



CORPORATE SOCIAL RESPONSIBILITY REPORT 2014

– On track

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WELCOME

Dear all,

I am pleased to present NORDEN's CSR report which describes our CSR efforts in 2014.

This is the second year of our CSR strategy "on the right course" and we are pleased to say that we are on track. We have reached the majority of the targets which we have set. For those areas where we have not reached our targets, we have identified the causes and will use the lessons learned to better help us reach our future goals.

The main CSR focus area for NORDEN in 2014 has been anti-corruption. We have developed an Anti-Corruption Compliance Programme, which provides a framework for our work within anti-corruption. It also provides our employees with tools and procedures to guide them in their daily work. NORDEN has, as part of an industry collaboration, been instrumental in developing anti-corruption training for senior management, captains and operators for the Maritime Anti-Corruption Network (MACN) and its members. The training was made available for all the members in September and has been launched by NORDEN within our organisation for the senior management, captains and operators.

During the year, we were rewarded with a position on the A List in the CDP's Climate Performance Leadership Index. This is the highest category that a company can achieve, and it shows that NORDEN has gone from "beyond transparency" to "excellent performance".

2015 will be another exciting year within CSR for NORDEN, where we will focus on 3 main CSR activities. The first one is to develop tailor-made anti-corruption training for the rest of our employees. By the end of 2015 all employees will have undergone anti-corruption training. The second activity is to complete NORDEN's human rights impact assessments as required by the UN Guiding Principles. The third and last activity is the development of a new CSR strategy for the period 2016 to 2018.

We look forward to undertaking these activities and staying on track with the other CSR activities in our CSR strategy. We hope you will follow us on our journey.



Michael Tønnes Jørgensen
CFO and Chairman of the CSR Executive body



NORDEN

978 EMPLOYEES

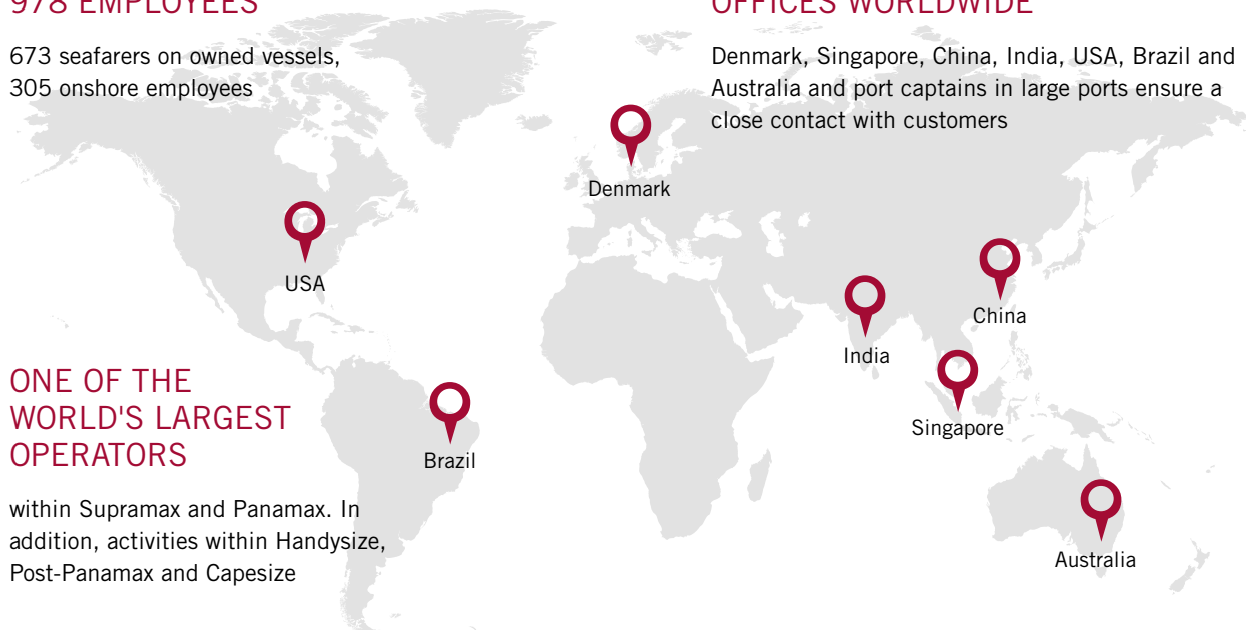
673 seafarers on owned vessels,
305 onshore employees

ONE OF THE WORLD'S LARGEST OPERATORS

within Supramax and Panamax. In
addition, activities within Handysize,
Post-Panamax and Capesize

OFFICES WORLDWIDE

Denmark, Singapore, China, India, USA, Brazil and
Australia and port captains in large ports ensure a
close contact with customers



- Established and listed in 1871
- Global activities within
 - Dry cargo – transport of commodities such as coal, grain, iron ore, etc.
 - Product tankers – transport of refined oil products
- Flexible business model of owned and chartered vessels
- Owns 50% of Norient Product Pool, NPP, one of the world's largest operators of product tankers
- Share listed on NASDAQ OMX Copenhagen A/S
- 16,226 registered shareholders

MISSION

Our business is global tramp shipping. We seek excellence through a dedicated team effort from competent and motivated people.

With ambition, reliability, flexibility and empathy, we

- Focus on customers who benefit from our constant commitment to being an independent long-term partner.
- Continue our long history of building valued relationships with shipowners and shipyards.

We will maintain a large modern fleet of owned and chartered tonnage, and – in a volatile market – we manage risks to constantly be able to develop our business and create shareholder value.

VISION

The preferred partner in global tramp shipping.

Unique people.

Open minded team spirit.

Number one.

VALUES

Flexibility – Adapt and find better solutions.

Reliability – Honest, good intentions and no cheating.

Empathy – Respect diversity in people and opinions.

Ambition – Think ambition into every activity.

CO₂ EFFICIENCY

Performance 2014

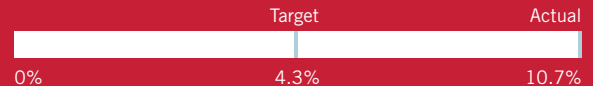
Reduce CO₂ emissions by 25% from 2007 to 2020 from owned dry cargo vessels exclusive of vessels on contract to third parties as measured by Cargo EEOI



Reduce CO₂ emissions by 25% from 2007 to 2020 from owned tanker vessels exclusive of vessels on contract to third parties as measured by Cargo EEOI



Reduce CO₂ emissions by 4.3% in 2014 from owned vessels due to initiatives in the Climate Action Plan

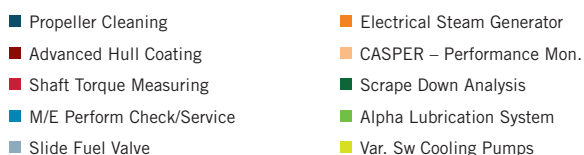
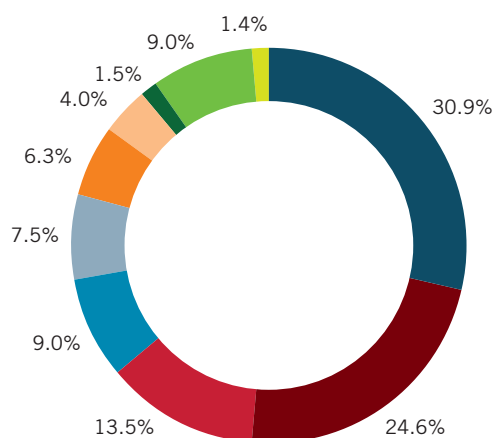


CO₂ emissions are proportionally linked with the reduction of our vessels' fuel consumption. To reach our target of reducing CO₂ emissions from owned vessels by 25% compared to 2007-levels by 2020, exclusive of vessels on contract to third parties, NORDEN focuses on three different areas. These are technical improvements, speed optimisation and maintaining a young, modern and fuel efficient fleet.

Technical improvements

NORDEN's Climate Action Plan from 2007 includes 10 fuel saving initiatives, which are assessed yearly for their effectiveness. Each initiative's effect is calculated based on assumptions about engine size, engine type, voyage conditions as well as guidelines from the IMO and Intertanko. In 2014, the target was to reduce CO₂ emissions from owned vessels by 4.3% via the initiatives in the Climate Action Plan, which we reached with a total reduction of 10.7%. The pie chart illustrates how large a share of the CO₂ reduction each initiative contributed with in proportion to the overall reduction of CO₂ emissions of 10.7%. The reduction of 10.7% is included in the total data on reduction of CO₂ emissions from owned vessels (EEOI) described below in the subsection "Total reduction of CO₂ emissions".

Climate Action Plan



1. Propeller Cleaning: Adoption of propeller cleaning on an average 6 months basis.

2. Advanced Hull Coating: Reduces marine growth on the underwater hull.

3. Shaft Torque Monitoring System: Ensures an on-line real-time monitoring of the propulsion power delivered to the propeller.

4. M/E Perform Check/Service: Ensures an effective dosage of cylinder lubrication oil via the Alpha Lubricating System and a reduction of the cylinder oil consumption can be obtained.

5. Slide Fuel Valves For Main Engines: Improves the combustion of main engine and ensures a cleaner engine.

6. Electrical Steam Generator: Instead of using the large capacity oil fired boiler to "top up" steam at low engine loads and/or in cold weather, a small electrical heating system can be installed and efficiently generate the required "top up" steam.

7. CASPER - Vessel Performance Monitoring: Ensures an overview of the development of the fuel efficiency for each individual vessel in the fleet.

8. Scrape Down Analysis: More frequent check and service intervals of:

- the turbo charger
- fuel oil pump
- air cooler

9. Alpha Lubricator System for the main engines: Ensures an effective dosage of cylinder lubrication oil and a reduction of the cylinder oil consumption can be obtained.

10. Variable Sea Water Cooling Pump Capacity: Can adjust the cooling capacity to the actual cooling demand, electrical power drawn from the main switch board can be reduced and thereby auxiliary engine fuel oil consumption will be reduced.

Speed optimisation

In a market where bunker prices are decreasing, it is even more important to make use of right steaming. NORDEN is committed to right steaming, which is to sail at the optimal speed according to the framework set out, i.e. time versus cost.

Another means to optimise speed is to make use of virtual arrival, which is a partnership between NORDEN, the customer and a weather routing company with the aim of reducing CO₂ emissions and thereby also bunker costs. In practice, it means that if a vessel is scheduled to arrive on a specific day, but the circumstances entail that this is not optimal, for instance due to congestion in the terminal, then an agreement is made with the customer and a new scheduled time and speed is planned. NORDEN engages with the weather routing company to ensure that the speed chosen is in line with the weather forecast. In the end, the gain obtained on the saved bunker is divided between the customer and NORDEN. NORDEN's automated system gives a notice if there is a possibility for a virtual arrival voyage.

In addition, NORDEN has a Fuel Efficiency Team comprised of qualified engineers, who in cooperation with other departments, monitor each vessel's bunker consumption and identify potential possibilities of improvement. In order to quickly facilitate the right decisions and actions to improve fuel efficiency, data quality and consistency in fuel monitoring are both very important. But fuel consumption measurements are typically subject to several sources of error, to external influences, and they can change substantially over time. To ensure data quality and consistency across the organisation, the project One Set of Numbers was therefore initiated in 2013. The project was completed during 2014 and has resulted in all fuel data now being available on a daily basis, in a standard format and with consistent adjustments. The benefit is clear: higher data reliability provides greater alignment in relation to fuel saving actions and better sharing of best practices.

