

Copenhagen, 8 February 2023

Today, Boston Consulting Group (BCG) and the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping launch the ESG Playbook for Shipping. The Playbook combines BCG's globally recognized expertise in consulting services with the Center for Zero Carbon Shipping's industry leading research capabilities in maritime decarbonization to empower shipping companies with the tools to navigate the ESG landscape and develop future-proof ESG strategies. The guide covers concrete recommendations on how to identify focus areas that generate value, set targets, implement best practice initiatives, and ensure organizational readiness.

Speaking on the launch of the Playbook, Bo Cerup-Simonsen, Chief Executive Officer at Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping, said:

"We have co-developed this playbook with BCG to provide guidance and support to ship owners across segments on creating focused, actionable, and ambitious ESG strategies. ESG compliance can drive commitment and action towards decarbonization and help shipping companies meet the rising request from customers and investors to deliver on environmental, social, and governmental practices. Acting sustainably is increasingly becoming a license to operate and we hope that by providing this guidance, we can make it easier for more shipping companies to develop and act on solid ESG strategies. Stronger commitment will also provide the transparency across the industry we need to track progress towards a more sustainable maritime sector."

Peter Jameson, Partner and BCG's global lead on maritime sustainability and decarbonization, added:

"The ESG Playbook will help shipping companies create clarity about where to start and how ESG can create sustainable growth in the industry. Those who do not act are leaving value on the table and will face mounting pressure from the entire shipping ecosystem, including customers and regulators, to act. They are at risk of deteriorating their current value by facing unmitigated risks while others unlock new value pools from ESG. We call this the ESG imperative and we want to help companies get it right by applying the ESG Playbook."

The publicly available Playbook was piloted with Navigator Gas, a gas carrier company operating around 60 vessels globally. Speaking on the pilot, Mads Peter Zacho, CEO of Navigator Gas, said:

"The Playbook has been key in developing a clear roadmap across initiatives and targets. Our organization is now equipped to reach our decarbonization and sustainability commitments."

The shipping industry contributes 3% of worldwide greenhouse gas emissions, equivalent to the annual CO₂ emissions of Germany, the sixth biggest emitter by country. A fact that underlines the vital need to change. The challenges are evident in the numbers: only 46% of the largest shipping companies have made pledges in line with IMO or net-zero commitments. In addition, there is limited sustainability reporting of ESG metrics—only 41% have GHG and sustainability reporting compared with 56% in the oil and gas industry.

The business landscape is rapidly changing on ESG. New regulation has been passed such as the inclusion of shipping in the EU's Emission Trading Scheme (ETS), the IMO's EEXI and CII ratings, and CSRD-mandated ESG disclosures. Customers are increasingly willing to pay a green premium and many investors are looking to divest from carbon intensive assets without a clear decarbonization strategy. To navigate the changing landscape and capture ESG value pools, while mitigating key risks, it's best to have a structured and proven approach. The Playbook embodies such an approach and is developed to assist shipping companies of all sizes on their ESG journey.

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About Boston Consulting Group (BCG)

Boston Consulting Group partners with leaders in business and society to tackle their most important challenges and capture their greatest opportunities. BCG was the pioneer in business strategy when it was founded in 1963. Today, we work closely with clients to embrace a transformational approach aimed at benefiting all stakeholders - empowering organizations to grow, build sustainable competitive advantage, and drive positive societal impact.

Our diverse, global teams bring deep industry and functional expertise and a range of perspectives that question the status quo and spark change. BCG delivers solutions through leading-edge management consulting, technology and design, and corporate and digital ventures. We work in a uniquely collaborative model across the firm and throughout all levels of the client organization, fueled by the goal of helping our clients thrive and enabling them to make the world a better place.

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About the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping

The Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping (MMMCZCS) is an independent, not-for-profit research and development center established in 2020 with funding from the A.P. Møller Foundation. Our purpose is to guide and accelerate decarbonization of the global maritime industry.

This complex challenge requires unprecedented collaboration across sectors, industries, and geographies. Working with our partners, governments, authorities, public sector bodies, scientists, and organizations across the global maritime industry we aim to inform, de-risk decision-making, and spark real climate action.

We are technology agnostic and have no vested interest in specific decarbonization solutions. We explore free of commercial considerations and independent of partner strategies. As a result, we deliver independent analyses of how the transition is progressing and offer clear, data-driven recommendations for accelerating maritime decarbonization. Furthermore, we are maturing solutions to the most pressing problems across the maritime value chain, from fuels to onboard solutions, regulations, and financing.

Strategic Partners to the Center include: Alfa Laval, American Bureau of Shipping, A.P. Møller - Maersk, bp, Cargill, CF Industries, Equinor, DP World, Hapag-Lloyd, MAN Energy Solutions, Mitsubishi Heavy Industries, Mitsui, NORDEN, NYK Line, Rio Tinto, Royal Caribbean Group, Seaspan Corporation, Siemens Energy, Stolt Tankers, Sumitomo Corporation, Swire Group, Topsoe, TotalEnergies and V.Group.

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