

SUSTAINABILITY REPORT 2024



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EDITORIAL

Dear Readers,

We are excited to publish our second sustainability report, which reflects our journey towards a more sustainable future. This report captures our achievements over the past year, our ongoing initiatives, and our objectives for 2024/2025.

Shipping remains a vital engine of the global economy and trade, with the majority of goods transported by sea. While shipping is relatively environmentally friendly compared to other modes of transport, enhancing sustainability within the maritime industry is essential. This commitment to sustainability is central to our corporate strategy.

The past year has presented global challenges, from the persistent conflict between Ukraine and Russia and various climate crises to navigating the complexities of crew safety and operational adjustments resulting from the Red Sea crisis. These events have tested our resilience but also reinforced our dedication to responsible and adaptive operations. Our Nordic Support Fund, initiated in February 2022 in response to the humanitarian crises, continues to support our colleagues and seafarers in need. Additionally, we have decided to reopen a new office in Odessa, providing a central meeting point for our colleagues that remained in Ukraine.

With the official end of the pandemic, we are relieved by the return of normal travel practices and standard crew change procedures. A significant milestone is the fleet-wide implementation of Starlink, which promises substantial enhancements in communication and connectivity for our crew.

Throughout 2023, we have proactively prepared for the European Emission Trading Scheme (EU ETS), which took effect on January 1, 2024. We have integrated a range of comprehensive measures into our operations to align with this new framework. These include revising charter agreements, deploying advanced tools for real-time emissions tracking, establishing EU Allowance (EUA) trading accounts, and ensuring diligent data verification. By embedding these strategies into our daily operations, we are committed to both compliance and operational efficiency while managing the financial implications of these regulations.

Additionally, the successful delivery of the first vessels equipped with carbon capture systems signifies our ongoing efforts to reduce emissions and embrace innovative solutions for a greener future.

Looking ahead to 2024/2025, we have a promising agenda of new initiatives and developments. We are dedicated to continuous improvement and taking meaningful actions that reflect our commitment to sustainability.

We hope you find this report insightful and that it enhances your understanding of Nordic's approach to sustainability. Thank you for joining us on this journey.

Best regards

The Management



Richard Grube



Rowil Ponta



Keno Eden



Sören Hössermann

SUSTAINABILITY COMMITMENT

In our first report we described sustainability as a continuous voyage of growth, adaptation, and learning. This year, we continue that voyage with renewed dedication and enthusiasm. We are proud to present our second sustainability report, sharing the progress and insights we have gained along the journey.

Over the past year, we have made meaningful progress in our sustainability efforts, building on the foundation we established. This report reflects our ongoing commitment to assess and enhance our sustainability goals and achievements. Our focus remains on continuous improvement and innovation, striving to develop more effective and sustainable practices. Together, we are committed to making a lasting, positive impact. Acknowledging our progress, we also acknowledge the journey ahead of us.



ABOUT NORDIC HAMBURG

Nordic Hamburg Group (Nordic) is a full-service ship management company specialized in developing maritime projects. We strive to enable direct investments in the real assets of innovative new or second-hand vessels in different maritime segments. With more than 190 employees and offices in Hamburg, Singapore, Istanbul, Odessa and Manila, Nordic offers a wide range of services and individual one-stop solutions within the international maritime sector.

VISION

To enable Nordic's employees, partners, clients and investors to reach their goals by utilizing Nordic's network and resources.

MISSION

Nordic delivers efficient, reliable services and innovative solutions while transforming towards sustainability. We are constantly exploring new technologies, opportunities and markets.



- TECHNICAL SHIPMANAGEMENT
- COMMERCIAL MANAGEMENT



- PROJECT SOURCING AND STRUCTURING
- FUNDRAISING AND PROJECT DEVELOPMENT
- ASSET MANAGEMENT



- CREW MANAGEMENT
- RECRUITING
- PLANNING & PAYROLL

ABOUT THE REPORT

As we embark on another year, our commitment towards sustainability remains determined. We strive for every ship or project under our management to set a new standard for sustainability within the maritime industry, surpassing global benchmarks. Simultaneously, we recognize that this is an area with continuous room for improvement. Our clients' support is essential for the success of our initiatives. As Nordic Hamburg primarily acts as a service provider managing a diverse range of maritime projects, the final investment decisions rest with the majority of investors and/or owners of the vessels under our management. Despite this, we are committed to convincing our clients of our ideas. With this second report, we aim to document and update our efforts and targets, which will be reviewed and updated annually. Our goal is to attract new clients and encourage our existing ones to continue with us on our journey. This report details our environmental, social, and governance (ESG) initiatives, performance indicators, goals, and achievements for the reporting year 2023. The report adheres to best practices and is guided by the Global Reporting Initiative (GRI) reporting standards, incorporating stakeholder and materiality analyses conducted in 2022 and reviewed for 2023 to identify the key issues and stakeholders relevant to Nordic. We refer to the United Nations Sustainable Development Goals (SDGs), established by the UN General Assembly in 2015, which consist of 17 global objectives. Within Nordic, we have prioritized specific SDGs and associated them with relevant material topics, as detailed below. Our SDG mapping is included in the appendix. This approach provides a solid foundation and framework for our future development, commitments, and reporting processes.

GOVERNANCE

At Nordic, governance is a basic principle of our operations, guiding our decision-making processes and ensuring transparency and accountability at every level of our organization. We are actively developing our governance structures and practices to uphold strong standards of integrity and ethical conduct. Our shareholders have made sustainability a priority. We have integrated responsibilities and knowledge about ESG compliance and performance across the organization.

