PARTNERING FOR LONG-TERM GROWTH
Industrial Bulk’s Adam Nielsen is working to make NORDEN ever more relevant, to even more customers, also in the long run.
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Building long-lasting, value-adding relationships begins from within.
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NORDEN calendar
24 July – 14 August
Silent period until the publication of the Q2 financial report

14 August
Publication of the Q2 financial report
FOCUS
Long-term partnerships

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Partnering for long-term growth

With a dedicated business team in the form of Industrial Bulk and port captains at hand, NORDEN is striving to become ever more relevant, to even more customers, also in the long run.

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Partnering for growth

"Individually, we are one drop. Together, we are an ocean," said the Japanese writer Ryunosuke Satoro. For NORDEN, working together, both internally and externally, is alfa and omega. This issue of NORDEN News delves into some of our many partnerships across the globe, all of which are essential in fostering the NORDEN of tomorrow, supporting our continued growth and enabling smarter global trade.

Meet our Industrial Bulk team, working with a long-term partner mindset to solve the issues we experience at ports around the world and cultivate the crucial long-running cargo contracts, which are also essential for our asset-light growth. Our approach to CSR also has partnerships at its core, nurturing the responsible supply chain and collaborating with organisations to take innovative first steps.

NORDEN is on a journey of transformation, remodelling the business with a focus on tradable positions, yet still with a solid foundation in the form of long-term contracts. Our transformation is focused on creating an even more agile and empowered organisation, building on our people, culture, systems and the NORDEN brand.

For all of this, we need the right employees. A career in NORDEN can span many years and combines newcomers bringing digitalisation and strategic future thinking with knowledge, relationships and the NORDEN core values. There is a wide palette on offer and the possibility of moving around across the world, further fostering the company’s vital internal and external partnerships.

Enjoy the read.

Jan Rindbo

“NORDEN is on a journey of transformation, remodelling the business with a focus on tradable positions, yet still with a solid foundation in the form of long-term contracts”
NORDEN BOOSTS MIDDLE EAST ACTIVITIES WITH 3-YEAR CONTRACT

Supporting NORDEN’s continued growth, the company has signed a 3-year Contract of Affreightment (COA) with Qatari chemical firm Qatar Vinyl Company commencing in the second quarter of 2019.

Qatar Vinyl Company, a subsidiary of Qatar Petrochemical Company, produces various polymers and chemicals. The agreement is for the shipment of salt from West Coast India to Qatar, where the salt will be used for chemical production.

Developing new trading patterns
The contract marks a strengthening of the collaboration between the 2 parties and entails shipment of approximately 500,000 tonnes of salt annually during the contract period. The transports will be carried out about once a month on Supramax vessels and enables NORDEN to further optimise the logistical planning while expanding NORDEN’s activities in the Middle East.

“We are proud to secure this long-term agreement with Qatar Vinyl Company,” says NORDEN CEO Jan Rindbo. “The contract increases our flow of tonnage into the Arabian Gulf, which allows us to further grow our activities in the region, in line with our continued growth plans.”

A growing market
For NORDEN, long-running cargo contracts are a vital platform for further growth within Dry Cargo and in line with the company growth strategy, complementing both current and new trading patterns.

Adam Nielsen, Head of Industrial Bulk, which is responsible for the COA business within Dry Cargo in NORDEN, adds, “With the agreement, we are growing our presence in the Middle Eastern region, enabling us to position vessels across the load and discharge port regions, where they can be deployed to fulfil other contracts. This will increase the efficiency and contribute to smarter global trade in line with the overall purpose of NORDEN.”

Supramax vessel
Length: 190-200 metres
Width: 32 metres
Cargo capacity: 50,000-64,000 tons

Number of Supramax vessels operated by NORDEN as per year-end 2018: 123
Tankers’ Texas Happy Hour

On a warm March afternoon in Houston, NORDEN’s tanker unit Norient Product Pool hosted a Happy Hour for customers and business partners in the Texas shipping capital. Just shy of 100 business relations stopped by the Kirby Ice House for authentic Texas cuisine and drinks.

“We were very pleased with the attendance, and the party was a success,” said Jesper Fløe Nielsen, Head of Norient USA. “We had business partners flying in from other parts of the USA and from Latin and South America, underlining Norient’s strong name in the Americas.”

