



WALLENIUS WILHELMSSEN
LOGISTICS

Wallenius Wilhelmsen Logistics

Delivering a Sustainable Future

Environmental
Sustainability
Report

2010

Delivering Value



At Wallenius Wilhelmsen Logistics, we believe that the best way to reduce environmental risk and cost is to be an environmental forerunner. To remain true to this course, our daily activities are guided by a 5-part strategic environmental framework:

- We focus on high impact changes.
- We hold ourselves accountable and transparent in our environmental commitments.
- We exceed our responsibilities for environmental performance.
- We invest in future technologies.
- We cultivate partnership with stakeholders to develop sustainable solutions.

This report details the results of this framework over the past year, and declares our commitment to the 10 principles of the U.N. Global Compact.

We are committed to the notion that a sustainable supply chain means minimal environmental impacts and risks, and that progress and accountability require that we declare our objectives and measure our performance.

In the coming decade, multiple international and regional environmental regulations affecting the shipping industry will come into effect. By preparing ourselves, our partners and our customers for the changes ahead, together we will develop the innovative and sustainable services you have come to expect from us.

A handwritten signature in blue ink, which appears to read "Arild B. Iversen". The signature is fluid and cursive, written over a light blue background.

Arild B. Iversen, CEO
Wallenius Wilhelmsen Logistics

Highlights

1. **Reduced CO₂ emissions in g/tkm**
2. **Castor Green Terminal & Processing Centre launched**
3. **Became first in industry to certify CO₂ emissions from ocean transport towards the Greenhouse Gas Protocol and ISO 14064 standards**
4. **Adopted *Forerunner 2020*, our new environmental strategy and framework**
5. **Established an Energy Efficiency Working Group**



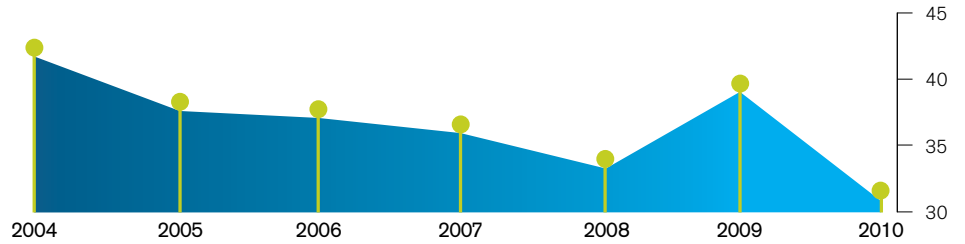
Our commitment to sustainability, in good times and bad, has delivered steady and strong results.

Delivering Results

As a forerunner, we believe in setting goals, tracking performance and delivering results. Reducing emissions from our ocean fleet is the single greatest way to improve our environmental performance. To achieve this, we operate our vessels with low-sulphur fuel at sea and use fuel with lesser sulphur content for auxiliary engines at berth. Our new buildings and retrofits focus on more fuel-efficient design and equipment that reduces environmental impacts.

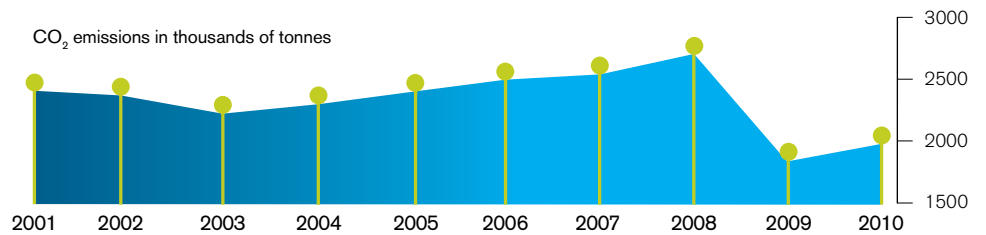
CO₂ Emissions in grams/tonne km

Relative CO₂ emissions per tonne carried per kilometre were reduced by 21% compared to 2009 as a result of improved utilization and reduced daily fuel consumption.



