



Corporate *Responsibility* 2016

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About this report

This report has been prepared in accordance with the Danish Financial Statements Act (Sec. 99a) and the UN Global Compact's annual requirements for communication on progress. The scope of our reporting is determined by our commitment to the UN Global Compact and an assessment of materiality. The main aim of this report is to give our internal and external stakeholders an overview of our corporate responsibility policies, actions and performance.

CEO Statement

Publication of this Corporate Responsibility (CR) report is made at a time when J. Lauritzen and the shipping industry at large are challenged not only by weak earnings, but also by ailing global trade growth and emerging restrictions to free trade.

Our CR commitment remains unchanged, however, and we remain committed to the United Nations Global Compact. J. Lauritzen became a signatory to the Global Compact in 2011 and since then, the ten principles of Global Compact have guided our responsibility efforts and helped us identify our business impacts

Responsible business conduct is an essential part of delivering quality maritime transportation services. Accordingly, corporate responsibility is strategically important to us.

Despite the fact that marine transportation is the most environmentally friendly mode of transportation, the shipping industry has a responsibility to reduce emissions in line with other sectors of the global economy.

The International Maritime (IMO) is the sole global authority regulating the maritime industry. On that background, J. Lauritzen believes that only the IMO is capable of ensuring efficient regulation of the maritime industry's climatic and environmental impacts. Regional regulation is neither in the interest of the maritime industry nor the climate and environment since such regulation does not encompass the entire world fleet.

Humanitarian issues, corruption and transparency are other key challenges facing our industry and challenges that cannot be solved by companies individually. Global initiatives and

strong coordination are necessary conditions for achieving sustainable results.

We support such global initiatives and always strive to seek industry collaboration where deemed appropriate as a means to share challenges, mobilise resources and create combined leverage to ensure progress.

This also remains the basic philosophy behind our participation in industry partnerships such as the Maritime Anti-Corruption Network, Trident Alliance and IMPA Act.

We look forward to continue our efforts towards more responsible business practices within J. Lauritzen and the shipping industry in general, and we are confident that the ten principles UN Global Compact will continue to guide us in the right direction.

I hope that you find this report interesting.

Mads Peter Zacho

CEO, J. Lauritzen A/S





Highlights and *Outlook*

Our corporate responsibility (CR) efforts build on our core values and are aligned with our commitment to the ten principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

We continuously work for increased integration of our corporate responsibility efforts into our business strategy and day-to-day business operations.

HIGHLIGHTS 2016

During 2016, we have focused our efforts on continuous human rights due diligence as well the continuous implementation of our energy-efficiency projects, our anti-corruption compliance programme and our responsible supply chain management programme.

CO₂ working group

In 2016, we participated in a working group in the Danish Shipowners' Association (DSA) which set out to draft a new climate policy and decide on a DSA suggestion for realistic and ambitious CO₂ reduction targets.

The policy was launched in November 2016, and is based on a study undertaken during the year, which establishes solid and well-argued reduction targets based on proposed technical, legal and economic reduction mechanisms.

The working group was assembled in light of COP21 which failed to commit the IMO, the sole global regulator of shipping, to establish ambitious CO₂ reduction targets to ensure that international shipping delivers its fair contribution to the UN target of staying below a 2°C temperature rise. The work of the DSA working group is intended to provide essential documentation in future international climate negotiations as a

means to push for global rather than regional or national regulation.

Responsible ship recycling

Increased attention is being paid to ship recycling, mainly due to the nature of some ship recycling practices which are associated with unsafe labour practices and unsatisfactory environmental standards.

Consequently, a new policy on responsible ship recycling was approved in 2016. The policy acknowledges the known severe impacts involved in some recycling practices and commits J. Lauritzen to ensure recycling of owned vessels in compliance with the requirements of the 2009 Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships and in respect for human rights.

