







# A part of the solution

There is one question many companies, including Grieg Star, ask these days: "Is our business sustainable?". For Grieg Star, the answer is simple, yet very demanding: No, our business is not yet sustainable. So, what do we do?

By Matt Duke, CEO of Grieg Star

Many people relate "sustainable" to emissions, waste handling and energy consumption. But we also recognise the challenges related to micro plastics in the oceans and global warming. Sea levels rising and extreme weather patterns developing. In that perspective the way we do business today is not sustainable. We do not have a viable option to

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completely replace traditional fuel oil on our deep-sea vessels. This is an industry wide challenge, and one we will be part of solving.

Our starting point is clear: We need to learn what sustainability actually means. That goes for us as an organisation, our owners, our employees, and our partners. The UN Brundtland report "Or common future" gives a good interpretation. "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." And at this point, it should be clear to us: The work we do in the next years, and the legacy we leave behind, will have dramatic and long-lasting effects on our children and grandchildren.

This leads us to some big challenges. It is a fact that we, at the moment, don't have the technology to ship vast amounts of cargo around the world carbon free. But what if we had that technology and infrastructure today? Well, ship owners don't have the financial strength to retrofit all their vessels at the same time. Nor the strength to over night replace their entire fleet. We should also be mindful that it won't do the world any good if we simply stopped transporting cargos across the oceans. That alternative would lead to economic chaos, hunger and poverty. And that is an outcome that is obviously not sustainable either.

In Grieg we have had an extensive process. We know we need to transform into a sustainable company. What we have done, is to invite experts on the subject to help us to translate that need into our business strategy. The basis for this work has been the UN Sustainable Development Goals. We are not adding it to our strategy, but we use it as the foundation of how we plan, operate and develop our business.

Our owners have set an ambitious and motivating purpose for us in this journey: "We shall restore our oceans."

It is critical to find new sustainable ways to do our business. To have a purpose and understanding of this criticality, is a great starting point.

In 2008, we committed to the 10 principles of the UN Global Compact. Last year, we decided to become a participant of the same. And we decided to join the UNGC Action Platform for Sustainable Ocean Business. We do that, because we recognise that we are not big enough to solve our problems alone. We need to work together with others.

To us, innovation is key to become sustainable. That is why we engage in several research initiatives. The outcome of those may help us find sustainable ways of building and operating a ship. That is also why we work to develop our company culture to

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embrace thinking differently. We believe that it is the human capital that will make us sustainable. So, we invest in competence, development and diversity. That is what we do. We must be rigged to innovate in order to discover new ways do our business. This is not just a process or tool; this is fundamental change in mind-set and culture.

Yet we do need structure and not only random initiatives. The actions we have decided on, are based on the UN Sustainable Development Goals. We have incorporated them into our overall business strategy. And so, if we fail on our SDG targets, we fail on our strategy.

It is not possible to have a sustainable business without having sustainability as one of your key targets. So, we have made the commitment, and we are delivering on our promises in small steps. For example, we were one of the first deep sea operators to install and use hybrid technology on Star Laguna. We were also one of the first to deploy real time sensor data capture towards our vessel support centre to optimise performance at every step. We are involved in many short- and long-term initiatives where we share our knowledge. Our partners in these are technology companies inside and outside the maritime space, energy providers, academia, government institutions and our commercial partner G2 Ocean. In that way we can together define new ways to:

- improve performance in the short term, and
- dedicate ourselves to finding and solving the problems in the long term.

We also were amongst the first to recycle ships under the new EU directive for responsible ship recycling. And we did it twice within six months, with the help of our valued partner Grieg Green.

IMO has set ambitious goals. Compared to 2008 performance, we shall reduce our greenhouse gas emissions by 40% within 2030 and 70% by 2050. In that journey we believe there will be many opportunities to find new business. Business that combine the global need to decarbonise with the adoption and innovation of new technologies.

A key component of sustainability is a healthy economic platform. To us, that means we need to have two thoughts in our mind at the same time:

- we must deliver the best possible performance in our core business
- we must ensure incremental improvements to our carbon footprint.

This is the key to our ability to grow and thrive. And from that position we can be curious, bold and open minded. We will find and develop – with partners – new solutions

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that deliver on our purpose: We shall restore our oceans.

In that meaningful journey I am confident we will continue to attract the best talent. We will build our competency and abilities, experiment and test hypothesis. There will be small sustaining innovations. There will be larger disruptive steps. Through those we will be part of the solution to our critical environmental problems.

After all, if you aren't part of the solution, what are you?