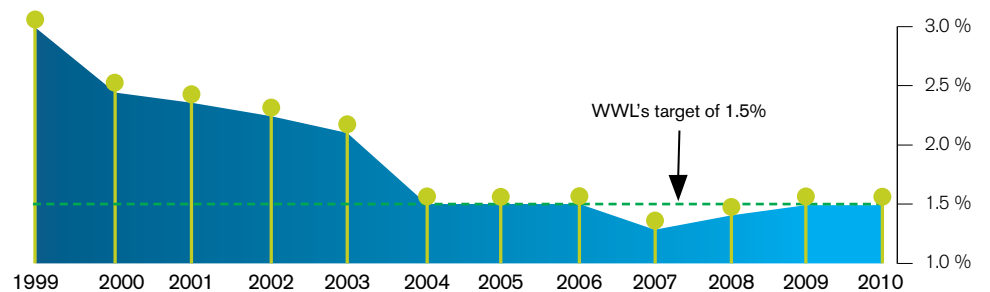
CO₂ Emissions in total tonne

Total tonne of CO₂ emissions increased by 7% based on increased transport work in 2010 versus 2009.



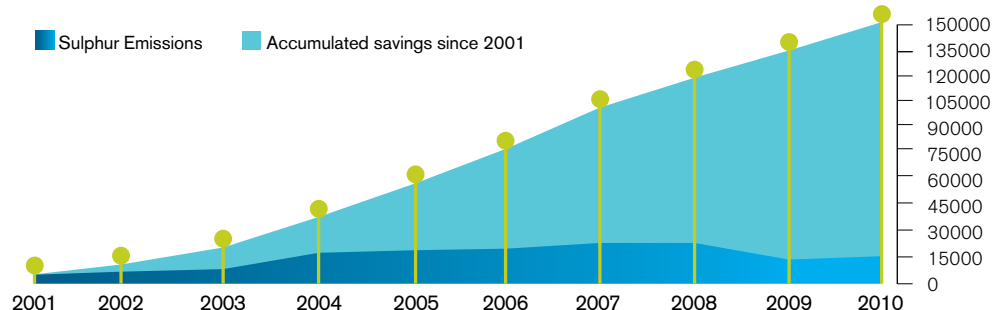
Average Global Sulphur Content

For the 7th year in a row, we have kept the average global sulphur content of bunker fuel below 1.5%.



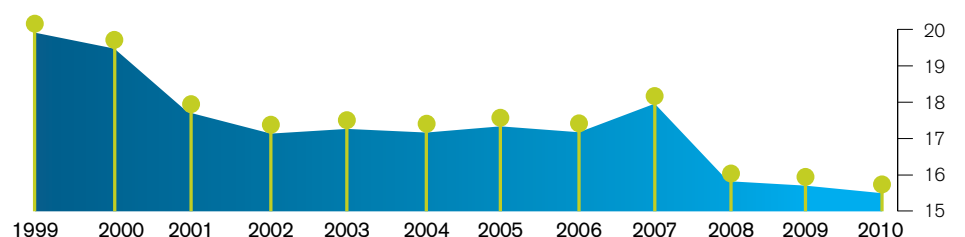
Sulphur Emissions Savings Compared to industry average sulphur in fuel

Our 1.5% global low sulphur fuel policy has saved 151,000 tonne of sulphur being emitted over the 10 years.



NO_x Emissions in grams/kilowatt hour

Relative NO_x emissions in g/kWh remained constant as no new NO_x reduction installations were made.



Delivering on Land

The Castor **Green Terminal**

In 2010, we unveiled the Castor Green Terminal, extending WWL's zero emissions ambition from the ocean to our land-based activities.

The Castor Green Terminal integrates terminal, processing and distribution activities into one site, enabling truly optimised supply chains while eliminating CO₂ and other harmful emissions from terminal and processing activities.

We believe that the Castor Green Terminal will make sustainable intermodal solutions not only viable but preferred by our customers and all those who participate in port activities.

The Green Zone

This past year WWL launched The Green Zone, an innovation challenge to employees that generated nearly 200 proposals for reducing emissions at our terminal and processing facilities.

The entries ranged from small practical improvements to larger investment initiatives, and all had to yield both environmental benefits and financial savings.