Networking, best practice sharing and evolving the Port Captain role

NORDEN’s port captains travelled to Copenhagen in May to network and meet with the Operations leads. The port captains are based across the globe at NORDEN’s main ports of call, using their port knowledge and network to ensure smooth sailing all round and ease any issues, should they arise.

While traditional working port captains mainly ensure problems are kept at bay and solve any problems, which may arise, NORDEN’s port captains are increasingly focusing on tapping into their local network and technical and local knowledge to assist on larger projects in the various regions. Learn more about this on pages 8-15.

From left to right: Samuel Quansah, Bhaswar Purkayastha, David Phipps, Jaime B. Jara, Joshua David Mooney, Søren Retz Johansson, Jan Andersen, Claus B. Jensen, Jacob Angelbo Christensen, Radmond Lu, Eko Zheng
NORDEN marks 18 months in Canada

18 months after opening an office in Vancouver, the Canadian office hosted a reception for customers, brokers and vendors in the region at the Grouse Mountain resort overlooking the city of Vancouver from the north shore.

With 60 guests, the night was well attended. “We are grateful to everyone who attended the event and for their support in making our Canadian office the success that it has quickly become,” says Mark LaFrankie, Head of Dry Cargo, West Coast North America.

Shipping trainee graduation

Congratulations to NORDEN’s second year trainees, who this summer graduated from Danske Rederier’s Danish Shipping Academy.

This year’s class includes Michelle Lee, Mathias Salhøj Rask, Salar Asghari, Michael Rogers, Emil Ellerup Eskildsen, Henrik Sollie Klok, Henrik Theodor Ramm and Pierce Sun Xiao Gang. Pierce Sun Xiao Gang was at the graduation ceremony named Best Team Mate by his fellow colleagues from across 27 different shipping companies.

Expedition Plastic: Creating lasting change

NORDEN/Orient’s Fond has a 4-year strategic partnership with Plastic Change on the Expedition Plastic project, which aims to map the plastic in the oceans.

Plastic Change’s CEO and founder Henrik Beha Pedersen visited NORDEN’s head office to talk to CEO Jan Rindbo and CSR Manager Kristina Kunigenas as well as other employees in the house about finding solutions to the issue of plastic in the world’s oceans, getting to the root of the problem.

Plastic Change uses research, information, education and national and international political work to reverse the current development, where 8 million tonnes of plastic each year finds its way into the environment.
Partnersing for long-term growth

From a single voyage to a 15-year-long running contract, NORDEN can offer customers any solution and add value. With a dedicated business team in the form of Industrial Bulk and port captains at hand, NORDEN is striving to become ever more relevant, to even more customers, also in the long run.
A growing demand from customers for new services to help them better serve their customers, paired with a dry cargo freight market, which is becoming ever more transparent and standardised, means a need for identifying new ways of servicing clients. Being more innovative is a way of both remaining relevant to the clients and at the same time an opportunity for NORDEN to grow. One of the ways to do so is to offer an integrated freight package combining freight with a logistic solution.

“Industrial Bulk is an essential part of our growth ambition,” says Head of Dry Cargo Christian Vinther Christensen. “The two main focus areas for Industrial Bulk are to increase long-term Contracts of Affreightment (COAs), which will be a crucial generator of activity and arbitrage opportunities, and to engage in logistic solutions complimentary to the dry bulk business to create long-term revenue streams – all supporting the changing needs in the market and identifying new opportunities.”

“With our current business platform, we have a tremendous potential to expand on existing competencies and boost volumes and profitability”

Adam Nielsen, Head of Industrial Bulk
Meet the team

From left to right: Lars Husmand, Adam Nielsen and William Boatwright

Growth ambition in place
For NORDEN, being able to offer integrated freight solutions goes hand-in-hand with long-term contracts. Conventional Contracts of Affreightment (COAs) are becoming less frequent – and the competition is unsurprisingly steeper. For NORDEN, this, however, means long-term partners are now truly choosing quality.

“We experience ever more clients who value NORDEN’s transparency, solidity and CSR ambitions,” adds Christian Vinther Christensen. “We are honoured to be among the companies others can count on when entrusting an owner with a substantial portion of the supply chain.”

By combining the existing freight platform by offering a deeper service in the supply chain solving port bottlenecks, NORDEN believes it can be even more attractive to certain customers.

“Industrial Bulk is an essential part of our growth ambition”

Christian Vinther Christensen, Head of Dry Cargo

“We believe this can both improve our service to existing customers as well as open the doors to new customers,” says Adam Nielsen, Head of Industrial Bulk.

