

Sustainability report 2021

Heading towards a greener future - together!



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Welcome to Semco Maritimes sustainability report for 2021.

This report constitutes the statutory report on Corporate Social Responsibility cf. § 99a and 99b of the Danish Financial Statements Act. This report is published once a year along with the Annual Report. This report also constitutes our Communication on Progress under the UN Global Compact.



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Find out more

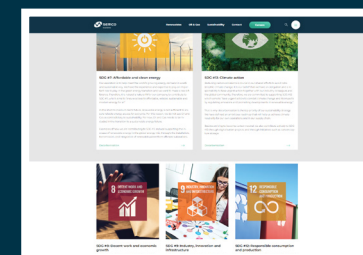


Annual Report

Our [Annual Report](#) focuses on our financial performance. It includes information on sustainability that is most pertinent to investors.

Sustainability online

Stay updated on our progress and sustainability initiatives on our website: www.semcomaritime.com/sustainability



Website

www.semcomaritime.com hosts our reports and policies, as well as stories of our biggest sustainability achievements.

Social media

We share our latest stories on social media throughout the year.



Our responsibility

Our purpose is clear. We want to play an important role in meeting the world's growing energy demand in a safe and sustainable way.

Semco Maritime has a long and proud history of being a socially responsible company demonstrating integrity and operating in an honest and transparent manner. In Semco Maritime, we have always considered responsible management an essential corporate value.

It is our responsibility to actively use our position and role in the energy business to develop innovative and sustainable solutions that will play an important role in the green energy transition.

In the years to come, the ten principles of the UN Global Compact and the Sustainable Development Goals will continue to serve as the basis for our sustainability efforts. To further strengthen these, we launched a dedicated and company-wide initiative in 2021 to frame and further sharpen our approach.

With a prioritised focus on decarbonisation of our activities, we have initiated several actions to begin our journey towards carbon neutrality by 2050. Along with carbon emission reductions, 2021 was also the year when all employees really got engaged in thinking about "sustainability" and employees across divisions, locations and functions participated in



Every employee in Semco Maritime has an important role to play in reaching our targets!

sustainability workshops and discussions about sustainability in Semco Maritime.

The interests of our key stakeholders and our aspiration to play an important role in meeting the world's energy demand in a sustainable way will provide guidance for reviewing our sustainability goals and for defining even more concrete activities to put sustainability at the very core of our business.

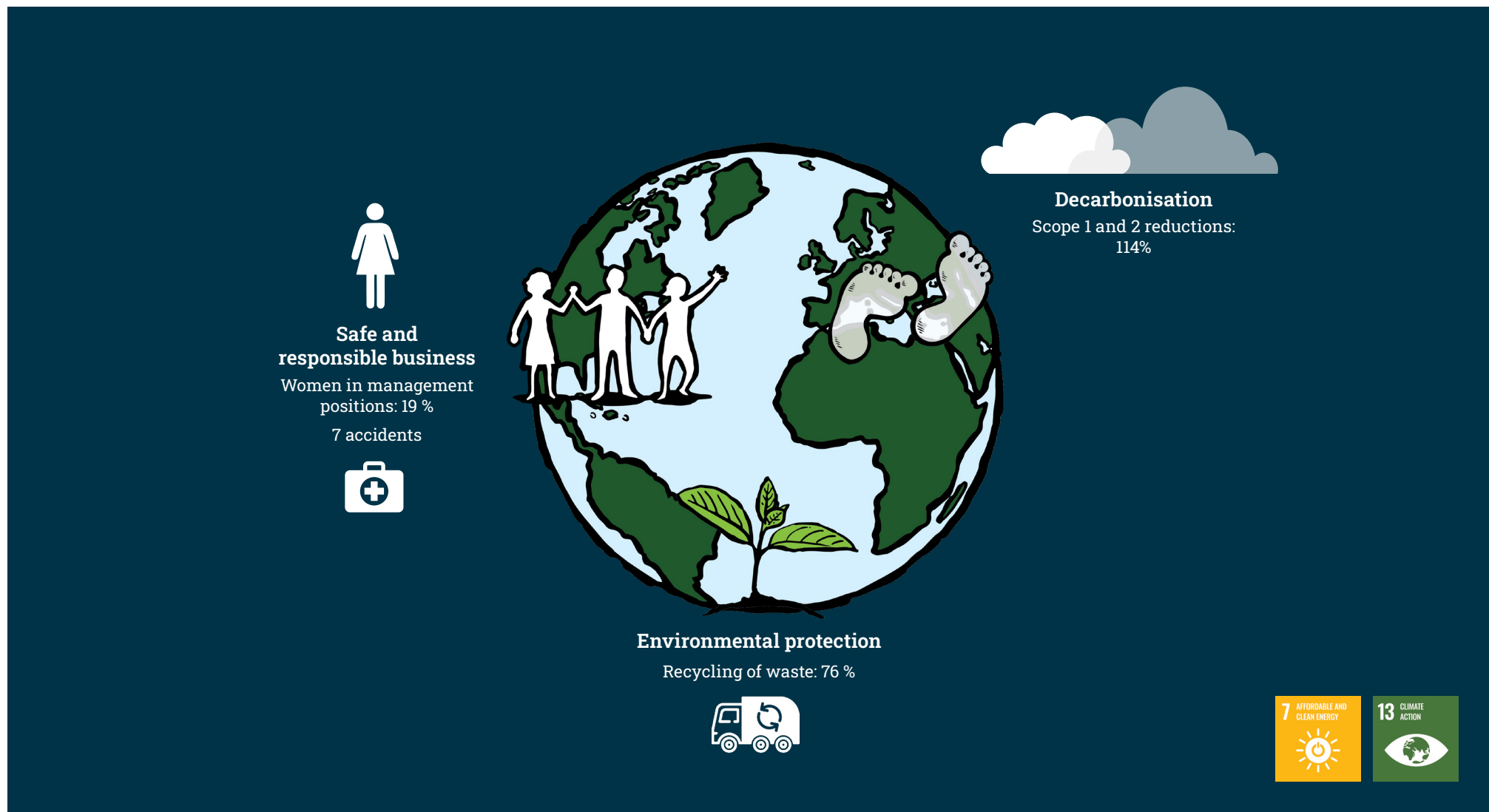
Steen Brødbæk, CEO

At Semco Maritime, we are committed to making a positive difference for people and planet. Based on existing initiatives, we are ready to take important steps towards a more sustainable business.



Watch CEO, Steen Brødbæk, introduce our sustainability strategy: [Click here](#)

Highlights



Semco Maritime at a glance

Semco Maritime is an international engineering and contracting company undertaking and solving assignments across the value chain in the global energy sector.

Since 1980, our specialist competencies have provided a platform for the work carried out at all stages within onshore and offshore assignments – from preliminary analyses, design, procurement and manufacturing to installation, commissioning and service, including manpower rental and supply of tailor-made components, systems and solutions.

Semco Maritime has approximately 1,700 employees who provide customers with cost-effective project management and operations from the Danish headquarters and subsidiaries all around the world.

By introducing our ambitious sustainability strategy, we emphasise that we have built up a knowledge base over the past 40 years which we are now proactively bringing into play to ensure a greener future.

At Semco Maritime, our aspiration is to help meet the world's growing energy demand in a safe and sustainable way.



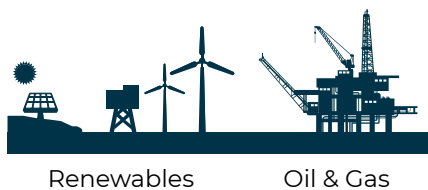
The Semco Maritime headquarters in Esbjerg were awarded the golden DGNB certificate for indoor climate, space efficiency, energy focus, use of solar cells among others.

Our business model

Motivation

We want to play an important role in meeting the world's growing energy demand in a safe and sustainable way.

Markets

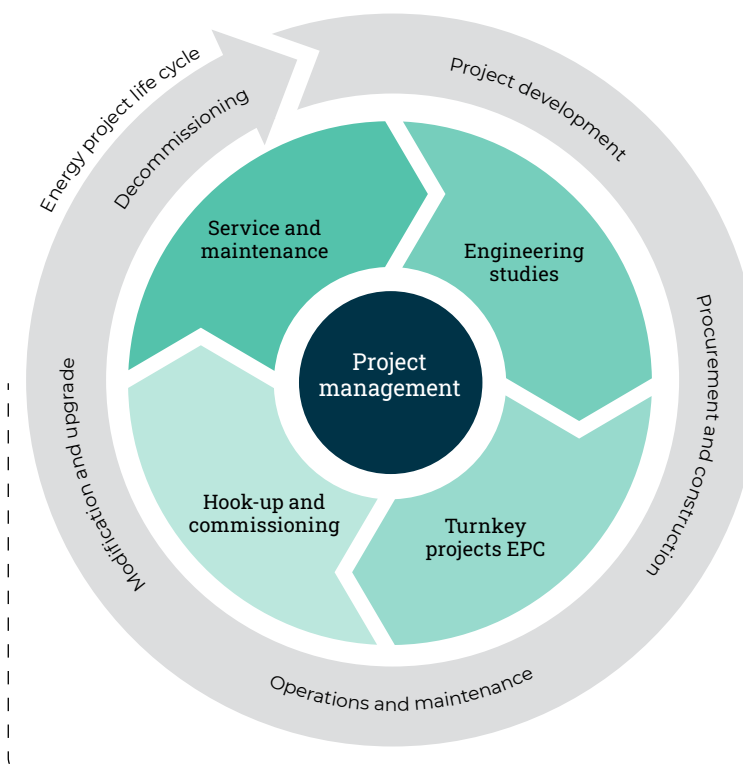


Group long-term targets 2023

- Revenue split 50/50 between Renewables and Oil & Gas
- 20% of revenue shall come from service activities
- EBITDA margin of 6%
- Carbon neutral in scope 1 and 2

Value creation

- based on affordable, reliable and sustainable solutions



We provide assistance to our customers at all project stages

Promises

Safety

Safety is part of our DNA. We always aim at reducing the number of work accidents to zero.

Sustainability

We are committed to ensuring a greener future while making a positive difference for people and planet.



Customers

We bring our expertise into play to provide inspiration and optimise value across the supply chain to deliver safe solutions that always live up to expectations.

Employees

We offer a safe and motivating workplace with unique opportunities for development.

Owners

We intend to deliver profitable growth and make our owners proud.

Introducing our sustainability strategy

Climate change and sustainability are two of the toughest challenges of our time. At Semco Maritime, we have an important role to play in the green energy transition.

We have a responsibility and an opportunity to make a positive difference. Hence, we started an in-depth process in 2021 to update our sustainability strategy. The process involved researching the latest issues and trends within sustainability, interviewing a diverse selection of Semco Maritime employees and key stakeholders and conducting workshops across the business to identify our goals and priorities.

Based on this we have created a new and ambitious sustainability strategy that focuses our efforts within three areas:

- Decarbonisation
- Environmental protection
- Safe and responsible business

Our contribution to sustainable energy

With more than 40 years of experience in the offshore energy industry and with more than 20 years of

experience in Renewables, we have a wealth of knowledge and expertise to bring to the transition to a low-carbon energy future. We are proud to be able to use skills and expertise gained through our many years in the offshore industry and which are crucial for building the Renewables sector.

Although our core business is still spread over renewable energy and oil and gas, we do not see oil and gas as contradictory to sustainability. Access to affordable and reliable energy is key to people and progress (as outlined in Sustainable Development Goal (SDG) #7 established by the UN).