Matt Duke CEO of Grieg Star

## Read more about:

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## The Environment



## Sustainable Business



Risk, Safety, Security



Our people

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# The environment

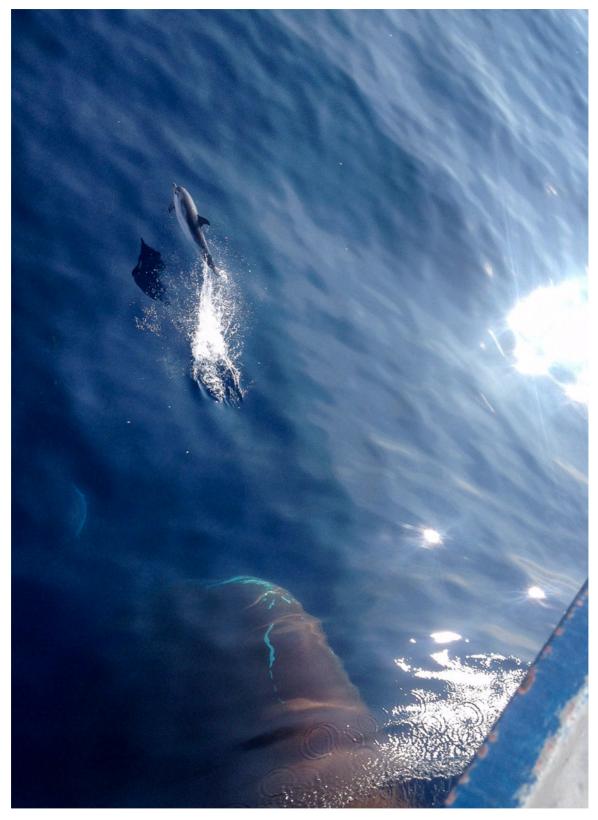
Grieg Star envisions a future where we have no harmful emissions to air, sea and land. The path to this future is long, but we are committed to walk the talk. Shipping – which transports about 90% of global goods – is, statistically, the least environmentally damaging mode of transport, taking its productive value into consideration. Still, the emissions of greenhouse gases (GHG) from the shipping industry constitutes about 2,5% rd of global emissions. The 3 IMO GHG study states shipping emissions could increase between 50% and 250% by 2050, if we continue operating like today. That would undermine the objectives of the Paris Agreement.

In April 2018, the IMO's Marine Environment Protection Committee (MEPC) adopted a new strategy on the reduction of GHG emissions from ships. Their vision is to reduce the total annual GHG emissions by at least 50% by 2050 compared to 2008. And by the end of this century, GHG emissions from shipping should be zero.

We appreciate the new strategy of IMO. We have for many years worked towards reducing the emissions from our operations significantly. It is important to stress that our vision of no harmful emissions is not a zero emission vision. A zero emission scenario is not technically possible in the foreseeable future. The world will rely on use of hydrocarbons for years to come, but the level of such usage is possible to lower. Our vision is to not harm the environment in any way in the conduct of our business.

Regardless of our strategy and goals, national and international agreements and regulations on environmental issues will be amended and set in force in the years to

come. Our goal is to be in accordance with or exceed such regulations before their implementation dates.



Dolpins playing ahead of the bow of Star Lindesnes. Photo: Francesco Sarselli

# **Emissions to air**

#### Carbon Dioxide (CO2)

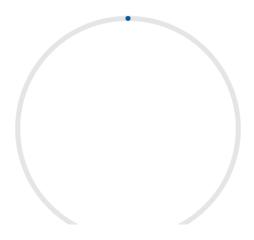
When a vessel is burning one ton of fuel, approximately three tons of CO2 is released, due to the chemical reaction of burning. For Grieg Star it is important to reduce the fuel usage of our ships. In 2018 we used 147.456 tons of fuel oil, emitting 459,000 tons of CO2. Over the years we have implemented several measures to ensure such reductions, both technical and operational.

Even if the 1997 Kyoto Protocol uses 1990 as a base year for CO2 emissions, we are not able to use the same. Our knowledge of our emissions expressed by EEOI (Energy Efficiency Operational Indicator) for 1990 is simply not available. We do, however, have good data from 2007 onwards, and have so far used this as our base year.

We have valid reasons to assume that our emissions in the years from 1990 to 2007 did not grow. In that period our fleet changed dramatically in size, and engine and propeller technology as well as ship designs in general improved. We therefore assume that our 2007-levels are comparable or better than the world 1990-levels. Our goals should therefore be comparable or better than those of the various national and international governments and organisations.

From 2007 to 2015, we reduced the EEOI by 19%. As the index is based on emissions per transported cargo weight, we saw a worsening of the numbers in 2016 and 2017. The low general market, and the fact that we transported more leigh weight, but volume intense cargo, saw our EEOI return to similar numbers as in 2008.

We have an EEOI of 11,8 in 2018, decreasing from 2017 (12,3), and which is better than in 2007 (14,2) even if we have 10% less filling on DWT. This is a positive development, and 2018 is 16,9% better than 2008.



