

FRED. OLSEN WINDCARRIER SUSTAINABILITY REPORT 2022



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INTRODUCTION



CEO LETTER

We live in challenging and uncertain times. In the beginning of 2022 we were starting to see signs of normality again after 2 years of Covid, but was then faced by another historical event with a war in Europe. At the same time we see clear signs that climate change is already happening with a record dry summer on the continent and the UN secretary general stating that "We are on the highway to climate hell, full speed on the throttle". The energy transition and energy security that FOWIC core business contributes to is more important than ever.

Offshore wind is becoming global and in 2022 FOWIC had the majority of our activity far from "home" and installed 440 MW capacity on 4 different projects in Taiwan. This is just one of many coastal countries recently or about to embark on a journey into offshore wind and increased experience and supply chain is built every day. As one of the most experienced companies in the industry FOWIC is operating world wide. Maintaining FOWIC standards and HSE statistics in different environments is one of many things we are proud of in 2022.

It is however also important to reduce our own footprint and emissions from operations, and we are targeting this in the areas where we can. In 2022 we have done the several investments to reduce our emissions; installation of variable frequency drives (VFD) and installation of shore power connections on one of the vessels. However the largest investment in 2022 was the major conversion of Bold Tern that enables her to keep contributing to the green energy transition.

On diversity we see a continuous positive trend on all fronts in the company and we are proud to build a culture where everyone can feel at home, be themselves and bring their best to work every day as a part of the FOWIC team.

Regards,

Alexandra Koefoed,
Chief Executive Officer,
Fred. Olsen Windcarrier



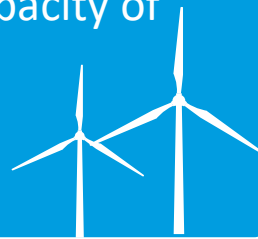
FOWIC SUSTAINABILITY PERFORMANCE AT A GLANCE

Contribution to renewable energy production

Installed 54 wind turbines with an installed capacity of **440 MW**

Installed 25 foundations with an installed capacity of **227 MW**

99% EU Taxonomy aligned



Diversity

Female/male share

Vessels

Offices

19%
females

42%
females

81%
males

58%
males



Fuel consumption and GHG emissions

Scope 1	30,656t	CO ² -eq
Scope 2	7.2t	CO ² -eq
Scope 3	7109.14t	CO ² -eq

Total **GHG emission 37 765t CO²-eq**



Personnel injuries

Lost Time Incidents (LTI)

LTI	2*
LTIF	1.1

Lost Time Injury Frequency (LTIF) is used to express the number of LTIs per 1.000.000 exposed hours




*Numbers including both LTI and permanent disability cases

SUSTAINABILITY POLICY

FOWIC Sustainability policy was updated 21.12.2022 and is available on FOWIC web page.

[FOWIC Sustainability policy](#)



Sustainability policy

In Fred. Olsen Windcarrier, we have a strong obligation to the society and to our external and internal stakeholders to operate our business sustainably.

All work shall be conducted in compliance with laws, rules, and regulations.

Our strategy is to contribute to the shift towards a sustainable and decarbonised society by contributing to renewable energy from offshore wind through developing our businesses further into existing and new markets.

Our commitments:

- We will always choose the most sustainable alternative, taking environmental, social, technical, and economical aspects into account
- We maintain high ethical standards and integrity. Our Code of Conduct is mandatory for all our employees and for all companies and people working for us

Environment:

- We work systematically and continuously to reduce the impacts on the environment from air emissions, waste, and other hazardous substances under our control
- We follow the principles of recognised international standards when measuring direct and indirect Green House Gas emissions
- We monitor climate risk and incorporate climate risks in our risk management processes

Social:

- We have a zero injuries philosophy and are committed to the protection of health and safety for our employees and subcontractor personnel
- We care for the society around us
- We have a responsibility to ascertain that our activities benefit local communities
- We are committed to equal opportunities for all. We do not accept any form of discrimination on the basis of gender, age, ethnic origin, nationality, disability, sexual orientation, religion, political opinion, or otherwise
- We do not accept any form of violence, bullying or sexual harassment

Governance:

- We define clear sustainability objectives and targets
- We are transparent and open in our communication with our stakeholders
- We govern our business by establishing, implementing, and maintaining a structured management system

ABOUT FRED. OLSEN WINDCARRIER

Fred. Olsen Windcarrier (FOWIC) provides efficient and cost-effective transport, installation, and service solutions to support its clients across all phases of a wind farm lifecycle. We are committed to the future of offshore wind energy, supplying industry-leading expertise, solutions, and hardware to help our clients establish tomorrow's offshore wind gigaparks.

We are a subsidiary of Fred. Olsen Ocean (FOO), continuing a tradition dating back to 1848 when the Fred. Olsen family first entered the shipping business. Together, the Fred. Olsen related companies can provide integrated solutions within offshore wind. FOO is wholly owned by the Norwegian stock listed company Bonheur ASA, which is managed by Fred. Olsen & Co.

FOWIC was established in 2008 to meet the increasing demand for offshore wind installation vessels with the capability to transport and install next-generation wind turbines, as well as to provide superior facilities for crews and teams.

FOWIC's main assets include the three Tern vessels owned and operated through subsidiaries and offices in Oslo (Norway) and Fredericia (Denmark). FOWIC's jack-up vessels deliver services to the offshore wind industry and are indirectly contributing to renewable energy productions by installing and maintaining offshore wind turbines.

OUR VISION



There is a future where every coastal nation harnesses offshore wind, the sustainability movement leads the way, and we are one of the visionaries supporting the quest to establish tomorrow's offshore wind gigaparks. It's more than wind and sea. It's power for people, and we can pass it on to the next generation. That future is our opportunity.

OUR MISSION



Deliver precise marine operations while preparing & building teams and assets to support key, global partners with installation & maintenance of offshore wind gigaparks – heavier, higher and faster.

OUR VALUES



**CURIOUS,
ENGAGED AND
CONNECTED**

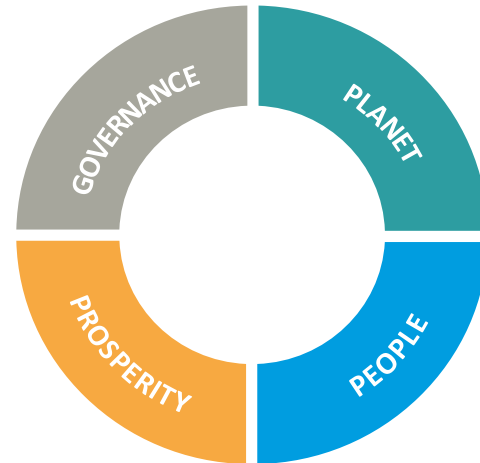
We make healthy decisions at all levels
We think new with our partners
We know and respect our colleagues

ABOUT THE REPORT

This report contains disclosures in line with the World Economic Forum’s (WEF) efforts to develop a core set of common sustainability metrics, covering the Governance, Planet, People, and Prosperity. In addition to complying with the WEF’s reporting, FOWIC is following the signs for future reporting requirements from the European Financial Reporting Advisory Group (EFRAG). As a result, we have included reporting on Taskforce on Climate Related Financial Disclosure (TCDF) and have chosen to report on EU Taxonomy although not currently a requirement for FOWIC.

The report covers our total activities, including our contribution to clean energy installation. For 2022, we have limited the sustainability reporting with the following boundaries:

- WEF Theme: “Climate Change”: The Scope 1, 2, and 3 GHG emissions are reported in accordance with the GHG Protocol Corporate standard. However, scope 3 is limited to the topics where reliable data is available



¹<https://www.weforum.org/reports/measuring-stakeholder-capitalism-towards-common-metrics-and-consistent-reporting-of-sustainable-value-creation>

MATERIALITY ASSESSMENT

The purpose of the materiality assessment is to identify key environmental, social and governance (ESG) risks and opportunities and refine the sustainability strategy.

The materiality assessment covers the scope of ownership, management, and operation of our jack-up vessels, including execution of projects and concept development for the offshore wind industry.

In the assessment of sub-topics we have used double materiality method identifying both the business risks and opportunities (financial materiality) and economic, environment and social impact (impact materiality).

In the assessment, we followed the guidelines provided by EFRAG for double materiality assessment but acknowledge that these guidelines are formally published as draft only.

HIGH PRIORITY MATERIAL ISSUES	PRIORITY MATERIAL ISSUES	MONITOR AND MANAGE
Climate	Business ethics and anti-bribery	Waste
Human- and labour rights	Diversity	Biodiversity and marine pollution
Health and safety	Governance and compliance	Air pollution
	Competence	

High priority material issues: Critical for FOWIC (detailed disclosure)

Priority material issues: Significant for FOWIC (disclosure)

Monitor and manage: Important topics on the watch list (discretionary disclosure)

ENVIRONMENT



SCOPE AND OBJECTIVE - ENVIRONMENT









This chapter includes FOWIC’s material topics: Climate (climate risk, installed renewable energy and Green House Gas (GHG) emission, EU Taxonomy), waste, biodiversity (nature loss and environmental incidents); and air pollution.

Our vessels deliver services to the offshore wind industry and are indirectly contributing to renewable energy productions by installing and maintaining offshore wind turbines. The operation of FOWIC’s vessels involves release of greenhouse gases (GHG) to the atmosphere, water usage, impact of the coastal ecosystems by potentially transferring alien species through ballast water operations.