In the short to medium-term future, there will not be enough renewable energy for everyone. Therefore, especially gas needs to be part of the energy mix during our current transition to a sustainable energy future. However, it is vital that continued oil and gas activities are conducted as sustainably as possible. We have committed ourselves to do so and we actively encourage our industry peers and suppliers to do the same.



Safe and responsible business
With a main focus on health and safety!

Decarbonisation
Aiming at carbon neutrality for scope 1 and 2 in 2023, neutrality for own operations in 2030 and for scope 1-3 in 2050.

Environmental protection
Focusing on water, waste, pollution and the use of natural resources.

7 AFFORDABLE AND CLEAN ENERGY

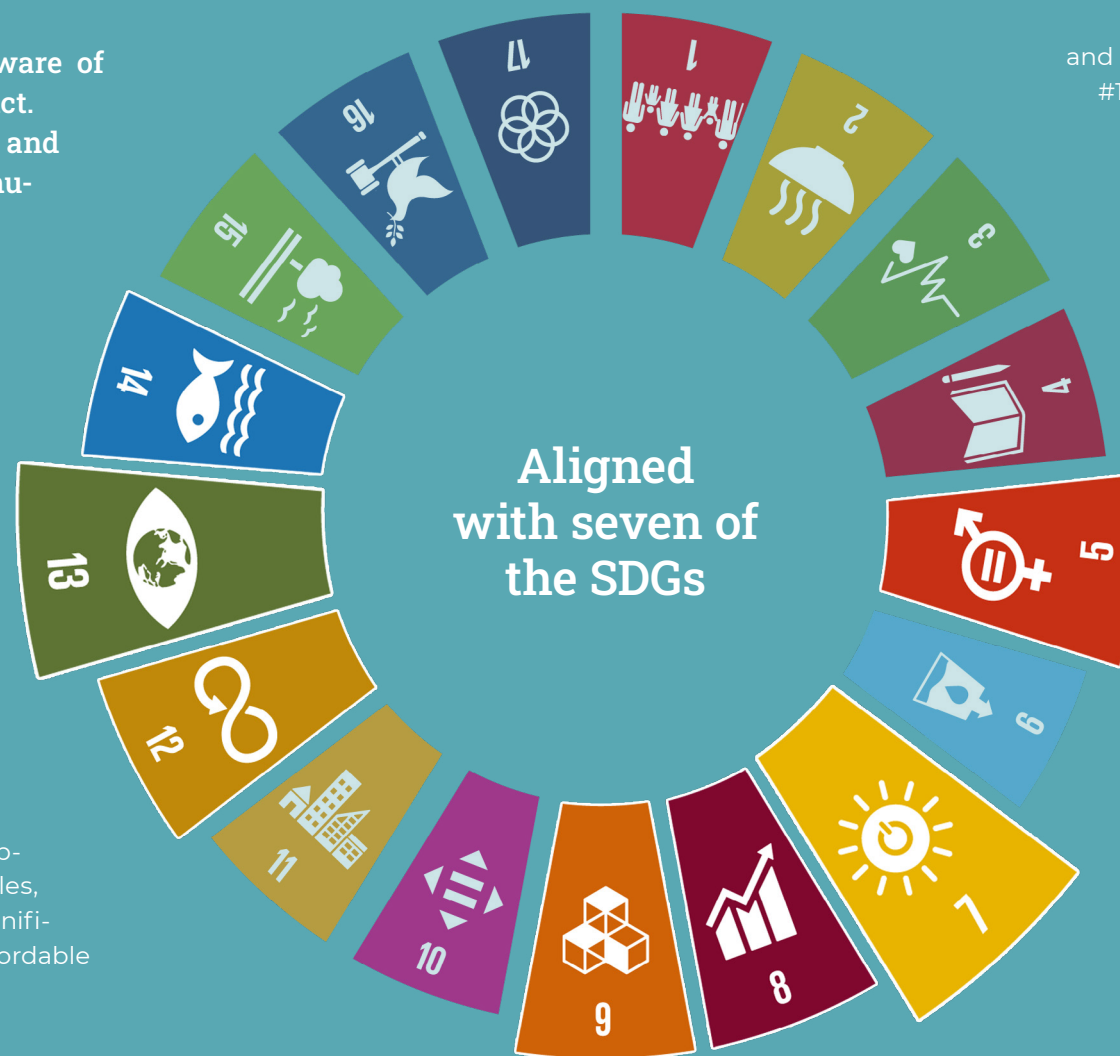
13 CLIMATE ACTION

Aligned with the 2030 agenda

At Semco Maritime, we are aware of our global footprint and impact. As an international company and a member of the global community, we have an obligation and a responsibility, and also an opportunity, to make a positive difference and therefore support the Sustainable Development Goals (SDGs) established by the UN.

Our sustainability strategy is actively aligned with seven of the 17 SDGs that we have identified as being most relevant to our company and industry.

Being a long-term player in the energy industry and an active supporter of the growth of Renewables, we are able to make the most significant contributions to SDG #7, Affordable



and Clean Energy. In alignment with SDG #13, we have outlined our road map to carbon neutrality in our sustainability strategy. We are tackling these goals through our core business and through the decarbonisation focus area of our sustainability strategy.

Through the second focus area of our sustainability strategy, Environmental Protection, we are contributing to SDG #9, Industry, Innovation and Infrastructure, SDG #12, Responsible Consumption and Production, and SDG #14, Life Below Water.

Through our third focus area, Safe and Responsible Business, we are contributing to SDG #5, Gender Equality, and SDG #8, Decent Work and Economic Growth, and Economic Growth.

Dedicated sustainability corps - a 2022 initiative

We want to make “sustainability” an integrated part of our daily operations. In fact, we want sustainability to become part of our DNA just like safety.

This is clearly not achieved overnight. However, a step in the right direction is to make sure that our employees work proactively with sustainability, both in terms of our daily operations and our products and services.

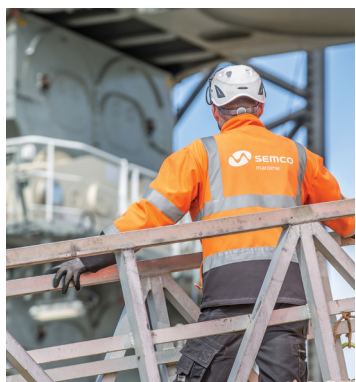
In Q2 2022, we will therefore introduce our dedicated sustainability corps consisting of appointed sustainability agents who represent all parts of our business. The most important role of our dedicated sustainability corps is to support, innovate and create activities, products and services that are aligned with our sustainability strategy.

We look very much forward to getting started!

“ *To make sustainability live, we need employees to drive the agenda. We need ambassadors in all divisions, in all teams. Every employee has an important role to play.* ”

Thomas Nagbøl Mejlgård
Senior Vice President
People, HSEQ, Marketing & Sustainability

Thinking differently and investing in sustainable solutions



Investing in green growth!

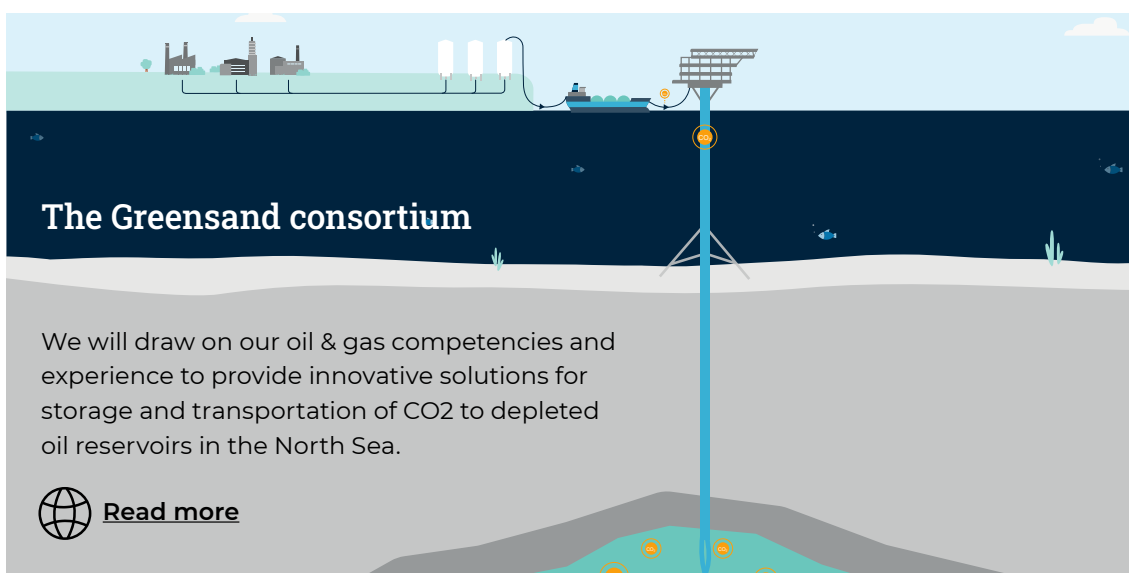
As part of our strategic ambition to grow the renewable business areas, we invest tens of millions to ensure a significant expansion of capacity and staffing in the Renewables area.



Sustainable innovation

Together with our customers we create innovative solutions:

- Automatic corrosion detection
- Ballast water treatment
- Remote factory acceptance test (FAT)
- Optimisation of offshore substations



The Greensand consortium

We will draw on our oil & gas competencies and experience to provide innovative solutions for storage and transportation of CO₂ to depleted oil reservoirs in the North Sea.



Power-to-X and energy storage

Our unique offshore and onshore experience puts us in a unique position to support the development of energy storage and power-to-X technologies.



Using data to reduce resources spent

We harvest data to improve predictability and reduce Operation & Maintenance costs. Data Insight is a small piece of hardware, a tiny computer even, that serves to collect and harvest data from existing offshore systems and instrumentation installed on client assets.

With Data Insight we systematically harvest data from existing instrumentation and use the data as input in trained machine learning models to predict anomalies. The concept of “Anomaly Detection” is the centrepiece of “Predictive Maintenance”, i.e. challenging existing maintenance plans and restructuring campaigns to save equipment and logistics cost.

Linking predictability with sustainability

We also wish to link predictability with sustainability. With clever use of data we become better at avoiding failures and hence we contribute to the reduction of resources spent on maintenance and supporting functions. To us, sustainability is part of availability engineering.





Decarbonisation

Reducing our carbon emissions
and target carbon neutrality.

Committing ourselves to
working with our supply chain on
shared carbon reduction goals.

Leading our suppliers
through the green transition and
sharing the risks of innovation.

Prioritised focus on decarbonisation

Reducing carbon emissions is crucial to avoid catastrophic climate change.

We therefore consider decarbonisation a strategic top priority along with health and safety for our people (further introduced as part of our safe and responsible business pillar - [page 29](#)).

We are committed to playing our role in enabling the transition towards a sustainable energy future, based on:

- Our contributions to developing the Renewable Energy Industry and increasing the percentage of renewables in the global energy mix.
- Influencing sustainable practices in the Oil & Gas Industry and hybrid technologies.
- Our own operations and by influencing our supply chain.



Impacting sustainable development in the energy industry

7 AFFORDABLE AND CLEAN ENERGY



SDG #7 Affordable and Clean Energy

We know that we have the experience and expertise to play

an important role in the green energy transition, and we want to make a real difference. Therefore, it is a natural fit for us to contribute to SDG #7 that aims to “ensure access to affordable, reliable, sustainable and modern energy for all”.