#### Improvement in EEOI since 2008

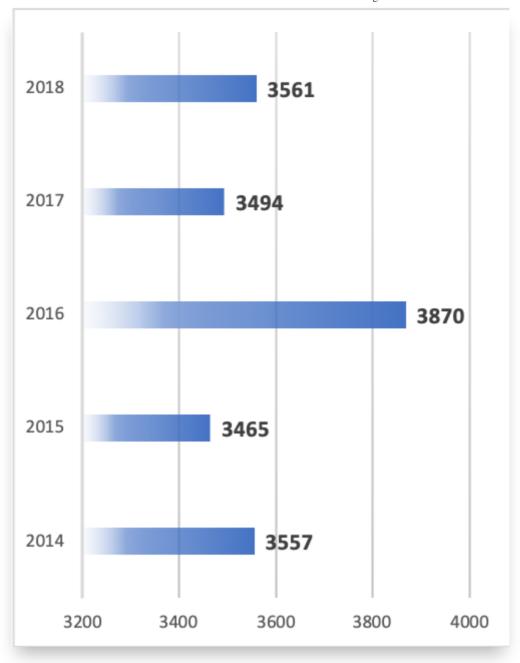
#### Sulfur oxides (S0x)

The emissions of SOx are not a danger to the climate, but have potentially serious effects on the environment locally or regionally, causing health issues for people, animals and vegetation.

The emissions of SOx from our vessels are directly related to the amount of sulphur in the fuel we burn. Many coastal areas in the world are now implementing Emission Control Areas (ECAs) where fuel burned may not contain more than 0,1% sulphur. Grieg Star welcomes these initiatives, and follows the regulations strictly. Our goal is to always comply with or exceed the ECA regulations.

In 2018 we emitted 3,561 tons of SOx, up from 4,494 in 2017.

To further reduce our emissions of SOx, we work on several measures to reduce the amount of fuel burnt, e.g. a project trying to use battery technology on our cranes to reduce engine usage when at port.

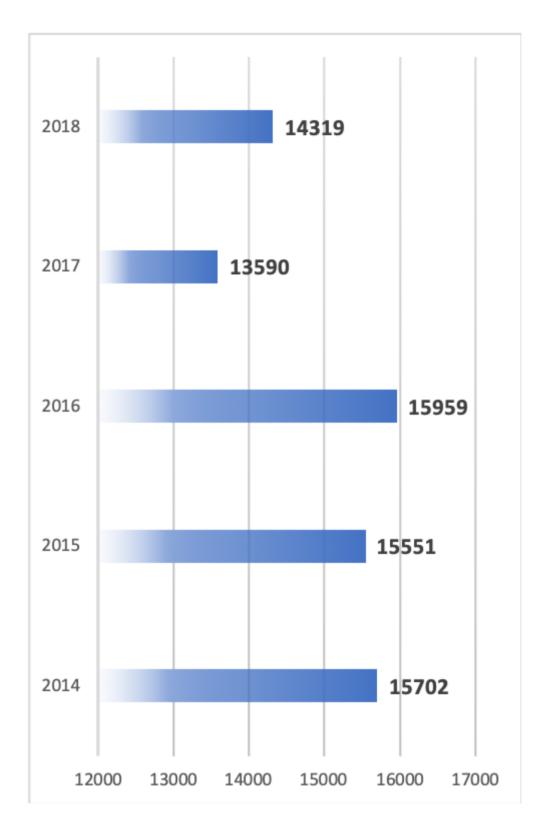


#### Nitrogen oxides (NOx)

In small amounts nitrogen oxides (NOx) can act as nutrients for plants. High levels, however, are damaging to plant life. Excessive exposure to NOx may have serious health effects in humans and animals. NOx also contribute to global warming.

International regulations on NOx are progressively more stringent, demanding engines built in 2016 or later to emit no more than 20% of the levels in 2010. Among the measures we have implemented in this regard is installing sliding fuel valves on all our vessels built after 1987. Our goal is to reduce NOx by 35% by this measure alone. The battery project will also reduce such emissions while the ships alongside in port.

In 2018 we emitted 14,319 tons of NOx, down from 13,590 tons in 2017.



#### Particular matter

Solid or liquid particles from unburnt matter are always emitted from combustion processes. The biggest particles are what humans see as smoke. Some of these particles may have negative health effects, especially in the lungs. Particulate matter has also the potential to modify the climate through the formation of clouds and snow. Particles also contribute to acid deposition and may absorb solar radiation and impair/reduce visibility.

Our work on reducing fuel consumption and run our engines in the best possible way, reduces emission of such particles.

Photo by Samarth Singhai

## **Emissions to water**

Our vessels travel from one place on the earth to another all the time. This makes it a possibility for us to take with us organisms from one ocean to another. The organisms may be brought there through our ballast water system or attached to our vessels' hull. Such non-indigenous organisms may have harmful effects on the eco system in which they are brought into. International bodies work hard to reduce such transferral of organisms from one area of the earth to another, and several regulations are or will be set in force.

