



Sustainability Report

2021



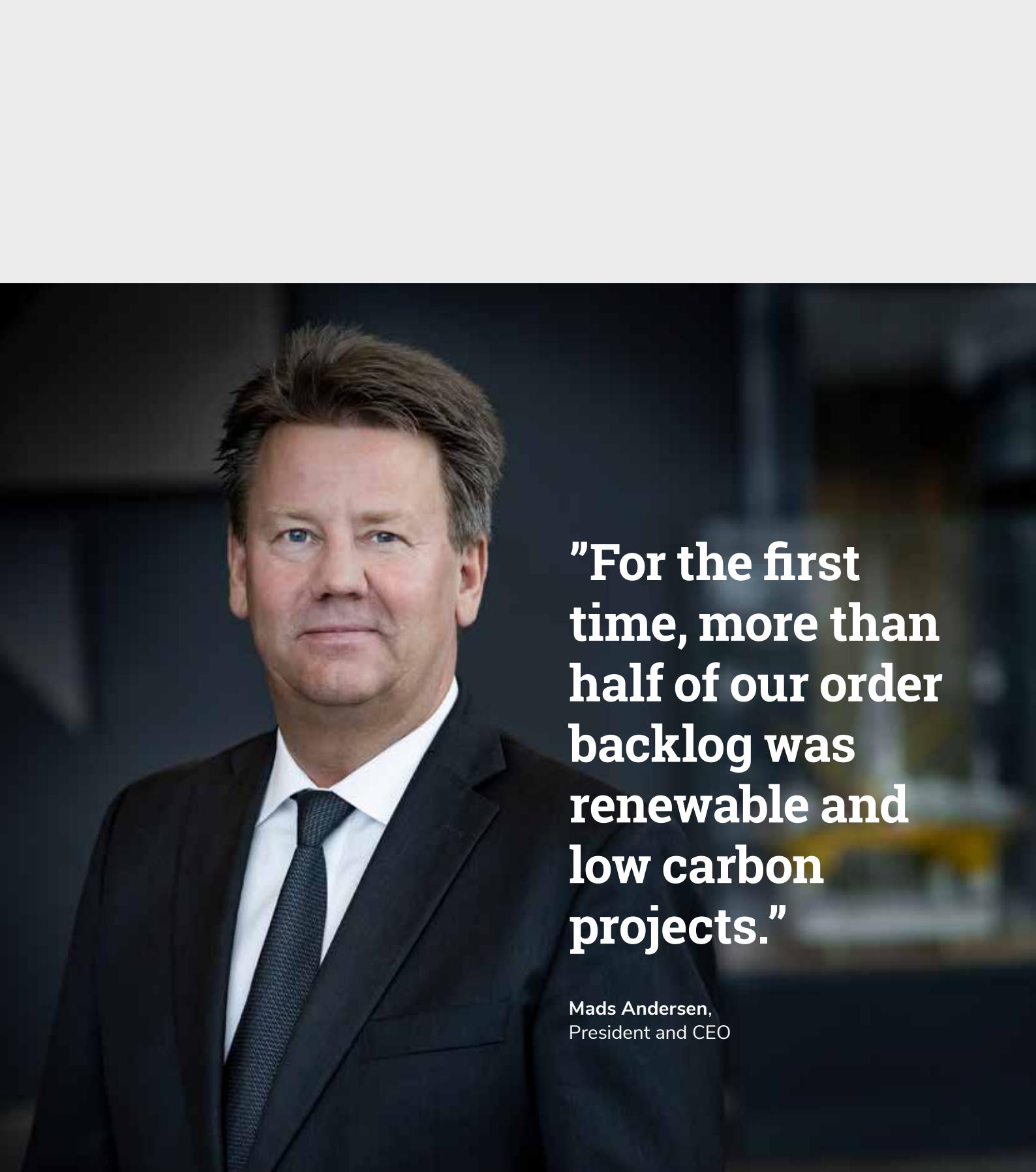
aibel®

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Aibel is currently executing projects which may reduce emissions with more than a million tonnes per year, or around 2% of Norway's total emissions.

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"For the first time, more than half of our order backlog was renewable and low carbon projects."

Mads Andersen,
President and CEO

CEO's Perspective

2021 was a successful year for Aibel, despite the numerous challenges related to Covid-19 which continued to affect society and our business. We manoeuvred well through the pandemic and made great progress on our transition strategy. Our strong health and safety performance continued, and we delivered a record low serious incident rate.

Towards the end of the year, Aibel passed a major strategic milestone as, for the first time, more than half of our order backlog was renewable and low carbon projects. This is solid evidence of our commitment to transform our business towards sustainable energy segments.

Electrification of offshore platforms and onshore processing plants is a major opportunity for reduction of carbon emissions from the oil and gas industry. The contracts awarded to Aibel in 2021 have positioned the company as the leading supplier within electrification of infrastructure on the Norwegian continental shelf and an important contributor to making the oil and gas industry more sustainable.

We also work systematically to reduce our own carbon footprint. As an example, we increased the electric power supply to our yard in Haugesund from 3 MW to 20 MW last year. This investment eliminates the need for diesel generators during commissioning of major projects. On the "Johan Sverdrup P2" project alone, the reduction of CO₂ emission is around 12,200 tonnes, more than the annual emissions from 5,000 cars.

245 new employees were hired across the organisation in Norway, including 38 new apprentices and 35 graduates. The apprentice program is a long-standing tradition in Aibel, and almost 100 apprentices are being professionally trained every year. We believe it is our social responsibility to give young people opportunities by providing them with competencies that are in

demand in the energy industry. Our graduates hold the latest, up-to-date expertise and it is inspiring that many of them choose Aibel as their employer after completing their apprentice program. We take this as an acknowledgement of our solid position in the energy industry and that we are seen as one of the leading service companies in the ongoing energy transition.

In 2021, we engaged a third-party company, Sustainalytics, to assess and benchmark Aibel on various Environment Social Governance (ESG) criteria. Aibel received excellent feedback on our current focus and performance and was assessed to be at low risk of experiencing material financial impacts from ESG factors. Aibel's ESG Risk Rating places us in the top percentile of the energy services industry.

The strong rating comes as a result of our efforts in developing a business culture based on respect, compliance, values and a strong focus on health, safety, security and environment. We know it is a never-ending task to further develop and improve these results, and we are motivated to continue our journey.

Going forward, we will continue to strive to reduce the environmental footprint of our operations, play an active role in the energy transition and investigate how our strengths support development of emerging, renewable industries like hydrogen, carbon capture & storage and biofuels. And, not the least, we will continue to protect and care for our employees, stakeholders and society as a whole.



This is Aibel

Well positioned in the energy transition

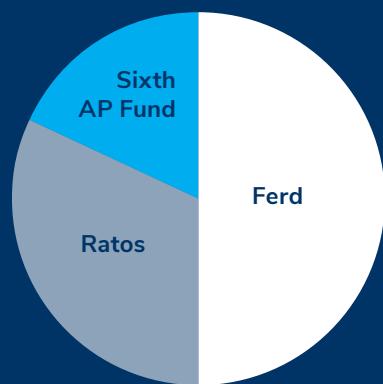
For more than a century, Aibel has demonstrated the ability to change and adapt to emerging industries and new markets. The company's capabilities and capacity has over the past decades been developed through larger and more complex turnkey deliveries. We have a strong focus on corporate responsibility and ESG is an integral part of our business. This proud heritage is a major contributor to Aibel's success as a frontrunner in the green shift.

Aibel builds, modifies, and maintains critical infrastructure for the energy industry. We design, engineer, construct and deliver large, complex, and high-value assets that process and transfer energy. Our customers are major energy companies that produce and process hydrocarbons or electricity, or

both. We provide key infrastructure components which can be an offshore platform, an onshore processing plant or a HVDC converter station. We also maintain and modify these assets throughout their lifecycle, which can be over decades.

Over the past years, Aibel has developed a leading position within electrification of offshore and onshore infrastructure on the Norwegian Continental Shelf. Electrification represents a major opportunity to reduce CO₂ emissions as more than a quarter of Norway's emissions come from the production and processing of hydrocarbons. Aibel is currently executing projects which may reduce emissions with more than a million tonnes per year, or around 2% of Norway's total emissions.

Aibel ASA (former Aibel Holding I AS) is a Norwegian-registered holding company with its headquarters in Stavanger. Aibel ASA is owned by Ferd (50%), Ratos (32%) and the Swedish pension fund Sixth AP Fund (18%). Ratos manages the pension fund's ownership stake. Both Norwegian Ferd and Swedish Ratos have significant investments in private and public equity.



Our Values – We care

Aibel's values are Responsible, Visionary, Open and Flexible. These values guide our decisions and behaviour and help us act as a cohesive organisation. Our values are an important part of the company culture and the well-known entrepreneurial Aibel spirit.



