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United Nations
New York NY 10017, USA

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Subject: Saybolt's support and Communication on Progress

Dear Sir,

At the end of this year 2011, I pledge Saybolt's support for the United Nations Global Compact and prolong our support to the 10 Principles she embodies.

Some of these principles touch the core of Saybolt's commercial activities, while some principle seem distant from our activities. Nonetheless, these seemingly distant principles are attended in our various policies or internal awareness programs.

Additionally, this letter is accompanied by the ~~Communication on Progress~~, giving insight in how Saybolt International is supporting the UN Global Compact Principles, as mentioned here above.

Sincerely yours,



Jan Heinsbroek

President



United Nations Global Compact



Saybolt International Communication on Progress (CoP)

This Communication on Progress contains an overview of the activities that were undertaken by Saybolt International throughout its world-wide network in the period 2002-2011, covering the whole period as member of the UN Global Compact. In line with last year's CoP, this year the reporting will also be done per theme (Labour, Environment, Human Rights and Anti-Bribery) instead of division per year.

1. Saybolt International: a brief introduction

Saybolt, founded in 1897, is one of the leading companies in the field of independent inspection, verification, monitoring and analytical services. In its 215 offices and 104 laboratories it employs approximately 3,000 staff located in over 85 country offices around the world.

Saybolt operates on a global scale in the oil & gas, as well as in the petro-chemical, chemical and agricultural industry. On these crossroads, Saybolt furthermore developed a specialism in biofuels and is one of the first to commercially have worked on jatropha projects. Saybolt provides services to private sector clients, as well as governments and international organisations, mainly in the field of humanitarian aid inspection.

Saybolt International joined the UN Global Compact in 2002 and was a launching member of the Netherlands Chapter of the UN Global Compact in May 2007. Saybolt is part of the Core Laboratories group of companies (Corelab). The Corelab shares are traded on the New York Stock Exchange (symbol "CLB").

2. Saybolt Communication

Internal Communication

Saybolt channels its internal communication through newsletters and meetings. In the bimonthly newsletter there is a column devoted to various issues. Amongst these is the UN Global Compact, its principles and the processes involved. In the most recent period, 2010-2011, columns in the organisation wide distributed Saybolt Newsletter were dedicated to issues directly dealing with the UN Global Compact, or indirectly, such as biofuels issues (non-commercial).

- In September 2011 the Saybolt Newsletter embodied an article totally dedicated to Saybolt's membership of the UN Global Compact. In this article, the link between the UN Global Compact and the coming into force of the UK Bribery Act was emphasized;
- Over the rest of the year 2011 there were only two other issues published of our newsletter. In the issue that came out in June 2011 there was an article on shale gas, including the environmental concerns over this new technology;
- In all Saybolt newsletters there is extensive attention for the safety of Saybolt people. Every single issue will show and count of accidents and thus exposes a statement of our safety record. Also in 2011, a high profile "Slips, Trip and fall" campaign was introduced to Saybolt Personnel;
- Also, our compliance officer has her column in the Saybolt newsletter. In the most recent issue she pointed to guidelines on how to make ethical decisions.

The screenshot shows a newsletter layout. On the left is a blue sidebar with a 'Sitemap' section containing a 'Recent Changes' list with items like 'TS2004_02', 'CBA - Preen AB - 0957 - 012', 'Standard Client Instruction - SP', 'Near Accident 1 - Improper sample Transportation', and 'HSE Manual'. Below this is a 'View Recent Changes' link. The main content area features a group photo of six people. Below the photo is the headline 'UN Global Compact - Why have Saybolt been a Member for so Long?' and the UN Global Compact logo. Text below the logo states: 'Saybolt has been a UN Global Compact Member since 2002 and will thus celebrate her 10th anniversary next year. In this newsletter, Harrie Kints will explain what the UN Global Compact is and how Saybolt takes its responsibility within the scope of this membership. Also we prepare for yet another Communication on Progress for the coming year.' Below this is another headline: 'Saybolt Geneva Reception - June 23, 2011' with the sub-headline 'Finally, yet another celebration: The fifth Saybolt party in Geneva took place on June 23, 2011'. On the right side, there is a section titled 'Agreement' with a small photo and text: 'Another 10 year anniversary informs us about Saybolt agreement and presence'. Below that is another section titled 'Ethics & Quality Awards' with a small photo and text: 'DeAnna Neerloo gives article she is discussing 1 In addition she announces'.

