

A man in a dark suit and white shirt is pouring a dark liquid from a large, black, funnel-shaped container into a clear measuring cup. The liquid is captured mid-pour, creating a thin stream. The man's face is partially visible in the background, looking down at the cup. The background is dark and out of focus.

## REDUCING FUEL CONSUMPTION

NORDEN is working on designing the fuel saving vessel of the future.

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## NORDEN calendar

### 11 April 2011 at 3:00 pm

Annual General Meeting  
Radisson Blu Falconer Hotel & Conference Center  
9, Falkoner Alle  
DK-2000 Frederiksberg

### 17 April 2011

Naming of two 50,500 dwt MR product tanker vessels  
Guangzhou Shipyard International, China

### 18 April 2011

Expected payment of dividend

### 21 April 2011 - 12 May 2011

Silent period until publication of the interim report for 1st quarter of 2011

### 26 April 2011

Naming of 37,000 dwt Handysize dry cargo vessel  
Hyundai Mipo, Vinashin, Vietnam

### 26 April 2011

Naming of 31,800 dwt Handysize dry cargo vessel  
Jiangmen Nanyang Ship Engineering Co. Ltd., China

### 26 April 2011

Naming of 31,800 dwt Handysize dry cargo vessel  
Jiangmen Nanyang Ship Engineering Co. Ltd., China

### 30 April 2011

Naming of 32,000 dwt Handysize dry cargo vessel  
Fujian Mawei, China

### 12 May 2011

Interim Report - 1st quarter of 2011

### 8 June 2011

Naming of 55,500 dwt Handymax dry cargo vessel  
Tamano Shipyard, Japan

### 29 June 2011

Naming of 33,000 dwt Handysize dry cargo vessel  
Kure, Japan

### 30 June 2011

Naming of 80,000 dwt Panamax dry cargo vessel  
Maizuru Shipyard, Japan

### 7 July 2011

Naming of 116,000 dwt Post-Panamax dry cargo vessel  
Mizushima, Japan

### Mid-July 2011

Naming of 82,000 dwt Panamax dry cargo vessel  
Guangzhou Longxue Shipyard, China

### Cover photo

Steven Sandorff is heading NORDEN's project "Eco Vessel of the Future".

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## LONG-TERM GROWTH IN AN UNCERTAIN WORLD

We rounded 2010 off in good fashion. After years of ground swells, organisational trimming and adjustments, we were once again back on the growth track. We increased our revenue by 25% to USD 2.2 billion and nearly doubled our operating profit to USD 240 million.

We are now ready to look to the future and have updated our business strategy with a plan for 2011-2013. We have named the plan "Long-term Growth in Challenging Markets", and it focuses on navigating the Company safely through uncertain markets.

And looking at the first months of 2011, the world has indeed proven to be quite unpredictable. Climatic and political events have prompted a global domino effect which will have both indirect and direct consequences for the shipping industry.

Queensland suffered massive flooding which closed down mines, railways and ports. The Jasmine Revolution broke out in Tunisia and spread throughout the Arab world on the North African continent. The consequences here being increases in oil prices and changed trading patterns.

Japan, a country which NORDEN is closely associated with and has been for the last 134 years, was hit by earthquakes and tsunamis resulting in great destruction throughout the north-eastern part of the country and in the spreading of insecurity around the nuclear power plants in Fukushima.

The piracy situation off the coast of Somalia and in the Indian Ocean has become more critical. This means that we, the shipping companies, in certain situations and in addition to costly safety precautions, are now also forced to employ guards on board our vessels to protect crew, vessel and cargo. The international community cannot let 800 innocent seafarers be held hostage by Somalian criminals. The pirates' mother vessels must immediately be stopped so that the problem does not escalate any further.

It is difficult not to dwell on these issues, and the international community more than clearly stresses the need for a focused strategy where we keep eyes and ears open and are ready to handle both possibilities and challenges. I can promise you that NORDEN has its GPS set for growth, and that we are more than well equipped for whatever challenges and possibilities the markets may offer us in 2011.

CEO, Carsten Mortensen

NORDEN News  
Reader Survey on  
[www.ds-norden.com/profile/](http://www.ds-norden.com/profile/)

*In July this year, NORDEN will transport the first of 24 yearly coal cargoes from Store Norske Spitsbergen Kulkompagni's mines in Svalbard.*

# 5-YEAR COA FOR THE TRANSPORT OF COAL FROM SVALBARD

NORDEN has entered into a 5-year COA with Store Norske Spitsbergen Grubekompagni on the transport of approx. 10 million tonnes of coal over 5 years from Svalbard to European ports. The contract is the third largest COA in NORDEN history and is well in line with NORDEN's strategy to increase dry cargo volumes by 15% annually.

Store Norske Spitsbergen Grubekompagni AS (SNSG), which is 99.9% owned by the Norwegian Ministry of Trade and Industry, has extracted coal from the underground in Svalbard's archipelago since 1916. SNSG's parent company Store Norske Spitsbergen Kulkompagni (SNSK) owns two underground mines in the archipelago.

#### Summer transports

One of the mines, Svea Nord, is one of the largest coal mines in Europe and produces 2 million tonnes of coal annually. The fiord, which forms the passage to Svea Nord, is impassable due to ice for the entire winter half of the year, and for that reason the transport of coal will only take place during the months from July to November and will consequently not require sailing with ice class vessels.

Svalbard is regulated by specific environmental legislation, which ensures protection of natural and cultural assets. The legislation makes special demands on the vessels in the area, and the environmental factor in particular was a decisive criterion in SNSG's selection of NORDEN.

#### Responsible for the environment

"In the negotiations, Store Norske has emphasised the importance

of competitive prices, CSR policies and the environmental aspects of the transport. We are very pleased that NORDEN has been chosen on parameters such as technical competencies and responsible environmental policy, to which we attach particularly great importance. Furthermore, a long-term cooperation with a first class partner as Store Norske is an important step on the way to fulfil our new strategy to increase our cargo programme by 15% annually," says Senior Chartering Manager of NORDEN's Panamax section, Thomas Kobbel, who has entered into the COA with Store Norske on NORDEN's behalf.