Highlights of the winning proposals include:

- Yard operations, Thailand: Solar power for outdoor truck traffic and security lighting.
- Processing Centre, Australia: Installation of solar panels.
- Processing Centre, USA: Installation of automated lighting controls and management.
- Processing Centre, Germany: Reduced energy consumption with new illumination system.

The winning ideas will be implemented and incorporated as a best practice in *Way of Working*, WWL's global industrial management system and tool for constant improvement.

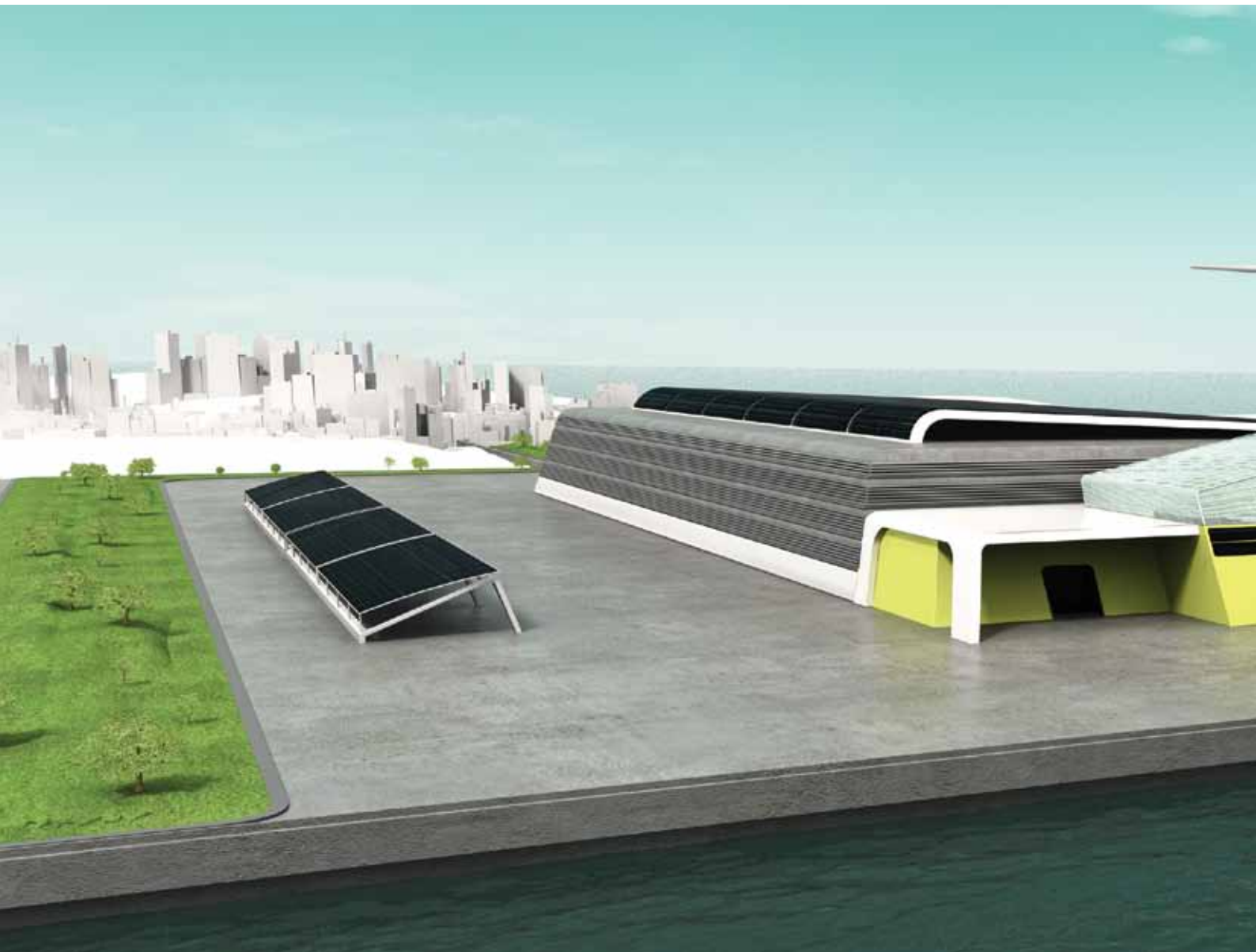
The Castor Beaver

The castor, more commonly known as the beaver, lives throughout North America, Europe and Northern Asia. Well known for its laborious and industrious lifestyle, the castor's daily work overlaps the traditional divide between water and land.