RESPONSIBLE

We are committed to the careful management of health, safety and the environment. Social responsibility is part of the company's backbone and we conduct our activities in accordance with applicable ethical standards. We do not promise more than we can deliver and do our utmost to honour the mutual trust and respect we have with our customers.



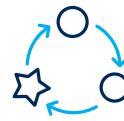
OPEN

Clear communication, constructive discussion and an open dialogue are important to us. We are honest, give feedback and encourage each other – as individuals, teams and towards our external partners and customers. We strive to be a positive contributor in all the communities we are a part of and share our goals and results with society at large.



VISIONARY

At Aibel, we always look for new and better solutions. Constantly improving and searching for opportunities to reduce emissions, and to deliver efficient, cost-effective products. We know that the road to sustainable energy is paved with a combination of new ideas, technology and people with the right experience and knowledge.



FLEXIBLE

Throughout our history, we have demonstrated an ability to change course and adapt to markets and to our customers' needs. Creativity and innovation are part of Aibel's DNA. We thrive when we can find new solutions and solve problems on behalf of our clients, and always work hard to achieve our common targets.

Aibel at a glance – facts and figures



8
locations worldwide.
Headquarters in
Stavanger, Norway



2
yards in Haugesund,
Norway and Laem
Chabang, Thailand



3
business segments:
Offshore wind & electrification,
Field development,
and Maintenance & modifications



4300
employees globally



57
different
nationalities



100
apprentices

THAILAND

Laem Chabang

SINGAPORE



245

new employees
in Norway in 2021



35

graduates
hired in 2021



138

years of experience



4

offshore wind
converter platforms
currently being built



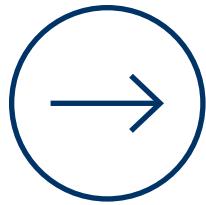
4

ongoing
electrification
projects in 2021



64%

of order backlog within
renewable energy
(year-end 2021)



Sustainability Reporting in Aibel

Aibel is committed to sustainability as an integral part of our overall business strategy, and we report on our sustainability processes, plans and results. Aibel reports on these matters in line with the requirements of the Global Reporting Initiative (GRI) to provide transparency on how the business impacts the economy, environment and people. GRI is the world's most widely used standard for sustainability reporting: [GRI](#).

Aibel's Sustainability Report is published separately from the annual report. The 2021 report is our fifth issue. The purpose of the report is to offer our key stakeholders a comprehensive and balanced overview of how we at Aibel manage the sustainability aspects we consider to be the most essential for our operations. In addition, it is important for us to communicate our firm commitment and engagement related to sustainability, as well as achievements on these matters.





The Johan Sverdrup P2 platform plays a dominant part in the cityscape of Haugesund.



Management Approach and Governance of Sustainability

The board holds the overall responsibility for Aibel's sustainability performance. The CEO and the executive management team are responsible for establishing the company's sustainability agenda in compliance with relevant governing documents.

The day-to-day responsibility rests with the Sustainability Committee, which consists of specialists from several departments within the company. The committee reports on their efforts to the executive management team.

Key governing documents

The policies listed below constitute Aibel's key governing documents for how to manage material sustainability matters. We supplement these policies with additional procedures, guidelines, specification of roles and responsibilities, and reporting instructions. See our website aibel.com for further information related to the Code of Conduct and selected policies.

- Aibel Code of Conduct
- Corporate Responsibility Policy
- Human Rights Policy
- Human Resources Policy
- Anti-Corruption and Bribery Policy
- HSSE Policy



Sustainability KPIs

Aibel uses the term “material aspect” as a common term to describe its sustainability focus areas. The material aspects are based on the ten principles of the UN Global Compact.

The company sets targets based on these material aspects to measure and manage them as effectively as possible. A key target is to establish tangible KPIs that enable management to keep track of the achievements and progress made related to the ten principles of the UN Global Compact.

Please see all our sustainability results and goals in numbers in the sustainability Key Performance Indicators chapter starting on page 54.

ISO certificates

An important aspect of the systematic management approach to corporate responsibility is denoted by the ISO certifications held by Aibel. In 2019, the entire Aibel Group was re-certified for ISO 9001:2015 Quality management systems, and ISO 14001:2015 Environmental management systems.

The ISO 14001 certificate confirms that our management of environmental risks and opportunities is fully aligned with global standards and expectations. Equally important,

the certification process helps us identify environmental challenges and improve our initiatives.

In addition, Aibel was certified for ISO 45001 (Occupational health and safety management systems). The certificates are valid until December 2022.

Aibel has been certified according to ISO 9001 since 1995, ISO 14001 since 1998, and OHSAS 18001 since 2003 (replaced by ISO 45001 in 2019).

Commitment to the UNGC

Aibel has been a signatory to the UN Global Compact since 2017, and remains fully committed to the ten principles concerning human and labour rights, environmental responsibility and anti-corruption. This report represents our annual Communication on Progress (COP) pertaining to these initiatives. Please follow this [link](#) to Aibel participant information on UNGC webpage.

WE SUPPORT



Sustainable Development Goals

Aibel fully supports the UN Sustainable Development Goals. We support the fight against



inequality and injustice, the strategy to improve health and education while ensuring sustainable economic growth, addressing climate change, and protecting our oceans and forests.

It is our opinion that awareness will lead to action, thus we work diligently both within our own company and within the supply chain to create awareness related to the development goals. Our approach as regards third parties is to only work with companies which meet our ethical standards. Further, we focus on ensuring that human rights, labour standards and environmental requirements are adhered to in our supply chain. At Aibel we strive to ensure gender equality, and we work actively to prevent discrimination of any kind.

Our strategy has been focused to meet the urgent call to action on climate change. We are currently transforming our business from oil and gas towards clean renewable energy segments.

We have already established a solid position within the European offshore wind segment, and we are frontrunners within electrification of production facilities, helping energy producing clients to lower their CO₂ emissions significantly. We expect further growth, both within the renewable energy segment and within the electrification segment, fuelled by the European green deal policies and the need to lower emissions.



Supporting our local communities

Aibel aims to be a positive contributor to society wherever we are present and encourage our employees to engage in community activities. During 2021, the Covid-19 pandemic continued to cause frequent changes to regulations and requirements in the various countries in which Aibel operates. The result is that our charity related work and contributions to local communities have been limited as we are committed to assuring the safety of our personnel.

Thailand

Corporate Social Responsibility Day

Aibel Thailand organised its own Corporate Social Responsibility Day on 15 November. Company representatives from the Welfare committee and Human Resources visited the Baan Jing Jai Foundation, an orphanage and school in Pattaya, close to Aibel's yard in Thailand. The welfare committee brought 21 laptops which were donated to the school. The laptops will be used for educational purposes and internet access for the children. "We will continue to do CSR activities, as we want to give good things back to society," stated the HR Officer in Aibel Thailand.

Norway

Solstein – a permanently adapted workplace

Aibel established its relation to the Solstein company in 2019. The company employs people who for various reasons need a permanently adapted workplace.

Previously, Solstein has produced and supplied tailored covers for pipe penetrations for the Johan Sverdrup UPM module, wooden stools, and endcaps for preservation pipes, which are used to prevent falling objects during the construction phase. In 2021, the contract with Solstein was extended to also include a lunch service for workers on board the JSP2 barge at the yard

in Haugesund. Every week, approximately 1000 sandwiches are made in their kitchen and sold at the yard. Around 20 Solstein employees are involved in the lunch service provided to Aibel.

The initiative has been a valued task for the workers at Solstein, as the effect of the pandemic is still very present: One of their main products has been to provide fruit baskets to offices but given the home office situation over the past two years, the number of orders has been drastically reduced.

Keep Norway Clean

As part of the action plan for 2021, Aibel employees contributed to the local communities and conducted clean-up campaigns at several locations in Norway in October and November. The clean-ups were performed outside the office buildings and in the surrounding areas.

The initiative is part of the "Rydde Norge" campaign, where the clean-up activities performed at Aibel's locations are registered. This is the national website for clean-up campaigns and is a collaboration between the Norwegian Centre for Oil Spill Preparedness and Marine Environment and Keep Norway Clean. The initiative is supported by the Ministry of Climate and Environment. Information about Aibel's clean-up campaigns can be found by searching the map at [Rydde Norge](#).

External Sustainability Assessments

In Q3 2021, Aibel contracted the Morningstar company Sustainalytics to do an external assessment of our ESG risk exposure and risk management. The outcome was very encouraging and ranked Aibel amongst top performers within the industry.