Recognising a responsibility that often goes beyond owned vessels, the policy further commits us to take action to prevent and mitigate severe impacts when selling vessels for further trade.

To ensure adoption of the new recycling policy and assist employees in complying with the policy, i.e. when selling vessels for further trade, a set of internal guidelines have been developed.

OUTLOOK 2017

In 2017, we will take our corporate responsibility efforts to a new phase of integration with our business strategy and thus our overall value creation. Focus will be on the further implementation of our corporate responsibility programmes. Furthermore, we will encourage business partners to respect the UN Guiding Principles on Business and Human Rights.

ACHIEVEMENTS IN 2016

Relative cut in CO₂ emissions of **31%** from operated fleet since 2012



Anti-corruption training of **95%** of our shore-based personnel and **ALL** senior officers

5 suppliers have been engaged in dialogue





J. Lauritzen Overview



J.Lauritzen has been serving the maritime trade since 1884 and has ever since been engaged in a range of different segments of the shipping industry.

Today, J. Lauritzen is a global provider of seaborne transportation of dry bulk cargoes as well as petrochemical and liquefied petroleum gases.

We offer our services through our operational business units Lauritzen Bulkers and Lauritzen Kosan.

Lauritzen Bulkers operates bulk carriers in the handysize and

supramax segments of dry bulk shipping with main presence in the handysize segment.

Lauritzen Kosan specialises in transportation of petrochemical and liquefied petroleum gases (LPG) - a segment of the shipping industry characterised by complex technical and operational requirements.

Offices worldwide

Headquarter in Copenhagen, Denmark and overseas offices in Singapore, China, the Philippines, the United States and Spain.

J. LAURITZEN FACTS 2016

Owned by the
Lauritzen Foundation

100%

195
employees
ashore



549 seafarers onboard
owned vessels



Average controlled
fleet of **128** vessels

Invested capital
year-end

USD **379m**

Revenue

USD **420m**



Human and *Labour Rights*

We consider respect for human and labour rights as part of our heritage and our commitment to the UN Global Compact.

As shipowner and operator, we face human rights challenges ashore as well as at sea, and we use the UN Guiding Principles on Business and Human Rights as a blueprint to our endeavour to respect the human rights.

Managing human rights risks

We perform human rights due diligence aligned with the expectations of the UN Guiding Principles to help us identify how our business may impact people's enjoyment of their human rights and how actual and potential impacts can pose a risk to our business.

In addition to human rights due diligence ashore and at sea, we manage our human rights risks as part of our health and safety and risk management systems anchored in our two business units along with the Group's anti-corruption compliance programme and responsible supply chain management programme.

Human rights due diligence ashore

We have conducted human rights assessments of our human rights risks and impacts at our offices in Copenhagen and Singapore, which included assessments of our corporate policies and procedures.

All human rights outlined in the International Bill of Human Rights, including the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, were assessed to decide which ones are salient to our company given our geographical and business context.

Our human rights due diligence has been quality assured by external experts on business and human rights.

Human rights at sea

At sea, our human rights efforts are closely linked to our health, safety and security policies and procedures, which are managed within each business unit in accordance with legislation, regulations and the nature of the operations. We apply the Maritime Labour Convention 2006 (MLC) when assessing our impacts on board our vessels.

DUE DILIGENCE

Our human rights due diligence is an ongoing process designed to help us address actual and potential adverse human rights risks and impacts that are linked to our business activities.



Aligned with the UN Guiding Principles, our due diligence process covers human rights assessment, including **identification** and assessment of our adverse human rights impacts, **actions** to prevent and mitigate identified impacts and to address relevant policies and procedures, a system for **tracking** milestones and following up on action plans, and a mechanism for **communicating** how we address identified adverse impacts to relevant stakeholders.



Environment and *Climate*

We acknowledge the environmental impacts of our operations and the risks these pose to the environment, mainly in regards to emissions to air and water. Thus, we assume responsibility to always work towards minimising our environmental footprint.