Our environmental objectives 2022:

Applicable UN Sustainability Development Goals:



 <p>Objectives: Continue to provide transport and installation services for the offshore wind industry</p> <p>Status: Backlog of Euro 553 millions secured per 31.12.2022</p> <p>Reference p. 12</p>	 <p>Objectives: Reduce environmental impact to life below water related to microplastic from cloth washing</p> <p>Status: <i>Microplastic filters not implemented in 2022</i></p> <p>Reference N/A</p>
 <p>Objectives: Reduce CO2 emission (Scope 1 and Scope 2) in project by 5% in 2022 compared with tender baseline for each project</p> <p>Status: All three vessels reduced emission compared to baseline. However, the baseline is influenced by estimates.</p> <p>Reference p. 13 - 14</p>	 <p>Objectives: Zero environmental spills and dropped objects to sea</p> <p>Status: Environmental incidents: 1</p> <p>Reference p. 16</p>
 <p>Objectives: Reduce CO2 emissions (Scope 1 and Scope 2) in idle periods by 4% in 2022 compared with average from 2015 – 2020</p> <p>Status: Brave Tern reduced CO2 emission in idle by 12 %. (Zero idle in port periods for Bold Tern and Blue Tern)</p> <p>Reference p. 13 - 14</p>	 <p>Objectives: Reduce vessel non-recyclable plastic, general waste, and food waste per POB with 10% compared to 2021</p> <p>Status: General waste reduction per POB 25% Food waste reduction per POB 4%</p> <p>Reference p. 17</p>
 <p>Objectives: Report Scope 3 CO2 emissions</p> <p>Status: Reporting on 4 out of 7 applicable categories. One category fully reported, three categories partly reported on.</p> <p>Reference p. 13 - 14</p>	 <p>Objectives: Actively enable digitalization to aid reduction of our environmental footprint</p> <p>Status: <i>Digitalisation measures not implemented in 2022</i></p> <p>Reference N/A</p>

CONTRIBUTION TO RENEWABLE ENERGY PRODUCTION

In 2022, FOWIC had three vessels in operation which were operationally utilised for 92% of the year (including time spent in yard). During the year, our activities have involved:

- Installation of 54 wind turbine generators (WTG's) with an installed capacity of 440 MW and contributing indirectly to a material positive contribution to reduce CO2 emissions
- Installation of 25 foundations with an installed capacity of 227 MW and contributing indirectly to a material positive contribution to reduce CO2 emissions

Total installed WTG

836 WIND TURBINES
INSTALLED BY END OF 2022

EQUIVALENT TO **5.5** GW OF
POWER



WTG T&I statistics (excluding O&M projects and FOU installation)

GREEN HOUSE GAS EMISSION

(WEF theme: "Climate change")

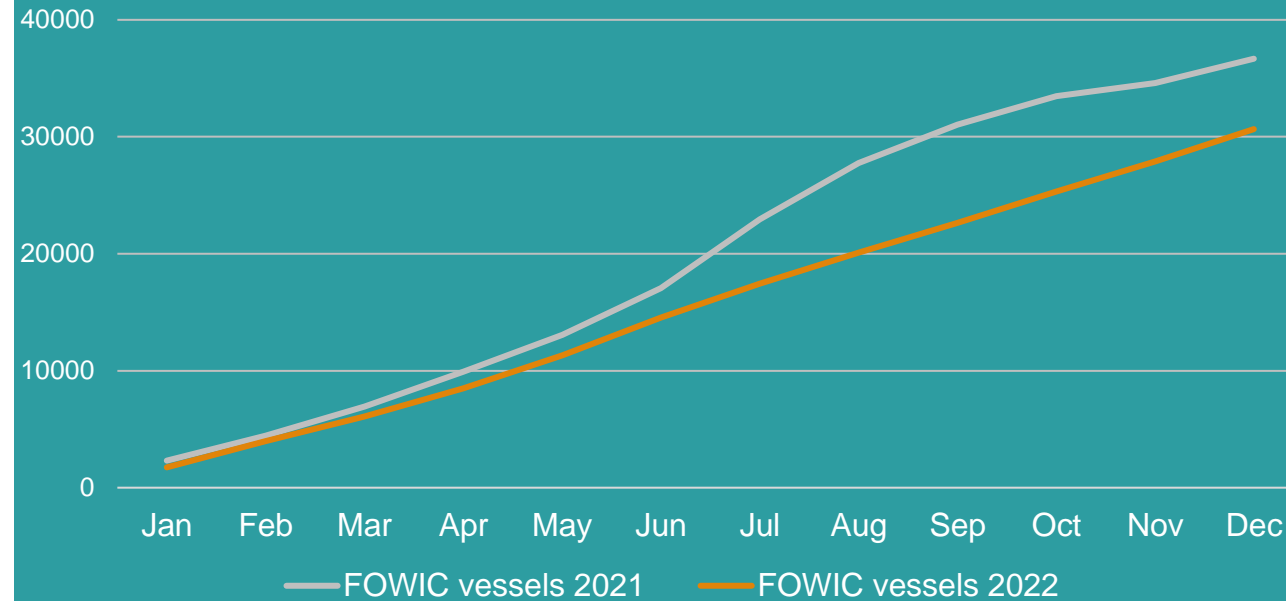
Scope 1 is the direct GHG emissions occurrence from sources that are owned and controlled by the company. In FOWIC, this emission refers to emission from combustion onboard our vessels. Initiatives are taken to reduce the CO2 emissions from our vessels, this includes:

- Installation of Variable Frequency Drives (VFD's)
- Installation of shore power connections
- Running on energy efficient speed in operations controlled by FOWIC

Scope 2 accounted for GHG emissions from the generation of purchased electricity consumed by the company. Scope 2 emissions physically occur at the facility where electricity is generated. For FOWIC this includes purchased energy for the offices in Denmark and Norway. For the main office (in Norway) we have a Guarantee of Origin (GO) scheme with the electricity provide. GO is a European label scheme for electricity – through this scheme a power consumer receive documentation that the given amount of electricity has been produced from a renewable energy source.

Scope 3 is indirect emissions that are a consequence of the activities of the company but occur from sources not owned or controlled by the company. It is our intention to expand the reported Scope 3 emission categories as reliable and transparent data becomes available. The four categories ticked off in the table included in this year's report show that we have started the processes. Collecting data and assessing and improving data quality is an iterative process. In the initial years of Scope 3 data collection, FOWIC may need to use data of relatively low quality due to limited data availability. Over time, FOWIC shall seek to improve the data quality.

Accumulated Scope 1 CO2 emission (t)



CO2 emission reduction in 2022 can primarily be explained by Bold Tern transit from Europe to Asia in 2021 resulting in an increased CO2 emission in 2021. Further there was an increase of major upgrade/yard stay days in 2022 compared with 2021 which contributes to keeping CO2 emission low compared with vessel in full operation.

GREEN HOUSE GAS EMISSION

EMISSION TYPE	ACTIVITY DATA	tCO2eq	EMISSION FACTOR	REMARKS
SCOPE 1				
Direct emissions	Fuel consumption	30,656.0	3.16	Emission factor calculated from the molecular formula we use for Marine Diesel Oil (C12H23)
SCOPE 2				
Indirect emissions Oslo offices	Purchased electricity	3.1	11 gCO2e/kWh (NVE)	Total kwh received by Fred. Olsen Property. Best estimate on company split
Indirect emissions Fredericia offices	Purchased electricity	4.1	130 gCO2e/kwh (eea)	
Indirect emissions Shore Power	Purchased electricity	0.0	TBC	No shore power available in place of operation in 2022
SCOPE 3				
Capital goods	Grillage and seafastening	803.4	1.89 tCO2e/t (world steel association)	Capital goods limited to grillage and seafastening in the start-up years for Scope 3 reporting
Fuel and energy related activities (not covered in Scope 1 or Scope 2)	Purchased fuel	5,607.3	0.5757 tCO2e/t (ittc)	Amount of climate pollutants emitted upstream Well-To-Tank (WTT) from purchased fuel
Waste generated in operations	Waste generated in operations	2.5	21.294 kgCO2e/t (DEFRA)	Waste limited to waste from the vessel. For combustion and recycling, the factors consider transport to an energy recovery or material reclamation facility only. This is in line with GHG Protocol Guidelines with subsequent emissions attributed to electricity generation or recycled material production respectively
Business travel	Flights	695.9	-	Fred. Olsen Travel provides CO2 reports

LIFE CYCLE ASSESSMENT

In 2022 FOWIC initiated a project to conduct Life Cycle Assessment (LCA) of its vessels, conducted by ReFlow. The decision was made to start with two of the vessels, Bold Tern and Brave Tern, as these have the same design to gain some synergies.

Objective

The intended application of the LCA is to quantify and assess the environmental impacts attributed to the complete life cycle of these two wind turbine installation vessels, including their main components and sub-components. This also includes the main drivers of the vessels' global warming potential impact attributed to the vessels' life cycle, for example CO2e hotspots.

Basis for impact assessment

The LCA model chosen for this assessment is SimaPro and the assessment is performed using the ReCipe 2016 Midpoint (H) V1.06 method which includes 18 midpoint impact categories. The assessment also includes a hotspot analysis and comparisons in the same system. No comparisons between different systems will take place, therefore no special requirements are needed.