The International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention) was adopted by consensus at a Diplomatic Conference held at IMO Headquarters in London on 13 February 2004. All our vessels will have Ballast Water Treatment systems in place within October 2019.

#### Read more on Ballast Water Treatment

Consumed fresh water is generally produced onboard or purchased where required. Estimated grey water per crew is 200 litres per day, approximately 50,000 litres per year.

# Oil spill

Grieg Star had no oil spills in 2018.

## **Emissions to land**

As for most businesses our operations create waste. We have, however, good routines for handling such waste in a sustainable manner. All waste onboard our ships is either incinerated in special ovens onboard, or brought to land for proper handling. Dunnage is properly sorted and recycled while in port. We do not use disposable dunnage bags, but repair and reuse the bags to reduce waste.

Our offices all have proper waste handling, making sure we send the waste for recycling whenever this is possible.

#### Inventory of Hazardous Materials (IHM)

The IMO Guidelines on Ship Recycling of 2009 introduced the IHM for ships. It was envisaged that this document,



containing an inventory of all materials used in the construction of a ship that are potentially hazardous to human health or the environment, would accompany the ship throughout its working life.

All vessels in our fleet have the IHM/Green Passport. Changes of materials onboard listed on the inventory are registered in our Planned Maintenance System (PMS) system. The IHM has recently been used when recycling ships, whereby hazardous materials have been located and handled as specified in "Appendix 3, part 2, of the IMO Guidelines on ship recycling".

#### Trident Alliance

The Trident Alliance is a coalition of shipping owners and operators who share a common interest in robust enforcement of maritime sulphur regulations and are willing to collaborate to help bring it about. The strengths and attributes of the different members and partners will be used to drive the various strategies identified to improve enforcement.



Grieg Star is a member of the Trident alliance.

The threat of weak enforcement of sulphur regulations is escalating. Responsible industry is taking the initiative to mitigate this threat, in interest of the environment and human health, as well as creating a level playing field for business. By speaking with a united voice we have the greatest chance to bring about change.

#### ISO 14001:2015

Grieg Star is ISO 14001:2015 certified. ISO 14001:2004 sets out the criteria for our environmental management system and maps out a framework that we follow to set up an effective environmental management system.

During 2018 we have carried out internal and external audits to verify compliance with ISM, ISPS, MLC and ISO 14001. All findings from these audits have been closed.

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The environment : Grieg Star AS







# Sustainable business practices

As a member of the Grieg Group, Grieg Star aims to be recognised by high standards for health and safety, environment and ethics. The objective of the ethical guidelines is to state the requirements for business practice and personal behaviour. The target group is all employees working for the Grieg Group, including the members of the Boards of each company and subsidiary of the Grieg Group. It is the responsibility of all employees to understand and demonstrate these principles. All relevant Norwegian and international laws and regulations must be carefully observed. Personal and business conduct must be well within the intentions of the principles outlined below. The management in each of the companies has the overall responsibility to ensure that the guidelines are observed and respected. Violations of the ethical guidelines will have consequences, and serious incidents may result in termination of employment. The ethical guidelines are approved by the Board of Directors in each company within the Grieg Group and apply from January 2013.

The values shared by all Grieg Group companies shall be expressed in the way business is conducted, in interaction with each other, and with customers, suppliers and other stakeholders. The values are: Open, Solid, Proud and Committed.

If an employee is concerned about a potential breach of any of the Grieg Group's ethical principles, these concerns should be reported immediately. Individuals may report through the regular channels; to their superior, or to their superior's superior. All our employees may also report directly to the Grieg Group Whistle-blower Channel, a webbased solution established by EY also covering anonymous reporting options. The concern may also be raised to any member of the board of directors in each respective company within the Grieg Group.

Reporting of potential breaches of the ethical principles is considered loyal, and will be treated in a responsible manner. Whoever reports such incidents will not experience any negative consequences.



#### Our ethical principles

- 1. We will carry out our business fairly, honestly and openly
- 2. We do not accept any form of discrimination of employees or others involved in our activities
- 3. We do not accept any form of corruption, nor will we condone it taking place on our behalf so as to influence business.
- 4. We will avoid doing business with others who do not accept our values and who may harm our reputation.
- 5. We shall be careful about giving and accepting gifts or other services.
- 6. We will keep clear and updated records of all business transactions made on behalf of the Grieg Group.
- 7. We will avoid situations where personal interests may conflict with the interests of the Grieg Group.
- 8. We will treat all information, assets and property of the Grieg Group responsibly and professionally.

### **Anti corruption**

With its global presence, the shipping industry operates in environments particularly prone to corruption, countries with poor governance and legal frameworks, and ports in lack of structures and standard operating procedures. Corruption risks may range from small facilitation payments to bribes, extortion and trading in influence. The legal framework on anti-corruption is ever stricter and requires businesses to take action and work systematically to reduce risks.

