

MSC AND FINCANTIERI ANNOUNCE THE CONSTRUCTION OF TWO NEXT GENERATION EXPLORA JOURNEYS HYDROGEN-POWERED CRUISE SHIPS WITH INDUSTRY FIRST FEATURES

- *New generation technologies on board EXPLORA V and VI will tackle methane slip issue effectively and allow for zero emissions operations while in port*
- *Explora Journeys fleet to now comprise six ships: EXPLORA III, IV, V and VI will all be LNG-powered, with the latter two also being hydrogen-powered*

Geneva, Switzerland/Trieste, Italy – July 6, 2022 – Explora Journeys, the luxury travel brand of the Cruise Division of MSC Group, and Fincantieri, one of the world’s largest shipbuilding groups, today announced the signing of a memorandum of agreement (MOA) for the construction of an additional two hydrogen-powered luxury cruise ships to take the total fleet number from four to six vessels.

EXPLORA V and VI will feature a new generation of liquefied natural gas (LNG) engines that will tackle the issue of methane slip and will also be equipped with industry first environmental technologies and solutions, including a containment system for liquid hydrogen that will enable them to use this promising low-carbon fuel. Hydrogen fuel will power a six-megawatt fuel cell to produce emissions-free power for the hotel operation and allow the vessels to run on ‘zero emissions’ in port, with the engines turned off.

The two newbuilds will come into service in 2027 and 2028, respectively.

Explora Journeys also said that the previously announced vessels EXPLORA III and IV will now be powered by LNG. The two ships will be enlarged by 19 metres to enable the installation of a new generation system based on LNG and hydrogen. This has provided an opportunity to enhance the mix of suites with an increased number of spacious and luxurious Ocean Residences and larger public spaces, which offer a true sense of being at home at sea.

Pierfrancesco Vago, Executive Chairman of the Cruise Division of MSC Group, said, *“Explora Journeys is building ships for tomorrow, utilising today’s latest technologies and being ready to adapt to alternative energy solutions as they become available. The announcement today marks another significant step forward in our goal as a business to reach net zero emissions by 2050 across all our cruise operation for the two brands and a further proof of our commitment to invest in the most advanced marine environmental technologies available to develop sustainable solutions for the future. This transition to zero emissions operations for the maritime industry is the biggest challenge that we will ever face, and this will only be achieved by everyone playing their part – by investing in research and development and through significant investment both by companies but also governments.”*

LNG is currently the cleanest marine fuel currently available at scale and it virtually eliminates local air pollutant emissions like sulphur oxides (99 per cent), nitrogen oxides (85 per cent) and particles (98 per cent). In terms of emissions with a global impact, LNG plays a significant role in climate change mitigation with the engines having the potential to reduce CO₂ emissions by up to 25 per cent compared to standard marine fuels. In addition, with the increasing availability of bio and synthetic forms of LNG in the future, this energy source will provide a pathway toward eventual decarbonised operations.

The two additional ships covered under today's MOA will bring Explora Journeys' investment in its fleet to €3.5 billion. This includes an additional €120 million each for fitting EXPLORA III and IV with LNG engines, a change that required a temporary halt of work due to the significant redesign of the ships, which will now be delivered in 2026 and 2027.

Michael Ungerer, Chief Executive Officer, Explora Journeys, added, *"These bold moves to amend our construction plans, make significant additional investment in current orders and confirm orders for two more vessels with new technology despite the economic environment are something only a family company can do. This also demonstrates unequivocally our absolute commitment to operate ships that will appeal and attract the next and future generations of luxury travellers. Sustainability is the new craftsmanship and we're honoured to take a pioneering position within the industry and the wider travel sector"*.

Pierroberto Folgiero, Chief Executive Officer of Fincantieri, commented: *"This is the very first major agreement for new construction after the pandemic emergency and testifies not only to the further growth of our long-standing partnership with MSC, which we thank, but also the confidence of both groups in the future of the cruise industry. These ships will allow us to implement cutting-edge technologies aimed at significantly improving environmental performance, laying the foundations for further developments"*.

Folgiero concluded: *"We are convinced that sustainability is a key factor to ensure our growth in the medium and long term. We will continue to act with determination to be forerunners in a sector that has always seen us hold leadership positions"*.

All six ships in Explora Journeys' fleet will be equipped with the latest environmental and marine technologies and will also feature the latest selective catalytic reduction technology to enable a reduction of nitrogen oxide emissions by 90 per cent, be equipped with shore power plug-in connectivity to reduce emissions in port and fitted with underwater noise management systems to help protect marine life. All six vessels will also have a comprehensive range of onboard energy efficient equipment to optimise engine use to further reduce emissions."