We are committed to mitigating emissions by establishing relevant operational procedures, to follow the development of new technologies relevant to our business and to disclose our environmental performance.

Focus on reducing emissions

During the year, we continued our energy efficiency efforts with the aim of reducing fuel consumption and reducing emissions through technical and operational initiatives.

By working with environmental performance in a structured manner, both business units strive to stimulate a performance-oriented culture both at sea and ashore.

Due to the nature of our business, many of the environmental challenges we meet are industry-related, and thus we prioritise engaging in partnerships with different stakeholders to identify the most effective solutions.

In 2016, we embarked on the second year of the Blue INNO-ship partnership, through which we show our support to the development of green and energy efficient solutions for the Danish maritime industry. As part of our commitment to the partnership, we actively engage in a work group seeking to develop an industry standard for performance monitoring to promote more energy efficient operations and thereby reduce emissions.

You can read more about our environmental efforts and results in the environmental statements of Lauritzen Bulkers and Lauritzen Kosan respectively. See p. 10 and 12, wherein emission figures are also disclosed.

Ballast water

In 2016, the IMO Ballast Water Management Convention received sufficient ratification by the world's flag states and will thus take effect from September 2017.

J. Lauritzen has over the past years been working to ensure timely compliance with the requirements of the convention, for example by screening market solutions, collaborating across the business units and testing new systems on board selected vessels.

The choice of ballast water treatment system will be decided in the coming months in due time for when the IMO convention takes effect.

Strengthened focus on performance management

From 1. January 2017, a joint performance management department was established within J. Lauritzen, combining the two previously separate performance departments in Lauritzen Bulkers and Lauritzen Kosan respectively.

The purpose of the joint performance management department is to streamline vessel performance management across J. Lauritzen and increase opportunities for knowledge sharing with the aim of identifying additional opportunities for improving our fleet's energy efficiency and reducing the environmental impacts of our operations.

EXAMINING SHIPPING'S FAIR SHARE OF REDUCTIONS

Following shipping's exclusion from the Paris Agreement, which came into force in November 2016, J. Lauritzen has throughout the year participated in a work group in the Danish Shipowners' Association (DSA) that set out to examine shipping's fair share of global CO₂ reductions.

The pivot of the work group has been a scientific study undertaken by external consultants which set out to establish specific and time dependent reduction targets to ensure that the shipping industry reduces its emissions in pace with the rest of the global economy to achieve the Paris Agreement's goal of staying below a 2°C temperature rise.

In late 2016, the results of the project were presented along with a new DSA climate policy, proposing an ambitious and realistic CO₂ approach for the global shipping industry.

Update in J. Lauritzen's policy

In the 2015 Corporate Responsibility report, we stated that J. Lauritzen's environmental policy would be reviewed and updated during 2016.

Due to the work in DSA, it was decided to await the results of the study to ensure alignment with the new DSA Climate Policy and a fair contribution to the proposed reduction targets. Thus, work is in progress to examine how J. Lauritzen can ensure a fair contribution to the proposed reduction targets and to update our environmental policy accordingly.



Anti-Corruption

Being one of the largest financial and human challenges at sea and in global business, corruption, primarily demands for facilitation payments, pose a serious risk to our business and to the economic and social development in some countries.

We work against corruption in all its forms, and our Anti-Corruption Policy provides guidance for both shore based and sea-going personnel. The policy is in line with the principles of the United Nation's Convention against Corruption along with various national laws and is anchored in our compliance programme which is rooted with our Board of Directors and Executive Management.

Since 2014, internal and external stakeholder have been able to anonymously report concerns of compliance violations through our whistleblower portal. However, no reports have been made to date despite efforts to increase awareness of the whistle-blower portal.

Training and awareness

As part of our compliance programme, we conduct training for both shore based and sea-going personnel. The training is conducted as face to face seminars focusing on compliance and anti-corruption.