We are proud to use our many years of offshore experience and expertise to help grow the renewable energy sector. We are targeting a 50/50 revenue split by 2023 while ensuring that oil and gas service activities are carried out as clean and sustainable as possible.

Examples of how we contribute to SDG #7 include supporting the increasing share of renewable energy in the global energy mix through the installation, transmission and integration of renewable power from offshore substations and also through the electrification of offshore platforms and initiatives such as Power-to-X energy storage.

13 CLIMATE ACTION



SDG #13 Climate Action

Reducing carbon emissions is crucial in our shared efforts to avoid catastrophic climate change. It is our belief that we have an obligation and a responsibility to take urgent action together with our industry colleagues and the global community. Therefore, we are committed to supporting SDG #13 which aims to “take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy”. That is the reason why decarbonisation is the top priority of our sus-



tainability strategy. We have defined an ambitious road map that will help us achieve climate neutrality for our own operations and in our supply chain.

Besides striving to become carbon neutral in our own operations and in our supply chain, we also contribute actively to SDG #13 through digitalisation projects and through initiatives such as carbon capture storage.

Road map to carbon neutrality

In alignment with the UN Sustainable Development Goal #13, Climate Action, we have created an ambitious road map for achieving climate neutrality. The road map aims to reduce the risks we are facing in terms of the climate crisis, both as a company and as a member of the global society.

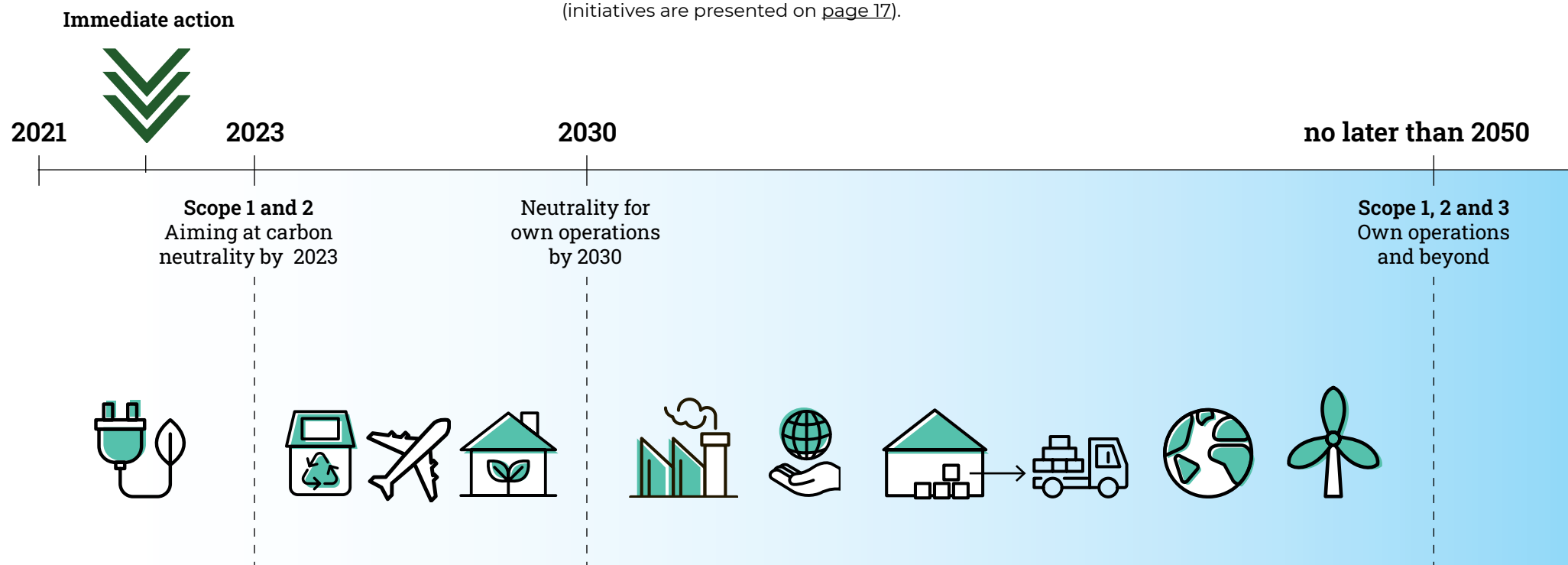
The road map that will lead us to carbon neutrality has three phases:

1. Carbon neutrality in scope 1 and 2 by 2023
2. Carbon neutrality in own operations by 2030
3. Carbon neutrality in scope (own operations and supply chain) by 2050 at the latest.*

In 2021, we initiated immediate actions that lead us towards achieving the first phase of the road map (initiatives are presented on [page 17](#)).

The second phase of the road map will involve creating strategic changes in our internal production methods, systems and processes.

In phase three we will actively engage with our suppliers to reduce carbon emissions as part of creating a sustainable supply chain (more about this on [page 26](#)) and encourage to a carbon neutral supply chain.



*Based on the Greenhouse Gas Protocol

Mapping our scope 1 and 2 emissions

Our baseline year for measuring carbon emissions is 2019. We are monitoring our progress on a yearly basis to stay on track, currently focusing on the first phase of our road map.

During spring 2021, we made an in-depth analysis of our carbon emissions in scope 1, 2 and 3. We have, however, chosen 2019 as our baseline year instead of 2020. Due to COVID-19 and the impact of the pandemic on the level of carbon emissions, 2020 was not a representative year. We acknowledge that we do not have the data to estimate our scope 3 fully yet. However, we are working on obtaining the data. As a start, we share our scope 1 and 2 estimates.

Development in carbon emissions

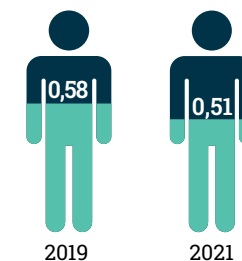
We have succeeded in reducing our scope 1 emissions by 5% in absolute numbers. This reduction is mainly due to the electrification of our company cars (for private use) as described on the next page. However, the absolute reductions in scope 1 are limited by the construction activities started in Aalborg in 2021, as these have caused an increase in the number of kilometres driven per car, resulting in increased carbon emissions. We had no activities in Aalborg during 2019, so this is therefore an extra activity causing emissions compared to our baseline year.

We did not manage to reduce our scope 2 emissions during 2021 compared to our baseline year. In 2021, our emissions relating to scope 2 have increased by a total of 22%. An explanation for this increase is that we used

36% more electricity, due to a substantial increase in rig service activities at Hanøytangen, Norway. Approx. 50% of this electricity was used to power the activities of our customers. We provide »shore power« (from hydropower) to our customers' rigs and vessels at Hanøytangen - a better alternative compared to fuel as it saves CO₂ and reduces noise pollution at the yard.

To meet our target of a 50% reduction in scope 1 and 2 by 2022 in absolute numbers, we will therefore focus on how to optimise, in particular, our electricity consumption and our use of heat, as this was our second-largest emission source in 2021. Knowing that our targets are ambitious, we may need to climate compensate through offsetting - however, our first choice is to reduce rather than to offset.

Ton of CO₂e per employee

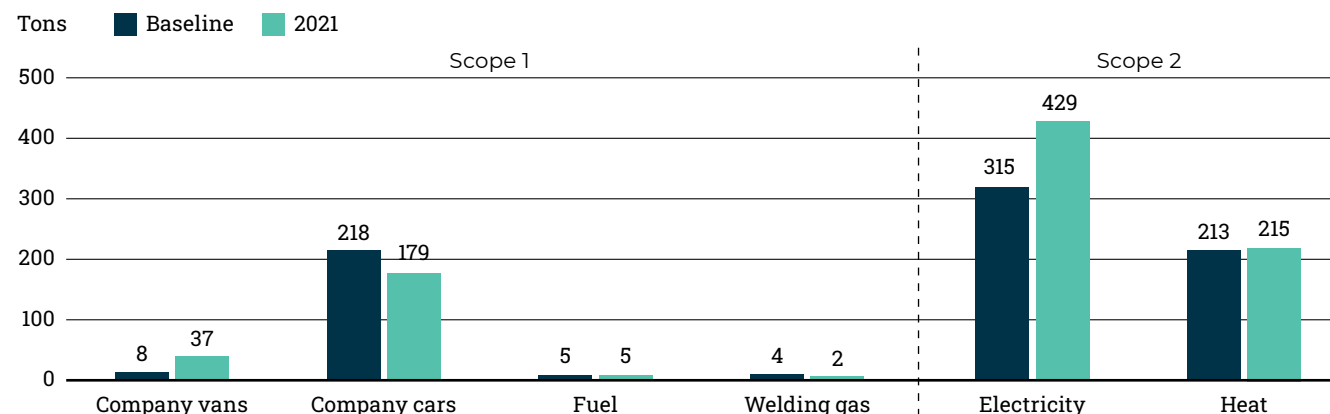


Relative reductions

As the increasing carbon emissions correlate with our increasing activities, we are taking the relative reductions into account when evaluating the development. As a large part of our hires are project hires, we have chosen to compare the carbon emissions to the number of employees.

In 2019, we emitted 0.58 ton of CO₂e per employee in scope 1 and 2, whereas the number was 0.51 ton of CO₂e per employee in 2021 - this equals a decrease of 12%. When looking at the development through the lens of relative numbers, we reduced carbon emissions in 2021 compared to our baseline year 2019.

Scope 1 and 2 carbon emission

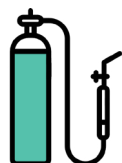


Scope 1 and 2 reduction activities

We have set an ambitious target. We want to become carbon neutral in scope 1 and 2 by 2023. To meet this objective, we have already initiated several activities, and more will follow during 2022.

Green electricity

To support the green energy, we have set up a green electricity contract for our headquarters in Esbjerg, thereby supporting the green transition of our industry. Furthermore, we are partly powered by the solar panels on the roof. Our locations in Norway mainly use green electricity as 99% of the power production in Norway comes from hydropower, which is a renewable energy source. In 2022, we will look further into the possibility of converting to green energy at our other locations.



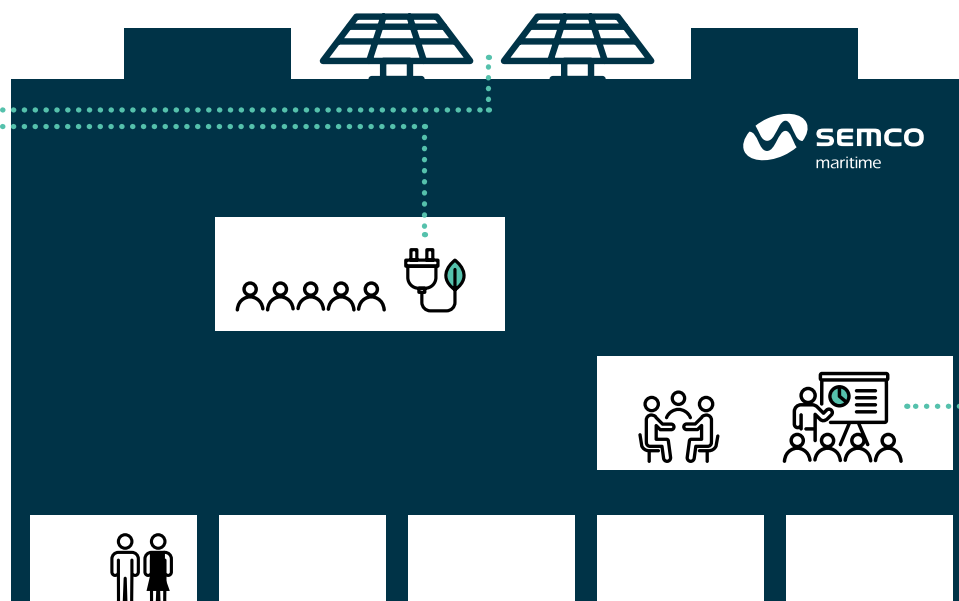
Welding gas

In 2022, we will look further into welding gas alternatives to investigate how we can reduce our emissions during production while not compromising on quality.