In addition, Aibel's majority owner Ferd engaged PwC to do a brief consideration of Aibel's ESG maturity. PwC appreciated that Aibel's



Employees from the permanently adapted workplace Solstein handing out food to the guests at the Johan Sverdrup P2 sailaway ceremony.

sustainability efforts seem to have a wide impact and appear to be well managed through the Sustainability committee.

There are, however, still improvement opportunities that we are aware of and working to implement in our strategy and goals. External assessments are valuable as they contribute to clarify whether our efforts are relevant, and it helps prioritizing areas of improvement.

ESG risk assessment – Aibel at the top of our industry

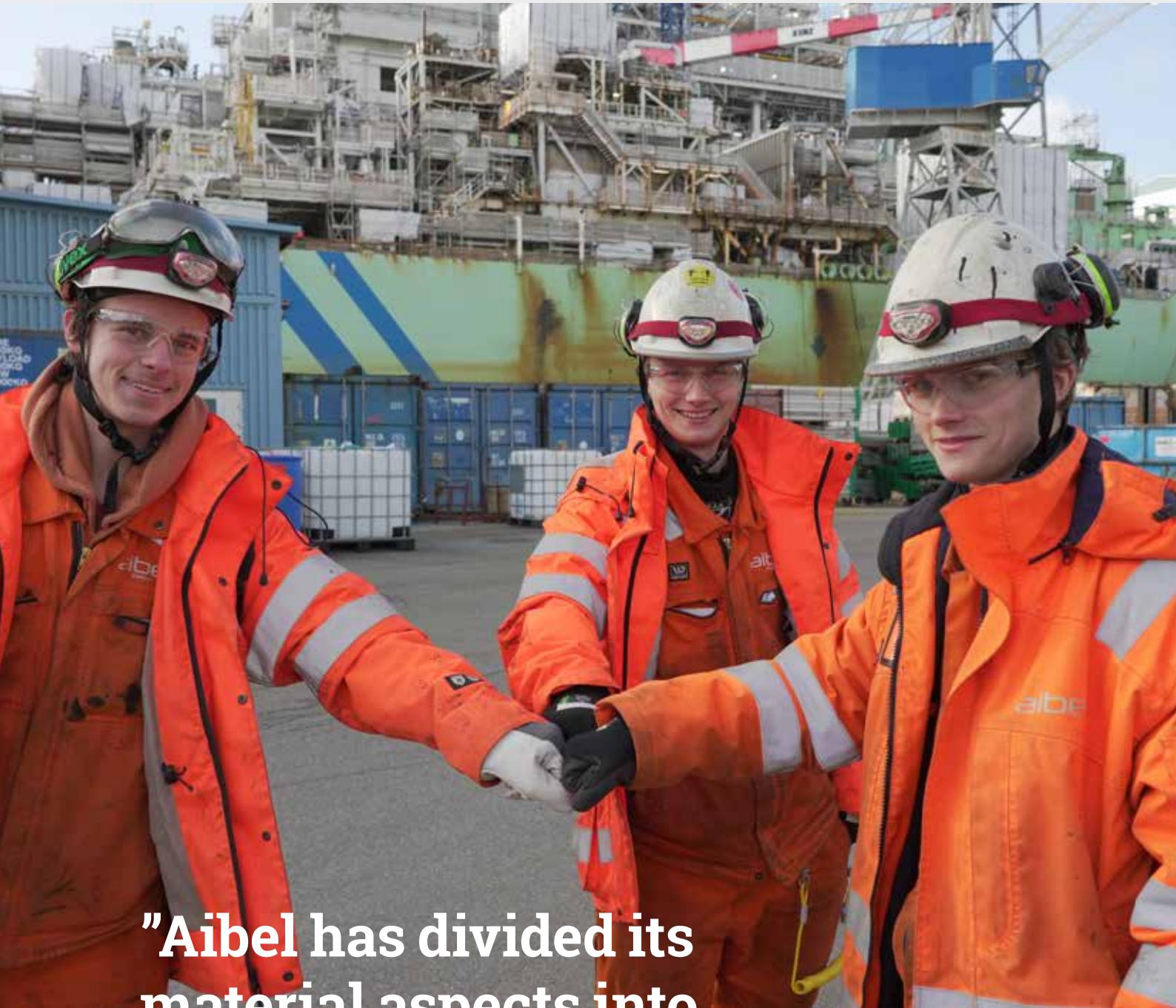
Our top rating from Sustainalytics is a result of longstanding and strong efforts throughout the company. Aibel has worked systematically with sustainability, and we are proud that we manage to deliver on our commitment to sustainable development. Achieving the second-best score in a group of 115 company peers demonstrates dedication, quality, and professionalism. Going forward, we are determined to further develop our robust management of ESG issues.

Sustainalytics' ESG Risk Ratings measure a company's exposure to industry specific material ESG risks and how well the company is managing those risks. This multi-dimensional way of reviewing a combination of management and exposure forms an assessment of ESG risk, which is comparable across all industries*.

Sustainalytics' ESG Risk Ratings provide a quantitative measure of unmanaged ESG risk and distinguish between five levels of risk: negligible, low, medium, high, and severe. Aibel's level of risk exposure was considered low. Learn more about the [ESG Risk Ratings here](#).



* See page 56.



"Aibel has divided its material aspects into five strategic areas, which are aligned with the ten principles of the UN Global Compact."



Stakeholder Engagement and Materiality

Material aspects

Aibel frequently reassesses the so-called material aspects of its business to confirm the validity of these when compared to the identified stakeholder concerns. This reassessment process is key to secure proper handling of our company's main sustainability risks and opportunities, as well as ensuring appropriate handling of new laws and regulations.

Aibel has divided its material aspects into five strategic areas, which are aligned with the ten principles of the UN Global Compact. This division also forms the basis for our approach to sustainability, ensuring in-depth focus on important areas.

As previously explained, a vital part of the sustainability reporting process is to set goals, collect quality data and evaluate the progress as compared to selected KPIs.

To ensure coverage of all the identified material aspects the report is divided into the following main chapters:

- Compliance and Anti-corruption
- Human Rights Risks
- Labour Standards; Equal Opportunities, Diversity and Inclusion
- Occupational Health, Safety and Security
- Environment

Compliance and Anti-corruption

Aibel has a dedicated Ethics and Compliance department and a fully integrated compliance program driven by a strong culture and a clear message from the top (owners, board and executive management). The Compliance department reports to the management group and the BoD quarterly, as well as through a more comprehensive annual report. In addition, Aibel's owners engage directly to support our continued commitment to a robust compliance programme and sustainability approach.

Aibel conducted an internal assessment audit of our compliance with ISO 37001 (Anti-bribery management systems) and found that we fulfil the requirements outlined in the standard. However, this standard is not included in our certification scope.

The anti-corruption program has been audited by one of our largest customers, and found to be comprehensive. The program covers all important elements in an effective system and includes high



quality training material and audit work. The conclusion was that we are compliant with the Foreign Corrupt Practices Act (FCPA) requirements as set out in the document Evaluation of corporate compliance programs (June 2020 edition).

Aibel's Code of Conduct

Our commitment to business ethics, integrity and transparency is clearly stated in our Code of Conduct, which defines legal and ethical standards for how the company shall conduct its business around the world.

Adherence to the code is a prerequisite for working at Aibel. It guides us in facing our day-to-day challenges, and it helps us do what is right, thereby safeguarding Aibel's values, integrity, and reputation. These guidelines apply to all employees, no matter where we are in the world or what position we hold. Please find our [Code of Conduct](#) here.

Compliance awareness training and annual certification

Aibel's employees are required to complete an annual certification (e-learning), whereby they confirm that they understand and agree to comply with the principles of our Code of Conduct.

In 2021, 95% of eligible employees completed this training. In addition, a select number of employees are required to attend a classroom-based compliance awareness and dilemma training session every third year. During the year, classroom training was conducted for all Norwegian locations, partly digital and partly in physical meetings, in line with prevailing Covid-19 restrictions at the time.

Classroom training for Aibel Thailand is planned for 2022. We hope that the pandemic situation improves, allowing us to gather all applicable Thailand employees for physical training sessions.

The training program was updated and expanded in 2021. The new program is set to increase the focus on sustainability topics, including human rights risk and how we can act to prevent any violations and how employees can contribute by recognizing and reporting red flags.

Risk assessments

In order to implement useful processes and tools in the fields of anti-corruption and compliance, risks are identified, evaluated, and managed. Aibel's key compliance-related risks have been evaluated to be business development activities in high-risk countries and markets. Some of the markets in which we operate are economies with complex and sensitive political and social contexts. We have several risk reducing procedures and processes in place. Our Country Risk Assessment procedure is important, as it covers, among other topics, corruption, political climate, economic factors, safety, security, sanctions, human rights and labour standards. Entry into high-risk markets requires board approval, and any risks identified through this procedure are subject to mitigating actions and recommendations based on the findings. In addition, Aibel also includes compliance risk as part of the Risk Review Committee (RRC) process for potential new projects.