During 2016, the remaining shore based employees received training that also included fraud prevention, anti-trust, rules for gifts and hospitality and other related compliance topics. Thus, we have completed training of all officers in both business units as well as all relevant shore based staffs, with the exception of newcomers. Follow-up training will be implemented from 2017.

We are working on the implementation of online training to ensure that employees who have already received formal

training remain updated on our anti-corruption policy and practices. In 2017, we aim to embed the training tool within our existing HR software to increase efficiency.

Working proactively to eliminate facilitation payments continues to be a core element of our anti-corruption policy and our compliance training, and we strongly encourage our crews to report any demands for facilitation payments. Despite increased efforts to improve communication between vessel and operations, the amount of demands for facilitation payments being reported remains scarce. We will continue to work actively to encourage crews to report demands for facilitation payments as it is the only way to gain insight into whether we are successful in reducing facilitation payments.

Partnering on industry challenges

We continue our active participation in the Maritime Anti-Corruption Network (MACN), a global business network working towards a maritime industry free of corruption enabling fair trade to the benefit of the society at large. Through MACN, we meet with other representatives from the industry to discuss and share best practice.

In 2016, we further participated in a MACN working group that focuses on challenges in the dry cargo sector such as clearance of dry cargo holds by port officials.

FOCUS ON TRADE SANCTIONS IN 2016

Operating in a highly international business environment, we are subject to increasingly complex and changeable sanctions regulation.

Compliance with applicable trade sanctions is essential to responsible business conduct. We have intensified our efforts to increase trade sanction transparency and ensure continuous compliance with the various sanctions.

Our efforts include face-to-face training on sanctions compliance, procedures for vetting of counterparties and on-line country and cargo compliance checks.



Value Chain Responsibility

As part of our commitment to the UN Global Compact, we recognise our role in the long and sometimes complex value chains we are part of. To mitigate the risk of negative impacts on human rights, including labour rights, the environment and anti-corruption principles occurring within our value chain, we always strive to advance the principles of the Global Compact within our sphere of influence.

Updated Corporate Responsibility Policy

In 2016, an amendment was made to J. Lauritzen's Corporate Responsibility Policy committing us to always, when possible, strive to include a new standard corporate responsibility clause when negotiating contracts and agreements on behalf of J. Lauritzen or one of our business units.

The scope of the clause reflects our commitment to the UN Global Compact and the purpose of its implementation is to clarify J. Lauritzen's ethical and Corporate Responsibility standards to our business partners and to encourage these to follow the same internationally recognised minimum standards for responsible business conduct.

Ship recycling

In 2016, a recycling policy was adopted by the Board. Although J. Lauritzen's vessels are commonly sold before they reach the end of their operational lives, owned vessels are recycled in accordance with applicable law and regulation, specifically in compliance with the requirements of the 2009 Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships and in respect for human rights.

As signatory to the United Nations Global Compact, we are further committed to ensuring that vessels are recycled at re-

cycling facilities that adequately manage their adverse impacts on the matters referenced by the ten principles of the Global Compact.

Responsible procurement

Responsible procurement continues to be a core element of the Group's corporate responsibility efforts focusing on cooperating and engaging in dialogue with suppliers to ensure decent social and environmental conditions in our supply chain.

We continue to support the IMPA ACT programme when working with suppliers as we wish to contribute to uniformity in the industry and avoid suppliers having to comply with different expectations from different owners.

By engaging in close dialogue with selected suppliers, we work towards aligning expectations within human and labour rights, environmental performance and anti-corruption.

The centre of the dialogue between J. Lauritzen and our suppliers is a Supplier Code of Conduct, which outlines our minimum expectations to suppliers regarding establishing policies and procedures to help them identify, prevent and mitigate potential impacts on human rights, labour rights, protection of the environment and anti-corruption.

Through closer dialogue and stronger relations with suppliers, we aim at increasing transparency throughout our supply chain.