Grieg Star recognises the need to provide employees and third parties with clear ethical guidelines and regular support in tackling these challenges. Our leaders need to set the tone and demonstrate our commitment to high ethical standards. Similarly, our captains and crew need to be supported. They are in the front line when facing the challenge; pay or risk delay. On board our ships we state our no-corruption policy clearly to all visitors and officials. The message is communicated in five languages; English, Mandarin Chinese, Hindu, Arabic and Bahasa Indonesia. This message is also sent out to our agents. All reported incidents of corruption are recorded, and whenever appropriate raised with agents and local port offices.



To fight corruption in the maritime industry, Grieg Star has joined the Maritime Anti-Corruption Network (MACN), a global business network working for a maritime industry free of all types of corruption. MACN consists of a member-elected steering committee, several working groups, and the MACN member meetings. Members meet in-person at least twice a year, with more frequent interaction through working groups.

Anti-corruption training workshops for the seafarers are conducted at bi-annual officers' conferences and regularly at our manning office.



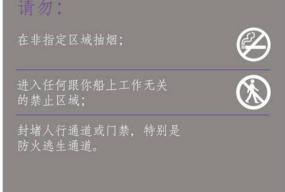
## **GRIEG STAR**

## 欢迎登船

我们建议您学习以下信息并留 意格利戈星航公司的指示,以 确保登船工作环境的安全保障 性。









#### WELCOME ONBOARD

We encourage you to study the information below and observe Grieg Star's instructions to ensure a safe and secure working environment onboard the vessel.







All our vessels have clearly visible signs on board, communicating risk awareness and our strict no-corruption policy in five languages.

## Suppliers Code of Conduct

Making sure vessels are equipped and attended to with all the necessary supplies and services at all times, is a complex task, involving suppliers across the world.

With more than 400 suppliers, our main challenge is to influence them effectively. Grieg Stars' supplier code of conduct was established in 2008, and went through a total revision in 2015, ensuring it is aligned with new expectations to businesses and our own strategic approach to the supply chain. It represents an extension of our values, ethical guidelines and ISO14001 requirements. Through this code Grieg Star requires our suppliers and contractors to observe high ethical, environmental and social standards.

Grieg Star has a great number of suppliers and the inclusion of our Supplier Code of Conduct is currently focused on suppliers to vessels, which accounts for approximately 80% of our purchases. We have developed a self-assessment checklist to accompany the Supplier Code of Conduct. Suppliers are asked to fill in the self-assessment form, and to

provide Grieg Star with feedback on their overall performance within all areas covered by the Supplier Code of Conduct. Human rights issues such as child labour, forced labour, discrimination and freedom of association are included in the assessment. The suppliers are also scrutinised whenever we performs a due diligence as part of our prequalification of supplier contracts.

No frame agreement with suppliers to our vessels is concluded unless the Supplier Code of Conduct and checklist are completed and agreed upon, or the supplier have it's own SSC. This is also standard practice within Incentra, a purchasing organisation where Grieg Star is member.

#### Download

Supplier code of conduct 2017

Grieg Star self assessment supplier

Grieg Star self assessment supplier short version

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# Risk, Security and safety

### Risk Management

Risk management is vital to protect the people, environment as well as our vessels, cargo, equipment and business. January 1st 2015 our new Quality Management Reporting System (QMRS) was put into force. This includes Improvement Reporting and Audits & Inspections.

As of January 1st 2016 the QMRS was expanded to include chartering, operation and anti-corruption reporting. Our HSEQ department head this work.

Risk assessments are always performed in accordance with governing documents in our Quality Management System.

## Business continuity and emergency response

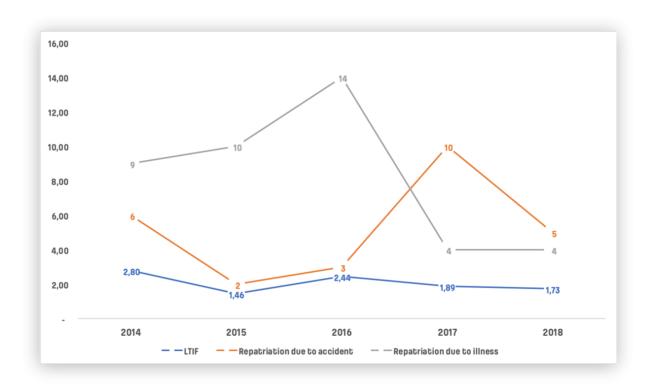
To be able to continue to conduct our operations and business in case of an incident, emergency and business continuity plans are a vital part of our governing documents. The Emergency Preparedness Team convenes whenever an incident occurs, and drills are carried out regularly both onshore and on board our vessels, to ensure our organisation is fit for purpose. We review the emergency plans continuously, both as result of findings during drills and based on new knowledge.

