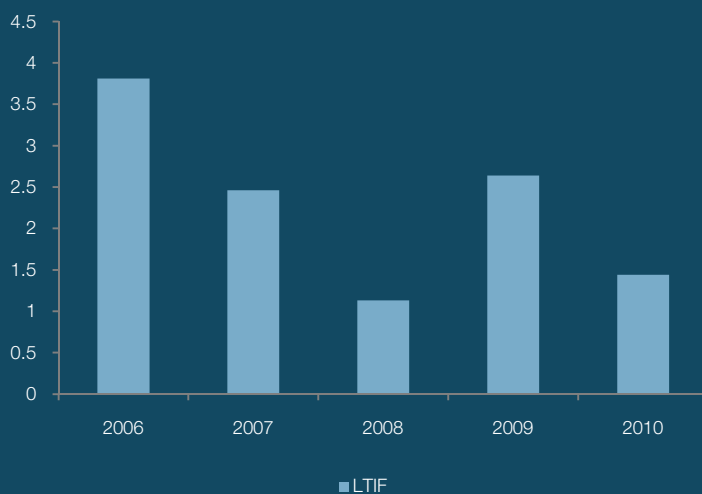


Corporate Social Responsibility



FIG 18: LOST TIME INJURY FREQUENCY (LTIF) 2006-10



* LTIF is an expression for the frequency of lost time injuries per one million man hours



Responsibility and good corporate citizenship are an important part of JL's history. With business activities set to grow in coming years, JL remains dedicated to ensuring that expansion continues to be achieved in a responsible way.

JL is in a process of aligning its Corporate Social Responsibility (CSR) effort and initiatives with its on four main CSR themes:

- Health, safety and security
- Social responsibility
- Environment and climate
- Business practices

JL strives to strengthen its CSR goals and initiatives and our target is to sign up to the United Nations Global Compact in 2011.

Health, safety and security

JL constantly works to strengthen the health, safety and security aspects of our procedures with the aim of providing a working environment that is healthy, safe and secure for all employees and promotes a no-blame culture in order to ensure open and timely communication throughout the organisation.

JL identifies risks and eliminates possible hazards which could result in personal injury, illness or accidents caused by sub-standard conditions or acts.

Systems are in place to prevent hazardous situations, accidents and environmental damage. Should these occur, every em-

ployee is required to participate in determining and eliminating possible causes in order to prevent any repetition at sea.

The trend for work-related incidents, measured as Lost Time Incident Frequency (LTIF), has been declining since 2006 and developed satisfactorily from 2.64 in 2009 to 1.44 in 2010. However, 2010 figures were still slightly above 2008, cf. Figure 18. While progress has been made, there is always room for improvement and JL works closely with contractors and suppliers to raise awareness of the risks involved in their operations.

Social responsibility

JL employees are the company's most important assets. The key to success is our commitment to attracting, training, developing and retaining capable, committed employees whose professionalism and personal qualifications and competencies can continue the drive towards our world-class vision, by living and leading our core values at sea and ashore.

Human and employee rights

JL supports and respects the protection of human and employee rights and refrains from any actions that could directly or indirectly encourage or contribute to infringement of these rights. In compliance with our core value of respect, JL regards diversity as an important element in building a global business.

JL respects and treats employees equally and fairly and does not accept any form

of harassment or discrimination. We do not accept acts of abuse or threats in the workplace, whether committed by managers or fellow employees.

JL will not participate in or benefit from any forms of forced labour or child labour, nor will JL interfere with our employees' rights to form and join unions and to bargain collectively.

Community

As a shipping company with global operations, JL is creating a growing number of job opportunities at sea and ashore for the benefit of communities in different parts of the world.

The JL Group has a long tradition of community involvement. The Lauritzen Foundation is the sole owner of JL and in addition to its commercial activities, the Foundation has explicit charitable aims and is engaged in a broad range of social, cultural, humanitarian, educational and research-related activities in Denmark and internationally. For additional information, please visit the website of the Lauritzen Foundation at www.lauritzen-fonden.com.

Diversity

JL supports increased gender diversity at managerial and staff level and JL is one of the co-signatories to the "Recommendation for more women on supervisory boards" initiated by the Danish Ministry for Gender Equality.

Environment and climate

JL's controlled fleet of about 150 vessels,

not including vessels under construction, obviously has an impact the environment due, for instance, to combustion of fossil fuels and the resulting emissions of CO₂, sulphur oxide (SOx) and nitrogen oxide (NOx).

From an environmental point of view, though, ocean transport remains by far the most climate efficient means of transport.

As a general rule, emissions decline with ship size per transported unit, but actual emissions are highly dependent on a complex combination of factors, including speed, trading patterns, ballast voyages, etc.

JL pursues a range of initiatives that aim to improve fuel efficiency and reduce emissions such as improved hull and propeller design, since fossil fuels will remain indispensable for propulsion for the foreseeable future.

