




# OUR HISTORY

  
ODFJELL  
*100 years*  
1914 - 2014





# ODFJELL

*100 years*  
1914 - 2014

We invite you through this leaflet to explore our history through the past 100 years. What started up as a Norwegian family business with one vessel, is now a publicly listed company – a world-leading logistics service provider for chemicals, other specialty bulk liquids and LPG/Ethylene. Shipping and storing important components for industrial and social development. Please enjoy OUR History.

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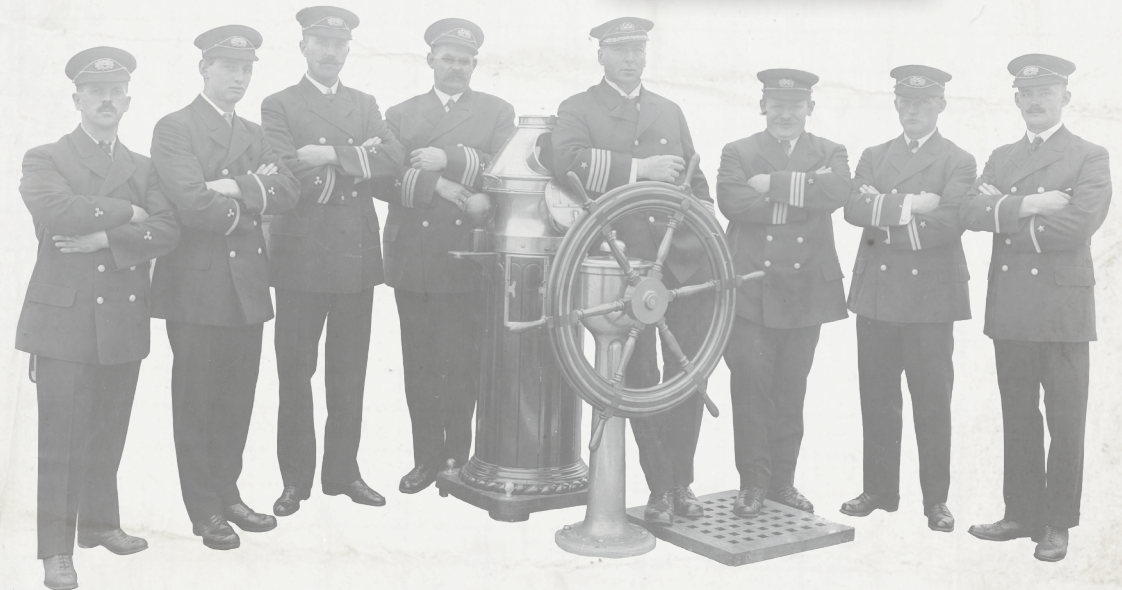
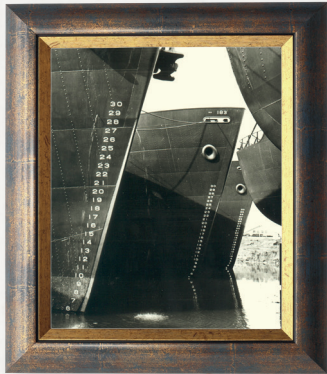
Through 100 years  
We've unfolded our story  
In every corner of the world  
Shipping and storing  
Anything liquid  
Enabling modern day life

**This is Odfjell**





# OUR HISTORY







**1914**  
17 November:  
The first joint Odfjell  
shipowning company is  
formally registered,  
AS DS Birk.



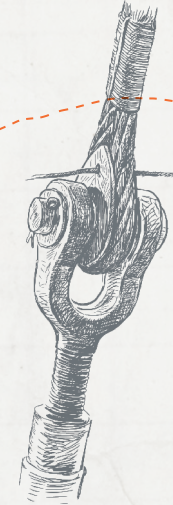
**1946**  
Bow is used for the  
first time as the  
name prefix on an  
Odfjell vessel.



**1940**  
WW 2: The Odfjell fleet is split,  
three ships in home waters, four on high  
seas. Home fleet suffers devastating losses.

**1950**

**1950**  
Most Odfjell ships are dry  
cargo liner vessels, but small  
specialised tankers become  
increasingly important.



**1900**



**1890**  
Captain Berent Daniel Olsen  
moves to Bergen with his family  
to become part of modern shipping:  
steam and steel.

**1940**

**1960**

**1963**  
Dan Odfjell  
establishes  
Minde Chartering,  
Odfjell's own  
marketing  
organisation.

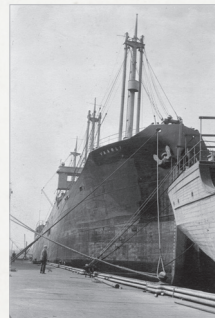


**1921**  
Odfjell makes a  
brief entry into the  
tanker trade with  
the SS Vaarli,  
rebuilt as a tanker.

**1938**  
Odfjell makes  
a small re-entry  
into the tanker  
trade with the  
newbuilding MT Lind.



**1960**  
Odfjell takes delivery of the world's  
first stainless steel tanker, MT Lind.



**1915**

The Odfjell brothers incorporate  
AS Rederiet Odfjell.





**1973**  
The business is split into two parts: AS Rederiet Odfjell for shipping, and Odfjell Drilling for offshore oil exploration.

**1973**  
Opening of the new Odfjell headquarters at Minde, Bergen.



**1970**

**1969**  
Opening of the first Odfjell tank terminal, TAGSA in Buenos Aires.



**1979**  
The Company is split into two independent parts, one for each branch of the family.



**1975**  
Delivery of the first of 12 Polish built chemical tankers.

**1980**

**1980**  
Cooperation with Westfal-Larsen is strengthened through the establishment of OWL Tankers.

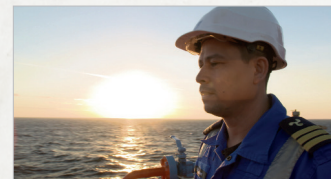


**1983**  
Opening of the Baytank terminal in Houston.



**1986**  
Storli is listed on Oslo Stock Exchange.

**Late 1980s**  
Filipino crew starts being employed on our ships.



**1990**  
NCC of Saudi-Arabia replaces Westfal-Larsen as our main chemical tanker partner.

**1990**

**1992**  
Acquisition of minority share in the Vopak Terminal in Ningbo.



**1994**  
Delivery of the first of 16 state-of-the-art stainless steel chemical tankers, the Kværner class.



**1994**  
Establishment of Odfjell Terminals (Dalian).

**1998**  
Company name is changed from Storli to Odfjell. New graphical layout and new logo.







**2000**  
The Botlek Tank Terminal in Rotterdam is acquired, renamed Odfjell Terminals (Rotterdam).

**2000**  
Odfjell Tankers merges with Seachem, thus creating the premier deep-sea chemical tanker operator in terms of tonnage.

**2003-2007**

The third Poland class: delivery of eight 40,000 dwt fully stainless steel chemical tankers.



**2000**

**2001**  
Odfjell Terminals becomes partner in Oiltanking Odfjell Terminals (Singapore).

**2003**  
Odfjell Academy training centre is established in Subic, the Philippines.



**2002**  
Odfjell Terminals becomes partner in Odfjell Terminals (Korea).



**1999**  
Venture into the iso-container business.

**1999**  
The second Poland class: delivery of four 6,000 dwt fully stainless steel chemical tankers.



**2004**  
Fleet Asia is established with ship management of some vessels out of Singapore.

**2005**

**2005**  
Exir Chemical Terminal (Iran) and Odfjell Terminals (Jiangjin) (China).







**2007**  
Oiltanking Odfjell Terminals (Oman).

**2007**  
Annual gross revenues exceed USD 1 billion for the first time.



**2008**  
Odfjell Philippines Inc. is established.



**2010**  
Starting construction of a new terminal in Charleston (USA).

**2010**

**2011**  
Partnership with Lindsay Goldberg is established for the terminal business.

**2011**  
Signing up for the United Nations Global Compact.



**2012**  
Re-entering the gas segment through the establishment of Odfjell Gas Carriers.

**2013**  
Delivery of the world's largest chemical tanker, Bow Pioneer.

**2013**  
Odfjell Terminals Quanzhou (Fujian) (China).



**2014**

**2014**  
Celebrating our 100-year anniversary.



**2012**  
Odfjell Nangang Terminals (Tianjin) (China) and Noord Natie Odfjell Terminals (Belgium).





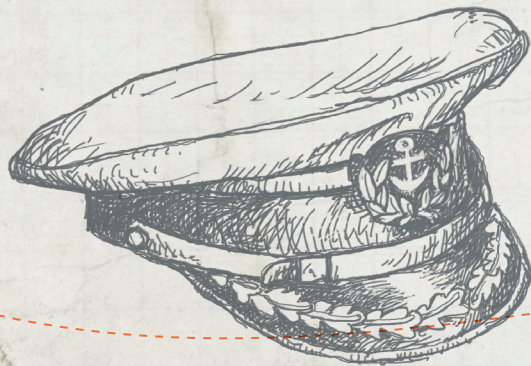
• Berent Daniel Olsen •

# THE ROOTS

**O**dfjell SE as a company can trace its history back to 1914, and is among the oldest existing shipping companies in Bergen. However, our roots go further back – to Berent Daniel Olsen (1849-1912). Born and raised in Loshavn near Farsund on the south-west coast of Norway, he starts his career at sea in 1867. Having served as ordinary seaman, navigator, and then mate, on various sailing vessels between 1867 and 1874, he gains his first experience of steamships when he is promoted first mate on board the wooden steamer Frey in 1875. His first command at sea as captain is of the barque Saphir in 1879.

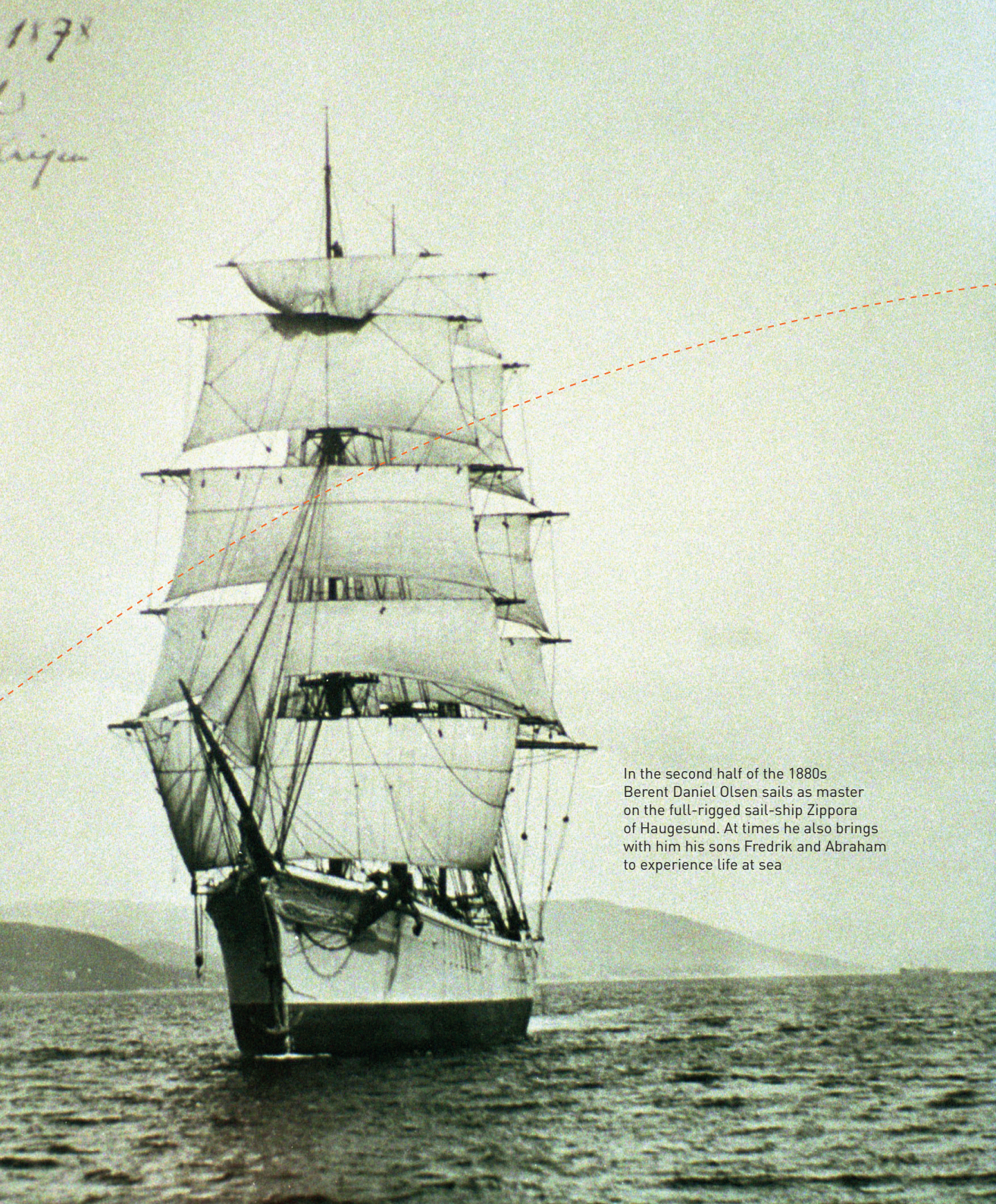
Bergen is at this time leading the transition in Norway from sail to steam for propulsion, and from wood to steel for hull construction. Berent Daniel Olsen has a clear idea that steam is the future and thus, in 1890 he moves to Bergen with his family. He uses his savings to buy a share in a small steamer, Røskva, and becomes master on her maiden voyage in the late autumn of 1891.