A key component of our evolving governance framework is our Supplier Code of Conduct, which we have developed and are currently rolling out across the organization. This code sets out the ethical standards and expectations for our suppliers, ensuring that they align with our values of open-mindedness, supportiveness, and responsiveness. Our commitment to governance extends beyond our internal operations to encompass our relationships with stakeholders and the broader community. We actively engage with investors, partners, and customers to solicit feedback, address concerns, and promote sustainable practices.

We are dedicated to upholding the principles of good governance, including transparency, accountability, and fairness, as we continue to develop our governance framework. Our aim is to navigate the maritime industry and strive for long-term value creation for all stakeholders.

NORDIC'S ROADMAP

IMO AND EU REGULATIONS:

	2018
EEXI & CII	2023
EU ETS (Phase 1)	2024
EU ETS (Phase 2)	2025
FuelEU Maritime	
EU ETS (Phase 3)	2026
GHG strategy mid-term target (Reduction of 40% CO2)	2030
FuelEU Maritime (Reduction of 2% CO2)	
FuelEU Maritime (Reduction of 40% CO2)	2040
GHG strategy long-term target (Reduction of 50% CO2)	2050
FuelEU Maritime (Reduction of 80% CO2)	

NORDIC'S APPROACH TOWARDS SHIPPING DECARBONIZATION:

2018

→ Delivery of the first LNG dual-fuel container vessel: First LNG dual-fuel container vessel in operation, marking a significant advancement in emission reduction.

2019

→ Delivery of a tailor-made "LNG-ready" ConRo vessel: Tier III compliant ConRo vessel, delivered and technically managed by Nordic Hamburg

2023

- Compliance with EEXI and readiness for CII calculations: By the end of 2023, all ships under our management achieved compliance with EEXI (Energy Efficiency Existing Ship Index) requirements and are prepared for Carbon Intensity Indicator (CII) calculations
- Installation of performance monitoring tools: All vessels were successfully equipped with performance monitoring tools to reduce emissions during operations. These tools offer real-time tracking of emissions on a daily/voyage basis and facilitate accurate calculation of emissions per voyage, supporting the monitoring of the ship's CII
- Strategy for EU ETS compliance: Throughout 2023, we developed a comprehensive strategy to ensure readiness for the EU Emissions Trading Scheme (EU ETS) Phase 1.
- Testing program for low friction paints: Nordic initiated a testing program for various low-friction paints to identify the most effective strategy for reducing emissions, tailored to each vessel's operational profile

2024

- Delivery of newbuildings with carbon capture systems: In 2024, Nordic delivered the first vessels of the newbuilding series equipped with carbon capture scrubber systems
- Investigation into alternative fuels and eco-efficient vessels: We continue to investigate alternative fuels such as synthetic LNG, methanol, and ammonia, and to negotiate contracts for eco-efficient vessels
- Strategy FuelEU Maritime: Preparation to align with the FuelEU Maritime regulations.

FLAGSHIP PROJECTS



Co-financed by the Connecting Europe Facility of the European Union

LNG-POWERED CONTAINER VESSELS

Between 2016 and 2021, Nordic co-initiated and built the first LNG dual-fuel container feeder vessels for European trade, with support from the Gate2LNG EU program to promote cleaner shipping. The first of these dual-fuel ships was delivered and deployed in 2018, making Nordic Hamburg the first European ship owner to operate such vessels in the North Sea-Baltic trade. This year, two of these ships underwent their first five-year docking. The first vessel was equipped with silicon paint on the propeller to reduce friction and improve fuel efficiency, while the second received a new bulb to enhance hydrodynamic performance to also improve. We continue to collaborate with renowned partners on future-proof vessel projects. These six ships, Tier III compliant in gas mode, emit almost no fine dust and reduce CO2 emissions by 25–30%.

THE “LNG-READY” CONRO VESSEL

Since 2017, Nordic has managed the construction and operation of an LNG-ready ConRo vessel to modernize the supply of daily goods to Bermuda with a more fuel-efficient vessel. In collaboration with a ship design institute, Nordic developed a tailor-made vessel precisely fitting the needs of the Bermudian trade. Nordic managed the contracting, newbuilding project, and currently serves as the ship manager. The vessel has been granted the class notation „LNG-ready“ and boasts designated space for gas tanks and fuel gas supply systems, enabling potential future LNG propulsion.



1,400 TEU CARBON CAPTURE CONTAINER VESSELS

In 2021, Nordic contracted an additional four container vessels in partnership with an international shipowner focused on sustainability and decarbonization. These vessels meet EEDI Phase III and NOx Tier III requirements, offering a remarkable fuel efficiency enhancement of 20 - 25% compared to existing vessels in the segment and representing one of the most efficient designs in the trade. Additionally, the vessel series features state-of-the-art carbon capture systems.



THE SOX/CO2 SCRUBBER PROCESS:

- A special-purpose liquid, to capture and bind CO₂, is exposed to the exhaust stream.
- The liquid is circulated within the system until it becomes fully saturated and can be stored in containers on the deck or in tanks.
- The clean loop system effectively filters out and captures 99% of all fine dust (particulate matter), which is afterwards transported ashore.
- The CO₂ is transported ashore for further applications (green houses or pumped into old oil wells).