Each year we select a number of suppliers to engage in further dialogue, and in 2016, we engaged in dialogue with five new suppliers, selected from our largest suppliers based on spend, dependency and frequency as well as known risk.

In 2017, we will engage in dialogue with another five first-tier suppliers.



Lauritzen *Bulkers*

Lauritzen Bulkers operates bulk carriers in the handysize and supramax segments of dry bulk shipping. With a main presence in the handysize segment, our operations are based on a large homogeneous fleet of owned and long-term time-chartered vessels, vessels committed by partners as well as a substantial number of short-term time-chartered vessels.

Fleet management

Technical management, including crewing for our owned fleet, is performed by New Century Overseas Management Inc., Manila and Synergy Maritime Pte., Singapore who provide safe, reliable and cost-effective operations in close collaboration with our in-house technical department.

With ship management outsourced to external service providers, our in-house technical department specifies requirements, aligns expectations and monitors performance on achieving safe, reliable and efficient operations.

Health and safety

Operational transparency is essential to the safety of our people, our vessels and our clients' cargo, and thus building and maintaining open and strong relations with our external managers and crews as well as the continuous development and training of our crews are at the core of our health and safety strategy.

We measure our safety performance through various parameters to obtain a broader indication of how we are progressing with our safety efforts. These parameters include the amount of Lost Time Injuries (LTI) and reports from various internal and external inspections, among others.

In 2016, only four lost time injury (LTI) were reported onboard our owned fleet, and an average of 1.3 deficiencies were re-

ported during Port State Controls. This is a decrease of 40% compared to 2015. Simultaneously, no severe observations were made during the four inspections conducted on board each vessel by either Lauritzen Bulkers, our technical managers or an external auditor during the year.

Security

When entering high-risk areas, we follow J. Lauritzen's security guidelines. The guidelines state that before scheduling a voyage into a high-risk area, a risk assessment must be conducted by an independent external party, and the necessary precautions must be taken.

HIGHLIGHTS IN 2016

Average age of vessels



Operated fleet

4.2 years



Industry average

8.3 years

On average **229**
seafarers onboard
our owned fleet



14% cut in CO₂
emissions since 2012

11 transits in high-risk areas with **NO**
incidents



Our seafarers

Within Lauritzen Bulkera, increasing efforts are put into continuously strengthening communication between our office staff, seagoing personnel and technical managers to ensure crew development and satisfaction and thus a continued high retention rate amongst our seafarers.

Again in 2016, these efforts included our annual officer seminar attended by 70 officers as well as bimonthly newsletters distributed to both our owned and operated fleet, through which topics related to health & safety, energy efficiency and the day-to-day work with technical and operational challenges were discussed.

We also consider Lauritzen Bulkera's Major Disaster Assistance Fund important to our seafarers' job satisfaction and commitment to J. Lauritzen. The fund was set up in the wake of Typhoon Yolanda, which hit the Philippines in 2013, to provide our Filipino seafarers with financial assistance to recover any property damage caused by Yolanda or future natural disasters. No seafarers applied for donations from the fund in 2016.

During 2016, an average of 250 seafarers were working onboard our owned fleet, and again this year, our technical managers upheld a high retention rate of 98% and 93%, respectively.

Additionally, we see that the average officer sails with Lauritzen Bulkera for approximately three years, which indicates success in our efforts to ensure crew satisfaction and build a solid and loyal workforce at sea.

Environment

At year-end 2016, our core fleet consisted of 38 owned vessels and long-term time charters with an average age of 4.2 years, which is considerably below the global industry average.

We continuously endeavour to work more structured with day-to-day performance analysis of both our technical and operational activities with the objective of reducing emissions. We work with our internal processes and organisation to stipulate and strengthen our performance culture and increase awareness of energy efficiency onboard our vessels and amongst our staff ashore.