Modern fleet

An essential part of our strategy to maintain a young, modern and fuel efficient fleet is to invest in fuel efficient vessels. This is supplemented by continuously evaluating how existing vessels can be optimised.

We consider eco vessels as vessels that live up to the phase 2 requirements of the IMO's Environmental Efficiency Design Index (EEDI), which are to be implemented in the shipping industry by 2020. Phase 2 sets the requirements for vessels built in 2020 and onwards and is the stricter version of the current EEDI requirements. NORDEN strives to adhere to these criteria in all future newbuilding contracts.

In 2014, NORDEN received 2 eco tanker vessels and 4 long term chartered eco dry cargo vessels with purchase option. We ordered 6 eco dry cargo vessels to be delivered in 2016-2018. We also ordered 1 long term chartered eco tanker vessel with purchase option and 1 long term chartered eco dry cargo vessel with purchase option.

In total within the next 3 years, we will receive 4 eco tanker vessels, 12 eco dry cargo vessels, 1 long term chartered eco tanker vessel with purchase option and 4 long term chartered eco dry cargo vessels with purchase option.

Total reduction of CO₂ emissions

The International Maritime Organisation's (IMO) Energy Efficiency Operational Indicator (EEOI) is used to enable us to see how far we have come in reaching the 25% reduction in CO₂ emissions from the 2007 level by 2020. The EEOI is used to calculate the mass of CO₂ emitted per metric ton of cargo transported per nautical mile sailed. It is a useful indicator as it enables us to compare our yearly CO₂ reduction regardless of changes in fleet size.

We are once again disclosing our Cargo EEOI performance in addition to the Total EEOI performance. The results are visually illustrated in the table "Total reduction of CO₂ emissions". Cargo EEOI is the indicator that we can directly impact, through the quality and operation of the vessel, and therefore, the most representative of our efforts to decrease CO₂ emissions. Ballast and Port EEOI are linked to market conditions, including cargo availability, waiting time or port stays, which are generally beyond our control.

Total EEOI	=	Cargo EEOI	+	Ballast EEOI	+	Port EEOI
Σ ton CO ₂ total		Σ ton CO ₂ laden		Σ ton CO ₂ ballast		Σ ton CO ₂ port
Σ distance * cargo		Σ distance * cargo		Σ distance * cargo		Σ distance * cargo

The Total EEOI, as defined by the IMO, may be regarded as made up of three contributions, which are the cargo, ballast and port parts of the journey.

Total reduction of CO ₂ emissions (all below data exclusive of vessels on contract to third parties)					
		Cargo EEOI		Total EEOI	
		CO ₂ emissions reduction in % since 2007	CO ₂ grams per ton of cargo per nautical mile in 2014	CO ₂ emissions reduction in % since 2007	CO ₂ grams per ton of cargo per nautical mile in 2014
Dry Cargo	Owned vessels	33.0%	4.3	2.1%	7.5
	Owned and operated vessels	9.0%	5.3	-4%	7.9
Tankers	Owned vessels	33.3%	7.4	18.8%	15.1
	Owned and operated vessels	19.1%	7.6	13.4%	15.7

Since 2013, the Total EEOI has generally had a disappointing development due to more port time and for dry cargo also an increasing ballast laden ratio. Both elements are mainly market driven and outside NORDEN's control.

The Cargo EEOI, describing the vessel efficiency, has had a fine development. Especially the owned vessels have improved their efficiency due to more active approach towards water hull cleanings, propeller polish, advanced dockings, use of better anti-foulings and the delivery of new ECO vessels.

A complete outline of our CO₂ emissions and overall environmental performance can be found in the section *Facts, Figures and Assurance*.

Future targets



Energy Efficiency Operational Indicator - EEOI

2020 target: 25% reduction in relative CO₂ emissions from owned vessels exclusive of vessels on contract to third parties by 2020 from the 2007 level (Total EEOI) where 15% should be a result of technical improvements and 10% a result of speed reductions

Climate Action Plan

2015 target: 4.7% reduction in CO₂ emissions from owned vessels

VESSEL SAFETY

Performance 2014

Maximum of 3.79 remarks per vetting inspection of owned tanker vessels technically managed by NORDEN in 2014



Maximum of 1.3 deficiencies per PSC per owned vessels technically managed by NORDEN in 2014



Pass all Port State Controls (PSC) without detentions in 2014



Zero incidents of piracy on owned vessels in 2014



NORDEN's Technical Department went through a reorganisation to future proof the department as well as improve its effectiveness, quality and performance. Consultants were hired to identify areas of improvements. The main change was the establishment of 4 vessel groups based on the different vessel types which NORDEN owns. The vessel groups have the full responsibility of the technical operations of a vessel, which makes the dialogue with the vessels less resource demanding as the vessels receive a single point of contact. Moreover, it creates transparency towards our customers as they can more easily see how we manage our vessels. The benefits which this reorganisation has had and will continue to have will help us to remain a preferred business partner for our current customers as well as attract new customers.

Vetting

NORDEN's tanker vessels are chartered by oil majors and are therefore continuously vetted. Vettings are risk assessments conducted by oil companies, which focus on the safe and environmental operation of the chartered vessels.

We have increased focus on safe operation of the vessels by withdrawing the vetting function from the other job functions and placed in the daily vessel operation. This was done in connection with the above mentioned reorganisation of the Technical Department.

Moreover, an additional employee was hired at the end of the year to strengthen the vetting function.

Our vetting target is to have a total of vetting remarks below the peer group benchmark average, as indicated by the Tanker Safety Forum's Benchmark (end October 2014), which was 3.79 in 2014. NORDEN had a total of 3.87 remarks which is slightly above the target.

However, NORDEN continued for the second consecutive year to improve the SIRE inspection performance mainly based on high focus and detailed inspection preparations by the crews and office. SIRE (Ship Inspection Report Programme) is a tank-

Vetting and Port State Controls (PSC)



er risk assessment tool concerning vessel safety introduced by the Oil Companies International Marine Forum (OCIMF). Our increased focus has proved effective as we had 3.87 total vetting remarks in 2014 compared to 4.51 in 2013 and 5.33 in 2012. In addition, we had 0 inspection rejections based on high risk remarks.

The internal inspection target for 2015 will again be set low to ensure that vetting performance and focus is maintained.

Port State Control (PSC)

2014 was a challenging Port State Control (PSC) year. Especially in the Tokyo MoU region, NORDEN, like other Danish shipping companies trading in this area, faced challenges. The Tokyo MoU is a regional Port State Control Memorandum of Understanding consisting of 18 member countries in the Asia-Pacific region.

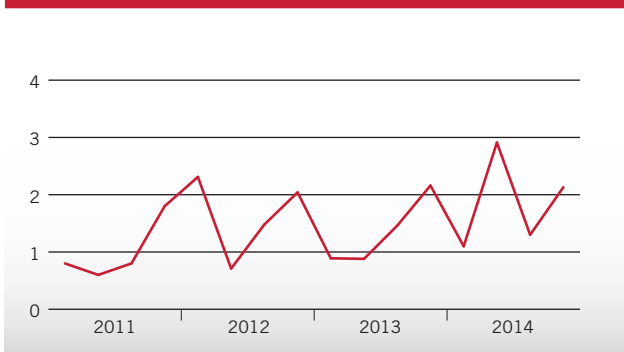
NORDEN has therefore participated in a meeting in the Danish Shipowners' Association together with the Danish Maritime Authority and other Danish companies to determine why Denmark has dropped from a second place on the White List to a 28th place and what could be done to restore the top ranking. The white list ranks the top countries with a consistently low PSC detention record.

NORDEN's target is to have PSC inspection deficiencies below the peer group benchmark average of 1.3 deficiencies as measured by Boston Consulting Group in 2014. NORDEN had an average of 1.90 deficiencies per PSC inspection per owned vessel technically managed by NORDEN in 2014, resulting in NORDEN not meeting its target.

NORDEN had 2 PSC inspections in Australia and Russia, respectively, which fell outside the normal inspection pattern in this region and had a negative impact on PSC inspection performance.

We also experienced 1 detention out of 93 Port State Control inspections in 2014. In Grand Anse, Canada, NORDPOL (IMO

Port State Control deficiencies per vessel



No. 9253193) was detained on 4 February 2014 for 3 days due to leaking valves in the bilge system leading to water ingress in the cargo holds. As a result, NORDEN will continue to focus on safe operation and high maintenance standards of the vessels to avoid similar situations in the future.

We continuously follow up on the implementation of the corrective and preventive actions on the raised PSC deficiencies to ensure that PSC performance and target is met in 2015.

In 2013, we mentioned in our CSR report that we challenged the PSC detention of NORD GUARDIAN in December through our flag state. We believed that the detention was unjustified. The authorities in the Review Panel decided in favour of NORDEN, and the detention was deleted from the vessel's records.



Incidents at sea

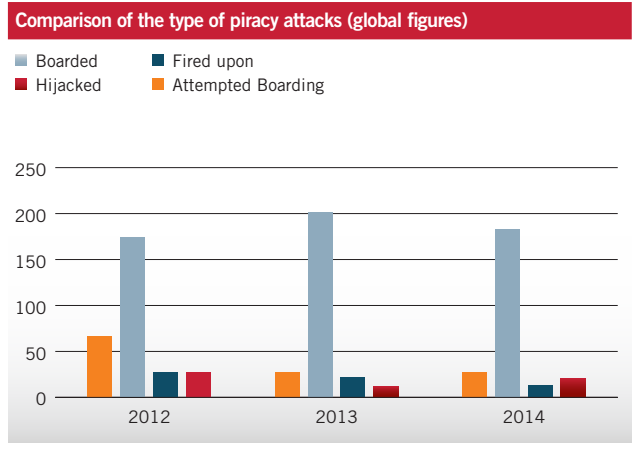
In 2014, NORDEN did not experience any incidents that had a negative impact on the environment. NORDEN takes all possible measures to avoid these types of incidents during the operation of vessels. Several times per year, crew members receive training in contingency exercises. For instance, one of our vessels participated in an oil spill exercise in Hawaii with local authorities and the US Coast Guard. In the event of an incident, mitigation material, such as pollution prevention equipment, can be found on board, and the crew is trained in using it.

Piracy

NORDEN continues to follow protective measures in accordance with the BMP4 standard, which has been developed by the international shipping industry in collaboration with military organisations and supported among others by NATO, EUNAVFOR, IMB, INTERTANKO, ICS, OCIMF and BIMCO (Best Management Practices to Deter Piracy off the Coast of Somalia and in Arabian Sea Area, Version 4 August 2011). We also still abide by the same principles when it comes to anti-piracy measures. They are to avoid, detect and delay pirate attacks. In 2014, there have been no piracy attempts on NORDEN's owned vessels.

NORDEN has also renewed the one-year permission from the Danish Ministry of Justice allowing the use of armed security guards on board Danish flagged vessels. On both Danish and Singaporean flagged vessels, NORDEN will continue to assess the necessity of using armed guards on a case-by-case basis using individual risk assessments.