STAKEHOLDER AND MATERIALITY ANALYSIS

STAKEHOLDER ANALYSIS

In 2022, we conducted a stakeholder and materiality analysis to identify key issues and stakeholders relevant to Nordic. Our review in 2023 confirmed the continued relevance of these findings. For 2024, we plan to revisit this analysis to uncover new sustainability priorities for our stakeholders and our company. At Nordic, we place great importance on integrating our stakeholders' interests into our decision-making processes. The most important stakeholders in our business:

MATERIALITY ANALYSIS

Building on the insights from our 2022 analysis, we evaluated the impact of our activities on economic, environmental, and social aspects of sustainable development, and incorporated our stakeholders' perspectives. This has allowed us to identify and prioritize the following topics: sustainable project development, economic contribution, responsible behavior, climate change and resource management of operations, the well-being and development of employees and crews, and incident management.

MATERIAL TOPICS PER STAKEHOLDER GROUP

Relevant Stakeholder Group	Material Topic
Authorities/Regulators	Climate change and resource management of operations; Responsible behaviour; Incident management
Investors	Climate change and resource management of operations; Responsible behaviour; Incident management; Sustainable project development; Economic contribution
Banks/Financial Institutions	Climate change and resource management of operations; Sustainable project development
Customers/Clients (of Nordic Services)	The wellbeing and development of employees and crew; Incident management
Charterers	Climate change and resource management of operations; Responsible behaviour; Incident management
Suppliers	Economic contribution
Employees	The wellbeing and development of employees and crew; Responsible behaviour



1

SUSTAINABLE PROJECT DEVELOPMENT

Guided by our focus on sustainability, Nordic Hamburg is committed to the ongoing development of sustainable projects and innovative ship designs, recognizing their essential role in the future of the shipping industry. We are continually exploring new technologies and designs to achieve this goal. By adopting these practices, we strive to enhance the efficiency, safety, and profitability of our operations, while also contributing to a more sustainable future for the industry.

OVERARCHING QUALITATIVE GOAL:

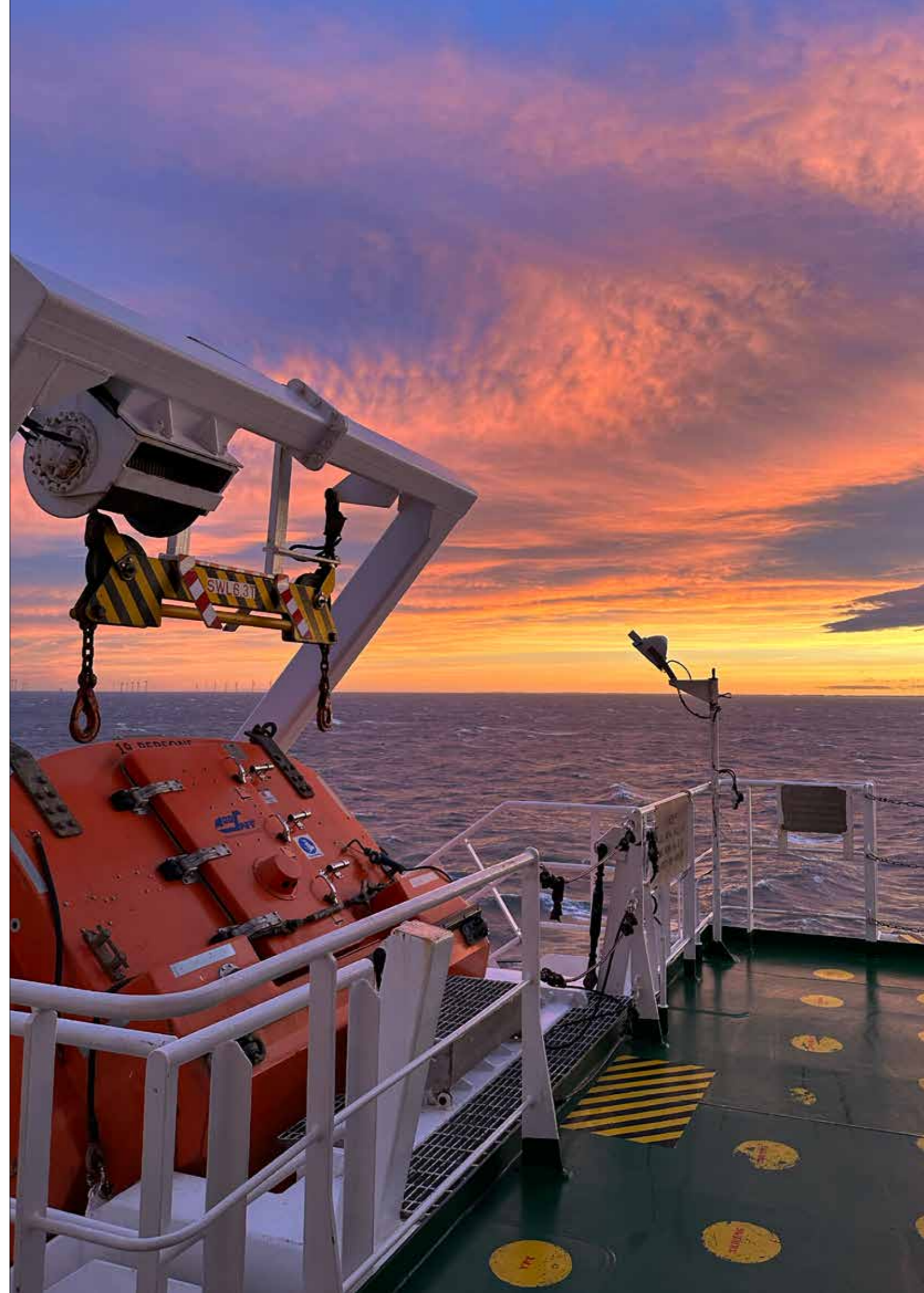
The continuous development of sustainable projects

SUSTAINABLE PROJECT DEVELOPMENT

As part of our ongoing commitment to sustainable practices, we are focused on expanding our fleet while significantly reducing emissions. In 2016, Nordic initiated the construction of a series of six dual-fuel container ships primarily powered by LNG, aiming to reduce emissions significantly. This strategic move not only aimed to reduce fine dust emissions but also achieves a notable 25–30% reduction in CO₂ emissions in this segment. This year, the first two vessels from this series completed their inaugural 5-year docking. Owners opted to enhance these vessels with silicon paint on the propellers to minimize friction and enhance fuel efficiency, while the second vessel underwent bulbous bow optimization to adapt to updated trading requirements.

