



GCRIEBER

Communication on Progress 2015

UN Global Compact

GC Rieber



United Nations Global Compact

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Sustainability – our compass in times of change



In September 2015, the UN adopted their “Agenda 2030”, a long-term plan including a number of ambitious social, environmental and structural goals for sustainable development. As a participant of the UN Global Compact initiative, our challenge is to implement these Sustainable Development Goals into our own business strategies and action plans.

Like many other companies in our industries, we are affected by adverse markets and technological development. We face new business realities that no one was able to predict a few years ago. We need to adapt and reorganize our business constantly in order to remain competitive, and we understand that it is of little value to predict the future based on information from the past.

So what is the point of making long-term plans in times where change is the only constant, one might ask? How can we talk about where we want to be fifteen years from today if we can’t make reliable forecasts for the next half year?

I believe the answer is actually quite simple. If we want a better world, we must dare to make ambitious plans and pursue our goals without knowing exactly when and how we will achieve them. We must start a journey without a detailed map and trust that our experience and instincts will guide us.

Like the old farmer who plants an oak-tree does not have a project plan but decides each day what needs to be done to help the tree grow, depending on weather, temperature and other circumstances that he can’t control. He makes decisions as he goes based on experience and instinct, and his conviction that the goal will be achieved in the end, even if he might not live to see it himself.

The business foundation of GC Rieber is built on ethical and social principles and a long-term perspective that has guided our commercial decisions for more than a century. Our vision is to create value for future generations. This is how we approach the “Agenda 2030” challenge. We may not know exactly where we are going, but we know where we come from, and we have a built-in compass that will lead our way towards sustainable growth.

In this annual Communication on Progress, we describe our CSR framework and our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Paul-Christian Rieber
CEO GC Rieber AS



Highlights from the reporting period

- New CSR Coordinator role established in all companies of the group
- Revised group policy on anti-corruption implemented
- New group-wide intranet launched with CSR information and collaboration site
- E-learning course on anti-corruption developed
- Leading for Excellence program in GC Rieber Shipping launched
- ISO 9001 certification for GC Rieber Salt
- GC Rieber Eiendom builds first BREEAM Excellent building in Bergen

About GC Rieber

Our employees

At the end of 2015, the GC Rieber group employed about 700 people allocated to three main business sectors:

Industry

GC Rieber Salt AS

GC Rieber Salt delivers a wide range of salts and minerals across the Nordic region.

GC Rieber Chemicals AS (subsidiary of GC Rieber Salt AS)

GC Rieber Chemicals AS is a major supplier of a variety of chemicals to the oil and gas industry in Norway.

GC Rieber Oils AS

GC Rieber Oils is a leading supplier of concentrated Omega-3 fatty acids to the supplements industry.

GC Rieber Compact AS, including Compact India Private Ltd. and GC Rieber Compact South Africa
GC Rieber Compact develops and produces life-saving, ready-to-use foods.

Shipping

GC Rieber Shipping ASA

GC Rieber Shipping is a Norwegian offshore shipping company with a long history and unique competence within operations in harsh environment. We operate within the subsea, marine seismic and ice/support segments.

Commercial Property

GC Rieber Eiendom AS

GC Rieber Eiendom is a leading contributor towards the development and management of urban business premises in Bergen (Norway).

The countries in which we operate

Besides Norway, our offices and production sites are located in the following countries: Sweden, Denmark, Canada, Australia, Russia, India, South Africa and Tunisia.

Our Value Fundament remains strong

Core Values

The balance between economic strength, a robust corporate culture and respect for our surroundings is a key element of our principles. Our platform is one of long-term business development, exploring new opportunities and stable family ownership. Our core values are among the key features in our promise to create value through sustainability.

Creativity

We find it stimulating to put the pieces together in a new way, and we dare to question established "truths".

Diligence

We are constantly looking for new opportunities and are working tirelessly to transform opportunities into tangible results.

Responsibility

We go about our business with a strong sense of responsibility towards customers, society, the environment and each other.