We recognize the risk of compliance and human rights incidents in our third-party supply chain, which we aim to reduce through a risk-based Integrity Due Diligence process covering all third parties.

Risks relating to corruption and human rights will continue to receive our diligent attention, and we will continuously update, change and improve our work instructions and guidelines to meet the perceived risks within these areas.



Anonymous Reporting channel

Aibel has an online ethical reporting channel which enables us to have an anonymous dialogue with the reporter all the way from the time an initial message is received, through the whole process until the case is closed. The channel is available 24/7 online or via smartphones/QR codes.

A link to our reporting page on WhistleB can be found on our website at aibel.com and the link is open for everyone to use. We have a corresponding work instruction; Handling of compliance and human rights investigations in Aibel, which describes how to handle reports. All cases will be investigated.

In 2021, six cases were submitted via the system, while we received only one in 2020. As per the procedures, all cases have been investigated.

We believe the increase in reported cases is a direct result of a targeted campaign to raise awareness and knowledge of the channel, and to lower the threshold for use. We want the WhistleB channel to make it easy to raise concerns.

Compliance Champions Program

To strengthen our compliance presence and efforts across multiple locations, we have maintained and even expanded the Compliance Champions program, which was first implemented as early as 2016. We are particularly pleased with the program being expanded with two new Champions this year.

The role of the Champions is to liaise between their location or a specific project, and the corporate Compliance department. The Champions also front compliance campaigns or specific compliance topics locally, and they are an important part of our reporting system and a way for employees to raise concerns and discuss ethical dilemmas.



The Compliance Champions in Haugesund, from left: Kenneth Tjøsvoll, Geir Olav Jentoft, Torunn Marie Skrunes Sundt, Einar Magne Storhaug and Jan Opsahl.

For the Singapore and Thailand operations, the Champions have an additional responsibility to assist in compliance training and third-party integrity due diligence processes. This comprises performing onsite compliance audits of critical subcontractors and business partners in their geographical region.

Aibel has a 50% ownership of a maintenance company in Egypt, Egyptian Maintenance Company (EMC). The Compliance department and the Aibel representatives on the EMC board work jointly, targeting the strengthening of the implemented compliance program in EMC.

Previously Aibel has provided support on the implementation and development of EMC's Code of Conduct and the related training program, including training of the local chief compliance officer. During 2021 the efforts and cooperation on relevant compliance topics with EMC have been further intensified. We now have monthly meetings with a set agenda, and Aibel have provided support for EMC in their process to register for UN Global Compact and in establishing an Integrity Due Diligence procedure as well as a country risk assessment procedure.

Third-party integrity due diligence

Aibel has a risk-based approach to third party due diligence and performs customized Integrity Due Diligence (IDD) on all third parties. To be approved as a supplier to Aibel, companies are required to sign the Supplier Code of Conduct declaration specifying and confirming their commitment to the prevailing principles in the Code of Conduct. This confirmed commitment covers anti-corruption, labour and human rights requirements, environment and sustainability, as well as trade compliance, sanctions and supply chain compliance. A total of 2,061 third parties have signed and committed to the Aibel Supplier Code of Conduct.

We conduct risk-based integrity due diligence reviews of all new and potential business associates. A total of 230 such integrity due diligence reviews were performed during 2021.

Most of the suppliers reviewed are defined as low or minimal risk suppliers, residing in low-risk countries. These are only subject to standard desktop screening. Suppliers defined as medium or high-risk third parties are subject to a more extended desktop screening and due diligence process. High-risk subcontractors and suppliers may also be visited by our compliance team for onsite compliance audits prior to approval. In total 13 such audits were conducted in 2021, either by the Compliance department or by trained Compliance Champions.

The outcome of such supplier audits provide valuable information, which is decisive for the decision-making process prior to award of supplier contracts. Due to Covid-19 restrictions some planned audits has been postponed and some have been conducted remotely when deemed acceptable.

Looking ahead

The objective of avoiding any compliance incidents within the company or the supply chain will always be a top priority for Aibel, and this is mirrored in the efforts made to ensure continuous and full compliance with our Code of Conduct.

Besides preventing compliance code breaches, a main focus in 2022, will be to ensure that Aibel is well equipped and ready to meet requirements introduced by new reporting standards and changes in legal requirements. Further, an important focus area will be to identify and incorporate required improvements into our management systems, based on observations or on feedback and lessons learned from audits and assessments.

Workers in Aibel performing the “SayHi” dance at the top of the P2 platform. The SayHi dance is NRK’s campaign to promote friendship and care.





Human Rights Risks

From human rights related legislation such as the Modern Slavery Act, to maintaining a social license to operate, to morally 'just doing the right thing', there are many reasons why human rights aspects are high on the agenda in Aibel.

Aibel is pleased to observe an increased industry-wide focus on human rights and working conditions, and we strongly support the transfer of human rights from being international guiding principles into laws and regulatory requirements.

A common industry focus and joint efforts strengthen our opportunities to promote actual, long term, improvement and facilitate changes. Handling of human rights issues and working conditions in the supply chain have been a high priority area for some years already. To ensure continued improvement we have further strengthened our focus on human rights issues internally. These efforts will continue into 2022 and beyond, as we prepare to comply with the new Transparency Act and continue to act according to our strong and proven human rights commitments.

Human rights risk in Aibel

At our yard in Haugesund, onshore Norway, and on the Norwegian continental shelf, the risk of human rights violations has been assessed as low due to the incorporated procedures and policies, the extensive cooperation with unions and use of collective agreements, and our thorough vetting and follow-up of personnel suppliers.

For the operation in our yard in Thailand the risk is considered slightly higher, but procedures and

instructions are in place to ensure that no incidents occur. Further, continuous efforts are made to improve, in close cooperation with both customers and suppliers. Aibel is committed to being a best practice company and setting a good example. Hence, we strive to ensure that our Thailand yard continuously meet higher standards than the requirements under Thai law.

Human rights risk in our supply chain

Internal risk assessments ranked the supply chain to be the area where the risk of any human rights violations is the highest. Hence, evaluating the potential risk of human rights breaches within the supply chain constitutes an important part of Aibel's suppliers and third parties approval process. We approach supply chain risk on several levels and as described earlier, we ensure commitment to the prevailing principles in our Code of Conduct from all suppliers and subcontractors.

The perceived human rights risk level is a factor, which is included in the overall assessment of any supplier. The combined risk perception and supplier criticality level will define which type of human rights compliance assessment is necessary to help identify the risk for potential breaches and recognize the necessary mitigating actions.

We mainly use internal resources to audit and assess risk of human rights violations in the supply chain. Two departments in Aibel are authorized to approve third parties and perform Supplier Audits: The Compliance department for IDD (Integrity Due Diligence) audits, and the SCM Supplier Quality (SQ) department for Total Quality Systems Review (TQSR) audits. Both supplier audit formats include human rights evaluations, and a common guideline and matrix to ensure consistent human rights audits, evaluations and assessments have been in place for over a year. Furthermore, we engage third party human rights specialists as deemed necessary to gain deeper insight.

External human rights assessments

Internally initiated

Aibel contracted Arche Advisors to perform a human rights assessment of a JV partner's supply chain at the end of 2020, and the findings were followed up closely during 2021. We were pleased to observe that the assessment has contributed to large scale efforts and improvements. The most noticeable change is goodwill payments paid out to workers subject to recruitment fees, and the firm commitment to engage a third-party to perform in-depth IDD on recruitment and training centres in the workers home countries. The JV partner has announced implementation of the Dhaka principles both within their company and within the supply chain.

The “employer pays” principle is of particular importance. Both Aibel and our largest customer are committed to ensuring that no workers in the supply chain have to pay exorbitant recruitment fees.

We believe that the observed actions taken by the JV partner will be important to improve the workers' situation well beyond the current project and the selected subcontractors comprised by the audit.

Externally initiated

Both in 2020 and 2021 a third-party specialist company (Impactt), contracted by our customers, performed several human rights assessments on Aibel and our supply chain in Norway and Thailand.

The most recent findings from the assessment performed in Thailand November 2021 show a clear improvement from the 2020 assessment. The new findings are incorporated into an action plan, which will be finalized and followed up in 2022. This process is being led by Impactt and involves both customers and suppliers in addition to Aibel.



Mikael Kvinnnesland, Ingrid Brekke Bjørnsen and Mats Søvik all work as welders on the P2 platform.

We observe that improving the conditions to the desired level, for workers within Thailand and other countries Aibel operates, will take some time and require both determination and continued commitment. It will also require a wide engagement and collaboration with customers and suppliers, as well as with local governments and legislators.