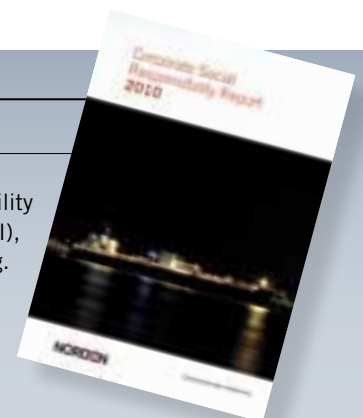


The contract is expected to employ approx. 3,000 Panamax ship days, and the first shipment will take place in July this year.

## NORDEN's new CSR report is out

This year, NORDEN issues an independent report on the Company's efforts within Corporate Social Responsibility (CSR) for the second time. It is the first time that the report complies with the Global Reporting Initiative (GRI), which is a network-based organisation that has developed a general framework for climate and social reporting. The focus of this year's report is business-driven CSR in particular, and in continuation of last year's report, the reporting is made in accordance with UN Global Compact, which NORDEN signed in 2009.

The report can be found at <http://www.ds-norden.com/profile/csr/systematicapproach/>.



# STEADY SAILING IN TROUBLED WATERS

The trend moves up and down in shipping. Popularly speaking. But that does not mean that everything should be left to the circumstances. Rather the reverse. NORDEN has updated its business strategy and launched a plan for 2011 to 2013 which is to ensure long-term earnings despite – and because of – the

market fluctuations. The strategic plan is based on input from all of NORDEN's departments in Denmark and abroad as well as extensive analyses of potential macroeconomic scenarios and to a high extent focuses on the possibilities that a shipping company like NORDEN has in a changeable world.

## TANKERS TO LAUNCH MORE VESSELS

The aim in Tankers for 2011-2013 is that a minimum of 25 tankers are equipped with NORDEN's red-white funnel and carry NORDEN's name on the certificate of registry. This is a 79% increase in the fleet of owned vessels and will lead to improved efficiency of the Company's fleet management.

Whereas the Dry Cargo Department focuses on increasing cargoes and COAs, the philosophy in Tankers is that if the Company has the vessels, cargoes will follow. According to the strategic plan, Tankers is to expand the fleet of owned vessels from 15, at the time of writing, to just more than 25 vessels before the end of 2013.

### Fleet growth tightens requirements

Oil companies continue to tighten the requirements to tanker companies and that leads to an increased need for efficient fleet management with special focus on operating quality vessels with high standards. In that connection, a larger number of NORDEN owned vessels creates economies of scale and implies that NORDEN will be better equipped to meet the increasingly tighter requirements.

"The oil companies' continuous tightening of requirements is a trend which is well in line with the effort we make on our vessels in order to concentrate on quality, safety, internal and external environment as well as a zero accident culture. We are most successful at promoting high standards and zero accident culture on our own vessels with own crew, and we consequently strengthen our competitiveness on these parameters as well by launching more vessels", says manager of the Tanker Department, Lars Bagge Christensen.

### Improved operating profit

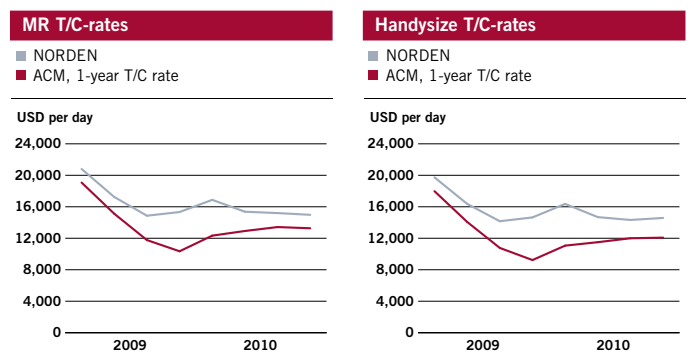
"Another principal goal in Tankers is that daily earnings remain better than market rates. Norient Product Pool, which operates NORDEN's tankers, is and has been extremely good at beating the markets among other things by chartering out vessels, being active in the spot market and cultivating new business and new markets. The Pool is to continue this work in line with continuing efficiency



*NORDEN took possession of NORD HUMMOCK (previously Payal) on 31 January this year. The vessel was built at the yard Hyundai Mipo and is classified ice class 1A. The name "HUMMOCK" refers to the hummocks that are created in the ice when it is compressed over a longer period.*

improvement and optimization", says Lars Bagge Christensen and refers to the contract with Shell that Norient Product Pool entered into in 2010 for the chartering out of 5 vessels for a period of 2 years each as well as existing commitments to BP and Total as good examples of oil companies' confidence in NORDEN and the Pool's strong efforts. Lars Bagge Christensen expects that the intensified efforts will lead to continuous improvement of the Tanker Department's operating profit up to 2013.

In 2011, NORDEN's fleet of owned tankers has grown with the addition of the Handysize vessel NORD HUMMOCK and another 2 MR vessels are expected to be added to the fleet in April and July this year respectively.



*Norient Product Pool, which operates NORDEN's tankers, has beaten the markets several years in a row. These results are to continue and contribute to improving operating profits.*



*In 2010, NORDEN transported approx. 3.5 million tonnes of salt which corresponds to 8% of NORDEN's total transported cargo volume. Due to the harsh European winter, NORD MARINER got the unusual task to transport road salt from Chile to Kalundborg to the icy Danish roads.*

# NORDEN TO TRANSPORT 64 MILLION TONNES OF DRY CARGO IN 2013

The strategy for the Dry Cargo business is ambitious. The target is to increase dry cargo volumes by 15% annually.

140 years of history, a strong brand, responsible business practices and perhaps strongest balance sheet in the industry constitute some of NORDEN's most essential strengths in the competition for permanent and long-term customer relations. The Dry Cargo Department will speed up these strengths in the strategic plan for 2011-2013. The first priority is to increase the cargo volumes that NORDEN transports and to gain market shares among the well-established, global mining and commodity companies which NORDEN transports cargo for.

