**THE CUSTOMERS’ NPP**

**THEME:** In order to attract, assist and retain its customers, NPP aims to put itself in its customers’ place – to always view a situation from the point of view of the customer.

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As custodians of smarter global trade,
we are conscious, soulful people uniting a world,
where every person and action matters

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PRODUCT TANKERS

The customers’ NPP
In order to attract, assist and retain its customers, NPP aims to put itself in its customers’ place – to always view a situation from the point of view of the customer and through the eyes of the customer.

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4 – 6 May 2017
Roadshows in connection with the publication of the interim report for the first quarter of 2017

3 May 2017
Publication of the interim report for the first quarter of 2017

12 April – 3 May 2017
Silent period until the publication of the interim report for the first quarter of 2017

5 April 2017 at 3pm
Annual general meeting
Radisson Blu Scandinavia Hotel
70, Amager Boulevard
DK-2300 Copenhagen

calendar

It is customers first and customers last for Norient Product Pool (NPP). The product pool’s fleet of 88 vessels is one of the world’s largest, and the pool sees it as its principal job to be the customers’ NPP. “It is our entry ticket to the market and the customers – well, it is our whole reason for existing,” says CEO Søren Huscher.

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The entire value chain is our field

NORDEN is more than just a transportation company carrying dry cargo goods and refined oil products from port A to port B. We can and want to do more than that. That is why we feel obliged to contribute to solving all logistical challenges connected with our customers’ need for transportation of grain, coal, wood pellets, fuel oil, gasoline, diesel oil etc. That is why we focus on global trade and not just shipping.

The purpose of our daily efforts has been put into words in our Corporate Soul Purpose. It is practically an objects clause which in a few words describes that we in NORDEN – and in Norient Product Pool (NPP) – wish to contribute to more efficient and sustainable global trade and thereby increased global wealth. Our Corporate Soul Purpose also states that we as conscious and soulful people wish to unite a world where every person and action matters.

“To create results in a world that is more changeable than ever before, we need to be razor-sharp in terms of what the purpose of our daily efforts is”

This edition of NORDEN NEWS includes many examples of how we turn these nice words into action.

In NPP, which is responsible for the commercial operation of our product tankers, the employees put a lot of effort into seeing everything through the eyes of the customers. And those eyes are not only focused on port-to-port transportation. The customers are of course concerned about the whole entity in which the actual transportation task is a part, and that entity also includes cost optimisation to a high extent. NPP endeavours to help the customers with this daily – even though the efforts do not affect NPP’s own bottom line – at least not in the short term. But since NPP’s basis for existence is made up of satisfied customers, it might affect the bottom line in the long term.

NORDEN’s port captains also play a key role when it comes to contributing to more efficient global trade, which both NORDEN and its customers benefit from financially.

NORDEN’s 10 port captains, who altogether have more than 250 years of maritime experience and who are placed on operationally strategic locations in the world, each year ensure that thousands of loading and discharging procedures run smoothly because they are familiar with local conditions and because they are present when challenges arise. But the port captains do more than that. They also provide assistance, when customers face particular logistical challenges in general – i.e. related to new loading and discharging facilities or changes to existing terminals.

A third example of NORDEN’s and NPP’s contribution to more efficient and sustainable global trade is delivered by the team who monitors NORDEN’s fleet of owned and chartered vessels daily and ensures that the vessels are as fuel efficient as possible. These efforts save us – and consequently also our customers – millions of dollars each year and result in reduced CO2 emissions.

To create results in a world that is more changeable than ever before, we need to be razor-sharp in terms of what the purpose of our daily efforts is, and it is necessary that we see our role as shipping people in a much wider perspective than the traditional. The entire value chain is our field.

Kind regards,

Jan Rindbo CEO
A NORDEN vessel passed by

It only happens rarely that the destination of one of NORDEN’s vessels is a Danish port, so when the Supramax vessel NORD MANATEE came to Aarhus in January to discharge soy flour, several of NORDEN’s employees from the head office in Hellerup took the opportunity to visit the vessel and Captain Rogelio P. Gelbolingo and his crew. The visitors, headed by CEO Jan Rindbo, got a tour of the vessel and something to eat during the visit.

Suddenly, there was a vessel in the backyard

Of course, the Panamax vessel NORDKAP was properly moored at the quay, and of course she had appropriate volumes of water under the keel in ice-cold Port Alfred in Canada when the large dry cargo vessel discharged bauxite for the production of alumina. However, in January, Senior Operations Manager Janus Haahr from NORDEN’s head office in Hellerup managed to take a photo from an angle which made it look as if the vessel was lying in a backyard somewhere.

A work place full of images

NORDEN’s fleet of dry cargo vessels and product tankers sail across the entire globe, and everywhere they go, the vessels meet images, which the crews are good at capturing with their cameras, and which often end at NORDEN’s head office. They are used for many things – for example on Facebook, on LinkedIn, in NORDEN NEWS and in NORDEN’s annual reports, which was the case with Captain Jørn Hovmand Larsen’s photo of the Panamax vessel NORD NEPTUNE as she sailed through the morning fog on the San Joaquin River in California.

NORDKAP calling Svanen and Thyra

Captain Jan Richardt on the Panamax vessel NORDKAP contributed to the sweet Christmas spirit on board the Danish Navy’s 2 sailing boats Svanen and Thyra, when all 3 met in the Atlantic Ocean between Christmas and New Year. The 2 sailing boats were crossing the great ocean with the Danish West Indies as destination. NORDKAP called the sailing boats and then NORDEN’s crew filled 2 small containers with candy for the sailing boat crews, who were headed to the Caribbean to celebrate the 100-year anniversary of Denmark’s sale of the 3 small islands to the USA. Captain Jan Richardt: “Who doesn’t need a bit of candy to satisfy the sweet tooth in the middle of the Atlantic Ocean?”.

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NORDEN around the globe

Visit to core customers in Colombia

NORDEN’s Santiago office paid a visit to Colombia to meet customers, brokers and agents. First stop was the capital Bogota where General Manager Michael Warming and Chartering Manager Morten Vesth met Seaboard, among others, which is one of NORDEN’s core customers. The visit in Bogota also included Deep Blue Agency’s presentation of the Colombian import/export market. Next stop was Barranquilla where NORDEN, during the visit, had two vessels in operation in different terminals along the Rio Magdalena River. Third and last stop was Colombia’s second-largest city, Medellin, where a meeting with another of NORDEN’s core customers, Contegral, took place. The meeting with Contegral, which is Colombia’s largest producer of animal feed, included a tour of their facilities in Medellin. “Our customers apparently appreciated our visit, which gave us an even better understanding of the Colombian market,” says General Manager Michael Warming.

