



Hafnia Management A/S

ECO Tanker Conference in Copenhagen
22nd January 2015

Performance Management

From a Commercial aspect

- We wanted to have a direct link to the commercial value of the vessels.
- The Goals were given by the Pool Board (owners)
 - Be as profitable as possible.
- We took a 'Top down Bottom up' view
- We had no historic data
- We simply started collecting data from day 1.
- This was handled and managed by Operations
- Collected by a weather service provider
- After 6 months we had a very small dataset.
 - 10 units in each segment / totally 20 units.
- After further 6 months (12 months in total) we realized that the dataset was not in a format that was usable to us.

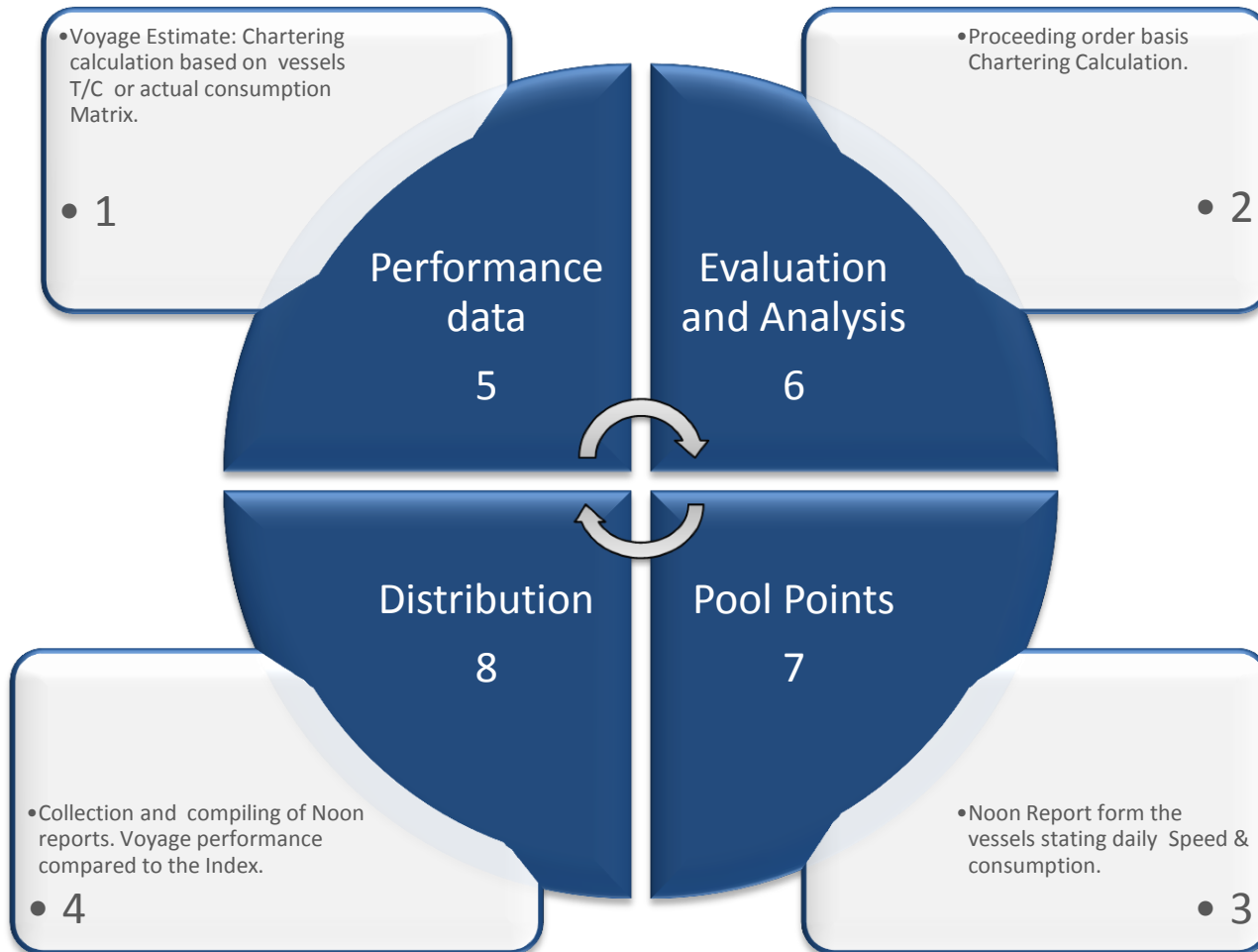
Performance Management

From a Commercial aspect

- We identified the variables in our business, and from our Commercial aspect, and the most important are:
 - Time (Speed - seagoing)
 - Costs (Bunkers – seagoing M.E and AUX.)
 - In Port Bunker Consumption.
 - The balance is more or less equal, and is not being monitored.
- We made our own Performance Management Model, which is also our Pool Point Model.
- This is based on the philosophy of ShellTime4
- This was done in Excel.