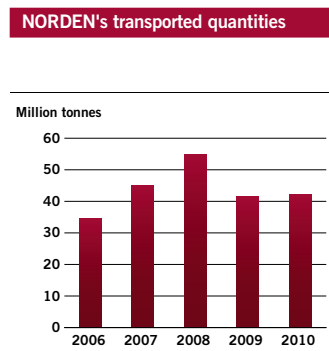
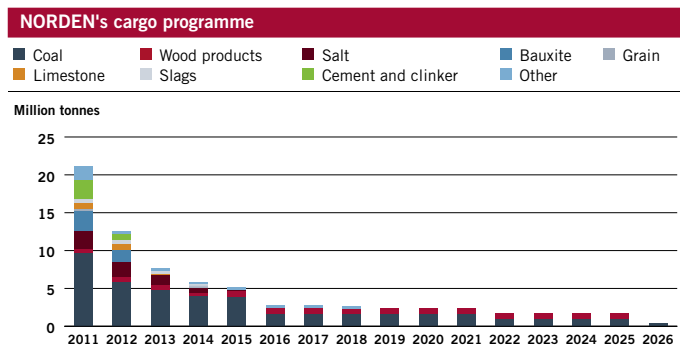
### Ambitious growth targets

"We have set ambitious growth targets for the Dry Cargo business – both short-term and long-term. Last year, we transported 42 million tonnes of commodities; in 2013, we are to transport 64 million tonnes. Our cargo book which contains COAs for several years into the future, contained COAs for just more than 75 million tonnes of cargo at the beginning of 2011. When 2013 comes to an end, it is our target that the order book contains COAs corresponding to 114 million tonnes of cargo," says manager of the Dry Cargo Department, Peter Norborg, and refers to the COA with Store Norske Spitsbergen, which NORDEN recently entered into, as a good example of the strategy.

### Long-term focus

In order to ensure a long-term focus and continue further business development, the Dry Cargo Department has established a new team. The team's sole responsibility will be to identify future business opportunities and priority areas including potential joint ventures and partnerships with selected customers as well as development of projects where particular vessels are chartered out to industrial customers for longer periods. The most recent example is the contract for the reconstruction and chartering out of 2 ice class Handysize vessels to Rio Tinto which was entered into in December 2010.

The platform for growth consists of an increase in the dry cargo core fleet where, at the time of writing, 39 new vessels are on order of which 5 are so-called eco vessels. NORDEN has turned its telescope on eco vessels since they are expected to consume 15-20% less fuel. In 2011, NORDEN has so far taken delivery of 7 vessels to the core fleet.



*NORDEN will increase its dry cargo volumes and cargo programme by 15% annually. (The tables do not reflect cargoes on vessels chartered out.)*

# EARLY SPRING IN THE USA

During the last month, freight rates have increased by 70-80% on voyages across the Atlantic. The Americans' early preparation for "driving season", refinery overhauls and the instability in Libya are all factors which most likely play a role.

The European oil refineries contribute to closing the gap following the UN embargo against Libya, which daily exports amounted to 1.6 million barrels of oil prior to the embargo. By far the greater part of the Libyan oil was exported to countries in the Mediterranean Sea such as Italy and Spain, and these countries now have to search for other oil sources and have primarily trained their binoculars on Europe and the Black Sea.

NORDEN and Norient Product Pool, which operates NORDEN's tankers, are only to a minor extent connected to Libya's oil exports and have consequently not been directly affected by the missing oil since it is primarily transported by other shipping companies' vessels. On the other hand, the demand for transatlantic oil transports has increased considerably over the last 4 to 5 weeks.

"Every year, we experience an increase in the American demand for oil from Europe when the Americans prepare for their "driving season" which is the holiday periods where many people use their car. This year, the increase in oil demand has occurred many months earlier than usual. At the same time, a number of North American refineries are closed due to the annual overhaul, which also leads to increasing imports of refined products. Whereas rates have been at a level of USD 10-12,000, they are now at a level of USD 18-20,000 per ship day for oil transports to the USA. This may be ascribable to nervousness caused by the Libya embargo, but it cannot be said with certainty. All of the above mentioned factors most likely play a part", says Søren Huscher, CEO, Norient Product Pool.

## TANKER FROZEN IN ICE IN THE BALTIC

Whereas spring has arrived elsewhere, the cold has still not released its hold on the Baltic where several tankers await icebreaker assistance to leave the frozen waters.

This year, we have seen the harshest winter since 2003/4. The long-standing cold has caused the thickness of the ice to remain at up to 60 cm. in some places, and due to ice packs, the icebreakers are unable to keep the passage open to an adequate extent. Icebreaker assistance is scarce which means that the vessels can get in but not out. As a consequence, vessel capacity is withdrawn from the market, and this is reflected in the high rates.

"The severe cold did not set in until late January, but now it has got a firm hold. The rates for ice class vessels in the Baltic are at levels of up to USD 25-27,000 per day for vessels in a favourable position, and the 100-125 ice-bound vessels in addition to the conditions described above in "Early spring in the USA" have resulted in an overall rate increase. The rates in the Mediterranean Sea are at a