Company cars and fuels

We are converting all company cars from fossil fuel (petrol/diesel) to electric power (hybrid/electric). This year, we have converted more than 30% of our company cars which has already reduced our scope 1 company car emissions by 25%. To support this transition, we have also installed 8 new charging stations at Esbjerg Brygge, accommodating capacity for 16 cars. We will continue to convert our company cars until they are all 100% electrified.



Sustainability workshops

The first phase of our road map included the roll-out of our sustainability strategy. All managers set up workshops to introduce the strategy to their teams. Each manager was encouraged to use this opportunity to brainstorm on how to optimise the use of resources and reduce carbon footprint. 72% of the managers conducted a sustainability workshop in 2021 and the remaining 28% are planned for early 2022. All managers will have conducted a workshop by the end of Q1 2022.



Heat

Our production facilities in Esbjerg use the most heat and we are therefore looking into ways of optimising the energy usage in our production facilities. A plan for this will be presented in 2022.



Semco Maritime joins Esbjerg Municipality's ambitious Climate Partnership

In December 2021, Semco Maritime entered a Climate Partnership with Esbjerg Municipality, joining the municipality's pledge to become climate neutral.

Headquartered at the Port of Esbjerg, Denmark, and with a recently outlined climate strategy, it was a clear choice for Semco Maritime to join this partnership.

“ For us, being part of Esbjerg Municipality's Climate Partnership is about being global citizens and about working with other companies and organisations to make a real difference. We cannot solve the climate challenges alone, and joining forces with other companies and organisations is therefore an important step forward in making a tangible difference and in inspiring and supporting each other in achieving our goals.

Steen Brødbæk, CEO



Steen Brødbæk welcome mayor of Esbjerg Municipality, Jesper Frost Rasmussen, to Semco Maritime to officially launch our climate partnership.

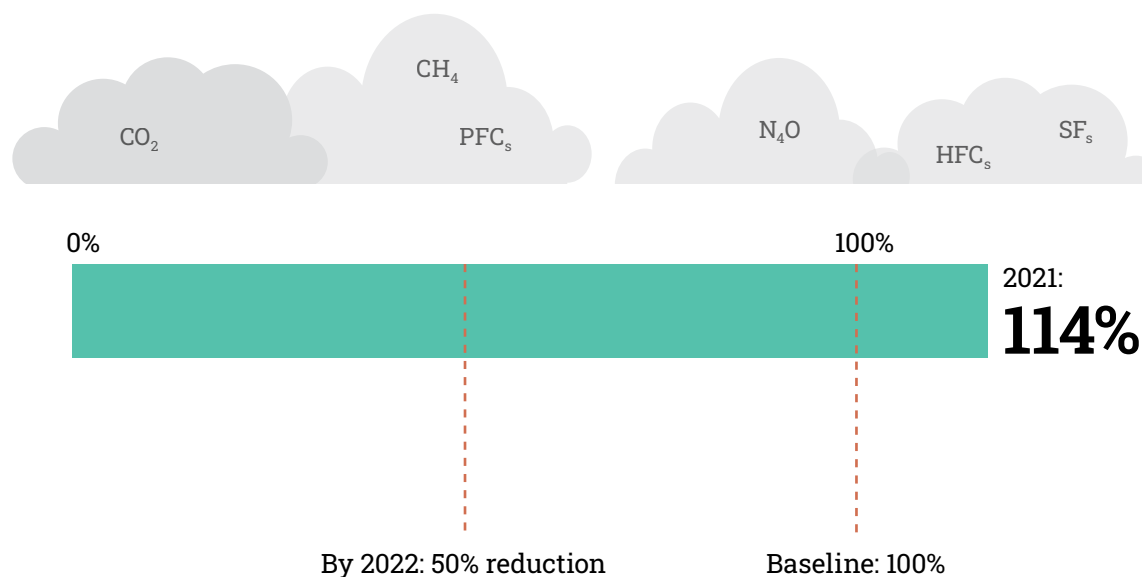
Summing up: 2021 ambitions and moving forward

In 2021, we rolled out our initiatives to start reducing scope 1 and 2 emissions in line with the road map. We will continue our efforts in 2022, aiming for a 50% reduction in absolute numbers next year.

We will start by focusing our activities on an optimisation of the use of electricity and heat as they are our largest emission sources in scope 1 and 2. Moreover, we will actively engage with our suppliers on estimating shared carbon emission reduction targets and plan relevant action on a supply chain level, starting in 2022.



Target: Carbon neutral in scope 1 and 2 by 2023





Environmental protection

Practicing sustainable waste management with a strong focus on recycling.

Designing products and solutions with a circular mindset.

Protecting the surrounding environment of our activities with the ocean as a key focus area.



Taking care of our planet

In addition to climate change, environmental protection is one of the biggest challenges of our time, causing risks to the well-being of nature and life on earth.

The United Nations has called for urgent action to protect the environment and at Semco Maritime we believe that we have an obligation to take care of the environment. We want to act responsibly and therefore consider environmental protection to be one of the three focus areas of our sustainability strategy.

The environmental protection aspect of our sustainability strategy has four focus areas: water protection, pollution and waste reduction, and natural resources. The focus areas are in line with three main Sustainable Development Goals: SDG #9, Industry, Innovation and Infrastructure, SDG #12, Responsible Consumption and Production, and SDG #14, Life Below Water.



Waste reduction and responsible use of natural resources



SDG #9
Industry, innovation and infrastructure



SDG #12
Responsible consumption and production

We recognise that it is important for industrial processes and infrastructure to develop in ways that are positive for the environment or, at the very least, reduce negative impact. Therefore, we have aligned our business with SDG #9, which aims to “build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.”

Semco Maritime contributes to SDG #9 by investing in clean and environmentally sound infrastructure for the energy industry. We are committed to improving our industrial processes to be as clean and efficient as possible. We are also actively working on resource efficiency.

We are committed to fostering innovation in the energy sector and are actively involved in developing and implementing green technologies such as Power-to-X and carbon capture. Our contributions to

increase the percentage of renewables in the global energy mix are also in line with SDG #9.

Growing populations and improving living standards put unprecedented pressure on natural resources. We believe that we have an obligation to use resources responsibly and in line with SDG #12, which aims to “ensure sustainable consumption and sustainable production patterns.”

We are committed to reducing waste and using natural resources as responsibly as possible. We sort and measure waste at recycling stations where possible and we continuously increase our recycling targets.

In 2022, we will initiate a project that optimises the use and reuse of materials such as steel. On top of this commitment to reduce waste and use natural resources carefully and responsibly, we are actively working on influencing our supply chain.

Our ambition is to have a sustainable supply chain with material input that is 100% renewable, recyclable or reusable by 2030. This ambition takes existing insights and technologies into consideration, but also holds an acknowledgement of the fact that innovation is necessary to succeed with this ambition.

Semco Maritime is certified according to Environmental Management System ISO 14001.



Water protection and pollution minimisation



SDG #14 Life Below Water

As a company centred around off-shore activities, the ocean is a vital part of our identity. It is important to us and we want to preserve it. Therefore, we have also aligned our business with SDG #14, which aims to “conserve and sustainably use the oceans, seas and marine resources for sustainable development.”

Our current water protection initiatives include a strong focus on the installation of ballast water treatment systems (protect marine life by ensuring that bacteria and organisms are not transported from one ocean environment to another).

We always aim to ensure efficient transport planning to reduce the number of trips to and from offshore sites, thereby minimising the negative impact on the ocean.

We conduct all activities according to the highest industrial and safety standards to reduce any risk of pollution or harm to the environment. When choosing offshore materials such as paint, we carefully select the least harmful and most non-polluting alternatives.



Waste management

We have a high waste recycling rate, and we are proud that we succeed in reaching our ambitious target.

In 2020, 83% of our waste in Esbjerg (Esbjerg Brygge and Staget) was recycled, and this figure increased to 98% in 2021, thereby meeting our objective of 90%. This success is partly due to an increased focus on waste management in connection with the development of our new sustainability strategy.

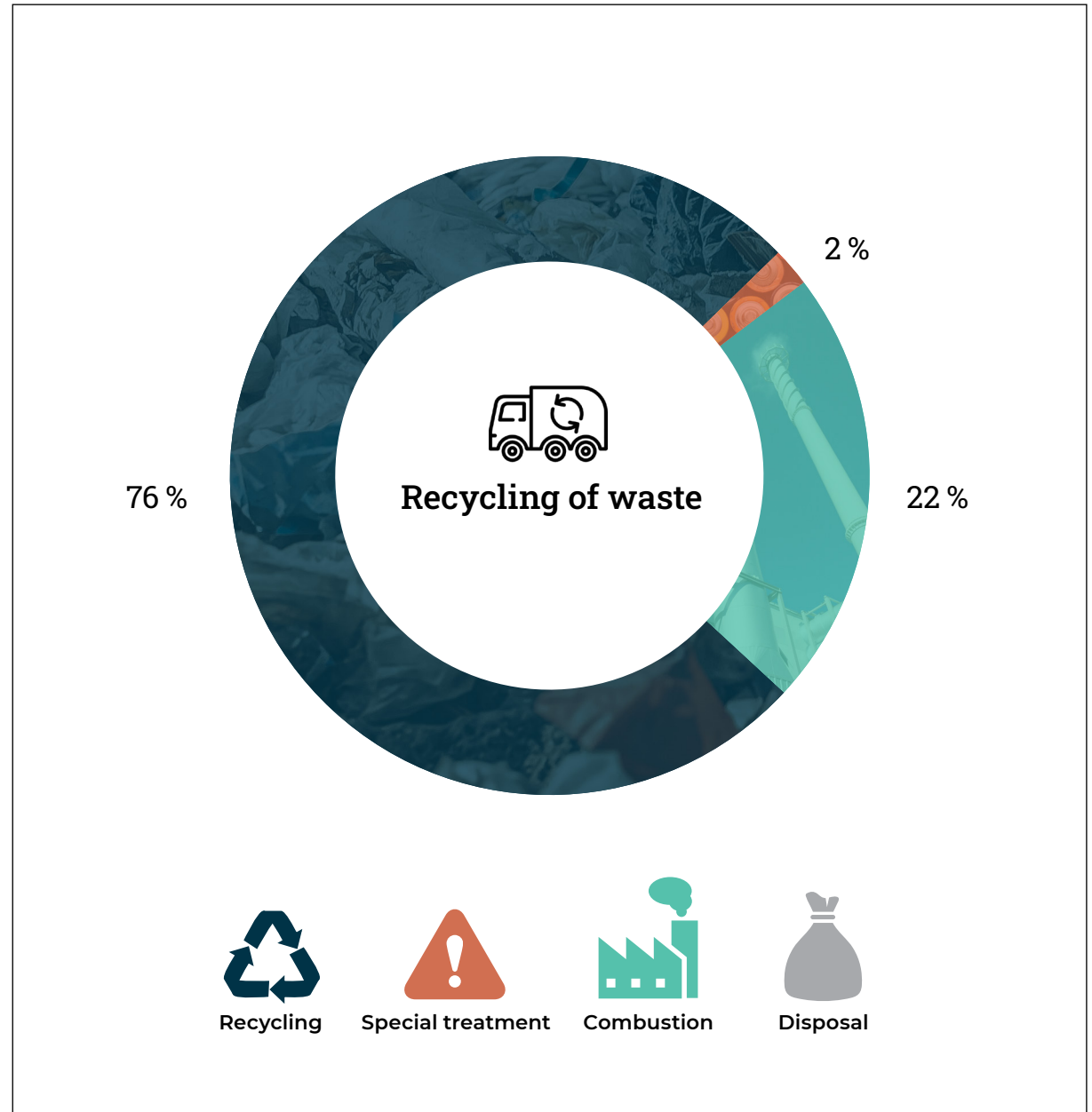
Adjustment of recycling targets

Up until today, we have included waste used for heating (waste being incinerated) as part of our recycling percentage. Going forward, we will no longer include waste used for heating as we have an ambition of 100% recycling of waste by 2030. This ambition derives from Esbjerg and Norway where the infrastructure for waste sorting is in place. We will continuously investigate the possibilities of waste sorting and recycling at our other locations heading towards 2030.