Thus, the busy castor is an admirable and logical namesake for our zero emissions green terminal and processing site.



» WELCOME TO THE FUTURE



2020: The Castor Green Terminal



FUTURE OF LOGISTICS



The Castor Green Terminal will reduce CO₂ emissions and waste, and optimise Factory to Dealer supply chains by reducing environmental risks and impacts.

Delivering at Sea

E/S Orcelle **The Green Flagship**

First unveiled back in 2005, the Orcelle still plays a pivotal role at WWL, serving as a source of continual inspiration that guides our work towards a zero emissions future.

The vessel utilizes fuel cells while harnessing wind, solar and wave energy for her power, eliminating the need for oil or ballast water. A car-carrier exactly like this might never be built, but the Orcelle is already influencing how we design and operate our next generation of vessels.

Orcelle Grants

Every year, WWL awards Orcelle Grants to clean tech entrepreneurs working on energy efficient technologies for commercial ocean vessels, and marine terminal & processing facilities.

This focus reflects WWL's own research and development of the E/S Orcelle, a zero emissions concept vessel, and the Castor Green Terminal, a zero emissions terminal and cargo processing centre.

2010 Orcelle Grant Winner

Mr. Marcello Segato of Milan-based Seagate Commercial Marine is developing collapsible delta sail technology to harness wind power for large commercial ships. In 2011, a demonstration system is scheduled to be installed on a small vessel, a key milestone towards market-readiness.



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Delivering Innovative Solutions



About WWL

4.3 million units transported last year;
1.8 million by sea and 2.5 million inland

11 terminals worldwide handled 3 million units

50 Processing Centres processed 4 million automotive and rolling equipment units

60 modern car carriers and RoRo vessels in operation, servicing 13 trade routes to six continents.

3,500 employees worldwide

Owned by Wallenius Lines of Sweden and Wilh. Wilhelmsen of Norway

Main Offices

Global Headquarters, Lysaker, Norway
Region Europe, Stockholm, Sweden
Region Americas, Woodcliff Lake, NJ, USA
Region Asia, Tokyo, Japan
Region Oceania, Sydney, Australia

Recognition

Toyota Logistics Services Award for Quality Service & Performance

Top Ocean Carrier, Logistics Management's Quest for Quality Awards

Monozukuri Award, Nissan North America

Lloyds List DCN Environmental Commendation



**WALLENIUS WILHELMSSEN
LOGISTICS**

More information

For additional information about WWL's environmental policies and framework, contact Melanie Moore, Vice President Environment, by email: melanie.moore@2wglobal.com.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

WE SUPPORT

We welcome feedback on its contents.



Information integrity

Wallenius Wilhelmsen Logistics believes that this report accurately represents our company's environmental activities beginning January 1, 2010, and ending December 31, 2010.

Information verification

Det Norske Veritas AS (DNV) has conducted a limited assurance third-party verification of the direct greenhouse gas (GHG) emissions from WWL Ocean Transportation in 2010.

During the verification, nothing has come to our attention that causes us to believe that the GHG emissions set out in the WWL Ocean Transportation GHG Inventory for 2010 and published in the 2010 Environmental Sustainability Report are not fairly stated.