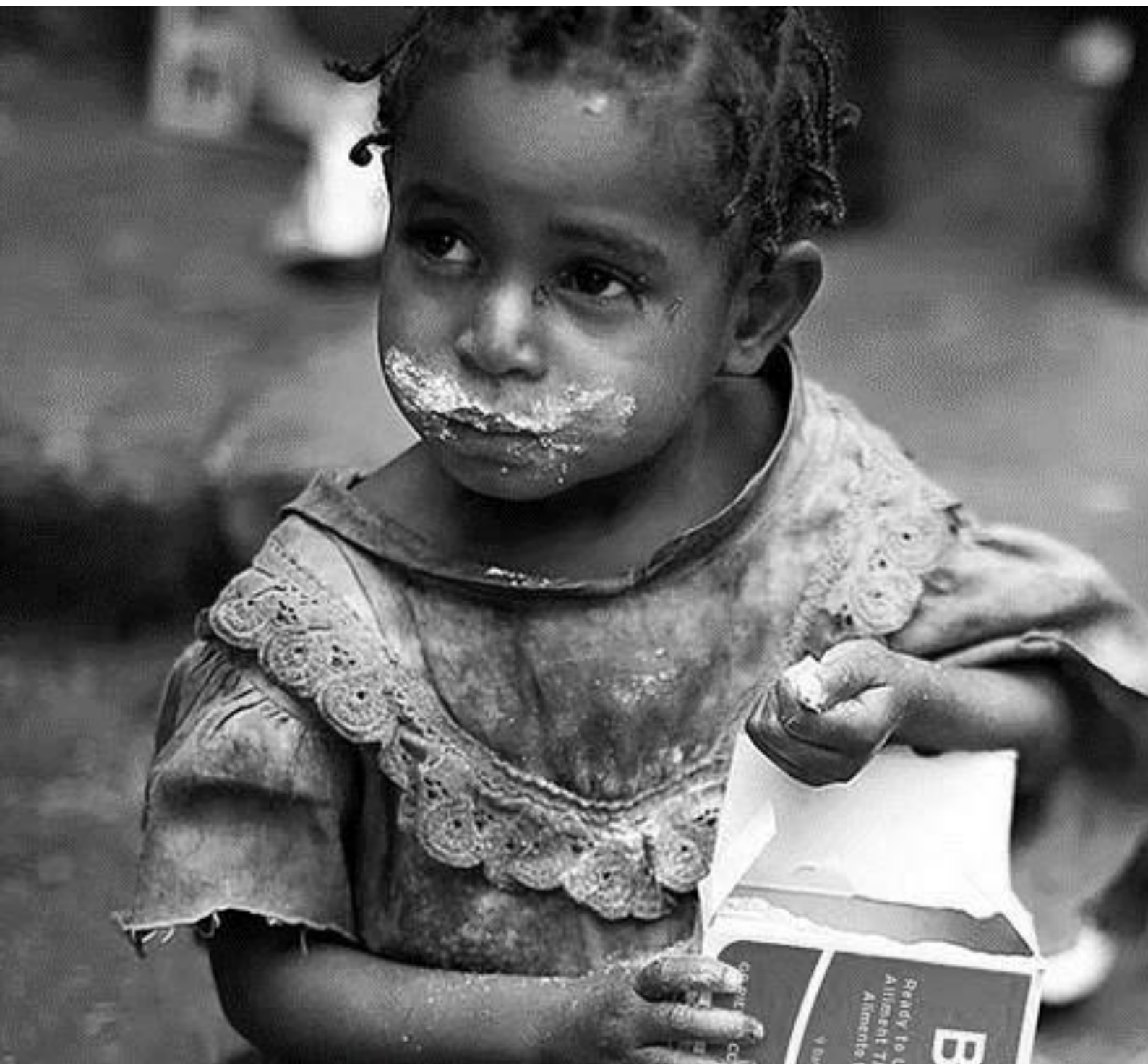
Business and Leadership Principles

The core of elements our modern CSR policy may be found already in our founder's business principles from 1879 which, among other, state

"Healthy growth and sound financial development can be achieved only if there is open interaction between the company and its business associates, employees, owners, and the community at large. For our targets to be reached, none of these groups may exploit its strength at the expense of the others."

"The company shall treat natural resources with respect, never to be squandered. These resources are to be passed on to future generations in at least as good shape as they were in when we took over."

Inclusive leadership is one of our core principles for GC Rieber executives, and implies that we expect our leaders to build an organization that takes responsibility – for its customers, wider society, the environment, and each other.



We continue to develop our Sustainability Framework

Integrated Group CSR function

As a further step in integrating CSR in the core business processes of all group companies, the CSR function was integrated into a newly created Shared Services unit in the fall of 2015. The unit also encompasses Brand/Communications, Legal and IT and provides support services to all entities in the GC Rieber Group.

By integrating CSR into these core services, we ensure that investments and other business decisions are based a thorough evaluation of sustainability risks and opportunities.

Company CSR Coordinators

In early 2016, each company of the GC Rieber Group appointed a CSR Coordinator for their organization.