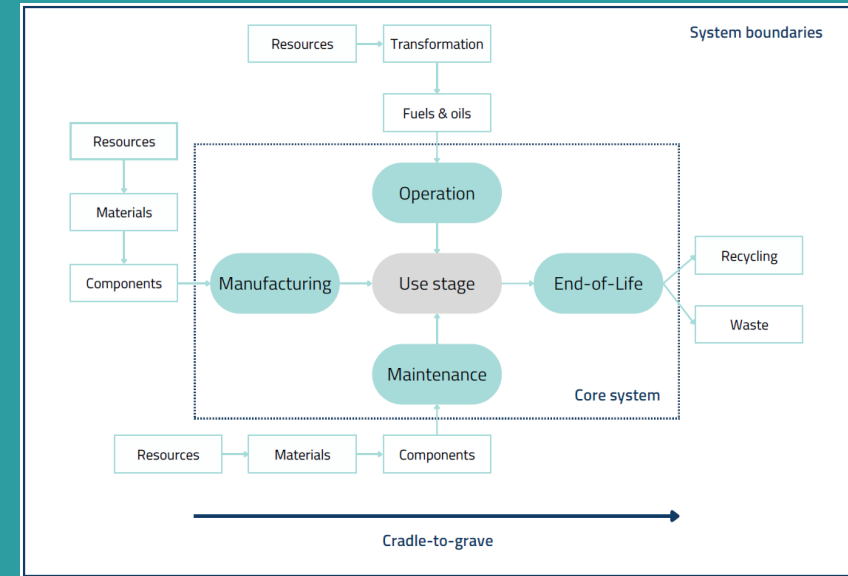
Preliminary findings

The complexity of this project is great, as is its innovation. In this document, preliminary results for the LCA analysis are presented yielding the following emission distribution: 80% of the emissions are related to the operational consumption of Diesel and Lubricant Oil; and the remaining 20% are from the ship's construction and assembly processes. This underlines the need for further analysis of the maintenance, conversion, and end of life. Maintenance and End-Of-Life will be analysed in the full report.

Outstanding's

Today, large shipping companies are gradually striving to decarbonize short sea shipping by promoting the replacement of conventional energy systems with alternative ones. With the preliminary results of this assessment, a new perspective has been identified when looking at environmental impact data. Since the emission range of Hull, Legs, and Jack Houses is significant, their related maintenance and conversion processes may be relevant for the environmental impact profile of the vessel. The maintenance/conversion impacts, and the End-Of-Life phase will be addressed in the next step of the LCA. This underlines the need for accurate data related to the conversion processes and maintenance for both vessels to investigate this further.

Basis for impact assessment



Preliminary findings

Unit	tCO2eq	%
Total	315,848.3	
Operational - MGO and Lube Oil (25 years)	250,513.5	79.31
Assembly process	1,912.8	0.61
1. Hull	14,030.8	4.44
2. Equipment for cargo	10,010.4	3.17
3. Ship equipment	2,310.0	0.73
4. Equipment for crew	2,854.1	0.90
5. Machinery main components	2,136.6	0.68
6. Systems for machinery main components	5,043.1	0.6
7. Ship common systems	8,324.0	2.64
9. Non SFI Code component	23,163.3	7.33
Water (consumption + wastewater) (25 years)	88.0	0.03

ENVIRONMENTAL INCIDENTS

(WEF theme: "Nature loss")

FOWIC has requirements and barriers against lost items to sea and environmental spills to sea. Vessel-specific Shipboard Oil Pollution Contingency Plan (SOPEP) manuals are in place to prevent environmental spills and we have prepared mitigating actions in case of an incident. Environmental drills are carried out on a regular basis in accordance with a drill plan.

Our vessels have had one environmental spill in 2022, which was a hydraulic leak from an Offshore Access System (OAS) gangway. The spill was estimated to be less than 10 litres and was caused by the erosion of a pipework fitting.



WASTE

(WEF theme: "Solid waste")

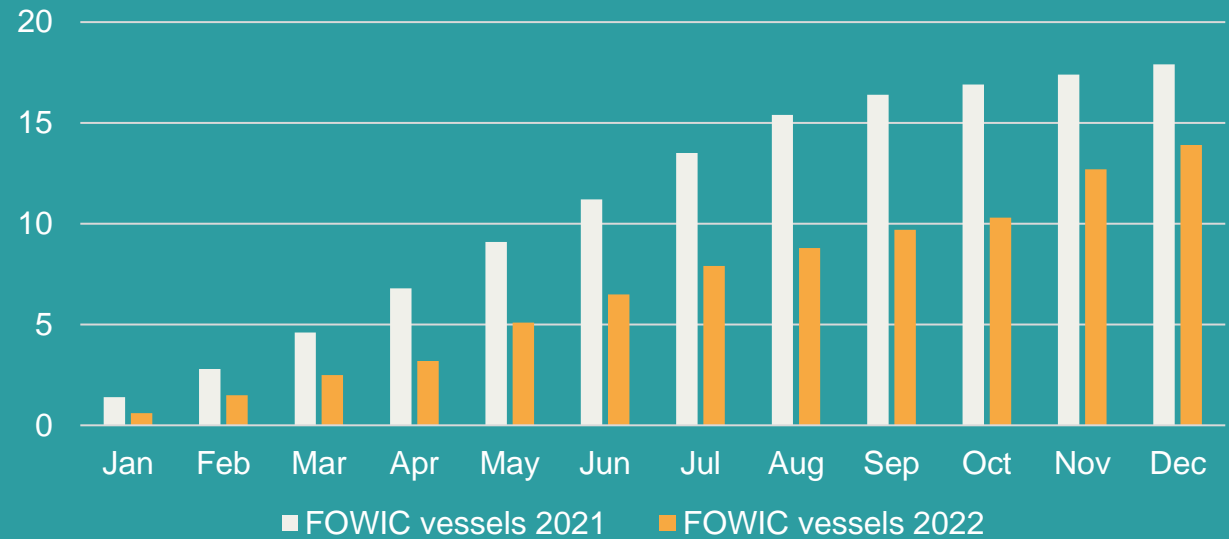
FOWIC has implemented a system of re-useable water bottles and banned all plastic bottles from our vessels. This has contributed to reduced plastic waste onboard the vessels.

We are sorting waste onboard our vessels in accordance with MARPOL Annex V and are monitoring and recording all waste generated onboard our vessels.

Targets have been established to reduce waste generation.

Waste category	2022	2021
Aluminium cans (kg)	2,122	2,111
Cooking oil (m3)	53	3.48
Dangerous waste (kg)	8,520	5,543
E-waste (kg)	4,209	1,063
Food waste to sea (kg)	2,626	3,303
Food waste to shore (kg)	38,440	30,767
Glass (kg)	2,354	2,041
Medical (kg)	86	30
Metal (kg)	3,260	47,320
General waste and non-recyclable plastics (kg)	13,919	17,877
Oily waste (incl. oily rags) (kg)	8,187	9,991
Paper/cardboard (kg)	13,696	12,990
Rags (kg)	679	989
Recyclable plastics (kg)	7,473	8,357
Wood (kg)	10,325	8,472
Total:	115,948	150,855

FOWIC vessels general waste (tonnes)



BIODIVERSITY AND MARINE POLLUTION

(WEF theme: "Nature loss")

FOWIC's environmental contribution to nature loss is managed through the following areas:

- Discharge of ballast water is carried out strictly in accordance with the requirements of the compliance with Ballast Water Management Convention
- Ballast water treatment systems are installed on all three of our vessels
- The discharge of bilge water is controlled via an Oily Water Separator (OWS) which is certified to 5 ppm. It is considered that bilge water with <5 ppm has little environmental impact
- The vessels Brave Tern and Bold Tern, have Voith Schneider thrusters installed which produce lower noise levels than conventional thruster units and hence reduce the impact on marine animals
- FOWIC's land use is limited to the permanent offices. Land use is therefore not considered material to FOWIC
- Discharge of sewage is through an approved sewage treatment unit



CLIMATE RISKS AND OPPORTUNITIES

(WEF theme: "Climate change")

Climate risks and opportunities are an integrated part of FOWIC’s sustainability policy. The corporate risk assessment (including climate-related risks) is presented and discussed at monthly risk management meetings. During these, management discusses current risks assessments, including climate risk. Our status and progress on ESG risks, objectives and metrics are included at quarterly Board meetings.

FOWIC’s CEO has overall responsibility for sustainability (including climate related risks and opportunities) in the Company. The CEO is supported by the COO and the Sustainability Manager on a day-to-day basis.

The climate risk assessment describes transition risks, physical risks and climate related opportunities. The climate risk assessment considers the likelihood and consequences for five different scenarios, known as Shared Socio-economic Pathways (SSP’s).

The risk assessment follows the Task Force on Climate-related Financial Disclosures (TCFD) framework. Physical risks are structured in accordance with the EU Taxonomy framework.

Initial steps of the climate risk assessment are to screen physical climate risks as listed in the EU Taxonomy for materiality for FOWIC.

In the next step the material physical risks, together with the transition risks, are risk assessed using the information on the five different scenarios from IPCC, classifying the risk based on time horizon and financial impact. It should be noted that FOWIC’s assets have a lifetime expectancy of 25 – 30 years and the ‘near term’ results from the scenarios are therefor used (2021 – 2040).

