Settling in at “Bryghuset”

Extensive report on the first working day at NORDEN’s new headquarters.
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Second best in the world – once again
For the fourth year running, NORDEN rates among the best in terms of financial performance.
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Basis for growth
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What drives the shipping business is ... people
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New setting – same company

At 3:35 p.m. on Friday, 6 June, we lowered the NORDEN flag at Amaliegade 49 and closed the doors for the last time after 116 years at our old headquarters. Now, we have hoisted the flag at "Bryghuset" on Strandvejen in Hellerup, north of Copenhagen and have started a new era of our Company’s history. In relocating, we have got a new, contemporary and future-proof physical framework – but, as we wrote in our advertisements announcing the move: The setting is new, but the company is the same.

Our vessels and our employees, goals and values are the same as before – and we take with us the unique NORDEN spirit and business model. The setting is new – providing an airier place with room for development and for raising the bar even higher in the years ahead. The new setting also means that many departments are now finally placed physically in one location and close to the colleagues they work with, and we expect a lot from this new proximity and the interaction it will create across the organisation.

For the fourth consecutive year, NORDEN has been rated one of the best shipping companies in the world in terms of financial performance. There are two main explanations for the growth and performance which we have experienced in recent years: The special NORDEN model with a high degree of tonnage coverage, exercise of purchase options, a long-term focus and a keen eye for new business opportunities and partnerships, combined with our know-how in shipping, operations, planning, analysis and management. NORDEN is a software business and our employees’ knowledge and commitment are our raw material and our strength.

In this issue of NORDEN News, we welcome you inside "Bryghuset" with extended coverage of our first day in the new setting. We also highlight the strategically essential tasks of recruiting new colleagues and retaining and developing NORDEN’s employees and organisation, which are crucial to our ability to continue delivering excellence. Finally, we take a look at the practical implementation of our environmental programme on board; at life “below deck” as a Chief Engineer on one of our product tankers and at a new, interesting growth market for our Handysize vessels.

I hope you enjoy the magazine and wish you a good summer.

CARSTEN MORTENSEN
After 116 years in the historic building at Amaliegade 49, on 9 June NORDEN moved into the new headquarters, “Bryghuset” in Hellerup, north of Copenhagen. In the morning, the employees were welcomed with a special breakfast buffet accompanied by harp music in the canteen and with a collective hoisting of the flag on the roof terrace. Next on the programme was unpacking of boxes, a quick adjustment to the many new routines, the layout and facilities of the building – and then business as usual. After all, this was also just another working day.

Roof terrace

9:33-9:41 a.m.: Welcoming speech and raising of the flag
In bright sunlight, Carsten Mortensen welcomed all employees to NORDEN’s new headquarters with these words: “It is with a note of sadness that we have said goodbye to our old headquarters at Amaliegade, but the space was getting too cramped and it was becoming too difficult to provide modern facilities for our employees and visitors. In “Bryghuset”, we saw an opportunity to construct new first-class, future-proof headquarters. This is a place with room for growth in many ways. An airy place embraced with natural light. And a place in which the past and the future go hand in hand – being a historical building and an ultra-modern domicile at once. It would have been a lot easier to move into a newly constructed office building, but the easy solutions are not always the best. And indeed, this was no easy solution. The transformation of “Bryghuset” is the result of a three-year dedicated team effort and the hard work of a small group of key employees. Thank you all for your great, very committed contributions and for your patience in waiting for our new marvellous setting. Welcome to “Bryghuset”.

Then Willy Danielsen, Facility Management Assistant, hoisted the flag for the first time at “Bryghuset” in a strong, westerly wind.

Fifth floor

Corporate Secretariat: 9:46-9:54 a.m
Marianne Christensen, Corporate Controller is unpacking her last books and binders. From her window seat, she has a fine view of the Ryvang area, including the Grundtvig church at Bispebjerg.

“It is the first time that all twelve of us in the recently established Corporate Secretariat are located together in the same place. This will really give us an opportunity to interact more and learn from each other. I really look forward to that.”
Fourth floor

Finance Department:
9:58-10:03 a.m.
Niels Rotendahl, Accounting Manager:
“Now we all have the space we need. We are on the same floor in an open office environment. It gives us a better overview and makes it easier for all employees to be seen. We also have room and facilities for guests. Here, on our first working day at "Bryghuset", we have three visiting colleagues from the Accounts Department in Singapore, and we are able to provide them with workstations. Amaliegade was a nice place, with small apartments and a sense of closeness. We have to fight to maintain that feeling, that “small is beautiful”, but we also have to get used to the fact that our company has grown larger in a relatively short time. But I am very confident – the accommodations are tip top”.