Two of Berent Daniel Olsen's sons, (Ole) Fredrik (1878-1950) and Abraham (1881-1960) follow in their father's footsteps; seek out a career at sea, and become captains. This is much against the wishes of their parents, who had lost several close relatives at sea. Fredrik even commences college, and later works in the postal service, before convincing his parents that his heart is set on a career at sea.



*Sippora bit  
ange - Kangerund  
Sulle bit after  
sund Fløy.*





In the second half of the 1880s Berent Daniel Olsen sails as master on the full-rigged sail-ship Zippora of Haugesund. At times he also brings with him his sons Fredrik and Abraham to experience life at sea

## THE START OF NORWEGIAN INTERNATIONAL SHIPPING

Norwegian international shipping as we know it today really commences when the British Parliament repeals the Navigation Act in 1849, thus opening the entire British Empire to international shipping. Norwegian Shipowners can offer competitive freight rates, and from 1850 to 1880 there is a fivefold increase in the tonnage of the Norwegian merchant navy. This sharp rise in tonnage leads to a corresponding demand for ratings and officers alike. Norway has plenty of both.

During centuries past, shipowning has largely been a matter for the merchant houses. Now it becomes an independent industry in its own right, promoting a much more professional and international outlook.

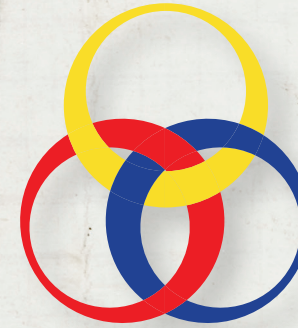
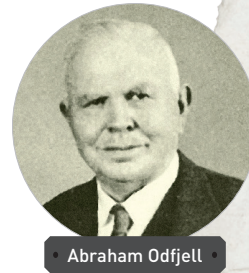


● Loshavn/Farsund

## THE NAME ODFJELL

The first time we find the name Odfjell is in the list of part owners of the ship SS Nor in October 1903. Fredrik gives his name as Fredrik Olsen Odfjell, a name derived from a point – Oddefjellet – in Loshavn where his father was born. The following year Fredrik's two brothers follow his example and take up Odfjell as their surname.





As their logo the Odfjell brothers adopt three interlocked rings in red, blue and yellow, representing each of the three. This logo is also used as their funnel mark, and is in use to this very day as our ships' bowmark

# START UP 1914-1918

The two brothers go ashore at the outbreak of World War I to become managing shipowners. Their joint plan begins to materialise in June 1914 when Abraham Odfjell signs off as master of SS Nor and returns to Bergen. On 17 November 1914, the first joint Odfjell shipowning company, the single ship company AS DS Birk, is formally registered. This is predominantly a family venture; the three brothers – Fredrik, Abraham and the youngest Andreas (1885–1968) – own 30 out of the 76 shares.

In the beginning of 1915 Fredrik Odfjell signs off as master of the SS City of Tampico, and in April Fredrik and Abraham incorporate their joint ship management company AS Rederiet Odfjell, owned 50/50.

AS Rederiet Odfjell immediately takes over the management of three single-ship joint stock companies Birk, Furu and Rogn, each owning a steamship of the same name. The three Odfjell brothers are the main shareholders in all three companies, but the list of shareholders shows that from the very beginning the Odfjell name enjoys the confidence of the maritime community in Bergen, including other shipowners and many shipmasters.

During this period, the Odfjell brothers initiate or gain control over several Bergen shipowning companies. One such is AS DS Storli, founded in 1916 by two local young men during the hectic period of shipping speculation, and taken over by Rederiet Odfjell in May 1917. This company, and the name of Storli, will turn out to have a strong and lasting impact on Odfjell's history.



Bergen Harbour 1903



## WORLD WAR I AND ODFJELL

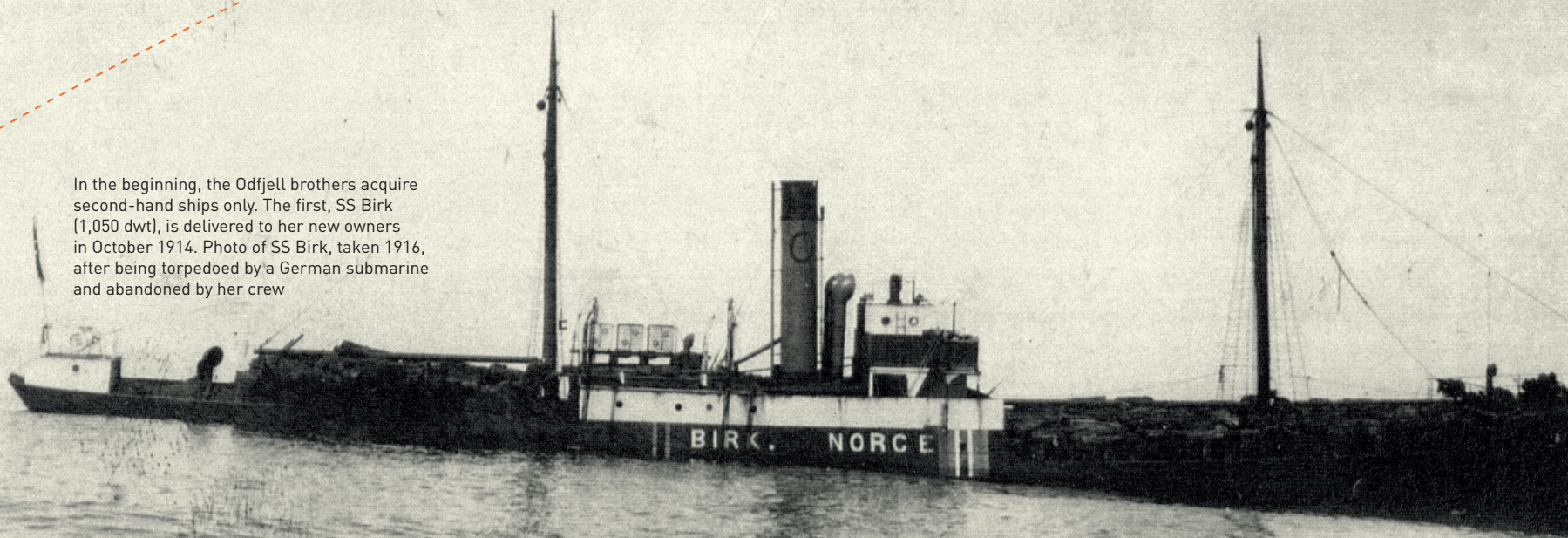
For the shipping industry World War I is a period of great opportunity but also losses, sacrifices and disappointments. Although Norway is neutral and non-belligerent, more than 2,000 Norwegian mariners perish at sea due to the hostilities. The Great War creates an urgent demand for shipping. At the same time the shipping capacity on offer drops dramatically, partly because of the ravages of war, and partly due to reduced efficiency of the remaining fleet. Freight rates start to rise as early as November 1914, and with a few minor relapses a shipping boom is maintained throughout the war.

During the war the Odfjell brothers lose six vessels due to the hostilities, and two ships for other reasons. Fortunately, due to a combination of proper seamanship and sheer luck, the Company suffers no fatalities thereof. To compensate for the losses, they acquire second-hand vessels and enter into contracts for building new ships.

## SS STORLI

One of the ships lost during WW I is SS Storli, abandoned sinking in the North Atlantic in October 1917, having developed a fatal leakage. The name is never again to be used for a ship, but the company by the same name is to be developed through the years to become nucleus of the Odfjell activities, the direct forerunner of our Odfjell of today.

In the beginning, the Odfjell brothers acquire second-hand ships only. The first, SS Birk (1,050 dwt), is delivered to her new owners in October 1914. Photo of SS Birk, taken 1916, after being torpedoed by a German submarine and abandoned by her crew







## THE INTERWAR YEARS

# 1918-1940

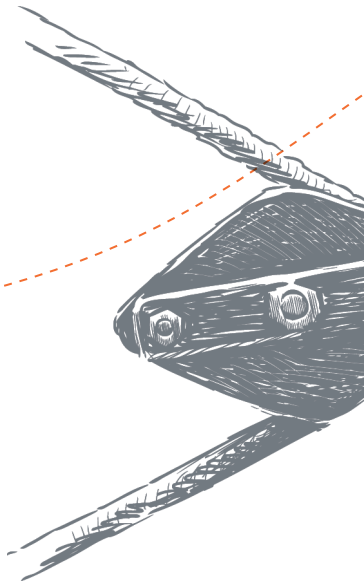
**O**dfjell is among many Norwegian shipping companies trying their luck in the tanker trade in the 1920s. However, it turns out to be an unsuccessful venture, and the Company thereafter concentrates all resources in establishing a strong position in another major growth market; liner ships. Although not operating liner services under own name, the Company gains valuable experience through participation in liner trades, in particular through cooperation with French interests. At the same time innovation leads to transition from steam to diesel propulsion.

The officers on the SS Vaarli.  
The vessel is managed by  
the Odfjell brothers from 1917

Immediately after the end of the war, there is a strong but short-lived economic boom. International trade reaches record heights, prices increase and so does demand for ships and cargo space. Freight rates are soaring and optimism prevails. However, the early 1920s witness the gradual change from a war-time to a peace-time economy, with a very powerful contraction of the world economy. The economic setback after the post-war boom leads to changes in international trade and commerce. The liberal international trade prevailing before 1914 is replaced by trade

barriers, customs duties and restrictions in trade between various countries.

Around 1923 there is a new boom with varying impact and intensity in different countries. The good times last until the start of the Great Depression in 1929/30, when world trade in general and shipping in particular faces an economic crisis of unprecedented proportions. Freight rates and ship values rapidly suffer devastating declines. The crisis bottoms out in 1933 and a slow recovery starts.





## THE FRENCH CONNECTION

MS Cypria (7,650 dwt, delivered in 1931) plays an important role in the development of AS Rederiet Odfjell in the inter-war period. The ship sails on a seven year time-charter with the French Fabre Line, later called Societè Franco-Iberique d'Armement. Despite difficult market conditions during the depression, the vessel is a successful venture for Odfjell and its shareholders.

Of equal importance to dividends generated by the vessel itself, are the positive effects of Odfjell's French connection: in 1938 four out of six vessels are chartered out to the Fabre Line.