Since its inception in 2011, Industrial Bulk has developed a solid foundation for further growth. The ambition now is to accelerate this growth, continuing to identify local partnerships that complement the business.

“We have a tremendous potential to expand on existing competencies and boost volumes and profitability”, Adam Nielsen adds.

Long-term, asset light
The conscious strategy for NORDEN to become increasingly asset light is - perhaps surprisingly - a perfect fit with long-term contracts.

“To secure long-term contracts, it is vital that NORDEN is also in control of long-term capacity – either in the form of long-term chartered or owned vessels. While a focus is to be increasingly asset light, NORDEN will continue to have access to long-term capacity, and it is
The Industrial Bulk team handles all dry cargo freight contracts over 2 years globally as well as special projects, and generally works to identify new business opportunities, which fit in to the day-to-day business in NORDEN’s Dry Operator.

Adam Nielsen  
Head of Industrial Bulk  
Raised in NORDEN, Adam Nielsen has travelled the world with NORDEN and been with the company since 2002. Having worked in the company offices in Singapore, China, India and North America, with experience in chartering and heading international offices, he has built a strong network and cross cultural knowledge, and with his passion for the business, he is well equipped to take Industrial Bulk to the next level.

Lars Husmand  
Senior Business Development Manager  
With substantial bulk project background, Lars Husmand is driven by a desire to find the optimal customer solutions. The seasoned shipping man among others has experience within business development, chartering and trading, and uses his skillset at NORDEN to identify and negotiate long-term bulk contracts and business development opportunities.

William Boatwright  
Chartering Manager  
A former NORDEN shipping trainee, William Boatwright joined the company in 2012 when he was hired out of college, where he graduated with a Bachelor’s degree in Marine Transportation and a 3rd Officers licence. He has since worked across NORDEN’s North America and Copenhagen offices, building up a strong understanding of the industry through his various chartering roles, which is of great benefit to the team.

An integrated CSR approach

The United Nations’ 17 Sustainable Development Goals provide a framework to address the world’s most urgent sustainability challenges. NORDEN has mapped the goals to the company’s core business, resulting in a focus on SDG 9 Industry, Innovation and Infrastructure. Effective transport and logistics can help expand world trade and help countries integrate into an increasingly globalised production system, in line with SDG 9.

“NORDEN can generate socio-economic impacts through the services we offer to our customers, and involving ourselves more in the port logistics, we do just that, where profit can go hand in hand with making a bigger impact,” Adam Nielsen says of NORDEN’s CSR approach.
THE PARTNER MINDSET

Tapping into the local market expertise, NORDEN and like-minded counterparts can connect, build bridges to create streamlined supply chains and thereby improve logistical flows.
South East Asia, West Africa and Central America are considered high potential areas, where NORDEN sees examples of the port infrastructure not being able to accommodate the growth in the demand for commodities.

“These are areas where NORDEN already has relationships and an established network that can give access to such opportunities. In addition, these are areas where NORDEN experiences a growing push from the local businesses to take control of logistics from the large international companies, which have traditionally dominated the business,” says Adam Nielsen, Head of Industrial Bulk.

A platform for growth
Among the most recent projects is the opening of an office in West Africa in early 2019. With more stability in the region generating stable growth, a fast-growing population, more push for ownership from local companies and growing infrastructure challenges, Abidjan, Ivory Coast, is an important regional hub and a place where NORDEN has a sound business platform from which to further build on.

“The local market in West Africa is underserved for logistics services,” says Henning Fotland, Head of Dry Cargo, West Africa. “There is rapid regional growth with over 6% annual GDP growth, meaning an increased

“...underserved for logistics services”
Henning Fotland,
Head of Dry Cargo, West Africa
need for infrastructure and rapid population growth and urbanisation, which means the major cities will grow even larger”.

NORDEN seeks closer relationships with local partners to assist in optimising the supply chains, solving the bottlenecks in and around the ports. Combining agile logistical solutions also means larger access to long-term contracts.

Deep-dive regional focus, increased efficiency
US-based Senior Chartering Manager Jason Lykens specialises in the American region. In his opinion, it is vital to have an in-depth view from a local perspective, for best triangulation and platform building, to truly become a world class operator, with deep rooted mid-to-long term contract partner focus in tandem.

“To succeed, it is vital to have a partner mindset, servicing the full spectrum from large to small, matching the NORDEN business model and trading strategies.”

