



NORDIC TANKERS

# Corporate Social Responsibility

Report on annual progress 2015



## Nordic Tankers in brief

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We are a fully integrated shipping company that safely transports specialised liquid products in bulk. The products we carry range from edible oils, acids, chemicals and other specialised products to lubricating oils and petroleum products. Our modern fleet of sophisticated vessels service our customers worldwide and offer flexibility and reliable service.

Headquartered in Copenhagen, Denmark, Nordic Tankers has offices in Riga (Latvia), Golfe-Juan (France), Haugesund (Norway), Stamford (Connecticut, USA), Houston (Texas, USA), Bogotá (Colombia), Manila (Philippines) and Singapore. The company employs about 150 employees ashore and about 1,200 at sea.

Nordic Tankers encompasses more than fifty years of experience and industry specific know how. Our company is the result of a number of successful consolidation activities and we have managed to grow our business into a global leading shipping company within the chemical tanker market.

### CSR

All our CSR activities emerge from our core business and strategy. Our ongoing CSR initiatives are related to the following areas: safety, health, environment, climate, welfare, training and personal development.

We continuously strive to improve our performance within these identified areas. We communicate openly with our stakeholders about our achievements and as with everything in Nordic Tankers, CSR challenges are met with a can-do attitude, handled in a safe manner with integrity and team-spirit at heart.



## The Nordic way

### Our Mission:

The sea is our business – together we build the future

It is because the sea separates our customers from their customers that we are in business. We are in business to transport our customer's products as safely, efficiently and environmentally responsibly as possible. Our customer's products are building blocks for virtually everything we use in our everyday life, so all our employees and we are part of shaping the world we live in and the future development of our societies.

### Our Vision:

We create exceptional value

In our competitive industry, we constantly strive for excellence- through operational and safety excellence and through living our values we strive for creating exceptional value all around. Exceptional value for our customers, for the company, for all our stakeholders, our colleagues and for the society.

### Our values:

Values are the foundation of our culture. Our values guide our behaviour and our behaviour leads to our achievements. These achievements are part of executing our strategy and reaching our mission and vision. We are proud of our values and therefore proud to say that they are deeply embedded in our organisation. We act according to these values every day:

**Safety** – is our top priority and we continuously develop our safety culture. To safeguard our colleagues, customers and our business, we reflect on our actions and “take 5 with a smile” before executing tasks safely.

**Team-Spirit** – Through teamwork we have built and maintained an empowered organisation. Our ability to establish strong relations makes us able to provide high quality service to customers and stakeholders. We share a sense of community and together we grow our business

**Integrity** - is the core of our culture and through integrity, we show commitment, loyalty, honesty and respect to all stakeholders of our company.

**Can-Do** - We take pride in finding safe solutions together with our customers, suppliers and partners. Through our curious and passionate mindset we always deliver at our best - that's the Nordic Way.





## CEO statement

Our CSR policies and achievements are an integral part of our company and the business we conduct. Well integrated CSR initiatives are good for our business and our employees. Throughout 2015 our top focus area continued to be Safety, with special attention on our Safety Culture. Having and promoting a strong Safety Culture is paramount for Us and it is a focus area shared with the UNGC principles.

Our "Take five with a smile" initiative is now well implemented in our organisation. Each of our colleagues are expected to be a safety ambassador and role models for others. We all have a stop card containing my authorisation to STOP any unsafe operation. Before initiating the operation again following steps must be executed: 1.**S**top, step back & observe; 2.**M**ap the task; 3.**I**dentify the hazards; 4.**L**imit the risk & communicate; 5. **E**xecute the task safely

This is how we operate.

During 2015 our efforts to optimise further on our business have been ongoing. The many initiatives ranging from further development of new business applications across the organisation to fuel optimisation projects. The latter is a good example of a business driven CSR initiative, as our ability to optimise fuel consumption benefits both the environment by declining emissions and our bottom line through reduction of our fuel costs.

Many other areas have progressed well during 2015, and are described in this report, together with projects and targets for 2016, where we will continue our development within all the UNGC principles.

Enjoy your reading.