Furthermore, our latest container vessel newbuilds are designed to meet EEDI phase III and NO_x tier III requirements, incorporating state-of-the-art carbon capture systems, promising a fuel efficiency improvement of 20 – 25% compared to existing tonnage in this segment. These advancements are fully aligned with the decarbonization targets of both our partners and Nordic, promising an improvement in our vessels' environmental footprint while ensuring a commercial advantage.

While acknowledging our limited influence decision making over certain construction specifications, our commitment to sustainable practices remains. Although the final decisions ultimately lie with the charterer and owner, we consistently support sustainable solutions. Currently, we are actively engaged in advanced negotiations for additional projects of a similar nature, reflecting our engagement Nordic is currently in the process of initiating two LNG bunker vessels, designed to be ammonia and methanol ready. Subsidies have been secured for this initiative, although the agreements are not yet finalized. This strategic move underscores our commitment to shaping a greener future.



2

ECONOMIC CONTRIBUTION

Our objective is to pursue growth while adhering to principles of sustainability and responsible business conduct. We recognize that by fostering economic value and supporting economic development, we can make a positive impact on our industry, stakeholders, and the broader society. By providing training and opportunities for seafarers from less developed nations, we not only empower individuals but also contribute to wealth generation within their respective countries.

OVERARCHING QUALITATIVE GOAL:

To ensure the growth and resilience of the organization through active management with a focus on innovation and development.



ECONOMIC PERFORMANCE

Our company is dedicated to creating economic value and distributing it sustainably and responsibly. We recognize the connection between our success and economic growth, and we are committed to contributing to that growth by investing in development, innovation, and job creation. To achieve this goal, we actively pursue opportunities to expand into new market segments while conducting our business with minimal impact on the environment and society. Our goal is to operate vessels under our management in a manner surpassing industry benchmarks. During the reporting year, we established a new company to strategically position ourselves. Additionally, we entered into a joint venture to explore opportunities in another shipping sector.

2023

Vessels under full Technical Management*: 49

Distance sailed*: 2,303,871.79nm

Total deadweight*: 1,443,169.9mt

Number of employees (ashore): 192

Number of seafarers (active onboard): 1,616

Investments in assets under management (53 vessels in USD): 750m

* The data provided in this report is derived from the ships within our fleet over the course of the reporting period (certain vessels came into our technical management or left during the reporting period, therefore reported emissions reflect only data where vessels were managed by Nordic)



3

RESPONSIBLE BEHAVIOR

We prioritize responsible behaviour as a foundation of our operations, recognizing its importance in our long-term success. This commitment extends to carefully screening clients, partners, and investors to ensure alignment with our values, prioritizing data and cybersecurity measures to safeguard stakeholders' information and upholding consistent standards of business ethics across all aspects of our operations. We believe that responsible behaviour is essential for building trust with our stakeholders and laying the groundwork for a sustainable future, both for our company and the maritime industry.

OVERARCHING QUALITATIVE GOAL:

To enhance security awareness and vigilance, comply with regulations, and screen stakeholders for compliance.





SCREENING OF CLIENTS, PARTNERS, AND INVESTORS

We are committed to conducting thorough due diligence and prioritize the screening of our key stakeholders, including clients, partners, and investors. This level of scrutiny also extends to potential buyers and charterers of our vessels, as well as prospective business partners.

DATA AND CYBER SECURITY

It is our priority to safeguard the privacy and security of our employees' and stakeholders' data. In addition, to our existing cybersecurity policies, plans, and guidelines, we introduced a new cybersecurity guideline for end users in 2023. Furthermore, we have partnered up to leverage synergies in this field, conducting regular workshops to derive IT security measures.

We strictly adhere to the General Data Protection Regulation (GDPR) and have implemented a range of IT security measures to protect sensitive information. These measures include two-factor authentication for key staff involved in financial transactions, comprehensive training programs, the utilization of advanced software, and ongoing staff training to strengthen cybersecurity awareness.

BUSINESS ETHICS

Ethical business practices are central to our operations, as evidenced by our commitment to regulatory compliance, moral conduct, and reputation. To assess our progress in these areas, we maintain various statistical data. Compliance management is assured by our company sanctions and anti-corruption policies, which apply to both onboard and shore-based staff. Additionally, we have established a Supplier Code of Conduct to extend our ethical standards to our supplier relationships. We strictly adhere to international rules and regulations, which directly influence our shore-based operations.

2023

Port State Control inspections*: 121

Average deficiencies per inspection*: 1.31

Detentions*: 3

Our objective is to lower the average deficiencies per inspection to under 0.95.