During Area- and Country Management Meeting, there is often opportunity to communicate the intention and nature of any upcoming project in the field of UN Global Compact issues. Also within the scope of subjects discussed and more in general, there is always time to discuss issues that are reflecting our scope of direct responsibility, such as safety issues, combatting bribery and other compliance issues.

As part of a large scale internal communication effort, in 2009 Saybolt introduced her sharepoint-environment, whereby Saybolt employees can access various sorts of information from the Saybolt organisation. The internal wiki-pages are also part of this. A special section is dedicated to the UN Global Compact and our previous themes. This is an ever changing and 'live' tool. In this past year additional information on various issues has been added.

External Communication

Saybolt is a business-to-business company whose prime asset is its independency and impartiality. We do not have external communication targeted towards consumers. In our communication towards our clients we stress our policies towards the various principles embodied by the UN Global Compact.

Also, on our corporate website there is a dedicated page on the UN Global Compact Principles and the way this reflects our various policies. This is also the location where one can be directed through a link to the ten UN Global Compact principles and where our Communication on Progress (CoP) can be obtained.

Saybolt does not publish an individual annual report. The reporting is consolidated through the annual report of the mother company, Core Laboratories. We will inform our stakeholders of our efforts and results via pages on the website, dedicated to the UN Global Compact. We have our Saybolt international newsletters available to any visitor our one of our locations. In these newsletters issues related to the ten principles are frequently addressed.

3. Themes and Practical Action

Yearly, Saybolt will appoint one of the UN Global Compacts ten principles to be given special attention to in the coming year. As Saybolt is a specialist organisation, with limited room to influence outcomes in certain area's most of the principles are not suitable for Saybolt to influence our environment thereon.

When a theme is chosen, internal communication will create awareness among our employees and hopefully also their personal and professional environment. When and if possible the actions chosen should also produce measurable results.

Human rights

- *Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and*
- *Principle 2: Business should make sure that they are not complicit in human rights abuses.*

Previously at Saybolt, we didn't see some issues as Human Rights issues, but rather as HR issues or other issues. Saybolt hasn't undertaken any specific action on these subjects, recently.

Saybolt will consider taking these subjects up for the coming periods, especially since the 'Nieuwenkamp-committee' of the OECD came up with such broadly accepted recommendations in this field.

Labour

- *Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*
- *Principle 4: the elimination of all forms of forced and compulsory labour;*
- *Principle 5: the effective abolition of child labour; and*
- *Principle 6: the elimination of discrimination in respect of employment and occupation.*

Fighting Child Labour (2010)

The abolition of child labour is not only a moral necessity, abolition of child labour can also yield high social and economic returns, combat poverty in general and advance human development.

This was the core message at a two-day conference, organized by the Ministry of Social Affairs and Employment of the Netherlands in cooperation with the International Labour Organization (ILO). It was attended by more than 450 delegates from 80 countries and witnessed interventions by high-level government officials as well as representatives from employers' and workers' organizations, international organizations and members of the academia and civil society. During this conference the roadmap for fighting child labour up to 2016 was assembled. This inspired Saybolt to enquire about the role we could play in this field.



Wilt het bedrijf, wat doe?

■ Since Saybolt has no substantial suppliers and as a small local company often not in the position to set clauses in contracts, taking **chain responsibility** is not applicable to us.