NORDEN to battle sulphur sinners

The UN International Maritime Organisation, IMO, has decided that from 2020, vessel fuel cannot contain more than 0.5% sulphur against the present limit of 3.5%. The tightened environmental requirements apply to the entire globe less the so-called Emission Control Areas or ECA areas – i.e. the Baltic Sea, Kattegat, the North Sea, the English Channel and the 200-metre-wide belt off the coasts of the USA and Canada. Here, the sulphur regulations are even tighter, as IMO since 2015 only allows the use of fuel with 0.1% sulphur in these waters. Due to the fact that fuel with low sulphur content is significantly more expensive than fuel with a higher sulphur content, the risk of cheating is present. To promote the enforcement of the new sulphur rules, NORDEN has joined the organisation Trident Alliance, where a long list of shipping companies are members, and which works at enforcing the new sulphur regulations. “NORDEN is in favour of equal competitive conditions through consistent enforcement of the sulphur regulations, and NORDEN supports this through the membership of Trident Alliance,” says Head of Group Communications & CSR, Director Nicolai Bro Jöhncke.

Seaboard in Colombia is a company which specialises in trade with grain, oilseeds and ingredients for flour and animal feed. The company gets its raw material from across the globe and sells its products to customers in the entire region.
NORDEN supports the battle against plastic pollution

Through Orients Fond, NORDEN supports the international organisation Plastic Change, which based in Denmark tries to create awareness of the consequences of the increasing plastic pollution of the oceans and the environment altogether. The grassroots organisation works with documentation, information and solutions with the purpose of bringing plastic pollution into the focus of the population, industry and politicians.

Plastic pollution is so widespread and serious that a large part of the world’s eco systems suffers from it today. Plastic pollution is present even at the bottom of the deepest oceans, and it is also contained in sea birds, fish, shellfish and plankton. Plastic Change predicts that the volume of plastic in the oceans has doubled in 10 years, and if we neglect to take action, plastic volumes will exceed the volume of fish in terms of weight in 2050. This is the curve that Plastic Change wants to break.

“As part of the maritime industry, we have first-hand knowledge of the plastic crisis in the oceans – this is after all where NORDEN’s and NPP’s vessels sail every day. By reference to the UN’s regulations MARPOL and our own procedures for disposal of waste and other emissions at sea, NORDEN makes an active effort to keep the oceans clean and to minimise our impact on the marine environment as much as possible,” says CSR & Compliance Manager Camilla Marie Thiele.

First Indian cadets

NORDEN has employed its first Indian cadets – 4 in total – who will supplement the 65 Philippine and Danish cadets and who are presently in the process of training as officers on the bridge or in the engine room. “Our Indian officers in particular have wished for the launch of an Indian cadet programme for quite some time. The programme will enhance our possibilities to recruit qualified Indian officers,” says Torben Lykkegaard Pedersen, Head of Marine HR. The cadet programme, which consists of a mix of practical experience at sea as well as theoretical education on land, takes 3-4 years.
The customers’ NPP

In order to attract, assist and retain its customers, NPP aims to put itself in its customers’ place – to always view a situation from the point of view of the customer and through the eyes of the customer.

“It is customers first and customers last for Norient Product Pool (NPP). The product pool’s fleet of 88 vessels is one of the world’s largest, and the pool sees it as its principal job to be the customers’ NPP.

“It is our entry ticket to the market and the customers – well, it is our whole reason for existing,” says CEO Søren Huscher, who has been head of the product tanker pool since its establishment on 1 January 2005.

In order to attract, assist and retain its customers, NPP aims not only to address its own commercial interests, but also to put itself in its customers’ place – to always view a situation from the point of view of the customer and through the eyes of the customer.

“This is always the case and not least when something is about to go wrong. NPP must always be part of the solution instead of contributing to an escalation of the problem. In such situations, it is really all about delivering in accordance with our values of flexibility and reliability. It is also here that our Corporate Soul Purpose (see page 12) on contributing to more efficient and sustainable global trade and thereby increased global prosperity especially comes into play. Besides – the better we serve the commercial interests of our customers, the better we also serve our own. At least in the long term,” says Søren Huscher.

Considerable savings
CEO Søren Huscher explains how NPP often makes suggestions to its customers which, without affecting the all-important element of safety, the UN’s tough rules on emission of various liquids, etc., can lead to considerable savings for them.

It may be a case of sending out spare parts to a vessel at a time that can limit the number of days that the vessel cannot sail – so-called off hire periods. It may also be a matter of suggesting that a vessel sails at a different speed than the one agreed to. If it concerns a vessel which NPP has chartered out for example to one of the oil majors, speed and therefore fuel consumption have no financial impact on NPP. But it can create value for the customer provided that he follows NPP’s suggestion to sail at a slower speed.

NPP’s 10 largest spot customers in 2016

**PMI COMERCIO INTERNATIONAL**
**TRAFIQUARA**
**Shell**
**ExxonMobil**
**TOTAL**
**LUKOIL OIL COMPANY**
**bp**
**GLENCORE**
**REPSOL**
**VITOL**
NPP outperforms the competition

Handysize: USD 962
MR: USD 1,130

Additional earnings 2011-2016 (spot) on average per vessel per day compared to NPP’s 3 best performing competitors
NPP plays a part in the customer’s reputation

“Safety always comes first, just as it is crucial to our customers that their cargo arrives at the agreed and therefore expected time. NPP will always play a part in our customers’ reputation, and NPP wants our customers to have a good experience when using us to transport their cargoes. To this should also be added that we constantly do what we can to optimise the voyages – for example by suggesting how they can save money. Even if in the COA we have agreed to do things another way. But a better solution – a less expensive solution – should always replace a poorer and more expensive solution. That is what we call personal involvement, customer focus and good service,” says Søren Huscher.

Hardware versus software

*How difficult is it for NPP to differentiate itself from the competition in terms of service – essentially all shipping companies have the same vessels?*

“That is correct – we all have the same hardware. It is therefore the software – the people – that can make us stand out from the rest. We can strive to be better at getting personally involved, which should find expression in how we constantly demonstrate genuine interest in and ability to put ourselves in the customers’ place, so that we contribute to solving any challenges the customers may have before, during and after a voyage in the best way possible,” says Søren Huscher.

Good communication

*When you look back on 2016, what has been NPP’s greatest initiatives in terms of service which have had an impact on customers?*

“Greater awareness of what can be achieved through good communication and greater focus on learning from both the other pool participants and from the competition – not least in terms of increased flexibility.”

NPP meets new pool participants at eye level

NPP seeks to meet a new pool participant at eye level and with respect. In this case, the pool participant is Diamond S, which has chosen to let NPP take over the commercial and operational management of 16 of their product tankers.

“It implies that we provide them with NPP’s full-range commercial and operational expertise enabling us to achieve the best possible results regardless of weather conditions for the benefit of the pool participants and NPP. But it also implies that we will challenge new pool participants’ operational procedures and policies when deemed relevant – also to improve the result and thus the business,” says NPP’s CEO Søren Huscher.