In the late 1930s Odfjell contracts several small tankers. One of these is MT Hegg (610 dwt /1941)



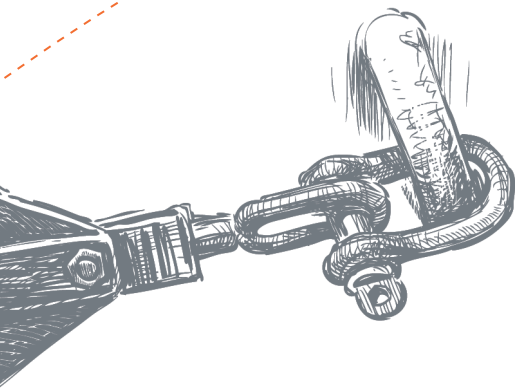
## THE TRADE

In the Odfjell fleet, the motor vessels Cypria, Estrella and Gran are all purpose-built liner ships. They have cooling and freezing facilities for perishable cargoes such as fruit, and special air-circulation systems are installed in the between-deck section. In addition they have passenger cabins.

Towards the end of the 1930s Odfjell makes a small-scale re-entry into the tanker trade, through the formation of Skibs AS Oljetransport and the delivery of MT Lind.

## TRANSITION FROM STEAM TO DIESEL

The single most significant technological leap during the inter-war years is the quite rapid conversion from steam to diesel propulsion. In 1923 the diesel motor ship fleet accounts for only 2-3% of the aggregated world fleet. By the end of the 1920s it makes up 10% of the fleet, and at the outbreak of World War II some 25% of the world fleet is propelled by diesel engines. Norwegian shipowners are leading the way, with 62% of the Norwegian merchant fleet in 1940 being motor ships. It is primarily the construction of large tankers and large cargo liners that promotes the transfer from steam to diesel engines. But there is also a development away from the general dry cargo tramp ships towards more specialised ships for particular trades.





## ODFJELL IN BERGEN

Towards the end of his life Berent Daniel Olsen has become a wealthy man, and in 1904 he buys a large estate, Nyhaugen, located in the Minde-Fjøsanger area outside Bergen. He names this property Odfjell. In April 1912, only a few weeks before his death, he parcels out the building sites north and south of his own to Fredrik and Abraham, where both build their homes. When Anna Severine, Berent Daniel's widow, passes away in 1916, their youngest son Andreas moves into his parents' former house.

After Andreas passes away in 1968, new Odfjell headquarters is erected on his property. The building, completed in 1973, contains certain parts of the old house of Andreas Odfjell. In the room that is now referred to as 'Peisestuen' we find a soapstone fireplace from 1896, a carved ceiling with inlaid paintings, a chandelier and several carved doors.

The Odfjell estates at Nyhaugen







The Storetveit Church by famed architect Ole Landmark, is built of natural stone and seats 600 people

## THE STORETVEIT CHURCH

During and immediately after World War I, earnings from risky ventures starts to accumulate in the hands of the managers and shareholders. The Odfjell brothers use some of their shipping earnings to the benefit of the local community.

In 1917 they offer to build a church for the district of Fana, in honour of their parents. A plot of land north of Kristianborg is acquired for the purpose. One condition is that the church shall be finished no later than five years after the offer is accepted. The council accepts with thanks, but for various reasons it is not possible to consecrate the church until November 1930, now on another parcel of land. About half the final construction cost is covered by the three Odfjell brothers, and the names of the donators and their parents is carved into a special stone board in the entrance room of the church.



The Odfjell headquarters today





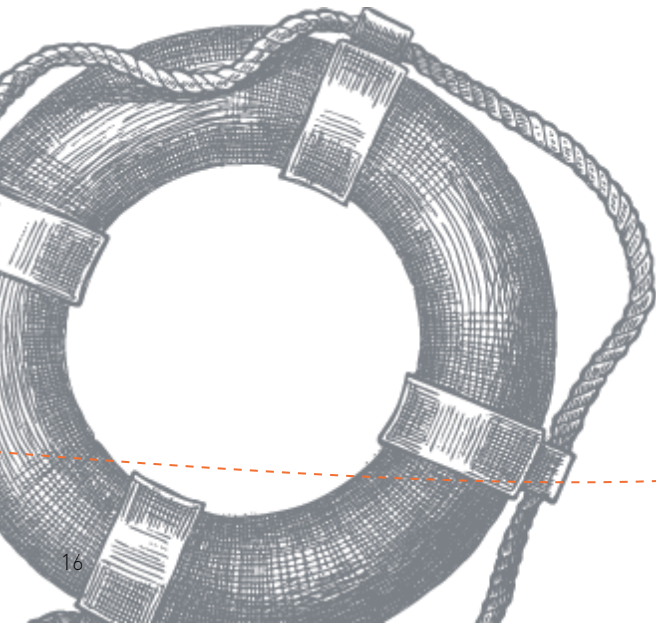
MT Lind

## ODFJELL DURING WORLD WAR II

# 1940-1945

**A**t the outbreak of World War II in September 1939, Odfjell manages a fleet of seven ships: four general cargo motor ships, one small motor tanker and two steamships. During the five years of German occupation of Norway there is to be no contact with Odfjell ships outside German-controlled areas.

Almost from day one of the war, mines and submarines threaten merchant vessels of both belligerent and neutral nations. More than 300 Norwegian mariners perish at sea until 9 April 1940, while Norway is still a neutral country. After the German occupation, the Norwegian Government requisitions all Norwegian ships in international waters not under German control, and together with Norwegian shipping interests set up Nortraship as the controlling body of this giant fleet. At the time Nortraship is the world's largest single ship operator. The earnings of this fleet will finance the entire Norwegian war effort, and provide Norway with a foreign currency surplus for some years after the war. The fleet in Norwegian waters is requisitioned to serve the German war effort.







## NOTRASHIP

The Norwegian Shipping and Trade Mission (Nortraship) was established in London in April 1940 to administer the Norwegian merchant fleet outside German controlled areas. Nortraship operated some 1,000 vessels and is credited for giving a major contribution to the Allied war effort. Nortraship had its main offices in London and New York, and was vital to Norway and the exile government as it lacked other sources to contribute to the Allied fight against the Axis powers. After Norway was liberated in May 1945, Nortraship redelivered the ships to their rightful owners.

## ODFJELL DURING WORLD WAR II

The German occupation of Norway in the spring of 1940 splits the Odfjell fleet in two parts. The three ships in home waters are ordered to serve the German occupants, whilst the four ships on the high seas are controlled by Nortraship. There is no contact between the Nortraship vessels and the Bergen office for the duration of the war.

The Odfjell home fleet suffers terrible losses. They are employed in the risky trade between Norway and Germany/Holland; Kirkenes and Rotterdam being geographical extremes. Two of the three ships are lost and 41 people perish; Selje is bombed and Birk strikes mines at an early stage of the war. The third ship, Rogn, suffers badly throughout the entire war but is the lone survivor.

Three of the four Odfjell ships in the Nortraship fleet come through the war unscathed, although three lives are lost directly related to the war at sea. MS Gran is the only Odfjell ship sailing in foreign waters that is lost during the war. However, at the time she is sunk, towards the end of 1942, she has been requisitioned by the French pro-German Vichy authorities and is sailing under French name and flag, manned by a French crew.

An Allied convoy in the Atlantic during World War II

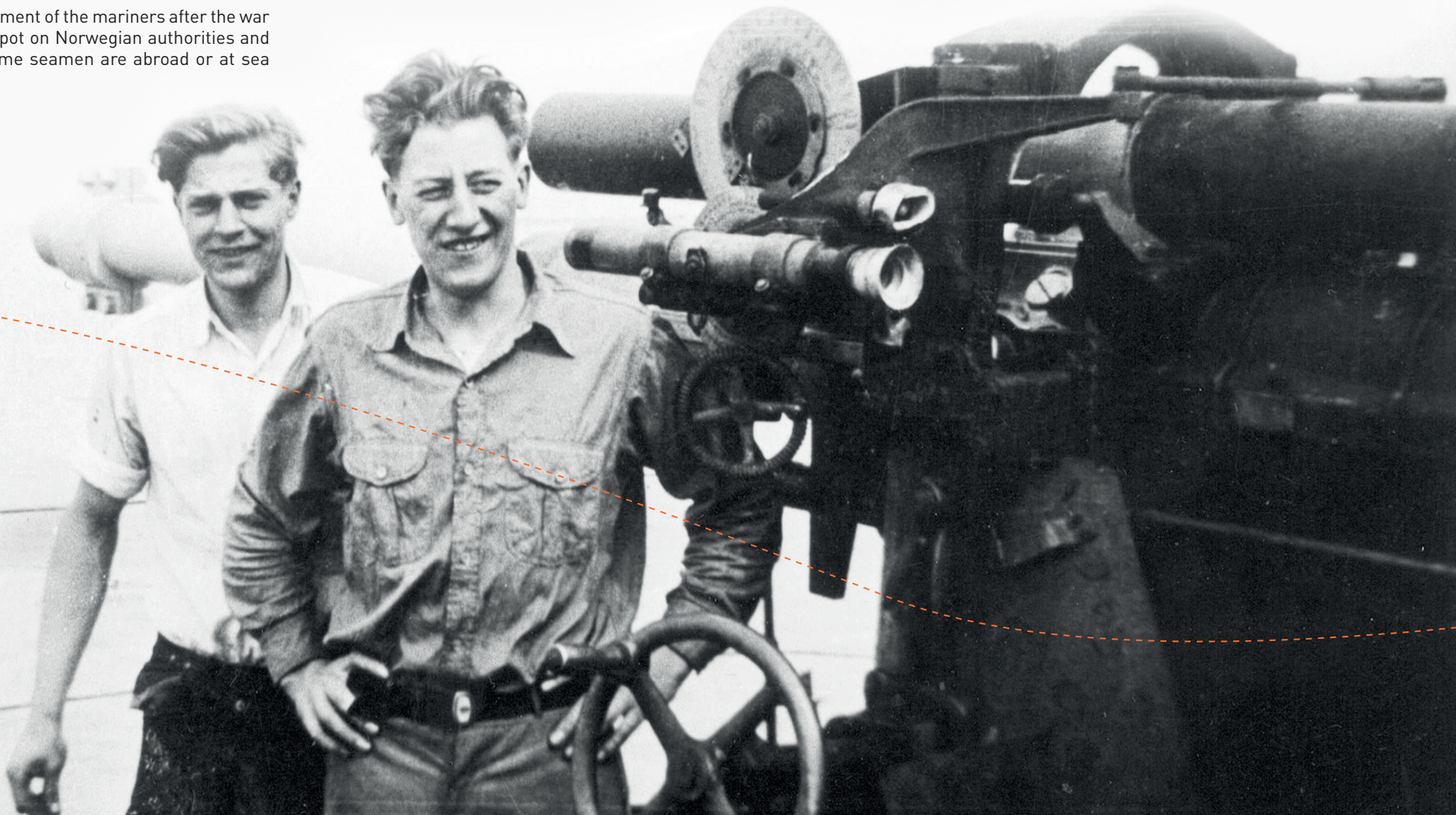


## THE WARTIME MARINERS

The Nortraship fleet comprises more than 1,000 ships at the outset, manned by some 30,000 mariners. The contribution that this fleet and these mariners make to victory is indeed crucial. Winston Churchill is reported to have said that it was 'worth an army of a million men'. More than 3,500 mariners perish – about 1/3 of all Norwegian lives lost due to the war.

However, the treatment of the mariners after the war remains a black spot on Norwegian authorities and society; the wartime seamen are abroad or at sea

during the glorious victory celebrations of May 1945 and only return home one by one, long afterwards when the festivities are but a memory. They are never allowed to parade for the King, and their mental scars due to five years of submarine and mine warfare are little understood at home.