By excluding incineration from our recycling percentage, our adjusted and achieved recycling percentage for Esbjerg (Esbjerg Brygge and Staget) was 76% in 2021. In 2022, we target a recycling percentage of 85% or above.

The same adjustment will be made for our location in Norway and for our other locations.

In continuation of this, we will initiate a case study in 2022, investigating the potential of waste as a resource, thereby optimizing the use of resources. We plan to start with steel.



Sustainability concerns every part of our business

For Semco Maritime, it is vital that our oil and gas activities are conducted as sustainably as possible. We are constantly looking at ways to improve our products and services as we are keen to provide sustainable offerings to all our customers across all industries. Below you will find three examples of sustainability, taken from our Rig and Offshore Marine division.



Protecting marine life

We support our customers in their efforts to protect the ocean. Cleaning ballast water is mandatory for all ships, semi-sub, jack-ups, drilling ships and vessels operating in international waters. A ballast water treatment system protects marine life by not letting any invasive species move from one ocean environment to another. If the ballast water is not handled as required, external algae and bacteria from the ships and vessels can kill the living organisms and plants in the water. Ballast water systems are therefore safeguarding life below water.



Reducing energy consumption

Rigs use massive amounts of energy, but the energy consumption is not stable. In fact, the energy offender is the drilling operation when pulling the drill string or pumping mud down the well. Here, the energy use momentarily peaks. To stabilize the energy consumption, we install battery packages at the rigs to ensure that the energy level stays the same, even during drilling operations. The result is favourable energy savings.



3D scans limit helicopter transport

By using a 3D rig model, we can reduce the transportation of manpower by helicopter. We scan rigs offshore to create 3D models that can be used for concepts, design and installations, thereby reducing errors with regard to new installation of components. Without the 3D scan model, manpower will be transported offshore to survey and verify possible solutions for future installations.

Creating a sustainable supply chain

At Semco Maritime, we have decided to strengthen our contribution to creating a sustainable supply chain within the energy sector. Our customers are increasingly including sustainability performance requirements when awarding tenders, and we are now also encouraging our suppliers to join the movement towards a sustainable supply chain.

It is our ambition to have a fully sustainable supply chain with material input that is 100% renewable, recyclable or reusable by 2030.

In October 2021, we took the initial step on this ambitious journey by reaching out to 77 of our key suppliers, stating:

»It is our responsibility to actively use our position and role in the energy business to develop innovative and sustainable solutions that will advance the green energy transition – and we encourage our business partners to do the same«.

The 77 selected suppliers also received a questionnaire each, asking where they saw themselves in relation to their own sustainability journeys, thereby enabling us to create a baseline and define ambitious shared targets. Defining this shared target will be the focus of our supplier engagement efforts in 2022. At the same time, we will continue to spread the word about our sustainability strategy, focus areas and targets, so that all our suppliers will be aware of these by the end of 2022 and understand their own roles in reaching our goals.

“ Our data has shown that, like most companies, our supply chain is responsible for the majority of our environmental impact. From the production of goods to transporting them from factories to worksites, our supply chain is energy intensive with a high carbon footprint and other undesirable impacting factors. If we are to reduce, and eventually eliminate these factors, focusing on our supply chain rather than our own operations will yield greater results.

Richard Bowen, Director, Head of Procurement



In addition to informing our suppliers about our sustainability strategy, we also aim to engage closely with a few chosen suppliers to collaborate on reducing our common use of resources, for example the use of packaging and reduced carbon emissions. This will include initiatives targeting not only an elimination of waste, but also an increased share of packaging that is reusable or comes from renewable or recyclable sources.

While we are starting our own sustainability journey,

many of our suppliers are already working with sustainability principles such as carbon emission reductions, resource efficiency and sustainable offerings. One of them is Lemvigh-Müller (see textbox below).

In 2022, Semco Maritime will start implementing sustainability as a supplier requirement. Sustainability performance will be part of the contract award evaluation and we expect our suppliers to be aligned. We continue our focus on increasing local sourcing efforts to ensure a sustainable supply chain, which

means reducing transportation and carbon emissions. In the coming year, we will continue to focus on ways to reduce carbon emissions when transporting goods - not only by focusing on local sourcing, but also on greener transportation solutions. The energy sector is moving towards a greener future and we need everyone, including our suppliers, to be on board.

Green trucks



Lemvigh-Müller, a distributor of steel and technical equipment and one of Semco Maritime's key suppliers, is switching from fossil fuel to a climate-friendly alternative - HVO100 biodiesel - for transport.

At Semco Maritime, we are very pleased with the decision of using HVO100 biodiesel for Lemvigh-Müller's delivery trucks as this type of fuel reduces carbon emissions significantly and thereby supports our efforts to create a more sustainable supply chain for our customers.



Summing up: 2021 Ambitions and moving forward

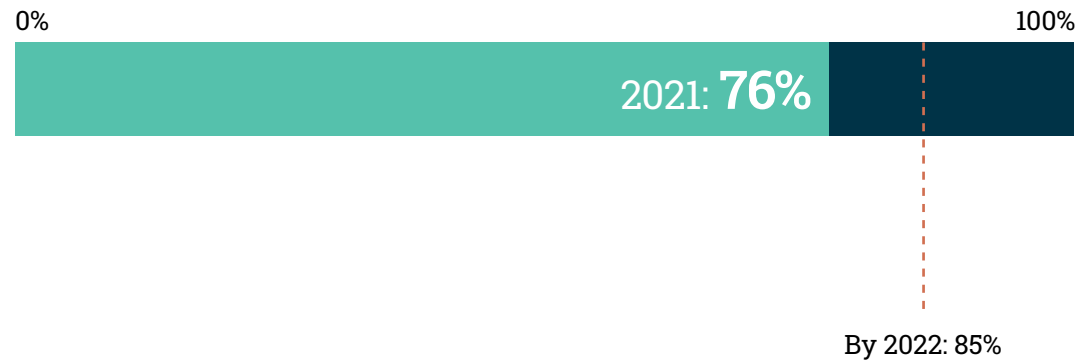
With our recycling percentage of 98%, we have reached our 90% recycling target. However, we have decided to adjust our recycling target as we are launching new waste management processes. In 2022, we will also initiate a case study investigating the potential of waste as a resource.

We have set the long-term ambition to create a sustainable supply chain by 2030, and we will work to ensure that the necessary technology is available.

To start this journey towards a sustainable supply chain, we initiated a supplier survey in 2021. We will continue to survey our suppliers to create a baseline to start with and continuously inform them of our sustainability strategy and priorities.



Target: 100% recycling of waste by 2030





Safe and responsible business

Persisting on zero accidents to ensure a safe working environment.

Obtaining gender equality within our management teams and employees reflecting our industry.

Exploring the value of an inclusive and diverse workforce with equal opportunities for all.





Running a safe and responsible business

The third pillar of our sustainability strategy relates to running a safe and responsible business.

Semco Maritime has been a member of the UN Global Compact (UNGC) since 2007. The Ten Principles (related to Human Rights, Labour Rights, Environment and Anti-Corruption) of the UN Global Compact form the basis of our business practices and our code of conduct.

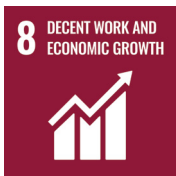
Safety is a core value in Semco Maritime, and we use the motto “Safety is in our DNA.” “Health” and “safety” are core elements of our daily operations, and we are proud of our safety track record.



Focusing on health and safety



SDG #5 Gender Equality



SDG #8 Decent Work and Economic Growth

As an international company operating in multiple geographical locations and employing people of different nationalities and cultures, we are committed to being a responsible and ethical employer in line with SDG #8, which aims to “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.”



Our company is growing and we are proud to provide safe and meaningful work for more than 1,700 employees in 8 countries. We do not want to risk causing illness or injury to our employees due to poor and unsafe working conditions. Our greatest asset is our people, and we know that we are at risk of losing them if we fail to create a safe and attractive working environment.

Our commitment to running a safe and responsible business includes formal anti-corruption and anti-child labour policies, a Corporate Social Responsibility policy and HR policies for diversity and inclusion. Our whistle-blower arrangement allows employees to identify and report on any non-compliance with applicable law and internal policies.

We aim to provide an attractive working environment focusing on the physical and mental well-being of our employees (we are proud to have an in-house counsellor) and on personal and professional development. Every two years we conduct an employee satisfaction survey, and we monitor the well-being of our employees based on sickness absence data, personal development dialogues and voluntary turnover rate of the company.

Running a stable and profitable business is also an important element of our sustainability strategy, enabling us to provide stability for our employees and invest in new technologies that can contribute to sustainable development and create a positive impact.



We see diversity as a strength and do not discriminate on the basis of race, colour, sexual or political orientation, religion, gender or age. We do not interfere with employees’ decision to form trade unions or other associations in the workplace, nor do we discriminate against such unions or associations.

Gender equality is a human right and, as stated by the United Nations, a “necessary foundation for a peaceful, prosperous and sustainable world”. Therefore, we have aligned our organisation with SDG #5, which aims to “achieve gender equality and empower all women and girls.”

People driving sustainability

I am beyond excited about all the activities that we initiated in 2021. With the launch of our sustainability strategy in June 2021, it is amazing to see how far we have come since then.

I acknowledge that we have a lot of hard work ahead of us, but I am optimistically taking our employees at all sites and their strong competencies into account as well as our collaboration with Esbjerg Municipality and our close dialogues with customers and suppliers. We target carbon neutrality and I feel confident that we will meet this global target.

Yes, we have challenges. Can they be overcome? I believe so.

I encourage all employees globally, future employees

and business partners to help change the way we do business. This way, we can overcome the challenges and transform our industry.

The first step for us is to reduce our carbon emissions within scope 1 and 2 before expanding to reductions in own operations in scope 3.