The piracy trend seen in 2013 continued in the same course in 2014. There has been a further decrease in piracy activity off the coast of Somalia and in the Gulf of Aden, while hijackings for cargo theft and attacks off the coast of West Africa when sailing in the Gulf of Guinea now remain the main concern. In South East Asia, hijackings for cargo theft and simple robberies have increased during 2014. We experienced 2 cases of robberies in 2014. One in India where two robbers stole minor tools before



Source: ICC International Maritime Bureau's 2013 report on "Piracy and armed robbery against ships." The data represents a global statistic of piracy attacks in 2013, including incidents in Somalia, West Africa and the Far East.

jumping overboard when discovered and another in Venezuela where robbers stole approximately 550 litres of paint.

Overall, the number of piracy attacks has dropped as a result of a combination of factors, including increased military action, preventive measures and increased use of armed guards on board ships off the coast of Somalia and in the Gulf of Aden. However, it is crucial that these combined efforts continue, as any change or complacency could rekindle pirate activity.

Future targets



Vetting
(owned tanker vessels technically managed by NORDEN)

2015 target: Vetting remarks below peer group benchmark average (as measured by Tanker Safety Forum Benchmark)

Port State Control (PSC)
(owned vessels technically managed by NORDEN)

2015 target: Deficiencies per owned vessel technically managed by NORDEN per PSC below peer group benchmark average (as measured by Boston Consulting Group)

2015: Pass all PSC without detentions

Piracy

2015 target: We will continue to strive for zero incidents of piracy on owned vessels



EMPLOYEE CONDITIONS

Performance 2014

Less than 0.38 rest hour non-conformity per full-time equivalent in 2014



Maximum lost-time injury rate of 0.8 incident per million working hours



Minimum 1 near-miss reporting per owned vessel technically managed by NORDEN per week in 2014



Minimum employee retention rate at sea of 90% in 2014 (according to INTERTANKO's formula)



Minimum employee retention rate on shore 90% in 2014



Employees at sea

In connection with the reorganisation of the Technical department in 2014 in order to improve the department's effectiveness, quality and performance, the department formerly known as the Crewing Department has now become the Marine HR Department, where the new name clearly defines the department's focus. All different aspects of Human Resource are emphasised, such as for instance competency building, retention, measuring performance, work environment, recruitment and talent management. This enhanced focus will have a positive effect on our crew and help us in our aim to be a preferred employer.

We believe that salary is not a retention parameter on its own. It is important to look at the entire employment package. Therefore, besides the competitive salary package, NORDEN also offers other benefits such leadership training, talent management and health insurance. Moreover, NORDEN offers benefits on board to ensure a healthy and attractive working environment, such as access to exercise equipment and healthy nutrition, focus on timely relief and a short line of command. In addition, NORDEN provides good internet connection, as we believe that it is important for our seafarers to be able to be in regular contact with their families and friends, during their periods far away from home. In 2014, NORDEN achieved a retention rate of 95% thus meeting our target of 90%.

Having different cultures confined to a vessel for a certain period of time can sometimes pose some challenges. NORDEN therefore focuses on cultural awareness and will in the next couple of years enhance this focus by integrating cultural awareness and understanding in leadership training, as well as officer seminars, which are held 2 times per year. In 2014, no discrimination incidents were reported.

Moreover, to strengthen the crew's cooperation it is important to also have a good crew composition, which in turn leads to a better working environment on board. NORDEN has therefore started to make use of personal profiles, as we believe this tool will enable us to identify which traits are essential in ensuring good crew cooperation. NORDEN will focus on using this tool more actively over the next couple of years.

All in all, NORDEN believes that the above-mentioned initiatives and the change from crewing to Marine HR will result in a string of positive effects, such as better leadership on board, better crew composition, more transparency concerning future career opportunities, and better dialogue between the vessel and Marine HR.

Rest hours at sea

NORDEN aims to ensure compliance with regulations and conventions concerning working hours, rest hours, rest facilities and leave to ensure a safe and healthy working environment for our employees at sea.

NORDEN's Technical Department has upgraded the software for records of rest hours enabling online monitoring of the records kept. The increased focus together with the online monitoring makes it possible for the shore staff to assist the Master in complying with the complex rest hour regulations.

In addition, safety leadership training has been conducted during 2014 to increase exchange of information between employees on shore and employees at sea.

In 2014, NORDEN's target was less than 0.38 rest hour non-conformity per full-time equivalent, meaning 0.38 breaches per 1 crew member on board a vessel during 1 month. We unfortunately did not reach our target as we had 0.86 rest hour non-conformity per full-time equivalent. Consequently, we are continuing to focus on training and safety campaigns. It is a mind-set change and therefore the importance of rest hour adherence is a key subject on all quarterly officer seminars. The target for 2015 is 0.5 rest hour non-conformity per full-time equivalent.

Lost-Time Injury (LTI) at sea

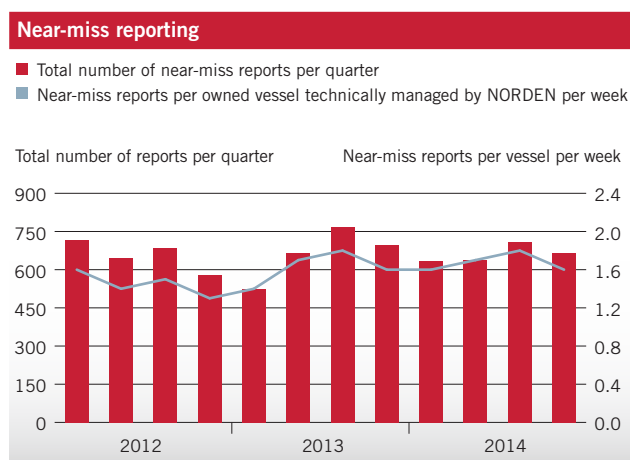
The assessment of the number of injuries in the past year helps us evaluate whether our incident prevention efforts are successful or should be strengthened. The LTI frequency rate is measured in work related incidents per 1 million working hours which cause absence from work for more than 1 working day. The rate is calculated as an average over the past 12 months. The target in 2014 was a maximum of 0.8 incidents per 1 million working hours which was not met with an actual LTI of 1.13 incidents per 1 million working hours. The injuries are minor and varied in nature and therefore there are no identified trends which would enable targeted safety initiatives. Hence, NORDEN will continue to focus on the improvement of the safety in general by having incidents on the agenda at officer seminars. The target for 2015 is a maximum 0.8 incidents per 1 million working hours.

Incidents

We are pleased to report that there have not been any fatalities or other grave incidents in 2014. NORDEN will continue to maintain a high focus on safety.

Near-miss reporting at sea

NORDEN encourages the submission of near-miss reports as they reflect employees' focus on safety. Therefore the goal is to receive as many reports as possible with a minimum target of 1 near-miss report per vessel per week. We had an average of 1.7 near-miss reports per vessel per week, thus meeting our target. This indicator is used as a safety awareness indicator as it refers to situations, which could have led to an accident had they further developed. Thereby we can identify if there are any trends and if so develop initiatives targeted these.



Rescue mission

In April 2014, while sailing in the Mediterranean Sea towards Aliaga, Turkey, NORD FARER was contacted by the Italian authorities, MRCC Rome, and asked to assist 3 boats with migrants in distress. The 3 inflatable rubber boats were carrying a total of 301 persons of which one had tragically lost his life before NORD FARER arrived. They disembarked at the port of Catania on Sicily as instructed by the Italian authorities. In addition, NORD GUARDIAN rescued 269 persons in June 2014 while heading for Zawiya, Libya. The vessel was diverted to port Pozallo, Sicily, where they disembarked. All refugees on both vessels were helped on board by the crew and provided with food and shelter.



Employees on shore

NORDEN strives to provide a working environment, which is diverse, inclusive, respectful and tolerant. For instance, we have 21 different nationalities working at NORDEN, and we have a wide range of different age groups, ranging from 18 to 68 years. We believe in equal opportunities and fair treatment for everyone and prohibit any form of discrimination and harassment. No discrimination incidents were reported in 2014. NORDEN reached a retention rate of 87% thus unfortunately not meeting our goal of a minimum of 90%, partly due to the reorganisation of the technical department.

As shipping is historically primarily a male profession, we still face challenges regarding gender distribution, specifically in management positions. NORDEN developed a gender policy in 2013 in connection with the Danish legislation on gender equality in companies' Board of Directors and management. NORDEN's Board of Directors is constituted of 16% female board members, exclusive of employee representatives. The goal is as a minimum to maintain the 16% and strive to reach 33% before 2017. At the general meeting, current board members were re-elected, which resulted in the female share of board members remaining the same at 16%. When proposing new board members for election, the Board of Directors commits to consistently consider female candidates.

With regard to the gender distribution in management, we focus on the root causes of the uneven gender balance to make sure that we as a company do not lose our female talents due to unnecessary perceived or actual structural impediments. The mapping of root causes of gender diversity is still ongoing. To obtain a more balanced gender distribution in management, it is essential to focus on attracting female candidates to the positions from which future managers are typically promoted, to create a pool of qualified female candidates for future management positions. In 2014, NORDEN hired 14 finance and shipping trainees where we reached a gender distribution of 57% female and 43% male trainees.

Commitment to Human and Labour Rights

NORDEN is still in the process of mapping our actual and potential impacts on all 48 human and labour rights as expressed in the International Bill of Human Rights and required by the UN Guiding Principles on Business and Human Rights. We are conducting two human and labour rights impact assessments, one for our headquarters and overseas offices and one for our vessels.

We have not come as far with the two impact assessments as we would have liked, and therefore, we will prioritise the assessments in 2015 and aim to have the two impact assessment finished by the end of 2015.

Community engagement

In 2014 following NORDEN's recommendations, D/S Orients Fond supported a variety of different projects such as: a 3-year scholarship for students for the Singapore Management University, a sponsorship for the Nanyang Technological University in Singapore as well as support to the Sailors' Society in the form of a minibus to the port chaplain in Porto Santo, Brazil, and 5 years of operating expenses related to the bus.

Besides the above mentioned projects, the Foundation also made donations to the Training Ship Denmark for a modern communication system and to the Aarhus School of Marine and Technical Engineering to purchase an engine room simulator.

NORDEN's in-house employee collection after the super Hurricane Yolanda hit the Philippines was used to purchase books and video materials to be used by maritime students on the marine engineering programme at the Eastern Visayas State University. Lastly, NORDEN sponsored a spinning bike for the event "Spinning4Cancer" where all the proceeds in full went to the Danish Cancer Society. NORDEN's employees had to ensure that the bike kept going non-stop for 24 hours.

Supporting Save the Children in Somalia

D/S Norden has through D/S Orients Fond continued to support Save the Children Denmark's project in Somalia, which aims to contribute to the creation of a sustainable and coherent education system by providing training adapted to the different age groups in Somaliland and Puntland. In Somaliland in 2014, 5 class rooms were added to existing schools and one science lab was constructed. Moreover, 2,664 children started attending school and 12,311 students from primary and secondary school have benefited from textbooks. In Puntland in 2014, one school has been constructed, 10 schools have been renovated and 1,377 children have started attending school. These are just some selected results of the project. To learn more about the project, visit Save the Children Denmark's website.