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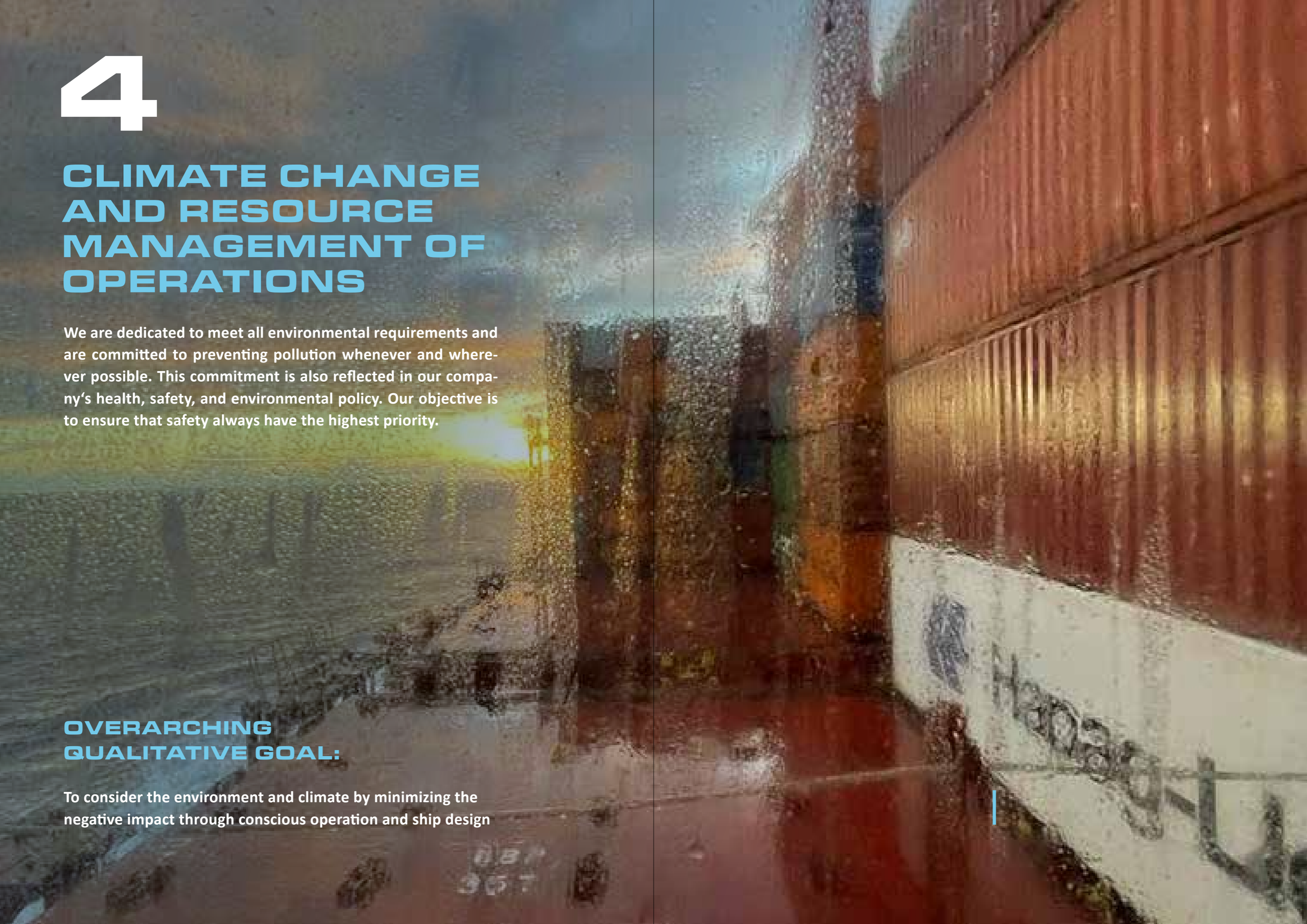
4

CLIMATE CHANGE AND RESOURCE MANAGEMENT OF OPERATIONS

We are dedicated to meet all environmental requirements and are committed to preventing pollution whenever and wherever possible. This commitment is also reflected in our company's health, safety, and environmental policy. Our objective is to ensure that safety always have the highest priority.

OVERARCHING QUALITATIVE GOAL:

To consider the environment and climate by minimizing the negative impact through conscious operation and ship design



CLIMATE MITIGATION AND ADAPTATION

At Nordic Hamburg, addressing the challenges of climate change is a key focus. We are dedicated to reducing our carbon footprint and enhancing our resilience to climate impacts. Our strategy involves continuously monitoring and evaluating key performance indicators (KPIs) to effectively manage and reduce our carbon emissions. Wherever possible, we optimize routes and speeds to improve fuel efficiency and minimize emissions. Additional efforts include regular hull cleaning, optimizing ballast water and trim, and enhancing engine performance.

In the past year, we have made further progress in enhancing communication and collaboration with charterers, operators, and key stakeholders, focusing on exploring the feasibility of new fuel options. Our upgraded performance monitoring database enables the rapid detection of deviations, allowing for immediate and effective communication with vessels to ensure timely interventions. Furthermore, the fleet-wide implementation of advanced engine monitoring tools has helped us identify specific opportunities to reduce CO2 emissions and achieve tangible improvements in engine efficiency. This initiative is part of our broader commitment to systematically decrease CO2 emissions and uphold our dedication to environmental sustainability.