From the bridge of MT Lind during the crossing to the UK. Captain H. A. Trovik in the middle

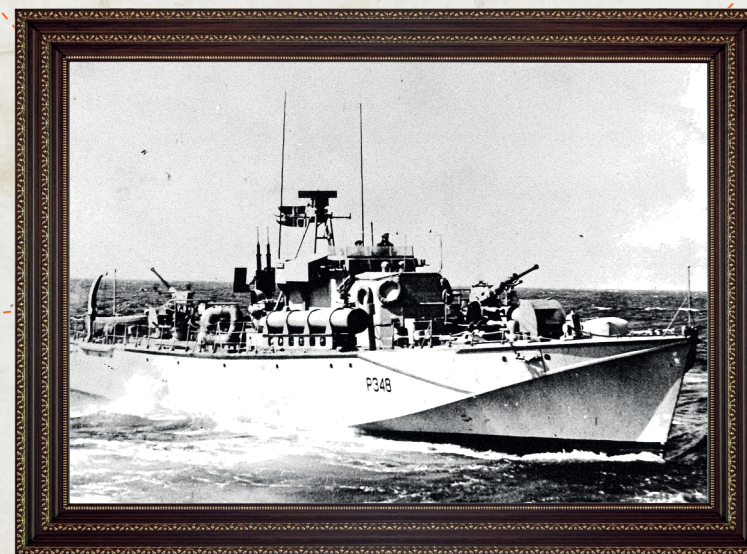
## THE MT LIND ESCAPE

In the early years of the war, several Norwegian ships are held back in neutral Sweden. The British want these ships badly, and a first attempt to escape across the North Sea is made in January 1941, quite successfully as five ships are able safely to reach Britain. Unfortunately, another attempt in April 1942, including the small Odfjell tanker MT Lind, turns out a disaster: six ships are lost; two return to Sweden, and only MT Lind and one more ship are able to reach British port. The success of MT Lind is credited to her master's navigation and handling under aerial attack. Besides, she is said to have made such poor speed that she was difficult to locate, both for her German adversaries and her British protectors.



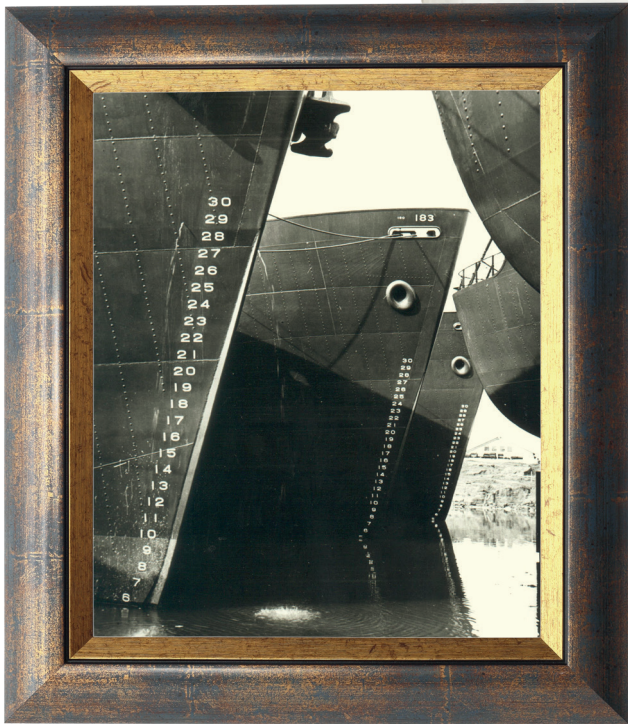
## FREDRIK ODFJELL IN POLITICS

Fredrik Odfjell takes a keen interest in politics, the society in general, as well as the shipping industry as such. He serves on the local council, and is mayor of Fana for five years in the 1920s. Likewise, he serves as president of the Bergen Shipowners' Association for two years and thereafter first as vice president and then president of the Norwegian Shipowners' Association from 1933 to 1936. Towards the end of the war he is evacuated from occupied Norway. His services are needed by the Norwegian Government in London, and he serves in Washington DC as one of Norway's representatives to the United Maritime Authority, the controlling body of the Allies' post-war shipping.



In the spring of 1945 Fredrik Odfjell escapes from occupied Norway on a Norwegian motor torpedo boat





After the war the fleet of surviving US built standard cargo ships were important for the reconstruction of international shipping. Odfjell bought two such ships

## PEACE, RECONSTRUCTION AND REPOSITIONING

# 1945-1959



**T**he immediate prime task during the first post-war years is to rebuild our fleet. This is also a natural time to draw up plans for the future. Parallel to the activities in the general cargo market, we continue to cultivate the Company's position within the small tanker segment. During the 1950s this is perhaps the most dynamic segment of our activities.

With peace restored, the Norwegian authorities give the highest priority to the rebuilding of the heavily damaged country. The merchant fleet is Norway's prime earner of foreign currency, and is therefore of national importance. In spite of this, the Government decides effective from January 1948 that no licenses are to be issued to shipowners to enter into newbuilding contracts abroad, to avoid further weakening of the currency reserves. This situation lasts until 1951, and is detrimental to Norwegian shipping.

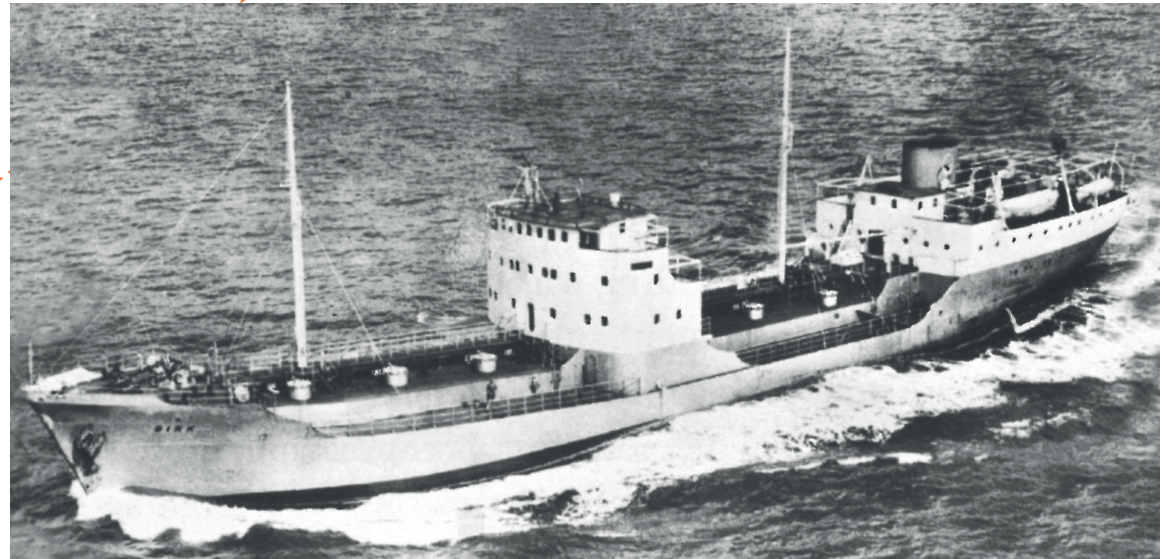
During the 1950s the global production capacity picks up, the international trade recovers, and the amount of seaborne trade increases steadily. Two events in particular cause freight rates to soar: first the Korean War 1950-53 and thereafter the closure of the Suez Canal in 1957.



In addition to the restrictions on contracting of new tonnage, a large number of regulations are introduced in order to ensure that the Norwegian economy can be rebuilt along the lines stipulated by the Labour party government. New manning regulations are particularly harmful to the competitiveness of the Norwegian shipping industry, causing escalated costs combined with a lack of qualified personnel. This triggers the sale of the newbuilding MT Birk (2,900 dwt), which at the time of delivery in 1951 is already obsolete in respect to manning requirements.

During this period, the mariners are entitled economic and social improvements, such as the requirement that ships larger than 1,200 dwt shall only have two-man cabins.

Gradually it becomes generally accepted that females have a rightful place in the Norwegian merchant fleet. At first, they generally went to sea as maids, and later many become radio officers. It is not until the end of the century that women start seeking professional careers also on deck or in the engine room.



MT Birk

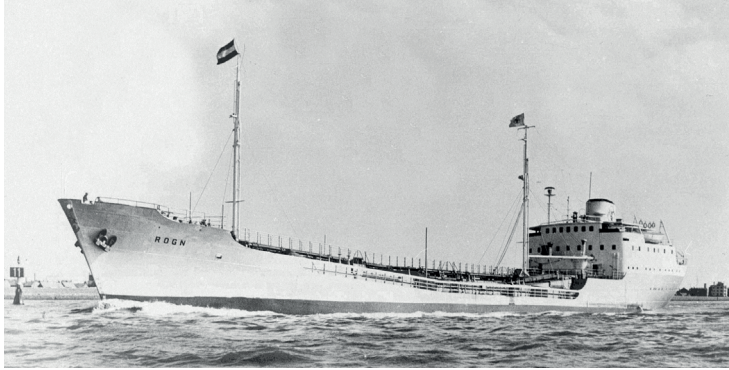


A two-man cabin

## IMO

The International Maritime Organization (IMO) until 1982 known as the Inter-Governmental Maritime Consultative Organisation (IMCO), is established in 1948 and is implemented ten years later, meeting for the first time in 1959. Today IMO is a specialised agency of the United Nations, the purpose being to develop and maintain a comprehensive regulatory framework for shipping.





In the 1950s Odfjell modernises the fleet. MT Rogn (3,250 dwt), built 1954, is one of three small tankers ordered by Odfjell at Haugesund Mekaniske Verksted during this decade

## LINERS AND TANKERS

Odfjell continues to pursue two paths during the 1950s; the general cargo liner trade and operation of small tankers. The latter ships gradually become more sophisticated and specialised, capable of carrying sulphuric acid. Sulphuric acid is a main component for production of synthetic fertilizers, making it possible to cultivate land previously considered unfit for agriculture. This helps the world grain output to more than double from 1950 to 1984.



In addition to general cargo, Odfjell's vessels sailing in the IFC Lines between North and South America could accommodate up to 12 passengers



## THE FOUNDING FATHERS AND THEIR SUCCESSORS

The two brothers who originally established the Company in 1914 both pass away; Fredrik in 1950 and Abraham in 1960. Their sons, cousins Bernt Daniel Odfjell and Johan Odvar Odfjell, succeed their fathers at the helm. The two cousins hold complementary positions within the Company, and also have complementary personalities.





## BERNT DANIEL ODFJELL

Bernt Daniel, in-house referred to as 'BD', was born in New Orleans in 1908. He has been characterised as conscientious, tending towards the conservative. He is largely in charge of accounting and finance, an aspect that becomes increasingly important as the Company grows. He has a vast network of contacts within the shipping industry, and commands great trust and respect, holding several prominent positions within industry organisations. He also looks after the dry cargo business and maintains the French Connection. In 1980 he was awarded the St. Olavs Orden (The Order of St. Olav) for his services to the shipping industry. He passed away in 2009.



## JOHAN ODVAR ODFJELL

Johan Odvar is more entrepreneur-minded, and the move from dry cargo towards tankers is very much his accomplishment. In many ways, Johan Odvar pushes things forward, whereas BD ensures that the brakes are put on in time.



## THE BOW PREFIX

In the work to rebuild the fleet in 1946, Odfjell enters into a partnership with the International Freight Corporation (IFC). The first ship acquired for this partnership is named Bowhill, after IFC President Bowers and Vice President Hill.

No one would know at the time, but this triggers a new Odfjell tradition for naming ships. The prefix 'Bow' is used on many vessels in the following years, long after the relationship with IFC has come to an end. The tradition becomes extinct in the early 1960s, but is revived in 1969.