Future targets



Rest hours

2015 target: Less than 0.5 rest hour non-conformity per full-time equivalent

Lost-time injury frequency rate

2015 target: Maximum 0.8 incidents per million working hours

Near-miss reporting

2015 target: Minimum 1 near-miss reporting per owned vessel technically managed by NORDEN per week

Retention rate at sea

2015 target: Minimum retention rate of 90% (according to INTER-TANKO's formula)

Retention rate on shore

2015 target: Minimum retention rate of 90%

TRANSPARENCY

Performance 2014

Part of the leadership index in the CDP reporting 2014



CSR strategy

It is the second year of NORDEN's CSR strategy "On the right course", which ends by the end of 2015. Having gone through two thirds of the strategy period, we can safely say that we are still on track. We have reached the majority of our targets and for those which we have not reached; we have identified the reasons behind this and will use this knowledge to better reach the 2015 targets.

The main focus of 2014 has been on anti-corruption and the development of an Anti-Corruption Compliance Programme and training. More detailed information on this can be found in our anti-corruption section.

Our current strategy "on the right course" ends in 2015. Therefore in the second quarter of 2015, we will develop a new CSR strategy. It is important for our strategy to reflect the risks and business opportunities which we, as a shipping company, face as well as the expectations of our stakeholders. Therefore, the strategy process will as last time include a materiality assessment where issues will be prioritised and selected based on two parameters: their importance to our stakeholders and their business impact. Our stakeholders are customers and brokers, suppliers, external organisations, investors and analysts, media, authorities and regulators, local communities, NGO's and employees at sea and on shore.

CDP

NORDEN reports to the CDP regarding our efforts to reduce CO2 emissions and the impact of climate change on our business. Regulations which attempt to offset the impact of climate change as well as changes in weather patterns are the main consequences of climate change for the industry and NORDEN. Our Executive Management embeds climate change implications in their business considerations and in the conduct of long-term market and risk analyses.

NORDEN has been awarded with a position on the A List in the CDPs Climate Performance Leadership Index 2014. This is the highest category which a company can achieve, and it shows that NORDEN has gone from "beyond transparency" to "excellent performance". The position has been achieved due to our actions to reduce carbon emissions and mitigate the business risks of climate change.

Out of nearly 2,000 listed companies, who have reported to CDP, NORDEN is one of the 187 reporting companies that have been awarded an A grade for its climate performance, earning a position on this global ranking of corporate efforts to mitigate climate change.

Besides the ranking on the A list in the performance index, NORDEN has achieved a leading position for the fifth consecutive year in the CDP's Nordic 260 Climate Disclosure Leadership Index (CDLI), which highlights the companies listed on the Nordic stock exchanges that have displayed a strong approach to climate reporting. The criteria for entering the Nordic CDLI rose in 2014. A company must now score 95 points out of 100 to be included in the CDLI, whereas in 2013, it was only 91 points. NORDEN is still the only shipping company represented in the Nordic CDLI.

Whistleblowing

There have been no incidents reported in 2014 to NORDEN's whistleblowing system SafeLine. The system was implemented in 2011 and is a means to create transparency within the organisation, providing the Board of Directors and all employees safe access to report any violations of law and regulations, NORDEN's Employee Code of Conduct and other serious irregularities.

Future targets



Carbon Disclosure Project (CDP report)

2015 target: CDP report part of the Carbon Disclosure Leadership Index (CDLI)

ENVIRONMENTAL MANAGEMENT

Performance 2014

Reduction of weighted average sulphur content in total bunkers purchased to 2.30% in 2014



Reduce waste from owned vessels technically managed by NORDEN from the 2013 level



Reduce onshore energy consumption per employee from 2013



Sulphur oxide (SO_x)

In January 2015, NORDEN, like the rest of the shipping industry, will be faced with a challenge concerning the availability of low sulphur oil. All Emission Control Areas (ECAs) will introduce a sulphur control limit of 0.1%. The challenge lies in the fact that it is doubtful whether there will be enough ultra low sulphur fuel oil available in 2015 for all vessels sailing in the ECAs. Consequently, NORDEN will have to use gas oil instead of fuel oil, and this may result in an increase of more than 50% in bunker costs when sailing in the ECAs.

As SO₂ emissions are harmful to people and the environment, NORDEN aims to reduce our emissions of SO_x mainly through the purchase of bunker with reduced sulphur content. Bunker is the fuel oil used by vessels. NORDEN's target in 2014 was a weighted average sulphur content of 2.30% for total bunkers purchased for our operated vessels, which was reached by achieving a total of 2.13%. The target for 2015 is 2%.

Nitrogen oxide (NO_x)

NORDEN also focuses on reducing emissions of Nitrogen Oxide (NO_x) which is harmful to people and the environment as it causes smog and acid rain. Based on a vessel's construction date, the IMO has defined different tiers which have different criteria for NO_x limits. One of NORDEN's strategies is to have a young and modern fleet, and this has a positive effect on our reduction of NO_x emissions.

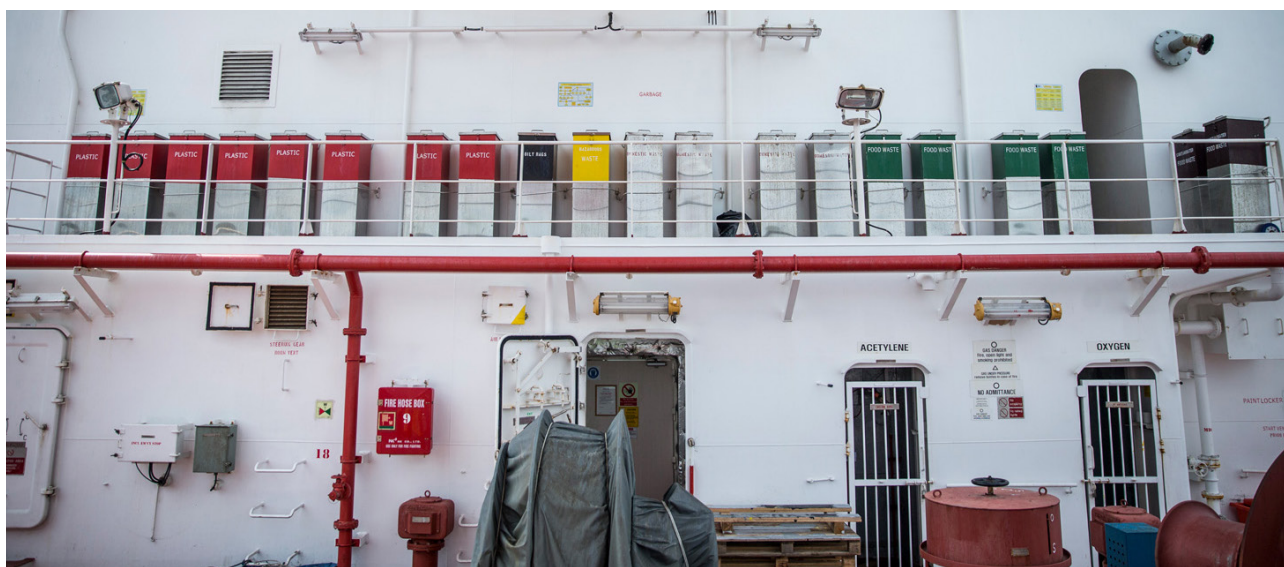
57 of NORDEN's vessels in our core fleet, comprising of a total of 102 vessels, are Tier I compliant as they are built after 1 January 2000, which means that they emit 13% less NO_x emissions per ton of fuel consumed than vessels that are not Tier I compliant.

In addition, 45 of NORDEN's vessels in our core fleet are Tier II compliant as they are built after 1 January 2011, which means that they emit 15% less NO_x emissions per ton of fuel consumed than vessels that are Tier I compliant and 36% less than vessels that are not Tier I compliant.

Waste

NORDEN closely monitored the development of disposed waste during 2014 to enable faster response if unusual peaks in the amount of waste disposed were spotted. All of our waste is disposed of in accordance with the rules set forth by the International Maritime Organisation (IMO).

The MARPOL regulations from 2013 have resulted in changes that impact both the categories of waste and the estimation of waste volumes. Consequently, NORDEN decided to familiarise ourselves with the changes before establishing specific numerical targets. Therefore, in 2014, it was NORDEN's overall aim to decrease waste from the 2013-level, and in 2015 the target will be to decrease waste by 5% from owned vessels operated by NORDEN from the 2014-level. In 2014, we had a decrease in waste of 3.6 % compared to the 2013-level.



Ballast water treatment system

Planning, selection and implementation of ballast water treatment systems depend mainly on the decisions made by the International Maritime Organisation (IMO) as well as the legislation established by the US Coast Guard (USCG). The IMO's ballast water management convention of 2004 has not yet been ratified and the US Coast Guard has yet to grant type approval to any of the existing ballast water treatment systems. The US Coast Guard has therefore decided to allow shipping companies to apply for an extension until US Coast Guard type approved systems are available. NORDEN is waiting for a system to be approved by the US Coast Guard (or IMO ratification) before taking a new stance regarding installation on our vessels.

On shore energy consumption

NORDEN focuses on decreasing our onshore energy consumption through gradual changes. Our aim is to reduce energy consumption per employee compared to last year. One of the means to do so is to favour the most energy efficient solution when repairing or changing equipment in NORDEN's offices.

Our energy consumption has decreased from 5.2 MWh per employee in 2013 to 4.7 MWh per employee in 2014.

In 2015, NORDEN plans to update the ventilation system in our headquarters in Hellerup, which we believe will have a positive effect on our energy consumption.

Future targets



SO_x

2015 target: Reduction of weighted average sulphur content in total bunkers purchased to 2%

Waste

2015 target: Reduce waste from owned vessels technically managed by NORDEN by 5%

CO₂ on shore

2015 target: Reduce energy consumption per employee from 2014

ANTI-CORRUPTION

Performance 2014

Establish an Anti-Corruption Compliance Programme



NORDEN has developed an Anti-Corruption Compliance Programme which was approved by the Board of Directors in December 2014. The programme was also sent to the external third party PricewaterhouseCoopers who provided feedback on the programme and made the following statement *"PwC has found the Programme to be built on the Adequate Procedures guidance set out for the UK Bribery Act, the Resource Guide to the FCPA and the 7 principles of the MACN. PwC also states that NORDEN has documented a solid Anti-Corruption Compliance Programme, including some best practices and some opportunities for improvement. PwC made a few recommendations for improvements to the Programme which NORDEN will be addressing."*

The programme assembles the different steps and initiatives which we as a company and our employees, regardless of their position, should follow. The programme ensures that all employees have the relevant tools, procedures, guidelines and knowledge to support NORDEN's Anti-Corruption Policy and relevant procedures.

It is in line with the seven anti-corruption principles formulated by and agreed upon in the Maritime Anti-Corruption Network (MACN), which are themselves in line with the principles and guidance in the UK Bribery Act and the US Foreign Corrupt Practices Act. The programme is structured in 7 steps: Top-level commitment, Risk assessment, Procedures, Training and communication, Monitoring and internal controls, Due diligence and Reporting, discipline and incentives. The programme deals with the main forms of corruption, which include bribery, facilitation payments, extortion, fraud and embezzlement. But third party responsibility, gift and entertainment, commissions, conflict of interest, sponsorships as well as political and charitable contributions are also covered by the programme.