2023

Carbon emission:

Carbon emission total*: 632,001.41 mt

Carbon emission per nautical mile (Total fleet)*: 274.32 kg CO₂/ n mile

Split up:

Carbon emission per nautical mile (Container): 317.77 kg CO₂/ n mile

Carbon emission per nautical mile (Bulk): 265.77 kg CO₂/ n mile

Carbon emission per nautical mile (MPV): 190.33 kg CO₂/ n mile

Carbon emission per nautical mile (ConRo): 183.14 kg CO₂/ n mile

Carbon emission per nautical mile (Cruise): 217.40 kg CO₂/ n mile

Goals

- **To reduce carbon emissions per transport by 70% and total GHG emissions by at least 50% by 2050 (compared to 2008).**
- **To have a “c” rating in line with the Marine Environment Protection Committee (MEPC76) target.**

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VESSEL ENERGY AND FUEL EFFICIENCY

Enhancing vessel efficiency to reduce energy and fuel consumption is a focus for Nordic Hamburg. In 2023, we introduced low friction antifouling paints, testing multiple brands. Sustainability training encompasses energy-saving measures and regular audits and inspections ensure compliance with CII guidelines. In addition, each vessel has ship energy efficiency management plans, EU monitoring, reporting and verification (MRV) plans, along with a specialized performance monitoring software. In 2023, a project involving a standardized flow meter system was investigated. Implementation will proceed on ships where the shipowner has given consent.

To further optimize operational efficiency and reduce environmental impact, we adopted strategic measures. Engine Power Limitation (EPL) measures were successfully introduced to regulate and optimize engine power, contributing to improved performance and potential efficiency gains. Additionally, an advanced monitoring approach actively manages and potentially reduces both Specific Fuel Oil Consumption (SFOC) and Specific Cylinder Oil Consumption (SCOC). This closer monitoring approach aims to minimize our environmental footprint and enhance overall fuel efficiency.

2023

Fuel consumption:

Total MGO consumption*: 33,088 mt

Total LFO consumption*: 121,226 mt

Total HFO consumption*: 24,674 mt

Total LNG consumption*: 24,400 mt

Goals

→ **To comply with CII decarbonization trajectories**

→ **To be EEXI compliant**

* The data provided in this report is derived from the ships within our fleet over the course of the reporting period (certain vessels came into our technical management or left during the reporting period, therefore reported emissions reflect only data where vessels were managed by Nordic)

WASTE MANAGEMENT ON SHIPS

At Nordic Hamburg, we are dedicated to minimizing waste generation and mitigating its environmental impact through appropriate recycling or disposal methods. Our goal was to reduce our onboard consumption of plastic bottles and implement a sustainable solution for enhanced drinking water systems. While there has been progress in this area, we have not fully achieved our objective. A definitive breakthrough is still pending. Testing has been essential in exploring various solutions, but a conclusive resolution is still in progress. Currently, we focus on a comprehensive evaluation of five manufacturers with the aim of making a final decision in 2024.

We have implemented on all ships where Owners have given consent garbage compactors to reduce the volume of garbage and ensure plastic garbage is landed well packed and sealed ashore.

Goal

→ **To further investigate and install a proper solution for enhanced drinking water systems to eliminate the use of plastic bottles**



SUSTAINABLE SUPPLY CHAINS

Ensuring sustainability across our supply chains is a focus for Nordic Hamburg. It involves optimizing various aspects, including the transport and logistics of spare and repair parts, design and repair practices, increasing vessel durability, and the efficient use of natural resources.

As part of this commitment, our goal was to implement a supplier evaluation process. Throughout 2023, we successfully achieved this objective by integrating a vendor evaluation system within our ERP infrastructure. This system allows for consistent monitoring and recording of supplier performance metrics. Additionally, we've reached a milestone in reducing our carbon footprint associated with logistics operations. By consolidating goods before shipment, we have reduced dependence on air freight. Moreover, an internal agreement has been established to prioritize local sourcing whenever economically viable. This strategic shift has resulted in a decreased volume of goods transported by road or air.

THE ENVIRONMENTAL MANAGEMENT OF OFFICES

We are committed to efficient management of energy, waste, and water in our offices. We encourage all employees to contribute to these efforts by adopting various measures in our work environment. Additionally, we offer public transportation tickets to our employees at a subsidized rate. Our initial goal was to find new office space with sustainability certifications for our Hamburg location. However, after careful consideration, we decided against moving and instead opted to modernize our current space.



5

THE WELL-BEING & DEVELOPMENT OF EMPLOYEES AND CREWS

At Nordic Hamburg, the well-being and development of our employees and crews are core values. We prioritize health, safety, inclusion, training, and working conditions within our company. Our commitment is to foster a safe, supportive, and respectful environment that facilitates personal and professional growth for everyone. Furthermore, we continue to provide ongoing financial support from the Nordic Support Fund to our colleagues and seafarers in need.

OVERARCHING QUALITATIVE GOAL:

To provide healthy and safe working conditions for all employees and seafarers and promote their well-being and development.



WORKING CONDITIONS, HUMAN AND LABOUR RIGHTS & WORK-LIFE BALANCE AND WELL-BEING

At Nordic, we prioritize the establishment and maintenance of supportive working conditions, recognizing that our employees and seafarers are of utmost importance. We adhere to international standards, aiming not only to ensure compliance but also to actively contribute to fostering a healthy work-life balance and promoting the overall well-being of our team members.

ON-BOARD CREWS

We are dedicated to ensuring our crews have decent living conditions, clean ships, high hygiene standards, healthy food options, welfare facilities, access to medical services, and eligibility for compassionate leave.