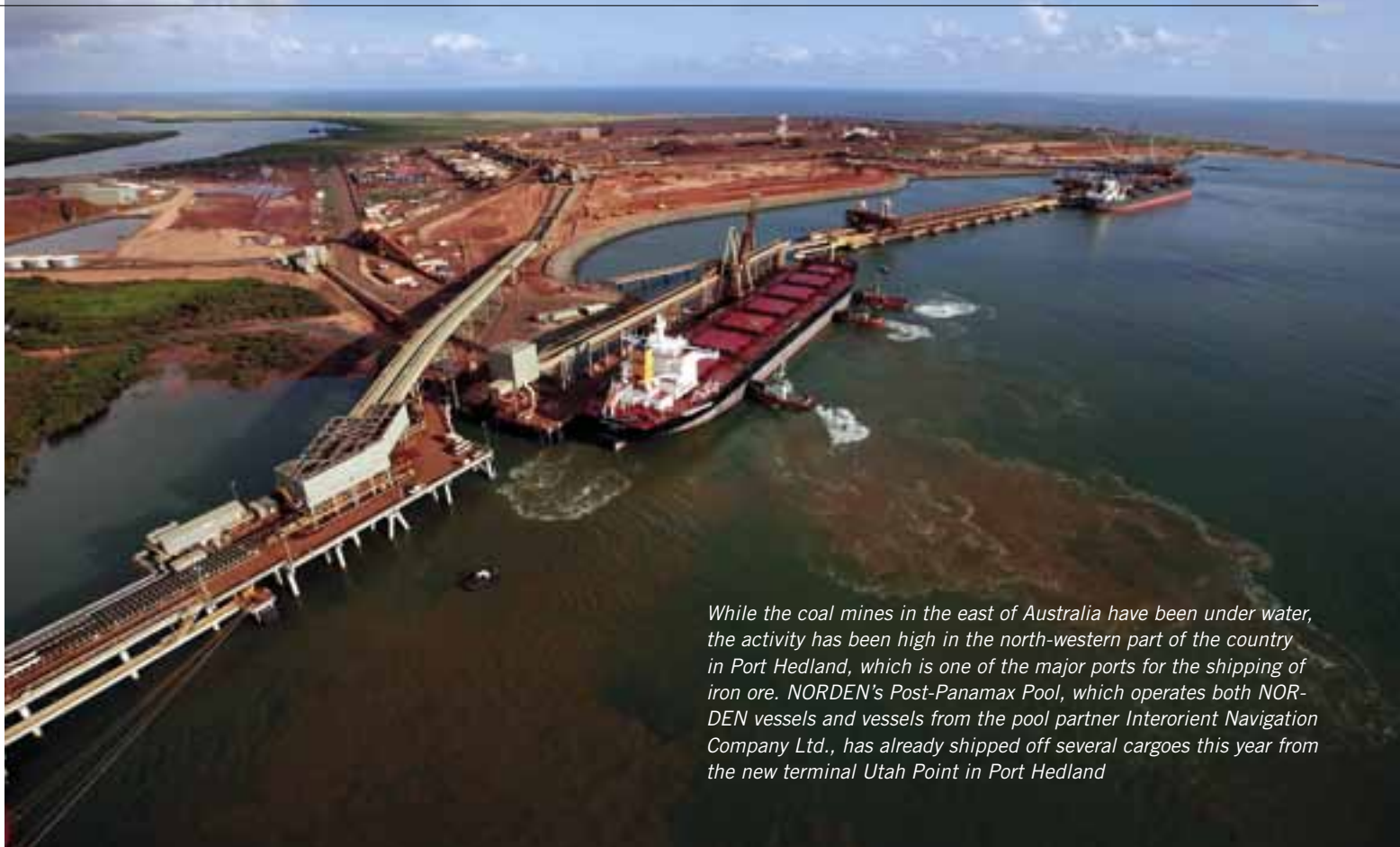
*The harsh winter has rendered the Baltic waters nearly impassable, and it is expected to last until May.*



decent level of approx. USD 12-13,000 per ship day, and Northwest European – as well as transatlantic trade is at a level of approx. USD 18-20,000 per day", says Søren Huscher, CEO, Norient Product Pool (NPP), who expects that the ice season in the Baltic waters will last until May.

While the product tanker market has thus been excellent west of the Suez Canal, activities are very slow in the East.

"It is in the West that we are currently making money, and this situation is likely to persist for some time. We can see that Japan is beginning to demand natural gas, and with thought of the nuclear power plants being out, the demand for oil will also pick up. We also experience that there are increasingly fewer vessels on the position lists in the East. This can either mean that renewed activity is on its way or that the shipping companies are repositioning their vessels to other places," Søren Huscher says.



*While the coal mines in the east of Australia have been under water, the activity has been high in the north-western part of the country in Port Hedland, which is one of the major ports for the shipping of iron ore. NORDEN's Post-Panamax Pool, which operates both NORDEN vessels and vessels from the pool partner Interorient Navigation Company Ltd., has already shipped off several cargoes this year from the new terminal Utah Point in Port Hedland*

## AUSTRALIA IS RECOVERING

The waters, which swept across Queensland in January, flooded mines and destroyed both railways, bridges, roads and ports. Some places experienced such severe downpour in only one week that it corresponded to one year's rainfall under normal circumstances. Queensland is one of the world's largest manufacturers and consignors of coal, and the massive flooding sent tremors through the dry cargo market which temporarily was hit hard by a slowdown in coal exports and a drop in the spot rates.

"We had a few vessels assigned for coal transport from Queensland, but these trips were cancelled as the cargo owners declared force majeure. So we have only been affected to a lesser extent," says Peter Norborg, head of the Dry Cargo Department.

Today, approx. 3 months after the flooding, the area is slowly recovering, but normalization is still some road ahead. Queensland Resources Council estimates that the flooding has cost exports of 30 million tonnes.

### Visit by the Danish Parliament's Trade and Industry Committee

In January, the Danish Parliament's Trade and Industry Committee paid NORDEN a visit. The guests gained insight into NORDEN's business model and our 140-year long history as a global shipping company with Danish roots. CEO Carsten Mortensen emphasised the need for maintaining the Danish framework conditions for shipping and underlined among other things the strengths and talents which Denmark has as a shipping nation.

The Parliament's Trade and Industry Committee was also introduced to MOEPS (Master's Operations Environmental Performance System) by CSR Director Ulla E. Nielsen. MOEPS is a communications system, which led to a fuel consumption reduction on board NORDEN's tankers of 16% in 2010.



# MORE PIRATE ATTACKS THAN EVER

2010 set a record for pirate attacks on merchant ships with 445 attacks and 53 hijackings worldwide. Somali pirates accounted for almost 50% of the attacks, and the percentage has surged this year. Also, the pirate attacks are of a different nature and often occur on open sea now.

In 2008, the sharp rise in Somali pirate attacks in the Gulf of Aden led to increased international military presence. At the same time, a transit corridor and a convoy system were set up through the Gulf of Aden. As a result, pirate attacks in the Gulf of Aden more than halved from 116 in 2009 to 53 in 2010, but pirate attacks increased considerably in a vast area off the coast of Somalia where there are no naval vessels.

## Long-range attacks

Somali pirates have expanded their operations further out at sea and they increasingly use hijacked fishing boats and merchant vessels as mother vessels. Open sea attacks have risen substantially whereas hijackings have not increased to the same extent. This shows that the so-called "Best Management Practices level 3" (BMP3) to deter piracy, which NORDEN complies with, provide effective security. In 2010, Somali pirates carried out 219 attacks, and since New Year, they were behind 83 attacks and 14 ship hijackings. Only two hijackings took place on large vessels complying with BMP3.

## Military affair

"The fight against piracy is an international and military affair. We welcome the initiatives taken internationally but the operation has to be fine-tuned to remain effective. It is therefore necessary to take action now to stop the use of mother vessels, just as prosecution of pirates is a priority," says Senior Vice President Lars Lundegaard from NORDEN's Technical Department.

"We are open to all options, also the use of armed or unarmed guards on board. The safety of the crew is crucial for NORDEN and we follow the situation closely and take precautions to prevent our vessels from being hijacked. Luckily the freeboard and speed of our vessels combined with BMP3 provide a high degree of safety," Lars Lundegaard says.