To ensure that we have adequate and relevant procedures and training, it is essential that we have an understanding of the challenges our employees face in their daily work. Therefore the programme includes a risk assessment, both at a country level and at a job function level. Interviews were conducted throughout the organisation and resulted in the identification of which corruption risks, if any, a given job function was prone to. The employees' job functions were divided into high, medium and low risks.

Tailor-made training is currently being developed for the various employee groups that will address the specific identified challenges these groups face. The training will be in the form of approximately 12 tailor-made e-learning courses and will be implemented throughout the organisation in Q1 2015. In addition, high risk groups will, besides an e-learning course, participate in an annual workshop where dilemmas and concrete scenarios can be discussed. The target is that all employees have undergone anti-corruption training before the end of 2015.

Besides from the above-mentioned training, 3 training packages have already been developed within the Maritime Anti-Corruption Network (MACN) and launched in September 2014. NORDEN collaborated with GAN Integrity Solution, an anti-corruption expert, to develop these 3 training packages to be distributed to all MACN members: a senior management workshop, operator e-learning and captain e-learning.

NORDEN has already implemented the 3 above training packages in 2014. NORDEN's Senior and Group Management all went through a 3 hour anti-corruption workshop hosted by GAN Integrity Solutions, where key corruption risks, anti-corruption legislation and scenarios were explained. The workshop was followed by a test which was passed by all participants.

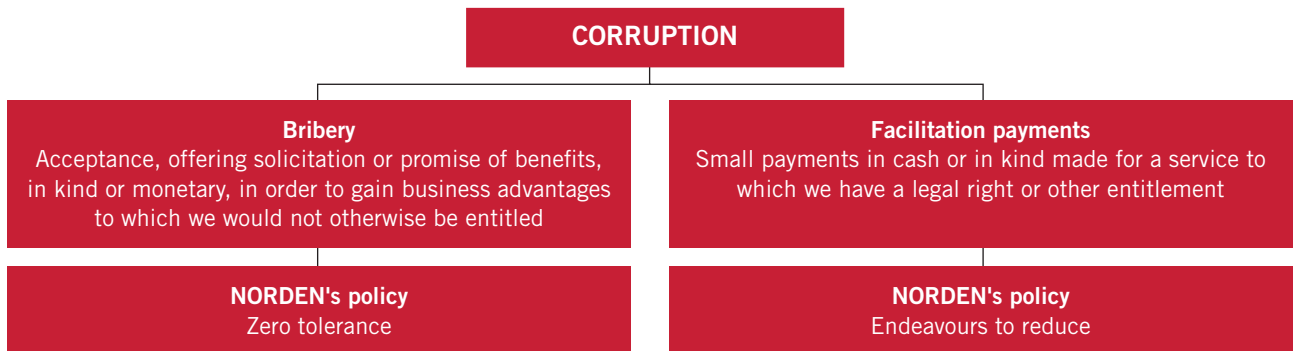
Moreover, NORDEN implemented the operator e-learning in October. End 2014, all NORDEN operators at headquarters and overseas offices had gone through and passed the e-learning course. The captain training was also implemented on board NORDEN's owned vessels both those in internal as well as those in external technical management. We have decided to expand the target group, so senior officers, junior officers and cadets are also undergoing the captain e-learning course. Due to crew rotation, the training process is a bit longer than for commercial operators, so NORDEN has not trained crew members yet, but aims to do so in 2015.

To ensure compliance with the programme, a Compliance Task Force reporting directly to NORDEN's CFO has been established. The role of the Task Force is to ensure that the policies and procedures are followed and that risk assessment, due diligence and monitoring are conducted regularly. The Task Force is also responsible for analysing data and pinpointing trends and patterns.


NORDEN is still an active member of the Maritime Anti-Corruption Network (MACN) where we are part of the steering committee and active in several working groups. We will continue to prioritise the active participation in the network as we believe that corruption is an international issue which companies cannot solve on their own; instead industry cooperation and governmental support is needed.



The agent screening for port agents and due diligence tool that is being developed in MACN by GAN Integrity Solutions will be available to all members in the second half of 2015. The tool will help companies operating in the maritime industry who rely on a global network of agents and have difficulties vetting them all.



Distinction between bribery and facilitation payments.

<p>Future targets </p>	
<p>Anti-Corruption</p>	<p>2015 target: All NORDEN employees on shore and at sea have completed the training</p>
<p>Facilitation payments</p>	<p>2015 target: Continue endeavours to reduce facilitation payments through our Anti-Corruption Compliance Programme and work in the Maritime Anti-Corruption Network</p>



RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Performance 2014

Engage in dialogue with 5 first-tier suppliers



Undertake a handful of observations of third party vessels



Collaboration with suppliers

NORDEN continues to focus on responsible supply chain management and still makes use of the responsible supply chain management system IMPA ACT. The system is run by the International Marine Purchasing Association (IMPA) and has been developed by IMPA, NORDEN and the Danish ship owner J.Lauritzen. It goes beyond the requirements set by the UN Guiding Principles on Business and Human Rights (UNGPR) and includes provisions on anti-corruption and the environment. The intention and aim is that IMPA ACT will become a maritime industry standard, as a common approach will ensure consistency and prevent too many different codes of conduct at our suppliers. Moreover, it will reduce costs and resource consumption in the short and long term both for the company but also for the supplier.

Some of the chosen suppliers in 2013 have successfully gone through IMPA ACT, while others are still going through the process. We have partnered up with the latter and agreed upon milestones for their future work.

We engaged in dialogue with 5 new suppliers in the second half of 2014. These suppliers were, similar to the suppliers NORDEN cooperated with in 2013, chosen based on spend, dependency and frequency. We see benefits of conducting the in-house process in parallel with our suppliers undertaking their process. For instance, it enables us to better relate to their challenges and share best-practice and experience. In 2015, NORDEN will once again engage with 5 new suppliers.

In 2014, Purchasing in the Technical Department started including a new clause in all new or renegotiated supplier contracts, requesting that they abide by our Supplier Code of Conduct. We are gathering experience from this process and aim to start implementing this clause in other supplier contracts for the rest of NORDEN in the next couple of years.

Third party vessels

Due to the reorganisation of the Technical Department in 2014, we have not come as far as expected with the inspections of third party vessels. Consequently, we will focus on conducting the handful of third party vessel observations in 2015. The purpose of the observations is to collect information and experience that will enable us to establish and pinpoint what measures to take in the future to ensure that third party vessels actually uphold classifications and flag state requirements.

Future targets



Responsible procurement: first-tier suppliers

2015 target: Distribute Supplier Code of Conduct to and engage in dialogue with another 5 first-tier suppliers

Third party vessels: ensure that third party vessels actually uphold classification and flag state requirements

2015 target: NORDEN will do a handful of observations of third party vessels in order to establish what measures to take in the future

FACTS, FIGURES AND ASSURANCE

Reporting

To ensure transparency and consistency in NORDEN's CSR reporting, we have collected data and developed our report in accordance with the Global Reporting Initiative's (GRI) G3.1 Sustainability Reporting Guidelines and Logistics and Transportation Sector Supplement. Only indicators that are relevant to our business and stakeholders have been chosen.

We have thus created a CSR reporting model which is tailored for NORDEN and our business and is based on recognised standards such as GRI and UN Global Compact. This report also serves as NORDEN's Communication on Progress (COP) Report 2014 to the UN Global Compact.

Our report application level is C+ as the content of this report has been assured by PricewaterhouseCoopers.

For more detail, see the independent auditor's report.

More information on these standards, the indicators we report on as well as the reporting boundary can be found in this section as well as in our accounting policies.



Table 1: Environmental performance

	Unit	2010	2011	2012	2013 (a)	2014
Energy consumption						
Intermediate fuel oil (owned vessels operated by NORDEN)	1,000 mt	162.6	224.0	219.3	98.0	116.0
Marine diesel oil and marine gas oil (owned vessels operated by NORDEN)	1,000 mt	6.2	8.0	9.4	2.7	5.9
Intermediate fuel oil (other dry cargo vessels operated by NORDEN)	1,000 mt	572.6	710.3	654.1	809.8	675.2
Marine diesel oil and marine gas oil (other dry cargo vessels operated by NORDEN)	1,000 mt	10.4	12.2	14.3	14.5	18.5
Intermediate fuel oil (other tanker vessels operated by NORDEN in Norient Product Pool)	1,000 mt	94.7	97.7	140.7	133.2	131.7
Marine diesel oil and marine gas oil (other tanker vessels operated by NORDEN in Norient Product Pool)	1,000 mt	6.9	7.4	9.3	7.7	8.5
Direct energy consumption by primary energy source (b)	1,000 mt	853.4	1,059.6	1,047.1	1,066.1	955.8
Electricity and district heating (offices)	MWh	1,366.6	1,410.9	1,377.6	1,339.2	1,313.3
Indirect energy consumption by primary source (offices)	TJ	4.9	5.1	5.0	4.8	4.7
Transport work (c)						
Transport work (from owned vessels)	1,000,000 mt*nm	37,933	50,243	56,581	35,797	39,154
Transport work (other dry cargo vessels operated by NORDEN)	1,000,000 mt*nm	203,898	258,536	238,701	312,983	271,659
Transport work (other tanker vessels operated by NORDEN via Norient Product Pool)	1,000,000 mt*nm	20,214	19,607	25,538	29,451	27,401
Transport work (all operated vessels)	1,000,000 mt*nm	262,045	328,386	320,820	378,231	338,214

Table 1: Environmental performance – continued

	Unit	2010	2011	2012	2013 (a)	2014
CO₂ emissions (d,e)						
Total from owned vessels	1,000 mt	510.2	726.6	716.4	314.1	380.0
Other dry cargo vessels operated by NORDEN	1,000 mt	1,825.4	2,262.2	2,093.0	2,568.7	2,162.0
Other tanker vessels operated by NORDEN in Norient Product Pool	1,000 mt	318.4	329.4	470.1	439.7	437.5
Total direct CO ₂ emissions (scope 1)	1,000 mt	510.2	726.7	716.4	314.1	380.0
Total indirect CO ₂ emissions (scope 2)	1,000 mt	0.4	0.4	0.4	0.4	0.4
Total other indirect CO ₂ emissions (scope 3)	1,000 mt	2,279.9	2,595.0	2,566.9	3,011.6	2,602.8
Other air emissions (all operated vessels)						
SO _x emissions (weighted as SO ₂) (f)	1,000 mt	35.7	43.7	48.4	46.5	40.7
NO _x emissions (weighted as NO ₂) (g)	1,000 mt	81.6	101.4	99.7	102.3	90.7
Other resource consumption						
Waste (average per vessel per month)	cbm	3.0	3.1	2.8	5.5	5.3

(a) The Energy Consumption, CO₂ emissions and other air emissions figures for 2013 have been recalculated and restated in this report in the 2013 column. The deviations in figures from last year's CSR report are due to challenges in connection with the implementation of new technical systems.

(b) The figure includes energy consumption on owned vessels, other dry cargo vessels operated by NORDEN and other tanker vessels operated by NORDEN in Norient Product Pool. In 2013, the direct energy consumption by primary energy source in joules was 38,517.8 joules.

(c) Transport work is defined as the mass transported times the distance and enables the reader to put the other values into perspective.