In our ongoing commitment to enhancing working conditions and supporting the well-being of our crews, Nordic has initiated the rollout of Starlink, providing high-speed, low-latency internet connectivity to ships at sea. The rollout and modernization throughout the complete Nordic fleet are ongoing and scheduled for completion in 2024. Some initial installations have already proven successful. This initiative aims to enable the crews to stay connected with their families and facilitate vessel operation in digital routes with seamless connectivity. The benefits of such connectivity are immense, facilitating video conferencing, weather monitoring, and access to real-time navigation and logistics information.

Furthermore, we've introduced a software to streamline crew work and rest hour monitoring, optimizing operations while prioritizing the welfare of our crews.

2023

Crew retention rate: 87.83% (Total)

Officers: 86.53 %

Ratings: 89.40 %

Cadets: 86.81 %

Although we didn't meet our target of exceeding an 89% retention rate, there is an improvement compared to the previous year. This encourages us to maintain our efforts and strive for continued progress.

Goal

→ To maintain a retention above 89%

ON-SHORE EMPLOYEES

On-shore employees at Nordic enjoy a variety of benefits tailored to their respective locations. These benefits include complimentary beverages and fruits, flexible work hours, remote work options, public transportation subsidies, discounted gym memberships, team-building activities, access to a kickboxing area, and opportunities to participate in sports events. We continuously strive to implement additional benefits to enhance the well-being and work-life balance of our employees, aligning with our commitment to improving working conditions and work-life balances.

HEALTH AND SAFETY

Health and safety are paramount for us, as we prioritize the well-being of both our employees and crews. We maintain stringent safety protocols, conduct risk assessments to implement necessary precautions, and remain vigilant in emergency preparedness. Additionally, we are dedicated to enhancing the safety management skills of both our shore-based and on-board personnel through ongoing training and development initiatives.

ON-BOARD CREWS

Our primary objective is to minimize injuries to the fullest extent possible. To achieve this goal, we have various policies and measures in place. Throughout 2023, we conducted regular safety campaigns aimed at enhancing awareness and adherence to safety protocols among our crew members. These campaigns focused on promoting the safety of navigation and therefore creating a secure working environment for everybody on board. Additionally, we introduced a monthly preventive actions fleet overview to proactively address potential safety issues.

2023

Lost time injury frequency (LTIF): 1.41717

Fatalities (FAT): 0

ON-SHORE EMPLOYEES

We are dedicated to ensuring the health and safety of our on-shore employees through various initiatives. These measures include, but are not limited to, providing paid health insurance, offering height-adjustable desks for ergonomic support, making company physicians and health officers available, conducting regular eye check-ups, and performing workplace inspections based on office location. We are currently planning additional measures to offer enhanced support.

DEVELOPMENT AND TRAINING

We offer comprehensive opportunities for education, development, and training to both our employees and onboard crews.

ON-BOARD CREWS & ON-SHORE EMPLOYEES

At Nordic Hamburg, we are committed to advancing the skills and knowledge of both our on-board crews and on-shore employees through a comprehensive and dynamic development and training program. This initiative ensures that all personnel can perform their tasks safely, efficiently and to the highest standards.

In 2023, we reached our goal as we expanded our training offerings for our employees. A dedicated training team has been established to develop and implement a range of in-depth training matrices, providing enhanced opportunities for professional development and skill enhancement. For our on-board crews, we implemented a new training software tailored to specific vessel types and industry requirements. Detailed training matrices were developed for each vessel type, improving crew efficiency and performance through training that is specifically tailored to their operational needs.



Furthermore, we offer clear career pathways, actively encourage promotions, and support cadetship programs. An open feedback culture, coupled with diverse training programs covering various topics, supports the continuous growth and development of our employees, ensuring that everyone is well-prepared for their role and equipped for future challenges.

2023

Number of cadets in cadet pool: 197

Promotions Officers: 128

Promotions Ratings: 32

Promotions Total: 160

DIVERSITY, EQUALITY AND INCLUSION

At Nordic Hamburg, we strive to foster a diverse, inclusive, and fair working environment for all employees and on-board crews. We aim to create a workspace that is free from harassment, bullying, sexism, racism, and any form of discrimination. All complaints regarding harassment or bullying are taken seriously, handled with utmost confidentiality, and addressed promptly to ensure a respectful and safe work environment. In our recruitment processes, we clearly define the competencies required for each position and implement a thorough screening process to evaluate new candidates objectively. Additionally, remuneration levels are determined solely based on qualifications and experience, regardless of nationality or background, reinforcing our commitment to equality.

ON-BOARD CREWS

Senior officers receive continuous training focused on diversity, equality, and inclusion to handle complaints effectively. In 2022, we started recruiting women for cadet and officer roles on board our fleets. Our goal for 2023 was to have at least 25 women in our crew pool by the end of the year, and we are pleased to have met this target.

ON-SHORE EMPLOYEES

At Nordic Hamburg, we are dedicated to fostering the growth and enthusiasm of young, talented individuals, recognizing them as essential contributors to our company's sustainable development and prosperity. We actively recruit junior personnel through various channels both on board and ashore. To support this, we offer a range of opportunities, including internships, apprenticeships, and dual study programs.

2023 (On-shore employees)

Male: 43%, female: 57%

< 30 years 28%, 30 – 50 years 54%, > 50 years: 17%

Our goals for on-board crews and on-shore employees are to further recruit, develop and retain a diverse workforce and build a balanced and inclusive culture.