Sincerely,



Per Sylvester Jensen  
CEO

Nordic Tankers

**"Safety starts with Us"**



We endorse the United Nations Global Compact.

## Nordic Tankers' CSR performance

We continuously strive to improve our performance within a number of identified CSR focus areas. Achievements in these focus areas as well as goals for 2015 can be seen in the below overview.

### Human resources and labour rights

2015: Active use of E-TOTS for monitoring officers' competency development

70 %

2015: Carry out crew seminars in all of our major sourcing areas – BTN

100 %

2016: Carry out crew seminars in all of our major sourcing areas – BTN

0 %

2015: Increase our retention rate to 90% or more at sea – BTN

94 %

2016: Retention rate among senior officers at least 80% – BTN

0 %

2016: Retention rate among officers above 80% – BTN

0 %

### Environment and climate

2015: Implementation of flowmeter to be continued on additional selection of vessels

100 %

2015: Roll out of Marorka system in the fleet

10 %

2014: Establish baseline for emissions CO2

100 %

2015: Establish baseline for emissions NOX

50 %

### Anti-corruption

2015: Implement monitoring system for facilitation payments – CAM

0 %

2016: Implement monitoring system for facilitation payments – CAM

0 %

### Anonymous reporting

2015: Implementation of whistle-blowing system – CAM

100 %

### Anti Money Laundry policy

2016: Implement Anti Money Laundry Policy and guidelines

0 %

### Across all areas

2015: Responsible supplier management

70 %

2016: Initiate our IMPA act implementation work

0 %



## Policies and framework

Our Board of Directors approved a revision of our Code of Conduct in June 2015. This code set out clear policy statements on how we are to conduct our business. The policy statements are supported by more elaborate policies, guidelines and training. Our policies cover below areas:

### Our policy related to **Safety**:

We are committed to ensuring the highest safety standards for our people, vessels and the environment. Furthermore, we strive to continuously raise safety awareness and commits to imbedding safety into our values and strategy.

### Our policy related to **CSR**:

The company will actively initiate and participate in CSR related activities and will incorporate CSR initiatives in our strategy at any given time. Nordic Tankers will focus on areas related to health and safety, environment and climate and welfare and training.

The company will strive to continuously improve itself in these fields and communicate openly with our stakeholders about results. As with everything else in the Company, CSR challenges are met with a can-do attitude and will be solved with integrity and team-spirit.

### Our policy related to **anti-corruption**:

The company is committed to ensuring adherence to high legal and ethical standards in addition to applicable laws. This must be reflected in all aspects of our operations. Integrity must be present in all our dealings. Consequently, the directors, officers and employees of our company shall refrain from offering, promising, giving, demanding or accepting an advantage as a motivation for an illegal or unethical action. Receipt of gifts, advertising, business lunches and other similar appreciation can be accepted when they are customary and within a reasonable amount. Each employee is responsible for evaluating whether any gift or other appreciation received is customary and within a reasonable amount, as well as evaluating whether it could influence your decision-making or conflict with Nordic Tankers' interest.

### Our work against **piracy**:

Piracy remains a big concern and risk for our seafarers and vessels. As a global ship operator, we are exposed to this risk, in particular in areas such as Gulf of Aden and adjacent waters as well as off the West Coast of Africa, in particular in Gulf of Guinea. We have developed and implemented strong security procedures and equipped our vessels and crew with antipiracy measures and education on how to safely operate in these areas. We are also active in international forums to help overcome the piracy issues on a global level.





## Safety starts with Us

Since 2012 we are continuously developing on our company-wide safety culture programme. This programme aims to ensure that everyone within our organisation focuses on the most important area within our industry, namely **Safety**. Regardless of where in the organisation one might be working, everyone is responsible to ensure that our safety culture unfolds its full potential and each action counts. Our continued efforts to improve safety and our safety culture continue and we can all see positive results in our daily work. Results are seen in terms of increased knowledge sharing, less vetting remarks and most importantly fewer incidents. Although very good results have been achieved, we continue to invest further resources in this area as the result of our efforts is evident. In 2015 we introduced the Nordic Tankers Global Safety Day. The Global Safety Day is an annual day where all employees at sea and in the offices ashore stop, step back and reflect on how we can be even safer tomorrow than we are today. The date 28 March has been selected, as this is a day of remembrance of a colleague who tragically passed away in a work related incident. We all share the responsibility to ensure our colleagues return safely home from work. In March 2015 we got inspiration from the aviation industry and learned more about their intense safety work. A very fruitful day adding additional perspectives to our continues work towards an even stronger safety culture.