He guarantees that Diamond S as well as potential future pool participants can expect a professional and dedicated performance of a high quality from NPP.

“We do not pretend to know everything. But we will do our utmost to acquire new skills and to improve – day by day. We live by the principal of eternal learning. It is possible that the demands we make on new pool vessels are very strict, but the demands have one single purpose only and that is to provide our customers with the best product and the best service,” says Søren Huscher.

He says that the 16 MR vessels from Diamond S are a great advantage for NPP as the product tanker pool, with an MR fleet consisting of 51 vessels, is able to offer its customers a far larger degree of flexibility.
NPP is a growing joint venture

With 88 vessel, NPP is among the largest product tanker pools in the world.

Norient Product Pool is a joint venture owned 50/50 by NORDEN and the Cypriot Interorient Navigation Company (INC).

At the close of 2016, NPP’s fleet consisted of 88 vessels — 51 MR vessels with a cargo capacity of up to 45,000-55,000 tonnes, and 37 Handysize vessels with a cargo capacity of up to 36,000-41,000 tonnes, since NPP accepts cargoes starting from 25,000 tonnes.

37 vessels are from NORDEN, 35 from INC and 16 — all of which are MR vessels — are from the American pool participant Diamond S.

This shipping company’s fleet of product tankers is in commercial and operational management with several shipping companies, but since 2015 an increasing number of its vessels has been incorporated in NPP.

NPP mainly operates in the spot market – i.e. the day-to-day market.

In 2016, distributed on 1,333 spot contracts, NPP’s fleet carried 34.3 million tonnes of refined oil products – headed by gas oil/diesel, gasoline, fuel oil, naphtha and jet fuel.

The volume is more or less unchanged from last year. However, the cargo was transported on 190 more contracts in 2016 than in 2015, and the total number of port calls (both loading and discharge) increased from 2,578 in 2015 to 3,050 in 2016.

With 88 vessel, NPP is among the largest product tanker pools in the world.

Ever since its founding in 2005, NPP has experienced growth in terms of number of vessels, number of contracts as well as volume of transported cargo.
NORDEN and NPP will contribute to more efficient global trade

NORDEN’s and NPP’s Corporate Soul Purpose – the shared purpose – has come about after long and careful considerations and replaces the 12-year-old vision and mission statements.

The managers and the employees at NORDEN and Norient Product Pool (NPP) know why they go to work day after day – what the purpose of their efforts is, regardless of where in the two companies they have their place. They want to contribute to more efficient and sustainable global trade and thereby increased global prosperity. At the same time, with care and awareness, they want to unite a world where every person and every action matter.

NORDEN’s and NPP’s Corporate Soul Purpose – the shared purpose – has come about after long and careful considerations and replaces the 12-year-old vision and mission statements.

“He points out that it is a conscious decision that the Corporate Soul Purpose talks about global trade and not just about shipping.

Focus on the whole value chain
“Our primary tools are the vessels and therefore shipping. But in order to give our customers the best possible service, we have to understand and contribute to solving all logistical challenges in connection with the transport of a cargo of grain, coal, wood pellets, fuel oil, gasoline or diesel oil – not just from port A to port B, but throughout the whole value chain.

Our focus is therefore on global trade and not just on shipping,” says Jan Rindbo.

Corporate Soul Purpose – supported by NORDEN’s and NPP’s 4 values flexibility, reliability, empathy and ambition – has been formulated in connection with NORDEN’s and NPP’s work with the management programme Soulship.

The purpose of this programme is to strengthen the leadership in the Company and to enable managers to better release the potential within themselves and in those employees who report to them. Based on Corporate Soul Purpose, focus is on creating trust, sharing knowledge, delegating tasks and extending the decision-making capacity to more managers and employees.

“%As custodians of smarter global trade, we are conscious, soulful people uniting a world, where every person and action matters%”

Corporate Soul Purpose

NORDEN’s and NPP’s managers and employees know the purpose of their job.
8 new grabs in the USA

They will support NORDEN’s activities on the east coast, and when NORDEN does not need the grabs, they will be rented out to other loading and discharge operations in the ports along the coast.

NORDEN’s dry cargo office in Annapolis in the USA has purchased 8 new movable grabs – 2 sets – with the purpose of supporting the activities on the east coast. Each of the grabs can contain 12 cubic metres in a single mouthful, and when they are not being used for loading and discharge operations on NORDEN’s own vessels, they are rented out to other loading or discharge operations in ports along the coast.

The grabs are located in Albany – the capital in the state of New York – and in Fairless Hills in Pennsylvania.

“These are the best possible locations when they are to cover the entire northern part of the east coast. We have agreements with local transport companies enabling us to quickly move the grabs up and down the east coast depending on where they are needed,” says Director Adam Nielsen, head of NORDEN’s office in the USA.

To ensure back-up
The movable grabs should be seen as a supplement to the vessels’ own grabs.

“First and foremost, the 2 new sets of grabs are to ensure that we always have a back-up if necessary. When we handle loading or discharge operations with specific requirements, we will always have a set on standby ready to take over. This is also the case if the vessel’s own grabs do not live up to the required standards, or if we suddenly encounter mechanical problems with one of the grabs on board the vessel. It enables us to guarantee services of a high quality to our customers. We are also able to react fast if unforeseen situations occur during the operations,” says Adam Nielsen.

More competitive
The grabs furthermore give NORDEN more flexibility in terms of using vessels, which are not already equipped with grabs.

“The grabs make us more competitive to the customer,” says Adam Nielsen.

When the grabs are rented out to third parties, NORDEN provides its expertise in the form of a supervisor who will be present during the entire operation. NORDEN’s port captain Jacob Angelbo Christensen is responsible for the grabs, and if needed, he will personally go to the ports to ensure that the operation is running as it should.

The grabs are from the manufacturer SMAG and produced by the German company Salzgitter Maschinenbau Group, which is known for its high quality.

Further specifications:
http://www.ds-norden.com/drycargo/grabs/
NORDEN is the dry cargo carrier in the world which most often uses the Panama Canal – the 77-kilometre short cut between the Atlantic and the Pacific, which reduces a voyage between New York on the US east coast and San Francisco on the west coast from 12,150 nautical miles to 5,130 nautical miles. This many nautical miles can be saved by skipping the route south of Cape Horn and South America.

The 77-kilometre short cut between the Atlantic and the Pacific saves vessels the trouble of sailing thousands of nautical miles.

NORDEN is the largest dry cargo carrier through the Panama Canal

“The 77-kilometre short cut between the Atlantic and the Pacific saves vessels the trouble of sailing thousands of nautical miles.”

Jens Malund Jensen, head of operations in the Dry Cargo Department

9 years – and then the capacity of the short cut was doubled

It ended up taking 9 years including a delay of 2 years, and a price of USD 5.25 billion to expand the Panama Canal.