6

INCIDENT MANAGEMENT

Although incidents are infrequent, we have implemented policies to evaluate all identified risks to personnel, the environment and vessels, establishing necessary safeguards. Additionally, we consistently assess and refine our incident management protocols to guarantee swift and effective responses to any potential incidents. In 2023, we conducted systematic reviews of major incidents to identify areas for improvement and implemented corrective actions promptly to prevent future occurrences. Furthermore, we established a strong system for sharing near misses and incidents across all fleets, facilitating open communication with partners to exchange insights and lessons learned. This collaborative approach aims to prevent the recurrence of incidents through shared experiences and best practices.

OVERARCHING QUALITATIVE GOAL:

To manage incidents and minimize damage to people and the ecosystem in the exceptional event of shipping accidents or piracy.



PIRACY

At Nordic Hamburg, safeguarding our crews and vessels against piracy is paramount. We have developed a comprehensive piracy impact management plan to address any potential incidents swiftly and effectively. Our protocols adhere to the highest standards set forth by the industry's best management practices.

2023:

Number of piracy incidents: 0

Number of injuries resulting from piracy incidents: 0

Number of fatalities resulting from piracy incidents: 0

OCEAN PROTECTION AND BIODIVERSITY

Nordic Hamburg prioritizes the conservation of oceans and biodiversity through water management practices. Our proactive measures aim to prevent debris, oil spills, and other liquid discharge, ensuring strict compliance with environmental regulations. We employ various protective measures, including bunkering and sludge procedures, ballast water management systems, garbage and sewage management, and air pollution prevention protocols. In 2016, Nordic made the decision to discontinue the installation of incinerators on new vessels. Instead, we responsibly offload waste generated onboard to suitable facilities, utilizing compactors to reduce volume before disposal ashore.

2023:

Number of retrofits conducted in 2023: 8

Number of spills contained on board: 0

Number of spills over board: 0

RISK MANAGEMENT (SHIP OPERATIONS)

Nordic Hamburg employs a thorough approach to monitoring, assessing, and evaluating potential risks within ship operations to safeguard our business continuity. Our primary goal is to minimize accidents, incidents, and environmental impact while also reducing ship's downtime. It is noteworthy that the majority of reported personal injuries have been minor injuries, with no resulting permanent disability.

2023:

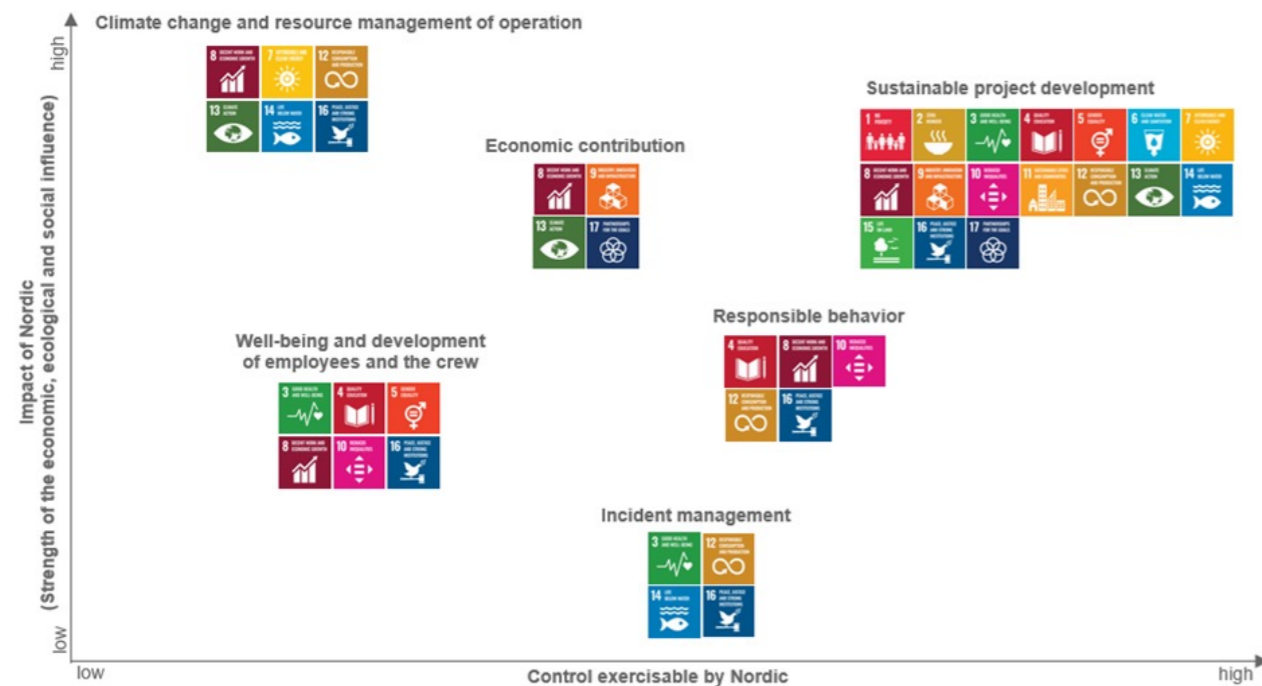
Number of personal injury incidents: 22

Number of technical incidents: 7



SDG MAPPING

Nordic has identified the following SDGs as priority areas and has mapped them to the influence of Nordic to the material topics during the detailed description of each materiality topic.



1. SUSTAINABLE PROJECT DEVELOPMENT



2. ECONOMIC CONTRIBUTION



3. RESPONSIBLE BEHAVIOUR



4. CLIMATE CHANGE AND RESOURCE MANAGEMENT OF OPERATIONS



5. THE WELL-BEING AND DEVELOPMENT OF EMPLOYEES AND CREWS



6. INCIDENT MANAGEMENT