During 2016, efforts have been focused on data and data quality as a means to identify and address lower performing and thus less energy efficient vessels in our core fleet. These efforts have included a more structured approach to collecting and monitoring data from vessels, as well as increased collaboration with the owners of chartered vessels.

Whereas our efforts regarding technical improvements can only be applied to our owned vessels, we also strive to optimise the operational performance of our total operated fleet of bulk carriers to improve energy efficiency. Optimisation is achieved through continued focus on voyage optimisation, day-to-day operations and weather routing.

An ongoing focus on fuel-savings, operational excellence and energy efficiency has enabled reductions of the total environmental footprint of our dry cargo operations over the years, and compared to 2012, we have managed to cut the relative CO₂ emissions related to our transport work by 14% across our operated fleet, cf. table 1.

Table 1: Emissions pr segment g/ton-miles

Segment	Emission	2016	2015	2014
Handysize				
	CO ₂	11.80	11.85	12.35
	No _x	0.30	0.30	0.32
	So _x	0.19	0.20	0.21
Supramax				
	CO ₂	8.50	8.34	9.59
	No _x	0.22	0.21	0.25
	So _x	0.14	0.14	0.17
Total fleet				
	CO ₂	10.51	11.11	11.86
	NO _x	0.27	0.29	0.30
	So _x	0.17	0.18	0.21

EMISSIONS NOTE

Emission figures are reported per segment and based on actual consumption, oil quality and engine emission factors and are calculated in accordance with IMO's guidelines, MEPC.1/Circ. 684. The Greenhouse Gas Protocol (GHGP) is used as the overall Greenhouse Gas accounting system. We have applied the operational control approach as defined in the GHGP, because we seek to create a direct link between our business, our economic bottom-line and our environmental responsibility. The reported emissions are scope 1 emissions and include all operated vessels.



Lauritzen *Kosan*

Lauritzen Kosan specialises in transportation of petrochemical and liquefied petroleum gases - a segment of the shipping industry characterised by complex technical and operational requirements from regulators and clients.

Fleet management

Technical management of our owned fleet is primarily conducted in-house, and top priority is always devoted to the health and safety of our seafarers and to protection of the environment and our clients' cargo. To ensure alignment and direction throughout the organisation, we work strategically with our value proposition "Chasing Operational Excellence" amongst shore and sea personnel, and we work proactively with regulators to ensure that we are always at the forefront of the regulatory framework, which is becoming increasingly demanding in terms of cost and complexity.

Health and safety

Health and safety is a top priority for us and our stakeholders, and we always work to strengthen our safety culture in an environment often characterised by demanding circumstances.

In 2016, we integrated our Safety Management System (SMS) into our fleet management system, which provides greater flexibility and dynamics in our day-to-day work with safety management. This enables us to make in-time updates in the system to ensure that we are always up-to-date on current safety risks and that we continuously monitor our current safety performance.

We launched several campaigns at sea to increase safety awareness of different high-risk areas. This included a campaign on the risks associated with entry into enclosed space, which remains an area where the industry experiences fatalities, as well as a campaign on near-miss reporting as we con-

sider reporting on near-misses essential to improving safety measures and contributing to an overall safer working environment.

We will continue to focus on strengthening a culture of embracing safety until we reach our goal of incident-free operations and ultimately operational excellence – and with a Lost Time Injury Frequency (LTIF) of 0.3 in 2016, we both exceeded our target of maximum 0.9 and remained below industry average. In early January 2017, we reached an LTIF of 0 and thus we had a complete year without any LTIs in our fleet.

Security

A significant part of the liquefied and petrochemical gases carried onboard our vessels is transported through some of the high-risk regions of the world. The risk to our crews and clients' cargo due to piracy or violent activity in certain parts of the world has our strictest attention.

To mitigate exposure to this type of risk, our anti-piracy counter-measures include close internal dialogue, monitoring risk patterns and the use of external experts' risk assessments.