■ Saybolt can however, be unequivocal in her **policies** on child labour and we can inform our employees on (the effects of) child labour and hope this **awareness** will have a spin off in the networks around our presence in local economies and families.

Being a multinational worldwide service provider we seldom come across practices of child labour. It almost speaks for itself that Saybolt does not turn to child labour in any form of work, or in any part of the world. Professionals in this area convinced us however, that there was a part to play on our side.

Awareness programs are a very effective way of fighting child labour, according to the experts in the field. The network of our company obviously expands beyond our office doors and we are active in countries that see child labour within their borders. A presentation was there for developed in cooperation with and advised by Hivos, an NGO focussing on issues like child labour. The outcome in the form of this presentation was to inform and educate higher and middle management, who in their turn can educate their employees by showing them this presentation. It has yet to be rolled out into area- and country management level.

More direct was the advice to include the fight against child labour in our policies. At first it was deemed too obvious to make policy on this, but it was concluded that not working with child labour is not so obvious globally and so it was decided to align not only Saybolt's policies with this strive, but also to align this with the policies of the mother company Core Laboratories. From this exercise the policy in the textbox was composed. From 2010 on of this is part of the Saybolt policy and mentioned in the Administration Letter.

No person under the age of eighteen (18) may be employed unless associated with a fully accredited work/study program or for temporary summer work during the student's vacation.

Part-time, temporary openings may be filled with individuals under eighteen (18) provided they have graduated from a school of secondary education and they meet all local and state age/work requirements. Hire of an individual under these circumstances must have the prior approval of the Division Head and the Human Resources Manager.

Any person under the age of eighteen (18) must have a parent or legal guardian co-sign all employment-related forms (including the drug screen consent and the completed employment application form).

Persons under the age of eighteen (18) are not allowed to work with dangerous substances (including, but limited to petroleum products).

Arbo-catalogus (2008-2011)

In the period 2008-2011 Saybolt initiated and finalised a project to come to a set of 'best practices' in the field of safety in the inspection sector. Soon other inspection companies committed themselves to this initiative and contributed likewise in the initiative called Safety Platform Cargo Surveyors (SPCS), a subcommittee of the International Federation of Inspection Agencies (IFIA). The so called 'Arbo-catalogus', a guide for working conditions and best practices on how to comply with regular safety standards and beyond, was the result of this exercise.

Since safety is a very prominent issue within the Saybolt organisation, in our regular internal communication we report every single issue on this matter. The especially dedicated Safety Officer will keep track of all reported incidents and accidents and touch on a pressing subject in every newsletter.

Slips, trips and falls was the biggest contributor to personal injuries of Saybolt staff. Therefore 2011 was the dedicated year to attend this problem. As mentioned in the chapter on communication, in 2011 Saybolt launched an multimedia campaign pointing to the risks of Slips, trips and falls, creating awareness on this subject and educating in ways to prevent them.



Elimination of Discrimination (2006/2007)

As inspection and testing is very much a task of humans, Saybolt's human resources are hence one of the biggest assets. Within Saybolt terms and conditions for employment issues like maternity leave and equal employment remuneration and working hours are common. Also, for a company in such a male dominated sector, Saybolt has a striking male-female balance.

The Saybolt compliance officer makes sure that any report of work related discrimination is handled. Formal procedures are developed to canalise these possible reports. The 'help line', available to report, with the least possible obstruction, any form of discrimination, is promoted throughout the company's locations. For example by posters distributed throughout the companies locations. In Saybolt's global newsletters, attention was raised for the subject of the fight against discrimination within Saybolt.

HIV/Aids and the Workplace (2003-2004)

Saybolt International introduced an awareness programme among all staff members focused on two tracks:

1. Awareness and prevention communication program (Material in various languages was made available)
2. Applying the non-discrimination principle and company support for those infected. A special policy on HIV/AIDS and the workplace was put in place.

There was a special introduction of the president and the higher management. From here the area -as well as- country managers had to sign declarations in which they confirm their implementation activities. During internal audits, the participation was confirmed.

