

SEMCO
maritime

SEMCO

COP REPORT

THE 10 PRINCIPLES OF THE UN GLOBAL COMPACT



HUMAN RIGHTS

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

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

ENVIRONMENT

- Principle 7 Businesses are asked to support a precautionary approach to environmental challenges;
Principle 8 undertake initiatives to promote greater environmental responsibility; and
Principle 9 encourage the development and diffusion of environmentally friendly technologies

ANTI-CORRUPTION

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.





Semco Maritime

Communication on progress 2009

Introduction 6

CEO statement 8

The 10 principles

Principle 1	11
Principle 2	13
Principle 3	17
Principle 4	18
Principle 5	19
Principle 6	20
Principle 7	25
Principle 8	26
Principle 9	28
Principle 10	30



Vision

We will constantly develop jobs and conditions that will improve our employees with opportunities for professional and personal growth enabling them to generate creative and innovative solutions for the benefit of our customers and stakeholders

Know-how built on global experience

Semco Maritime is second-to-none as an engineering and contracting company operating internally within the marine and energy sectors offshore and onshore. We collaborate with manufacturers, operators, contractors and end-users.

Our priority is to create long-term relationships with our customers in the global market as an outstanding supplier of complete solutions and innovative designs.

Semco Maritime participates as a main contractor or subcontractor in the following market sectors:

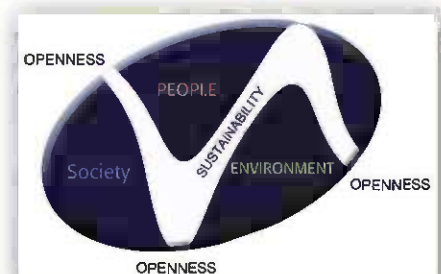
- **Fixed oil and gas installations**
- **Floating and mobile units**
- **Infrastructure**

Thanks to our specialised expertise in the integration of equipment and processes, Semco Maritime stands out from other contractors in the field.

Our competences and capabilities cover a wide range of engineering disciplines, from steel structures and piping through electrical and instrumentation systems to telecommunication and automation. Semco Maritime has designed and developed a wide range of concepts and products for fire fighting systems, hydraulic systems and component sales, for the benefit of our customers. We can provide additional manpower in all our fields of activity.

Semco Maritime is an international company with a large number of employees and several agents in various parts of the world. The highly qualified personnel of Semco Maritime are capable of covering all phases of a project, from initial design to final installation, including commissioning and start-up.

Below oval consisting of 4 elements illustrates Semco Maritime's vision for CSR. Our primary focus is on people, environment and society illustrated through the colours orange, green and blue in the oval. The 4th element is openness surrounding the entire oval. Sustainability unifies the 4 elements as sustainability is both result and objective of Semco Maritime's way of conducting business. Semco Maritime is working on both internal and external focus areas for all elements in the oval.





CEO Statement

We want a growth orientated and profitable Semco Maritime A/S. We will achieve this by running a business which, as a minimum, meets our customers' needs and expectations, as well as securing a long-term sustainable basis for the company's owners and employees.

Our goal is to continuously challenge and develop what we are best at, and at the same time carry this out in a social responsible way.

That is why Semco Maritime has chosen to increase our focus on working with Corporate Social Responsibility (CSR). Semco Maritime has been working hard targeting the integration of social, ethical and environmental considerations in our business activities as well as working with the implementation of policies and documents which are to set the scope for our work with CSR in the future.

Globalisation and Semco Maritime's strategy for a global establishment have resulted in a greater focus on customers and interested parties. Semco Maritime commences CSR initiatives covering a broad range of areas such as customers, employees, environment, local community, supplies and interested parties in general.