#### Safety

The safety on our vessels is of our uttermost concern, and we have an ongoing focus on preparing our seafarers as well as stevedores and visitors.

This focus has given results, reducing injuries compared to previous years. The most objective measure of this is the Lost Time Injury Frequency (LTIF), which measures the number of Lost time Injuries per unit exposure hours. Our LTIF went further down in 2018, following measures being implemented to avoid further increases after an increase the years before.

As in the four previous years, we had no fatal accidents in 2018. Still accidents do happen, and we repatriated 5 seafarers due to injuries after accidents. We have taken measures to reduce this number. 4 seafarers were sent home because of illness.



#### Port State Control

Port State Control (PSC) is the inspection of ships in ports by PSC inspectors to control and verify that the competency of the master and officers on board, and the condition of the ship and its equipment comply with the requirements of international conventions, and further that the vessel is manned and operated in compliance with applicable international law.

During 2018 Grieg Star had 136 Port State Controls. We had on average 1.12 deficiencies per inspection. This is down from 1.5 in 2017.

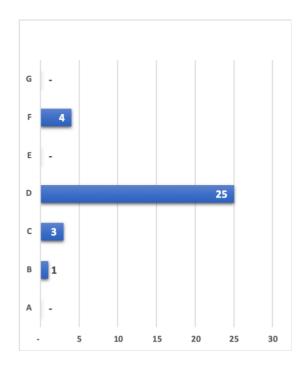
We had two Port State Control Inspection in 2018 which resulted in a detention. The deficiencies were dealt with immediately, and the shore and onboard management analysed the deficiencies for preventive measure and fleet experience transfer.

### Rightship

Grieg Star is a member of Rightship (www.rightship.com), who performs Riskand Environmental Rating. Rightship inspects our vessels, and report and grade our quality based on their findings.

The fleet average Risk Rating rose from 3.8 in 2017 to 3.9 in 2018.

Our fleet's emission rating were as follows in 2018:



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# **Our People**

Grieg Star is a family owned company, with the fifth generation Griegs as its owners: Elisabeth Grieg, Camilla Grieg, Per Grieg Jr. and Elna-Kathrine Grieg. Indirectly the Grieg Foundation owns 25% of the shares. Per Grieg Sr. leads this benevolent foundation.

To secure a continuing sound family owned business, a program to ensure the knowledge and commitment of the next generation has been implemented. The Next Generation Program gathers the heirs of the four owners on a regular basis to educate and prepare them for a future shift of generation.



#### Read more:

- Our employees
- Training
- Competence, gender, health
- How we communicate

### **Our Employees**

Our business success relies on the quality of our people and the work they all do. This requires highly specialised skills, dedication and a professional attitude combined with commercial awareness. Being able to build good relations with customers, business partners and colleagues is imperative for success.

High-level formal education constitutes the basis for any critical competence in Grieg Star. All areas are manned with people educated at university level, spanning from finance, economy and law to engineers and social sciences. Today we have a good mix of recruits at post-graduate entry level and people with longer professional experience in addition.

Other characteristics and personality traits are important above and beyond professional proficiency. In general we always need a sufficient amount of people who have a profound understanding of the nature of our business and our processes, are able to innovate and are open-minded in looking for new solutions, as well as curious and open for change.

In 2018 we had 79 employees in the shore organisation, of which 46% are females. 48 are employed at the headquarters in Norway, while the rest are located at our manning office in Manila. As a rule all staff are employed locally and hired on local terms.



We have a very competent workforce with long service in the company. 41% of the workforce has been in the company for more than 10 years. The age distribution shows that we have a pool of talents with young people, and a group of people who will retire in the coming years, giving new opportunities for the young generation as people retire.

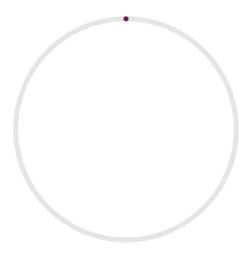
Relying solely on the Philippines as the source for seafaring personnel, all our seafarers are hired through our manning office in Manila or recruited as cadets. The manning office adheres to international ILO conventions as well as the Maritime Labour Convention in all its practices that affect the seafarers.

The seafarers are per agreement contractual workers, but we see a lot of advantages by treating them as regular employees and strive to ensure a high retention rate. Ship officers have 6 months contracts, and receive stand by payment while on leave. Ratings apply for sailing periods of 9 months. All crew is voluntarily organised by international seafarers' associations, and consequently covered by collective bargaining agreements and any other international rules and standards that apply.

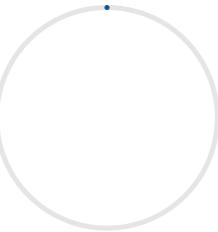
We do not employ any children in our operations, nor accept that our suppliers do so.

The number of sailing personnel is approximately 650 at any given time, of which 14 are female cadets or officers.