## We know that Safety starts with Us

In 2015 we concluded 3 years of Safety Leadership Courses reaching 600 Senior Officers and office staff. These courses have resulted in improved and closer relationships between colleagues on board and ashore, enhancing our safety culture. In 2015 we also conducted a special training programme for our shore based Superintendents with the aim of improving ship/shore communication further. Looking ahead, we will throughout 2016 focus our efforts on good communication and dialogue. This will be a prioritised area with the aim of developing our safety culture even further. In 2016 we will also introduced the first safety campaign. Our safety campaigns are intended to run a selected theme for 6 months in a row, the first theme is addressing Risk Assessments – formal and informal.

## Personal Protection Equipment (PPE)

Working in sometimes tough conditions handling hazardous goods requires highest quality personal protection. The PPE available to all staff working on board or visiting our vessels have been carefully selected with focus on safety, comfort and quality. Examples of PPE are boiler suits, protective eyewear, gloves, safety shoes, hardhats, ear protection, breathing apparatus etc. Through close cooperation between sea and shore, very well suited PPE have been identified and supplied. Guides and training regarding what PPE should be used in various situations are continuously ongoing and developed with in our organisation.



### **Safety Management System (SMS)**

Late 2014 the update of our Safety Management System used in our technical organisations (Nordic Tankers Trading and herring shipping) was completed. 2015 was the year when our three fleet groups started working with a common Safety Management System. This allows for improved knowledge sharing across the fleet groups in the company as well as the knowledge sharing and best practice between our seagoing staff. Our Safety Management Systems is integrated in our Planned Maintenance System software, SERTICA. This modern software also contain a document module for administration of the Safety Management System. Having a software that combines the most important functions in ship management provides transparency and overview for all persons involved in managing and running our vessels according to our high standards. SERTICA have quickly proved to be an ideal software for document handling, easy to use both in the day-to-day operations and for the users to use when suggesting improvements and afterwards implementation of said suggestions.







## People, Communication & Culture

People, Communication & Culture manage the human capital of the company and hereby supports the business strategy and vision.

To achieve our company vision - **Nordic Tankers – we create exceptional value** - we must attract the right people with the right mind-set and attitude.

Shipping is a people business and people are our most valuable asset. Our shore based HR and communication activities are consolidated in one department “People, Communication and Culture” as we consider communication as the key to the human mind. Communication is essential in guiding and managing our people towards achievement of our common goals, and storytelling creates pride and a common understanding of why we are here and where we are heading.

Our strong company culture, based on the values **Safety, Team-Spirit, Integrity and Can-do** – guide our behaviour and make sure our people act, think and feel in accordance with our vision.

Fostering a strong and healthy culture is important to not only achieve results but also to ensure that our employees are safe, feel appreciated, motivated and respected in their workplace.

The department is working to accomplish the following:

**PEOPLE**  
- our human capital

In close cooperation with managers we set the “best team” by attracting, developing and retaining the right



**COMMUNICATION**  
- storytelling and branding

Communication is the key to healthy relations and thereby good business. We tell our story and brand our company internally and externally.



**CULTURE**  
- our behavior and values

We live our values and act the “Nordic Way” to maintain our strong company culture and thereby turn our employees into NT ambassadors.



### Human and labour rights

We are one big team and together we have created a great place to work. Key factors to our success are personal development, commitment, information sharing and a strong focus on social responsibility. Working with chemical tankers requires the highest safety standards both at sea and ashore. We are a strong professional team always putting safety first. Our culture is built on our strong values, high ambitions and a global presence, demanding cultural awareness, tolerance and respect in everything we do.