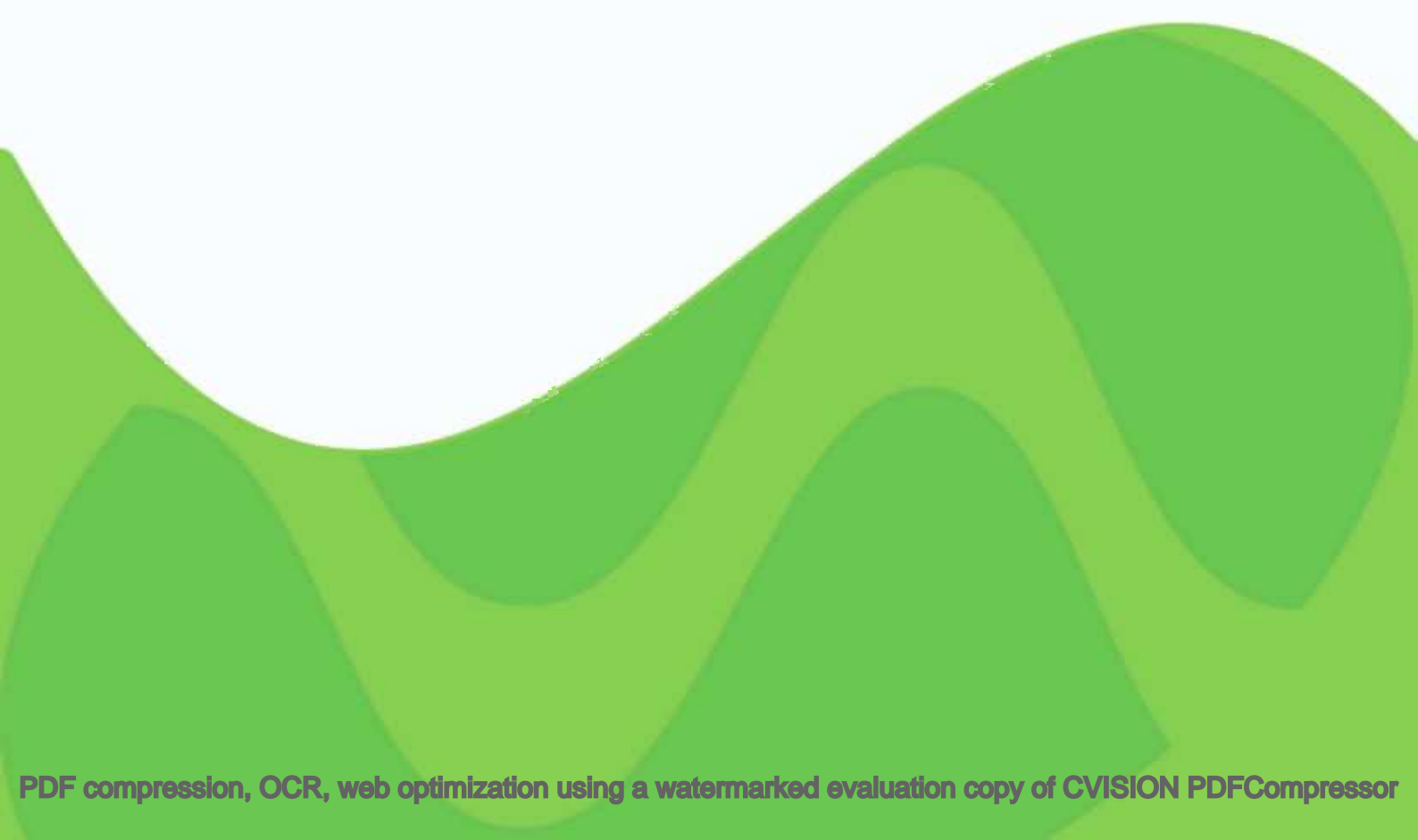
Semco Maritime use Global Compact as a platform to carry out our own CSR activities, but also as an incentive to our suppliers to support the principles of CSR. Global Compact constitutes a good common frame of references and core values which can form the basis for the corporation internally between Semco Maritimes departments as well as externally with suppliers and other business partners cross land borders.



CEO, Steen Brødbæk

143077

HUMAN



RIGHTS

Support for humanitarian projects

In line with Semco Maritime's values humanitarian projects are supported continually.

Certain organisations have received donations in recent years.

- Make-a-wish foundation
- The children's cancer foundation
- De hjemløses venner
- Varmestuen Exnersgade
- Aflastningstjenesten

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights

Semco Maritime supports and respects the protection of internationally proclaimed human rights. Semco Maritime wants not only to abide by the law but to implement values and attitudes supporting a responsible dialogue with the stakeholders of the company.