Third floor

Norient Product Pool:
10:07-10:14 a.m.
Jesper Rask, Senior Chartering Manager has been active from the early hours, being on telephone duty this morning. “It’s a good start. All systems have been up and running from the moment I logged on, and the building is fantastic. Today is the first time I am here, and I was very pleasantly surprised. I heard that it was good, but was surprised that it was THIS amazing: Open all the way up and down and to the sides, whereas before we were spread out on several locations. In Chartering, we are usually a bit loud when we make deals and talk to each other. Some of the other functions probably have to get used to that... And maybe we will have to speak a bit more quietly.”

Ground floor

Reception: 10:38-10:43 a.m.
Susanne Rasmussen, Receptionist, has had a very busy morning indeed. “Our old domicile at Amaliegade was fantastic, but we are still very relieved to be here. There was no longer enough room for us. We were too many employees for the small area. Personally, I am probably going to miss the chaos there – being in the eye of the storm where people constantly entered and left the domicile. But I have really been looking forward to moving out here. Best of all, I will have a colleague in the Reception, Jesper Dueholm Hou, who used to be with the Internal Service department. I have needed a colleague in the reception for the past year, but physically we did not have room for it at Amaliegade. I got up at three thirty this morning. I couldn’t sleep anymore. It was like the night before Christmas, moving into our new premises today, but I haven’t had time to look at it all yet”.

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Second floor

Crew Accounting: 10:19-10:24 a.m.
Susanne Fauerskov, Crew Account Manager: “For the first time, we are now placed closely together with the rest of the Crewing Department. My job is dealing with the seamen’s wages and the related accounting, and I like a quiet environment when I work. So I was a bit apprehensive about the new open offices, which are also open between floors. Today may not be the best day to judge from, with everyone running around, finding their place, the printer and the coffeemaker. For now, all my own binders are missing, but I am sure they will turn up when all boxes in the house have been unpacked.”

First floor

Capesize & Handymax Operations: 10:27-10.33 a.m.
Inga Ellekjær, General Manager, Capesize & Handymax Operations: “Here at "Bryghuset", the Chartering and Operations functions of the various vessel segments are located together. We have tested this in small groups in the past year, and it has worked extremely well. What we are obtaining, being placed like this, is everything that is “nice to know”. You don’t get that when you are placed in individual groups. It will be more satisfying for each employee, feeling more well-informed, and it will also result in better, more coherent solutions for our customers. The computer systems were up and running right from the morning, the coffee was fantastic and the sun is shining... You couldn’t ask for a better start...”

Ground floor

Kitchen, 10:44-10:51 a.m.
Preben Berthelsen, Chef in the staff kitchen, is stirring the parsley sauce one last time before the first hot lunch is served in NORDEN’s canteen – the traditional Danish dish: Fried side pork with parsley sauce.
“We have been extremely busy leading up to our premiere, because it takes time to start up production of food for 150 employees in a new place. You have to get to know the new facilities, first of all. Yesterday, Sunday, when we prepared the food and the start-up of the kitchen, the fire alarm went off twice. The ventilation had not yet been fine-tuned, so a couple of times when we spilled vinegar on the stove, the smoke went directly up into the fire alarm, but that has been sorted out now.”

Reception: 10:35 a.m.
Inga Ellekjær welcomes one of the first guests at "Bryghuset", Captain Purkayastha, NORDEN’s Port Captain in India.
Facts about NORDEN’s new headquarters

"Bryghuset" was first built in the early 20th century. Until 1996 it served as a production facility for the Tuborg breweries. Since then, the building has been vacant for an extended period of time, been occupied by squatters and it has been the venue of several rave parties. A little over three years ago, NORDEN and the Oskar Jensen Gruppen agreed on a project to develop "Bryghuset". After some adjustment of the plans the project was submitted to the authorities for approval, and about a year and a half ago the go-ahead was given for a very extensive conversion of "Bryghuset" and the construction of a new office and service building. In all, NORDEN possesses over 5,200 square metres, distributed on seven floors, of which the new extension is 1,000 square metres. The premises have been fitted with 160 workstations from the outset and prepared with facilities for another 60 employees. South of "Bryghuset". A multi-storey car park is being constructed with room for 55 cars. This is expected to be completed at the end of 2008.

NORDEN in worldwide top five – fourth time in a row

This is the fourth successive year that NORDEN receives a top ranking spot in the respected magazine Marine Money International's listing of all listed shipping companies’ and groups’ ability to create financial results. NORDEN ranks as the second best worldwide in 2007 on the prestigious list against a similar place in 2006, a fifth place in 2005 and a third place in 2004. Thus, NORDEN is the only shipping company which is in the top 5 four years running.