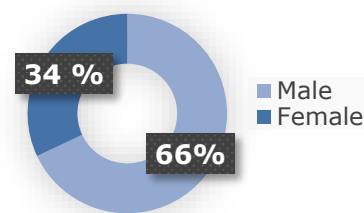
We always deliver on our promises and together we can achieve anything. We thereby create exceptional value to our customers, owner, colleagues and other stakeholders.

### Employees in numbers

At yearend 2015, Nordic Tankers employed approximately 1,125 persons at sea and 175 ashore. Our retention rate ashore was 61% and 85% at sea. The goal for 2016 is to obtain a retention rate of 80% or higher, both ashore and at sea.

### Diversity

We aim to have a well-diversified organisation, both in regards to gender, age, nationality and culture. We believe that a diverse workforce is more creative and achieves better results. Our well-founded recruitment process reflects this aim.



Annette B Hasenberg, Senior Vice President, People, Communication & Culture, says:

"We focus on growing strong ambassadors that are first movers within safety and take pride in living our values. We believe that only with a strong company culture we are able to build bridges to our customers and operate second to none.

Our culture makes a difference in our everyday work and our customers buy not only our services but definitely also the attitude and behaviour they meet in their interaction with our company.

We always strive to achieve best practice and create a winning culture, where our values represent the way we think, feel, and act and communicate. Our unique culture is what separates us from our competitors and our customers know what we stand for - we live and practice **Safety, Team-Spirit, Integrity** and **Can-Do.**"

### Culture survey

The Culture Performance Workshop sets a standard for our future company culture and is fundamental in everything we do in Nordic Tankers. We work hard on incorporating this into our daily routines to make Nordic Tankers an even better place for everyone. The workshop ensures a mutual understanding of a sound company culture and the impact this has on the results we create on a daily basis. This is an ongoing process with a constant room for improvement; hence, we include all employees in these workshops.

The workshop was based on a survey where all employees gave their input to whether we as a company live up to our vision and values, set ambitious goals and deliver good quality, are focused on the end customers, are effective in the way we do things, have team-spirit and good communication across departments, are skilled as managers and can get teams to function effectively. If our employees are motivated, they will use their potential.

The results serve as a starting point for developing new initiatives during 2016 for all employees at Nordic Tankers. Our plan is to repeat the survey next year where we can measure the steps taken for improving our culture.

### This is a people business

In 2015, we added another member to our Executive Management team and thereby emphasize the importance of our people and culture as one of the keys to our success.

As a direct result of our efforts to continue developing our business towards an even safer and more profitable company we now see noticeable improvements. With our can-do attitude, we maintain a strong focus on improving our business and safety awareness to meet the high demands from our partners.



Executive Management team, from left:

**Carsten Brix Ostenfeldt**

SVP, Technical

**Henriette Schütze**

CFO

**Per Sylvester Jensen**

President & CEO

**Annette Hasenberg**

SVP, People, Communication & Culture

**Michael Adeltoft**

SVP, Chartering & Operations

## Trainees and Internships

We have high demands when we recruit our young and talented shipping trainees. Our shipping trainee programme is a two-year educational programme, which varies between theory and practice. The theoretical part takes place at Copenhagen Business School (CBS) and at the Danish Shipping Academy (DSA), where the trainees are introduced to shipping related topics such as Maritime Economics, Maritime Law etc. The trainees are part of a rotation plan, where they become acquainted with the different departments. Focus is on the commercial departments, where the trainees will potentially continue their career.

We have interns from CBS, International Shipping & Trade. The students join us for 6 months where they have a mentor that give them specific guidance and introduces them to our industry. Later on, they will be inspired to write their thesis based on the knowledge that they have gained during their internship.

We also accept interns from the maritime academies and schools for marine engineering on a regular basis, who get inspiration and qualified assistance from our technical department to either their own projects or company-related projects.

Kristine Baagø, HR Business Partner, People, Communication and Culture, says:

"We run a professional and thorough recruitment process for trainees and interns, and we acknowledge our responsibility towards the chosen few that are selected. It is our responsibility to continuously guide and support the trainees during their training in order to give them the best possible start of their future career in shipping". We see it as part of our social responsibility to help the next generation in good and relevant jobs to make sure they combine a strong academic background with some practical experience.