However, carbon emission reductions will not happen without knowledge, creative minds and sustainable innovation. We therefore need a diverse workforce contributing with different competencies and

perspectives. Hence, the diversity, equality and inclusion agenda will be one of our key focus areas during 2022 and onwards.

We will obtain gender equality within our management teams and employees, and we will explore the value of an inclusive and diverse workforce where everyone has equal opportunities.

Let us ensure a greener future where diversity, equality and inclusion are the fundamentals.

Thomas Nagbøl Mejlgård

Senior Vice President

People, HSEQ, Marketing and Sustainability



What does sustainability mean to you?

Each person has a role to play in the green transition. We asked a few of our colleagues to describe the importance of sustainability from their perspective.



"It means a lot to me to work in a company that takes on a responsibility and uses its position in the energy industry to make a positive difference. When it comes to attracting future employees, it is also crucial that we are active on this front in, as we increasingly see that it is both demanded and appreciated by candidates."

Mikkel Stephansen
HR Business Partner & Talents Acquisition

"I have had the privilege of being part of Semco Maritime since the early days of our offshore adventure. Therefore, I am especially proud that we manage to translate 40 years of offshore experience into innovative solutions that make a real difference in the green energy transition."

Vagn Nielsen
Senior Manager
Products & Technology



"I think it is great that sustainability is implemented in a way that makes it easy for me to see the purpose and where I understand my role in our sustainability journey. Moreover, it is great to be part of a working environment where our shared responsibility for the sustainable agenda is taken seriously".

Emma Hedeager
Office Assistant Trainee
HR Operations

"I am proud to work in a company where sustainability is part of the daily agenda - from finding innovative green solutions for the oil & gas industry to ensuring that we reach the global wind power ambition. It inspires me to be part of the sustainable transition of the world, based on the work we do here at Semco Maritime."

Maria Alexandra Balslev Jørgensen
Sales Assistant, Renewables



"To me it is incredibly important to go to work every day knowing that our contribution makes the world a better place for future generations. On our journey towards a more sustainable Semco Maritime, it is important that we as employees hold ourselves accountable to the sustainability principles and standards provided by Semco Maritime and the industry. I believe that our individual efforts will help elevate the standards of our industry."

Simon T. Villadsen
Engineering Manager, Rig & Offshore Marine

Safety is part of our DNA

“Health” and “safety” are core elements of our daily operations. For 2021, we set the ambition that our total recordable incident frequency (TRIF) should not exceed 1.5 and that our lost time accident frequency (LTAF) should be zero. We ended 2021 with a TRIF of 1.9 and a LTAF of 0.8.

The TRIF and LTAF safety targets of 2021 were not met as we had 7 recordable injuries - 3 lost time accidents (LTAs) and 4 restricted work injuries (RWIs). Fortunately, the injuries were not irreversible injuries and all employees have fully recovered. The TRIF, however, has improved from 2.2 to 1.9 compared to the previous year, whereas the LTAF increased from 0.7 to 0.8.

When looking at the nature of the incidents, they are all related to “I just had to”, which means that they are very much related to individual safety behaviour. In 2022, we will therefore focus on individual safety behaviour. We have defined 7 core behaviours to be presented and implemented together with a follow-up on our motto “Safety is part of our DNA”.

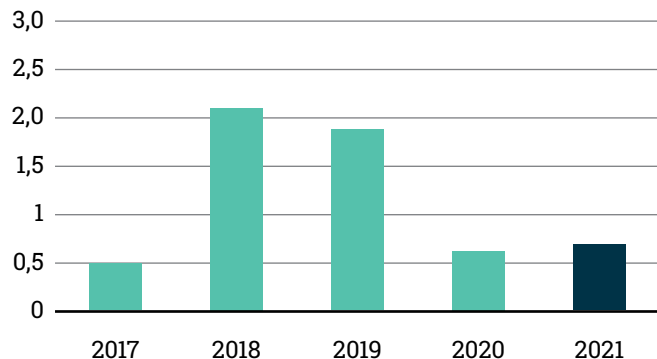
The 7 core behaviours are:

1. Say stop
2. Care
3. Team player
4. Commitment
5. Respectful
6. Awareness
7. Pride in our job

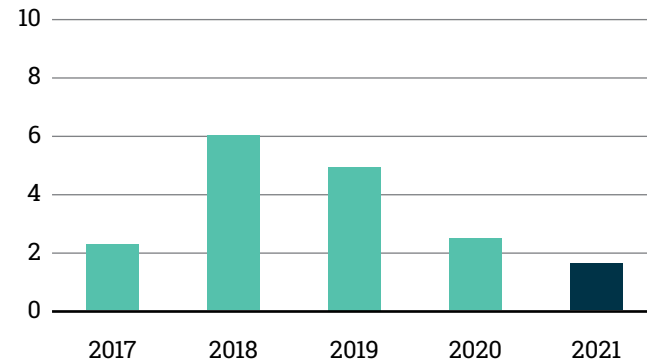


Our plan was to develop new safety campaigns during 2021, focusing on “mental health” and “human behaviour”. Due to COVID-19, the campaigns were kept at a planning level. As the topics are still relevant in 2022, the 7 aforementioned core behaviours will represent the topics and replace the planned campaigns.

LTAF: Lost Time Accident Frequency
Target: 0

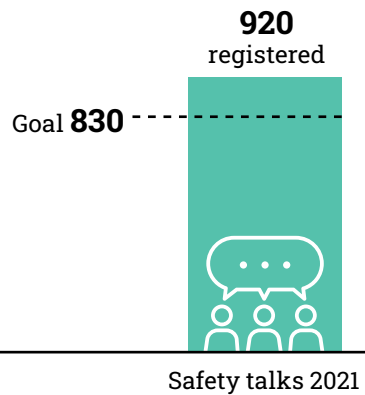


TRIF: Total Recordable Incident Frequency
Target: <1,5

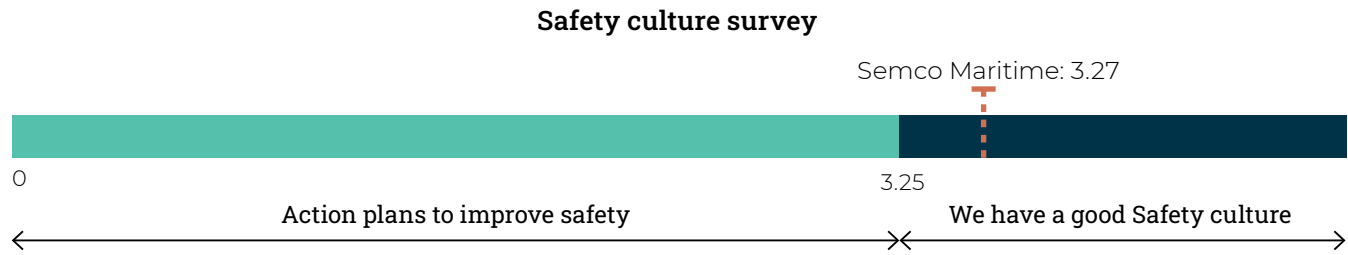


Safety talks

Every year, we set goals for our safety talks. The safety talks are used as communication tools for managers to remind employees that health and safety is important. The safety talks can help employees identify and control hazards at the workplace and after work. Safety talks demonstrate employers’ and employees’ commitment to health and safety. With the manager acting as a role model and a safety ambassador, the purpose of the safety talk has been fulfilled.



In 2021, we targeted 12 safety talks for each operational manager and 4 safety talks for each administrative manager, equal to a total of 830 safety talks. We have carried out and registered 920 safety talks during 2021. A high focus on safety talks and on the purpose of safety talks has been a driver to reach and even go beyond the target, and this achievement is a large step in



the right direction to live up to our safety motto.

Safety culture survey

In 2021, employees from all sites and locations, both onshore and offshore, were also invited to participate in our annual safety culture survey. To be able to compare the results from year to year, the survey headlines remain the same.

Our target was to exceed the average score of 3.25 on a scale from 0 to 4. In 2021, the result was 3.27 and this means that we met our target. Despite the satisfying result, we analyse the survey data to find areas that can be improved. For example, we have concluded that there are safety challenges on some of our onshore sites, which confirms the relevance of our safety activities already initiated on these sites and also confirms the need to further focus on our safety behaviour. We have also concluded that the evaluation score of the employees' safety mindset is lower than previously, which underlines our 2022 efforts regarding the 7 core behaviours.

Despite an increased focus on the importance of answering the safety culture survey, the response rate for the 2021 survey was only 38%. This is lower than in

2020 (response rate in 2020: 57.6%) and does not meet our ambitions to improve the response rate. When looking into the answers, the conclusion is that especially one segment shows an extremely low response rate. In 2022, we will increase our efforts to encourage this specific segment to answer the survey.

We will continue with a key focus on "Safety is part of our DNA" during 2022, and safety talks will remain part of the way we work. To prevent any future injuries, we will adjust the number of safety talks to 18 for each operational manager. Moreover, we will focus on employee behaviour as a new initiative. We target 0 LTAFs in 2022 and a TRIF below 1.2.



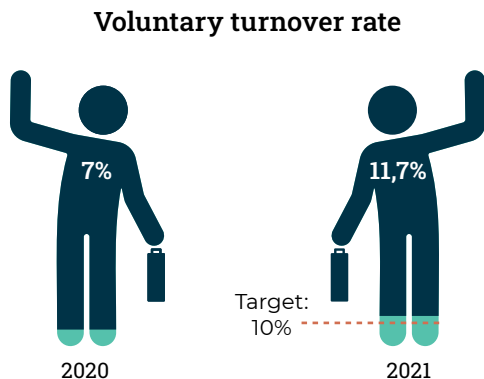
Caring about the well-being of our people

In order to retain and attract the most skilled employees, we focus on creating attractive jobs and favourable opportunities for professional development across Semco Maritime.

Every second year, we carry out an employee satisfaction survey, and we look forward to gaining an insight into the satisfaction of our employees again in 2022. In 2022, our target is to achieve a satisfaction score of 4.2 on a scale from 1 to 5.

Voluntary turnover rate

We target a voluntary turnover rate of a maximum of 10% for our white-collar workers. However, 2021 resulted in a voluntary turnover rate of 11.7% (2020 voluntary rate: 7%). An explanation for the increasing rate could be the current development of the job market, showing a historically low unemployment and a high level of job openings in all the countries in which we have locations.



Acknowledging this, we are working on creating an even more attractive workplace by developing a specialist programme to further educate our employees. This programme will be launched during 2022. We are also working on our brand value from an employee perspective, emphasising the strength of having proud and loyal employees. We are focusing on the importance of a smoother onboarding to ensure a successful integration of new employees across Semco Maritime. Exit interviews are important factors in understanding why some colleagues choose to leave Semco Maritime - and we use the findings to better understand our strengths and weaknesses.

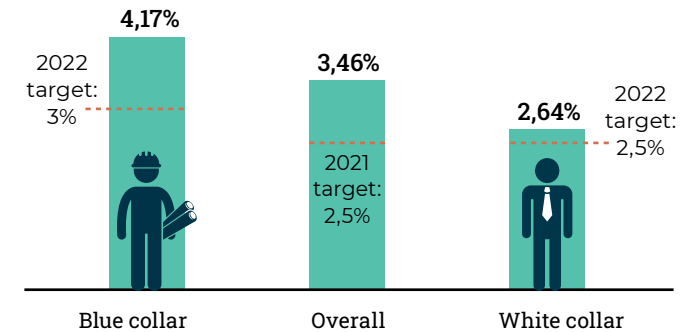
In 2022, our target is still to keep the voluntary turnover rate on maximum 10%.