Marine Money International has analyzed the recent financial statements from the world's 99 largest listed companies and groups which have shipping as their main activity. The shipping companies have been evaluated based on the following financial ratios: asset turnover, profit margin, return on equity, total return to shareholders, return on assets and price/intrinsic value. On the basis of this, the magazine compiles an Overall Performance Ranking according to which NORDEN ranks as no. 2 after Courage Marine in 2007. Marine Money International has also assessed the financial strength of the shipping companies. According to this analysis, NORDEN ranks as no. 2.

"Across segments and countries, we are once again achieving a top position amongst strong competitors. This signifies that our business model and strategy with consistent focus on the long haul contribute to the continued creation of strong and robust financial performance from our side. Though NORDEN delivers and has delivered good results in absolute terms, it is just as important to me that we consistently perform well compared to our competitors. Our vision is to be the leading shipping company within our field, and recent years' top rankings on Marine Money's lists help stress that we are on the right course," says Carsten Mortensen.
Fertiliser prepares the ground for further Handysize growth

The increasing demand for meat and wheat in countries such as China and India is now truly noticeable in world trade. In addition to forcing up the price of meat, wheat, rice and a number of vegetables, it has also caused the demand for fertiliser to rise dramatically, something which is benefiting NORDEN’s Handysize vessels.

Bio-fuel boom
In addition, many countries are significantly increasing their focus on biofuel, including corn and sugar cane for transport and energy production, and this further adds to the increased demand for fertiliser. Overall, the market expects international trade in fertiliser to reach 170 million tons in 2008, a figure which is expected to rise to some 200 million tons in 2013. If all of the additional 30 million tons were to be transported by sea, this would equal an additional 1,000 Handysize cargos in 2013.

Promising trend
“Against this background, we see some very interesting perspectives for the Handysize segment in the coming years. Fertiliser is also transported by Panamax and Handymax vessels, but Handysize vessels are particularly well suited for the purpose due to their size. This is already apparent from the large amounts of cargo, with fertiliser products such as potash, urea and phosphoric rock already accounting for almost one sixth of our Handysize transports,” says Christian Ingerslev of NORDEN’s Handysize department.

Prices of a number of fertiliser products are historically high, some products currently trading at more than USD 1,000 per ton. In other words, it is a valuable cargo to transport and to stockpile.

“Many only wish to take delivery of the amounts they need, when they need them. Moreover, many ports of export and import have a number of physical limitations in terms of maximum draft of the vessel, lengths of the quay or loading and storage capacity in the port, in relation to which Handysize vessels are particularly suited. Based on this, we expect to see strong demand in the Handysize segment in the coming years,” Christian Ingerslev explains.

The strong performance continues

The strong results realised in 2007 have continued into 2008. NORDEN’s profit for the first quarter of 2008 was USD 200 million. This is 48% higher than the profit for same period last year. The net profit equals DKK 997 million, corresponding to earnings per share of DKK 24 against DKK 18 in the first quarter of 2007.

NORDEN’s EBITDA for the first quarter was up by 38% compared to the same period last year – to USD 121 million. The increase is the result of higher activity in the Dry Cargo Department, with 41% more ship days, employed at higher freight rates. The Tanker Department’s EBITDA was down due to a weaker spot market.

In connection with the presentation of our first quarter results, NORDEN’s profit forecast for the full year 2008 was upgraded to a level of USD 885-965 million including realised profits from the sale of vessels of USD 265 million. NORDEN’s profit for the first half-year of 2008 will be presented on 20 August.
NORDEN’s environmental program:

CASPER and FLAME

In 2008 NORDEN will reduce the emission of CO₂ from the company’s vessels by 2%. At the beginning of the year, a comprehensive 14 item list was incorporated which included a series of initiatives with the purpose of reducing bunkers, and consequently minimize CO₂ emission. Two major elements in this strategy are the analytical tools CASPER and FLAME. Below is a brief introduction.

CASPER – smooth hull and propeller
Among the key factors to determine a ship’s consumption of bunkers, is its propulsion resistance in the water. A fouled propeller and hull will increase the ship’s consumption of energy proportionally with the extent of the fouling. CASPER (Computer Analysis of Ship PERformance) monitors the ship’s propulsion resistance and indicates speed and oil consumption. The analysis system also shows when to clean the hull of the ship for fouling and when to polish the propeller. Additionally, it gives an estimate of the economic benefit in terms of reduced consumption when cleaning.

CASPER on board the ships
A sheet with data is sent weekly to the company who created CASPER, Propulsion Dynamics, who then plots in the data in their central computer. They compare the ship’s performance and the wind- and sea conditions during its passage with a “theoretical” model for most optimal performance. It can then be determined whether the ship is under-performing in terms of speed and consumption of bunkers, and how much can be gained – also financially – through a cleaning of the hull and polishing of the propeller.