Bottlenecks in dry bulk come in many shapes and sizes, with one of the solutions, according to Jason Lykens, being to streamline commercial, operations and optimisation roles through further supply chain integration and technological advancement.

“To eliminate bottlenecks and build stronger pipelines for sustainable business, it is vital for NORDEN and like-minded counterparts to connect, build bridges to create streamlined supply chains (both horizontally and vertically) and thereby improve logistical flows. By working with partners in this manner, relationships, trust, integrity and mutual respect with common goals in mind are further fostered.”

Among the suppliers of long-term contracts are power plants. These include long-standing customer GNPower, which has contracted NORDEN for a 10-year period, beginning in 2017 to transport up to 24 million tonnes of coal.

John Anthony Becker, President, COO of Philippine based GNPower said of NORDEN, “We have been very impressed by the flexible and efficient service of NORDEN over the years since receiving the first shipments of coal for commissioning.”

React in real-time
Another area of expertise is the transportation of salt, where NORDEN in 2017 entered into a new 10-year contract for the transportation of 4-5 million tonnes of road salt from Chile to the US East Coast for Empremar, a customer NORDEN has serviced for more than 15 years.

Thomas V. Labash, Senior Manager Logistics, Empremar, said at the time, “Over the last 2 decades, NORDEN has demonstrated an attitude of partnership and cooperation adjusting to our changing needs. NORDEN has an office in Annapolis, USA, and with their support staff close at hand, they can react to any operational or commercial issues in real-time.”

NORDEN strives to support and optimise contract partners’ business, driving increased traffic for both parties. Meet 3 of the many current contract holders.

THE MUTUALLY BENEFICIAL RELATIONSHIP

Flexibility and customer focus
In 2016, NORDEN entered into 2 long-term contracts for the transportation of wood pellets with both Pinnacle Renewable Energy Inc. and Enviva, and NORDEN is today a leading carrier of wood pellets.

Vaughan Bassett, Senior Vice President, Pinnacle Renewable Energy Inc. said of choosing NORDEN:

“We needed a partner with their own fleet to ensure they could ride out what-ever cycles we will meet in the almost 10 years the contract covers. That partner also needed to have a very good reputation in the shipping industry and to be flexible and customer focused enough to satisfy both ourselves and the receiver consistently over the long term.”
Evolving the port captain role

NORDEN is working to create unique port solutions, generating value to the customer by enabling increased volumes and saved demurrage.

“Over the years, NORDEN has gradually become more involved in the port logistics through guiding and consulting customers and training marine personnel, with the aim of optimising the turnaround for the benefit of clients and NORDEN, building strong experiences around the many ports in which the company operates,” says Adam Nielsen, Head of Industrial Bulk. “Now we want to take this a step further, by making the investments and taking over the responsibilities when we see opportunities that can add value to the customer.”

Added service

According to Port Captain Søren Retz Johansson, NORDEN’s customers are not just buying transportation, they are increasingly also purchasing expertise to ensure safe and efficient transportation:

“Our role is vital, one which cannot be handled by an Operator in a faraway office, but rather requires local presence, and our expertise is appreciated and used in our offices”.

NORDEN’s port captains are increasingly using out-of-the-box thinking to solve inefficiencies and support optimisation in the ports and the surrounding area. By using novel approaches to solving issues and tapping into their unique understanding of the transportation circle, port captains can help ensure ports are better equipped at handling issues and decreasing delays. By fostering the vital long-term partner mindset thinking, NORDEN’s port captains can efficiently and effectively work with ports and customers to improve business for all parties – in both the short-term and the long-term.
More than 600 of the most important dry cargo owners, brokers and charterers from around the world joined the festivities at NORDEN’s Copenhagen head office for the 2019 summer party.

NORDEN’s 11 offices from across the globe were also represented as friends of the house were served street food from the various countries. Guests’ high spirits laid the foundation of a celebration of the development within NORDEN’s dry cargo activities and the invaluable importance of solid and long-term partnerships.