## Our people at sea

Our vessels trade all over the world, often in harsh and challenging environments. Life onboard can be very challenging and we ask a lot from our crew. To ensure they are safe and that they can operate on the high level we expect we continuously train and develop their competences. We focus greatly on retention, as we want to retain our good colleagues whom we invest in and to whom we have strong relations ships.



### Retention

We work on several parameters to retain our valued seafarers. Most importantly, we strive to create a good working environment with interesting career opportunities at sea and we invest in the individual seafarer's continued learning and development. We promote a strong safety culture by shouldering both mandatory and additional training. We offer relatively short voyage contracts, and free access to internet in order to stay connected to family members and friends while on board. We offer attractive health insurance program including spouses and children for our seafaring colleagues.

## Training & Development

### Cadet programs

As part of our training and development program, we run two cadet programs, one in Denmark and one in the Philippines. In 2015 our commitment towards these programs increased as we supported and sponsored parts of the first dedicated Danish International Shipsregister's (DIS) classes at the MAAP Cadet school in Manila. The purpose of having training specified towards vessels registered under DIS is to better prepare our young students for the "different" culture they will meet when working on a DIS registered vessel. The DIS class program is facilitated through the Danish Shipowners' Association (DSA), and we had the opportunity to conduct Danish Culture lectures on behalf of the DSA at the MAAP in 2015.

We also invite our Cadets to participate in our annual crew seminars, attending these seminars makes it possible to familiarise them self with our company culture on an early basis and makes it possible to become part of the team as soon as possible.

### Competence enhancement

Since transportation of chemicals requires extensive expertise and through training, we take pride in providing high quality courses for all our seafarers. In addition to all mandatory training, we also offer and arrange specific individual training when needed.

A new training initiative introduced in 2015 is our tailor made European Chemical Optimization courses, which follows in the wake of our successful in-house courses held in Houston last year. These courses are aimed at making our seafarers and office staff even more capable and confident in interacting with the demands and high safety level required in our trade.

During 2015 the herring fleet was included into our onboard training program where our team of Training Superintendents carry out onboard training of all crewmembers manning our operated vessels. The value of training the individual seafarer in his daily working environment is priceless. Our seafarers receive the onboard training very well and it is also a very effective way of mitigating the well-known ship-shore gap. This initiative will be followed up by including the herring fleet in our electronic Competence Management System in 2016. This is the final step to align the training activities between our two fleets.

This creates more clarity for the individual seafarer when it comes to personal development, company expectations and career planning.



## Health

The health of our seafarers' is very important to us. Statistics show that work at sea combined with an unhealthy lifestyle with low amount of physical activity and unhealthy eating habits can cause a number of lifestyle diseases. To influence our seafarers to choose a healthier lifestyle we have included this topic as a discussion and inspirational item during our crew seminars. Initiatives around healthy food, proper galley hygiene and exercise is continuously ongoing in our company. In 2013 the topic of special attention was healthy food choices and good galley hygiene. In 2014 extra focus was put on industry-related working and living conditions and personal initiatives to limit the effect of these conditions. During 2015 the initiative around healthy food choices and good galley hygiene which started out in 2013 was followed up by a number of our cooks attending and completing focused training programs held by the Norwegian Training Center in Manila. The effect of these training initiatives is currently under evaluation on-board. Another topic raised for special attention during 2015 was to maintain a sound mental health while living and working onboard.





## Vessel safety and security

We receive strong results compare to industry standards when we measure our safety and welfare standard. Through our company values, which has safety as our first value, we continuously strive to improve on our safety culture and think about safety in all we do, both in the office as well as on board our vessels. Various initiatives and campaigns are ongoing to constantly improve the safety culture mind-set of all employees both ashore and at sea, and thereby work towards a zero incident environment. With that focus, we strive to become an attractive employer for our seafarers and the preferred business partner for our customers.