The expansion is the largest construction work done to the canal since it was built in 1881-1914, and not only does it mean that the traffic through the canal can be doubled, which then reduces the waiting time to pass. It is just as significant that the old locks in both ends of the canal have been supplemented with new locks. These locks are longer, deeper and wider compared to the old lock systems.

The old locks, which will continue to be in use, allow for the passage of vessels up to 294 metres long and 32 metres wide and which draw 12 metres at the most. Vessels with these specifications are therefore called Panamax vessels, and until the opening of the new locks they were the largest vessels that were able to pass through the Panama Canal.

The new locks are of such large dimensions that they allow for the passage of vessels which are up to 366 metres long, 49 metres wide and which draw 15 metres at the most.

The vessels must be lifted 26 metres

The task of the locks is to lift the vessels so that they reach the level of the dammed Gatun Lake on the stretch between the lock systems. With the damming of Gatun Lake – the water level is approximately 26 metres above sea level – it was avoided, during the already complicated construction of the Panama Canal, to undertake further massively expensive extractions to make way between the Atlantic and the Pacific.

Before the government company behind the canal – Canal de Panama – in 2006 launched the expansion project, 6 years were spent on research, which included more than 100 studies on the economic feasibility of the project, the demand, the environmental impact and other technical and engineering aspects. Based on the results of this research and as the last and decisive part of the preparations, the project was approved by a referendum.

With the expansion of the Panama Canal, it is possible for far larger vessels to pass through. NORDEN has not yet requested to pass through the expanded part of the canal, which primarily consists of new lock systems at the northern entrance and exit on the side of the Atlantic and the southern entrance and exit on the side of the Pacific. But it has happened a couple of times that the Panama Canal on its own...
Water consumption significantly reduced

Not least to protect the environment, each of the new lock systems is provided with 9 huge basins, and the water from these basins is used to fill the locks with water to lift a vessel. The creation of these basins means that 60% of the used quantity of water can be reused, and that the new locks use 7% less water to lift a vessel compared to the old lock systems.

Also after the inauguration, the use of a pilot is compulsory when passing through the Panama Canal. And while pilots in all other parts of the world solely act as an adviser to the captain, the pilots of the Panama Canal take over the command of the vessels when they come on board. The 8-10-hour passage through the canal is simply too complicated for the authorities in Panama to leave the navigation to strangers.

13,114 passengers in 2016

According to Canal de Panama, 13,114 passengers passed through the canal in 2016. This gives an average of 36 passengers per day.

Another NORDEN vessel during transit of the Panama Canal – the Supramax vessel NORD NEPTUNE.

The expansion in figures

Price:
USD 5.25 billion

Extractions:
74,000,000 m³

Cement consumption:
1,600,000 tonnes

Steel reinforcements:
290,000 tonnes

Construction time:
9 years

Continuous assessing the requirement

“We are continuously assessing if it is appropriate to use the Panama Canal – including the expanded part,” says head of operations in the Dry Cargo Department, Jens Malund Jensen.

There are 2 explanations as to why NORDEN has not deemed it relevant so far to use the expanded canal. First, the vessel sizes NORDEN primarily operates in Dry Cargo – Panamax, Supramax and Handysize, do fit through the original locks. Secondly, it will involve some technical additional costs to prepare the vessels for the new locks – for example, the mooring system on board the vessels will need to be upgraded.

Port capacity is decisive

Jens Malund Jensen points out that it is not only the size of the locks of the Panama Canal that determines the use of vessel type.

“What is decisive is the capacity of the loading and discharging ports. It is no use, for example, to send Post-Panamax vessels through the Panama Canal, if the port you are calling as a maximum can receive Panamax vessels, says Jens Malund Jensen.
NORDEN has a broad approach to customer service which goes beyond transporting cargoes from A to B. NORDEN is also involved in optimising local logistics and infrastructure and, in doing so, part of reducing transport costs for the customers and the local society.

This approach to customer service is well in tune with NORDEN’s target to contribute to more efficient and sustainable world trade and, thus, increased global wealth. In this connection, it is essential that NORDEN has offices and employees worldwide and is therefore able to combine substantial customer knowledge with local presence and local expertise.

A key role is played by port captains at NORDEN’s overseas offices who with their local knowledge and relations to NORDEN’s customers and other business partners, to local authorities, to port agents, to port workers, etc. are able to coordinate a port call from beginning to end in cooperation with operators on shore and the captain at sea. And they do this regardless of the task or problem at hand, be it cargo hold cleaning, documents, defective loading and discharging equipment, wrong port bookings, cultural differences and barriers or something else completely or unexpectedly.

It signals respect

“When NORDEN engages a port captain in a given port operation, it signals respect for the transportation task which the customer has entrusted us with, and it stresses our seriousness in solving the task in an optimal and professional way. A port captain’s physical presence provides the best conditions for it being possible to immediately solve any problems that may arise during the port operation, which is very beneficial to all parties involved,” says Port Captain Claus B. Jensen.
10 port captains

NORDEN has a total of 9 permanent port captains: 3 in the USA (Jan Andersen, Jacob Angelbo Christensen and Claus B. Jensen), 1 in Singapore (Søren Retz Johansson), 1 in Afrika (Samuel Quansah), 2 in China (Radmund Lu and Eko Zheng), 1 in India (Bhaswar Purkayastha) and 1 in Norway, Svalbard (Lars Lundegaard). Furthermore, Port Captain Jim Jara, the Philippines.

He is one of NORDEN’s 3 port captains in the USA, and it is his experience that mistakes and/or misunderstandings in connection with planning the port operations may very well lead to substantial time loss and considerable extra costs for all parties. He therefore always aims at being involved as early as possible in the planning process.

Logistics optimisation

The port captains’ job is not only to protect NORDEN’s interests in an optimal port call.

“Their job is also to look after the interests of the consignor, consignee and port terminals in order for them to best optimise their logistics after the vessel has arrived and in connection with the cargo delivery to the end customer on land,” says head of Dry Cargo Operations at NORDEN’s office in Singapore, Senior Operations Manager Stephan Korsgaard.

Head of Dry Cargo Operations at NORDEN’s office in Annapolis, USA, Senior Operations Manager Ivan Santos, believes that it simply brings NORDEN’s customers peace of mind to know that there is a port captain physically on board a vessel about to load or discharge commodities on their behalf. This is also the case even though the port captain may only follow the operations at a distance by means of telephone/text/email.

And in relation to this, it is not only a matter of knowing how to increase loading capacity and, in doing so, earnings. Port captains must also know how to ensure smooth cooperation on board.

250 years of maritime experience

NORDEN’s port captains together represent more than 250 years of maritime experience.

“The customers use us as a local expert making their everyday easier”

Port Captain Søren Retz Johansson, Singapore.