Activities:

- CSR/Global Compact working group

In connection with the accession of FN's 10 Global Compact principles, Semco Maritime has set up a working group comprising representatives from various departments. The purpose of this working group is to prepare relevant documents such as code of conduct, supplier code of conduct etc. and to take initiatives in relation to Corporate Social Responsibility (CSR) and Global Compact. Likewise, the working group is responsible for the development of strategies and guidelines implementing CSR and the 10 principles of Global Compact into Semco Maritime's internal systems, procedures and documents. In addition, please see the vision of Semco Maritime.



Human rights

Implemented activities:

- Social and Healthcare coordinator function

On August 1, 2007 Semco Maritime created the position of a Social and Health Coordinator based on the staff's wish for increased focus on human values.

The position covers working areas in the company such as health promotion, social inclusion, job satisfaction and counselling for the employees and their families. A few examples of initiatives concerning job satisfaction are that employees are educated in job satisfaction at Semco Academy and that job satisfaction groups are formed in some departments with the objective that each department in Semco Maritime will have its own job satisfaction group. In these groups management and employees discuss steps that result in increased job satisfaction at the work place. The Social and Health Coordinator has a coordinating function in cooperation with Semco Maritime.

Reference documents:

- CSR policy
- Code of conduct
- Supplier code of conduct
- Semco Maritime's strategy Log-On



Principle 2

Businesses should make sure that they are not complicit in human rights abuses

Semco Maritime seeks through a responsible ethical profile to contribute to a better business base which may strengthen the company in the long term. This connects Semco Maritime's vision to future values and attitudes. To Semco Maritime the general values for the entire organisation are: Respect/Trust, Initiative, Team spirit, Ownership.

Activities:

- Code of conduct

We have formulated a Code of Conduct specifically levelled at our own activities. This code is a set of rules to be used as guidelines for our business conduct and to assist employees in maintaining an ethical conduct throughout the world. All employees are obliged to know and understand not only the guidelines in our Code of Conduct but also the values upon which it is based. All employees are obliged to abide by the wording and the spirit of the rules and to help others do so. This code of conduct will be introduced to the employees in connection with an in-house campaign in Semco Maritime.

- Supplier code of conduct (see principle 5)

- HIV/Aids programme in Mozambique "Trimoder"

At present Semco Maritime is working on a project in Mozambique on reconstruction of the airports in Beira, Quelimane and Tete. In connection with this project, Semco Maritime has entered into a project together with the other suppliers and local, humanitarian organisations. The project objective is the implementation of an HIV/AIDS programme for the local workers involved in the project. The program comprises among other things start-up of information campaigns and education programmes for local workers and their families. Likewise, we provide specific help to the employees already infected with HIV/AIDS. The programme will be running for 18 months and has been described in detail in the project description, please see under reference documents.



Human rights

Implemented activities:

- Semco Maritime's values

One of the ways to implement Semco Maritime's values is, among other things, by means of our new department Semco Academy – our in-house educational institution. Semco Academy has the purpose of preparing new and existing employees for the expansive and growth-oriented strategy that will characterise Semco Maritime in the next few years. At Semco Academy, course programmes have been prearranged for all employees. About ten courses - of which ethics, values and attitudes are part of the training - have been planned. We hope that this focus and training will result in more dedicated employees making more extensive efforts to abide by Semco Maritime's policies and regulations. As a further initiative, a "value campaign" has been conducted in all Semco Maritime's departments to ensure a heightened awareness of our values.

Ideas bank:

- Procedure for auditing/follow-up on the introduction of the code of conduct

Reference documents:

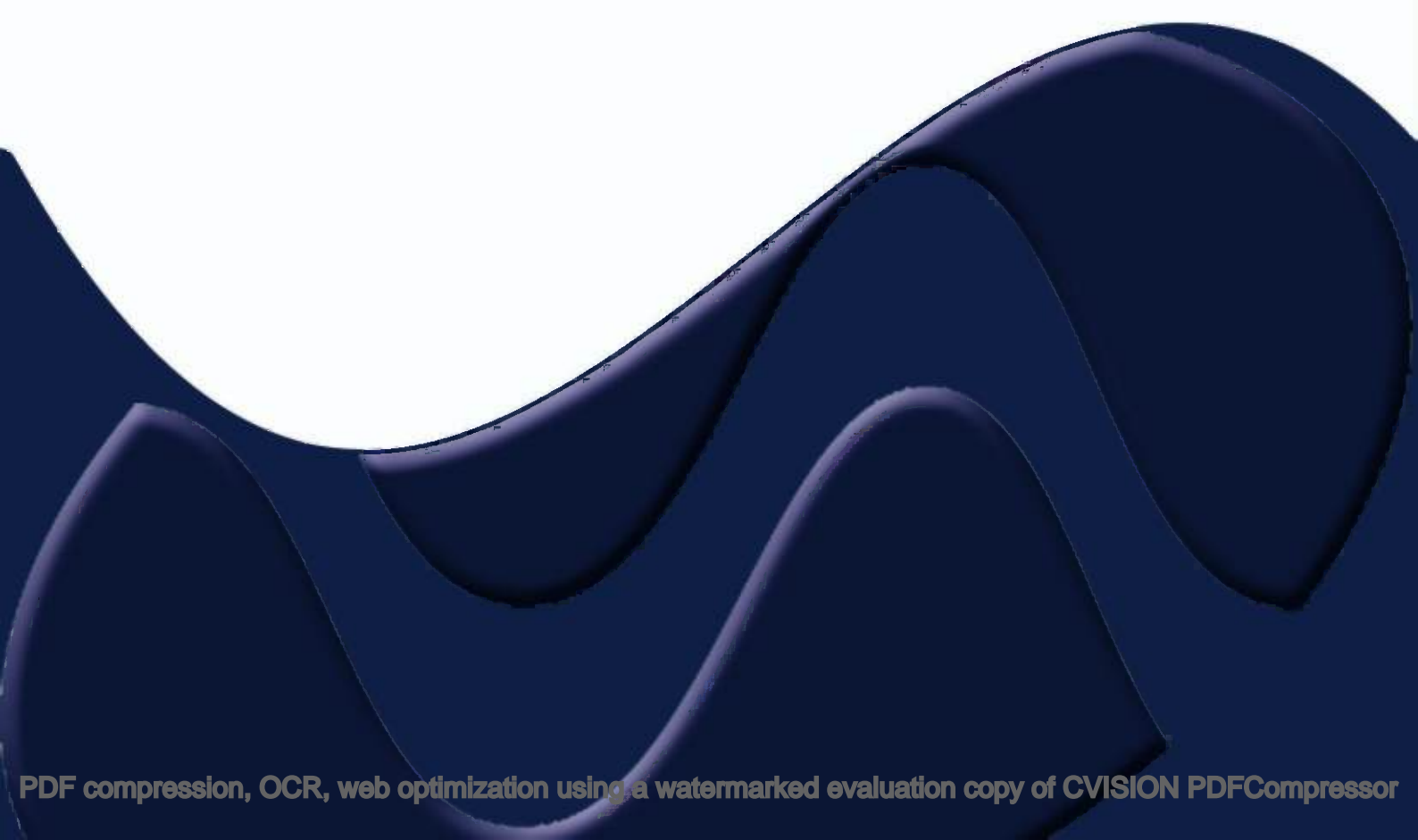
- CSR policy
- Policy of social inclusion
- Health policy
- Job satisfaction policy
- Code of conduct
- Supplier code of conduct
- Semco Maritime's strategy
- Log-On
- Project description: TRIMODER, Implementation of the HIV/AIDS program for the workers involved in the rehabilitation of the airports of Beira, Quelimane and Tete.



Semco Maritimes values:

- Respect / trust
- Initiative
- Teamwork
- Ownership

Labour



Semco Maritime in Global Compact

Global Compact comprises ten principles for social responsibility based on internationally adopted conventions for labour standards, human rights, environment and anti-corruption. Global Compact is universal and will constitute a common frame of reference for all Semco Maritime departments across borders.

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Semco Maritime does not discriminate or in any other way make decisions that are affected by the employee's affiliation with a trade union or other association. Semco Maritime does not interfere in which trade unions or other associations are formed in the workplace. The right to collective bargaining is respected.