## EXTENSIVE ANTI-PIRACY MEASURES

In order to avoid, prevent and delay pirate attacks, NORDEN has developed extensive anti-piracy measures to be followed before, during and after transiting risky waters.

**Before transit,** a thorough analysis of the present threat scenario is made. The optimal navigation route, speed and safety procedures are planned. The vessels are always equipped with NATO razor wire and water sprays along the sides of the vessel. Also, exercises in evasive manoeuvres are held, the crew has to undergoes extensive training and the equipment is checked.

**During transit,** the vessel is in close dialogue with the Company and a security firm, and the position of the vessel is continuously reported to military and civil authorities as well as the Company. In addition, security meetings and exercises in safety procedures are held on board on an ongoing basis.

**After transit,** a debriefing of the crew takes place and preparations, equipment and procedures are evaluated together with the Company. NORDEN's Technical Department employees are trained in safety and anti-piracy measures. They maintain close contact with the vessel when it is being prepared to enter risky waters as well as during transit.





# NORDEN VESSEL FENDED OFF PIRATE ATTACK

*Under the management of Captain Manojkumar Parambath the crew onboard NORD STRAIT succeeded in fending off the pirate attack in December.*

On 22 December 2010, pirates attacked the product tanker NORD STRAIT with 22 crew members on board in open sea approximately 350 nautical miles off the coast of Ras al Madralaa in Oman. Anti-piracy measures and good seamanship fended off the attack and no harm was done to the crew or NORDEN.

"We first saw the pirates on the radar at 6 o'clock in the morning. We – and they – then changed the course several times, and we could see that they behaved suspiciously. We raised the alarm, informed NORDEN and the military authorities and everybody on board took their positions on the bridge, in the engine room and the citadel. Some time passed without any activity on their side, and we actually called off the alarm," says Captain Manojkumar Parambath.

#### **Two-hour attack**

"We suddenly noticed a skiff at high speed astern of the vessel. In half an hour, they were alongside the ship, trying to board it several times by means of ladders and rope with hooks while threatening us with gestures and handguns. We succeeded in fending off the attempts with evasive manoeuvres of the vessel and NATO razor wire and water sprays along the sides of the vessel. This was obviously frustrating to the pirates who at one stage fired grenades. Luckily the grenades were not armed. After a two-hour attack and up to 10 attempts to board the vessel, the pirates finally gave up and sailed away," he says.

#### **Joint evaluation**

"We were on higher alert on board. Subsequently, we made a joint evaluation on the vessel, discussing what was good and not so good during the attack, and how each individual felt after the attack. The next days, we continued to be in the area in a state of high alert until we joined a convoy through the Gulf of Aden early in the

morning on 24 December and everybody felt relieved," says Captain Manojkumar Parambath.

#### **Everything went without a hitch**

The 22 crew members all escaped the attack without physical injury. NORDEN subsequently sent staff on board to evaluate the incident and speak with the crew about what happened. The crew was also offered psychological counselling.

"Our anti-piracy measures worked and everything went without a hitch. The crew followed the directions perfectly, exercising extreme discipline. That is why they succeeded in fending off the pirate attack," says Senior Vice President Lars Lundegaard.

### **Heavy costs**

Piracy is estimated to cost the international community between USD 7 and 12 billion (DKK 38.5-66 billion) due to military presence, high insurance premiums, anti-piracy equipment on board the vessels and training of staff in handling pirate attacks.

# NORDEN NOTES



## Internal communication on the agenda

A task force consisting of employees across levels, departments and countries will finish a project before the summer holidays with the aim to strengthen NORDEN's internal feedback culture and ensure a permanent effect. The project originates in NORDEN's annual employee survey which in 2010 showed relatively poor results in areas relating to internal communication and feedback among employees and their nearest manager as well as between the departments. The project of strengthening the feedback culture was initiated last year with communication workshops for all employees on shore. In addition to training in successful communication, these workshops also resulted in a lot of input which represent the starting point for the work of the task force.

## YOU ARE READING NORDEN NEWS. WHAT DO YOU THINK?

Go to [www.ds-norden.com/profile/](http://www.ds-norden.com/profile/), and find the link to a reader survey regarding NORDEN News, where you can give us your opinion on the NORDEN News magazine.

We would like to hear what you think, regardless if you are an employee, journalist, shareholder, share analyst, client, partner, broker, supplier or other. The survey comprises 13 questions – and it only takes 5 minutes to answer.

**If you participate in the survey, you will be in the draw with a chance to win one of 3 vouchers of DKK 500.**

## Big smiley for NORDEN's canteen

In March, the Danish health care authorities paid a visit to NORDEN's kitchen and canteen in Hellerup and concluded again this year that no fault could be found with the high standards.



## Shipping companies start cooperation on anti-corruption

In January this year, the first international meeting was held for shipping companies wishing to join forces in the fight against the use of "facilitation payments". According to Transparency International, "Facilitation payments" are "small unofficial payments made to secure or expedite the performance of a routine or an action", and are very common in certain parts of the world. Employees in shipping companies are often faced with situations which re-

quire "facilitation payments" in order to move forward in a process. The meeting was initiated by Maersk based on the conviction that the combating should be a common project for shipping companies internationally. NORDEN participates in the new network and also supports the Danish Shipowners' Association, the International Chamber of Shipping (ICS) and other international forums in their efforts to eliminate this kind of payments.

# THE FUTURE LIES WITH FUEL REDUCTION

NORDEN's knowledge of fuel saving technologies forms the foundation of a new research project across NORDEN's departments. The goal is building knowledge and hopefully also a new vessel design which will reduce fuel consumption by 25%.

Is it profitable to have a more expensive vessel which in return consumes less fuel? This is the question that NORDEN is about to answer at the request of a large oil company. The vision is to design and build a new vessel where the additional costs of the construction of the vessel may not amount to more than USD 2 million and where the fuel consumption must be reduced by at least 25% compared to existing designs.