The Odjell telex room

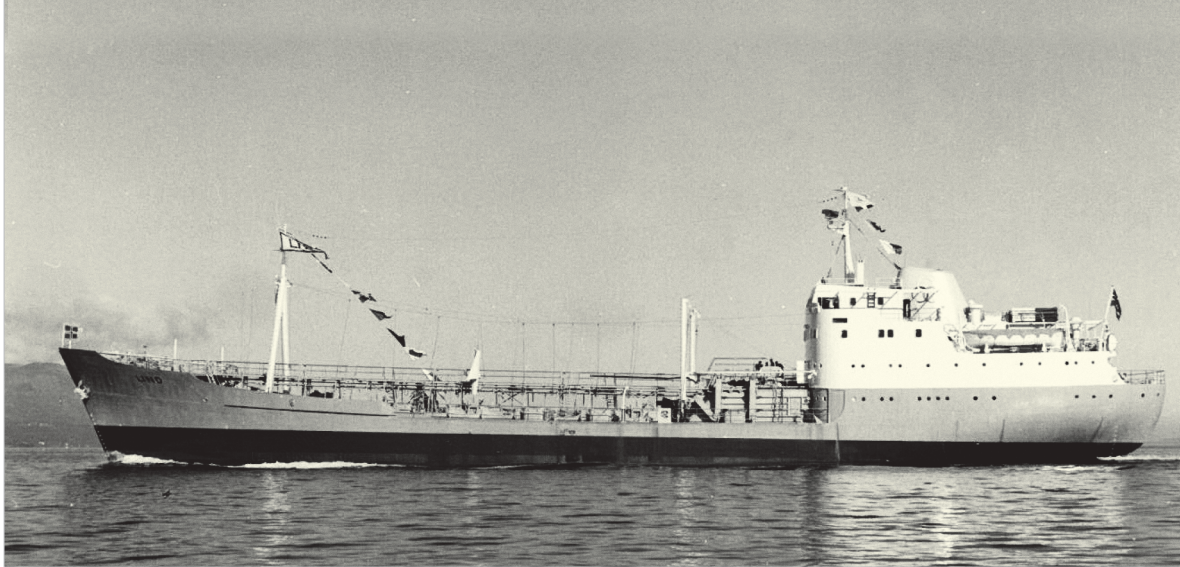
FOR ANYTHING LIQUID

# 1960-1969

**D**uring the 1960s the Company makes a strategic repositioning by focusing on and expanding the chemical tanker business. The period is characterised by rapid growth and considerable fleet changes. Most of the features that characterise the modern stainless steel chemical tankers are tried out on one class of ships after the other, but not yet all on one class. Our fleet almost doubles from 1960 to 1973.

The steady growth continues through the 1960s, combined with rapid technological developments. Stability in the exchange rates and reduced trade barriers lead to substantial growth in international trade and an immense increase in demand for seaborne transportation. This triggers extensive growth in the global fleet. The second closure of the Suez Canal in 1967 causes a massive increase in freight rates. High growth in the use of chemicals in industrial production throughout the world leads to the development of the modern chemical tanker.





MT Lind

## A MOST SIGNIFICANT NEW SHIP

MT Lind (our fourth ship by that name) of 2,445 dwt, delivered in 1960, is a most significant ship. Built for Odfjell by the Stord Verft, she is the world's first purpose-built stainless steel tanker. Specifically designed for the acid trade, the ship can handle cargoes of high specific gravity.



DAN ODFJELL

Bernt Daniel Odfjell Jr, born 1938 and commonly known as Dan, is the eldest son of Bernt Daniel Odfjell. After graduation from the Norwegian Naval College in 1957, he works a brief period on the Company's ships before moving to New York where he spends two years working for various shipbrokers. His experiences from this work convince him that the future of the family business lies in chemical tankers, a view he shares with his father's cousin, Johan Odvar. Dan also believes that the Group will be best served

by controlling the marketing of our specialised services ourselves, thereby gaining control over a wider part of the value chain. On returning to Bergen in 1963 he establishes Minde Chartering, initially with himself as the sole employee. Dan is also instrumental in our move into tank terminals. Later Dan Odfjell continues to serve the Company as Board Member, Executive Chairman and Managing Director. In 2014, he is still Director of the Odfjell Board.

## SEVERAL NEW VENTURES

During this period the shift in focus from general cargo vessels to purpose-built smaller chemical tankers is completed. We also enter into new activities; tank terminals and offshore drilling rigs. In addition, we have brief ventures into gas carriers and petroleum exploration, both exited already after a few years.

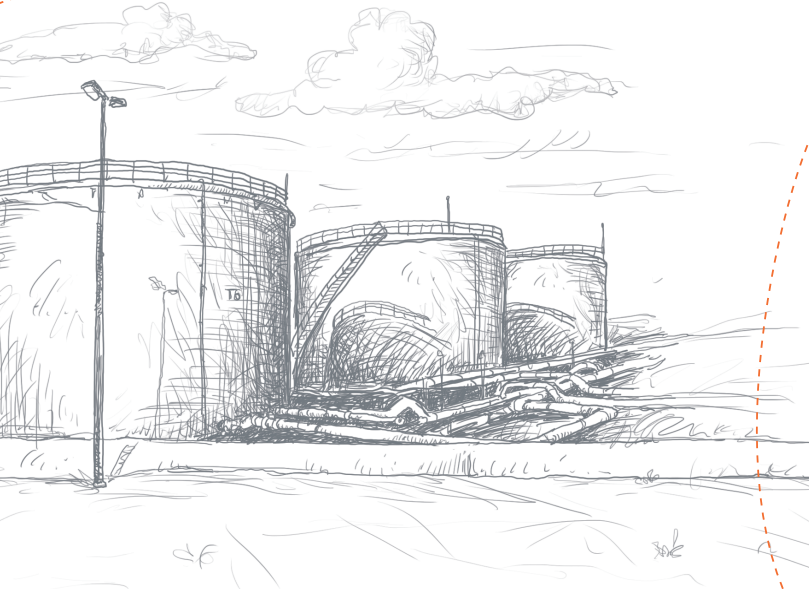
Size is important in order to provide sufficient coverage for customers. We expand our fleet in two ways; partly by increasing the company-owned fleet, and partly through chartered tonnage. This enables Odfjell to become one of a handful important operators in the world-wide chemical tanker market.



## MINDE CHARTERING

On Dan Odfjell's initiative in 1963, Odfjell sets up its own chartering department, Minde Chartering. This is an important step towards making Odfjell a fully integrated shipping company, with its own chartering, operations and technical management departments. This gives Odfjell improved control over the complete value chain. Minde Chartering quickly becomes a key broker within the chemicals trade, especially good at identifying new trades and niches in the market.





# 'FOR ANYTHING LIQUID'

As the 1960s give way to the 1970s, the Odfjell fleet is capable of handling hundreds of different liquids, many simultaneously on the same voyage; from conventional chemicals, through acids, petroleum products, lubricants and solvents to wine and spirits. We thus adopt the marketing slogan 'For Anything Liquid'.

## ENTERING INTO TANK TERMINALS

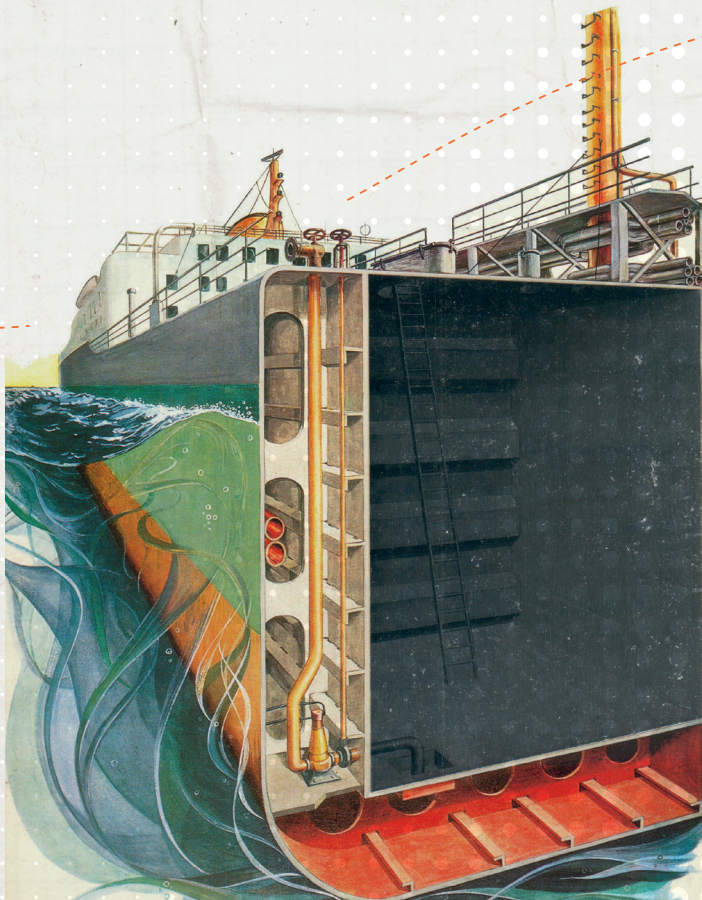
We open our first tank terminal in 1969, the TAGSA terminal in Buenos Aires, Argentina. This is a natural extension of our business, offering infrastructure that optimises the utilisation of the fleet and provides a better and more integrated service to our customers.



The TAGSA terminal Buenos Aires, Argentina, the beginning of our terminal activities







## DEVELOPMENT TOWARDS THE MODERN CHEMICAL TANKER

One after the other, we introduce the essential features of the modern chemical tanker; stainless steel hull tanks, cofferdams to protect cargoes and simplify stowage, double bottom, double sides, cargo monitoring and inert gas systems, and finally individual fully independent pumping systems for each tank. A slogan in use at the time is 'One tank – One line'.

## THE ORANGE FLEET

Bow Cecil, delivered in 1969, turns out to be a pioneer in two respects. Firstly, she heralds the revival of the Bow prefix for ships' names, being chosen among other prefix candidates through an in-house naming competition. Secondly, this ship is the first to utilise a new type of polyurethane based painting, offering improved durability and rust protection. This paint gives our vessels their characteristic orange colour: a colour for protection of the vessel and a colour for company identity.

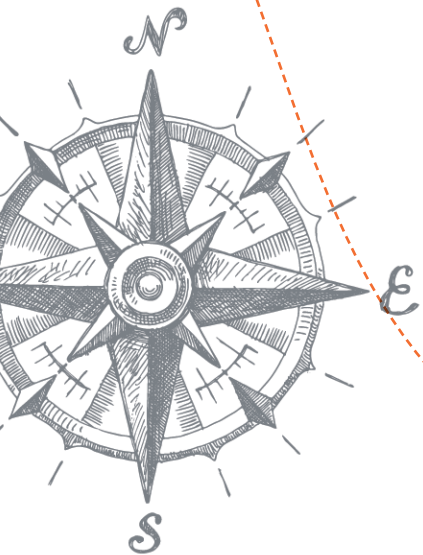
## REGULATORY DEVELOPMENTS: **MARPOL 73**

During the post-war years, ships grow tremendously in size. In the mid-1950s, a tanker of 50,000 dwt is considered huge. 15 years later large tankers are five times that size. This turns out also to have a downside, as the environmental impacts of marine accidents grow in proportion. During the late 1960s there are several major marine accidents causing severe marine pollution, making IMO introduce a new anti-pollution code for ships, the MARPOL 73. This code has a strong and positive impact on the design of tankers; many of the features previously pioneered by Odfjell now become mandatory.





New headquarters is erected at Minde in 1973



## FROM BOOM TO GLOOM

# 1970-1979

**F**ollowing the 1973 OPEC oil embargo, the economic conditions in the shipping industry changes dramatically for the worse. The period is turbulent for the Odfjell Group as well, but, having carved out a profitable niche in the chemicals trade, we are not as hard hit as many shipping companies in other trades. This period also sees the Company on an internal collision course.

The Norwegian shipping industry is severely hit by the shipping crisis during this period, and the total fleet is reduced drastically. A number of old, well-established shipping companies go under, and laid-up crude oil tankers become a familiar sight in many Norwegian fjords. As a niche player, the Odfjell Group experiences a less turbulent period than most, and our fleet is in fact bigger at the end of the shipping crisis than it was before it started. The chemical tanker market is largely spared of surplus tonnage, as it is almost impossible to convert other types of ships into chemical tankers due to the new strict regulatory regime. This means that the chemical tanker market can benefit from somewhat improved freight rates towards the end of the 1970s.