NORDEN CEO Jan Rindbo welcomes guests to the party
Strong turnout for NORDEN summer party

From left: Stephan Joenecke, Freight Trader, Archer Daniels Midland, Natalija Adamantia Skjelmose, Chartering Manager, NORDEN, Jagjit Bibra-Hertle, Freight Trader, Archer Daniels Midland, Louise Sojersten, Senior Manager, Maersk Broker Copenhagen

From left: Daiane Peixoto, Chartering Accounts Manager, Nitron, Viviane da Rocha Gonçalves, Head of Dry Cargo Brazil, NORDEN, Manoel Soares, Broker, Leme Chartering, Victor Pontaleão, Broker, Leme Chartering, Michael von Holt, Broker, Andes Chartering, Carlos Souza, Broker, Brazilship, Hugo Jost de Figueiredo, Broker, Brazilship, Rasmus Saltofte, Head of Handysize Worldwide, NORDEN

From left: Thorstein Sunde, Vice President Chartering, Yara International ASA, Michael Sandberg, Senior Charterer, Yara International ASA. From left - front: Line Lund Clausen, Head of Supramax Cont/Baltics, NORDEN, Thomas Roed, Managing Director, Clarksons Platou AS

From left - back: Thorstein Sunde, Vice President Chartering, Yara International ASA, Michael Sandberg, Senior Charterer, Yara International ASA. From left - front: Line Lund Clausen, Head of Supramax Cont/Baltics, NORDEN, Thomas Roed, Managing Director, Clarksons Platou AS

From left: Capt. Polatkan Obay, Operations & Chartering Manager, GSD Marin, Jan Rindbo, CEO, NORDEN, Hakan Yilmaz, Board Advisor, GSD Marin, Bjarne Wium-Ullerichs, Senior Vice President, Maersk Broker Copenhagen

From left: Jeremy Palin, Managing Director, Arrow Shipbroking Group, Michael Boetius, Head of Period Tonnage, NORDEN, George Kalogeropoulos, Commercial Executive Director, Safbulk
THE IMPERATIVE LONG-TERM PARTNERSHIP

Extensive and long experience, combined with the latest knowledge and ground-breaking skills, form an important part of NORDEN’s ability to build long-lasting and value-adding relationships with customers and clients.

Having the right people with the right mindset is a vital part of NORDEN’s DNA and an ever more important part of utilising the many possibilities that data and digitalisation offer to improve the customer experience. NORDEN taps into the vast resources of young talents to build new capabilities and improve the existing and ensure NORDEN continues to add value to customers in the best possible way.

“There are many young people coming into the shipping business right now – with all sorts of backgrounds,” Johan Hille Bringsdal says. “There is a clear want and need for both the classic shipping skills, but also those who can bring something new, such as digitalisation and automation skills.”

Johan Hille Bringsdal followed his interest in the international business environment and a global career to shipping. Three years later and Johan is finishing his Bachelor at Copenhagen Business School and will embark on his masters this autumn – and will stay on as Student Assistant in NORDEN’s Vessel Finance and Performance team.

“This is an analytical position, and in the next part of my education focusing on programming, I can use what I have learned, helping to play a role in the digitalisation of the industry and of NORDEN. There is a need, I am given time here to help solve that need, and I want to stay in the business after my education to help fulfil that need. The possibilities are significant, and all the work we have done so far has supported us internally and externally, providing NORDEN with a competitive advantage.”

“Enter NORDEN with an open mind and be ready to be challenged – in the good way”

Robert Philip Scott Andersen, Student Assistant, Asset Management
Finger on the global pulse
Fellow Student Assistant Regitze Cederfeld de Simonsen was also eager to pursue a career in international trade.

“Prior to joining NORDEN, I knew little about shipping, but met a highly professional and interesting company, which appealed to me,” says Regitze Cederfeld de Simonsen. Following stints in the Business Development, Control and now Operations departments, which have provided a solid foundation from which to build on, she joins Operations full time this summer.

“The future of NORDEN, but also shipping, is exciting. There are many industry changes, which will undoubtedly make waves, such as increased regulation and shifting trade patterns, and for me personally, NORDEN offers many opportunities, and also challenges, both of which I welcome,” she concludes.

A vast knowledge pool
A good place to start is also a popular place to stay. Head of Technical Department Jens Christensen this year celebrates 30 years at NORDEN, and he has also spent his time in various positions, building a foundation for continued growth.

“A focus for me is to deliver a tradable, safe and cost-efficient operation of the fleet, and with my past in dry cargo, to ensure that the technical and maritime knowledge is put to good use in search of the optimal solutions, also for the non-owned part of the fleet,” says Jens Christensen. He adds that the continued development of the vast resource and knowledge pool is vital for NORDEN’s pursuit of still more relevance and value-adding capabilities towards customers.