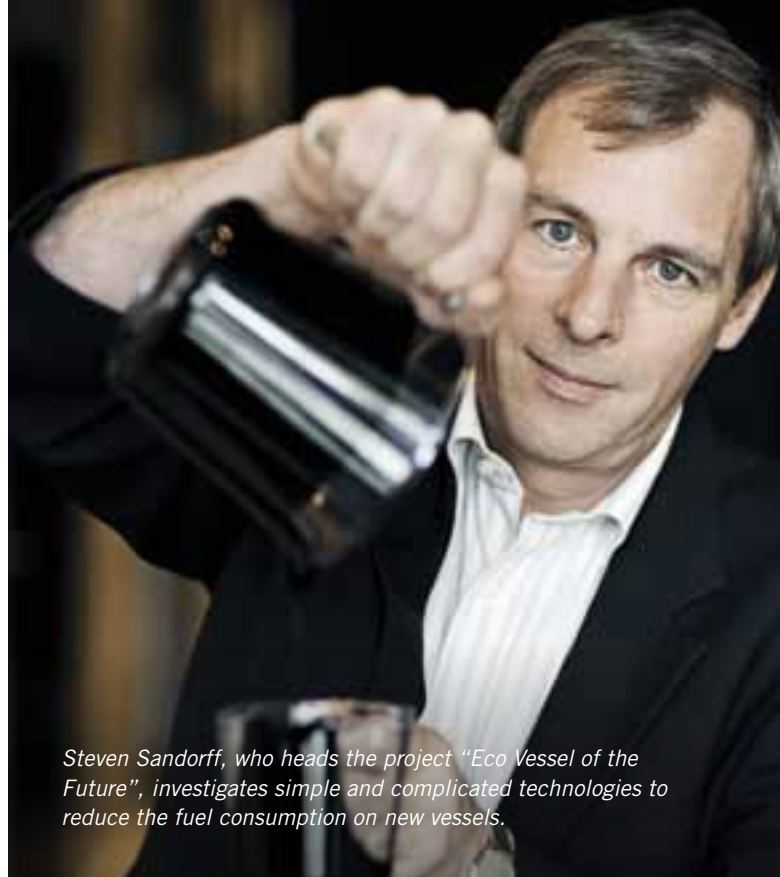
## Eco Vessel of the Future

The motivation behind the projects is – as one of the fundamental principles in NORDEN's business strategy – to improve fleet efficiency in order to reduce emission of greenhouse gasses, fuel consumption and fuel costs. In general, climate policies and increasing fuel prices have accelerated shipping companies' focus on initiatives to reduce vessels' fuel consumption. The Danish Shipowners' Association has set a climate goal for the Danish shipping industry to reduce CO<sub>2</sub> emissions by 25% before 2020, and since the turn of the year alone, oil prices and consequently also fuel prices, have increased by 20%. NORDEN wishes to be among the front-runners in the implementation of climate friendly designs in order to gain the competitive advantage that comes with being the first to enter a market where rates will be higher than for conventional designs.

In short, the development project, which has been named "Eco Vessel of the Future", aims at creating a new vessel design that com-

### The project includes mapping and evaluating relevant technologies, systems, equipment and designs, for instance:

- Optimisation of the main engine
- Improvement of propeller efficiency
- GreenSteam technology
- Self-polishing bottom paint
- Variable turbocharger
- Hull lines



*Steven Sandorff, who heads the project "Eco Vessel of the Future", investigates simple and complicated technologies to reduce the fuel consumption on new vessels.*

bines all known fuel saving technologies. To this should be added the benefit of reduced emissions of CO<sub>2</sub>, NO<sub>x</sub> and SO<sub>x</sub> resulting from the reduced consumption.

## More resources allocated to development

"We continuously work to optimise our vessels by applying the newest technologies and have achieved good results from a number of individual projects. These technologies do not represent rocket science per se but are based on simple basic knowledge of fuel efficiency, propulsion and resistance. The demand for fuel saving designs is growing considerably, and from a business perspective, it now makes good sense to allocate more resources to determine how far we can get if we combine all of the results we have achieved so far – and moreover implement new measures. Finally, we have to find out if customers are willing to pay for the optimised vessels", says Manager of the Operations section in the Tanker Department, Steven Sandorff, who is heading the project.

## Rocket science

The project involves colleagues across departments such as Projects, Technical, Tankers and Dry Cargo and the biggest challenge is to get the different technologies to work together.

"This is where it starts resembling rocket science. For instance, we have an improved propeller design which reduces fuel consumption by approximately 4% and bottom paint which reduces consumption by 4%, but whether or not the two things put together will amount to a reduction of 8% cannot be safely predicted", says Steven Sandorff.

So far, the project only exists on paper but the outline is ready. The next step will be to initiate a cooperation with a yard where the test phase and, hopefully, the construction itself will take place if the combination of the technologies proves successful. The construction is not the primary objective – this is rather the building of knowledge about fuel saving technologies in NORDEN, the oil companies and at the yard in question which will result from the project.

# TRAINEES WITH A STRONG EYE FOR **DETAIL** AND A **SYSTEMATIC APPROACH**

The IT Department has hired trainees from the IT consulting company Specialisterne (the Specialists). Its employees are known to be particularly gifted when it comes to order, a systematic approach and fixed patterns. The scheme is a success and Sture Freudenreich, Head of IT, is considering hiring salaried consultants from Specialisterne in the long term.

Daniel is 17 years old and lives with his mother in Ølstykke. His school life was characterised by defeats and he was referred to as being unmotivated and tired of school. 2 years ago he was diagnosed with Aspergers Syndrome which is an autism spectrum disorder. People with this disorder have a strong eye for detail and order and a systematic approach but they find it difficult to interact socially.

When Daniel had spent 6 months at home, his mother asked the local authorities for help. She could not cope with the fact that he was playing World of Warcraft 18 to 20 hours a day. Through the local authorities Daniel's mother got in contact with Specialisterne, an IT consulting company specialised in making use of skills like the ones Daniel has in the business community. Specialisterne has established a special youth education programme (STU) for young people with autism between 16 and 25 years.

## **Traineeship with NORDEN**

"At first Daniel was a bit sceptical because, in his own opinion, he does not have Aspergers Syndrome. Luckily he decided to start with us anyway since we are nice people," says Frank Paulsen, Head of STU with a smile on his lips. He took part in establishing STU which is aimed at developing the students' personal, social and professional skills and which is based on elements from the scientific, technical and IT-based areas. Through Frank and Specialisterne, Daniel was offered a traineeship with NORDEN.

Today, Daniel works 1 or 2 days a week in NORDEN's IT Department solving tasks such as setting up and debugging PCs and laptops, testing computer screens, setting up iPhones as well as wireless networks on NORDEN's owned vessels and assisting in internal movings.