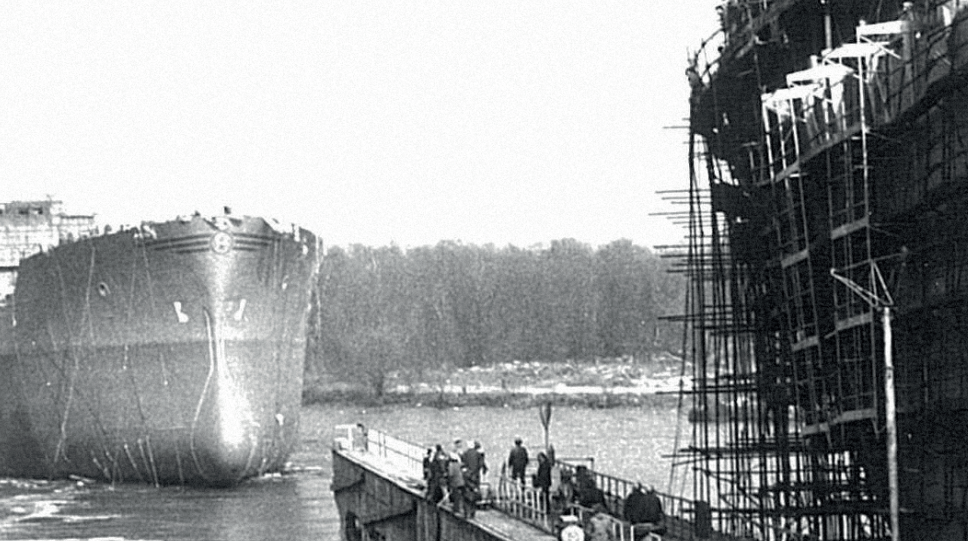






Bow Sky and Bow Spring, two of the twelve Poland-built ships

Launching one of the vessel in the Bow Future newbuilding programme



## TAKING THE LEAD

Odfjell's strategy is to take the lead in the chemical tanker market. Together with Westfal-Larsen we launch a bold newbuilding programme of 12 technologically advanced chemical tankers, in full compliance with the new MARPOL 73 regulations. These ships incorporate all the features tried out on earlier ships, and when delivered, are among the largest and most sophisticated chemical tankers yet built. They are destined to serve as the backbone of our chemical tanker

operations for two full decades and beyond, the last one leaving mainstream business as late as 2007. Dan Odfjell is very much the driving force behind this project, which carries the very apt project name 'Bow Future'. The contract is awarded to the Polish yard Stocznia Szczecinska, then behind the Iron Curtain, who delivers all 12 ships within the span of a very hectic 26-month period, from November 1975 – on average one ship every 72 days!







Deep Sea Driller, the very first Aker H3 semi-submersible drilling rig, at the Frigg field in 1975-76. The rig is ordered by Odfjell in 1971 and delivered in 1974. Deep Sea Driller runs aground and capsizes in 1976 while being taken ashore for maintenance, sadly causing the loss of six crew-members.

## INVESTING IN MARITIME CLUSTER DEVELOPMENT

In Norway, shipping money has always been important in the context of the country's overall industrial development; profit has been invested for the future and in the development of local shorebased industry. Odfjell participated with Frank Mohn in Bergen in the early design development of the now world-famous Framo pump, a shipping related real success story. Another entrepreneur, Geir Skaala from Rosendal, was initially supported by the Odfjell family in making the Norsafe free-fall lifeboat company into today's reality.

In the context of the North Sea, we invested in the Heimdal oil field very early on, and we co-developed and contracted the first H-3 oil rig at Akers Verft in Oslo. This became a prototype for later drilling rigs. In fact, it is Norwegian shipping money and maritime expertise that first led the important Norwegian oil and gas industry.

## A TRULY GLOBAL INDUSTRY

One of the vessels being sold to make way for new ships is the 4,100 dwt MT Liana. During its almost ten years of service to us, MT Liana sails approximately 650,000 nautical miles, and the aggregated cargo transported amounts to almost half a million tonnes. While in the Odfjell fleet, MT Liana visits 157 different ports in 48 different countries and territories. Although the vast majority of its crew are Norwegian, mariners from 11 different countries sail on board, during which they consume amongst other an impressive 44 tonnes of potatoes, 17,000 loaves of bread and 80,000 litres of coffee.



## THE COMPANY SPLIT

During two generations, the Odfjells have managed to make the most of the family partnership, complementing and supporting each other. However, during the 1970s, differences in outlook on future activities come ever more to the surface, and the internal relationship within the family becomes increasingly strained.

In 1979 the Odfjell family decides to split the Company in two, effective as from 1 March 1980. Bernt Daniel Odfjell and his son Dan take over the deep-sea chemical tanker fleet, with Skibsaksjeselskapet Storli as their main corporate entity, and the terminal business. Johan Odvar Odfjell and his son Abraham take over the small tankers, which later develop into JO Tankers, and the offshore rig business through Odfjell Drilling and Consulting Company (ODCC).



### ADELSTEN SIVERTSEN

In 1973 Adelsten Sivertsen is appointed the first non-family managing director of Rederiet Odfjell. He holds a degree in law but has no previous experience of the shipping industry. However, he turns out to be well suited for the difficult tasks ahead, in a company where the owners still take such strong part in the daily running of the business without having a uniform view on the future. He soon comes to realise that his role is not least that of a mediator between the two branches of the family. After the split of the Company in 1979/80, Mr Sivertsen continues as managing director of Rederiet Odfjell until he retires in 1988. He is also heavily involved in the establishment of the Norwegian International Shipping Register (NIS) in 1987.



The radio room on board

## THE MARINERS BECOME PERMANENT EMPLOYEES

Ever since shipping first began, mariners in general have been casual labour, signing on for the individual voyage(s) or for distinct periods of time. Towards the end of the decade they gradually become permanent employees of the Company, starting with the captains in 1978. After the captains follow the other officers, and later on this form of employment becomes the norm also for the rest of the crew.

There are two factors behind this move; one is changing social conditions ashore, the other is the specialised skills required for personnel on a chemical tanker. The latter creates a need to retain such personnel and further develop their competence and skills.



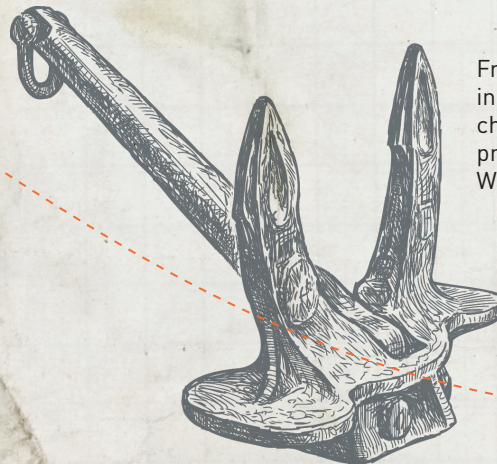


Baytank, Houston

## CONSOLIDATION AND RENEWED GROWTH

# 1980-1989

**T**he family split leaves the Company considerably smaller and also financially rather strained, due to the challenging market conditions during the 1970s and early 80s. To regain the leading position in chemical tankers, much focus is put on consolidation and growth; by the partnership with Westfal-Larsen and through new ordering and acquisition of second-hand tonnage. A new tank terminal in Houston comes in operation. In order to fund these heavy investments, Skibsaksjeselskapet Storli, the new group's holding company, goes public.



Free trade prevails worldwide, which together with rapid growth in plastic-based consumer goods lead to increased demand for chemicals and other input factors. The Iran-Iraq war causes problems for trade and shipping in the Middle East. The Cold War is slowly coming to an end.





## PARTNERSHIP WITH WESTFAL-LARSEN

In 1980 Odfjell strengthens the cooperation with Westfal-Larsen through the establishment of Odfjell Westfal-Larsen (OWL) Tankers, whereby the operation of sister ships from either partner is pooled. The two companies are also 50/50 partners in the development of Baytank, the new tank terminal in Houston, which commences operations in 1983.

In 1983/84 the partners each take delivery of two 23,000 dwt stainless tankers from the Korean Daewoo yard, the first ships ever built by the yard. Incidentally, Odfjell's second ship, the Bow Hunter, is ship no. 100 acquired by the Company. This ship is now a museum at the Daewoo yard.

The two partners aim to give the pool ships a unified appearance, including the lettering on the ships sides and a new funnel mark; an inclined red chain with three links. But at the last moment Westfal-Larsen decides to keep their traditional company funnel mark, thus leaving only our ships to wear the new logo, on a white funnel.



The partnership with Westfal-Larsen lasts until the end of the 1980s. Attempts to merge the chemical tanker activities of the two companies fail, and Westfal-Larsen decides to exit the chemical tanker business. In January 1990 the former partners reach a USD 280 million deal, through which Odfjell/Storli takes over Westfal-Larsen's chemical tankers and their 50% share of OWL Tankers and the Baytank terminal.

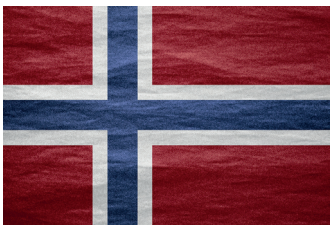




Oslo  
Stock Exchange

## GOING PUBLIC

During the first half of the decade, steps are taken to create a more modern business structure. In 1985 all Odfjell Group assets are consolidated into Skipsaksjeselskapet Storli, to prepare the ground for a public stock offering in order to strengthen the Company's capital base. This move is necessary to enable continued growth in an increasingly competitive environment. In 1986 the Storli share is listed on the Oslo Stock Exchange, with the stock split into Class A shares (with voting rights) and class B shares (without voting rights). This means that the Odfjell family relinquishes full control, about 70 years after founding.



## FLAGGING OUT – AND THEN IN AGAIN

Into the 1980s the cost disadvantage of using full Norwegian crew becomes too heavy a burden in an increasingly crisis-ridden shipping market. As requirements under the Norwegian flag do not allow foreign lower cost ratings, Odfjell feels forced to flag out. Consequently, towards the end of the 1980s ship crews become a mix of Norwegian officers and Filipino ratings. The establishment of the Norwegian International Shipping Register (NIS) makes it possible to combine Norwegian expertise and capital with the use of lower cost foreign labour. Hence, in 1987 the Company decides to return to the Norwegian flag, under NIS regulations.



One consequence of the entry of Filipino mariners into the crewing pool is that the Norwegian language company magazine is discontinued in 1986, to re-emerge as the English language newsletter Storli Quarterly in 1992. This has since developed into the Odfjell Quarterly magazine as we know today





Bow Queen

## MASSIVE FLEET EXPANSION

Towards the end of the decade the market finally improves. To benefit from this new situation the Company embarks on a large-scale fleet expansion through acquisition of second-hand tonnage. In 1988 we execute the option to buy back four of the Polish built ships sold to Saudi-Arabian owners in 1985. Later the same year an agreement is reached with Gotaas-Larsen to purchase their three coated chemical tankers, which are renamed Bow Queen, Bow Princess and Bow Lady. And finally, towards the very end of the same year, Westfal-Larsen and Odfjell together acquire eight chemical tankers from John Fredriksen.

## COMPETITION CHANGES

The chemical tanker business emerges as a separate shipping niche during the 1960s, and during the following years comes to be dominated by two companies, Odfjell and Stolt-Nielsen. But other companies challenge; some are old-established shipping companies whilst others are newcomers.

The 1980s see some consolidation among the competitors. In 1982/83 the British operator Anco Panocean fails, and most of the tonnage is taken over by Stolt Tankers. The following year JO Tankers is established as a cooperation between J.O. Odfjell and the Johnson Line of Sweden. Later on Seachem, lino Kaiun and many others join the race.



## RESCUING VIETNAMESE BOAT REFUGEES

Our ships have participated in many rescue operations. On 7 January 1985, while en route from Thailand to Singapore, the Bow Elm rescues 63 Vietnamese refugees from a small boat found drifting with the engine damaged. The refugees had been without water and food for two days. They are brought on board, where they are fed and clothed. On arrival in Singapore the boat refugees are given a medical check and then taken ashore by representatives from local authorities and the UN High Commissioner for Refugees.





Bow Fortune

## FURTHER EXPANSION, BOTH IN SIZE AND SCOPE

# 1990-1999

**T**he Company continues to expand during the 1990s. National Chemical Carriers (NCC) of Saudi-Arabia replaces Westfal-Larsen as our chemical tanker partner, and we embark on our most ambitious fleet renewal programme so far, the 16-ship Kværner series. We enter the Asian tank terminal market and become a player in the regional short-sea markets in Asia and the Americas. Towards the end of the decade, the Company reassumes the Odfjell name. We also venture briefly into the iso-container business.