The global movement towards human rights is still in early phases, but at Aibel we remain committed to playing our part, contributing jointly with our industry partners, clients, and suppliers.

Looking ahead

As already addressed, a 2022 focus area will be to ensure that Aibel is well equipped and ready to meet the requirements under the new transparency act, as well as the new standard for GRI and UNGC reporting. Further, we will focus on human rights, due diligence and implementation of lessons learned from both internal and external audits and assessments.

Labour Standards – Equal Opportunities, Diversity and Inclusion

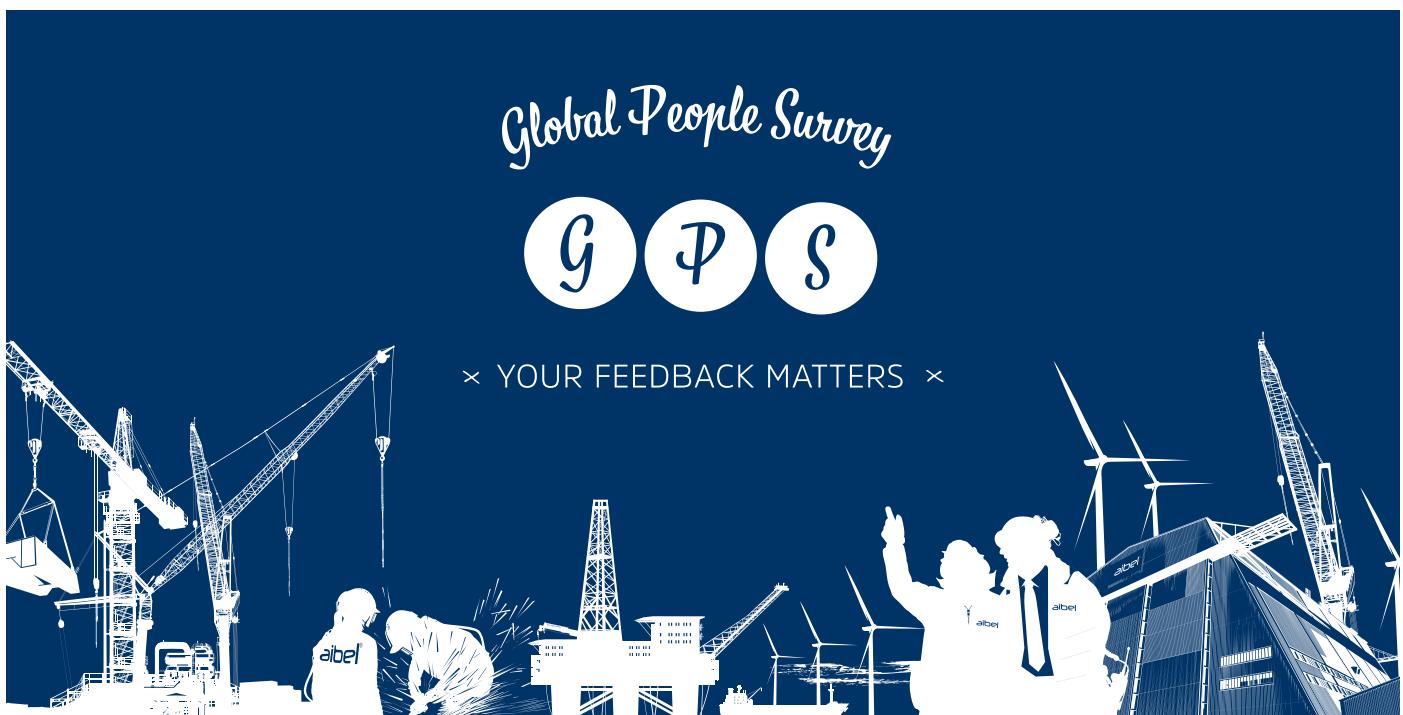
At Aibel, we promote a culture based on equal treatment of employees, mutual respect and trust. We offer our employees fair and reasonable working conditions, and we do not discriminate.

This is described in Aibel's Human Relations Policy, as well as in our Code of Conduct. We comply with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, 1998. We respect the freedom of employee association and the right to collective bargaining. These principles, in addition to the elimination of forced labour, child labour and

discrimination at the workplace, are reflected in Aibel's Code of Conduct, in our Corporate Responsibility Policy, and in our dedicated Policy on Human Rights.

Caring about our people

Caring for our colleagues begins with mutual respect. This means that we value the diversity of our workforce and the unique talents and differences that each of us brings to Aibel. We need each other to achieve our goals. We know that it is important to encourage personal and professional growth through continuous development of our abilities and talents.



Global People Survey

Aibel appreciates the importance of engagement and how it can create a great working environment and thriving teams. In 2019, Aibel initiated their first Global People Survey, (GPS), to measure employee engagement throughout the organisation. The survey was conducted in cooperation with an external supplier who provided external benchmarking, detailed analysis and professional engagement expertise. The survey showed a good level of satisfaction and motivation in the workforce. Throughout 2020, over 650 improvement plans were prepared. These results gave us valuable information to further strengthen our engagement strategy.

In 2021, we conducted our second Global People Survey. The same questions were used as in 2019

survey, plus we introduced a new section on Diversity & Inclusion, as it is important to Aibel to have a balance in our workforce. During 2021, many employees worked remotely and had been away from the office and their colleagues, and our yard workers had to work under strict Covid-19 restrictions. Under these difficult working circumstances, it was important for us to see how our engagement had been affected. Our survey response rate increased to 83%, which represented over 3000 permanent employees. We had strong results from the 2019 survey so we were pleased to see that our engagement had progressed even further. Our 2021 results showed positive trending and our overall results improved to a very good level, in both satisfaction and motivation, as well as in loyalty. The results are incorporated into both local and strategic

Our people

2021	Norway	Thailand	Singapore
Permanent employees	3206	361	158
Temporary employees	6	416	88
Apprentices/Trainees	91	4	0
Total	3485	781	246

2021	Male		Female		Total	
	Full time	Part time	Full time	Part time	Full time	Part time
Norway	2636	38	594	34	3230	72
Thailand	671	0	110	0	781	0
Singapore	178	0	68	0	246	0
Total	3485	38	772	34	4257	72

All figures as of December 2021.

It should be noted that employees working part time have themselves applied for a reduced position, either for a shorter period or as a longer-term solution. No member of Aibel's workforce has a part-time position that is not on a voluntary basis.

improvement initiatives. The next global survey is planned for 2023.

Recruitment and retention

It is vital for Aibel to retain core competences and develop new ones, especially within such segments as electrification/high voltage, renewable energy and offshore wind. Aibel also relies on the continued professional development of skilled operators, to maintain a high level of core knowledge and experience. Aibel focuses on the retention of an experienced, high-performing workforce and the employment of apprentices. We also continue to develop our relationships with agencies that provide contracted employees in order to secure the availability of qualified workers during peak project activity. These agencies are subject to rigorous requirements to protect particularly vulnerable groups, such as foreign workers from low-income countries, from being exploited or having their rights infringed in our projects and at our yards.

Aibel recruited 258 new employees in 2021, compared to 148 in 2020. Of these, 78 were below 30 years of age. The total attrition rate was 3.9% in 2021, which is 0.1% lower than in 2020.

Important apprentices and technology students

The company's continued focus on recruiting new apprentices is an important contributor to replenishing professional competence and contributing to society's need for apprenticeships. This is achieved through cooperation with our educational institutions. Aibel recruited 38 new apprentices in 2021, compared to 43 in 2020. At year-end 2021, there was a total of 95 apprentices at the Haugesund, Hammerfest and Thailand facilities. 39 apprentices achieved their certificate in 2021 and, since 2010, over 510 apprentices have earned their certificates through the apprenticeship programme at Aibel. For 2022, Aibel wishes to maintain a similar proportion of apprentices in our workforce.

Furthermore, Aibel stays in close contact with technology students. To connect with new talents, we attend career fairs and other student events at several universities and schools throughout the year. Aibel also provides the opportunity for technology students to write bachelor projects or master's theses within relevant topics.

Equal opportunities, diversity and inclusion

Diversity and inclusion are increasingly seen as important drivers of business success. In Aibel we are committed to being a diverse and inclusive company, where everyone has equal opportunities and is treated fairly and with respect, regardless of gender, nationality, ethnicity, age, religion, or sexual orientation. The work on equality and diversity is integrated into Aibel's strategy and operations and is a part of the company's overall sustainability work. Our commitment against discrimination and harassment is clearly defined in the Code of Conduct and in our staff regulations; there may be no discrimination based on gender, nationality, or ethnic grouping. Furthermore, our Human Resources Policy specifies that Aibel will not tolerate harassment, and that none of our employees may be subject to discrimination on the grounds of gender, religion, political views, race, skin colour, national or ethnic origin, sexual orientation, or style of cohabitation. As the nature of Aibel's operations calls for employees from different operating entities and geographical regions, both nationally and internationally, the equal opportunities principles are well-established throughout the company. Furthermore, we seek to promote a culture which ensures that all types of employees can thrive and achieve their potential.