Energy consumption

In 2010, cargo vessels technically managed by JL and JL's external ship managers consumed bunker oil equivalent to 2.6m MWh of energy.

Average energy efficiency was 0.046 KWh/tonkilometer compared to 0.048 in 2009, cf. Figure 19. As the markets started to recover in 2010, so did average energy efficiency and the figures are again in line with the energy efficiency experienced in 2008, mainly due to fewer waiting days and ballast miles.







FIG 19: ENERGY CONSUMPTION KWh/TONKILOMETER 2006-10

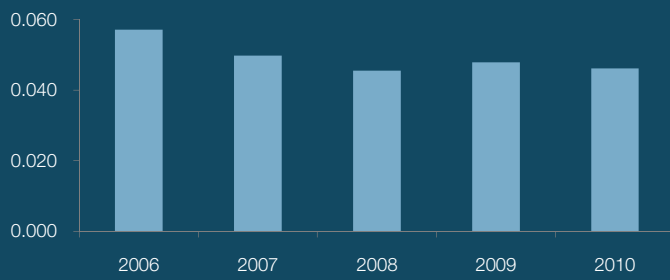


FIG 20: CO₂ ENERGY EMISSIONS G/TONKILOMETER 2006-10

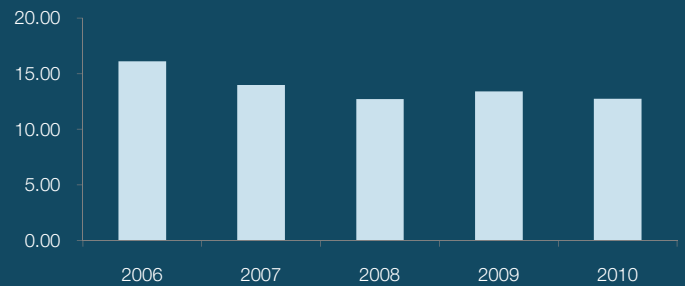
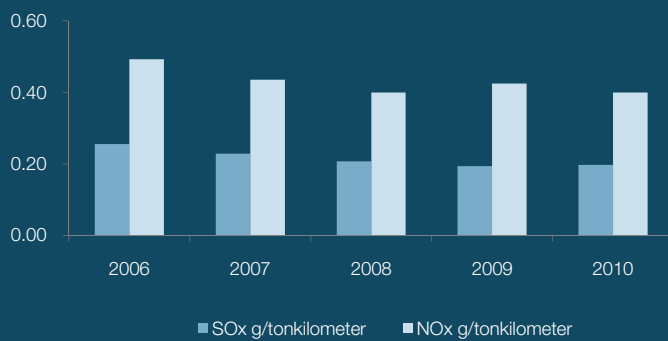


FIG 21: SO_x AND NO_x EMISSIONS 2006-10





Air emissions

The CO₂ emissions were 12.76 gram per tonkilometer (transport of one tonne at a distance of one kilometer) in 2010 which was down on the emissions figure of 13.40 in 2009, cf. Figure 20, primarily due to the reduction in waiting days and ballast miles.

NOx emissions fell to 0.40 gram per tonkilometer which was in line with the 2008 levels, whereas emissions of SOx per tonkilometer remained at 2009 levels and slightly below the 2008 figures.

Emissions figures are based on actual consumption, oil quality and engine emission factors and are calculated in accordance with IMO MEPC.1/Circ.684.

Innovation

JL encourages entrepreneurship, creativity and innovation as illustrated by the development and the construction of the series of gas carriers completed in 2009. The vessels' environmental credentials were built to Bureau Veritas' Clean Ship notation and to the requirements of IMO Green Passport. In 2008, Lauritzen Kosan received the "Ship of the Year" award at the Lloyd's List London Awards for Isabella Kosan, the first vessel of this series. The Accommodation and Support Vessel Dan Swift was runner-up as "Ship of

the Year" at the Lloyd's List Global Awards 2010 in recognition of the innovative design solution with the unique combination of features making the hybrid vessel a sailing hotel, shipyard, and heliport at the same time.

Lauritzen Bulkera supports the development of the Lab-On-A-Ship (LOAS) system with the aim of enhancing combustion and fuel efficiency. The system is developed by NanoNord A/S, majority-owned by the Lauritzen Foundation. Lauritzen Bulkera works closely together with NanoNord and Lloyd's Register and the collaboration is part of the Danish trans-industrial "Green Ship of the Future" project.

Business practices

In compliance with our core value of accountability, reliable business practices are an essential part of our way of doing business.

Anti corruption

JL firmly distances itself from any actions that unjustly or unlawfully influence officials and/or the judiciary.

The implemented whistleblower system enables employees to report cases on corruption and fraud to JL's Executive Management or the Chairman of the Audit Committee.