Environment

- *Global Compact Principle 7*
"Businesses should support a precautionary approach to environmental challenges"
- *Global Compact Principle 8*
"Businesses should undertake initiatives to promote greater environmental responsibility."
- *Global Compact Principle 9*
"Businesses should encourage the development and diffusion of environmentally friendly technologies."

Environmental Care – Health & Safety (2004/2005)

In this theme, attention was drawn to the day-to-day environmental management and health & safety standards in the Saybolt offices around the world. In addition to the health & safety and environmental policies that are part of the internal audit function, Saybolt launched a review of its existing policies through extensive questionnaires reviews during the Area Managers Meeting in September 2004 and extended into existing environmental policies.

One of the main conclusions was that Saybolt's environmental compliance with domestic legislation and company policies was good to excellent. Possible improvement was in day-to-day environmental care in the offices.

Safety – tank (2010)

Not obliged by local or national environmental legislation, but driven by safety concerns for her employees, Saybolt Vlaardingen office in The Netherlands decided to abolish the old method of storing obsolete and used chemicals in an underground storage tank. From the beginning of January 2010 Saybolt will use a more labour intense, but deemed safer method of disposing her chemical waste by hiring a specialised company that will manage this disposal in an environmental and generally responsible way.

Paper Management (2007-2010)

As Saybolt's main product is information, it is obvious that transporting and storing this information is vital to Saybolt. Because of above mentioned reasons Saybolt has a strict Document Retention Policy. However, reducing the use of paper should reduce Saybolt's environmental footprint.

Saybolt set up a paper management system covering the printing and copying; the disposal of waste paper; and the acquisition of paper. New policies included campaigns on double sided printing; reducing margins and awareness on useless printing in general. Paper recycling was in place in a few Saybolt locations, now some of the biggest locations, including Saybolt Netherlands introduced separated paper disposal facilities and closed contracts for dedicated paper disposal.

Finally, within the purpose made handbook on sustainable paper management, Saybolt guided country management towards the acquisition of recycled paper.

Continuing with and focussing on the multi annual Paper Management Project, more communication materials were added in the years 2009-2010 to the internal communication. In most Saybolt Netherlands offices separate paper collection boxes were installed, (paper) waste collection was adapted and printing and copying hardware was set to double sided printing. Outcome of internal update on progress in reducing our 'paper footprint' showed that so far a reduction of 4.75% was achieved in prevention of printing emails. Mostly it was the offices with high rate of email printing that generated reduction. Also paper use in general reduced significantly. Even corrected for fluctuations in revenue, double digit reduction was achieved.

Furthermore, it became Saybolt policy that where possible and efficient, new copiers and printers would be equipped with energy efficient buttons that turn themselves off, when not used for some time.