Activities:

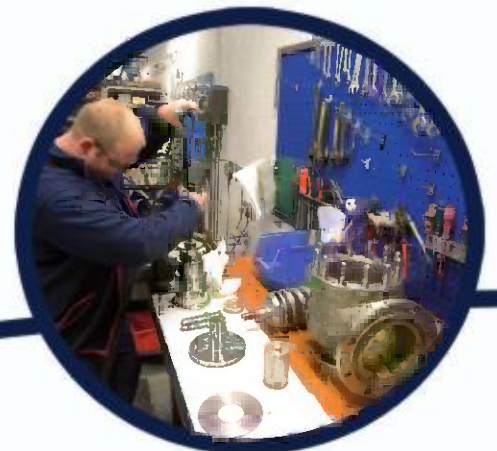
- Objectives and action plans will be prepared for the next Communication on Progress

Ideas bank:

- Formulate equality policy

Reference documents:

- Code of conduct
- Supplier code of conduct



Principle 4

Businesses should uphold the elimination of all forms of forced and compulsory labour

Semco Maritime does not use force, threats or disciplinary means to force people to work. Semco Maritime does not withhold identification papers or wages from employees with the aim of forcing the employees to work.

All employees have individual contracts made and approved in accordance with international as well as national legal requirements. In some countries, however, where this is required by law, Semco Maritime holds both working permit and passport during the period of employment.

Activities:

- Objectives and action plans will be prepared for the next Communication on Progress

Reference documents:

- Code of conduct
- Supplier code of conduct

Principle 5

Businesses should uphold the effective abolition of child labour

Semco Maritime does not employ nor support the use of child labour.

Activities:

- Project on evaluation of suppliers holding framework agreements
- implementing a supplier code of conduct In connection with the evaluation of suppliers, Semco Maritime has decided to firstly concentrate on the suppliers with which we have entered into framework agreements. These suppliers are of great strategic importance because that is where the most transactions are.

To all of our suppliers with framework agreements we will send our supplier code of conduct and a self-evaluation form in order to gain more information on the social and environmental conditions of each supplier. The suppliers will be asked to fill in the self-evaluation form and sign the supplier code of conduct and return both to us. Based on the self-evaluation we will assess whether the information we have received from the supplier is sufficient or if we have to visit the supplier in question for an audit.

Ideas bank:

- Formulate equality policy

Reference documents:

- Code of conduct
- Supplier code of conduct



Principle 6

Businesses should uphold the elimination of discrimination in respect of employment and occupation

Semco Maritime supports diversity and equal opportunities.

Semco Maritimes does not expose any person to discrimination based on gender, race, colour, religion, political opinion, sexual orientation, national extraction, social origin, ethnic origin, age or handicap.

No person is subject to discrimination in hiring, dismissal, transfer, promotion, wage setting, setting of working conditions or competency development. All decisions regarding employment, promotion, dismissal, wages and other working conditions are based on relevant and objective criteria.

Activities:

- Project on competency management

The objective of identifying the competencies of the individual employee is to make the best possible use of his/her knowledge and potential. Recording the competencies of all employees not only constitutes an everyday tool for the individual manager but it gives each employee the possibility to have an influence on his own development and working conditions. In connection with the wish for competency management in the various business units, a project with the purpose of identifying the competencies required to live up to the current strategy will be initiated. A job description and a competence profile will be developed for each type of job. When this information is compared, a competence gap will appear.

Based on this gap a competency development plan will be prepared for each business unit. This will ensure that Semco Maritime will constantly have an overview of the composition of the staff and of the wishes, needs and measures that are required.



Principle 6

Implemented activities:

- Staff development interviews and preparation of Garuda profiles for the entire staff

The objective of staff development interviews is to make better use of the resources in Semco Maritime. The interviews must lead to actions improving the working conditions for the employees, i.e. give an overview, take an inventory and look ahead. The staff development interview is not only a management tool for the individual manager but also an opportunity for each employee to influence his/her own working conditions and develop his job.

The interview provides the opportunity to increase welfare and job satisfaction for both employees and managers. In connection with the staff development interview the employee will be given the opportunity to fill in a Garuda profile. This profile is a part of the basis for the conversation between manager and employee and it may provide a tool to see new development opportunities for each employee. During the interview the employee's needs and wishes for education, courses etc. are identified and a development plan for the employee will be drawn up.

Existing development plans will be updated for follow-up. The result will be recorded and filed in the HR department with the assignment to follow up on development plan, course requests etc. This is a good method of ensuring equal development opportunities for all employees in the organization.

Ideas bank:

- Initiating a project on integration of Semco Maritime employees.
- Training in-house ambassadors.