In 2016, Lauritzen Kosan had 63 transits in high-risk areas, compared to only 20 in 2015.

HIGHLIGHTS IN 2016



14% cut in CO₂ emissions since 2012

Frequency of accidents lower than target

LTIF of
0.3

2015

LTIF of
0.9

Target

The seafarer retention rate was **93.4%** for officers and **98.4%** for ratings



63 transits in high-risk areas with **NO** incidents



Our seafarers

Our seafarers are our most valuable assets at sea, and without skilled seagoing personnel we would not be able to deliver a safe and efficient service of highest quality.

We recognise the challenges of working at sea over longer periods of time, and thus we have strong focus on continuously improving welfare on board, and we undertake various initiatives to ensure well-being both on and off the job.

During the year, we initiated competence mapping courses for junior deck officers in order to identify and map any discrepancies and training needs, support a more strategic approach to competence development and enable best practice sharing.

A fair and reasonable relationship between hours of rest and hours of work on board our vessels is vital for the safety and well-being of our crews, and at our biannual crew seminars, we discussed topics related to fatigue and rest hours to increase crew awareness of the risk related to rest hour violations.

In 2016, we also initiated the process of strengthening the internet speed on board our vessels by installation of new hardware and software to improve connectivity and speed. We do not only expect this to increase operational effectiveness, but also to benefit our seafarers' well-being as it will allow more frequent communication with their families at home.

Environment

Our commitment to minimise our environmental footprint through our performance programmes remains strong. During the year, our performance management department refined our monitoring programme and has now included most

of our energy-efficiency initiatives in the ship specific Ship Energy Efficiency Management Plan (SEEMP).

Compared to 2012, we have managed to cut the CO₂ emissions related to our transport work by more than 14% across our operated fleet, and we continue to scrutinise our operations to further limit our environmental footprint, cf. Table 2. To keep motivation for energy efficiency efforts amongst land-based and sea going personnel high and to improve operational transparency, we work with an elaborate KPI structure which clearly outlines our progress.

In 2016, we continued the implementation and integration of different operational efficiency initiatives, including intensified weather routing efforts and strengthened communication between land and sea to increase crew awareness of energy-efficiency. Both initiatives were implemented via SEEMP.

Further developments were made to our data platform and most of the monitoring is now generated automatically, minimising the risks of human errors when recording, reading, and logging data manually and reducing the work load on-board.

During 2015-16 we carried out project assessments related to ballast water management to help us identify and select the right system for ballast water treatment. The project will continue into 2017, where decisions will be made regarding the choice of system in time for when the IMO Ballast Water Management Convention will enter into force in September 2017.

Table 2: Emissions pr segment g/ton-miles

Segment	Emission	2016	2015	2014
Ethylene				
	CO ₂	90.43	78.65	74.66
	Nox	2.31	2.01	1.92
	Sox	1.39	1.11	1.26
F/P				
	CO ₂	167.60	136.12	143.71
	NOx	4.27	3.47	3.67
	Sox	2.18	1.84	1.93
S/R				
	CO ₂	108.01	98.99	101.34
	NOx	2.74	2.51	2.59
	Sox	1.16	0.97	1.38
Total Fleet				
	CO ₂	99.99	89.84	89.47
	Nox	2.55	2.29	2.29
	Sox	1.37	1.15	1.35

EMISSIONS NOTE

Emission figures are reported per segment and based on actual consumption, oil quality and engine emission factors and are calculated in accordance with IMO's guidelines, MEPC.1/Circ. 684. The Greenhouse Gas Protocol (GHGP) is used as the overall Greenhouse Gas accounting system. We have applied the operational control approach as defined in the GHGP, because we seek to create a direct link between our business, our economic bottom-line and our environmental responsibility. The reported emissions are scope 1 emissions and include all operated vessels.



FINANCIAL YEAR
1 January - 31 December

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