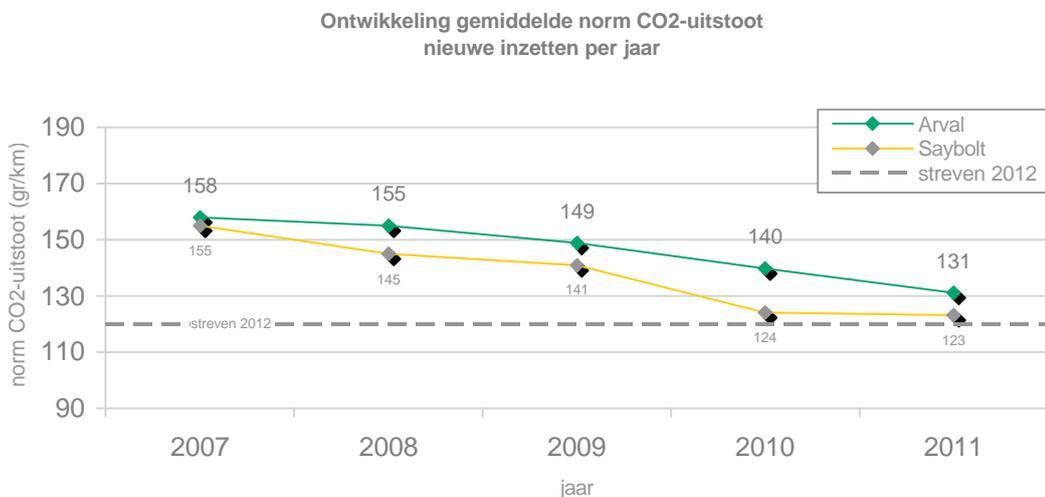
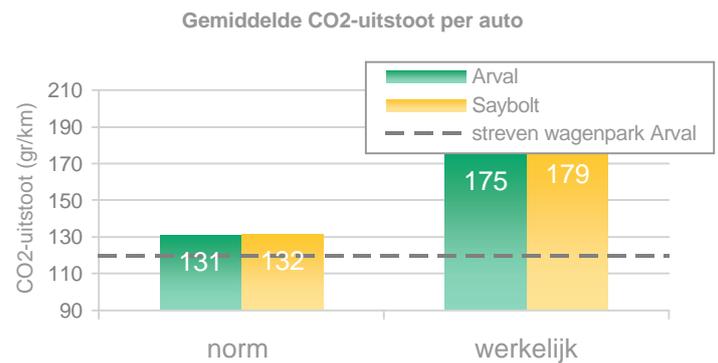
Clean Car Park (2005/2011)

As a company working in the energy sector, Saybolt felt an obligation to comply with a trend to act energy efficient. Saybolt's policy to have all lease cars for employees at least fall into the top 3 of fuel efficient car segments was re-considered and prolonged. Furthermore, the life span of a car was lengthened by a year, thus avoiding unnecessary waste of cars.

Our lease contracting partner, Arval, keeps track of Co2 emission performance results per vehicle. This enables us to compare our initial projected and actual performance. Saybolt has set a Co2 emitting goal of 122 grams per kilometre for 2012 for our car park. Our company set norm (goal) has been standard lower than the average norm of our lease company car park. We have almost reached that goal with an average of 123 grams per kilometre for new cars.

Even so, in reality our average emissions are at present in 2011 comparable to the average of Arval. In fact they are a fraction higher. This could be explained by several typical characteristics of Saybolt service provision. Though our emissions have decreasing significantly during the past 5 years, actual emission compared to our goals remains a point of concern.

Finally, it must also be recognised that due to the financial crises Saybolt was reluctant with allowing new cars to enter the car park. This prevents early disposal of cars, but also prevents more efficient cars to contribute to the goal of 122 grams per kilometre in 2012.



Clean IT waste (2010)

Saybolt is an information driven organisation, where independent reporting needs to get delivered to the customer in a sound fashion. Information Technology (IT) is there for a very prominent instrument in our service provision.

Using hardware such as mobile phones, laptops, monitors and desk top computers, Saybolt has a certain footprint. In 2010 it was decided that all our obsolete and otherwise not to be used IT hardware will be collected and where possible recycled. If and when this is not possible the hardware will be destroyed in the most environmental-friendly way possible. A specialist company has been hired for this purpose. Saybolt sees the premium paying for these processes as a part of our effort to reduce our footprint.

Clean Transport Fuels (2002/2011)

As a company working in the fuel quality sector, Saybolt has developed a specialism in the Biofuels sector. What began with quality and quantity control of biofuel storage in the Netherlands and in Spain turned out in market-leadership in the ARA (Amsterdam-Rotterdam-Antwerp) region in the field of biofuel quality control. By testing biofuels for quality we so help facilitating the public acceptance of such transport fuels as alternative for fossil transport fuels.

In 2007-2008 Saybolt performed quality control for a second generation biofuel feedstock plantation in Malawi, Africa. This project was carried out within the TNT-WFP partnership and so we performed our services not for profit. For Saybolt this was also our first experience with Jatropha based FAME.