Used as local expert

“The customers use us as a local expert making their everyday easier. Many of our customers do not have any shipping experience, and loading/discharging operations are an unknown world to them. When NORDEN provides this extra service in the form of port captains, it is very positively received. This is due to the fact that we often solve the problems before they escalate, which is often the case in developing countries. Hellerup, Denmark or Singapore can be far away from the real world in e.g. the Philippines,” says Port Captain Søren Retz Johansson, Singapore.

Ivan Santos believes that the value of the port captains is directly linked to their experience at sea and their understanding of what takes place on board a vessel – that is from the boatswain to the captain – and their understanding of how to optimise the use of the vessel.

Special logistical projects

Ivan Santos points out that NORDEN’s port captains are not only used for loading and discharging operations.

“We also offer the assistance of our port captains to key customers when they have special logistical projects in which a port captain could be useful. This could be guidance in connection with new loading and discharging facilities or changes to existing terminals. If they require assistance in solving very challenging maritime operations, a port captain can also assist in this,” says the head of operations in Annapolis.
Always Port Captain Jim Jara meeting the vessel

NORDEN’s port captain in the Philippines is an instrumental person especially with regards to NORDEN’s coal contract with GNPower, NORDEN’s largest cargo contract so far.

In 2016, NORDEN entered into its largest cargo contract so far, which means that NORDEN will transport a total of 20-24 tonnes of coal from Indonesian mines to a new and modern power plant in the Philippines during the next 10 years. This power plant is owned and operated by the Philippine power company GNPower Mariveles Coal Plant Ltd. Co. (called GNPower). The coal is delivered by alternating vessels, but regardless of the vessel, it is always NORDEN’s port captain, Jim Jara, who will meet the vessel and coordinate discharge.

“NORDEN’s port captain provides GNPower with excellent services,” says Materials Handling Manager Almer C. Domingo, GNPower.

He adds that Port Captain Jim Jara also serves as a communicative link between GNPower and NORDEN.

Opens doors for more business

It was Port Captain Søren Retz Johansson in Singapore, who found and recruited the Filipino Jim Jara to handle NORDEN’s GNPower operations. Before the 10-year contract, NORDEN transported coal to the power plant for an Indonesian coal producer.

“I travelled to the Philippines in 2014 and discovered that there was a great need for clear instructions to captains, pilots, tugboats, agents, stevedores, etc. I wrote customised mooring instructions, etc. and hired Jim Jara, who is now NORDEN’s port captain on location. He makes sure that all parties have peace of mind during discharging operations, and during monsoon season from July to December, his presence, knowledge and experience are particularly valuable. He and I are in daily dialogue,” says Søren Retz Johansson.

He and Jim Jara also solve tasks for NORDEN in other parts of the Philippines.

“For instance, we organise courses in safety and optimisation in connection with coal discharging operations, just as we optimise solutions in relation to other power plants with the purpose of obtaining a new long-term contract for NORDEN. This creates goodwill and helps open doors for more business in the Philippines, of which the major 10-year contract with GNPower is a great example,” says Søren Retz Johansson.
Cost saving project on track

From 2018, annual vessel operating costs and voyage costs must be reduced by USD 20 million.

In the autumn of 2015, NORDEN and Norient Product Pool (NPP) set a goal to reduce annual vessel operating costs and voyage costs such as port charges, pilot and tugboat expenses, etc. by USD 20 million. These annual savings will be a reality from 2018, and so far, savings amounting to USD 15 million annually have been found.

At the beginning of the project, which is called Project Cost Drive, there were some easy pickings in both NORDEN and NPP. But overall, it has been a long haul to identify savings to be made as NORDEN and NPP have always been very cost-conscious and never been lavish with money.

“It has been difficult, and it is only going to get more difficult,” says Head of Vessel Finance & Performance, Lars Warberg Sørensen, who is the project manager – assisted by colleagues from both NORDEN and NPP.

“Some savings are easier to find than others. Savings in the Dry Cargo Department are nothing new, and it has always been customary to negotiate especially with agents and tugboat operators. But Project Cost Drive has made us broaden the horizon significantly and identify savings to be made from a much wider perspective,” says Senior Optimisations Manager Jonas Warming, Dry Cargo.

In NPP, Optimisation Manager Louise M. Hall says: “We are not the only shipping company looking to reduce costs. So it is an important prerequisite for achieving savings that we are able to arrive at a win-win agreement with our suppliers.”

A reason why the cost saving project has come this far can also be found in the excellent teamwork which the project has spurred combined with a strong focus on the project and systematic follow-up by management.

“In order to reach the end goal of the project, innovation and even better use of systems and data are required. Everyone can contribute to the project, both at the offices and on board the vessels. Optimising costs should be part of the way we all think, and we should also keep in mind that we are not reinventing the wheel. Sometimes it is enough simply to return to old values and methods,” says Lars Warberg Sørensen.
Farewell to NORDEN’s Board of Directors after 28 years

Erling Højsgaard has been part of the entire journey from the time when NORDEN was a shipping company with limited activities to now when NORDEN is one of the world’s large shipping companies.

NORDEN’s Board of Directors will undergo a significant change when the Company convenes its annual general meeting on Wednesday 5 April. Due to the age limit for board members – 72 years – Erling Højsgaard will leave the Board of Directors, where he has left his mark since 1989, during the last 2 years as Vice Chairman.

During his many years on the Board of Directors, Erling Højsgaard has witnessed NORDEN’s remarkable growth from the front row - growth which he participated in creating as a board member as he was one of the architects behind NORDEN’s ambitious growth strategy from the end of the 1980’ies.

His parting with the Board of Directors is a good occasion for him to look back on the time when he was elected to NORDEN’s Board of Directors where he, for many years, was the only member elected by the general meeting who had a shipping background.

Erling Højsgaard – member of NORDEN’s Board of Directors 1989-2017 – started his career in shipping in 1961. His first places of work were the shipbroker companies C.K. Hansen and Bidsted & Co. He later worked for the shipping company H. Bang & Co. and the Armada Group. After that he established his own shipping company Interbulk.

“NORDEN has the best possibilities to continue to develop and handle the challenges that the future holds”

Erling Højsgaard, retiring Vice Chairman for NORDEN’s Board of Directors

NORDEN was also a highly respected shipping company at the end of the 1980’ies. However, activities were limited as the fleet only consisted of a couple of older Japanese-built dry cargo vessels and 4 new Danish-built product tankers.

The standstill is over

But the grounds for a dramatic change after many years of standing still were prepared when Niels Thorsen became Chairman in 1987 and when Steen Krabbe became the new CEO in 1988.

It was Steen Krabbe’s plan to supplement ownership of dry cargo vessels with operator activities. Steen Krabbe and Erling Højsgaard had conducted business together when Steen Krabbe was head of Maersk Broker, and he believed that Erling Højsgaard could contribute to the execution of that plan as a board member. The Board of Directors and the principal shareholder agreed.