"CASPER is a useful tool for us to monitor whether the ships are performing poorly and when it is convenient to get the ship cleaned and polished. Obviously we also monitor these trends through other means, and we know from experience that the likelihood of fouling increases during long periods of idling, such as waiting for port call. CASPER provides us with tangible figures to determine on basis of. In practice, however, it can be difficult to obtain permission to clean the hulls at the optimal juncture as a number of ports will not allow the cleaning to take place in their port. Ultimately we have to wait until next port or until we dock,” says Superintendent Jesper Kongstad.
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service inspections and replacements only occur when they are needed as a supplement to NORDEN’s Planned Maintenance System.

FLAME on board the ships
On a 3 month average, samples of lubricant oil and bunkers are sent via courier to the company responsible for FLAME, Flame Diagnostics, for further analysis. A report from Flame Diagnostics is issued to the Superintendents of the ship, who examine the result with the Chief Engineer. On this basis they prepare for any calibrations or activities on board the ship. If Flame Diagnostics uncover test results that indicate severe wear or possibility of breakdown, they contact the ship directly. FLAME was introduced on all NORDEN ships at the end of 2007.

“The main objective with FLAME, CASPER and the numerous other initiatives in the environmental area is to reduce our consumption of energy and consequently emissions by 2% this year alone. We are focused on being able to measure the effect of each initiative more accurately within 2008, but in many ways we are on new ground. There are also many variables to consider, such as the changing weather- and sea conditions, so the numbers will probably not be measured in multiple decimals from the beginning,” says Jens Christensen, General Manager of NORDEN’s Technical Department.

FLAME – efficient combustion
A ship’s engine that is either poorly calibrated or maintained or is fed too much lubricant oil will yield a poor combustion. Apart from additional wear it also results in unnecessarily high energy consumption and large emissions of CO₂, NOₓ and other damaging particles.

FLAME is an analysis system that monitors the combustion of the engine and wear and efficiency. The system is based on frequent samples of drain oil, fuel and system oil. These are analyzed for its content of sediments. It will tell whether the pistons are wearing too heavily in the cylinders and need replacing, if the amount of lubricant oil is adequate, and whether certain parts of the engine need maintenance or replacing. In short, the system helps to determine the causes of wear and tear, and to calibrate the engine to perform optimally. It also ensures that service inspections and replacements only occur when they are needed as a supplement to NORDEN’s Planned Maintenance System.

CASPER was introduced on all NORDEN ships at the beginning of 2008. Essentially it takes 1-2 hours to complete each sheet and send in the results. Calculated in today’s prices on bunkers, which a NORDEN ship uses an average of 30 tons a day, the benefit of optimal maintenance of hull and propeller is appreciable. The efforts made on the ships and investments in frequent cleaning are profitable – both for the environment and the economy.

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VIEW OF PISTON RINGS THROUGH SCAVENGE AIR PORTS.
Three main jobs
The jobs on board are largely separated into three main areas: Ongoing maintenance, routine checks and breakdowns, Torry Sørensen explains.

The engine team on board the NORD THUMBELINA is made up of four: Torry Sørensen, the Chief Engineer, is overall responsible for the performance of jobs, planning purchase of bunkers and spare parts, problem solution of occurrences and 24 hour on duty call for breakdowns or damages for the engineer on duty. The Second Engineer operates the engine room on a daily basis. The Third Engineer manages boilers and boiler water, and the daily routines. The Motorman is in charge of sounding the tanks with oil and lubricant oils and the ongoing cleaning in general of the engine room. As a team these four men are responsible for maintenance and repair of all the machinery on board and above deck, such as cargo pumps, cranes, repair of worn-out pipes, lighting, etc.

Even distribution of tasks
“Our day begins with a joint briefing on events from last night and which routine checks and tasks are to be carried out during the day. The Planned Maintenance System, which is our computer-based maintenance program, is essential for an even distribution of tasks. Additionally, the system also takes into account time left for sudden failures,” Torry Sørensen says.

Grounded
In the event of fire, Torry also functions as fire chief in the engine room, and the routines are maintained through monthly fire drills where different scenarios are trained repetitively, to ensure a quick and well-coordinated effort if necessary, as NORD THUMBELINA, being a product tanker, transports highly flammable cargo.

In his long career, Torry has never experienced fire on board, but once, he experienced a severe grounding. This occurred in 1981 with the vessel m.v. NORDHVAL in the Black Sea, which seriously damaged both the rudder and hull. An experienced accident investigation surveyor reported that he had not observed similar damage since mining explosions during the Second World War. But after an extensive overhaul, including the fitting of a new double bottom and rudder, NORDHVAL took to the seas again the following year.