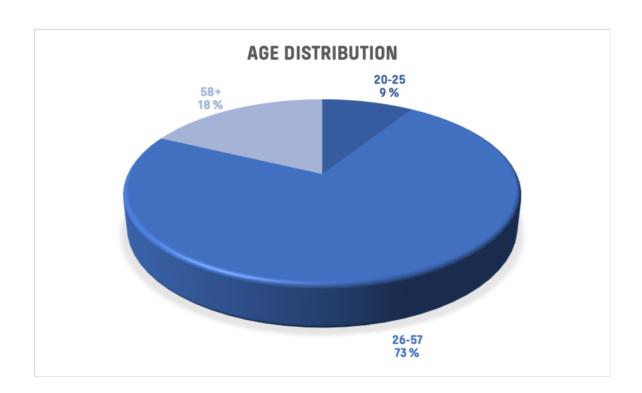
We had 43% females in the top management team in 2018. Among all managers 35% were female. The group's Board of Directors currently consist of 60 % women and 40 % men.

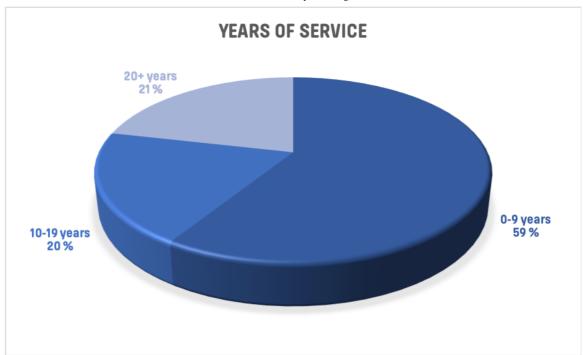


Percentage of females on shore



## Retention rate seafarers





## **Training**

It is our aim to provide a working environment where our people will thrive and develop by working together, and have the opportunity to combine formal education, on-the-job training and new challenges. We offer our employees a wide range of learning opportunities, which includes both technical and non-technical skills training.

Managers are responsible for identifying training needs together with their employees through daily follow-up and annual employee dialogues. We make use of internal and external classroom training covering a wide range of subjects, which our employees are invited to attend as part of their development. In 2016 we started using e-learning as a platform for self studies for the land organisation within a variety of topics.

New employees go through a familiarisation program with introduction to the company and the duties of their position. In addition employees visit a ship and terminal as part of the introduction program to learn how the ships and terminals operate, as well as meeting the crew.

#### Read more:

- Our employees
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- Competence, gender, health
- How we communicate

As part of the knowledge sharing, we also organise events where employees are invited to attend and take part in discussions on subject matters of interest. With respect to our seafarers, education and certificates are the basic formal requirements. The high level of technological specialisation onboard and the general complexity of ship operations combined with regulatory requirements make the demands on competence levels of crew increase. Grieg Star follows the international convention called Standards of Training, Certification and Watchkeeping (STCW) as well as other official requirements. In addition we have developed a set of tailor made courses and training programs in

order to make sure that all the seafarers are able to handle the equipment they meet onboard our vessels, as well as obtain company specific skills.

Competence development and training are vital to ensure operational and situational understanding and to build confidence. In 2018, 1068 training participants were recorded. Some courses are mandatory for all seafarers, while others are specific to rank. In addition we have various quality assessments of seafarers. In total 304 seafarers went through such assessments in 2018.

We continue to have a high focus on leadership, management, communication and teamworking skills. In 2018 we had 94 management level officers attending the Maritime Resource Management (MRM) training, a course specifically targeted on how to lead people and manage resources better. This follows more than 300 participants in previous years.. They will be joined in by the operational level and petty officers, and later, the rest of the ratings. MRM has also been extended to the Technical and Maritime Superintendents (now Vessel Managers) and Grieg Philippines and Grieg Star Philippines employees. The goal is to refresh our managers on best leadership and management practices, put everyone involved in ship management on the same page and speak the same language, enhance ship-shore and onboard communication routines, strengthen the organisational safety culture, and eventually bring down the number accidents and unwanted incidents closer to zero.

Before going on board, all our seafarers have to complete the Pre Departure Orientation Seminar (PDOS) held in our offices in Manila. The seminar focuses on health, safety, security, discipline, procedures and regulations. Whenever appropriate this includes training, and prevention and risk-control regarding diseases.

All vessels are conducting Safety Representative Working Environment Committee (SRWEC) meetings once a month. The company requires all officers to attend the NIS required SRWEC/PEC course.



Officers' workshop in the new premises of Grieg Philippines, February 2016

Through the SRWEC meetings the Shipboard Management has the opportunity for to give information to the Officers and Crew and getting feedback and suggestions in return. The SRWEC meetings are important forums where Officers and Crew can freely discuss and gain experience from each other. Areas like safety, security and working environment are in focus and we strongly believe that these meetings are important for rising consciousness with regards to these topics.