“I thought it was an interesting idea and accepted. It was interesting and a bit challenging to get acquainted with the, at the time, very complicated company structure consisting of 3 listed companies – Orient, Motortramp and NORDEN – each with their own financial statements while at the same time trying to contribute positively to the formation of the new business model, which moreover soon also included in-house ownership and operation of product tankers,” says Erling Højsgaard.
Giant effort on the Board of Directors

“Erling has made a giant effort on the Board of Directors. He has contributed to ensuring incredible cooperation. His sense of humour is pronounced. He does not target the person but the ball and the matter at hand. He is very knowledgeable and for him it is facts that matter. He has been the only person in the Board of Directors with a classic shipping background, and he has used it well, and it has ensured that no one has been able to play tricks on him when it comes to shipping knowledge. He is very well-prepared. He has a great knowledge of and interest in details, but he also has flair for strategies. He is ready to take risks.”

Mogens Hugo, Chairman of NORDEN’s Board of Directors 1995-2015.

Insight, wit and humour

“Erling has made an incredible effort on the Board of Directors for many years. And on many fronts. With insight, wit and humour, Erling has participated particularly actively in the Board’s work – often with a challenging question for the management accompanied by a smile or a good remark and always with an eye for overall aspects and details. In other words, Erling has been a very important person in NORDEN’s development for many years – not just in terms of the business but also when it comes to values, integrity, principals and much more. He could have stayed on for more terms had there not been an age limit. We will miss him.”

Klaus Nyborg, member of NORDEN’s Board of Directors since 2012, from 2015 as Chairman.

Thorough knowledge of the industry

“It has been a great support to have Erling on board since his entire education and working life is within shipping and he consequently has thorough knowledge of the industry as well as a historic angle reaching far back. Throughout the years, he has worked very hard to ensure NORDEN’s continuation and to maintain the possibility of NORDEN remaining Danish. He is characterised by having a very positive approach to things, a genuine and serious interest in people and their surroundings, a festive attitude, an ability to write and deliver songs, in short he can make his surroundings feel at ease. And that is without compromising on serious matters.”

Alison Riegels, member of NORDEN’s Board of Directors as representative of the principal shareholder Motortramp 1985-2016 (Vice Chairman 1985-2013).

What kind of shipping company is NORDEN in 2017, when you leave the Board of Directors?

“NORDEN is a super shipping company. Thoroughly consolidated and dynamic with several hundreds of talented and dedicated employees in different continents both on land and at sea as well as a daily management team, which splendidly lives up to the vision for the Company that the Board of Directors and Executive Management formulated at the end of the 1980’s. Unfortunately, NORDEN operates in a terrible market just as the Company is hampered by relatively few but relatively burdening former fleet dispositions.”

NORDEN performed well

How has NORDEN managed compared to comparable shipping companies?

“Instead of benchmarking, it is more important to give focus to running the Company with the largest possible degree of efficiency and with a reasonable level of expenses, which is proportionate to the desire to provide the employees with salary and working conditions which promote job satisfaction and optimise the bottom line. That said, I do believe that NORDEN performed well compared to other shipping companies.”

Humble pursuit of the optimum position

What/who is the primary cause of NORDEN’s significant growth?

“The company culture which Steen Krabbe promoted, well supported by Vice Chairman Alison Riegels, Chairman Niels Thorsen and his successor Mogens Hugo, and which still prevails in NORDEN has been a good foundation. It is a culture which focuses on humble pursuit of the optimum position, pulling together and friendly and humoristic conduct. Furthermore, NORDEN’s development is helped along by a great number of individual performances on all levels. And oh well, the large market upturn in the first years of the millennium also did its part,” says Erling Højsgaard with a smile on his face.

Which challenges does NORDEN always face?

“Apart from the challenges that every company faces, the challenge for NORDEN can be defined as the ability to read the development in the world economy before everyone else, the ability to ensure strong liquidity and decent earnings in a completely open and often wildly fluctuating market and the ability to predict the consequences of international political decisions – all paired with the courage to manoeuvre accordingly.”

Saved from takeover bid

What pleased you the most during your years on NORDEN’s Board of Directors?

“It is difficult to pinpoint one thing only, but it made me very happy when we succeeded in entering into the first agreements on long-term chartering of dry cargo newbuildings from Japan with purchase options, and when we managed to counter a, in my opinion, threatening takeover bid submitted by the shipping company Torm under the former Greek ownership at the beginning of the millennium.”

Where is NORDEN in 10 years?

“We have to admit that we cannot predict the future. But I am definitely convinced that NORDEN has the best possibilities to continue to develop and handle the challenges that the future holds. In my opinion, NORDEN has an excellent organisation, a good customer focus, a visionary management team, strong liquidity, a good position in the market and a sound company culture. So, my parting salute is: All the best of luck – and keep smiling,” says Erling Højsgaard.

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NORDEN’s fleet has increased its fuel mileage significantly

On 1 January 2013, NORDEN set up a specific department with the task of increasing the fleet’s fuel efficiency, and this has had a large effect.

Fuel costs made up about 60% of voyage costs, when NORDEN in 2012 decided to set up a specific department with the task of increasing vessels’ fuel efficiency and thereby contributing to economic optimisation of voyages – regardless of whether these voyages are undertaken by owned vessels, long-term chartered vessels or on vessels chartered for a single or just a few trips.

Since then, oil prices have dropped significantly meaning that today fuel make up approximately 45% of voyage costs. However,

“*We are all now good at working towards a shared goal: voyages that are as fuel efficient as possible*”

Peter Sinding, Head of Fuel Efficiency

Everyone must work towards same goal

The first condition for achieving savings on fuel consumption is that the fuel efficiency team receives a correct impression of the vessel’s current efficiency level – i.e. before taking action, if at all. It is not a simple task to determine the efficiency of a vessel, because vessels are subject to conditions that change all the time – i.e. speed, draught and weather conditions, which all affect the vessels’ consumption considerably.

“Maybe that is exactly why there is something to achieve and the possibility of a commercial advantage,” says Head of Fuel Efficiency, Peter Sinding.

Sharing and application of data

The next condition for achieving savings is that the collected data is also being used by the charterers and the operators in NORDEN and Norient Product Pool (NPP), which is in charge of the commercial and operational performance of NORDEN’s product tankers, and by the colleagues in the Technical Department and in Asset Management, the latter being the department that buys and charters vessels for NORDEN.

In this process, there has been a lot of meetings and many discussions on which data is
there are still large sums of money to be saved primarily by ensuring that the propellers are polished and that the hull is free from fouling, and by ensuring that vessels travel at the optimum speed.

In addition, it is NORDEN’s overall objective to contribute to more efficient and sustainable global trade and thereby increased global prosperity.

Total savings: USD 24.9 million
NORDEN’s special team working with fuel efficiency saw the light of day on 1 January 2013. The first year was spent on establishing the monitoring of all vessels – read a description of the monitoring system in separate article – and the results are remarkable. During the years 2014, 2015 and 2016, the owned and chartered dry cargo vessels and product tankers in NORDEN’s fleet have altogether reduced their fuel costs by USD 24.9 million – and they have done this entirely by utilising the fuel more efficiently.