Advanced technology
Vessel engines have evolved and advanced massively within the last 30 years where Torry has been at sea. This presents both advantages as well as drawbacks – but mostly advantages, he emphasizes:

“Engines today are more reliable but are also equipped with very advanced components and electronic operational systems, which complicates the process of localizing any failures yourself. For guidance, programs to run performance tests are now available in assisting us in fault detection. Throughout the years, the available hours for performing maintenance jobs are less due to the tight and efficient program for mainly the product tankers and the added pressure on the ports. Everything concerning maintenance jobs must be coordinated down to the smallest detail,” Torry Sørensen explains.

Focus on the environment
Torry is positive towards the FLAME and CASPER initiatives along with NORDEN’s
efforts to reduce bunkers, lubrication oil consumption and consequently emissions.

“Obviously the initial phase will result in extra time spent on the new procedures, but in the long run we will also save time. Once FLAME is implemented, we will be better able to perform maintenance jobs and replacement of for instance pistons, piston rings, piston rod stuffing box, etc. as the updated figures will indicate when and where it is needed, rather than being portioned out in terms of performance hours. It will also mean fewer ongoing maintenance jobs in general, so that we can use the saved man hours for optimizing the part of the engine that requires most attention.

It is gratifying to know that we through this contribute to reduce emissions,” Torry says.

Enhanced safety procedures
“Before, when a dry cargo ship had port stays for two to three weeks, there was plenty of opportunity to come ashore and get the feel of exotic places. These days, being a Chief Engineer on a product tanker, you don’t get to see much of the countries you visit. Many Port Authorities do not allow the crew to go ashore and pass the quay or the port area. The prevention of terrorism has led to enhanced safety procedures, and the stays are now short and efficient,” says Torry Sørensen.

On the Board – third time around
Torry has recently been elected Board member of NORDEN for the third time. His prior terms were 1992-1996 and 2000-2004. His reasons for standing for election again are that “it is truly exciting to view the operation of an international shipping company in growth. NORDEN has evolved from having an active fleet of 4 ships back in 1976 when I first joined the company with 11 employees and no offices abroad. Now the company manages more than 200 ships covering a broad variety of shipping segments.”

Time for own and shared interests
Torry has been married to Lena for 28 years. 30 years ago she was also on tour of duty, so Lena is aware of how life at sea is like and the circumstances involved. It has become a natural part of their life together that Torry has long periods alternating between being at sea and being at home. This makes for a solid base in their marriage, he thinks.

“We do have quite a few common interests, but more importantly we also have individual. I think that this balance is essential. Otherwise it is hard to adjust to 24 hours together at times and none at others,” Torry Sørensen says.

Examples of maintenance jobs
• Overhauls of fuel pumps and valves on the auxiliary engines.
• Overhauls of cooling water pumps.
• Cleaning of fuel filters.
• Cleaning of coolers.
• Checking alarms.

Examples of failure
• Leakages on the auxiliary engines.
• Breakdown of pumps.
• Clogged purifier.
• Worn-down cooling water pipe.
• Electronic failure.

Facts on NORD THUMBELINA
• Handysize product tanker, 38,461 dwt, built in 2006.
• 1 main engine, 12,880 hp.
• 3 auxiliary engines (for powering numerous electrical equipment, cargo pumps, bow thruster, etc.).
• 2 boilers (auxiliary boiler and exhaust gas boiler).
• The ship uses about 35 tons of bunker and 150 liter cylinder lubricant oil a day.
• Bunker capacity: 1,300 tons, equalling more than 30 days consumption.
Every day, NORDEN operates a global fleet of 225 vessels with a total of 14 million dwt and more than 67,000 ship days in 2007. Despite the many tons of hardware, NORDEN views itself as a software business, because competent, committed employees and good management are factors crucial to NORDEN’s business success. This fact is reflected in the Company’s approach to its Human Resource (HR) activities.

10 years of growth
In the past ten years, the number of employees at NORDEN’s offices has increased more than sevenfold, growing from just over 30 to some 230. During the same period, the number of vessels, segments and newbuildings has also grown significantly, and the activities have become increasingly international and specialised. During the ten-year period, NORDEN has established new offices in Annapolis (2000), Shanghai (2002), Rio de Janeiro (2003) and Mumbai (2005) in addition to the existing office in Singapore (1996). Many new tasks in finance, Investor Relations, quality control, project management and procurement, among others, have also been added. Meanwhile, the demand for competent employees at all levels has become stronger due to the low unemployment level. As a result, the nature of NORDEN’s HR work has also changed significantly.