### Lost Time Incidents (LTI)

The main objective of developing a strong safety culture is to avoid incidents and accidents harming people, the environment or property. A safe and sound working environment should also lead to a high retention rate among our seafarers. To measure if we are performing well in this area we use a LTI frequency rate. This rate provides us with a measurement of the number of incidents in the past year, giving us a tool to evaluate whether the safety initiatives taken results in a safer working environment.

Our company aim is that all our employees can go to work and arrive home safely without being harmed or injured, and therefore our goal is to have a zero LTI rate.

The LTI frequency is measured as work-related incidents per 1 million working hours, which cause absence from work for more than one working day. The frequency is an average over the past 12 months. Over the past years, the company has noted a steadily decreasing trend of LTIs. We had 1 LTI incident in 2015 which resulted in a LTI frequency of 0.3. Although the result is better than industry average and a measurable result of the safety initiatives implemented during the last years, our ambition is clearly to reduce the frequency to an absolute minimum, and we therefore work towards a zero incident environment.

### Near misses

Our strong focus on near miss reporting on board our vessels has continued in 2015. During the year, we have expanded our nearmiss reporting to include our shore based offices as well. Near miss reporting have been a natural part on board our vessels for many years, and with the introduction of an office near miss system, we expect to further improve the safety awareness in the office and thereby avoiding incidents not only when employees are at work but also when off work





## Maritime security

### Piracy

Piracy remains a big concern and risk for our seafarers and vessels. As a global ship operator, we are exposed to this risk, in particular in areas such as Gulf of Aden (GOA) and adjacent waters as well as off the West Coast of Africa, in particular in Gulf of Guinea (GOG).

In recent years, the effective international countermeasures against piracy having its offspring in GOA have led to the establishment of a number of effective initiatives enabling reasonable control of the risk. Successful initiatives include but are not limited to naval presence, established transit corridors, well established international best practices as well as unhindered access to the utilization of armed guards. The number of incidents in GOA has consequently been reduced significantly.



In West Africa, the piracy related crime is frequent, organised and violent. Especially Nigeria is a hub for organised crime targeting tankers carrying refined petroleum products in and out of the GOG. Neighbouring countries are also affected and the trend is that pirates venture further and further out to sea to conduct their criminal deeds.



When operating in West African waters we have extensive countermeasures in place and having security as our top priority, security measures go above commercial aspects. During many years of operation with high risk profile vessels – low freeboard tankers carrying clean petrol products – we have developed an in-depth cooperation with major stakeholders and industry partners enabling continuous development of policies to ensure safe operation.

In supplement to the above, we continue to be involved in driving international political understanding and development of actions against piracy activities.