### PARTNERSHIP WITH NCC

In the second half of 1990, NCC of Saudi-Arabia replaces Westfal-Larsen as our main partner in the chemical tanker business. Odfjell acquires nine tankers from Westfal-Larsen and within a few months sells them on to NCC. These ships are managed by Odfjell and pooled with our sister ships.

### THE KVÆRNER CLASS

In 1991 the two partners embark on the ambitious Kværner class newbuilding programme. These are 37,500 dwt stainless steel ships with 52 fully segregated tanks, the lead ship being delivered in 1994. The new ships bristle with new technology: controllable pitch propeller, shaft generator on main engine, bow thruster, fixed tank cleaning machines, and radar set in each tank to gauge ullage. We also try out engines fully controlled by computers. The last ship, Bow Firda delivered in

2003, even has a main engine with electronically controlled timing, having no camshaft at all; a world first.

Initially both partners order three vessels each, but Odfjell continues to expand the series to a total of 16 ships, the largest series built in the history of our Company and the largest order of ships ever built in Norway.



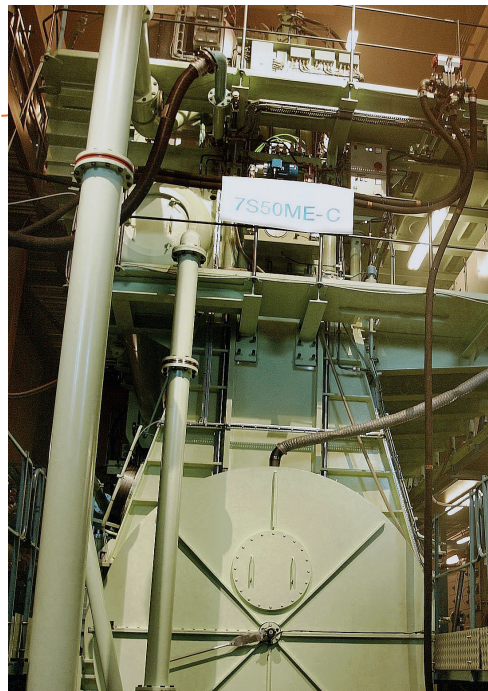


Launching of the foreship of Kværner hull no 144 (Bow Firda), June 2003



## ON BOARD DECORATIONS BY SCHOOL CHILDREN

For the Kværner class we initiate a fresh tradition by inviting children from local schools near the yards as well as in Bergen to make the art and decorations for the living quarters on board.



The electronically controlled engine during trials



Bow Firda

## ENTERING THE ASIAN TANK TERMINAL MARKET

In 1992 the Company ventures into the Asian tank terminal market by acquiring a minority share in the Ningbo terminal close to Shanghai. This terminal commences operations in 1994. That same year we take steps to expand our Asian terminal operations by buying a majority share of a new terminal to be constructed in Dalian in the north of China.



Odfjell Terminals (Dalian)





Bow Pilot in regional operations in the Far East

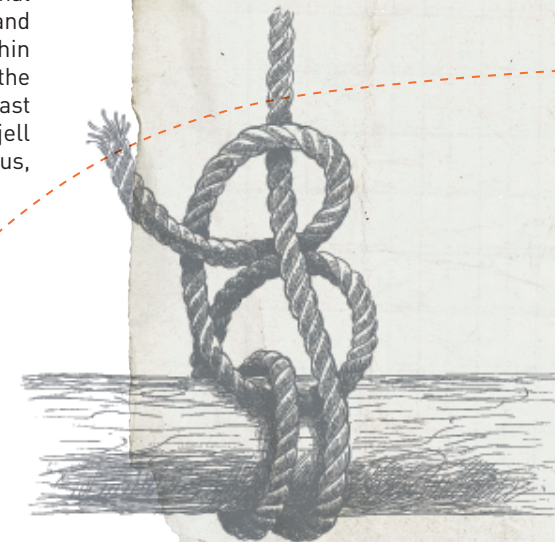
## SHORT-SEA OPERATIONS - IN ASIA AND IN THE AMERICAS

In the mid-1990s the Company decides to establish our own short-sea operations, to ensure high quality transshipment and lightering capacity in line with our customers' requirements, and to ease the problems of excessive port time waiting for local coasters and barges. In 1997 we contract the Szczecin yard, who also built our 1970s Polish series, to build four 6,000 dwt stainless steel ships. These ships, which upon delivery in 1999 become the core of our regional operations in the Far East, are in many ways equally advanced as the Kværner ships and thus, represent a step forward in terms of sophistication and operational capability in fast growing Asia.

In 1997, we also acquire the Houston-based regional operator Andino Chemical Tankers, with three owned and three chartered ships, trading in the Caribbean and on the west coast of South America. The company is renamed Odfjell Tankers Americas.

In 1998 we establish a joint venture with Chilean partner CSAV. The new company, Odfjell y Vapores, commences operation by taking over Bow Sun, one of our old Polish-built 28,000 dwt stainless steel tankers. The vessel, appropriately renamed Bow Andes, mainly operates in the local sulphuric acid trade.

To further expand the short-sea operations in the Western Hemisphere, in 1999 we also acquire 50% of Flumar, a regional operator with three chemical tankers and two LPG carriers trading mainly within Brazil. By this move we gain access to the Mercosur cabotage trade area on the east coast of South America. In 2008 Odfjell buys out the remaining partner, and thus, Flumar becomes 100% owned by us.







## A BRIEF VENTURE INTO THE ISO-CONTAINER BUSINESS

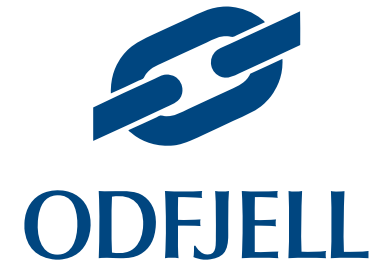
In 1999 we enter into a joint venture with German tank container operator Hoyer, the aim being to benefit from the synergies between Hoyer's expertise in operating tank containers and our global network and knowledge of the chemicals logistics markets. Headquartered in Rotterdam, Hoyer Odfjell commences activities with a fleet of 2,600 tank containers, which over the next five years increases to about 8,200 units. However, due to differences in the views on the strategy going forward, the partnership is dissolved in 2004.



### BJØRN SJAASTAD

(President/CEO 1990-2004)

Bjørn Sjaastad joins Storli in 1989 as vice president in charge of administration. The following year he is promoted President/CEO, a position he holds until he resigns in 2004.



## THE BLUE CHAIN – REASSUMING THE ODFJELL COMPANY NAME

In February 1998, an extraordinary shareholders' general meeting resolves to change the name of the parent company from Storli to Odfjell. Although the Storli name is well known within the financial community, the Odfjell name is the one seen on the hull of our ships, and is better known among charterers, operators and other stakeholders. We also take the opportunity to streamline our graphical layout throughout the Odfjell Group, including implementation of a new company logo. The new logo is the three-link chain used as funnel mark since the 1980s, but now in a dark blue to underline our maritime background. But the three interlocked rings of the Odfjell brothers still live on as the bowmark on all our ships.





Launching of Bow Sirius at the Szczecin yard in Poland

## INTO THE NEW MILLENNIUM

# 2000-2014

**T**he expansion is continued into the new millennium, both in the deep-sea and the short-sea segments as well as in tank terminals. We also re-enter the gas carrier market. New operational challenges emerge, amongst these the piracy threat in the Gulf of Aden and the Indian Ocean. Unfortunately, the Company also suffers some severe setbacks.

### GIANT LEAPS TO GROWTH

In February 2000, we announce the merger between Odfjell Tankers, at the time the world's second-largest chemical tanker operator, and Seachem, then ranked number four in chemical tanker fleet size. The transaction adds 20 ships to our fleet, making Odfjell Seachem the premier deep-sea chemical tanker operator in terms of overall carrying capacity. In addition come eight 40,000 dwt fully stainless steel newbuildings that Seachem has ordered from Poland.

Later the same year Odfjell acquires the Botlek Tank Terminal in Rotterdam, Europe's largest individual storage facility for bulk chemicals and refined petroleum products. The terminal is renamed Odfjell Terminals (Rotterdam). With the acquisition we extend our tank terminal network to cover also Europe, thus further enhancing our possibilities for cargo consolidation and multi-mode transportation solutions.







Bow Summer leaving the Polish yard



Oiltanking Odfjell Terminals (Oman)

## FURTHER FLEET EXPANSION AND RENEWAL

As part of the Seachem merger, Odfjell achieves control of a newbuilding programme of eight 40,000 dwt chemical tankers with 40 duplex stainless steel cargo tanks. These ships are delivered from the Polish Szczecin yard between 2003 and 2007, and together with the Kværner ships they now form the backbone of our stainless steel deep-sea chemical tanker fleet.

To further develop our regional shipping operations in Asia, in 2012 and 2013 the Company also takes delivery of three 9,000 dwt high specification stainless steel ships from China.

In order to strengthen our shipping operations in the Far East, we establish in 2004 a ship management group in Singapore, Fleet Asia, which initially takes on about one third of the medium range (MR) ships managed by Odfjell.

To complement and eventually replace older tonnage being phased out, new large coated ships are acquired and ordered. Through our partnership with NCC, which in 2009 develops into the joint venture company NCC Odfjell Chemical Tankers, we operate several more medium range coated ships. As part of this partnership we also order a 75,000 dwt coated carrier, Bow Pioneer, which upon delivery in 2013 is the largest fully IMO 2 chemical tanker ever built. The partnership with NCC for the MR fleet is terminated in 2013.

Odfjell Terminals (Rotterdam)

## FURTHER TERMINAL EXPANSION

We continue our rapid expansion of the global tank terminal network. In 2001 we enter into a 50/50 joint venture with Oiltanking for a terminal in Singapore, and the following year we acquire a 50% share of a new terminal in Ulsan, South Korea. Thereafter new terminal projects follow in rapid succession: in 2005 in Bandar Imam Khomeini, Iran and in Jiangyin on the Yangtse River, China. In 2007 in Sohar, Oman, in 2010 in Charleston, South Carolina, the year after in Tianjin, China, in 2012 in Antwerp, Belgium and in 2013 in Fujian, China, across the straight from Taiwan. We also continuously upgrade and expand our existing terminals.

To enable further development of our terminal activities, and at the same time free up capital for other investments, in 2011 the Company enters into a partnership with private equity firm Lindsay Goldberg LLC, whereby they acquire a 49% share in the Rotterdam and Houston terminals as well as the Charleston project. The following year this cooperation is extended to include basically all terminals world-wide.



## SHORT-SEA OPERATIONS IN EUROPE

Into the new millennium the Company continues the expansion into the regional chemical tanker market. In 2003 we establish a joint venture with German tanker operator Ahrenkiel. The joint company, Odfjell Ahrenkiel, headquartered in Hamburg, soon operates a fleet of nine vessels trading within Europe and on the west coast of Africa. Following an amicable agreement to dissolve the partnership, this entire business is taken over by Odfjell as from the beginning of 2010, and the commercial management is relocated to Bergen as Odfjell Tankers Europe.

In 2011 we form a joint venture with Euroceanica Ltd to jointly operate a fleet of 14 stainless steel chemical tankers in the European market under the Crystal Pool trade name. This venture is phased out by the end of 2013, whereby we return to trading remaining ships in the European market under the Odfjell Tankers Europe brand.



Bow Bracaria, one of our vessels in inter-European trade



The construction hall at the Sevmash yard

## THE RUSSIAN NEWBUILDING ADVENTURE – THE SHIPS THAT NEVER MATERIALISED

In October 2004 Odfjell reaches an agreement with the state-owned Russian shipyard Sevmash at Severodvinsk near Archangel to build a series of eight to twelve advanced 45,000 dwt chemical carriers, the next generation of tankers with coated tanks. The keel-laying of the first vessel takes place in December 2005 at a grand ceremony in one of the yard's assembly halls, our site team gets established in Severodvinsk, and all look set for delivery of the ships from 2007 onwards. However, it soon becomes evident that Sevmash is unable to properly manage such a project in a way that allows delivery of the ships on schedule and within the agreed cost frame. Several attempts are made to rescue the project, including both extensions of deliveries and price increases, but to no avail. Finally, in 2008 Odfjell decides to cancel the newbuilding contract. By way of arbitration we are later awarded compensation for costs and losses on account of wilful misconduct and massive breaches of contract by the yard.