(d) CO₂ emissions from vessels are calculated from the fuel quantity consumed on a voyage times the duration of the voyage (calculated pro rata) times the CO₂ emissions factor for each bunker type (for residual fuel oil the CO₂ emissions factor is 3.1144, and for marine diesel oil and marine gas oil the CO₂ emissions factor is 3.206 (source: "Second IMO GHG Study 2009").

(e) Scope 1 emissions include emissions from owned vessels operated by NORDEN and also emissions from owned company cars. Scope 2 emissions include emissions from land-based activities at NORDEN's offices worldwide, except from the Annapolis office since electricity is integrated in rental costs. Scope 3 emissions include emissions from chartered vessels, business travel by air transport and leased company cars.

(f) SO_x emissions are weighted as SO₂ emissions since this is presumably what the emissions will become in time. SO₂ emissions are calculated from the fuel quantity consumed during the year times the average sulphur content in the bunker fuel (in 2014: 2.13%) times 2 since sulphur is about twice as heavy as oxygen. The formula is provided by MAN Diesel & Turbo SE.

(g) NO_x emissions are weighted as NO₂ emissions since this is presumably what the emissions will become in time. NO₂ emissions are calculated from the energy that the main engine produces times the Tier I NO_x limit which is 17 gr/kWh, as NORDEN's owned and operated vessels are Tier I compliant. The energy produced is calculated using the fuel oil consumed in kg divided by the SFOC which in this case is estimated to be 0.173 kg/kWh (source "Project Guide for MAN S50MC-C7 two-stroke engine, 6th Edition, January 2009"). The figure for NO_x is conservative estimate, as approximately half our owned vessels are Tier II compliant as described in the section Environmental Management.

Table 2: Active core fleet

NORDEN's active core fleet, 31 December 2014				
	DIS flag (Denmark)	SRS flag (Singapore)	Other flags	Avg. years of operation
Owned vessels, Dry Cargo fleet	5	21	0	5.6
Owned vessels, Tanker fleet	10	9	1	5.0
Chartered vessels with purchase option, Dry Cargo fleet	0	5	44	4.0
Chartered vessels with purchase option, Tanker fleet	0	1	6	5.3
Total active core fleet	15	36	51	4.7

Table 3: LA1 Total workforce by employment type, employment contract and region broken down by gender (Women= W, Men= M)

Employees at sea 2014	W	M	Employees at sea 2014	W	M
Full-time	3	670	Indefinite or permanent contract	3	115
Part-time	0	0	Fixed term or temporary contract	0	555

Employees on shore 2014	Copenhagen		Singapore		Shanghai		Mumbai		Rio de Janeiro		Annapolis	
	W	M	W	M	W	M	W	M	W	M	W	M
Full-time	55	142	14	34	7	6	1	6	2	3	2	17
Part-time	12	3	0	0	0	0	0	0	0	0	1	0

Employees on shore 2014	Copenhagen		Singapore		Shanghai		Mumbai		Rio de Janeiro		Annapolis	
	W	M	W	M	W	M	W	M	W	M	W	M
Indefinite or permanent contract	60	132	12	33	4	6	1	6	2	3	3	15
Fixed term or temporary contract (e.g. trainees and maternity leave replacements)	7	13	2	1	3	0	0	0	0	0	0	2

Table 4: LA2 Total number and rate of new employees hired and employee turnover by age group, gender and region

Age	Employees at sea hired in 2014	Employees at sea who left NORDEN in 2014	Employees on shore hired in 2014	Employees on shore who left NORDEN in 2014
<30	95	42	28	16
30-50	46	82	28	16
>50	10	28	4	5

Gender	Employees at sea hired in 2014	Employees at sea who left NORDEN in 2014	Employees on shore hired in 2014	Employees on shore who left NORDEN in 2014
Women	0	1	17	12
Men	151	151	43	25

Location	Employees on shore hired in 2014	Employees on shore who left NORDEN in 2014
Copenhagen	45	27
Singapore	5	7
Shanghai	4	3
Mumbai	2	0
Rio de Janeiro	0	0
Annapolis	4	0

Table 5: Employment level

2014	Copenhagen		Singapore		Shanghai		Mumbai		Rio de Janeiro		Annapolis	
	W	M	W	M	W	M	W	M	W	M	W	M
Leaders	7	38	1	4	0	0	0	1	0	1	0	2
Employees excl. leaders	60	107	13	30	7	6	1	5	2	2	3	15
Leaders in % of total workforce	3	18	2	8	0	0	0	14	0	20	0	10
Gender distribution in % of leaders	16	84	20	80	0	0	0	100	0	100	0	100

Note: A leader is defined as someone with leadership responsibilities, meaning leading a team of at least 1 other person, regardless of title.

Table 6: LA6 Percentage of total workforce represented in formal joint-management worker health and safety committees that help monitor and advise on occupational health and safety

Employees on shore	100%
Employees at sea	100%









Note: The Work Environment Committee covers all employees on shore. All employees at sea are covered by safety organisation consisting of a safety representative, a supervisor and the master of the vessel.

Table 7: Global Reporting Initiative

The GRI indicators from last year's report have been revised and approved in 2014 by the CSR Executive Body and the CSR Department. The report boundary includes assets in the parent company, subsidiaries and joint ventures, as well as employees in the parent company and subsidiaries.

The table below depicts which UN Global Compact principle and GRI indicator the specific section in the report refers to, as well as the fulfilment of the GRI indicator. A GRI table that follows GRI's indicator in a chronological order is also available.

Some of the indicators cannot be fulfilled merely via the CSR report; other sources such as the annual report 2014 and our accounting policies should also be consulted. This is the case for indicators 2.2-2.9, and 4.1-4.4 which are located in our annual report 2014, and indicators 3.1-3.3, 3.6-3.9, 3.11 and EN4 are located in our accounting policies.

NORDEN's CSR report	UN Global Compact's principles	GRI indicator and fulfilment
		 Fully  Partially
Welcome		1.1 Senior decision-maker statement 2.1 Name of the organisation 
CO ₂ efficiency	7: Support a precautionary approach to environmental challenges 8: Undertake initiatives to promote greater environmental responsibility 9: Encourage the development and diffusion of environmentally friendly technologies	EN16 Total GHG emissions 
Vessel safety	1: Support and respect the protection of human rights 2: Not complicit in human rights abuses 7: Support a precautionary approach to environmental challenges 8: Undertake initiatives to promote greater environmental responsibility	LT13 Detainment of ships by port inspectors 
Employee conditions	1: Support and respect the protection of human rights 2: Not complicit in human rights abuses 6: Elimination of discrimination	HR4 Discrimination LT9 Policies for working hours, rest hours, etc. 
Transparency		2.10 Awards received in the reporting period 4.14 Stakeholder groups 4.15 Engagement with stakeholders EC2 Financial implications and other risks and opportunities due to climate change 
Environmental management	7: Support a precautionary approach to environmental challenges 8: Undertake initiatives to promote greater environmental responsibility 9: Encourage the development and diffusion of environmentally friendly technologies	
Anti-corruption	10: Work against corruption in all its forms, including extortion and bribery	
Responsible supply chain management		
Facts, Figures and Assurance	1. Support and respect the protection of human rights 3. Uphold the freedom of association and the right to collective bargaining 7. Support a precautionary approach to environmental challenges 8. Undertake initiatives to promote greater environmental responsibility 9. Encourage the development and diffusion of environmentally friendly technologies	2.9 Significant changes in the reporting period 3.4 Contact point for questions 3.5 Process for defining report content 3.10 Effects of any re-statements of information 3.11 Significant changes 3.12 GRI table 4.4 Shareholders and employee mechanisms EN3 Direct energy consumption EN4 Indirect energy consumption EN16 Total GHG emissions by weight EN17 Other relevant indirect GHG emissions LA1 Total workforce LA2 New employees hired and turnover LA6 Formal joint management committees LT1 Number of ships controlled 

Independent Auditor's Report

We have been engaged by NORDEN to obtain limited assurance on the Corporate Social Responsibility Report 2014 (the CSR Report) and to express a conclusion whether the reporting has been prepared in accordance with Global Reporting Initiative's sustainability reporting guidelines (GRI G3.1), application level C+.

Criteria for the preparation of the CSR Report

The non-financial data have been prepared in accordance with the criteria set out in table 7 of the CSR Report and in the non-financial accounting policies. The non-financial accounting policies and the GRI G3.1 content index are available on www.CSRatNORDEN2014.com in the Fact, Figures and Assurance section. The two documents contain information on the scope of the CSR Report, types of data included and Management's reasons for choosing the data as well as the indicators included from GRI G3.1 and the GRI Logistics and Transportation Sector Supplement.

Responsibilities

NORDEN's Management is responsible for preparing the CSR Report, including for establishing internal registration and control systems with a view to ensuring reliable reporting, specifying acceptable reporting criteria and choosing data to be collected. Based on our work, it is our responsibility to express a conclusion on the reliability of the non-financial data and on whether the CSR Report has been prepared in accordance with GRI G3.1, application level C+.

Scope

We have planned and performed our work in accordance with the international standard on assurance engagements, ISAE 3000 ("Assurance Engagements Other Than Audits or Reviews of Historical Financial Information") for the purpose of obtaining limited assurance that

- the 2014 non-financial data in the CSR Report have been stated in accordance with the criteria mentioned;
- the reporting has been prepared in accordance with GRI G3.1, application level C+;

- the CSR Report meets United Nations Global Compact's requirements for annual communication on progress.

The assurance obtained is limited compared to that of a financial audit engagement as our work has been limited to a review of documentation presented, enquiries and sample testing of information and data.

Methodology and scope of work

Based on an assessment of materiality and risk, our work included:

- Inquiries regarding procedures and methods and selected interviews with data and reporting responsible personnel including random testing to underlying documentation to ensure that the non-financial data have been computed in accordance with the non-financial accounting policies;
- An assessment of how NORDEN have reported upon the ten principles of UN Global Compact;
- An assessment of NORDEN's GRI G3.1 content index, including indicators from the GRI Logistics and Transportation Sector Supplement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our work, nothing has come to our attention causing us not to believe that

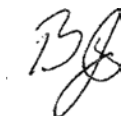
- the 2014 non-financial data in the CSR Report have been stated in accordance with the non-financial accounting policies;
- the GRI G3.1 indicators listed on NORDEN's website have been stated and disclosed in accordance with GRI G3.1, application level C+;
- the CSR Report meets United Nations Global Compact's requirements for annual communication on progress.

We are thus able to state that nothing has come to our attention causing us to believe that NORDEN has not reported in a reasonable and balanced manner.

Copenhagen, 4th of March 2015

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab



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Accounting policies

The report boundary includes assets in the parent company, subsidiaries and joint ventures, as well as employees in the parent company and subsidiaries. This report is published annually and covers the period 01.01.14-31.12.2014. The last CSR report was published on March 11th 2013 and covered the period 01.01.2013-31.12.2013.

The reporting boundary can be divided into several categories: NORDEN's owned vessels, owned vessels which are operated by NORDEN, owned vessels which are in technical management by NORDEN, all operated vessels (owned and chartered), chartered vessels and owned vessels on contract to 3rd parties. Operated refers here to commercially operated which includes but is not limited to purchasing bunker and paying ports and agent costs. Technical management includes but is not limited to repair and maintenance of the vessel, staffing and waste. Throughout the report, it is specified what category the data refers to.