## Environment and climate

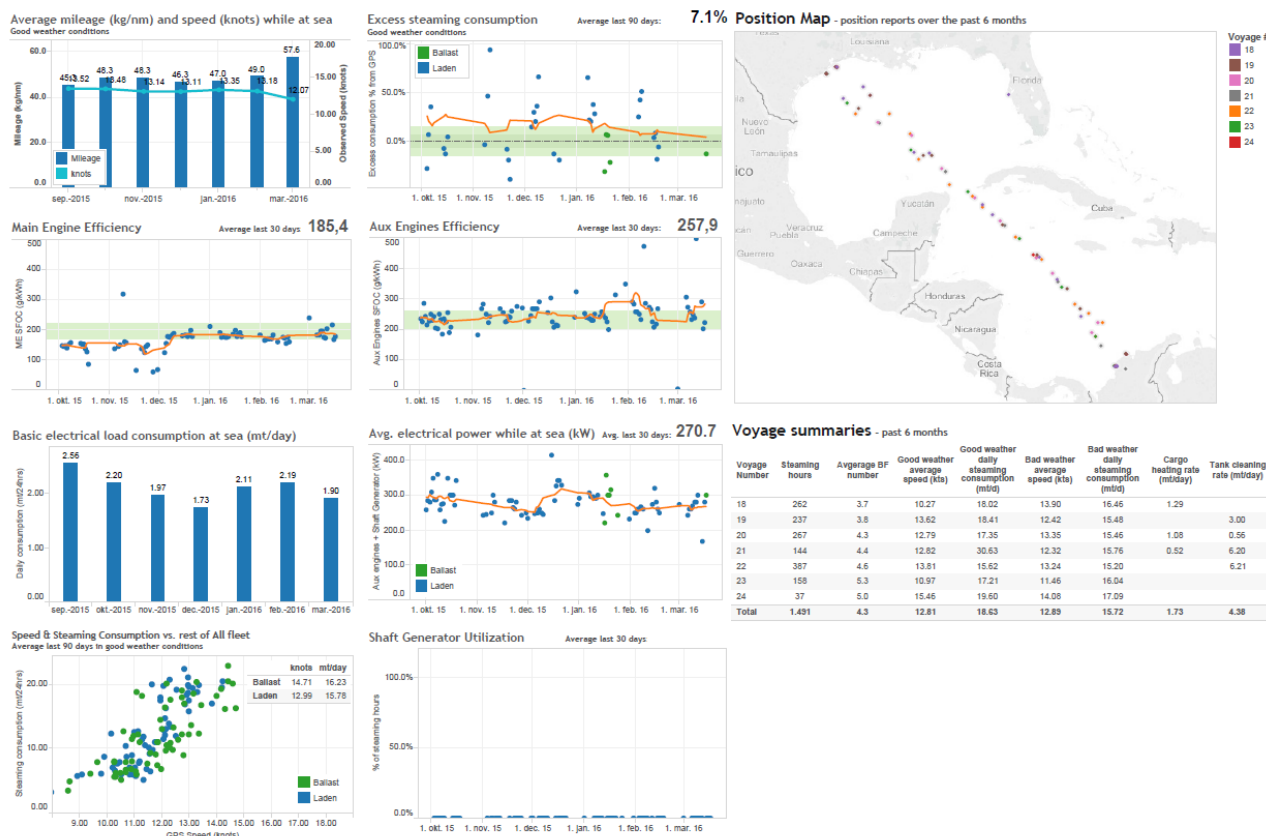
Shipping remains the most efficient and eco-friendly means of transportation. Even so, the industry is working to reduce its environmental footprint. Along with other industry colleagues, we wish to participate in the reduction of emissions. In order to do so we have initiated projects to reduce our bunker consumption and we also support the industry initiative to ensure that stronger sulphur rules are enforced.

## Ship efficiency matters to the environment and the bottom line

Reduction of emissions is a priority when it comes to mitigating the impact on the environment. Other positive effects of lower fuel consumption is lower fuel costs and an improved bottom line. Consumption and emissions can be reduced through the optimization of speed, bottom and propeller cleaning, trading patterns and ballast voyages. Our activities within this field are therefore anchored in our technical, chartering and operation departments who cooperate to maximise the efficiency by which we operate our vessels. In 2015 we introduced a vessel performance program for all vessels including time chartered vessels in our fleet. All vessels now include parameters such as fuel consumption for main and auxiliary engines, electrical load at sea, weather data and speed in their daily noon reporting. These data are analysed and used for optimizing the performance of each vessel in order to mitigate excess fuel consumption.

### Deepsea Vessel Performance Sheet for NORDIC ANN

Veslink data extracted on the 01-04-2016 10:09:56. Latest available Veslink report for NORDIC ANN on the 17-03-2016



This new vessel performance program also makes it possible to calculate the transport work and energy efficiency, EEOI (tons CO2/(tons cargo x nautical miles)) for our fleet. These data are reported to the Danish Ship owner's Association and will make basis for our EU MRV (Monitoring Reporting and Verification) reporting which will become a requirement from 2018.



## Commitment to sulphur regulations

In September 2014 we joined The Trident Alliance. Members of this alliance commit themselves to comply with maritime sulphur regulations and support robust and transparent enforcement of these regulations. We actively participate in industry meetings to assist in the implementation of stronger and more robust enforcement.

We also actively participate in a project named "Surveillance of sulphur and particle pollution from ships" with the purpose of developing a fast method to detect sulphur content in fuel from ships by means of either remote sensing of emission or direct analysis of fuel. The project is co-financed by the Danish Environmental Protection Agency (EPA) and headed by the Danish Technological Institute.