Strategic core business area
For years, recruitment and administrative HR work were handled by the local manager, but NORDEN increasingly came to regard HR as a strategic core business area. In 2001, with the aid of external consultants the Company started a process of lifting its attention to HR policy and competence building. In 2005, a dedicated HR function was established with the appointment of Vibeke Schneidermann as HR Manager. Today, the HR Department has five employees: An HR Manager, an HR Coordinator, a Training Consultant and a Student Assistant based at the headquarters in Hellerup as well as an HR Manager for Asia based at the Singapore office.

Keyword: Development
In popular terms, the HR Department today has five main tasks: Ongoing recruitment, retention of employees, employee development, organisational development and administrative HR work.

“The keyword for all five areas is “development”. We continuously have to develop and strengthen our recruitment and our HR policies and procedures, and we have to systematise our competence building in respect of the individual, the department and the organisation as a whole. In many ways, NORDEN is today a complex “house of competences” with many highly-specialised employees in areas also encompassing those outside the classic shipping area. We possess valuable know-how in a broad spectrum of areas: Chartering, operation, control, finance, planning, IT, vessel operation, newbuildings etc., and new areas are added to the list regularly. This makes the recruitment of new staff and ongoing competence building quite com-

HR in Asia
In May 2008, NORDEN hired May Shin Wong at the Singapore office as HR Manager for Asia. In addition to assisting the local NORDEN management in recruiting and training employees, she will also act as a sort of link between Western and Asian cultures and values.

“NORDEN currently has a total of about 45 employees in Asia. My tasks are to strengthen the recruitment and retention efforts and to create an awareness of NORDEN as an attractive...
As from this year, we are also recruiting trainees for our offices. The competition for young talents has intensified in recent years due to years of declining population growth in Denmark. "Recruitment of trainees is a special field in which we have to make a great effort to ensure awareness about NORDEN in relevant places. We also make a big effort to present our values and culture very explicitly, as we are looking for new colleagues who are not only in it with their brain, but with their heart as well, and who can identify with and live our values: Flexibility, reliability, empathy and ambition in their everyday work," explains Vibeke Schneidermann.

Years of declining population growth
“Recruitment of trainees is a special field in which we have many campaign activities, both jointly with the shipping business within the framework of the Blue Denmark and on our own. The competition for young talents has intensified in recent years due to years of declining population growth in Denmark. As from this year, we are also recruiting trainees for our offices in Shanghai, Singapore and Annapolis," she says.

Employee satisfaction
Influence and development are two issues that are high on NORDEN's agenda in terms of internal policy lines. This is because they generate employee satisfaction as well as results. Other key areas in the retention of employees are a dynamic corporate culture, good management, direct communication and allowing employees to contribute and help make and create solutions and collaborate across the organisation. This was a cornerstone in NORDEN's great VMV project – the roll-out of the Company’s Vision, Mission and Values in all departments in 2006/07.

Another item high on NORDEN’s agenda is social interaction between employees, at work as well as in their spare time, by means of a good canteen, many activity clubs (e.g. theatre and sports) and social networks within NORDEN. The Company also organises an annual NORDEN Weekend which gives employees across the organisation an opportunity to share experiences and activities.

Strengthening of the organization
In the first half of 2008, for the second consecutive year NORDEN conducted a major company performance driver survey of how the employees perceive their workplace. “It’s a valuable tool for analyzing in which areas we are doing well and in which we can and should point our focus to ensure that NORDEN remains an attractive place to work. The replies were generally positive, and a number of suggestions were made for improvement in areas such as career development, performance interviews, task management, etc. Going forward, the survey will be conducted annually and will constitute important input to NORDEN’s future organisational development,” she says.

Vibeke Schneidermann considers it as a special mission to try to recruit more women to NORDEN, also encompassing executive positions. “The shipping business may have a reputation as a place where there is room for the male half of the population only, but that is certainly not the case as far as NORDEN is concerned. This is a particularly important message for us to get across. If we succeed, I am certain that it will strengthen NORDEN’s organisation even further,”

The recruitment of seamen is described on page 6 of NORDEN News Winter 2007-2008.

workplace. At one of the leading universities in Singapore, the Nanyang Technological University of Singapore (NTU), NORDEN supports students of Maritime Studies with scholarships and awards and at 15 July, two NTU students will come to work at the Singapore office. We also make sure that candidates are aware of NORDEN by hosting events and the like,” explains May Shin Wong.

In addition, May Shin Wong’s tasks include day-to-day HR work at the offices in Asia, including administration of pay, holidays, sickness etc. as well as supporting local NORDEN managements in various tasks from negotiating service agreements and bonus agreements to training employees and handling short and long-term recruitment. May also has the special task of ensuring open communication and mutual understanding and respect between the different cultures – at and between the Asian offices as well as between the Asian offices and the rest of the organization.