The Coordinator's role is to support the implementation of Group policies and guidelines, coordinate the company CSR strategy and action plan with CSR activities on Group level, and to act as an advisor and for company leaders and employees. The CSR Coordinator reports to the Board and CEO of the respective group company, as well as directly to the Group CSR function.

The purpose of the CSR coordinator role is to contribute to better integration of sustainability considerations into the business strategies of the Group companies, and to ensure better alignment between Group and company goals.

Internal policies and guidelines

Based on our strong business principles and core values, we have developed internal guidelines for ethics and CSR that we expect all GC Rieber employees to adhere to. The guidelines contain general principles for best practice and professional conduct, and represent the fundament of our core beliefs and our corporate culture.

On april 1st 2016, a revised Anti-corruption policy for the group was implemented. The policy focuses on providing employees of the GC Rieber Group with relevant tools and guidelines to identify and mitigate corruption risks in their work environment. The policy further includes updated guidelines on whistle-blowing and reporting, which we believe to be pivotal for fostering a culture of transparency and learning.

The policy is made available on the new group intranet "Connect", a site where also other relevant information on anti-corruption and CSR is provided to employees of the Group.

Meet our new Company CSR Coordinators



Ajay Goel - GC Rieber Compact

“Engaging in CSR makes business more enjoyable and helps us create a positive workplace for the whole team. CSR also requires engagement with both internal and external stakeholders so it enables enterprises to anticipate better and take advantage of fast-changing expectations in society as well as operating conditions. By addressing social responsibility, GC Rieber can build long-term employee, consumer and citizen trust as a basis for sustainable business models.”



Trine Sætre - GC Rieber Shipping

“CSR work is important for risk management, for employee motivation and for continuous improvement of the operation of our vessels. Our company is founded on a strong set of values and business principles, and CSR initiatives have always played an important role in the long history of GC Rieber. We must continuously push our standard to a higher level and evaluate our practices for improvement opportunities in order to maintain a high CSR focus.”



Beate Thy - GC Rieber Oils

“Being a company with focus on CSR and ethical business conduct is one of our key selling points to customers. We emphasize sustainability and responsibility throughout our value chain.”



Kjetil Waggestad - GC Rieber Salt

“For GC Rieber Salt a solid CSR framework is a long-term competitive advantage, and a commitment to CSR is part of our risk-reduction strategy. GC Rieber Salt demands that all employees follow the Group CSR guidelines and encourage everyone to go above and beyond the policy.”



Bodil V. Steinhaug - GC Rieber Eiendom

“Social responsibility is a core element in our urban development activities. We depend on our stakeholders’ trust to be competitive today and in the future. They must know that we maintain utmost integrity and comply with relevant laws and regulations, and that we choose modern, environment-friendly solutions for our city.”

Sustainability in our supply chain

In order to make our position on CSR and sustainability clear to our business partners, we have created a Code of Conduct (CoC) that we ask them to sign. GC Rieber will, when selecting suppliers and prior to making investment decisions, consider compliance with this CoC as part of our general assessment. The CoC provides a framework for what we consider to be the minimum standard for professional conduct.

In addition, Group companies conduct regular audits of their suppliers and partners either directly or through recognized agencies.

We have introduced a new third-party assessment form that may be used to assess sustainability risks with a potential business partner in cases where a signed CoC may be difficult to obtain in due time.

CSR Strategy, action plans and reporting

Our CSR policy is an integral part of our organization and reflects our business goals. At GC Rieber, we involve and engage all parts of the organization in CSR work.

Social responsibility and sustainable development are integrated throughout our entire business operations. We believe that our group companies can better support international sustainability programs by actively using their knowhow and competence to drive economic, environmental and social development through own initiatives and efforts.

Each business area in the GC Rieber Group identifies business-critical sustainability goals and aligns them with their respective key stakeholders' expectations. Those goals are then turned into action plans, which are communicated internally and externally, and monitored continuously.

The strategy plan document was revised in the beginning of 2016 in order to increase focus on accountability and progress monitoring.

All business-unit leadership groups provide regular CSR progress reports according to a common format based on the ten UNGC principles. These reports are presented and discussed in company and group Board meetings to ensure top-level commitment, and to monitor continuous follow-up on relevant measures.

Training

In our 2015-2016 CSR strategy, anti-corruption was identified as one of the focus areas for the entire GC Rieber Group. Corruption remains a major challenge for international business, and insufficient anti-corruption systems can have severe consequences for both companies and individual employees. Corruption risks may occur in many forms and may be difficult to recognize. Training is therefore an important element in anti-corruption framework.