## **A successful solution**

"Daniel has solved several big tasks with great success. He is very skilled and interested in what we do. His work benefits the entire organisation and us in the department, because we now have more time to solve other tasks. He is a good boy and I hope that perhaps we can help him get an education," says Sture Freudenreich.

In addition to Daniel, NORDEN's IT Department has hired Jonathan, who is also a trainee from Specialisterne. This solution means that time can be spent on development tasks instead of on routine tasks and it has been such a great success that Sture Freudenreich is considering hiring paid consultants from Specialisterne in the long term.

"Both Daniel's and Jonathan's special skills mean that we can safely delegate more and more tasks to them. The only thing we need to do is define the task to eliminate any doubt – and then the task is solved 100%. I am sure that other companies, but in particular other departments in NORDEN, can benefit from either trainees or consultants from Specialisterne. It is a question of getting rid of prejudice and remembering that the benefits outweigh the problems, says Sture Freudenreich.

## **Super cool**

"It is super cool to be a trainee here at NORDEN. They take me seriously and allow me to do lots of things. For the first time in my life, I feel responsibility for the tasks I am given and towards the people I work with," says Daniel, who – at the time of writing – has been a trainee in NORDEN for more than 6 months, still works every Thursday and Friday and may potentially continue for 3 years under Specialisterne's traineeship programme.

*Daniel Schmidt, 17 years old, knows his IT tools. He comes from Specialisterne's special youth education programme and works in NORDEN as a trainee 2 days a week.*



## Facts about Specialisterne: "Yes. We are different"

75% of the employees at Specialisterne have a diagnosis classified within the autism spectrum.

Specialisterne have a strong eye for detail and offer consultancy services to the business community within i.a. testing of business critical IT systems, data logistics, archiving, programming and data registration.

Specialisterne is the first company in the world to recognise the resources of people with Autism Spectrum Disorder (ASD) and make use of these resources.

Specialisterne classify its employees with ASD as Specialists, their special gifts not being considered a disability but an advantage within fields of work which require a great sense of detail, a strong logical and analytical mindset, accuracy and persistence.

In cooperation with the Specialist People Foundation, Specialisterne offer a special youth education programme for young people between 16 and 25 years with autism. The purpose of the education programme is to develop the students' personal, social and professional skills and it is based on elements from the scientific, technical and IT-based areas.

Chocolate surprise in Annapolis.



HAPPY 140 BIRTHDAY  
NORDEN

A toast from the crew on board NORD ENERGY.



Red shock in Hellerup.



Serving in Singapore.



Birthday song at the head quarter.



# 140 years

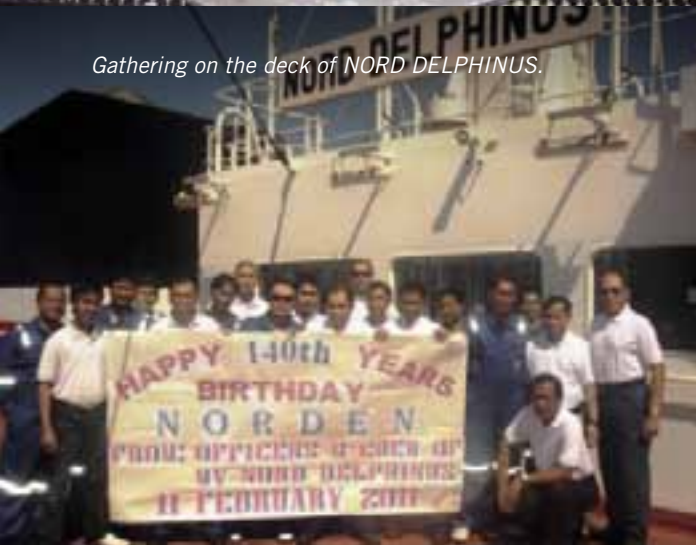
Fresh fruit on the café and a table tennis tournament on NORD SOUND.



NORDEN's 140 year birthday was celebrated around the world at NORDEN's offices and on board NORDEN's vessels. Birthday cakes of all sorts were served, toasts were made and some even arranged for special entertainment.



Gathering on the deck of NORD DELPHINUS.



The crew on NORD HUMMOCK received a birthday cake from Vertom Agencies Holland.





Alvin Ng



Flemming Halsted Hansen



Majbritt Sundstrøm



Jerry Pang Hun Miah



Mette Louise Herring Andersen

# EMPLOYEE NEWS

## Group functions

10 February 2011: *Helene Baum*, temporarily employed as HR Coordinator.  
 11 February 2011: *Peter Hoff-Jensen*, appointed Business Application Manager.  
 14 February 2011: *Mads Pilgaard*, transferred from Corporate Secretariat to Projects in the Dry Cargo Department as Project Manager.  
 1 March 2011: *Martine Zola-Honoré*, 35, employed as HR Coordinator.  
 7 March 2011: *Björn Hilmarsson*, 28, employed as Analyst, Corporate Secretariat.

## Technical Department

1 February 2011: *Páll N. Slættanes*, 37, employed as Assistant Superintendent.  
 7 February 2011: *Mette Louise Herring Andersen*, 31, employed as Secretary.  
 1 March 2011: *Peter Halmøe*, 31, employed as Purchaser.  
 1 March 2011: *Per Vestergaard*, 31, employed as Performance Manager.

## Dry Cargo Department

26 January 2011: *Søren Christensen*, 53, employed as Senior Chartering Manager.  
 31 January 2011: *Mads Haugaard*, transferred to Annapolis as Senior Chartering Manager.  
 1 March 2011: *Camilla Engedal*, 32, employed as Chartering Manager.  
 1 March 2011: *Timothy J. Fitzpatrick*, 28, employed as Chartering Manager.

## Shanghai

14 February 2011: *Rangy Q. Zhang*, 24, employed as Chartering Assistant, from 1 August 2011 as Shipping Trainee.

## Singapore

21 February 2011: *Hun Miah (Jerry) Pang*, 31, employed in IT Services & Support.  
 28 April 2011: *Perlin Chua*, 47, to be employed as Payroll Manager.

## Site Offices

1 February 2011: *Dmytro Sorokin*, 34, employed as Machinery Supervisor.

## Hellerup

1 February 2011: *Jeppé Mulvad Larsen*, transferred to NORDEN as Assistant Superintendent in the Technical Department.  
 1 April 2011: *Natacha Koch Pedersen*, 24, employed as Assistant Performance Manager.