ENERGY AND CLIMATE

CO₂ emissions

NORDEN's CO₂ emissions are calculated in accordance with the Greenhouse Gas Protocol and the financial control approach, where emissions are divided into scope 1, 2 and 3, is applied. Scope 1 emissions include emissions from owned vessels as well as owned company cars. Scope 2 emissions include emissions from land-based activities at NORDEN's offices worldwide, except the Annapolis office since electricity is integrated in rental costs. Scope 3 emissions include emissions from chartered vessels, leased company cars and business travel by air transport.

NORDEN uses the internal shipping system called IMOS (Integrated Maritime Operating System). In IMOS, fuel figures for tanker and dry cargo vessels are registered when arriving/bunkering/departing a port. For tankers the figures are partly updated manually by the operators or they can import the fuel figures stated by the Captain via MOEPS through an established integration to IMOS. For dry cargo vessels, the fuel figures are manually entered by the operator into IMOS.

The total fuel consumption for tanker and dry cargo is calculated by adding the fuel that already exists on the vessel at the beginning of the voyage with the purchased bunker during the voyage, thereafter subtracting the remaining fuel on the vessel when the voyage ends. This is done for each vessel and registered in IMOS.

CO₂ emissions from vessels are calculated on the basis of the fuel quantity consumed on a voyage multiplied by the duration

of the voyage (calculated pro rata) multiplied by the CO₂ emissions factor for each fuel type. In order to be in accordance with the IMO "Guidelines for Voluntary Use of the Ship Energy Efficiency Operational Indicator (EEOI)" from 2009, the CO₂ emission factors have been slightly changed from 3.13 in previous years to 3,1144 in 2013 for residual fuel oil, and from 3.19 in previous years to 3.2060 for marine diesel oil and marine gas oil. This data is applicable for all NORDEN operated vessels.

Scope 1

Besides CO₂ emissions from owned vessels as described above, Scope 1 includes CO₂ emissions from owned company cars.

CO₂ emissions from owned company cars are calculated based on the following assumptions: all the cars are diesel cars with a yearly usage of 20,000 km per car, 12 km/l, and CO₂ emissions of 2.65 kg/l. The conversion factor is from Key2Green.

Scope 2

Emissions from offices are based on electricity, heating and air condition consumption for each office, except the Annapolis office where the electricity costs are integrated in the rental costs and therefore cannot be specified. The electricity, heating and air condition consumption data has been provided by each office by reading the meter at the beginning and end of the year. These figures are converted to CO₂ emissions from kWh using the International Energy Agency's conversion indicators for 2009 in the specific countries we are located in. (United States 508 grams CO₂/kWh, Denmark 303 grams CO₂/kWh, India 951 grams CO₂/kWh, Singapore 519 grams CO₂/kWh, China 743 grams CO₂/kWh and Brazil 64 grams CO₂/kWh)

The energy from our headquarters in Hellerup comes from the following primary energy sources: coal, natural gas, biofuel, oil, garbage and nuclear power. We do not have the data for our other offices.

Scope 3

Emissions from chartered vessels based on their fuel consumption are calculated in the same way as described for owned vessels in scope 1.

Leased company cars are calculated based on the following assumptions: all the cars are diesel cars with a yearly usage of 20,000 km per car, 12 km/l, and CO₂ emissions of 2.65 kg/l. The conversion factor is from Key2Green.

The CO₂ emissions from business travel are calculated according to the guidelines from the travel agencies which have provided us with the data. For voyage distances of less than 1,000

km, the factor 0.18 per km is used to calculate the CO₂ emissions, while for voyage distances of more than 1,000 km, the factor 0.11 per km is used.

Energy Efficiency Operational Indicator (EEOI)

EEOI is defined as: CO₂ emitted per metric ton of cargo transported, per nautical miles sailed. The formula used to calculate EEOI is:

$$\text{Average EEOI} = \frac{\sum_{ij} (FC_{ij} \times C_{Fj})}{\sum (m_{\text{cargo},i} \times D_i)}$$

Where:

- **j** is the fuel type
- **i** is the voyage number
- **FC_{ij}** is the mass of consumed fuel **j** at voyage **i**
- **CF_j** is the fuel mass to CO₂ mass conversion factor for fuel **j**
- **m_{cargo}** is cargo carried (tonnes) or work done (number of TEU or passengers) or gross tonnes for passenger ships
- **D** is the distance in nautical miles corresponding to the cargo carried or work done.

The Total EEOI, as defined by the IMO, may be regarded as made up of three contributions, which are the cargo, ballast and port parts of the journey. See below table.

Climate action plan

Regarding the reduction of CO₂ emissions from the initiatives in the climate action plan, the effect is calculated based on assumptions about engine size, engine type and ballast conditions, and the effect of the initiatives is estimated based on guidelines from IMO and Intertanko. The data is applicable for owned vessels.

SO_x and NO_x

NORDEN has gone from reporting on simple average sulphur content to weighted average sulphur content in 2012, as the latter is a more fair depiction of our SO_x emissions. In 2013, NORDEN continued reporting on weighted average sulphur content. When buying bunkers the amount of low sulphur fuel is registered in IMOS. SO_x emissions are weighted as SO₂ emissions since this is presumably what the emissions will eventu-

ally become in time. SO₂ emissions are calculated from the fuel quantity consumed during the year multiplied by the average sulphur content in the fuel (in 2014 2.14%) multiplied by 2 since sulphur is about twice as heavy as oxygen. The formula is provided by MAN Diesel & Turbo SE. The data is applicable for all NORDEN operated vessel.

NO_x emissions are weighted as NO₂ emissions since this is presumably what the emissions will eventually become. NO₂ emissions are calculated from the energy that the main engine produces multiplied by the Tier I NO_x limit which is 17 gr/kwh, as NORDEN's owned and operated vessels are Tier I compliant. The energy produced is calculated using the fuel oil consumed in kg divided by the SFOC which in this case is estimated to be 0.173 kg/kWh. Source: "Project Guide for MAN S50MC-C7 two-stroke engine, 6th Edition, January 2009". The data is applicable for all NORDEN operated vessel.

Waste

The data for waste is applicable for owned vessels which are in technical management by NORDEN. The waste handled on board is categorized in nine categories in accordance with the MARPOL convention. The amendment to the convention was enforced 1st of January 2013 and the different categories were renamed. These categories are listed in the table below. The waste data reported in the CSR report does not include category G – "Cargo Residues" for dry cargo vessels.

In 2013, Category G (former category 4) has been excluded (as was the case in 2012) as this category is dependent on the type of cargo transported. This is a commercial decision and the choice of cargo has a direct effect on the amount of waste and hence the target. Therefore, we have decided to base our new target on categories where our procedures and crew on board can influence the amount of waste.

The amount of waste is reported to the office by the master of a vessel each month. The records of the disposed waste are registered in the garbage record book. Our waste is disposed of in accordance with Marpol Annex V. All records are conducted in cubic meters. See table on page 3.

EEOI total	=	EEOI cargo	+	EEOI ballast	+	EEOI port
Σ ton CO ₂ total		Σ ton CO ₂ laden		Σ ton CO ₂ ballast		Σ ton CO ₂ port
Σ distance * cargo		Σ distance * cargo		Σ distance * cargo		Σ distance * cargo

The records of the disposed waste		
A	Plastics	Garbage that consists of or includes plastic in any form, including synthetic ropes, synthetic fishing nets, plastic garbage bags and incinerator ashes from plastic products. Garbage under this category is prohibited to be discharged at sea.
B	Food wastes	Spoiled or unspoiled food substances. Food wastes may be discharged at sea under specific circumstances/requirements.
C	Domestic Wastes	Garbage generated mainly in the accommodation spaces on board the ship (e.g. drinking bottles, papers, cardboard etc). Garbage under this category is prohibited to be discharged at sea.
D	Cooking Oil	Edible oil or animal fat used for the preparation or cooking of food. Garbage under this category is prohibited to be discharged at sea.
E	Incinerator ashes	Ash and clinkers resulting from shipboard incinerators used for the incineration of garbage. Garbage under this category is prohibited to be discharged at sea.
F	Operational wastes	Solid wastes (including slurries) that are collected on board during normal maintenance or operations of a ship. Garbage under this category is prohibited to be discharged at sea.
G	Cargo residues	Remnants of any cargo which remain on the deck or in holds following loading or unloading. This category does not include cargo dust remaining on the deck after sweeping or dust on the external surfaces of the ship. Such garbage may be discharged at sea under specific circumstances/requirements.
H	Animal Carcasses	Bodies of any animals that are carried on board as cargo and that die or are euthanized during the voyage.
I	Fishing Gear	Garbage under this category is prohibited to be discharged at sea.

VESSEL SAFETY

Vetting

Vetting inspections are performed by inspectors from oil companies in accordance with the Ship Inspection Report Programme (SIRE). Observations identified during the inspection are reported to vessel and office by the inspector (results are also recorded in the SIRE database by OCIMF). The data is applicable for owned vessels which are in technical management by NORDEN.

Port State Control

Port State Controls (PSC) are performed by inspectors from a relevant PSC MOU, and the result of the inspection is reported to the master of the inspected vessel, who forwards the inspection report to office. The data is applicable for owned vessels which are in technical management by NORDEN.

NORDEN's Port State Control target is to have lower deficiencies per owned vessel technically managed by NORDEN per PSC than the peer group benchmark average (as measured by Tanker Safety Forum Benchmark and Boston Consulting Group Benchmark).

The average number of deficiencies per PSC from the Boston Consulting Group's peer group was the following for 2013 (which is used as a reference as 2014 data is not available by the time NORDEN's CSR report is published):

- 1.5 deficiency per PSC for tankers
- 1.1 deficiencies per PSC for bulk
- 1.3 deficiency per PSC for both bulk and tankers

However the Boston Consulting Group's peer group consists primarily of tanker vessels; had the peer group had the same distribution between tankers and bulkers as the NORDEN fleet, the average of the peer group would have been 1.3. We therefore used 1.3 deficiencies per PSC as our target for 2014.

Near-miss, LTIF and TRCF

The data is applicable for employees at sea on NORDEN owned vessels which are in technical management by NORDEN.

Near-miss, Lost Time Injury Frequency and Total Recordable Case Frequency are reported monthly from the master of the vessel to office in accordance with OCIMF's 'Marine Injury Reporting Guidelines'.

Near-misses refer to situations, which could have led to an accident if they had developed further.

NORDEN measures Lost-Time Injury (LTI) frequency rate as work-related incidents per 1 million working hours which result in occupational illness causing absence from work for more than 24 hours. The LTI frequency rate is measured as an average over the past 12 months.

EMPLOYEE CONDITIONS

The number of employees has been divided according to GRI by gender, age, employment contract and type. We have divided our reporting into employees at sea and employees on shore.

Employees at sea

When an employee at sea is hired, his information is put into our system "Omega" manually by an employee on shore. All the employees at sea are full-time.

An indefinite or permanent contract is a contract with an employee for full-time for an undefined period.

A fixed-term or temporary contract is a contract of employment that ends when a specific time period expires, or when a specific task, that has a time estimate attached, is completed.

Total employed

When calculating total employed, the goal is to determine the total number of sea farers by the end of the year ("Calculation date"). This will be any employee that has been hired before or at the calculation date, has not (yet) been dismissed and at the calculation date has an active status (an active status is any status code but 9 = dismissed or 5 = PH-pool).