Reference documents:

- CSR policy
- Personnel policy
- Policy of social inclusion
- Job satisfaction policy
- Qualifications and competencies
- Staff development interviews
- Action plan for project on competency management

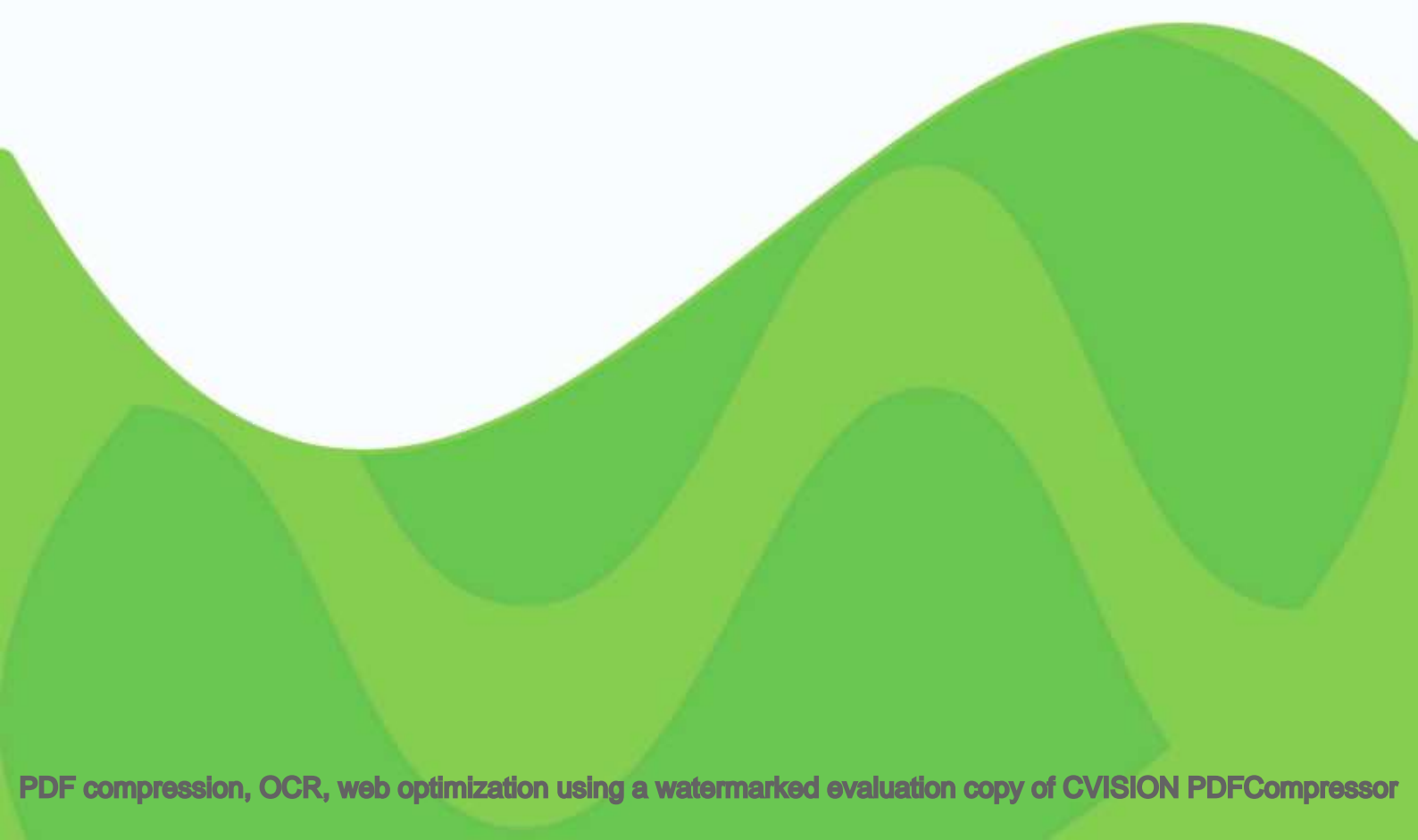
Personnel

The purpose of Semco Maritime's personnel policy is the establishment of "The attractive workplace" where each employee has the opportunity of developing both personal and professional skills, and where knowledge and attitude of each employee contribute to creating a creative and inspiring working environment in the company.

Semco Maritime will put focus on the mutual obligation between employee and company of development with the object of creating results and added value to the company and to each individual employee.

ENVIRON

ENVIRON



MENT

Certification

Semco Maritime is certified according to ISO 14001, and our objective within this area is to have higher demands on ourselves than what is dictated by the surrounding society. In this way we maintain our image as a modern company with a permanently good environmental profile and achieve equal recognition for our work environment from customers, employees and other stakeholders.