Amendments to Section 26 of the Norwegian Equality and Anti-Discrimination Act as of 1 January 2020 emphasise that employers have an activity-based reporting obligation to make active, targeted and systematic efforts to promote equality and prevent any form of discrimination. We refer to our gender equality statement for further details.

As evidence of our principles in action, 57 different nationalities are represented in our company. Equal opportunities for both genders is a basic principle in Aibel. Three of the seven executive management team (EMT) members are women. We have 253 people in the top-three job categories in Norway, and 19% are women. This is reflected in the organization as a whole, where we employ 3,302 people, of whom 19% are women. We have 2,200 office employees, of whom a slightly higher proportion, 26.3%, are women. In view of the technical nature of key expertise in our business area, the gender balance at Aibel reflects the number of women represented in technical professions in Norway, both for apprentices and technical college.

Management job categories		
Gender	Headcount	Percent
Female	48	19%
Male	205	81%
Total	253	

All employees		
Gender	Headcount	Percent
Female	628	19%
Male	2674	81%
Headcount	3302	

Competitive remuneration

To monitor that Aibel offers competitive remuneration, our goal is to conduct an annual external salary survey to ensure that we have fair and competitive terms at all our locations. We use external benchmarking to compare wage levels

with competing companies, to monitor and ensure that we offer fair and competitive terms.

For 2021, Aibel Singapore participated in the yearly Mercer Total Remuneration Survey (TRS), and Aibel Thailand participated in a survey performed by Korn Ferry. We found that in general the salaries paid to our permanent employees are competitive.

The survey for Aibel Norway for 2021 was conducted by Korn Ferry. A new base salary was reported after the annual pay settlement for all non-manual workers. We found that our remuneration is competitive compared to our peers. We will continue to monitor internal differences. We also monitor our attrition rate for employees leaving for a higher salary in other companies within our industry. For Aibel AS, we will report separately in line with the requirement in amendments to Section 26 of the Norwegian Equality and Anti-Discrimination Act; analyse and report pay differences between gender.

We monitor our gender balance, and among non-manual workers, the female representation has increased in all groups; employees, managers and senior management. The exception is a decreased number in the group, managers of managers. Aibel has a higher share of women among managers than employees overall. We will use the data to identify whether we have any areas which require further action.

Employee involvement

Aibel promotes employee involvement, and we seek to build cooperation models with employee representatives in all business units, with the aim of involving employees in the development of the company. Norway's Working Environment Act governs worker rights in Norway. This is the principal Norwegian labour law. Labour laws in Norway provide regulations both in terms of individual employees and their contracts, and unions and their collective agreements. Workers

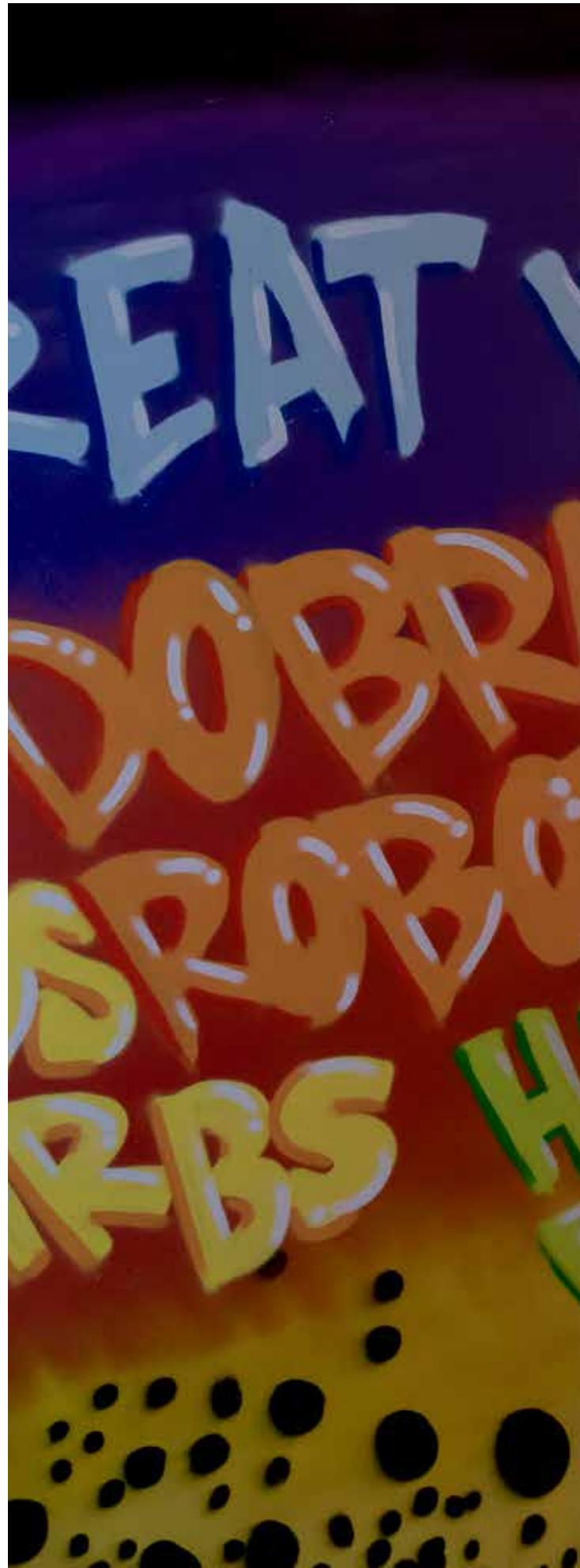
have the legal right to unionize, and around half of all workers are trade union members and almost three-quarters of all workers are covered by collective agreements.

In Singapore, workers and employees are free to form their own organisations to represent their interests, with legal provisions protecting their rights. Nevertheless, there is no trade union formed and registered in Aibel Singapore. However, a Working Environment Group (WEG), comprising volunteers who take on the role of employee representatives in order to engage with the management representatives on workplace issues, was formed in August 2018. WEG representatives meet the management representatives once a month. WEG meetings have contributed to better working conditions, a better working environment and improved relations between employees and management.

Freedom of association and collective bargaining are not prohibited in Thailand, where the Industrial Relations Act regulates the collective bargaining activities of unions and employers. However, there are no trade unions registered in Aibel Thailand. To promote employee involvement, a Welfare Committee consisting of elected employee representatives has quarterly meetings with management representatives. They monitor the welfare and well-being of employees and propose welfare initiatives. In addition, an HSE committee, consisting of both management and employee representatives, holds monthly meetings in order to ensure safe working conditions and a good working environment.

Looking ahead

In 2022, Aibel will focus on working towards reducing inequalities and gender gaps.





Graffiti at the accessing containers of the P2 platform.

The Safety Collaboration towards 2025 team had their safety inspection and steering committee meeting at the Haugesund Yard in September.





Occupational Health, Safety and Security

Health, Safety and Security

Our strict standards and procedures show our commitment to creating a safe and inspiring work environment, where our employees feel protected with regards to health, safety, security and environment (HSSE). Aibel has a zero injuries and incidents philosophy; we believe that all incidents can be prevented. This philosophy is the foundation of Aibel's work within health and safety and our commitment to ensuring that everyone always returns home safely.

Our health and safety approach covers employees, in-house contractors, vendors and suppliers. We see the health and safety of our employees as vital to our business, making a positive difference to employee commitment and enthusiasm, thereby increasing productivity, reducing absenteeism, and lowering costs. We work across all business units to maintain and improve the identification of, and readiness to respond to, health, safety and security risks.