Pool Point Model

From a Commercial aspect



Pool Point Model

From a Commercial aspect

- Based on the Dataset we can analyse the:
 - Compliance with our speed instructions
 - Compliance to our consumption instructions
 - Trading pattern
 - Precise Fleet Consumption based on historical data
 - Goodweather / Badweather performance
 - Peer Groups – examples:
 - Yard
 - Owner
 - Earnings
 - Technical Manager

Pool Point Model

From a Commercial aspect

- The system captures the relevant variables, which we have identified and in accordance with our Pool Agreement.
- Our goal is that the Pool Points reflects the Capabilites of the individual ship through:
 - Transparency
 - Fairness
 - The Value to the Pool
- The rest is up to the owner, meaning that if there is a requirement for additional monitoring, this is for the owners to setup on an individual basis.

Our Process of Performance Monitoring



Our Process of formulating the Strategy

Changing business
environment

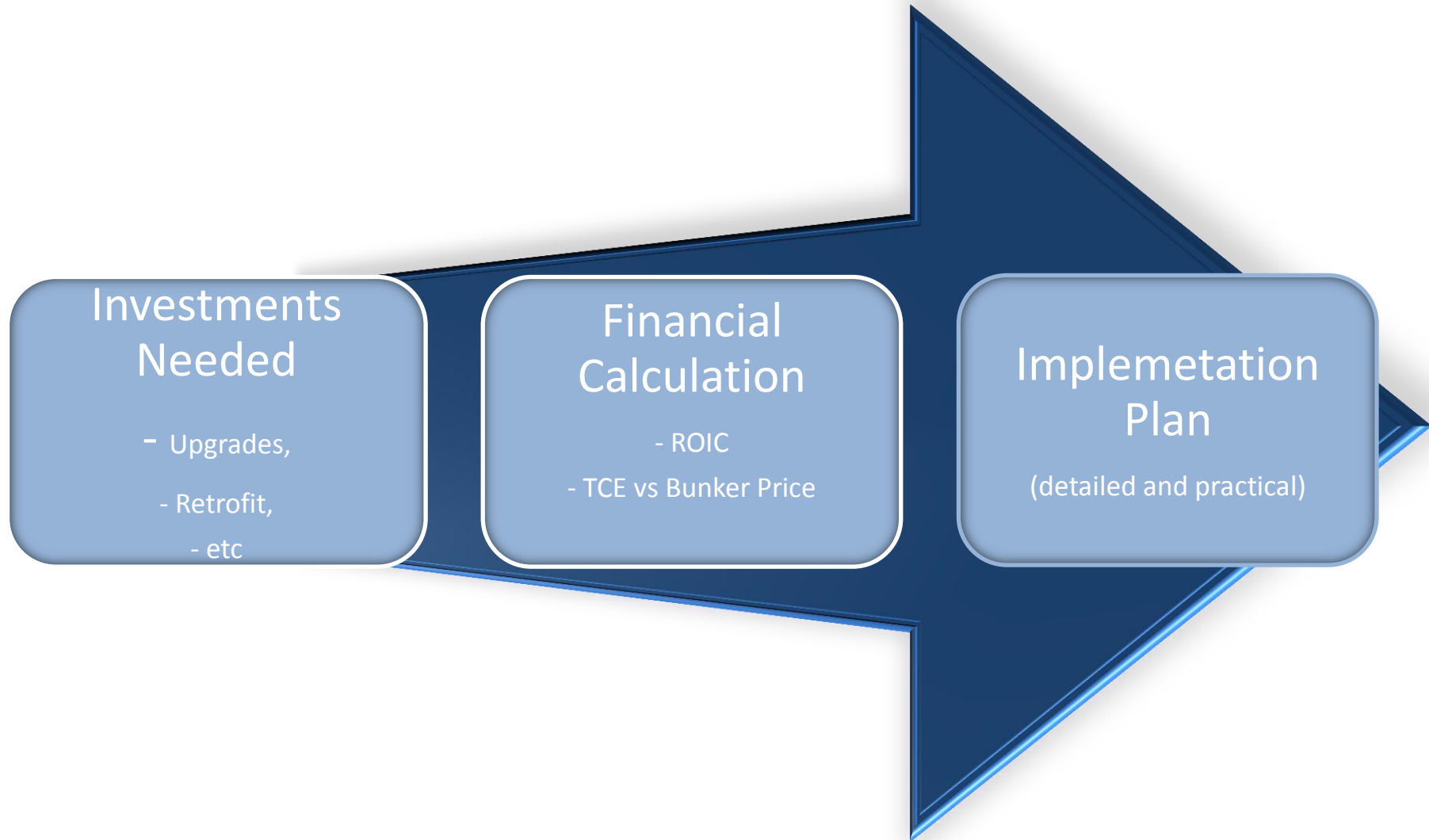
(especially in terms of an
increased amount of Modern
ECO ships being delivered)