CLIMATE OPPORTUNITIES						
#	Opportunity area:	Desirable effects:	Time horizon	Financial impact	OF*	Strategy
1	Access to increased market	Access to increased market may result in increased revenues	Medium	High	6	Utilise access to new markets
2	Energy source and new technology	Use of lower-emission sources of energy and new technology may lead to reduced exposure to future fossil fuel price increases, reduced exposure to GHG emissions, and therefore results in less sensitivity to changes in cost of carbon, Returns On Investment in low-emission technology, increased capital availability (investors favour lower-emissions producers) and reputational benefits resulting in increased demand for services	Medium	Medium	4	Use of lower-emission sources of energy and new technology
3	Resource efficiency	Use of more efficient modes of transportation may result in reduced operational costs	Short	Low	3	Use of more efficient modes of transportation

*Opportunity factor

CLIMATE RISKS AND OPPORTUNITIES

(WEF theme: "Climate change")

CLIMATE RISKS						
#	Risk area:	Description (What can happen?)	Time horizon	Financial impact	RF*	Risk treatment
1	Cost of GHG emission and reporting obligations Policy and legal (transition risk)	Increased pricing of GHG emission could lead to increased operational/project cost Enhanced emissions-reporting obligations could lead to deviation from customers' expectations and/or deviation towards authorities resulting in loss of project opportunities/reputation loss	Short	Medium	6	Training/seminars for employees All departments to contribute to the reporting Assess need for additional resources Contracts
2	Lower emission technology Technology (transition risk)	Unsuccessful investment in new technology could lead to falling behind competitors, resulting in loss of project opportunities Cost to transition to lower emission technology may lead to increased operational/project cost	Medium	High	6	Actively use of digitalisation Assessing new fuel types Prepare vessel for shore power connections
3	Cyclone hurricane/typhoon Acute (physical risk)	Increased severity of extreme weather events such as tropical revolving storms may lead to loss of vessel	Long	High	3	As low as reasonable possible (ALARP) procedures based on quantitative risk assessments Tropical revolving storm response plans Two independent weather forecast systems
4	Raw material Market (transition risk)	Increased cost of raw materials could lead to increased project and operational cost	Medium	Medium	4	Reuse grillage and seafastening
5	Precipitation patterns Chronic (physical risks)	Changes in precipitation patterns and extreme variability in weather patterns may lead to increased WoW periods and increased tolerance requirement for structure and seafastening. In the near term, heavy precipitation events are expected to increase from 1,3 times every 10 years to likely 1,5 times every 10 years with a 1,5°C increase	Long	Low	1	Risk management in contracts Two independent weather forecast systems
6	Changing wind pattern Chronic (physical risks)	Changes in wind patterns and extreme variability in weather patterns may lead to increased WoW periods and increased tolerance requirement for structure and seafastening. >5 land and coastal regions have medium confidence of increase mean wind speed, <5 land and coastal regions have high confidence of decreased mean wind speed and >10 land and coastal regions have medium confidence of decrease mean wind speed. Changes refer to a 20 to 30-year period centered around 2050 and/or consistent with 2°C global warming compared to a similar	Long	Low	1	Risk management in contracts Two independent weather forecast systems
7	Rising sea levels Chronic (physical risks)	Rising sea levels may result in changes in market	Long	Low	1	Follow market

*Risk factor

EU TAXONOMY

(WEF theme: "Climate change")

Background

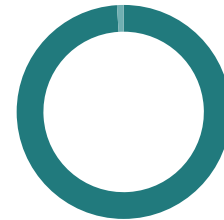
EU Taxonomy is a system of classification that establishes clear and consistent criteria for determining if economic activities are sustainable. It utilises science-based technical screening criteria that must be met for an activity to be considered 'green'.

Assessment of activity

The choice of the activities for FOWIC is not straightforward. The taxonomy activity '7.6 Installation, maintenance and repair of renewable energy technologies' only includes activities related to installation, maintenance, and repair of renewable energy technologies when such technologies are installed as technical systems that is in connection with buildings. We have therefore assessed the activity '4.3 Electricity generation from wind power' to be the most relevant for the company's activities.

The description for this activity is: 'Construction or operation of electricity generation facilities that produce electricity from wind power'.

Turnover



- 99% aligned
- 0% Not aligned
- 1% Not eligible
- 0% In Progress

Since FOWIC's installation services are integral parts of the construction of the wind farm, our activities are assessed to be eligible under this activity. It should be noted that since the taxonomy is still in an early phase, best practice on how to interpret the activities for companies installing renewable energy technologies not connected directly to buildings is yet to be established. FOWIC is monitoring the development of industry best practices and is ready to update the choice of taxonomy activity following any further clarifications from the Commission's side.

Turnover from FOWIC employees seconded to other companies are not considered to be eligible and constitute the 1% Non eligible.

CapEx



- 100% Aligned
- 0% Not aligned
- 0% Not eligible
- 0% In Progress

DNSH and minimum social safeguard

Each of the activities under each of FOWIC's defined reporting units have been assessed against the technical screening criteria for the respective activities defined in the Climate Delegated Act . As the taxonomy regulation is still under development, the focus has been on transparency, best intention, and providing explanation for choices made when interpreting the criteria. The interpretation of the criteria is based on both the explicit information available and the understanding of the purpose of the requirement.

OpEx



- 100% Aligned
- 0% Not aligned
- 0% Not eligible
- 0% In Progress

EU Taxonomy score

To assess our activities' eligibility and alignment, we have used Celsia's taxonomy software solution. 'Eligible' means that the company substantially contributes to one of the six environmental objectives of the taxonomy. To be 'Aligned', the company must meet two additional criteria:

- Do-No-Significant-Harm (DNSH) in relation to the other environmental objectives
- Comply with Minimum Social Safeguards as described in the taxonomy regulations

SOCIAL











SCOPE AND OBJECTIVE - SOCIAL

This chapter includes FOWIC’s material topics: Human- and labour rights, health and safety; and diversity. FOWIC creates jobs both within its own corporate structure and contributes to facilitate jobs externally. We also contribute to growth within the ocean economy at large. FOWIC has business activities in Norway, Denmark, Taiwan, and in international waters. We employ 258 people between the vessels and offices.

Applicable UN Sustainability Development Goals:



Our social objectives 2022:

 <p><u>Objectives:</u> Zero Lost Time Incidents (LTI)</p> <p><u>Status:</u> 2 LTI cases</p> <p><u>Reference</u> p. 25</p>	 <p><u>Objectives:</u> Retention rate for marine crew >97%</p> <p><u>Status:</u> 93.7%</p> <p><u>Reference</u> p. 37</p>
 <p><u>Objectives:</u> Zero medical treatment case (MTC) incidents</p> <p><u>Status:</u> 3 MTC cases</p> <p><u>Reference</u> p. 25</p>	 <p><u>Objectives:</u> Substituted hazardous chemicals in health class 4&5</p> <p><u>Status:</u> Continuous</p> <p><u>Reference</u> N/A</p>
 <p><u>Objectives:</u> Short term sick leave <1%</p> <p><u>Status:</u> 0.6%</p> <p><u>Reference</u> p. 25</p>	 <p><u>Objectives:</u> Increase satisfaction with leadership development in 2022 compared with 2020 work environment survey</p> <p><u>Status:</u> Score 2022: 75 (Baseline 2020: 70)</p> <p><u>Reference</u> p. 25</p>
 <p><u>Objectives:</u> Work related sick leave 0%</p> <p><u>Status:</u> One case</p> <p><u>Reference</u> p. 25</p>	 <p><u>Objectives:</u> Increase satisfaction with skills development in 2022 compared with 2020 work environment survey</p> <p><u>Status:</u> Score 2022: 73 (Baseline 2020: 67)</p> <p><u>Reference</u> p. 25</p>

HEALTH AND SAFETY

(WEF theme: "Health and wellbeing")

Safety management system

The 'Fred. Olsen HSE Manual' is the governing document for all our activities and it specifies the safety performance standards and safety requirements within each hazard area.

A comprehensive safety management system has been implemented for all our vessels, consisting of procedures, work instructions, risk assessments, emergency response, and incident reporting system.

Occupational illness and sick leave

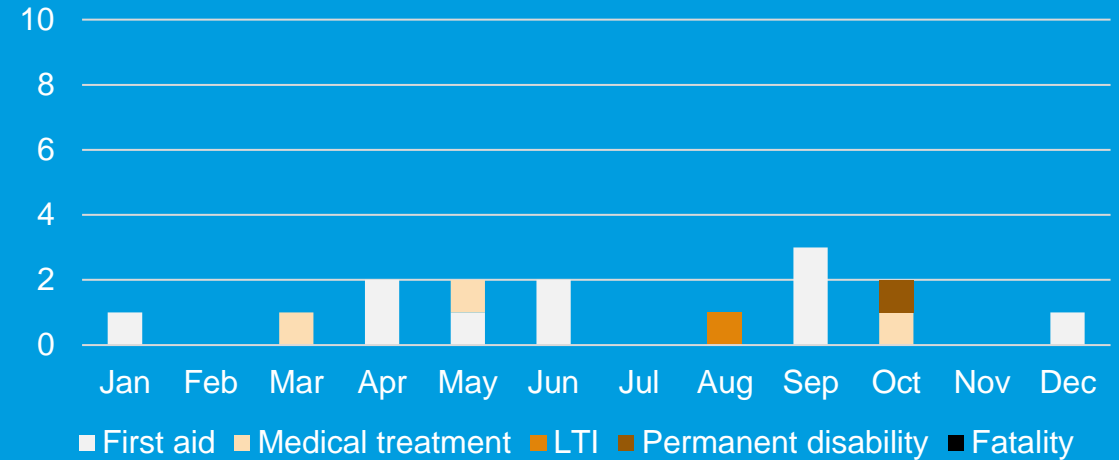
There were one reported cases of occupational illness.

The sick rate was 1.8% for FOWIC NO, 0.42% for FOWIC DK and 1.26% for the marine crew.

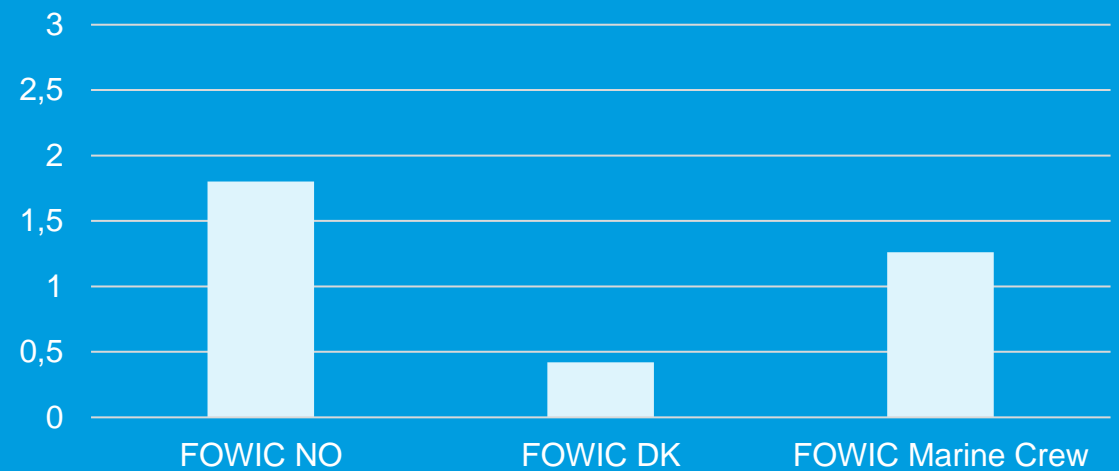
HSE incidents

In 2022, we had two Lost Time Incident (LTI) out of which one is a Permanent disability case. The LTI was a finger injury when using torque tool (subcontractor). The permanent disability was finger injury operating moving equipment (marine crew).