A welcome challenge
Challenges also appeal to Robert Philip Scott Andersen, who has spent his time as a Student Assistant in Asset Manage-
The responsible supply chain

Being in control of your supply chain is ever more important in terms of ethical and responsible business management. NORDEN believes in taking a stand and working with partners in the industry to continually improve conduct.

IMPA ACT is a responsible supply chain management system run by the International Maritime Purchasing Association (IMPA) and developed by NORDEN and Danish shipowner J. Lauritzen in 2012. It is the first standard for the shipping industry in this area. When signing up, buyers agree to implement the stipulated Supplier Code of Conduct, based on the UN global compact and UN guiding principles for business and human rights.

“As a company which is always on the move, continually pushing ourselves to improve and further expand our position in the market, we have a strong belief in innovation and improving internal processes,” says Richard Beek, Area Sales Manager, MarFlex.

“Working with NORDEN in the process and becoming IMPA ACT certified supports our core values of customer focus, being quality-driven, result-oriented and flexible. Our aim is to offer reliable, high-quality products and services to offer optimal customer experience, conforming to the highest standards in the area of business ethics, safety and environmental management, and this programme has helped us even further in this process.”

NORDEN supplier MarFlex, a Netherlands based company, which designs, develops and manufactures turnkey electrically driven pump systems, is among the companies to have been part of NORDEN’s supply chain management programme in 2019.
UN Global Compact
Providers of bunker fuel, provisions, spare parts, consumables and service agencies make up the wide palette of shipping suppliers, which play a key role in supporting NORDEN’s port operations and facilitating the company’s activities around the world.

This diverse and complex supplier landscape means NORDEN takes supply chain management in the Technical Department seriously and works with both responsible supply chain management (upstream) and a policy for responsible ship recycling (downstream) to ensure responsible action.

“NORDEN expects our technical suppliers to comply with our Supplier Code of Conduct created in collaboration with the International Maritime Purchase Association (IMPA), based on the general principles in the UN Global Compact of responsible labour and human rights, environment and anti-corruption,” says Kristina Kunigenas, CSR and Compliance Manager, NORDEN. “We invite 5 new tier 1 suppliers annually to take part in a self-assessment exercise, which confirms their compliance, or alternatively reveals any gaps, which we jointly seek to correct. We also encourage our suppliers to use this same code of conduct with their own suppliers by joining IMPA ACT, in order to ensure that their supply chain is responsible as well.”

At the forefront of environmental matters
With an upcoming 40-year anniversary, the foundation of PJ Diesel Engineering was and is circular economy, practised by upcycling otherwise end-of-life products. For PJ Diesel, sustainability is about good, responsible behaviour. The company was part of the 2018 programme with NORDEN, becoming an IMPA ACT preferred supplier, and also here, the process has been welcomed.

“PJ Diesel Engineering strives to be at the forefront of development within our field and conducts great resource consciousness in our activities. For us, being a trusted service partner for the environmentally conscious and cost-conscious client matters. Therefore, joining NORDEN’s RSCM programme and becoming IMPA certified has been a positive and welcome experience, further structuring processes and conducts, aligned with our business vision of continuously striving to be at the forefront of environmental matters,” says Group CEO Anne-Mette Elsborg

IMPA ACT in short
- An initiative to promote responsible supply chain management in the shipping industry.
- Developed by NORDEN and Danish shipowner J. Lauritzen in 2012.
- Run by International Maritime Purchasing Association IMPA.
- Open to all relevant parties.

Take ACTion
Stephen Alexander, IMPA Secretary General and COO applauds NORDEN’s support: “By bringing forward a comprehensive programme of engagement in the art and science of responsible supply chain management, IMPA ACT has been improving the economic, social and environmental compliance of its ship purchaser and supplier members. We now have some major shipping companies such as NORDEN, over 100 marine suppliers and some great organisations on board. Through the initiative, we strive to continually progress excellence in the sector and help the industry incorporate sustainability in business strategy.”
In the first quarter, NORDEN realised an Adjusted Result for the period of USD 7 million, in a solid tanker market, which balanced out a collapsing dry cargo market.

The first quarter result corresponds to an EBIT of USD 6 million with cash flow from operating activities amounting to USD 63 million for the quarter.