The signing of the contract relating to the MoA will be subject to access to financing, as per industry practice.

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About the Cruises Division of MSC Group

The Cruises Division of MSC Group, the leading privately held Swiss-based shipping and logistics conglomerate with over 300 years of maritime heritage, is headquartered in Geneva, Switzerland, and has two distinct brands within its structure - the contemporary and luxury brands.

MSC Cruises, the contemporary brand, is the world's third largest cruise brand as well as the leader in Europe, South America, the Gulf region and Southern Africa with more market share in addition to deployed capacity than any other player. It is also the fastest growing global cruise brand with a strong presence in the Caribbean, North America and the Far East markets.

Its fleet comprises 19 modern vessels combined with a sizeable future global investment portfolio of new vessels and is projected to grow to 23 cruise ships by 2025 with options for six more vessel orders in place through 2030.

MSC Cruises offers its guests an enriching, immersive and safe cruise experience inspired by the Company's European heritage, where they can enjoy international dining, world-class entertainment, award-winning family programmes and the very latest user-friendly technology on board. To learn more about contemporary brand's itineraries and experience on board its ships please see [here](#).

Meanwhile the luxury brand, Explora Journeys, is set to start operating in 2023 with a fleet with the latest and most advanced environmental and maritime technologies available. The first of which will have a gross tonnage of 63,900 GT and feature 461 of the largest suites at sea, all with ocean front balconies or terraces. These luxury ships will introduce to the luxury segment a broad range of new guest experiences and other activities as well as generous ratios of public spaces, in addition to showcasing highly innovative design. For further information about Explora Journeys please see [here](#).

MSC's number one priority across all its operations has always been the health and safety of its guests and crew, as well as the communities at the destinations its ships serve. In August 2020, MSC Cruises implemented a new comprehensive and robust health and safety protocol to become the first major line to return to sea. To learn more about MSC Cruises' health & safety protocol please see [here](#).

MSC has long been committed to environmental stewardship with a long-term goal to achieve net zero emissions for its operations by 2050. The Company is also a significant investor in next-generation environmental marine technologies, with the objective to support their accelerated development and availability industry-wide. To learn more about the Company's environmental commitment please see [here](#). Finally, to learn more about the MSC Foundation, MSC Group's own vehicle to lead, focus and advance its conservation, humanitarian and cultural commitments please see [here](#).

About Explora Journeys

Explora Journeys is the privately-owned luxury lifestyle brand of the MSC Group, headquartered in Geneva, Switzerland, created at the heart of Swiss luxury hospitality. The brand stems from the long-held vision of the Aponte-Vago family to redefine the ocean experience for a new generation of discerning luxury travellers, drawing on the Aponte family's 300 years of maritime heritage. The brand's aspiration is to create a unique 'Ocean State of Mind' by connecting guests with the sea, with themselves, and like-minded people, while remarkable itineraries will blend renowned destinations with lesser-travelled ports, for a journey that inspires discovery in all its forms.

A fleet of six ships, two of which are under construction, will be launched from 2023 to 2028. Equipped with the latest environmental and marine technologies, Explora Journeys will introduce a new style of transformative ocean travel. When EXPLORA I sets sail in May 2023, she will offer 461 oceanfront suites, penthouses and residences designed to be 'Homes at Sea' for our guests, all with sweeping ocean views, private terrace, a choice of nine distinct culinary experiences, ten indoor and outdoor bars and lounges, four swimming pools, extensive outdoor decks with private cabanas, wellness facilities, and refined entertainment. Inspired by the company's European heritage, Explora Journeys will provide guests with an immersive ocean experience respectful and intuitive hospitality.

To learn more about Explora Journeys, visit explorajourneys.com or follow us on Instagram, Twitter, Facebook and LinkedIn.

Fincantieri is one of the world's largest shipbuilding groups, the only one active in all high-tech marine industry sectors. It is leader in the construction and transformation of cruise, naval and oil & gas and wind offshore vessels, as well as in the production of systems and component equipment, after-sales services and marine interiors solutions. Thanks to the expertise developed in the management of complex projects, the Group boasts first-class references in infrastructures, and is a reference player in digital technologies and cybersecurity, electronics and advanced systems. With over 230 years of history and more than 7,000 ships built, Fincantieri maintains its know-how, expertise and management centres in Italy, here employing 10,000 workers and creating around 90,000 jobs, which double worldwide thanks to a production network of 18 shipyards operating in four continents and with over 20,000 employees.

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