“It is becoming increasingly important to be perceived as “a single entity”, across borders and cultures, so that customers get more or less the same treatment whether they are calling Singapore, Mumbai, Shanghai, Annapolis, Rio de Janeiro or Copenhagen – local nuances excepted, of course. Contributing to this aspect as well will be very interesting indeed”, May Shin Wong says.

May Shin Wong is 30 years old and previously worked with HR in the public sector in Singapore. She has been HR Business Partner at IBM and HR Manager for a private company, in charge of HR in Hong Kong, Shanghai and Thailand.
NORDEN’s fleet by mid-June 2008

<table>
<thead>
<tr>
<th>Vessel type</th>
<th>Capesize</th>
<th>Post-Panamax</th>
<th>Panamax</th>
<th>Handymax</th>
<th>Handysize</th>
<th>Aframax</th>
<th>LR1</th>
<th>MR</th>
<th>Handysize</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size (dwt)</td>
<td>&gt;150,000</td>
<td>85-120,000</td>
<td>65-82,500</td>
<td>40-60,000</td>
<td>25-40,000</td>
<td>80-120,000</td>
<td>60-75,000</td>
<td>42-60,000</td>
<td>27-42,000</td>
<td>257</td>
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</table>

<table>
<thead>
<tr>
<th>Vessels in operation</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned vessels</td>
<td>2</td>
<td>-</td>
<td>3</td>
<td>5</td>
<td>-</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>16</td>
</tr>
<tr>
<td>Chartereds vessels with purchase option</td>
<td>3</td>
<td>-</td>
<td>13</td>
<td>14</td>
<td>1</td>
<td>31</td>
<td>-</td>
<td>-</td>
<td>4</td>
<td>35</td>
</tr>
<tr>
<td>Chartereds vessels, for at least three years</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>9</td>
<td>6</td>
<td>18</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>34</td>
</tr>
<tr>
<td>Total active core fleet</td>
<td>5</td>
<td>0</td>
<td>19</td>
<td>28</td>
<td>7</td>
<td>59</td>
<td>0</td>
<td>1</td>
<td>7</td>
<td>85</td>
</tr>
<tr>
<td>Other chartereds vessels</td>
<td>1</td>
<td>-</td>
<td>70</td>
<td>43</td>
<td>12</td>
<td>126</td>
<td>2</td>
<td>-</td>
<td>2</td>
<td>130</td>
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<tr>
<td>Total active fleet</td>
<td>6</td>
<td>0</td>
<td>89</td>
<td>71</td>
<td>19</td>
<td>185</td>
<td>2</td>
<td>1</td>
<td>9</td>
<td>215</td>
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</table>

<table>
<thead>
<tr>
<th>Vessels to be delivered to core fleet</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Newbuildings (owned)</td>
<td>-</td>
<td>4</td>
<td>-</td>
<td>11</td>
<td>12</td>
<td>27</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Chartereds vessels with purchase option</td>
<td>-</td>
<td>4</td>
<td>4</td>
<td>15</td>
<td>7</td>
<td>30</td>
<td>-</td>
<td>-</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Chartereds vessels, for at least three years</td>
<td>-</td>
<td>-</td>
<td>7</td>
<td>8</td>
<td>15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>16</td>
</tr>
<tr>
<td>Total for delivery to core fleet</td>
<td>0</td>
<td>8</td>
<td>4</td>
<td>33</td>
<td>27</td>
<td>72</td>
<td>0</td>
<td>0</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Total gross fleet</td>
<td>6</td>
<td>8</td>
<td>93</td>
<td>104</td>
<td>46</td>
<td>257</td>
<td>2</td>
<td>1</td>
<td>20</td>
<td>45</td>
</tr>
</tbody>
</table>

“Hello and goodbye” in Annapolis

On 27 May, NORDEN hosted a big event for customers and business partners in the USA. The occasion was the change of management at NORDEN’s Annapolis office. After four years as General Manager in the USA, Thomas Jarde is returning home to Denmark, where he will fill the position as Senior Chartering Manager and Deputy of the Handymax Department at NORDEN’s head office. Taking over as General Manager at NORDEN’s US office is Mikkel Borresen, who most recently held the position of Senior Chartering Manager in the Handymax Department, having been with NORDEN for nine years.

The combined “hello and goodbye event” took place at the Annapolis Yacht Club from early evening into the early hours of the morning. The evening was attended by more than 70 customers and business partners, who took the opportunity to thank Thomas for their good collaboration and wish him “good luck for the future” as well as saying “welcome” to Mikkel.
Corporate functions
27 April 2008: Susanne Rasmussen, Receptionist, celebrated her 10-year anniversary with NORDEN.
15 April 2008: Mikkel Bondo Fogt, 22, was employed as Student Assistant in the reception and Internal Service.
9 June 2008: Jesper Dueholm Hou, 41, was employed as Receptionist.
9 June 2008: Ivar Hansson Myklebust resigned as CFO and member of the Board of Management.