Personnel incidents 2022



Sick leave



COMPETENCE

(WEF theme: "Skills for the future")

In 2021, Fred. Olsen Windcarrier launched its Behavior Competency Framework for both the offshore and onshore workforce. This exciting initiative allows us to define the behavioral competencies expected of our leaders and managers, with a focus on building their skills and creating opportunities for career development.

The Framework promotes fair evaluation criteria for human resource management. This covers the skillsets we see as most important for different leadership positions, how to assess an employee's current strengths, and how they can be encouraged to build on their own skills, as well as other people's.

In 2022, the Behavior Competence Framework was implemented for the onshore organisation. The same principles have also been used for our onshore organization, to link both sides of Fred. Olsen Windcarrier closer together with the same values and expectations for leadership and growth.



Here, as there are many different roles across our offices, we compressed the competency framework into 'types' of leader vs by position, for example Team Leader, People Leader, and Organizational Leader. We amended the framework where necessary to conform to the office environment, which differs slightly in that it involves different strategic and commercial client relationships.

Whilst in 2021 engagement with the offshore workforce was limited due to the pandemic, in 2022 we started to meet physically again off the vessels.

FOWIC held two conferences in 2022 where values and elements of the competency framework were highlighted. Internal company conferences strengthen relationships across the company and provide a common learning and discussion space.

Read more about the Behavior Competence Framework here: [Turning good leaders into great leaders \(windcarrier.com\)](https://www.windcarrier.com).

Maritime trainee program

In 2021, Fred. Olsen Windcarrier joined the Maritime Trainee program with one participant. The Maritime Trainee program is one of the leading management trainee programs in Norway.

It is organized by the Norwegian Shipowners' Association and lasts for 18 months. The program combines day-to-day work in Fred. Olsen Windcarrier with an academic program with modules in Norway, Singapore, and London. It is designed to give participants three main competencies: general maritime knowledge, deeper insight into to their company, and management training. In 2022, we hired another trainee, starting from summer 2023. Through the program, trainees gain a broad overview of the maritime industry and the necessary skills and capabilities to succeed in a management position in the future.

HUMAN RIGHTS

(WEF theme: "Dignity and equality")

Introduction

This statement is written in compliance with 'Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act)' §5 and 'OECD Due diligence guidance for responsible business conduct' section 5.1.

Human rights governance

We take our responsibilities seriously, with human rights and labour standards being a priority. Across our organization, at every level, we are committed to complying with national and maritime laws, rules, and regulations, and we require our subcontractors to do the same.

The principles of OECD Guidelines for Multinational Enterprises and UN Global compact Guiding principles on business and human rights is incorporated into Fred. Olsen Windcarrier's governing policies.

We also have a zero tolerance policy towards discrimination around gender, age, ethnic origin, disability, sexual orientation, religion, political opinion, or otherwise. The personnel policy is defined in our Personnel Handbook and is reflected in the Code of Conduct covering fundamental employment rights, human rights, non-acceptance of child labour, and acceptance of union memberships.

Our Code of Conduct helps to ensure we always maintain the highest ethical standards. All employees are given copies and mandatory training is implemented to ensure every point is anchored within our working culture. You can read our full Code of Conduct [here](#).

FOWIC Code of Conduct is owned and signed by the CEO. FOWIC HSEQ Manager, Sustainability Manager & DPA, COO should be involved in reviewing. Reviewed as a part of Management Review with all senior Management.

The latest version of our Code of Conduct is always available on our web page. We conduct training for all employees on Code of Conduct, Corporate Social Responsibility – CSR and Policy & Anti-corruption, and anti-bribery training upon employment, which is repeated every second year.

Our Code of Conduct is issued to all suppliers. A supplier evaluation questionnaire is further issued to suppliers, which must be signed.

Actual and potential adverse impact and risks

In this context, FOWIC Operations includes the ownership, management, and operation of our jack-up vessels, including execution of projects (engineering and Transport and installation) for the offshore wind industry. This is geographically widespread and current pipeline includes operations in Asia, Europe, and America.

We have used our own experience gathered throughout the years working in the different areas/operations and external sources for the identification of adverse impact in addition to recognised external sources.

The following external sources has been used in the assessment:

- Business & human rights resource Centre (business-humanrights.org)
- Coastal renewables | Institute for human Rights and Business (ihrb.org)
- Human rights - Danske Rederier (danishshipping.dk)
- How EU steel production is violating human rights | Danwatch
- Amnesty International
- ITUC GRI – Home (globalrightsindex.org)

HUMAN RIGHTS

(WEF theme: "Dignity and equality")

Actual and potential adverse impact and risks cont.

The following areas of sectors have been identified as significant Responsible Business Conduct (RBC) risks:

- Shipping – crew management
- Shipping – repairing/upgrade/maintenance/ building vessels
- Supply chain – steel
- Supply chain – textiles
- Waste handling/chemical disposal
- Local purchases

The following geographic areas have been identified as significant Responsible Business Conduct (RBC) risks:

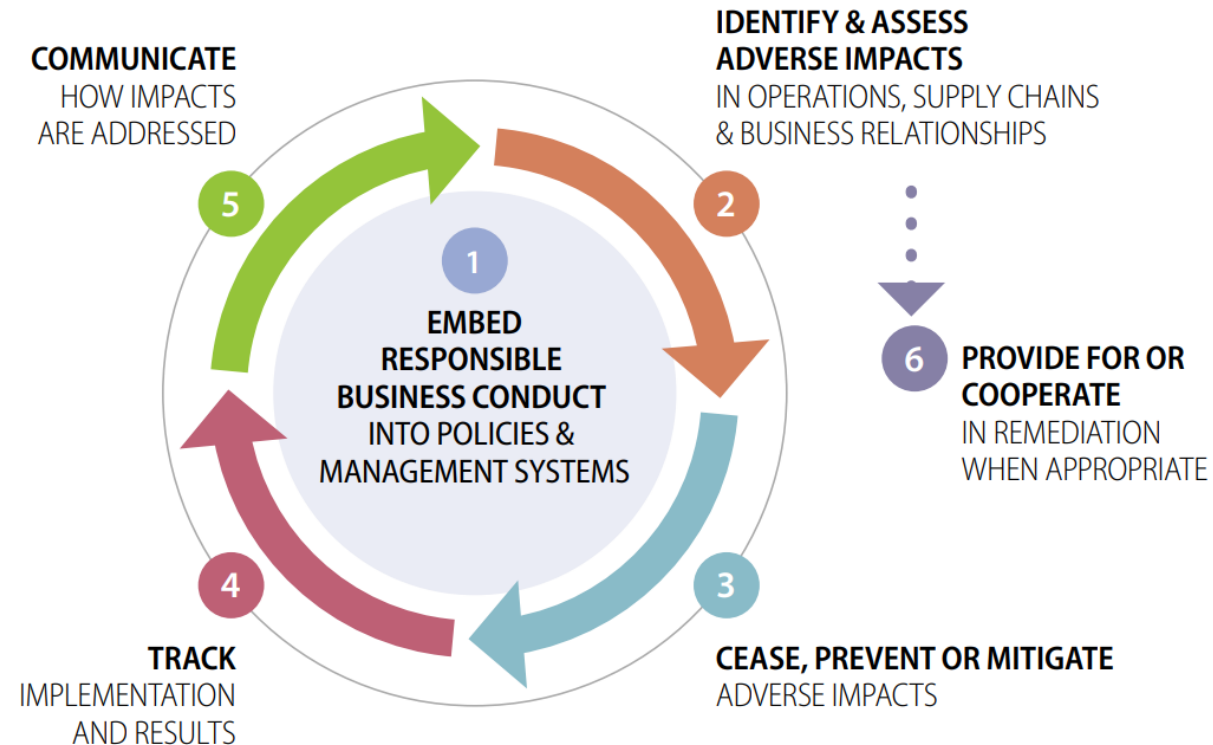
- Asia – China (supply chain)
- Asia – Philippines (crewing agency)
- Asia – Taiwan (operations)
- USA (operations)

Measures and progress

In 2022, FOWIC conducted the first due diligence assessment in accordance with OECD Guidelines for responsible business conduct. This is in accordance with the new Transparency Act, which entered into force in 2022.

Actions completed in 2022:

- Code of Conduct revised
- Whistleblowing channel published on FOWIC webpage
- Audit of 3rd party crewing agency in September 2022
- Increased focus on human rights in yard selection process for Brave Tern 2023 upgrade and crane replacement project
- 99 employees completed Code of Conduct and Corporate Social Responsibility (CSR) courses in 2022. These course are valid for two years



EQUALITY AND ANTI-DISCRIMINATION

(WEF theme: "Dignity and equality")



Introduction

FOWIC has conducted its activity duty in accordance with the Norwegian Act relating to equality and a prohibition against discrimination (Equality and Anti-Discrimination Act). The activity duty aims to improve the position of women and minorities and shall help to dismantle disabling barriers created by society and prevent new ones from being created.