## Cyprus

1 March 2011: *Christopher Kyriacoudes*, 23, employed as Freight/Demurrage Assistant.  
 11 April 2011: *Katja K. Jensen*, 32, to be employed as Freight/Demurrage Assistant.

## NORDEN's vessels

29 October 2010: *Freddy Flindt-Petersen*, 48, employed as Chief Officer.  
 3 December 2010: *Jørn Sehested Bonde*, 53, employed as Chief Officer.  
 3 January 2011: *Allan Leon Larsen*, 49, employed as 2nd Engineer.

7 January 2011: *Morten Allan Lauritsen*, 46, employed as 2nd Engineer.  
 17 January 2011: *Kasper Stubbe Thyge Borup*, 27, employed as 3rd Engineer.  
 28 January 2011: *Klaus Nielsen*, 32, employed as 3rd Engineer.  
 6 February 2011: *Helene Irene Laude*, 32, employed as 3rd Engineer.  
 11 February 2011: *Caspar Lavall*, 32, employed as Chief Officer.  
 11 February 2011: *Martin Petersen*, 38, employed as Chief Officer.  
 25 February 2011: *Tommy Jordemann Bach Christensen*, 37, employed as 3rd Engineer.  
 5 March 2011: *Dag Erik Grødem*, 54, employed as Chief Officer.  
 7 March 2011: *Jesper Michael Lund*, 42, employed as Chief Officer.

## Graduates from NORDEN's Shipmaster programme

4 January 2011: *Michael Hylleberg*, 29, employed as 3rd Officer.  
 28 January 2011: *Jonas Visbech Berg Nissen*, 25, employed as 3rd Officer.  
 8 February 2011: *Brian Michael Kristiansen*, 27, employed as 3rd Officer.

NORDEN News  
 Reader Survey on  
[www.ds-norden.com/profile/](http://www.ds-norden.com/profile/)

## Celebrations

### Technical Department

14 February 2011: *Jeppé Mulvad Larsen*, Assistant Superintendent, celebrated his 30th birthday.  
 23 April 2011: *Ole Lykke*, Purchasing Manager, celebrates his 50th birthday.

### Dry Cargo Department

5 March 2011: *Klaus Vilstrup*, Senior Advisor/Projects, celebrated his 60th birthday.  
 1 April 2011: *Henrik Walstrøm Larsen*, Controller, celebrated his 10th anniversary.

### Tanker Department

9 April 2011: *Steven Sandorff*, General Manager, celebrates his 50th birthday.

### Annapolis

16 April 2011: *Majbritt Sundstrøm*, Operations Manager, celebrates her 30th birthday.

### Singapore

14 March 2011: *Alvin Ng*, Accounts Officer, celebrated his 30th birthday.

### Norient Product Pool

13 March 2011: *Jens Christophersen*, Vice President, celebrated his 40th birthday.

### NORDEN's vessels

20 November 2010: *Thomas Therp Christensen*, celebrated his 10th anniversary.

10 December 2010: *Erik Pedersen*, celebrated his 10th anniversary.  
 1 January 2011: *Flemming Halsted Hansen*, celebrated his 20th anniversary.  
 1 January 2011: *Morten Henning Skråe*, celebrated his 10th anniversary.  
 11 January 2011: *Stig Kold Jespersen*, celebrated his 20th anniversary.  
 30 January 2011: *Søren Leif Madsen*, celebrated his 60th birthday.  
 25 February 2011: *Jens-Ole Thomasen*, celebrated his 50th birthday.  
 15 March 2011: *Hans Kristian Jensen*, celebrated his 60th birthday.



# HERE, THERE AND EVERYWHERE

*High and low. Klaus Vilstrup tours around all floors in the old brew house and works across all departments in NORDEN.*

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He has made contracts for NORDEN for more than 30 years, the CEO calls him the incarnation of NORDEN's values and his colleagues describe him as having a subtle wit and being solution-oriented. Klaus Vilstrup has just celebrated his 60th birthday.

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According to himself, he is a bad lawyer but a good cook. The CEO (that is Carsten Mortensen) calls him the best lawyer in Denmark when it comes to shipping-related legal questions – and praises his cooking, by the way. So it seems that both apply. In any case, Klaus Vilstrup gives the impression of being a person with a wide range of hobbies, many talents and great knowledge.

#### **Long hair and guitar**

The easy way to portray Klaus Vilstrup would be to cast a glance at his CV and tell the story of a highly ambitious lawyer with a career in the fast lane who completed his studies in record time and became an assistant attorney at one of the leading law firms in Denmark, Gorrissen Federspiel, at the age of 25. To this should be added that Klaus started out at the faculty of Philosophy and History, having spent his youth letting his hair grow long in the Thy camp and playing the guitar.

"Competition was too fierce as a rock musician, so I chose to study law. But the studies were so boring that I had to finish them quickly," Klaus says with a quiet smile, indicating that there is more to the man in the white shirt and the light blue pullover than meets the eye.

#### **There is always a solution**

Klaus Vilstrup has worked for NORDEN since 1980 starting as an employee and partner in Gorrissen Federspiel and since 2006 as part time employee in NORDEN. Contracts on purchase/sale of

vessels, newbuildings, joint ventures, loan agreements – every large forward-going commercial transaction passes by his desk. His work takes him to all corners of the Brewhouse and he works together with many NORDEN colleagues, but first of all, his tasks take him to China and Japan at least 8-10 times a year. When the conversation turns to the Far East and the many job-related travels to China and Japan, the sparkle in the eyes behind the oval glasses gets more intense.

"I highly appreciate my Chinese and Japanese relationships which now go back many years. These persons are cultural, reliable, talented, efficient and consensus-seeking. Our temperaments go well together," says Klaus, who describes himself as someone who always finds solutions and never fights with other people. This description is confirmed by his colleagues who also emphasise Klaus' big enthusiasm for music, literature and red wine.

#### **And so much more...**

We have not yet touched upon why Klaus is going on an artistic and scientific expedition to North-East Greenland this autumn, or how he became a Special Agent for the Government of Vanuatu shortly before the fall of the Iron Curtain – or the fact that Klaus has played the role of a summer residence architect. However, all this will have to wait as we are running out of space, but at least it will provide the readers of this magazine with a bit of inspiration if they should be lucky enough to be seated next to Mr. Vilstrup one day.