“NORDEN generated a positive result in a quarter characterised by a strong winter market in tankers and a dry cargo market on the brink of collapse. NORDEN had anticipated a weak dry cargo market, but not even swift and agile response in Dry Operator could offset rates being halved within a three-week period. Dry Owner, however, was well protected against the weak market due to high coverage and generated a break-even result, while the Tanker business was well positioned towards a very strong winter market and delivered a good result,” says CEO Jan Rindbo of the result.

NORDEN maintains the expectations for the financial year 2019 at USD 25 to 60 million.

Status on the business units
Dry Operator generated a contribution margin of USD 11 million and an Adjusted Result of USD -3 million for the period, during a time when the market declined at speeds rarely seen. As part of NORDEN’s gradual expansion of Dry Operator activities, the first quarter also saw NORDEN opening an office in Abidjan, Ivory Coast. As described in the previous number of NORDEN News, West Africa is a rapidly developing region with growing opportunities within dry cargo.

Entering the year with all vessel days in the first quarter covered, Dry Owner was protected against the challenging rate environment that marked the beginning of 2019 and realised an Adjusted Result of USD 0 million. With asset prices remaining at attractive levels although with limited upside, Dry Owner sold 4 vessels during the quarter with delivery to their new owners in the second quarter, which is in line with the NORDEN strategy of becoming increasingly asset light in the Dry Owner business.

In the first quarter, NORDEN’s tanker business generated an Adjusted Result of USD 10 million. Looking ahead, refineries are expected to increase production of distillates, and together with widespread distribution of IMO 2020 compliant fuel and increased off-hire from scrubber installations, this is expected to result in considerable market improvements towards the end of 2019.
NORDEN’S FLEET

Dry Cargo

Panamax

Total number of vessels 116
Owned vessels 4
Chartered vessels 112
Length 215-230 metres
Width 32 metres
Cargo capacity (deadweight) 75,000-93,000 tonnes
Cargoes Iron ore, coal, grain, bauxite, cement and slags
Customers Steel works, mining companies, power plants, cement producers, grain traders and trading houses
Average age – owned vessels 11.0 years
Total number of Panamax vessels in the global fleet 2,538
Average age of Panamax in the global fleet 9.8 years

Supramax

Total number of vessels 119
Owned vessels 11
Chartered vessels 108
Length 190-200 metres
Width 32 metres
Cargo capacity (deadweight) 50,000-64,000 tonnes
Cargoes Coal, grain, cement, sugar, fertiliser and wood pellets
Customers Mining companies, power companies, grain traders, trading houses and producers of cement, sugar, fertiliser and wood pellets
Average age – owned vessels 3.9 years
Total number of Supramax vessels in the global fleet 3,574
Average age of Supramax in the global fleet 9.6 years

Handysize

Total number of vessels 58
Owned vessels 4
Chartered vessels 54
Length 170-185 metres
Width 27-31 metres
Cargo capacity (deadweight) 28,000-39,000 tonnes
Cargoes Coal, grain, cement, sugar, fertiliser and wood pellets
Customers Mining companies, power companies, grain traders, trading houses and producers of cement, sugar, fertiliser and wood pellets
Average age – owned vessels 9.9 years
Total number of Handysize vessels in the global fleet 2,732
Average age of Handysize in the global fleet 10.7 years

Tankers

LR1

Total number of vessels 2
Owned vessels 0
Chartered vessels 2
Length 228 metres
Width 32 metres
Cargo capacity (deadweight) 7,500 tonnes
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 -
Total number of LR1 vessels in the global fleet 450
Average age of LR1 in the global fleet 10.9 years

Handysize

Total number of vessels 58
Owned vessels 4
Chartered vessels 54
Length 170-190 metres
Width 27-30 metres
Cargo capacity (deadweight) 28,000-39,000 tonnes
Cargoes Coal, grain, cement, sugar, fertiliser and wood pellets
Customers Oil majors and oil traders
Average age – owned vessels 9.9 years
Total number of Handysize vessels in the global fleet 2,732
Average age of Handysize in the global fleet 10.7 years

Notes: All data as per 31 March 2019
Source - global fleet data/dry cargo: Clarksons
Source - global fleet data/tankers: SSY
ON TIME DELIVERY AROUND THE WORLD

With more than 148 years of experience within shipping, we know more than most that time means money. That is why our highest priority is getting your cargo to its final destination, safely and on time — anywhere in the world. With a modern fleet and a global network of local offices to serve your needs in ports, we have everything it takes to make your shipping as simple, efficient and cost-effective as possible.

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