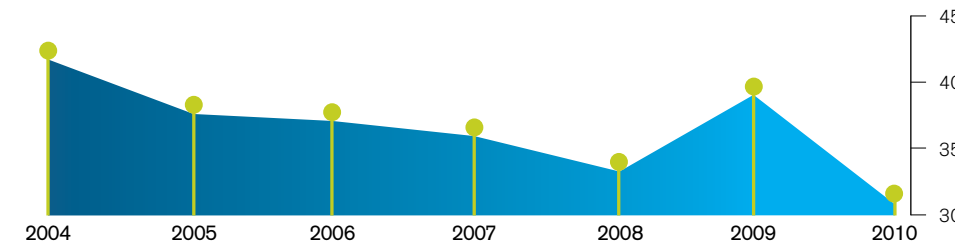


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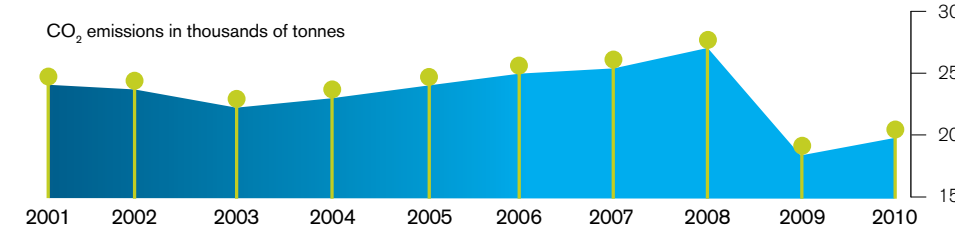
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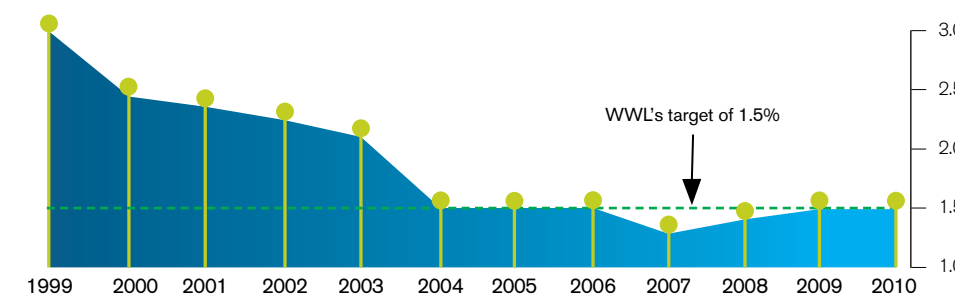
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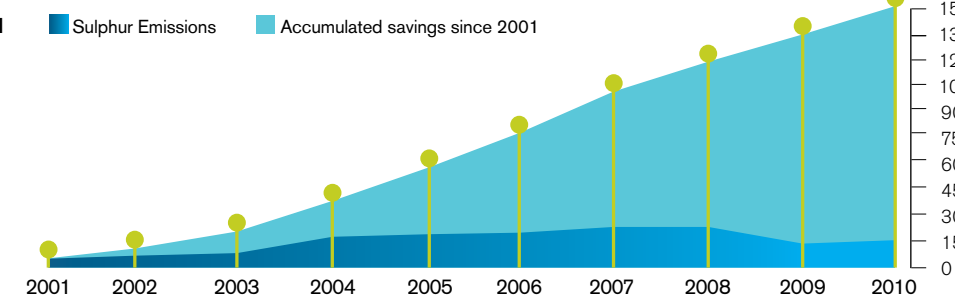
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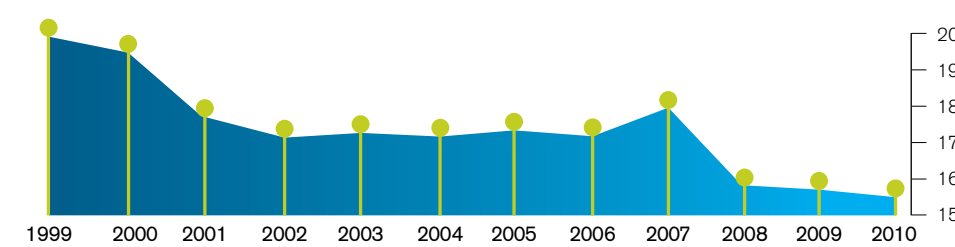
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Performance data for land-based activity is at www.2wglobal.com/esr

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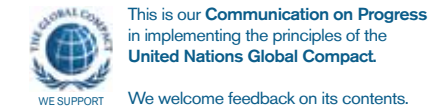
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