Conventional
Tonnage

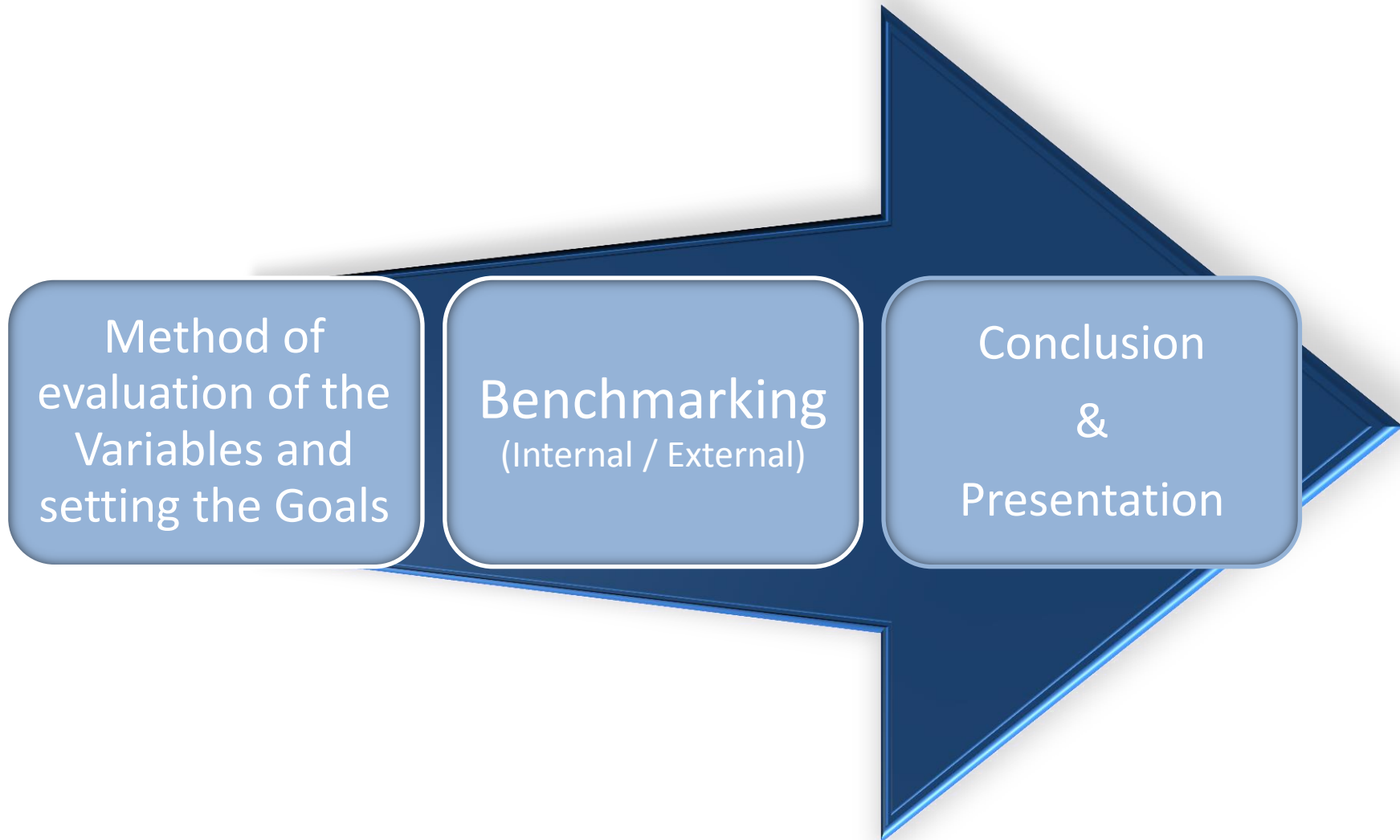
(existing fleet)

What can be done to
minimize the Modern
ECO ships'
competitive
advantage ?