Fred. Olsen Windcarrier ASA has obligations pursuant to section 26 of the before-mentioned act.

However, crew and employees employed in overseas entities have also been included for sake of transparency.

Due to marine crew and office employees having two separate HR systems with separate legislation applying, marine crew and office employees are presented separately.

In general, we are satisfied with gender and age distribution. However, it is acknowledged that FOWIC still has a risk of discrimination and barriers for equality. Appropriate measures have been implemented for continuous improvement.

Total gender pay gap reflects that there are more men in senior positions.

The statement can be read in full in Annex B.

	Unit	Males	Females
FOWIC total	Percentage (%)	57.4	42.6
FOWIC NO total	Percentage (%)	53.3	46.7
FOWIC Management Group	Percentage (%)	75	25
FOWIC marine crew	Percentage (%)	81	19
Temporary employees	Numbers	3	2
Parental leave	Weeks (days)	36.8 (258)	46.5 (326)
Gender pay gap - total	Percentage (%)	100	82.6
Age split (office employees)	Unit	2022	
Age 20-29	Numbers	7	
Age 30-39	Numbers	22	
Age 40-49	Numbers	20	
Age 50-59	Numbers	9	
Age 60-69	Numbers	10	

GOVERNANCE



SCOPE AND OBJECTIVE - GOVERNANCE

This chapter includes FOWIC’s material topics: Human- and labour rights, health and safety; and diversity. FOWIC creates jobs both within its own corporate structure and contributes to facilitate jobs externally. We also contribute to growth within the ocean economy at large. FOWIC has business activities in Norway, Denmark, Taiwan, and in international waters. We employ 258 people between the vessels and offices.

Applicable UN Sustainability Development Goals:



Our governance objectives 2022:

	<p><u>Objectives:</u></p> <p>Ensure a sustainable business through fleet utilisation (incl. time spend in yard)</p>	<p><u>Status:</u></p> <p>Brave Tern 70.7%</p>	<p>Bold Tern 100%</p>	<p><u>Reference</u></p> <p>Blue Tern 93.5%</p>
	<p><u>Objectives:</u></p> <p>Technical uptime > 99%</p>	<p><u>Status:</u></p> <p>99.2 %</p>	<p><u>Reference</u></p> <p>N/A</p>	<p><u>Objectives:</u></p> <p>Be in compliance with all national, local, and maritime laws, rules and regulation that apply for our activity</p> <p><u>Status:</u></p> <p>Zero major deviation or detentions</p> <p><u>Reference</u></p> <p>Annex. A</p>
	<p><u>Objectives:</u></p> <p>Customer satisfaction score > total score 22 or higher (of 25)</p>	<p><u>Status:</u></p> <p>20.8</p>	<p><u>Reference</u></p> <p>p. 33</p>	<p><u>Objectives:</u></p> <p>Zero corruption incidents</p> <p><u>Status:</u></p> <p>Zero corruption cases</p> <p><u>Reference</u></p> <p>p. 34</p>

BOARD COMPOSITION

(WEF Theme: "Quality of governing body")

Set out below are brief biographies of the board members. The biographies include each board member's relevant management expertise and experience, and indication of any significant principal activities performed by such member outside the company.



Anette S. Olsen, board member (chair)

Anette S. Olsen is the proprietor of Fred. Olsen & Co., which is responsible for the day-to-day operation of Bonheur. As part of these services Anette Olsen holds the position as CEO of Bonheur. Ms. Olsen is chair of the boards of various subsidiaries of Bonheur operating within distinct business segments, hereunder Fred. Olsen Renewables AS, FOO and NHST Holding. She also holds Board positions in inter alia Fred. Olsen Cruise Lines Ltd. and Global Wind Service A/S. Anette S. Olsen holds a Bachelor's Degree in business organization and a Master's Degree in business administration (MBA).

Richard Olav Aa, board member

Richard Olav Aa has been related to the Bonheur Group for several years, and currently serves as CFO in Fred. Olsen & Co., the management company for Bonheur. Within the Bonheur Group, he has further extensive experience in serving as board member through a number of board positions. Richard Olav Aa also has previously worked in Telenor ASA, Arendals Fossekompagni ASA, Norsk Vekst ASA and Elkem ASA. He holds a Master of Science from Norges Handelshøyskole and is a Norwegian citizen residing in Norway.

Ingelise Arntsen, board member

Ingelise Arntsen currently serves as chair in Asplan Viak AS, and is a board member in several major companies that operate within the energy segment such as Statkraft AS and SBM Offshore N.V. Her more than 20 years of experience within the energy segment includes having been the EVP of inter alia Statkraft AS, Aibel AS and Renewable Energy Corporation (REC) ASA, as well as CEO of Sway Turbine AS. Ingelise Arntsen furthermore serves as chair of the nomination committee of Innovasjon Norway. She holds a B.SC in Economics (Econ.) from Handelshøyskole Syd in Danmark and is a Danish citizen residing in Norway.

Håkon Borgen, board member

Håkon Borgen is experienced in the energy sector and has worked with Statnett SF for more than 25 years, currently serving as the EVP Offshore Development. He has previously been involved in the North Sea Link and Nordlink, and has former experience from serving as chair and board member in several companies, such as Statnett Transport. Håkon holds a MSc in Electrical Engineering from NTNU and is a Norwegian citizen residing in Norway.

STAKEHOLDERS

(WEF Theme: "Stakeholder engagement")

A stakeholder is a person or organisation that can affect, be affected by, or perceive themselves to be affected by a decision or activity. Stakeholders are generally subdivided into the following three categories, examples of which are provided as follows for reference:

- External stakeholders - financial institutions, shareholders, clients for whom FOWIC provides a service, the society, the industry
- Internal stakeholders - owners, management companies, and employees
- Regulatory, legal, and other interested parties - flag state legislation, national legislation, particular interest groups such as environmental, human rights, etc.



The stakeholder list is primarily used when identifying risks, and for communication and consultation. Each stakeholder is evaluated regarding its particular interest, involvement, interdependencies, influence, and potential impact by and from FOWIC activities.



FOWIC engages with stakeholders on several different platforms. Close cooperation with clients during projects is maintained and feedback received via customer satisfaction surveys, client audits, and lessons learned sessions. Feedback is received from class/flag state and the authorities during external audits.



FOWIC communicates information widely via actively using official social media accounts and keeping our website up to date and participating in conventions.



In 2022 we received responses from three different clients with an overall impression score 'Very Satisfied' 20%, 'Satisfied' 40% and 'Neutral' 40%.

POLICIES AND ETHICAL BEHAVIOUR

(WEF Theme: “Ethical behaviour”)

Code of Conduct

Our ‘Code of Conduct’ states our policies for ethical behavior. It is published in the management system and is available for all employees. The Code of Conduct is subject to annual reviews and updates.

Anti-corruption and anti-bribery

The definition of bribery is offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person’s duties.

FOWIC’s anti-corruption policy enables managers to address difficult questions in clear concrete manner.

Training

As part of communication and implementation of the policies, our employees undertake the following mandatory compliance related e-learning courses (completed percentage in brackets):

- Code of Conduct (82%)
- Corporate Social Responsibilities (83%)
- Policy & anti-corruption/anti-bribery (78%)

Reported cases

FOWIC had zero corruption cases identified in 2022.

Fred. Olsen Windcarrier

Code of Conduct

In Fred. Olsen Windcarrier we are committed to maintain high ethical standards and integrity.

- All work shall be conducted in compliance with laws, rules, and regulations
- We shall always have the interest of our internal and external stakeholders in mind
- We respect the rights defined in UN’s Universal Declaration of Human Rights. We have zero tolerance for human rights violation. We assess actual and potential adverse impacts and implement measures to cease, prevent or mitigate them
- We respect the rights defined in the ILO Declaration on Fundamental Principles and Rights at Work
- We are committed to equal opportunities for all. We do not accept any form of discrimination on the basis of gender, age, ethnic origin, nationality, disability, sexual orientation, religion, political opinion, or otherwise
- We do not accept the use of child labour or modern slavery
- We shall not prevent employees from associating freely with any lawful workers’ association or collective bargaining association of their choice
- We shall contribute to the elimination of all forms of forced or compulsory labour
- We expect all our employees and suppliers to exercise good judgment in ethical situations or dilemmas, and to report any incidents, hazards, risks, opportunities, or concerns they may have and/or become aware of
- We expect all our employees and suppliers to act in a safe manner and to strive for meeting our aim of zero injuries and zero environmental incidents
- We are transparent and open in our communication with our stakeholders and comply with the Transparency Act. We carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises
- We do not accept any form of corruption and shall not offer or accept bribes or other inappropriate gifts or benefits in order to achieve business or personal advantages
- Employees shall not have interests which may negatively impact the business
- Employees shall not receive loans from any of our business partners
- All our employees are under the duty of confidentiality and shall prevent unauthorised persons’ access to information. The duty of confidentiality continues to apply after termination of the contractual relationship with us
- We do not accept use of insider information for personal gain
- We expect all employees and all our suppliers to be in compliance with the principles of this Code of Conduct at all times

Oslo, 21.12.2022

Alexandra Koefoed
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Alexandra Koefoed
Chief Execution Officer
Fred. Olsen Windcarrier

[LINK](#)

Fred. Olsen Windcarrier

Anti-bribery policy

This policy is applicable to all employees in Fred. Olsen Windcarrier ASA (FOWIC) and all hired personnel, consultants and other third parties/intermediaries who act for or on behalf of or in any other way is engaged by FOWIC.

All form of corruption or bribery is strictly prohibited. This includes offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law(s), as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person’s duties. Such improper behaviour can be, but is not limited to, making and/or receiving inappropriate cash payments, gifts, travel arrangements, accommodations or services.