Saybolt was a launching member of the Rotterdam Biomass Commodities Network (RBCN) in 2009 and has been a participant up to present. This network aims to create a platform for discussions and deal making in the line of Biomass production and trading. Biomass is thought of as a major contributor to Co2 reduction.

Anti-corruption

- *Global Compact Principle 10:
Businesses should work against corruption in all its forms, including extortion and bribery*

- Fighting Bribery and Corruption (2005/2006)

While the UN Global Compact was considering adding its tenth principle, Saybolt was already actively engaged in the drafting process of a new ethics and compliance code dealing with preventing and fighting corruption, amongst others. Also, Saybolt was involved in developing a compliance code in the International Federation of Inspection Agencies (IFIA). Late 2003, the IFIA Compliance Code was adopted and beginning 2004 it was fully implemented in the Saybolt global operating procedures.

As part of its global implementation, every staff member has to undergo compliance training. After the training he/she has to take an online compliance exam and sign a declaration that the code and its implications are well understood. Every year, a mandatory compliance refresher course and exam is scheduled.

In 2011, with the coming into force of the UK Bribery Act, Saybolt performed a test on compliance with this legislation that stretches further than the United States Foreign Corrupt Practices Act and also has extra-territorial ambitions.

Finally, a helpline is available. Senior management participates in a Global Compliance Committee that meets every quarter to monitor implementation of compliance issues and resolve questions on ethics that might arise. It is also directly in the interest of Saybolt to continue to give full attention to the fight against bribery and corruption and after this special project fighting bribery and corruption remains a top priority for Saybolt Management.

4. UN Global Compact Netherlands Chapter

Saybolt continued to be a frequent visitor of most UN Global Compact Netherlands Chapter meetings in 2011 and took active part in meetings and discussions. Additionally the Netherlands Chapter founded an association. Saybolt did not become a member.

On 12 December 2011, the UN Global Compact Netherlands Chapter invited Saybolt to the High Level meeting on 'Responsible Business Conduct in a Global Context', where the minister of Economic affairs attended and participated. Saybolt was present and participated.

Earlier, on 20 June of this year, another Ministry hosted a UNGC meeting on the role of the ILO. Saybolt participated in this event.

5. Measurements of Outcomes

The outcome of the activities and programmes initiated under the UN Global Compact philosophy is measured as follows.

The UN Global Compact Officer is the overall coordinator of all activities. In close co-operation with the senior management he develops the activities and programmes and coordinates implementation and reporting. For many activities, country management (at director's level) directly reports to the UN Global Compact Officer.

An important instrument for measuring the outcome of programmes is the internal audit function. By adding audit requirements regarding some of the UN Global Compact activities to the regular audit scheme, a fixed input of measurements is generated. It is being studied on how measurement on UNGC principles can be measured through this, without contributing to an increasing 'paper burden' on the various offices.

All reports on active programmes are analysed at headquarters level and the results presented to the area- and country managers' meetings that take place twice per year. The area and country managers will communicate the results back to their respective staff and also communicate the bottom-up information that will flow back to the UN Global Compact Officer.

In addition and with regular intervals, measured outcome and activities are reported in the Saybolt International Newsletter. Latest examples have been attached to this report.

Safety is an aspect that is monitored very closely by as much as one of our main stakeholders: Our clients. Our safety record can be found in the chapters here above.

Saybolt managed to achieve a projected 4.75% reduction in printed emails, while it seems that budget for paper use has declined 36%. An increase in separated disposal of waste paper was also achieved in some of the biggest Saybolt locations.

A final measured outcome of progress is in the field of Co2 emissions of the Saybolt car park. A reduction of more than 22% (158-122 grams/kilometre) in Co2 emission of Saybolt cars is projected in 2012. At the same time actual emissions are still in line with average car parks (179 grams/kilometre). More and more efficient cars are becoming part of our car park, although also this process has slowed down recently.