Key figures

The following is a summary of types of injuries, incidents, serious incident rate (SIR), lost time incident rate (LTIR), total recordable injury rate (TRIR), sick leave, reports and lost workdays due to injuries, for all employees (own employees, hired-in personnel and subcontractors) during the period 2017–2021:

Aibel – 5 year HSE history

YEAR	FREQUENCIES											SIR (SI per 1,000,000 hours worked)	LTIR (LTI per 1,000,000 hours worked)	TRIR (Fatal + LTI + MTI + RWC per 1,000,000 hours worked)	FOF (Falling objects > 40 joule fall energy and missing barriers) *	Sickness Absence
	FATAL ACCIDENT	SERIOUS LOST TIME INJURIES	OTHER LOST TIME INJURIES (LT)	RESTRICTED WORKDAY CASES (RWC)	MEDICAL TREATMENT INJURIES (MTI)	LOST WORKDAYS DUE TO INJURIES	ENVIRONMENTAL SPILL	MATERIAL DAMAGE	SERIOUS INCIDENTS (SI)	REPORTED NEAR MISSING AND SAFETY OBSERVATIONS						
2017	0	1	8	1	30	124	0	0	6	24,594	0.45	0.68	3.01	0.38	4.0 %	
2018	0	1	1	2	16	140	0	0	2	16,895	0.23	0.23	2.26	0.11	3.8 %	
2019	0	0	5	4	26	54	0	0	3	34,355	0.20	0.34	2.36	0.40	3.8 %	
2020	0	0	3	1	26	24	0	0	3	41,456	0.16	0.16	1.61	0.27	4.1 %	
2021	0	1	5	2	37	48	0	0	2	42,483	0.10	0.30	2.24	0.30	3.9 %	

(Own employees, hired-in personnel and subcontractors)

HSSE Activities

The focus on safety in 2021:

“ONE TEAM WITH SUPPLIERS AND CUSTOMERS”

This aligns with the Petroleum Safety Authority's focus for 2021 which was “side by side with the suppliers”. Several related initiatives have been executed, such as Safety collaboration towards 2025, Learning packages, IOGP Life Saving Rules, especially “line of fire”, “lifting operations”, “isолations” and “work at heights”.

Safety Culture Ladder

Aibel is the first company in Norway to be certified for the safety standard; Safety Culture Ladder (SCL) level 3. KIWA Norway carried out the audit. During the evaluation and certification period, the company received encouraging indications that a future certification at level 4 could be expected. The certification applies to Haugesund and mainly covers project management, engineering, procurement, fabrication, modification and maintenance services. The Safety Culture Ladder program is followed by TenneT, Aibel's client on the DolWin 5 project. The Safety Culture Ladder is not a new standard for assessing an H&S management system, but instead it is a standard for objectively measuring the health and safety behaviour of a company. The purpose of the Safety Culture Ladder is to contribute to awareness, and thereby stimulate safe and healthy work practices, and improvements in this area. As a result, the Safety Culture Ladder operates in addition to “system standards” such as OHSAS18001 / ISO45001, and applicable rules, regulations and industry guidelines.

Industry Collaboration

The Safety Collaboration towards 2025 team had their safety inspection and steering committee meeting at the Haugesund Yard in September. Initiated in 2020, the team signed a charter describing a joint approach in the industry segment, with common objectives and focus areas that contribute to reaching the overall goals of zero

major accidents, zero serious injuries and fewer minor injuries in our daily work.

As part of the collaboration, a report collecting all “best practise to prevent hand/finger injuries” was presented. In addition, a new common HSSE introduction course for yards has been created together with Aker Solutions, Rosenberg Worley and the Federation of Norwegian Industries. This was launched in December.

HSE learning packages

The HSE learning packages consist of targeted courses to be used in relevant project/department meetings. The subjects of the HSE learning packages reflect the safety collaboration charter. The companies have set common KPIs for 2025 to ensure a long-term approach. Focus in 2021 was the same as in 2020 and has been to ensure the implementation of standardised life-saving rules and a common HSSE annual cycle, prevent falling objects and hand/finger injuries. Focusing on the same topics across target groups and companies, all employees are presented with the same HSSE focus within a year, regardless of where they have worked. The topics covered are:

- Q1 - Prevention of major accidents**
- Q2 - Prevention of personal injuries**
- Q3 - Line of fire and safe work at heights**
- Q4 - Health and work environment**

In addition, during Q1 we have a Safety Delegate month, Q2 HSSE prize and show of good examples, Q3 External environment month and Q4 Security month.

Falling objects

Falling objects represent a high risk in our industry. Preventing falling objects and compliance to best practice standards have our highest priority on all levels within the company and is followed up in HSSE plans, programs and activity lists, in addition to targeted campaigns in the collaboration HSSE cycle. This focus has been followed up through the year and will also continue in 2022.

Aibel HSSE Annual Wheel



Q1 – Prevention of major accident

March/April: Safety Delegate Month

Q2 – Prevention of personal injuries

May/June: CEO's HSSE Prize

Q3 – Line of fire and safe work at heights

August/September: Environmental Month

Q4 – Health and work environment

October/November: Security Month

HSSE Commitment Charter at the Aibel yards

Having a strong HSSE culture is important, and leaders play a significant role in achieving this. Everyone with management responsibilities at the yards in Haugesund and Thailand have signed a commitment charter, pledging to take responsibility for creating a long term and robust HSSE culture. The HSSE Commitment Charter is on display on big posters in the yards.

CEO's HSE Award

Candidates who have excelled in experience transfer and raising HSE standards are nominated for the CEO's HSE award. The winner in 2021 was the JSP2 MSF project team in Thailand (Laem Chabang/Deeline). The great safety results were also noticed by the client, who was impressed by the way the HSSE improvements have been implemented. The Thailand team always strives to find new ways to make the workplace safer. They are proactive and ensure the inclusion of everyone both in the yard and the offices. Zero serious incidents after 7.5 million manhours speaks volumes, and the team continues to strive to deliver on our zero incidents ambition.



World Mental Health Day 2021

World Mental Health Day is an international UN day with over 150 participating countries. The main goal is to raise awareness of mental health issues and mobilize mental health efforts. This

years' theme "Life during and after a pandemic" encouraged us to show that you care, be present and follow up. At our locations in Norway, we marked the World Mental Health Day and a live event was offered on Teams.

Emergency preparedness

There were no major incidents in 2021 requiring mobilisation of the Aibel Emergency Teams line 2 and 3. Aibel line 3 emergency organisation implemented a test version of a new electronic crisis management tool hosted on a remote independent system. The system is meant to contribute to a more proactive and robust crisis management, also when facing cyber related incidents.

Our collaboration with the police and the Joint Rescue Coordination Centres (JRCC) has been strengthened. This is a result of closer cooperation related to risk assessments as well as consultations prior to training and operations.

Security

Cybercrime is at an all-time high and Aibel has implemented a wide range of improvements and updates to its IT systems to ensure good handling and processing of data, including IT security for employees working outside the Aibel network.

Several technical measurements have been implemented. Furthermore, a key factor in improving our cyber security standards, besides technical improvements, will continue to be user awareness and training. To help bolster Aibel's cyber security, everyone at the company had to complete a mandatory cyber security course in 2021. The course aimed to raise the level of awareness of cyber security issues, threats and potential traps, and how it could expose Aibel.

Aibel joined National Security Month, which is led by the Norwegian Center for Information Security (NorSIS), by offering all employees the course "Stay safe online".

Handling Covid-19

In 2021 Aibel has closely monitored the infection status at all our locations, collaborated with the municipal health service and the occupational health service. We have continuously implemented regulatory changes to our procedures and routines. Our employees are regularly reminded of infection control measures on posters, signs, stickers and in weekly HSE information distributed to supervisors. We have on multiple occasions implemented stricter testing regimes for workers travelling from other cities and countries to try to prevent larger outbreaks in our yards. In Q1, we experienced a large outbreak in one of our project teams despite these measures. Several extra measures were implemented, everyone on the project was tested and more than one thousand people were quarantined. The project was shut down for ten days during infection tracing. Aibel openly shared lessons learned from this experience with other companies in a meeting hosted by The Federation of Norwegian Industries.

Many of our employees have worked from home over long periods of time. Aibel conducted a survey, and the results show that most people were satisfied with how Aibel handled the pandemic. The company has followed up the results and shared information, held meetings, invited people to join in digital exercise, and made a phone line for mental support available for our employees.

Looking ahead

Entering 2022 we continue working with infection control and keeping our operations running while maintaining the health and safety of our employees and further developing a proactive safety culture and strong HSE leadership.





Two new electrical cables provide Aibel with the large power supply needed for commissioning work on Johan Sverdrup P2. Using electrical power will reduce CO₂ emissions by approx. 12,250 tonnes for the P2 platform alone and give environmental benefits long into the future.

Aibel's yard at Laem Chabang in Thailand



The steel for the Dogger Bank A platform is being blessed by buddhist monks at the "First Steel Cut" ceremony at the yard.

Environment

Aibel is committed to minimising its environmental impact. All our business units operate with a policy of making every reasonable effort to reduce the use of resources, including energy, water and raw materials.

We see that our main environmental impact will come from the interaction with our clients – through green initiatives, an example of which is the investment in shore-power facilities, as well as participation in innovative projects relating to windfarms. By utilising our knowledge, skills and ideas in cooperation with our clients, we can explore how to design our operations so as to increase net positive climate effects.

A milestone in transformation

With the recent contract awards in 2021, Aibel has reached a milestone in the company's transformation towards renewables. For the first time, the share of renewables in Aibel's order backlog is now greater than the oil and gas share. Renewables (primarily offshore wind and electrification projects) account for more than 60 percent of the order backlog of approx. NOK 14 billion. Of this, offshore wind and electrification roughly account for an equal share.