The following principles and standards apply:

- All agreements with third party/intermediary companies, shall be based on the internal procurement procedures in the FOWIC, including the requirement for all contracts to be in writing. All such contracts shall include a clause stating that any acts of corruption/bribery or other unethical behaviour is prohibited whilst representing any company within the FOWIC Group.
- All gifts or representations given to external business partners shall be backed up by invoices or receipts and should, where practically possible, contain the relevant company’s logo. It is unacceptable under any circumstance to offer, promise or give any gifts or representation to a public official.
- All gifts to internal employees within the FOWIC shall be of limited value and must have approval from the local CEO
- Hospitality, either received or given in association with any of the FOWIC businesses shall be of an appropriate limited value. If there is any doubt as to what would be deemed appropriate, this shall be clarified and authorised by the relevant company office-based manager/superior prior to the event taking place. It is the responsibility of the recipient to declare all received hospitality to their relevant HR department.
- The FOWIC requires and expects transparency in all transactions undertaken when business is conducted on its behalf. All such transactions shall be backed up by invoices between the relevant parties to ensure transparency with respect to traceability on authorisation and ultimate receipt of payments.

With regard to a person or persons either reporting a violation or raising concerns about a possible violation of this Anti-bribery policy the following should be noted:

- No employee will be penalised or be subject to other adverse consequences for refusing to indirectly offer, promise, give or receive bribes, kick-backs or inappropriate gifts or other undue advantages or remuneration in order to achieve improper business or personal advantage even if it may result in the Company losing business.
- A “Hot line” for addressing complaints is available through the Head of Contracts, the name and contact information of which is available on the FOWIC SharePoint.

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[LINK](#)

Fred. Olsen Windcarrier

Sustainability policy

In Fred. Olsen Windcarrier, we have a strong obligation to the society and to our external and internal stakeholders to operate our business sustainably.

All work shall be conducted in compliance with laws, rules, and regulations.

Our strategy is to contribute to the shift towards a sustainable and decarbonised society by contributing to renewable energy from offshore wind through developing our businesses further into existing and new markets.

Our commitments:

- We will always choose the most sustainable alternative, taking environmental, social, technical, and economical aspects into account
- We maintain high ethical standards and integrity. Our Code of Conduct is mandatory for all our employees and for all companies and people working for us

Environment:

- We work systematically and continuously to reduce the impacts on the environment from air emissions, waste, and other hazardous substances under our control
- We follow the principles of recognised international standards when measuring direct and indirect Green House Gas emissions
- We monitor climate risk and incorporate climate risks in our risk management processes

Social:

- We have a zero injuries philosophy and are committed to the protection of health and safety for our employees and subcontractor personnel
- We care for the society around us
- We have a responsibility to ascertain that our activities benefit local communities
- We are committed to equal opportunities for all. We do not accept any form of discrimination on the basis of gender, age, ethnic origin, nationality, disability, sexual orientation, religion, political opinion, or otherwise
- We do not accept any form of violence, bullying or sexual harassment

Governance:

- We define clear sustainability objectives and targets
- We are transparent and open in our communication with our stakeholders
- We govern our business by establishing, implementing, and maintaining a structured management system

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Alexandra Koefoed
Chief Executive Officer
Fred. Olsen Windcarrier

[LINK](#)

Fred. Olsen Windcarrier

HSEQ policy

We are committed to be recognised as a leading organisation for Health, Safety, Environment and Quality (HSEQ) management.

We are committed to the protection of personnel, the environment, vessels, and equipment. In fulfilling this, we will establish and maintain a safe and healthy work environment.

We are committed to conduct our work in compliance with regulatory laws, rules and regulations, client requirements and industry standards.

We are committed to eliminate hazards and reduce risks by using systematic risk assessments as an integrated part of our work.

Our aim is always:

- Meeting or exceeding customer requirements and expectations
- On time delivery
- Zero injuries
- Zero environmental incidents
- Continuous improvement

We achieve these goals by conducting our work in compliance with our HSEQ Management and Safety Management Systems, and through consultation with and participation of our employees.

Oslo, 21.12.2022

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Alexandra Koefoed
Chief Executive Officer
Fred. Olsen Windcarrier ASA

[LINK](#)

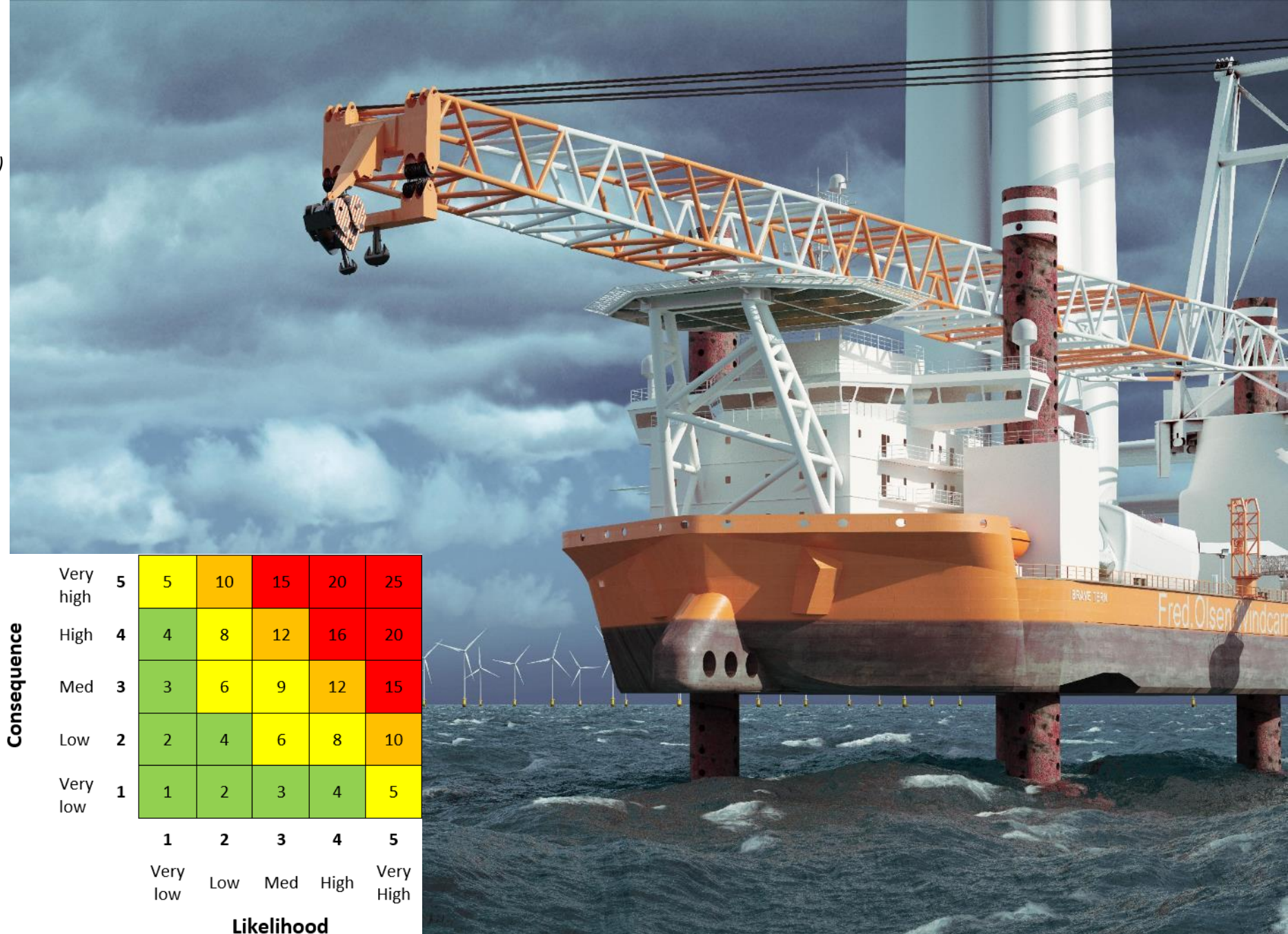
RISK MANAGEMENT

(WEF theme: "Risk and opportunity oversight")

Risk management is an integrated part of all our work processes. A risk management system has been established and implemented, covering all parts of our activities:

- Corporate risk database for the enterprise risks
- SWOT analysis
- Climate risk assessment
- Risk register for the wind farms, covering all relevant operational risks
- Operational risk assessments
- Task Risk Assessments (TRA) for task specific risks
- 'Take2' last minute point-of-work risk assessment

Opportunities are identified and evaluated as part of all business processes.



Consequence	Very high	5	5	10	15	20	25
	High	4	4	8	12	16	20
	Med	3	3	6	9	12	15
	Low	2	2	4	6	8	10
	Very low	1	1	2	3	4	5
			1	2	3	4	5
			Very low	Low	Med	High	Very High
			Likelihood				

PROSPERITY



SCOPE AND OBJECTIVES

Applicable UN Sustainability Development Goals:



This chapter covers wealth creation, continuous improvements, new technologies, tax payments, and community contributions.



WEALTH CREATION

(WEF theme: "Employment and wealth creation")

FOWIC provides affordable and sustainable shipping services, facilitating economic growth and job creation across industries.

As per 31.12.2022 FOWIC employed 258 people between the Norwegian and Danish offices and offshore marine crew.

Financial results

For financial results, reference is made to the quarterly and annual reports at www.bonheur.no.

Number of employees	Unit	2022
FOWIC NO	Number	60
FOWIC DK	Number	8
FOWIC Marine crew	Number	190 over 12-month average
Retention rate	Unit	2022
FOWIC NO	Percent (%)	90.4
FOWIC DK	Percent (%)	83.3
FOWIC Marine crew	Percent (%)	93.7



NEW TECHNOLOGIES

(WEF Theme: “Innovation of Better Products and Services”)

In 2022, FOWIC completed several important upgrades for Bold Tern, including a new and unique 1600t LEC 65500 leg encircling crane, supplied by Huisman. The new crane is top of market for reliability and redundancy with its proven and enhanced design.