Sickness absence

In the beginning of 2021, we started monitoring the sickness absence among blue-collar and white-collar employees separately in order to provide each job type with the necessary attention. Therefore, we will also set different targets for the two groups from 2022 and focus even more on separate initiatives that could prevent sickness absence, for example constructive dialogues, flexible work agreements and a healthy work environment.

In 2021, our overall sickness absence increased to 3.5% compared to 3.3% in 2020 and obviously we did not meet our target of 2.5%. The COVID-19 crisis, which continued in 2021, is one of the main causes

Sickness absence in 2021



of this increase. Especially the voluntary self-isolation for "close contacts" impacted our sickness absence negatively, as the majority of our employees are working offshore and therefore have no possibility of working from home.

Personal and professional development

We started to simplify and change the global processes for the personal development dialogue (PDD) in 2021. We can proudly say that we managed to adjust the current processes. Simplicity and transparency have been two of our keywords. Therefore, we have also created an annual plan for the process around our personal development dialogue to ensure a well-structured and well-planned process year after year. We believe that this will help us stay on track and keep developing our employees, both personally and professionally.

Hybrid workplace

In Semco Maritime, we support a flexible working environment where the primary workplace is the local office, but where part of a person's work can be done from home.

Therefore, we have prepared a procedure formalising the possibility of working from home as one of the initiatives in 2021. We have three hybrid workplace models:

- 1 Occasional work from home:**
An informal agreement where the employee work from home occasionally.
- 2 Contractually agreed work from home:**
A fixed contractual agreement for either one or two days of work from home every week.
- 3 Contractually agreed work from home where home becomes the primary place of work:**
A fixed contractual agreement for three to five days of work from home every week.

Besides improving the flexibility of our employees and linking to the safe and responsible business pillar of our sustainability strategy, the hybrid workplace also has a positive impact on the climate as fewer people are driving to the office every day. This means that the initiative is also linking to the decarbonisation pillar and affects our scope 3 carbon emissions.



Gender diversity and inclusion

At Semco Maritime, we strive to create and sustain an atmosphere that actively embraces diversity, secures equal opportunities and fosters inclusion, ensuring that people are completely at ease being their true selves when they come to work.

Our aspiration for diversity, equality & inclusion (DEI) is anchored in three pillars (see below) that guide our approach and support the integration of DEI into our core people processes where relevant and possible.

Closing the gender gap

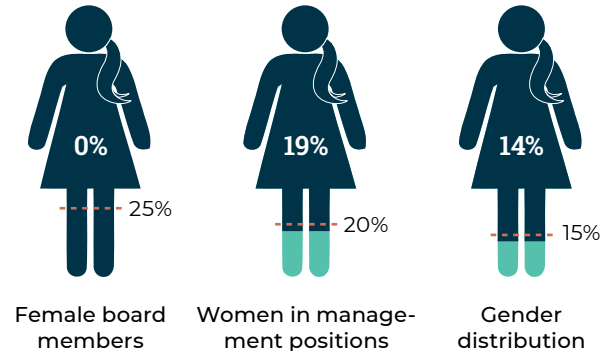
Semco Maritime has the ambition to ensure a more gender diverse workforce, and this ambition is not new. We have set targets ensuring women in management positions by 2024. To ensure that we meet our targets, we have now also defined progress targets heading towards 2024, meaning that we can closely follow the development to ensure improvement.

The progress targets for 2021 were:

1. 25% of board members elected at the general meeting to be female (equivalent to 1 woman)
2. 20% of women in management positions (25% by 2022 and 35% by 2024).
3. We will continue targeting an overall gender distribution of 15%.

In 2021, none of the members of the Board of Directors elected at the general meeting were women as there were no changes to the Board of Directors

■ 2021 - - - Target



during 2021. We maintain the goal of 25% (equivalent to 1 woman) by 2024. We monitor the gender distribution in our organisation and it shows that 19% of our managers are women and that a total of 14% of our employees are women. The percentage of women in management positions is lower than last year (2020: 25%) due to a data correction which means that we now include more managers in the equation.

Diversity

We want to attract, develop and retain the right people, as diversity (different perspectives, experience and backgrounds) is a key element for our continued ability to deliver value to our customers.

Equality

In Semco Maritime, we aim to secure equal opportunities throughout the organisation, regardless of social identity. Our people are our strength, ensuring empowerment and a solid platform to do their best both professionally and personally.

Inclusion

In Semco Maritime, we aim to empower our people, and inclusion is a vital element to nurture innovation and organisational growth.

Though we are close to meeting our progress targets for 2021, we acknowledge that initiatives are required to reach our progress targets for 2022. Therefore, we are looking into different efforts that could have a positive impact on the gender distribution.

Our HR Business Partners will, among other things, support the organisation in increasing female hires in 2022. Our progress targets for 2022 will be to strive for 25% of women in management positions and maintain the goal of an overall gender distribution of 15%. Moreover, we will continue to support activities that work to ensure more female candidates in the industry, at the vocational colleges and at relevant higher educations.

Promoting a diverse, equal and inclusive workforce

Semco Maritime has had two representatives in the UN Global Compact “Target Gender Equality” pro-

Semco Maritime has signed the Gender Diversity Pledge



As a signatory of the pledge and the belonging 16 principles, we are committed to actively contribute to a greater gender diversity in Denmark. We are committed to ensure a gender distribution of 40/60 women/men in management positions by 2030.



gramme running in the second half of 2021. Although gender was the main focus of the programme, it also provided our representatives with learnings on how we can work with both diversity, equality and inclusion (DEI) within our organisation going forward.

Based on valuable insights from the programme, we will increase our attention towards gender diversity.

We will start by acknowledging gender diversity and introduce a non-binary option in our employee system. Furthermore, we will benchmark the diversity of our workforce against the industry. Questions referring to the DEI will also be included in our employee satisfaction survey in 2022 to ensure that we gain valuable insight into gender diversity directly from our employees.

Charity and employee engagement

We have supported several charities during 2021, and the employee engagement has been a vital part of this support and makes us proud.



Hospital Clowns

In addition, we support the hospital clowns spreading happiness and laughter among children in Danish hospitals.

Danish Cancer Society

In support of the Danish Cancer Society (*Kræftens Bekæmpelse*), we held a small internal competition where we asked our employees to create their own *Fight Cancer* flowers. We were happy to receive a lot of creative interpretations of the *Fight Cancer* flower, which made it possible for us to donate a large amount to a great cause.

Semco Maritime Dedicated Youth Network

This network was founded in Esbjerg in 2021 and is a group for individuals up to the age of 35. The goal is to build a stronger foundation for young people working at Semco Maritime, leading to improved cross-functional collaboration and communication.

The youth network is also aimed at creating stronger social bonds and improve the social network. This will not only improve the work environment, but also provide an opportunity for new young talents to meet other like-minded, thereby making them integrate quicker into Semco Maritime.

We are proud to have this network, and due to the great support from our young employees, we are looking into the possibility of creating similar networks for other groups in Semco Maritime.

Danish Children's Cancer Association

Another charity event was the Football Shirt Friday (*Fodboldtrøje-Fredag*), where our employees put on their favourite football shirts in support of the Danish Children's Cancer Association (*Børnecancerfonden*) who also received a large donation.



Taking our corporate responsibility seriously

We are committed to integrity, honesty and fairness in all internal and external relationships and in line with all applicable laws and regulations including, but not limited to, anti-bribery and anticorruption laws.

As a global company operating in various countries and across different cultures, we know that we run the risk of being directly or indirectly involved in corruption, bribery, facilitation payments and other legal issues. However, corruption, bribery and child labour will never be an acceptable part of doing business with Semco Maritime.

Supplier Qualification

Over the years, we have invested heavily in the supplier qualification procedure to ensure that our supply chain complies with our corporate social responsibility value of being a responsible business partner.

Hence, we launched our new improved digital and user-friendly supplier qualification system in 2020. The system is based on a two-dimensional supplier risk assessment and a tier-based supplier segmentation model. This enables suppliers to confirm that they understand, accept and comply with Semco Maritime's code of conduct and the UN Global Compact's Ten Principles on human rights, discrimination, forced labour, child labour and anti-corruption. Moreover, we further developed the qualification model in 2021 to see if suppliers have implemented a sustainability policy based on the UN Sustainable Development Goals.

We have the annual goal of ensuring that more than 90% of our suppliers are assessed and approved in accordance with our supplier qualification procedure. This year, we can proudly say that we once again succeeded in reaching this goal.

Whistle-blower policy

In 2021, we updated our existing whistle-blower arrangement. The whistle-blower arrangement allows Semco Maritime employees to report risks that may conflict with Semco Maritime policies or current legislation. Others associated with Semco Maritime, e.g. existing and former partners and former employees, can report any non-compliance by sending an email to the whistle-blower mailbox: whistleblower@semcomaritime.com. However, we recommend external business partners to report to their contacts in Semco Maritime or to the contacts' immediate superiors, should they observe any non-compliance.

The whistle-blower arrangement is based on a third-party digital solution and still enables reporting through written or spoken messages, pictures or other means. Moreover, the system allows the whistle-blower to stay anonymous and still discuss the matter further with the dedicated whistle-blower officer.



Whistle-blower mailbox:
whistleblower@semcomaritime.com

Due to COVID-19 it has not been possible to visit our locations and inform employees about the whistle-blower arrangement. Nor has the whistle-blower arrangement been on the agenda at townhall meetings or at introduction meetings for new employees. Instead, we decided to communicate the news on our internal intranet available to all employees across locations. Going forward, the whistle-blower arrangement will become an integrated part of our introduction meetings.

The new whistle-blower arrangement meets the requirements of the EU Directive 2019/1937 and will be provided by a S-a-a-S (Software-as-a-Service) platform hosted by Got Ethics, a secure third-party software provider.

In addition to the whistle-blower policy, we have an anti-bribery and anti-corruption policy, which is based on the six principles of the UK Bribery Act 2010.

Summing up: 2021 ambitions and moving forward

Safety is part of our DNA and therefore we are striving for zero accidents year after year.

With 7 recordable injuries in 2021, we did not manage to fulfill this ambition. In 2022, we will make every effort to have zero accidents again.

It is our ambition that 40% of our management positions across all levels are occupied by women by 2030. Currently, 19% of our management positions are covered by women (2021 target was 20%). We target 25% of women in management positions by 2022 and 35% by 2024.



Target: Zero accidents every year = LTAF at 0



Target: 40% women in management positions by 2030



A full-page photograph of a worker in an orange safety suit and white helmet rappelling down a rope on a building facade. The worker is smiling and looking towards the camera. The background shows a modern building with a grid of windows and a large white satellite dish. The word "Overview" is centered in white text over the image.

Overview

Targets, progress and ambitions

Decarbonisation

● On target ● In progress ● Actions and extra focus needed

Long-term ambitions (2030)	Ambitions 2021	Ambitions 2022
Carbon neutral in own operations (targeting carbon neutrality latest by 2050)	Roll out initiatives to start reducing scope 1 and 2 emissions aligned with roadmap ● 100 % of the managers have conducted sustainability workshops with their teams ●	50 % absolute reduction of carbon emissions in scope 1 and 2, compared to baseline year (2019) (targeting carbon neutrality in scope 1 and 2 by 2023) Engage with chosen suppliers on estimating their carbon emissions and initiate planning carbon emission reduction actions.