To attain this goal there are three factors to consider:

- I Employment date
- II Dismissed date
- III Start date (of activities)
- IV Status code (of last activity with a start date <= to the calculation date)

These three factors can be found by combining following datasets:

- A Omega\Om01Crew Om01Crew
- B Omega\Om01CrewHist Om01CrewHist

To determine the last status code (IV), the query will have to sort out any activity with a start date (III) after your calculation date, and then grouping the data to get the last status code per employee. This should end up with a dataset consisting of one row per employee.

When the dataset is complete and the factors know, the total number of sea farers will be the sum of employees that meet all the following requirements:

- Employment date <= Calculation date
- Dismissed date > Calculation date OR Dismissed date = NULL
- Status code <> 5
- Status code <> 9

Retention rate

In 2013, NORDEN switched from using a generic retention rate, established by dividing the number of employees that left in the reporting period by the average number of employees in that same period, to INTERTANKO Retention Formula from March 2009, which accounts for the type of termination. The new formula is as follows:

Retention rate (R) is calculated within a calendar year (CY) by using the following formula:

$$R = 1 - \frac{F_r}{E_t}, \text{ hvor}$$

$$F_r = F_t - F_b - F_u$$

E_t = Average number of employees within the CY

F_r = The number of terminations within the CY which cannot be categorized as "Beneficial" or "Unavoidable"

F_t = The total number of terminations within the CY

F_b = The number of terminations within the CY which can be categorized as "Beneficial"

F_u = The number of terminations within the CY which cannot be categorized as "Unavoidable"

To determine the elements required to calculate the retention rate, the following factors must be considered:

- **START DATE** – Date where an activity is started
- **END DATE** – Date where an activity is ended
- **STATUS** – The category of the activity (9 = dismissed, any other is considered work related)
- **DISMISSED REASON** – Static category of dismissal (0 = resigned; 1 = beneficial; 2 = Unavoidable)
- **NOTFORREHIRE** – Tag for employees NORDEN has a reason not to employ in the future (1 = reason not to employ)

A person is considered terminated (F_T) when:

- An activity has STATUS = 9 (START DATO = Termination date)

Categorizing the terminations, is done by the following:

Firstly NOTFORREHIRE is considered, if this is = 1, then the termination is considered to be “Beneficial”. Secondly DISMISSED REASON is considered; 1= “Beneficial” ; 2 = “Unavoidable”. Any other termination is considered to be part of (F_T).

The average number of employees (E_T) within the CY, is the total days each employee has had activities (excluding STATUS 9) within the CY divided by the number of days within the CY.

Example

John is hired 01-05-2013 afterwards he is fired 15-08-2013 and then he is rehired 20-10-2013. Which means he has been employed in two intervals of 106 days and 73 days, which means he counts as 0,49 employee.

The retention rate excludes employees from NORD QUEBEC and NORD MONTREAL, which are manned from Univan’s Manila office. The at-home pool management is not applicable for agent with only 2 vessels in crew management. The rotation includes other vessels under Univan management (non – NORDEN fleet) in order to uphold rotation. All off signers are removed from the pool count upon repatriation of vessels in order to avoid influencing the retention incorrectly.

Rest hours at sea

Rest hours are monitored in accordance with ILO and STCW conventions. All violations of rest hours conventions are recorded on board each vessel and they are all reported to office on a monthly basis. Rest hour non-conformity is calculated per full-time equivalent, i.e. how many violations have occurred per 1 crew member on board a vessel during 1 month. In 2014, NORD DELPHINUS was not included in the total rest hour figure due to missing data.

Employees on shore

Employees on shore are employees hired for a position on land in one of our offices.

When hired employees are registered manually in our HR system, People Focus, data such as gender, age, position and work office is recorded. Management includes employees above General Manager level.

Full-time employees are employees who work 37 hours a week, while part-time employees are employees who work under 37 hours a week. Student workers are included in part-time employees.

An indefinite or permanent contract is a contract with an employee for full-time or part-time work for an undefined period.

A fixed-term or temporary contract is a contract of employment that ends when a specific time period expires, or when a specific task, that has a time estimate attached, is completed. Trainees and maternity leave replacements are included in this category.

The retention rate is calculated based on the average number of employees in the reporting period. It is calculated as the number of employees that left in the reporting period divided by the average number of employees in that same period. The data is drawn from People Focus and sorted by employment date and eventual dismissal date.

ANTI-CORRUPTION

The external investigator has provided us with data on the amount of reported incidents.

Global reporting initiative

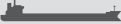




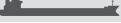
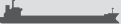

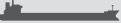

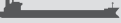





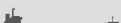
NORDEN's CSR report 2014 is aligned with the Global Reporting Initiative's (GRI) G3.1 Sustainability Reporting Guidelines and Logistics and Transportation Sector Supplement.

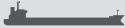
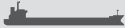
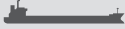
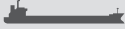
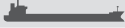
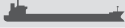












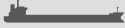
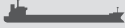






The CSR report is available at www.CSRatNORDEN2014.com




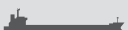

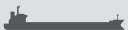
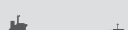


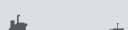

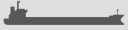


NORDEN's report application level is C+ as the content of the CSR report has been assured by PwC. The assurance statement can be found in the Facts, Figures and Assurance section at www.CSRatNORDEN2014.com

Report Application Level	C	C+	B	B+	A	A+
G3.1 Profile Disclosures OUTPUT	Report on: 1.1 2.1-2.10 3.1-3.8, 3.10-3.12 4.1-4.4, 4.14-4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5-4.13, 4.16-4.17	Report Externally Assured	Same as requirements for Level B	Report Externally Assured
G3.1 Management Approach Disclosures OUTPUT	Not required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
G3.1 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, including at least one from each of: Economic, Environmental, Human rights, Labour rights, Society, Product Responsibility.		Report on each core G3 and Sector Supplement Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicators or b) explaining the reason for its omission.	

GRI reporting and UNGC overview

GRI 3.1. standard disclosure indicators	Description of the indicator	Location in the report	GRI indicator fulfilment Fully  Partially 
Strategy and Analysis			
1.1	1.1 Statement from the most senior decisionmaker of the organization about the relevance of sustainability to the organization and its strategy	Welcome section	
Organisational profile			
2.1	Name of the organisation	Frontpage	
2.2	Primary brands, products, and/or services. The reporting organisation should indicate the nature of its role in providing these products and services, and the degree to which it utilises outsourcing	Annual report 2014, NORDEN in brief page 2	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures	Annual report 2014, NORDEN in brief page 2 and the Consolidated financial statements, Note 12, pages 72-74	
2.4	Location of organisation's headquarters	Annual report 2014, norden in brief	
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	Annual report 2014, Management's review, Dry Cargo, pages 18-25 and Tankers, pages 26-32	
2.6	Nature of ownership and legal form	Annual report 2013, Management's review, Shareholder issues, pages 42-43	
2.7	Markets served including geographic breakdown, sectors served, and types of customers/beneficiaries	Annual report 2014, Management's review, Dry Cargo, pages 18-25 and Tankers, pages 26-32	
2.8	Scale of the reporting organisation	Annual report 2014, NORDEN in brief, page 2 Annual report 2014, Management's review, Dry Cargo, pages 18-25 and Tankers, pages 26-32 Annual report 2014, Consolidated financial statements, pages 51-101	
2.9	Significant changes during the reporting period regarding size, structure, or ownership	Annual report 2014, NORDEN in brief, page 2 Annual report 2014, Management's review, Shareholder issues, pages 42-43	
2.10	Awards received in the reporting period	Transparency section	
Report profile			
3.1	Reporting period for information provided (e.g., fiscal/calendar year)	Facts, Figure and Assurance section, Accounting policies	
3.2	Date of most recent previous report	Facts, Figure and Assurance section, Accounting policies	
3.3	Reporting cycle (annual, biennial, etc.)	Facts, Figure and Assurance section, Accounting policies	
3.4	Contact point for questions regarding the report or its content	Contact information section	

GRI 3.1. standard disclosure indicators	Description of the indicator	Location in the report	GRI indicator fulfilment	
			Fully	Partially
3.5	Process for defining report content	Facts, Figures and Assurance section, Reporting and Table 7: Global Reporting Initiative		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further information	Facts, Figure and Assurance section, Accounting policies		
3.7	State any specific limitations on the scope or boundary of the report	Facts, Figure and Assurance section, Accounting policies		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations	Facts, Figure and Assurance section, Accounting policies		
3.9	Data measurement techniques and the bases of calculations	Facts, Figure and Assurance section, Accounting policies		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reason for such re-statement.	Facts, Figures and Assurance section Table 1: Environmental performance		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	Facts, Figures and Assurance section, Table 7: Global Reporting Initiative Facts, Figure and Assurance section, Accounting policies		
3.12	Table identifying the location of the Standard Disclosures in the report	This table		
Governance				
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight	Annual report 2014, Management's review, Corporate governance, pages 36-37, Board of Directors, page 38 and Management Group, pages 39-41		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	Annual report 2014, Management's review, Corporate governance, pages 36-37		
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members	Annual report 2014, Management's review, Corporate governance, pages 36-37		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Facts, Figures and Assurance section, Table 6: LA6 Percentage of total workforce represented in formal joint-management worker health and safety committees that help monitor and advise on occupational health and safety Annual report 2014, Management's review, Shareholder issues, pages 42-43		
Stakeholder engagement				
4.14	List of stakeholder groups engaged by the organisation	Transparency section		

GRI 3.1. standard disclosure indicators	Description of the indicator	Location in the report	GRI indicator fulfilment
			Fully  Partially 
4.15	Basis for identification and selection of stakeholders with whom to engage	Transparency section	
Environmental performance			
EN3	Direct energy consumption by primary energy source	Facts, Figures and Assurance section, Table 1: Environmental performance	
EN4	Indirect energy consumption by primary source	Facts, Figures and Assurance section, Accounting policies and Table 1: Environmental performance	
EN16	Total direct and indirect greenhouse gas emissions by weight	Facts, Figures and Assurance section, Table 1: Environmental performance	
EN17	Other relevant indirect greenhouse gas emissions by weight	Facts, Figures and Assurance section, Table 1: Environmental performance	
Labour practices and decent work performance			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	Facts, Figures and Assurance section, NORDEN in brief and Table 3: LA1 Total workforce by employment type, employment contract, and region broken down by gender and Table 5: Employment level	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender and region	Facts, Figures and Assurance section, Table 4: LA2 Total number and rate of new employees hired and employee turnover by age group, gender and nationality	
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advice on occupational health and safety programs	Facts, Figures and Assurance section, Table 6: LA6 Percentage of total workforce represented in formal joint-management worker health and safety committees that help monitor and advise on occupational health and safety	
Human rights performance			
HR4	Total number of incidents of discrimination and corrective action taken	Employee conditions section	
LT9	Description of policies and programmes to determine working hours and rest hours, rest facilities, and leave for those driving and operating fleets	Employee conditions section	
LT13	List the incidents when ships have been detained by port inspectors	Vessel safety section	
Economic performance			
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	Transparency section	
LT1	Number of ships controlled by the reporting organisation, broken down by the flag state	Facts, Figures and Assurance section, Table 2: active core fleet	

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