The HSSEQ department makes monthly summaries based on all vessels inputs/feedback from the SRWEC reports and all Improvement reports that has been received each month. This is being distributed as experience transfer in our Quality Management Reporting System (QMRS).

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## Developing competence from within

Academic performance, good communication skills, personal suitability and dedication are essential in selecting our future seafarers.

In preparation for the future need of officers, cadets have been selected every year through the Norwegian Shipowners' Association's (NSA) Philippines Cadet Program. Grieg Star, together with the NSA Philippines Cadet Program, interviews and selects the students before they begin their education at one of the leading maritime universities in the Philippines. In 2018, we had 25 cadets. We also source cadets from our own seafarers, where the children or siblings of our sailing personnel, can apply for seagoing service in order to earn their certificates as licensed officers.

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- Training
- Competence, gender, health
- How we communicate

One of the most important aspects to evaluate is the cadets' ability to communicate. Further, we consider the ability to adapt to a life at sea, as well as inquiring about the cadets' adaptability to teamwork versus individual work. It is also essential to evaluate the candidate's level of realistic ambition and determination, in addition to the person's physique as much of the work onboard can be physically challenging.

To ensure harmonious relations onboard, it is also important that the candidates we choose to embark on a journey with are from provinces all over the Philippines, to ensure a geographical spread of our seafarers onboard.



Our PMMA cadets on their graduation 2019

The first years in the company are of great significance to obtain a good understanding of the company culture and operational procedures. An open dialogue to discuss the

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development of the cadets and the career path ahead of them is important to continuously evaluate the progress made.

## Gender and ethnicity equality

Grieg Star does not accept discrimination in any form. This ensures all employees the same opportunities to personal and professional development, irrespective of gender, age, ethnical background, nationality or age. Discrimination shall be nonexistent when it comes to recruitment, advancement and remuneration. Our aim is to give all employees the possibility to reach their potential while increasing Grieg Star's competitive edge and value creation.

We had no reports of any kind of discrimination in 2018.

#### Health

Grieg Star maintains an overview of sick leave in accordance with current laws and regulations. In 2018 the general sick leave for the global on-shore organisation was 2,6 %, including long and short term absence. Working environment committees oversees the company's work on health and safety.

Sick leave is reported and followed up on a continuous basis by the managers in cooperation with the employee and Human Resources Department.

# How we communicate

Good communications is necessary to be able to run a sustainable, responsible and profitable company. Over the years Grieg Star has invested in several solutions to ensure good communications internally and externally.

## External communication systems

Beside active usage of web site and social media, Grieg Star used several digital services to interact with our customers, agents and other stakeholders. Through these systems we improve efficiency and accuracy, and reduce the amount of paper consumed and sent.

## Internal communication systems

Our main service for internal communication is the intranet 135+ and the combined intranet and online portals Crewnet and Vesselnet. All systems provide extensive information and access to a wide variety of systems, reports and tools important in day-to-day operations. We continuously develop these and new systems according to need.

Our Open Meetings for our employees are held in Bergen at least four times a year.

#### Read more:

- Our employees
- Training
- Competence, gender, health
- How we communicate

### Video conferencing

With partners and offices in different countries as well as over 30 owned vessels, good solutions for talking to each other are vital. We have started to work on increasing the usage of electronic communication channels like Skype, Facetime and other video systems. In addition to improving the quality of day-to-day communication our goal is also to reduce travel cost and CO2 footprint, as well as bothersome travel.

#### **QMRS**

Our existing Quality Management Reporting System (QMRS) was put into force January 1st 2015. Through this we are able to report and capture vital information regarding safety, quality and environmental matters.

#### Vessel Support Centre

In the beginning of march 2018 we opened our Vessel Support Centre. The centre will be manned by three vessel managers, who will be in direct contact with our masters and chiefs on a day to day basis. They will be able to chat, phone or have video calls with the ship wherever they are in the world. That means the vessels will be able to have a much broader competence base ready to support them if there is an issue onboard. Route planning tools are available for all and are easily discussed and monitored. The centre will make it easier to compare and share best practice between ships and people. Dashboards and machine learning make it possible to quickly identify deviations on everything from lube oil usage to valve pressures and fuel consumption.



The Vessel Support Centre makes it easier for the land organisation to help the Masters and crew onboard our vessels, using high end systems and video conferencing.

#### On board internet access

For most seafarers, contact with family and loved ones at home is one of the most important welfare concerns.

To ensure such contact, all our ships are equipped with a system that gives our seafarers access to personal e-mail, unlimited SMS text messaging, social networking and browsing the Internet. Through 2017 we finished an upgrade to the internet connection onboard, giving the seafarers an even better access.

## Mobility

To ensure flexibility, most land based employees are equipped with lap tops and mobile phones. This makes it possible for them to work from outside the office if needed, either for private or business reasons. They have access to all the same systems and communication channels when outside the office by using virtual private networks (VPN).

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