Environmental protection

Long-term ambitions (2030)	Ambitions 2021	Ambitions 2022
Generated waste is 100 % sorted and recycled at the highest value possible	Recycling of generated waste: min. 90 % ●	Adjusted recycling of generated waste: 85 % Initiating a case study investigating the potential of optimizing the utilization of resources (starting with steel)
Sustainable supply chain with 100 % material inputs that are renewable, recyclable or reusable <i>(Note: with current insights and technology, we set this ambition while knowing that innovation is needed to achieve this ambition)</i>	Initiating supplier survey focusing on Tier 1 ●	Create baseline for Tier 1 suppliers based on the initiated supplier survey 100% of our suppliers are familiar with our customers' sustainability goals and our sustainability strategy and priorities Establish sustainable material inputs target aiming for 100 % sustainable material inputs Investigate alternative packaging for our products and ask our suppliers to do the same, targeting 25 % sustainable packaging that is either recycled or reused by the end of 2022.

Targets, progress and ambitions

Safe and responsible business

● On target ● In progress ● Actions and extra focus needed

Long-term ambitions (2030)	Ambitions 2021	Ambitions 2022
<p>Safety</p> <p>Zero accidents</p>	<p>Safety</p> <p>TRIF: ≤1,5 (new target) ●</p> <p>LTAf: 0 ●</p> <p>Safety culture survey: Above 3,25 ●</p> <p>Safety talks/year:</p> <ul style="list-style-type: none"> Operational managers 12 ● Admin. managers 4 ● 	<p>Safety</p> <p>TRIF: ≤1,2</p> <p>LTAf: 0</p> <p>Safety culture survey: Above 3,25</p> <p>Safety talks/year:</p> <ul style="list-style-type: none"> Operational managers 18 Admin. managers 4
<p>Labour/Workforce</p> <p>Gender balance across all levels of management with a 40 - 60 distribution (women-men) - Gender Diversity Pledge</p> <p>25 % of board members are to be women</p>	<p>Labour/Workforce</p> <p>25 % of board members are to be women ●</p> <p>20 % women in management positions (35 % by 2024) ●</p> <p>15 % overall gender distribution ●</p> <p>Sickness absence target 2021: 2,5% ●</p> <p>Simplify and change global process for personal development dialogue ●</p> <p>Voluntary turnover rate < 10% ●</p> <p>Maintain satisfaction level from 2020 (4,2) 89% of employees to complete the survey (this is a biannual survey and the next survey will be completed in 2022)</p>	<p>Labour/Workforce</p> <p>25 % of board members are to be women</p> <p>25 % women in management positions (35 % by 2024)</p> <p>15 % overall gender distribution</p> <p>Sickness absence: Hourly workers: 3 %</p> <p>Sickness absence: Monthly paid: 2,5 %</p> <p>Voluntary turnover rate: < 10 %</p> <p>Employee Survey Completion rate: => 90 %</p> <p>Target to have a satisfaction score of 4.2 on a 1-5 scale</p>

Targets, progress and ambitions

Safe and responsible business

● On target ● In progress ● Actions and extra focus needed

Long-term ambitions (2030)	Ambitions 2021	Ambitions 2022
<p>Human rights</p> <p>Ensure >90 % evaluation rate of suppliers in accordance with our supplier management procedure</p>	<p>Human rights</p> <p>Maintain >90% supplier evaluation rate ●</p> <p>Increase local sourcing efforts to drive sustainability performance ●</p> <p>Incorporate sustainability Procurement within our Procurement policy ●</p>	<p>Human rights</p> <p>Ensure >90 % evaluation rate of suppliers in accordance with our supplier management procedure</p> <p>Acknowledge gender diversity by introducing a non-binary option into our employee system.</p> <p>Baselining if our diversity of new hires reflects the diversity of the market.</p> <p>Including questions on Diversity, Equality, and Inclusion in our employee satisfaction survey.</p>
<p>Anti-Corruption</p> <p>All whistle-blower cases are carefully evaluated and processed.</p> <p>Maintain a whistle-blower system that comply with EU standards.</p>	<p>Anti-Corruption</p> <p>Prepare and implement changes to our existing whistle-blower arrangement to be ready to observe the EU directive on whistle-blowing by 17 December 2021 ●</p> <p>Continue the implementation of the whistle-blower arrangement across the organisation ●</p> <p>In 2021, the General Counsel will inform employees about our anti-corruption policy and whistle-blower arrangement during townhall meetings and road trips worldwide (postponed due to Covid-19) ●</p>	<p>Anti-Corruption</p> <p>Continuing implementing a whistle-blower system that is known by all employees and that is easily accessible and user-friendly.</p> <p>All whistle-blower cases are carefully evaluated and processed.</p>

Our policies on responsible practices

These are some of our most relevant policies that help us meet challenges in an environmentally, ethically and socially responsible way.

■ CSR in general

CSR Policy - [POL-SEMCO-0001](#)

The objective of Semco Maritime is to develop strategic and cost-effective sustainability models that create differentiation to others and value for customers. We will challenge and develop what we do best in a socially responsible way. CSR covers the initiatives launched by Semco Maritime to protect the environment, ensure good working conditions and care for society beyond legal compliance.

Global Compact Procedure - [P-SEMCO-0082](#)

By acceding the 10 UN Global Compact principles, Semco Maritime commits itself to prepare a COP report that documents the development and progress within the different areas. The COP report is published on the Global Compact website. We consider the process a mechanism for assessing and demonstrating our actions in relation to the incorporation of responsible practices into day-to-day operations.

■ Human Rights

Code of conduct - [POL-SEMCO-0013](#)

We have formulated a code of conduct specifically aimed at employees, partners and suppliers. The code of conduct contains our values and ethical guidelines.

All employees must know and understand not only the guidelines of the code of conduct, but also the values on which it is based. We are all committed to abide by the wording and the rules of the code of conduct and to help others do so.

■ Labour

Inclusion Policy - [POL-SEMCO-0006](#)

Inclusion is part of Semco Maritime's strategy to create an attractive workplace. It is a necessary element for our ability to adapt to the never-ending development of employees, customers and the company as a whole.

Employee Health Policy - [POL-SEMCO-0012](#)

The health policy of Semco Maritime has been developed with the formulated strategy in mind and is based on the values and attitudes that are the hallmarks of our corporate culture.

We want to provide a healthy environment and promote a healthier lifestyle among our employees without invading their personal space and lifestyle.

Hybrid workplace Policy - [P-SEMCO-0454](#)

In Semco Maritime, we support a flexible working environment where the primary workplace is the local office, but where part of a person's work can be done



from home. We trust in our leaders' ability to find the best balance for their teams considering the needs and dispositions of individual team members and recognising that there is no common approach to working from home.

Personnel Policy - [POL-SEMCO-0011](#)

The personnel policy applies to all Semco Maritime employees, regardless of title or position. The policy is reviewed on a regular basis and is based on the following core ideas:

- Semco Maritime shall be an attractive workplace characterised by commitment, reliability and responsiveness.
- It shall be possible to pursue a career in Semco Maritime, and the individual employee shall be able to use his or her talents and abilities to the full.
- In Semco Maritime, we are continuously changing and developing our processes. Therefore, we also expect our employees, our most important resource, to participate actively in the process

Our policies on responsible practices



Drugs and alcohol - P-SEMCO-0087

Semco Maritime has zero tolerance towards the possession and consumption of drugs during working hours. We expect all employees to come to work without being under the influence of alcohol or having traces of drugs in their systems.

Privacy Policy - POL-SEMCO-0022

This policy describes the details on the processing, use and disclosure of personal data relating to job applications and the hiring process. It also contains the details on employment relationships, if employed with Semco Maritime, and on the hiring-out of manpower to customers etc.

Harassment and violence - POL-SEMCO-0015

The purpose of this policy is to describe the following elements in Semco Maritime:

- Our attitude towards workplace violence and the course of action to be taken afterwards.
- Our attitude towards psychological workplace violence and the course of action to be taken afterwards.
- Our attitude towards physical and psychological harassment, including sexual, ethical, political and religious harassment and the actions to be taken afterwards.

Safety, environment and climate

HSSE Policy - POL-SEMCO-0019

Our core business is to create safe solutions within the oil & gas industry and the renewables market, as we see an increasing demand for reliable and sustainable energy. Our focus areas are:

- Zero harm to employees and stakeholders, our assets and the environment.
- Delivering a quality that makes us the first choice for customers.

Anti-corruption and bribery

Anti-bribery and Corruption - POL-SEMCO-0016

Employees shall not directly or indirectly accept, solicit or offer bribes, kickbacks, facilitation payments or any other unjustified advantages in order to improperly

influence or gain an unfair business advantage from any governmental or private entity.

Whistleblower arrangement - P-SEMCO-0378

Our whistleblower arrangement allows employees to report any criminal act and/or other serious risk that could pose a threat to Semco Maritime A/S, the Semco Maritime Group of Companies or any of their employees.



Accounting practices

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Scope 1 and 2 carbon emissions estimates

Company Cars: Amount of company cars and type (gasoline, diesel, electric and hybrid) x number of kilometers driven per car in the accounting year

Company vans: Liters of diesel used per company van (only diesel cars)

Fuel: Liters of fuel (diesel) used in production/at sites

Welding gas: m³ of purchased welding gas (CO₂ content of 5 used gas types)

Heat: GJ and kWh used, data received from the providers of heating

Electricity: kWh used, data received from the providers of electricity

Absolute reductions: Carbon emissions in tons in 2021 - carbon emissions in tons in baseline year 2019

Relative reductions: Carbon emissions in tons in the accounting year / number of employees in the accounting year



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Scope 1 and 2 reduction activities

Company cars emission reduction: (Average CO₂ emission per company car in 2021 – average CO₂ emission per company car in baseline year) / average CO₂ emission per company car in baseline year

Sustainability Workshops: Number of leaders who have conducted a workshop / number of leaders in total

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Waste management

Percentage of total amount of waste separated into the following four waste types for our two locations in Esbjerg (Bryggen and Staget):

Special treatment: dangerous waste such as chemicals

Disposal: waste that cannot be recycled or incinerated such as contaminated soil

Combustion: general waste, we are not able to sort at the moment

Recycling: sorted waste such as steel, paper and plastic that are reprocessed for use in a new product

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Safety

LTAf: Number of LTAs / million worked hours (LTA: The injured person is unable to carry out work for more than 24 hours)

TRIF: (Fatalities + LTA + RWI + MTI) / total number of exposure man-hours x 1.000.000



Safety Talks: Number of safety talks in total, based on registered safety talks
Safety Culture Survey: Average score based on all responses received

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Wellbeing of our people

Voluntary turnover rate: Turnover for White Collars onshore, is calculated on number of voluntary resignations / average headcount

Sickness absence: Percentage is calculated based on number of absence hours due to own illness / total number of hours

Women in board: Number of women represented in the board / board members in total

Women in management positions: Number of women holding a management position / management positions in total

Overall gender distribution: Number of female employees / employees in total

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Supplier qualification

Percentage of direct-spend suppliers that are assessed and approved in our supplier self-assessment database.



Semco Maritime A/S
Esbjerg Brygge 30
DK-6700 Esbjerg
CVR-nr.: 25 49 07 62
Tel. +45 79 16 66 66
semco@semcomaritime.com
www.semcomaritime.com