If the current efficiency level continues unchanged, total annual savings on the fuel account this year and the coming years will be USD 16.5 million – a cost reduction which will have a direct impact on the bottom line.

Owned vessels most efficient
Peter Sinding, who heads the fuel efficiency team, explains that the largest savings have been achieved on NORDEN’s owned vessels. At the end of 2016, they were 10% more efficient compared to 3 years earlier. In terms of the long-term chartered vessels, efficiency had been increased by 5.4%, while the short-term chartered vessels had increased their fuel utilisation by 1.3%.

At the end of 2016, NORDEN’s fleet was made up of 236 dry cargo vessels and product tankers – 37.5 owned, 66.5 long-term chartered and 132 short-term chartered.

“The large difference in fuel efficiency is due to the fact that the more power we have of a vessel – and if we own it, we have the full right of disposal – the more influence we have on how efficiently it is run. This is especially the case when we talk about technical measures such as vessel paint, propeller polishing and hull cleaning. Planned measures are always assessed in comparison to the expected fuel price, so that we know that financially they make sense,” says Peter Sinding.

He points out that the increased fuel efficiency has even been achieved during a period of years when NORDEN’s fleet on average has aged. Generally, vessels become thirstier with age, and it requires greater efforts to do something about it.

If the Technical Department buys bottom paint – our work in Fuel Efficiency depends on the fact that everyone in NORDEN and NPP participates actively in the work and refrain from suboptimising on their own area. It is no good if the Technical Department buys bottom paint of a low quality to minimise the immediate operating costs, if the vessel then does not glide as well through the water and increases its fuel consumption. It is no use either if a charterer or an operator avoids having the hull cleaned or the propeller polished on his or her voyage. This may increase earnings on this voyage, but the next will then be more expensive, as it will require more fuel. Fortunately, it is my impression that we are all good at working towards a shared goal: voyages that are as fuel efficient as possible,” says Peter Sinding.

Has its own set of traffic lights
In order to measure data, share data and take action on data that requires action, Fuel Efficiency has made a set-up which consists of 3 elements:

• A reduction of the use of the auxiliary engine at sea and in port
• Better painting of vessels
• Systematic propeller polishing
• Cleaning of hull
• More focus on bunker cheating

This is how savings are achieved

Future measures
So far, fuel efficiency improvements have primarily been achieved through increased hull and propeller effectiveness. NORDEN expects large savings on especially 2 areas achieved through future projects:

• Better tools for the selection of vessels for short-term charter
• A reduction of the use of the auxiliary engine at sea and in port

NORDEN’s Dry Cargo business has decided to increase its operator activities, whereby cargoes are combined with available vessels in the market for a single or just a few trips. It is therefore important to select fuel efficient vessels also for short-term chartering.

relevant in order to carry out the work of reducing fuel consumption as effectively as possible.

“Finally – and maybe most importantly of all – our work in Fuel Efficiency depends on the fact that everyone in NORDEN and NPP participates actively in the work and refrain from suboptimising on their own area. It is no good if the Technical Department buys bottom paint of a low quality to minimise the immediate operating costs, if the vessel then does not glide as well through the water and increases its fuel consumption. It is no use either if a charterer or an operator avoids having the hull cleaned or the propeller polished on his or her voyage. This may increase earnings on this voyage, but the next will then be more expensive, as it will require more fuel. Fortunately, it is my impression that we are all good at working towards a shared goal: voyages that are as fuel efficient as possible,” says Peter Sinding.

Has its own set of traffic lights
In order to measure data, share data and take action on data that requires action, Fuel Efficiency has made a set-up which consists of 3 elements:

• A so-called propulsion module, which makes it possible to continuously measure the efficiency of vessels
• A set of traffic lights with green, yellow and red lights, which distributes data and identifies where actions are required
• 7 monthly meetings between Fuel Efficiency, the chartering and operations departments in NORDEN/NPP and the Technical Department

“Planned measures are always assessed in comparison to the expected fuel price, so that we know that financially they make sense”
Peter Sinding, Head of Fuel Efficiency
Ejector seat of the vessel

If it becomes necessary to evacuate a vessel, this is done by using the free-fall lifeboat, which launches the crew down a chute – into the water, away from the vessel and into as much safety as possible.

The safest place for the crew is always the vessel itself – also if there are complications. But if the situation is so dire that it appears that the vessel may likely sink, the crew must be evacuated, and this is done by using the free-fall lifeboat. The lifeboat is secured on a chute at the far back of the vessel – always prepared to launch into the water.

The free-fall lifeboat – the vessel version of the ejector seat on a fighter jet – is a closed boat or a capsule which can typically fit 25 people.

“The passengers will definitely feel a hard landing on the water following a drop of 10, 15 or 20 metres – depending on whether the vessel is laden or if it is in ballast, which means the lifeboat will drop further from the waterline. But the free-fall lifeboat provides the crew with a better chance of surviving an evacuation – and of surviving the evacuation without serious harm – than with conventional lifeboats,” says Senior Newbuilding Manager Alex Hjortnæs.

The risks during an evacuation have been reduced significantly since the introduction of the free-fall lifeboat, which has been mandatory on all dry cargo newbuildings since 2006, but which NORDEN has also installed on its product tanker fleet.

2 determining advantages

The free-fall lifeboat has 2 determining advantages compared to conventional lifeboats:

- The free-fall lifeboat is launched into the water free from any restraints – in contrast to traditional lifeboats, which must be lowered down and risk being thrown against the vessel side on the way to the waterline resulting in the crew being injured. With the traditional lifeboat, there is also the risk that the wires come loose too early making the lifeboat drop the last stretch. This may also cause injuries since the crew members are not strapped in as they are in a free-fall lifeboat.
Barley from Australia to China

The Supramax vessel GOLDEN LIBRA – chartered by NORDEN – has been in Melbourne, Australia to load 50,000 tonnes of barley for the food industry in China. NORDEN’s Melbourne-office visited the vessel during loading and invited representatives for the customer – Emerald Grain – onboard the newly built vessel.

“It was the vessel’s maiden voyage and we were therefore able to show our customer what a brand-new vessel looks like. We also went into one of the cargo holds which was a good opportunity to talk about the challenges our crews meet when living up to the very strict Australian requirements for hold cleaning,” says General Manager Christian Hornum from NORDEN’s office in Melbourne.

The terminal is owned by Emerald Grain, and during the following tour of the terminal, Emerald Grain repaid by telling the story of the challenges they meet, especially this year, when Australia is having the best grain harvest in many years.