## Anti-corruption

Corruption has been identified as one of the world's greatest challenges when it comes to reduction of poverty, which is one of the UN millennium goals. The UN has sharpened their focus on corruption as it has a negative impact on countries, communities and businesses impeding economic growth and sustainable development. We are committed to ensure adherence to high legal and ethical standards in addition to all applicable laws. This is reflected in all aspects of our operations. Integrity must be present in all our dealings. Consequently, the directors, officers and employees of our company shall refrain from offering, promising, giving, demanding or accepting an advantage as a motivation for an illegal or unethical action.

In 2016 we are implementing a more detailed Anti-corruption training system.

## Industry challenge that requires a joint effort

Fighting facilitation payments is an important target for us, but this challenge cannot be solved alone. It calls for joint efforts in the maritime industry. We participate in the Maritime Anti-Corruption Network (MACN) together with other representatives from the shipping industry. The membership of MACN enables us to co-contribute to the development of innovative methods and systems to fight corruption and facilitation payments globally. We encourage business partners, agents, public officials and other stakeholders in general to comply with international standards and legislation.



## Maritime Anti-Corruption Network (MACN)

The MACN is a global business network working towards its vision of a maritime industry free of corruption that enables fair trade to the benefit of society at large. The MACN respond to the UK Bribery Act 2010.

The purpose of the network is more specifically to share best practices and align policies and approaches in the field of anti-corruption. One of the ambitions of the network is to seek support from governmental bodies and international organizations to target corrupt practices in challenging environments and seek solutions to root causes for corrupt practices.

Source: <http://www.bsr.org/en/our-work/initiatives/maritime-anti-corruption-network>





## Anonymous reporting

### Whistle blower

In 2015 we went live with our online whistleblowing system. Via our webpage, [www.nordictankers.com](http://www.nordictankers.com) any one may report violations of policies or law. The reporting is anonymous and registered at an external law firm for assessment and further processing.

### Open reporting

Since 2011 we have an anonymous reporting system whereby employees and external parties have the opportunity to report non-compliance issues and other marine violations in general concerning Health, Safety, Quality and Environmental. The reporting is confidential and conducted in anonymity. Through the company's Safety Management System our employees are encouraged to make use of this reporting system via our website or via direct contact to the company's designated person (DPA).

Any kind of retaliation towards individuals, whether employed or not who make use of our reporting systems will not be tolerated. We do however take disciplinary action towards employees who fail to report when a discharge, spill, incident or other environmental non-compliance occur.

## Supplier management

Responsible procurement and supply chain management is a high priority for us.

To ensure that business with our partners and suppliers is done in line with international conventions and standards we are since 2013 members of the IMPA ACT. This network was founded in 2013. IMPA ACT is an independent initiative of the International Marine Purchasing Association (IMPA) that seeks to improve the economic, social and environmental compliance of its ship purchaser and supplier members. IMPA ACT represents international best practice and is aligned with UN principles. Being part of and contribute actively to the IMPA ACT we cannot only improve our own operational standards and brand, but also contribute to integrate environmental, social and economic considerations for all parties involved in our supply chain.



Nordic Tankers has also implemented online survey for suppliers to fill in. The main purpose of the survey is to outline our expectation towards suppliers in the areas of quality, health and safety.

The development process of the survey screening tool is ongoing and constantly aligned and adjusted in relation to experience and to input from internal and external stakeholders.

As part of streamlining the purchasing process and to ensure supply of quality and eco-friendly products, we have implemented a standard ordering catalogue to all our vessels. The catalogue contains a wide range of articles ranging from personal protective equipment to eco-marked cleaning articles. By using our standard catalogue, when placing a purchase order, all parties involved are taking an active role in ensuring purchase of high quality and environmental friendly products.

### A long-term perspective

Our commitment to ensure responsible procurement has a long-term perspective and remains unchanged. The procedures are seen as a process that will change and expand over time. We are convinced of the benefits it will bring through the opportunity to engage with suppliers in a long-term strategic development.