November 15, 2018

Ocean Network Express Pte. Ltd.

A.P. Moller – Maersk, CMA CGM, Hapag-Lloyd, MSC and Ocean Network Express plan to establish container shipping association

15th November 2018 – Singapore – *Ocean Network Express announces that five container shipping companies intend to create an association with the purpose of paving the way for digitalization, standardization and interoperability in the container shipping industry.*

IT executives from A.P. Moller – Maersk, CMA CGM, Hapag-Lloyd, MSC and Ocean Network Express are currently discussing the creation of common information technology standards which shall be openly available and free of charge for all stakeholders of the wider container shipping industry.

"It's in the customers' and all stakeholders' best interest, if container shipping companies operate with a common set of information technology standards", says André Simha, CIO of MSC and spokesperson of the group.

"We are striving for less red tape and better transparency. The timing is right, as emerging technologies create new customer friendly opportunities. Together, we gain traction in delivering technological breakthroughs and services to our customers compared to working in our own closed silos", he adds.

A need for a neutral and non-profit association

Whilst the shipping industry already has multiple organizations and associations, the members of the group identified a need for a neutral and non-profit body for ocean carriers that is driven by delivering benefits for the industry and its stakeholders.

"That is why we will also welcome new members with open arms to join the association", Simha concludes.

The association has no intent of developing or operating any digital platform, but aims to ensure interoperability through standardization. Similarly, the association will not discuss any commercial or operational matters.

Fact box: Participants of discussions
- A.P. Moller - Maersk: Adam Banks, Chief Technology & Information Officer
- CMA CGM: Madhana Kumar, Vice President, Transformation, Data & Digital
- Hapag-Lloyd: Martin Gnass, Managing Director Information Technology
- MSC Group: André Simha, Chief Information Officer
- Ocean Network Express: Noriaki Yamaga, Managing Director, Corporate & Innovation

Fact box: About the plans
- To establish a neutral and non-profit association
- Purpose is to pave the way for digitalization and standardization in the industry
- All ocean carriers are invited to join the association once it is established
- A.P. Moller – Maersk, CMA CGM, Hapag-Lloyd, MSC and ONE intend to become members
- Operating as from early 2019 (Subject to any applicable regulatory requirements)
- The association will comply with all legal and regulatory requirements

Statements from the container shipping companies

- *Digital is key* **for A.P. Moller – Maersk** *in delivering on our strategy to become an integrated container logistics company that offers simple, end-to-end services with seamless customer experience. A joint set of technical standards will ensure interoperability and enable all parties to concentrate on value adding differentiation as we move the container shipping industry towards further digitalization. Ultimately this will benefit all parties in our customers' supply chains",* says Adam Banks, Chief Technology & Information Officer, A.P. Moller – Maersk.

- *"***CMA CGM** *is always looking for best practices and standards to support the innovation and digital strategy of the company. Being a founding member will enable us to work together on setting the standards for digitization of the entire industry,"* says Rajesh Krishnamurthy, Executive Vice President IT & Transformations, CMA CGM.

- *"***Hapag-Lloyd** *welcomes the creation of this association as we firmly believe that the challenges of the future can only be tackled with a common approach. While we remain competitors in the markets, together we will manage to shape the future of our industry*," says Martin Gnass, Managing Director Information Technology, Hapag-Llyod.

- *"***MSC** *believes that we've reached the point in the carrier world where we need something that is common, open and done in the framework of a neutral and non-profit association. By collaborating on standardized solutions, we think that's the best way to respond to shippers' demands for technology and innovation, thus shaping the future of the shipping industry,"* says Andre Simha, Chief Information Officer, MSC.

- *"***Ocean Network Express** *sees a wave of innovation technology development in shipping and logistics industry over the recent years which can bring good opportunity to the whole industry for digital transformation. But, at the same time, we're a little bit cautious about adopting new technology by individual company since there is no common standard in the market which may be ending up with re-integrating work among all stakeholders in the supply chain. With this mind, we feel it would be necessary to do some discussion and collaboration on the area of new technology and innovation to establish common IT standard and governance for the industry to streamline and digitize shipping process in a modern way. In the end, we believe this style of collaboration can bring value and opportunity to our customers as well as logistics companies, leading shipping and logistics industry to new ecosystem of digital supply chain,"* says Noriaki Yamaga, Managing Director, Corporate & Innovation, Ocean Network Express.