The new online training course was developed in close collaboration with the CSR coordinators of the GC Rieber Group, and consists of several short modules including many practical examples and dilemmas from different business areas. It focuses on explaining the various forms of corruption and aims at providing employees of GC Rieber with better knowledge and tools to mitigate corruption risks in their work environment.

All employees of the GC Rieber Group will have completed this training course by the end of 2016.



Selected CSR activities in 2015

Environment

<p>GC Rieber Salt GC Rieber Chemicals</p>	<ul style="list-style-type: none"> - ISO 9001 certification of GC Rieber Salt AS. - Increase size of vessels to reduce fuel and carbon emissions from sea-based transport. - Introduced environmentally friendlier products to oil and gas industry. - Ongoing cross-industry R&D project related to chloride reduction in road salt. - Market introduction of products which bind particulate matter pollution in cities.
<p>GC Rieber Oils</p>	<ul style="list-style-type: none"> - Bio-waste from fish oil production is recycled to produce energy and heating for own production and surrounding industrial sites - New cleaning system and procedures implemented to reduce risk of emissions of chemical substances. - Study on energy waste reduction conducted
<p>GC Rieber Compact</p>	<ul style="list-style-type: none"> - Comprehensive food safety and quality improvement process conducted in India (in connection with LEAN project) - X-ray machine to replace metal detector and green belt area at factory in India - Further improvement of waste/emission reduction and water saving measures in production units - Sustainable production project carried out in South Africa. - Various initiatives related to use of palm oil (alternative products, use of RSPO certified suppliers).
<p>GC Rieber Commercial Property</p>	<ul style="list-style-type: none"> - Construction of first building in Bergen in BREEAM Excellent class design for DNV GL - Development and facilitation of city bikes, electric car and car pooling solutions for tenants. - More environmental-friendly parking solutions under planning. - Comprehensive policies and plans for low-emission and waste-reduced construction projects, including requirements with respect to sustainable products and materials.
<p>GC Rieber Shipping</p>	<ul style="list-style-type: none"> - New initiatives for “Green Operations” commenced with the goal to reduce release of harmful substances to the environment - Innovation project with aim to prevent spill from hydraulic deck equipment on board the vessels started - Follow up on new policies for use of chemicals and waste management on board.

Human and Labour rights

GC Rieber Oils	<ul style="list-style-type: none"> - Participation in cross-industry project with Ethical Trading Initiative Norway regarding human rights situation in Peru - HSEQ forum
GC Rieber Compact	<ul style="list-style-type: none"> - Review of company and group contingency plans - Extensive training and induction programs for employees in plants in South Africa and India. - Noise and dust reduction measures implemented in plants.
GC Rieber Shipping	<ul style="list-style-type: none"> - Safety Maturity Assessment conducted in cooperation with Green Jakobsen, a Danish consultancy company - Implementation of comprehensive safety program as part of the “Leading for Excellence” initiative - All vessels are certified according to the Maritime Labour convention.

Anti-corruption

GC Rieber Group	<ul style="list-style-type: none"> - Comprehensive review of anti-corruption policy and system - Development of group-wide anti-corruption e-learning program with contribution from all Group companies - Publication of anti-corruption framework on CSR site on new Group intranet
GC Rieber Salt GC Rieber Chemicals	<ul style="list-style-type: none"> - CSR assessment of production plant in Tunisia conducted in collaboration with local leadership
GC Rieber Oils	<ul style="list-style-type: none"> - Audits and Self Assessments conducted with suppliers in Peru, Chile and Morocco
GC Rieber Compact	<ul style="list-style-type: none"> - Risk assessment in connection with production unit in South Africa.
GC Rieber Shipping	<ul style="list-style-type: none"> - Comprehensive anti-corruption risk review conducted - Pilot for new Group e-learning course on anti-corruption - Procedure for agent appointment revised

The GC Rieber Funds

The GC Rieber Funds comprise six charitable foundations and manage philanthropic and charitable contributions to benevolent and social initiatives and a wide array of culture and science projects in Norway and abroad.

The Funds hold a 20% ownership in the GC Rieber Group. Consequently, a significant part of the Group's value creation finds its way into social investments through the GC Rieber Funds. This contribution means a lot to employees and shareholders of GC Rieber and motivates us to go the extra mile every day.

Visit the Foundation's own website for more information:

<http://www.gcrieber-fondene.no/english-summary/>



Contact

For further information about our sustainability work, please contact our Group responsible for CSR

Irene Philipps
COO GC Rieber AS
irene.philipps@gcrieber.com
phone (+47) 90982026

or visit our website www.gcrieber.com

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