Finance Department
1 June 2008: Anne Larsen, 40, was employed as Financial Assistant.
19 June 2008: Kristian Wærness, Senior Vice President, celebrated his 40th birthday.

IT
3 May 2008: Mohamad B-Mazayaan was promoted to IT services & Support Manager – Purchasing Manager.

Technical Department
1 May 2008: Allan Thomsen was appointed Regional Site Manager in Korea.
1 May 2008: Michael Brodersen was appointed Site Manager at the GSI Site Office in Guangzhou, China.
19 May 2008: Jesper Petersen, 30, was employed as RPI Manager in the QA Section.
10 June 2008: Runi Egholm, 43, was employed as Crew Manager in the Crewing Section.
20 June 2008: Allan Thomsen, Regional Site Manager in Korea, celebrated his 30-year anniversary with NORDEN.

Dry Cargo Department
1 May 2008: Inga Masilionyte, 29, was employed as FFA Assistant in Freight Derivatives.
1 May 2008: Søren Meldgaard Jepsen, 38, was employed as Senior Chartering Manager in Panamax Chartering.
1 May 2008: Majbritt Sundstrøm, 27, was employed as Assistant Operations Manager in Handymax Operations.
5 May 2008: Steffen Christian Lie, 22, was employed as Student Assistant in Projects.
8 May 2008: Morten M. Bang, 21, was employed as Student Assistant in Panamax Chartering.
23 May 2008: Inge Mathiassen, 63, was employed as Controller.
24 June 2008: Jacob Meldgaard, Executive Vice President, celebrated his 40th birthday.
7 July 2008: Thomas Jarde transfers from a position as General Manager at NORDEN's office in Annapolis to a position as Senior Chartering Manager and Deputy in Handymax Chartering.

Bunkers
7 May 2008: Julie Mailind transferred from a position as Operations Manager in Handymax to a position as Assistant Bunkers Manager in Bunkers.

Nordient Product Pool
15 June 2008: Morten Møller Jensen, 43, was employed as General Manager in Operations.

NORDEN's vessels
23 April 2008: Bo Rise, 48, was employed as Second Engineer onboard m.t. NORD NIGHTINGALE.
23 April 2008: Mikkel Bro, 28, was employed as Apprentice Officer onboard m.t. NORD NIGHTINGALE.
1 May 2008: Fritz T. Frederiksen, 47, was employed as Chief Officer onboard m.t. NORD MERMAID.
1 May 2008: Ove Brink, 63, was employed as Captain onboard m.v. NORD-KRAFT.
2 May 2008: Kurt Lykke Madsen, 61, was employed as Chief Officer onboard m.v. NORDFLEX.
10 May 2008: Kell Andersen, 58, Captain onboard m.v. NORD FIGHTER, died.
16 May 2008: Regin i Gerdinum, 52, was employed as Second Officer onboard m.t. NORD PRINCESS.
19 May 2008: Hans Holbo Rasmussen, 62, was employed as Chief Engineer onboard m.v. NORD FIGHTER.
12 June 2008: Erik Pedersen, Second Engineer onboard m.t. NORD MERMAID, celebrated his 60th birthday.

Farewell to Amaliegade
On Friday, 6 June 2008 at 3:35 p.m. precisely, the NORDEN flag is lowered for the last time at Amaliegade 49, NORDEN’s headquarters through 116 years.
In order to prepare for the many hours in front of the television viewing the Olympics in Beijing from 8 - 24 August, a number of NORDEN employees have partaken in some great running events – both in teams and individually. 10 employees from NORDEN's office in Shanghai participated at the JingQuiao race in Shanghai on 20 April. Four of them ran the 8-kilometre race, while six ran the 2-kilometre race. All participants completed - with times ranking from “excellent” to “will definitely improve next year”. Best time for the 2-kilometre distance was noticeable 8:15, which was covered by Senior Chartering Manager Laser Huang. General Manager Michael Bonderup indisputably had the best time in the 8-kilometre race at 38:30.

Also in Copenhagen, the running fever spread. Five employees ran the Copenhagen Marathon on 24 May, and three crossed the finishing line. Best time was achieved by Chartering Manager, Thomas Hechmann, Norient Product Pool, who covered the distance of 42.195 kilometres in 3 hours and 40 minutes.

As we go to press, it has not yet been settled, if any of NORDEN’s employees qualify for the running events at the Olympics in Beijing at the times attained…