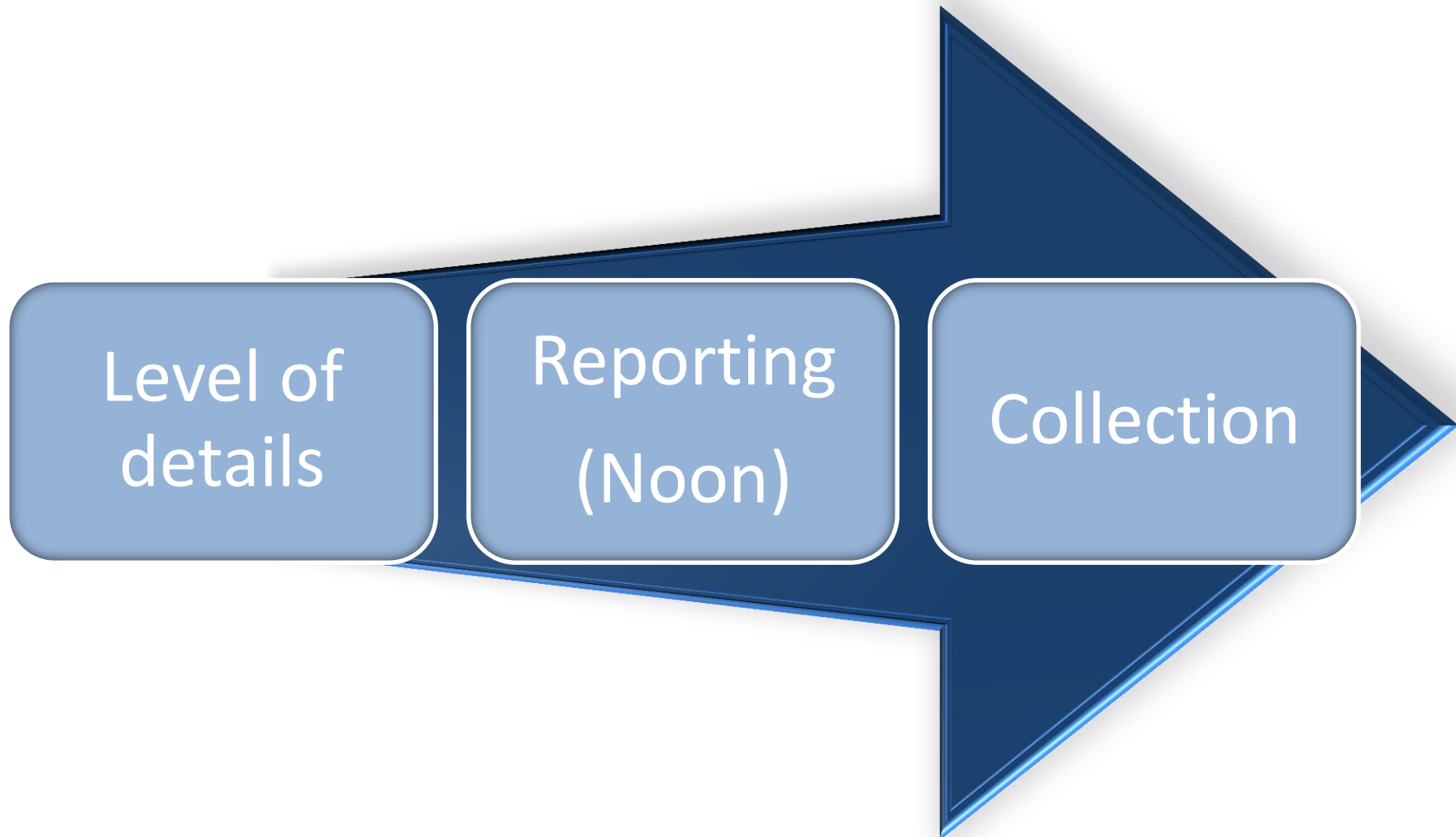
Our Process of analyzing Cost / Benefits



Our Process of setting the Goals



Our Process of Operational Procedures



Questions ?

Any questions ?

Many thanks for your attention