## FUEL EFFICIENCY AND ENVIRONMENTAL CONCERN

The carbon footprint gradually becomes an important environmental issue, and we take steps throughout the Company to reduce our carbon emissions. Among measures taken on the ships to reduce fuel consumption are the installation of propeller ducts and shorter intervals for underwater hull and propeller polishing. We also start using weather routing services to optimise routing of ships according to weather and currents. As the market deteriorates as a result of the world financial crises in 2008, we implement slow-steaming to achieve an optimal balance between fuel cost and vessel speed, which also has a positive effect on emissions.

New regulations to reduce emissions to air and water, including ballast water treatment and the phasing out of heavy fuel oils, are gradually being introduced. These matters are of concern to shipping world-wide, and we work through industry channels to promote proper, efficient and fair implementation of the regulations to protect the environment.



## BACK INTO GAS CARRIERS

In 2012 the Company re-enters the gas carrier business through the acquisition of two second-hand 9,000 cbm LPG/Ethylene carriers. The new business unit, Odfjell Gas Carriers, is so far predominantly operating in the spot market, with a long-term strategy to become a leading player in the market for transportation of chemical gases. As part of this strategy, in 2013 we place an order for four 17,000 cbm LPG/Ethylene carriers from a Chinese yard.



Bow Gallant, one of our LPG/Ethylene carriers



## THE PIRACY THREAT

In 2009/2010 the world shipping industry faces an increased threat: pirate hijacking of ships in the Gulf of Aden and gradually also large areas of the Indian Ocean. Fortunately no Odfjell ships have been hijacked so far, but they have been attacked, and considerable effort is put into protecting the ships and their crew from this menace. Naval patrolling and attack deterrence through protective measures on the ships have gradually reduced the threat east of Africa. However, in 2013 increasing piracy is reported in the Gulf of Guinea west of Africa.





WE SUPPORT

## ENHANCED FOCUS ON QHSE AND CORPORATE SOCIAL RESPONSIBILITY

The policy of Odfjell is to maintain and improve our position as supplier of high-quality, environmentally responsible and safe logistics services. The Company invests heavily in enhancing the employees' competence and proper attitude to handle the challenging nature of our business activities. The establishment of the Odfjell Academy in the Philippines and the Manila manning department are but two of the many steps taken to further develop the capabilities of our mariners. Our shipping activities and several of our tank terminals are 14001 certified.

In 2005 we establish a Corporate Quality Management unit, to further develop, promote and implement proper quality management throughout the Company and all subsidiaries. In order to firmly emphasise the corporate social responsibility, in 2011 Odfjell signs up to the UN Global Compact initiative, thereby committing the Company to support their ten principles for ethically sustainable operations.



## INCREASED PRESENCE IN THE PHILIPPINES

Through the 1990s an increasing number of Filipino mariners are appointed to higher positions on board our ships. To further enhance the competence of our Filipino mariners, in 2002 we establish the Odfjell Academy training centre in Subic, in cooperation with Wärtsila Land & Sea Academy. As part of a setup by the Norwegian Shipping Association, two years later a dedicated Odfjell cadet programme for officers is established at the J.B. Lacson Maritime University at Bacolod.

Until well into the first decade of the new millennium our Filipino mariners had all been hired through local manning agencies. To achieve better control of recruitment and

training we apply for our own manning licence. This move is completed in 2008 through the establishment of Odfjell Philippines Inc.

Now, in 2014, Filipino mariners comprise the largest share of our crew pool. However, Odfjell remains one of the few Norwegian shipowners in international trade still dedicated to maintain a strong core of Norwegian/European officers, and we offer various cadet programmes to encourage young Norwegians to pursue a career at sea.



Odfjell has the largest share of Norwegian mariners in international trade





## SEVERE SETBACKS

Unfortunately, the new decade brings some severe setbacks for the Company. In August 2002 Bow Eagle collides with the French fishing vessel Cistude off the coast of France, whereby four French fishermen perish. In February 2003 the EU Commission and the US Department of Justice start investigations of possible anti-trust violations in the chemical tanker industry. Rather than risking protracted legal proceedings the Company pleads guilty to the charges, and is heavily penalized in the US. In 2004 Odfjell suffers our worst single peacetime tragedy at sea, when Bow Mariner, managed by a third party, explodes and sinks off the US east coast, sadly with the loss of 21 mariners. And in 2012 we voluntarily decide a temporary shut-down of our tank terminal in Rotterdam, after internal audits and authority inspections have found that the safety culture and emergency systems are not up to required standards. At the time of writing we are still in the process of bringing the terminal into a proper state, in compliance with new regulations and in line with our own goals, ambitions and standards.

Although these events have required substantial resources, and in spite of the very poor shipping markets in the wake of the world financial crisis since 2008, we are actively renewing our fleet and investing in new opportunities. We are continuously further improving our operational procedures and routines and keep tightening our standards as to how to run the business, making us better equipped to face challenges ahead and to avoid similar misfortunes to occur again.



### TERJE STORENG

(President/CEO 2004-2009)

Terje Storeng replaces Bjørn Sjaastad as CEO in 2004. Prior to this he was a Board Member of Odfjell SE in the period 1994–2004. Mr Storeng retires in 2009, but continues as Board Member for Odfjell SE until 2013.





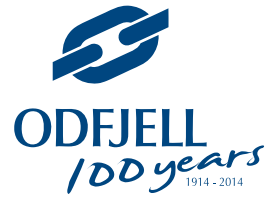
### LAURENCE W. ODFJELL

Laurence Ward Odfjell (born 1965) holds a Master in Architecture from Yale University. During the 1990s he works as an architect in Chile, where he also designs the winery of Odfjell Vineyards. After a few years working for the Odfjell family's private terminals in South America, he serves as a director on the Odfjell SE board from 2004 to 2007. He then takes up the position as President of Odfjell Terminals. In 2010 he succeeds his father Dan as Executive Chairman of Odfjell SE. Thus the fourth generation Odfjell is now at the helm of the Company, into its second century.



### JAN A. HAMMER

Jan A. Hammer is appointed President/CEO in 2009. He has worked for Odfjell since 1985 and has held various management positions at the Company, both in chartering and tank terminal activities.



## THE FUTURE

Through our 100 years of existence, there has been an orange thread of innovation and willingness to place big bets on emerging opportunities. This actually started even earlier with Berent Daniel Olsen's belief in the changes that the second industrial revolution was bringing about, with steel hulls and steam propulsion. The Company survived a second paradigm shift in propulsion in between the world wars, and then pioneered the changes in seaborne transportation of acids and bulk liquid chemicals in the late 50s into the 60s. We perceived the need, designed the solution and placed the order for construction of the world's first purpose-built stainless steel tanker in 1960, and developed prototype for the modern chemical tanker with our first Polish series; with double hull, dedicated submerged pumps and piping, clad stainless steel, etc. As a testimonial to this leadership in high standards for operational integrity: the US authorities simply described our ship when they wrote the IBC requirements for transportation of chemicals. And the basic principles remain the same, now 40 years later.

But our predecessors did much more than this: they applied their operational and

technical know-how to develop the first stainless steel LPG/Ethylene carriers and, if this was not enough, developed together with Aker the first drilling platforms for the North Sea. Over the years there have been many spin-offs and success stories in our wake. Just look at how Bergen has almost become the world capital of chemical tankers, a unique cluster and concentration of specialised know-how. But we did more than this. Unlike most shipping companies, we 'dared' to invest ashore by building tank terminals in some of the most uncertain economies of the world at the time. The simple reason was turning a need for safe and efficient operation of our ships in port, into a virtue and a great business. Easy to say now, soon 50 years later.

Of course, over 100 years we see a pattern: change is a constant. We have survived because of our willingness and agility to change. Today the world is in more rapid change and flux than ever: climate change, technological change and rapid change in the balance of economic and military power. As always we need to embrace these changes by, for example, preparing for the next paradigm shift in maritime propulsion. Our buoyancy to

survive choppy waters over the years can be attributed to the professionalism and commitment of our people, leaders and followers, past and present. Building on these virtues we will find more business opportunities in the many changes engulfing us at present and coming our way in the future.

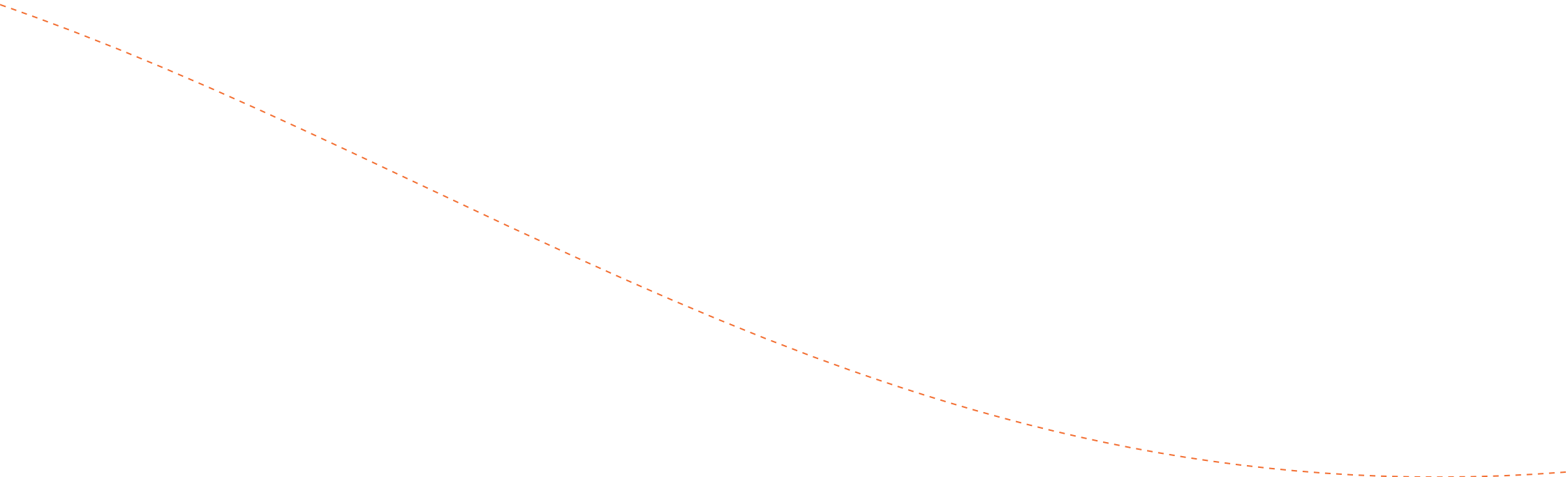
Our special acknowledgement and respect today, in connection with our 100 year anniversary, to our predecessors who bravely embarked upon voyages in uncharted waters and found fortune. Also a note of appreciation is submitted herein, to those of you who everyday help ensure that we deliver according to our mission of supplying safe, reliable and profitable services to our customers.

More than ever we need to chart new prosperous trajectories within the thick fog always engulfing the present. Insights are like an orange gleam of sunlight through this fog: we will continue to weave our particular brand of orange thread, with the insights from our Odfjell.

Laurence W. Odfjell

Jan A. Hammer





#### CREDITS

The content of this leaflet is to a large extent based on the book 'Odfjell – The History of a Shipping Company' by Atle Thowsen and Stig Tenold, published 2003. For the period 1990 onwards we have mainly used company annual reports, company in-house magazines and similarly available written sources. We would like to thank the following institutions for the use of pictures: Bergen Maritime Museum, Norwegian Maritime Museum, University Library, University of Bergen, Storetveit Church, Oslo Stock Exchange and Total/Norsk Oljemuseum.

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ODFJELL  
*100 years*  
1914 - 2014

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