Principle 7

Businesses should support a precautionary approach to environmental challenges

Semco Maritime respects the environment and is committed to both operate and be proactive in compliance with applicable laws and regulations. Furthermore, Semco Maritimes has higher demands on ourselves within this area than dictated by the community. Semco Maritime is certified according to ISO 14001, which means that Semco Maritime engages in targeted and systematic efforts to continuously improve its environmental performance. We understand “a precautionary approach” as preventive.

Activities:

- Code of conduct (see principle 2)

Reference documents:

- Environmental policy
- Code of conduct
- HSE Report



Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility

Semco Maritime will take steps to create awareness of and a sense of responsibility towards the environment in our employees through education and active participation in the environmental work.

Activities:

- Reduce paper consumption

Submit project documentation electronically instead of sending hard copies.

A project on scanning of documents has been initiated in the finance department.

Setting all printers to print on both sides of the paper as default.

Adding "  Please consider the environment before printing this email" to all emails.

- Reduce electrical consumption

Installing light sensors in all lavatories.

Installing power saving devices in all offices

- CO2 neutral website

Semco Maritime has chosen to join the "CO2 neutral websites", a new Danish initiative.

The initiative is based on a large number of companies cooperating to neutralize the environmental impact, so that all visits to the website take place without affecting the environment. The total number of users of the internet has grown to an extent where it is worth considering the effects, since the generation of the necessary power leads to CO2 emission. The companies participating in this initiative reduce the emission of CO2 by buying CO2 quotas. These quotas are cleared by the Danish Energy Agency and at the Swedish Energy Agency hereafter they are published at the site www.ingenco2.dk.

All participants receive a certificate which the website visitors can see by clicking this ikon



Principle 8

All quotas purchased are checked by the independent accountancy firm Deloitte. This firm controls that the purchased number of quotas is consistent with the total emission of CO2 appearing from the list of participants, a list based on the registration of the companies and their indication of web traffic data.

Implemented activities:

- Curbing CO2 emissions
- Access to video conferences
- Access to telephone conferences
- Web cameras on PCs

The use of state-of-the-art technology as regards videos, telephones and web cameras at conferences and meetings at Semco Maritime's various addresses will reduce travelling expenses significantly. The result is a considerable contribution to curbing CO2 emissions.

Ideas bank:

- Curbing CO2 emissions among other things through purchasing new compressors for the production.

Reference documents:

- Environmental policy
- HSE Report



Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies

Semco Maritime always seeks to maintain focus on improvement of existing products in this way to develop and propagate environmentally friendly technologies. In connection with the development of new products an important parameter in the design phase is “environmentally sound project planning”, which means that both the materials used in the design and their disposal when worn-out must be taken into consideration from an environmental point of views.

Activities:

- Objectives and action plans will be prepared for the next Communication on Progress

Ideas bank:

- CO2 credits
- Water mist systems
- Project on treatment of produced water
- Membership of Miljønetværk Syd (environmental network)

Reference documents:

- Environmental policy
- Code of conduct
- HSE Report

Ethics

Semco Maritime's fundamental values form the basis for the company's ethical principles, as the values are a common basis of morals and attitude, which controls and manages the conduct of Semco Maritime's employees.

The objective of the ethical principles is to ensure that Semco Maritime and the company's employees are impartial in relation to their participation in the market

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery

None of Semco Maritime's employees must give or receive unjustified advantages from any public officials or employees in private companies.

Semco Maritime is committed to the highest standards of integrity, honesty, and fairness in all internal and external relationships. No Semco Maritime employee shall directly or indirectly accept, solicit, or offer to pay bribes, kick-backs, or other prerequisites even under unlawful pressure. This prohibition also applies to areas where such activity may not violate local law.

Activities:

- Objectives and action plans will be prepared for the next Communication on Progress.

Ideas bank:

- Revise Semco Maritime's ethical profile

Reference documents:

- Semco Maritime's Business manual
- Code of conduct
- Supplier code of conduct



Semco Maritime A/S
Stenhuggervej 12-14
6710 Esbjerg v
Tel: 7916 6666
Fax: 7515 6580
E-mail:
semco@semcomaritime.dk
www.semcomaritime.com