The upgrade will help to drive greater long-term value and performance for FOWIC and clients. For example, additional speed packages give the vessel a very high operational speed. A Lambda shaped boom is very stiff, giving reduced motions at the crane tip. The crane is electrically driven resulting in reduced maintenance and higher reliability as well as making it more environmentally friendly with less power consumption, no oil leakage and a lower noise level. Additionally, catchers on all blocks/hooks minimise time spent on stowing and a small tail swing allows for optimised utilisation of free deck space.

With its new crane and additional improvements to deck space and stability, Bold Tern is capable of installing foundations up to 1500t and handling all known turbines.



COMMUNITY CONTRIBUTION

(WEF Theme: “Community and Social Vitality”)

Fred. Olsen Social Engagement:

In 2016, the Fred. Olsen Social Engagement Group (FOSEG) was established with a view to further strengthen Bonheur ASA’s efforts within social and charitable purposes, in addition to projects and purposes that are considered to be close to the Bonheur’s sphere of interest, with more direct engagement from employees across the board of Bonheur-related companies and hence also FOO and FOWIC. The group has continued its work during 2022 and focuses on supporting qualifying sustainable projects, both globally and locally. Globally, FOSEG has followed up on previous years’ support towards the non-profit organisation ‘Health and Human Rights Info (HHRI)’. HHRI’s object is to strengthen and develop health and psychosocial work towards people that have been exposed to organised (sexual) violence, war, and serious violation of human rights by establishing and operating a resource database to assist health workers working amongst such people.

FOSEG has close relationship with the Development Fund (“Utviklingsfondet”) and are actively following their specific water irrigation projects in Ethiopia with a view to improve self-sustainability.

Further, among several others, FOSEG has supported rescue companies in both Norway and the UK contributing to making traffic at sea safer, as well as the World Wildlife Fund for Nature’s fight against plastic in the sea.

Tax payment:

Society contributions were made through tax payment to the governments, divided into social security tax and corporate tax. Note that the indirect society contribution through the employee’s income tax and other taxes is not included in the calculation

COUNTRY	TAX	Currency
TAIWAN	2,497,922*	EUR
MALTA	194,836	EUR
NORWAY	10,719,525	NOK
DENMARK	68,148	DKK

*3% WHT

WAY FORWARD OBJECTIVES SET FOR 2023

LONG TERM OBJECTIVES

Looking ahead, our long term objectives are:

- Continuous improvement
- Contribute to net zero CO2 emission within by 2050, by continuing to provide shipping services for distributing renewable energy and reduction of our own GHG emission
- Zero injuries
- Meeting or exceeding customer requirements and expectations
- On time delivery

Building on our achievements so far, FOWIC's near-term objectives for 2023 are:

ENVIRONMENT

- Actively enable digitalisation to reduce our environmental footprint
 - Map CO2 emission in different operational modes and establish action plan
- FOWIC fleet to be equipped to use shore power in all ports where green shore power is available to reduce CO2 emission in idle
- Reduce CO2 emission in idle in port by 5% (compared with idle baseline)
- Zero environmental spills and dropped objects to sea
- Reduce environmental impact to life below water related to microplastic from cloth washing
- Report Scope 3 CO2 emissions
- Reduce vessel non-recyclable plastic, general waste, and food waste per POB with 10% compared to 2021

SOCIAL

- Zero lost time incidents
- Zero medical treatment case incidents
- Retention rate for marine crew >95%
- Work related sick leave 0%
- Short term sick leave <1%
- Reduce the number of chemicals with 4% (compared with 2022)
- Improve systematic work to prevent discrimination
- Improve role clarity

GOVERNANCE

- Ensure a sustainable business through fleet utilisation
- Commercial uptime > 99%
- Customer satisfaction score "Great" or better
- Be in compliance with all national, local, and maritime laws, rules and regulation that apply for our activity
- Zero corruption incidents
- Conduct 10 HSEQ supplier audits



About Fred. Olsen Windcarrier

Backed by 175 years of marine experience and over 830 installations, customers around the world rely on us for timely, predictable and dependable results. Whether you need a full-service solution or custom-fit selection of services, we support competitive installations with dependable and predictable outcomes at every stage.

www.windcarrier.com

ANNEXES

- Annex A Key performance indicators
- Annex B FOWIC equality and anti-discrimination statement
- Annex C Human rights due diligence (“Transparency act”) ¹⁾
- Annex D Materiality assessment ²⁾
- Annex E Climate risks and opportunities ²⁾
- Annex F GHG emission calculations ²⁾
- Annex G EU Taxonomy assessment ²⁾

Remarks:

¹⁾ Available on request, reference to Transparency Act, § 6

²⁾ Internal document

ANNEX A - KEY PERFORMANCE INDICATORS

TOPIC	ACCOUNTING METRIC	UNIT	2022	2021	2020	COMMENTS
Climate	Scope 1 GHG emissions, fuel consumption	Metric tonnes (t)	9,740	11,603	11,540.5	[Gross global Scope 1 GHG emissions to the atmosphere, in line with the GHG Protocol.]
	Scope 1 GHG emissions, CO2 emission	CO2-eq.	30,656	36,665	36,466.8	FOWIC use a CO2 factor of 3,16. The calculation factor of 3.16 is calculated from the molecular formula we use for Marine Diesel Oil (C12H23). [Gross global Scope 1 GHG emissions to the atmosphere, in line with the GHG Protocol.]
	Scope 2 GHG emissions, CO2 emission	CO2-eq.	7.2	536.7	0	[Gross global Scope 2 GHG emissions to the atmosphere, in line with the GHG Protocol.]
	Scope 3 GHG emissions, CO2 emissions	CO2-eq.	7,109.47	543.4	-	[Gross global Scope 3 GHG emissions to the atmosphere, in line with the GHG Protocol.] Initial reporting on 2021
	GHG emission intensity	CO2 / MW	43.98	29.47	60	[GHG emissions divided by installation/maintenance work]
	Energy mix	Gigajoules, Percentage (%)	428 560 GJ 100% MDO	510 532 GJ 100% MDO	507 782 GJ 100% MDO	
Biodiversity and marine pollution	Accidental discharge (spills)	Numbers	1	0	1	
	Accidental discharge (spills)	Cubic meters (m3)	0.01	0	0.05	
	Discharged to sea (Bilge)	Cubic meters (m3)	0	179	350	OWS certified to 5 PPM (MARPOL require 15 PPM). It is considered that bilge water with <5 ppm has little environmental impact and effects.
	Discharge to sea (grey water)	Cubic meters (m3)	392	2,925	1,371	Untreated sewage discharged to sea. Sewage treatment plant is certified according to IMO MARPOL MEPC.159(55).

ANNEX A - KEY PERFORMANCE INDICATORS

TOPIC	ACCOUNTING METRIC	UNIT	2022	2021	2020	COMMENTS
Waste	Hazardous waste	Metric tonnes (t)	8.52	5.5	4.6	
	Sludge	Cubic meters (m3)	82	225	129.5	
	Oily water	Cubic meters (m3)	281	273	135	Oily water reported are bilge sent onshore.
	General waste	Metric tonnes (t)	13,92	17.9	36.3	
	Food waste	Metric tonnes (t)	41.06	34.1	34.6	
Air pollution	Sulphur dioxide	Metric tonnes (t)	10	9.4	18.8	
	Nitrogen dioxide	Metric tonnes (t)	514	583	564.9	

ANNEX A - KEY PERFORMANCE INDICATORS

TOPIC	ACCOUNTING METRIC	UNIT	2022	2021	2020	COMMENTS
Health and safety	Fatalities	Number	0	0	0	
	Lost time incident (LTI)	Number	2	1	1	
	Medical Treatment cases (MTC)	Number	3	2	2	
	Lost time incident frequency	Rate	1.1	0.7	0.6	
	Sick leave vessels	Percentage (%)	1.3	4.4	2.4	
	Sick leave FOWIC Oslo office	Percentage (%)	1.8	2.3	1.5	
	Sick leave FOWIC DK	Percentage (%)	0.4	0.4	-	
	Port state control deficiencies	Number	6	2	2	
	Port state control detentions	Number	0	0	0	
	Marine casualties	Number	1	1	3	

ANNEX A - KEY PERFORMANCE INDICATORS

TOPIC	ACCOUNTING METRIC	UNIT	2022	2021	2020	COMMENTS
Equality and anti-discrimination	FOWIC NO Offices Women/men	Percentage (%)	47/53	41/59	33/67	
	FOWIC DK Offices Women/men	Percentage (%)	0/100	17/83	-	
	Vessel Women/men	Percentage (%)	19/81	13/87	14/86	
	Temporary employees women/men	Number	2/3	0/0	-	
	Part-time employees women/men	Number	1/2	0/0	-	
	Weeks parental leave women/men	Number	47/37	39/9	-	
	Total gender pay gap	Percentage (%)	82.6	70	-	
	Bullying and harassment cases	Number	0	-	-	
	Discrimination	Number	0	-	-	

ANNEX A - KEY PERFORMANCE INDICATORS

TOPIC	ACCOUNTING METRIC	UNIT	2022	2021	2020	COMMENTS
Business ethics and anti-corruption	Corruption risk	Number	0	0	0	<i>[Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index]</i>
	Anti-corruption training	Percentage (%)	78	76	91	<i>[% number of employees given anti-corruption course]</i>
	Facilitation payments	Number	0	0	0	<i>[Number of incidents where bribes have been requested]</i>
	Fines	Figure	0	0	0	<i>[Total monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and/or regulations.]</i>
Policies and standards	International standardisation	Text	Certified	Certified	Certified	ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certified