No business class

“Only safety and survival are important in such a situation. No matter what, the passengers are unlikely to avoid some bruising, and it would be a bit of an exaggeration to say that the free-fall lifeboat offers any business class comfort. But there is water and emergency rations on board, and the boat is equipped with a diesel engine making it possible to sail and navigate. Naturally, the boat is also equipped with a transmitter telling the rescue crew coming where exactly the lifeboat is located. Chances of survival are therefore very good,” says Alex Hjortnæs.
NORDEN’s adjusted results for 2016 – i.e. the results for the year adjusted for purchase and sale of vessels – amounted to a loss of USD 35 million compared to a loss of USD 263 million in 2015. Although the results are in line with the most recently announced expectations, and NORDEN generated earnings in Dry Cargo and Tankers which were 19% and 7%, respectively, above the market, the results show that 2016 was a challenging year.

The adjusted results for the year in Dry Cargo was USD -52 million (2015: USD -364 million) and in Tankers USD 17 million (2015: USD 101 million).

The results were generated in 2 markets moving in very different directions. From the historical low in February, the dry cargo market gradually improved, while the markets within NORDEN’s other large business area, product tankers, started the year with good rates that dropped considerably as more product tankers were delivered and demand growth declined.

“In general, the markets developed as expected in 2016, and NORDEN positioned itself towards them also on the long term through a number of initiatives. We have focused and optimised the fleet, increased operator activities in Dry Cargo and reduced annual fleet operating costs by USD 15 million. This has not prevented a loss in 2016, but it plays a part in creating the foundation for the midpoint of our expectations for 2017 which indicates a profit,” says CEO Jan Rindbo.

By entering into 31 agreements, NORDEN has, among other things, postponed the deliveries of owned and long-term chartered vessels and converted 1 long-term chartered Capesize vessel to 3 Supramax vessels, just as it has been agreed to prepay some of the hire on parts of the chartered fleet against hire reductions.

The fleet optimisation was carried out at the same time as NORDEN strengthened its position during 2016 through a number of other measures:

- Net commitments were reduced by USD 369 million, or 37%.
- 4 long-running cargo contracts – including the largest contract in terms of volume in the history of the Company – were entered into, whereby NORDEN added more than 30 million tonnes of cargo to its order book.
- Annual operating costs and voyage costs related to owned and chartered vessels were reduced by USD 15 million.
- Operator activities in Dry Cargo were increased.
- Exposure to the increasingly weaker tanker market was reduced, and NORDEN therefore enters 2017 with fewer open days compared to the beginning of 2016.

“In 2017, in Dry Cargo we will focus on taking advantage of expected improved markets and strengthening our operator activities, while in Tankers we are focusing on positioning ourselves towards possible market improvements after 2017,” says Jan Rindbo.

Despite the challenges, NORDEN’s financial position remains sound with cash and securities amounting to USD 264 million and undrawn credit facilities of USD 250 million.

The adjusted annual results for 2017 are expected to land somewhere in the range USD -20 million to USD 40 million.
## NORDEN’s fleet

### Dry Cargo

#### Capesize
- **Total number of vessels:** 1
- **Owned vessels:** 0
- **Chartered vessels:** 1
- **Length:** 290 metres
- **Width:** 45 metres
- **Cargo capacity (deadweight):** 170,000-180,000 tons
- **Cargoes:** Iron ore and coal
- **Customers:** Steel works, mining companies and power plants
- **Average age – owned vessels:** –
- **Total number of Capesize vessels in the global fleet:** 1,580
- **Average age of Capesize in the global fleet:** 11.5 years

#### Supramax
- **Total number of vessels:** 74
- **Owned vessels:** 6
- **Chartered vessels:** 68
- **Length:** 190-200 metres
- **Width:** 32 metres
- **Cargo capacity (deadweight):** 50,000-62,000 tons
- **Cargoes:** Coal, grain, cement, sugar, fertiliser and wood pellets
- **Customers:** Mining companies, power companies, grain traders, trading houses, producers of cement, sugar, fertiliser and wood pellets
- **Average age – owned vessels:** 6.8 years
- **Total number of Supramax vessels in the global fleet:** 3,426
- **Average age of Supramax in the global fleet:** 8.2 years

#### Handysize
- **Total number of vessels:** 36
- **Owned vessels:** 8
- **Chartered vessels:** 28
- **Length:** 170-190 metres
- **Width:** 32 metres
- **Cargo capacity (deadweight):** 45,000-50,000 tons
- **Cargoes:** Refined oil products such as fuel oil, gas oil, gasoline, naphtha and jet fuel
- **Customers:** Oil majors and oil traders
- **Average age – owned vessels:** 3.8 years
- **Total number of Handysize vessels in the global fleet:** 2,669
- **Average age of Handysize in the global fleet:** 9.5 years

#### Tankers
- **Total number of vessels:** 8
- **Owned vessels:** 4
- **Chartered vessels:** 4
- **Length:** 240-250 metres
- **Width:** 43 metres
- **Cargo capacity (deadweight):** 110,000-120,000 tons
- **Cargoes:** Iron ore and coal
- **Customers:** Steel works, mining companies, power plants, cement producers, grain traders and trading houses
- **Average age – owned vessels:** –
- **Total number of Panamax vessels in the global fleet:** 2,027
- **Average age of Panamax in the global fleet:** 8.9 years

### Own vessels on order:
- **10**
  - **Dry Cargo:** 10 vessels
  - **Panamax:** 1 vessel, **Supramax:** 9 vessels
- **Tankers:** 0 vessels

### Chartered vessels on order:
- **15**
  - **Dry Cargo:** 9 vessels
  - **Panamax:** 1 vessel, **Supramax:** 8 vessels
  - **Tankers:** 6 vessels
  - **LR1:** 2 vessels, **MR:** 4 vessels

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*Notes: All data as per 31 December 2016. Source: global fleet data/dry cargo:Clarksons. Source: global fleet data/tankers: SSY*
Research in maritime law at Copenhagen University and treatment of people with serious diseases on a hospital ship off the African west coast are far apart. However, both received donations from Orients Fond in 2016. The faculty of law at Copenhagen University received DKK 5 million over 5 years for research in maritime law, whereas the hospital ship Mercy Ships also received financial assistance of DKK 500,000 last year.

Orients Fond stems from the shipping company Orient, which merged with NORDEN in 1994. The fund primarily grants donations to 2 purposes: Maritime purposes such as education, information, research as well as initiatives which promote NORDEN’s activities, and social charities for the common good.

“In recent years, the fund has handed out donations amounting to DKK 20-50 million per year. The main part of the money is donated to maritime purposes, but on an annual basis, we also typically donate DKK 5-7 million to social charities for the common good,” says the daily manager of the fund Dan Pode Poulsen.

Orients Fond’s income derives from shareholdings – primarily through 2/3 ownership of Motortramp, which with an ownership share in NORDEN of 28.08% is NORDEN’s principal shareholder. In other words, Orients Fond canalisizes a share of NORDEN’s profit back to society.