Continued offshore wind success

One of the new contracts contributing to this milestone, and at the same time expanding the company's offshore wind portfolio, is the Dogger Bank C project, awarded early in 2021. The contract award means that Aibel is now in charge of all three HVDC converter platforms for the world's largest offshore wind farm, the Dogger Bank Wind Farm. Construction of Dogger Bank A is well underway, and in April 2021 the first steel

for the Dogger Bank B platform was cut by Aibel in Thailand.

The Dogger Bank Wind Farm is expected to produce enough energy to supply power to the equivalent of 6 million UK homes, and Aibel is hereby making a prominent contribution to a large-scale low-carbon solution.

Aibel's other large offshore wind project, DolWin5, also reached important milestones during 2021, the construction start of the land station that will receive power from the DolWin5 offshore platform.

With these contracts, Aibel is a significant supplier to the European offshore wind industry, where the company's HVDC platforms minimise power loss and safeguard the reliable transmission of renewable power to millions of homes across Europe.

Electrification frontrunner

During 2021, Aibel consolidated its position as the leading supplier of solutions for electrification of offshore and onshore production and processing plants, and the company is proud to play a central role in the work to decarbonise Norwegian oil and gas production.

Among the new electrification contracts from 2021 is a FEED for partial electrification of the Kårstø processing plant and not least a major EPCI contract (Engineering, Procurement, Construction and Installation) for partial electrification of the Oseberg Field Centre and Oseberg South. These two projects are together expected to reduce CO₂ emissions by more than 800,000 tonnes per year, which corresponds to approx. 1.5 percent of Norway's total emissions.

In addition, before Christmas, Aibel was awarded a FEED contract for a new onshore power plant outside of Hammerfest. The plant will supply power to the Wisting FPSO, and thereby contribute to more environmentally friendly operations on the Norwegian continental shelf. The project has many similarities with the Johan Sverdrup Power from Shore projects that Aibel has carried out at Haugsneset, where Phase II was completed late 2021. On this completion, Aibel has delivered two onshore power stations (JSPFs I + II) that, according to our client, will contribute to emission savings from the Johan Sverdrup field of more than 620,000 tonnes of CO₂ each year, equivalent to the emissions from more than 310,000 passenger cars with combustion engines. The accumulated power capacity not only enables the Johan Sverdrup project to run on environmentally friendly power from shore; it also facilitates onshore power access to other fields on the Utsira High and thereby further reductions of CO₂ emissions.

These fields include Gina Krog and Sleipner, for which Aibel is carrying out modifications to prepare the platforms to receive power from shore. Both projects are scheduled for delivery by the end of 2022. According to our client, full electrification of Gina Krog and partial electrification of Sleipner will lead to further emission cuts of 100,000 and 150,000 tonnes of CO₂ per year, respectively.

Pursuing new non-oil and -gas opportunities

At the same time, Aibel continues to pursue new opportunities to broaden its spectre of services within renewables and other segments other than oil and gas. In 2021, Aibel entered an agreement with a global hydrogen company. The aim is to leverage both companies' capabilities to develop and deliver large scale, complex, renewable, hydrogen projects. Presently several studies are ongoing, which hopefully will lead to major business opportunities in the near future.

Important environmental investments

In 2019, the Johan Sverdrup license partners decided to invest in two new electrical 22 kV cables going from a transformer station near the Haugesund town centre via land ditches and seabed to Aibel's yard in Haugesund. The cables and a new transformer station at the yard, were installed in 2020 to handle the significant power supply. The installation provides a total capacity of 20 MW of electrical power from the utility grid to the yard.

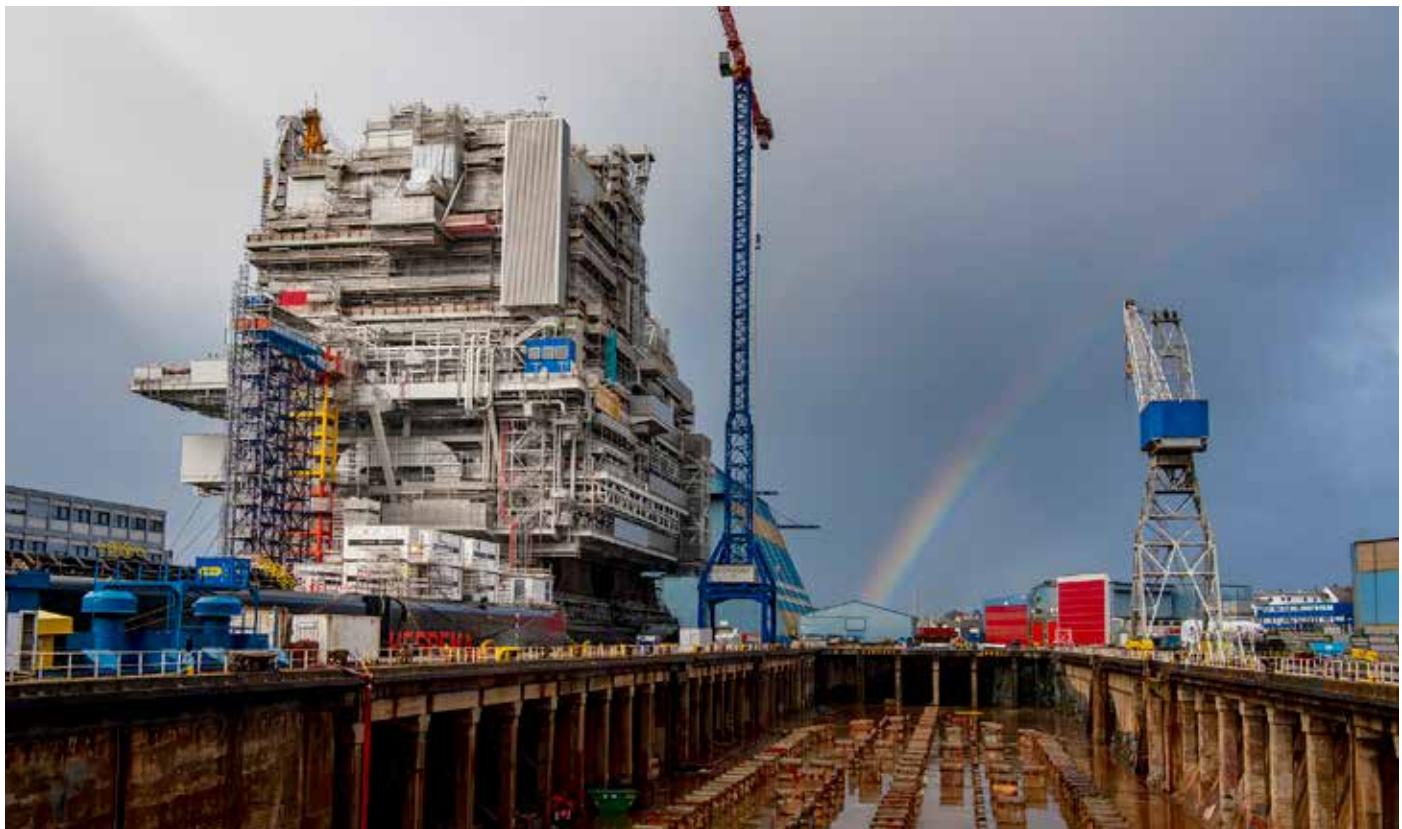
The main reason for the investment, is to supply the commissioning activities for the 23,000 tonnes Johan Sverdrup P2 platform with electrical power instead of using diesel generators. For the activities at the JSP2 platform, a total of 12 large diesel generators would have been needed.

While being economically profitable, it will also save the JSP2 project and future projects a large amount of diesel, resulting in a reduction of CO₂ emissions. The commissioning activities for the JSP2 platform started in May 2021 and a total number of 3,911,100 kWh electric power have been used for these activities. Converted, this equals savings of approximately 1,304,000 litres of diesel*, which results in a reduction of around 2,665 tonnes of CO₂ emissions. Note* 1 litre diesel = 3 kWh considering heat loss in diesel generators.

The investment also presents other environmental benefits: less noise internally at the yard and towards neighbours, no risk of diesel spills, and no fuel transport deliveries through the centre of Haugesund.

In addition, during 2021, a new 22 kV high voltage power cable has been installed internally at the yard. The cable runs from the transformer station, across the yard to the quay for rig and ship maintenance. This supports the use of electricity for energy intensive activities. Normally, these activities would require extra diesel generators to provide sufficient power. The new power supply

The P2 platform at Aibel's yard in Haugesund.



has been used for commissioning and testing of the large thruster on the vessel Njord Bravo FSU (Floating Storage Unit) in Q3 and Q4.

Waste

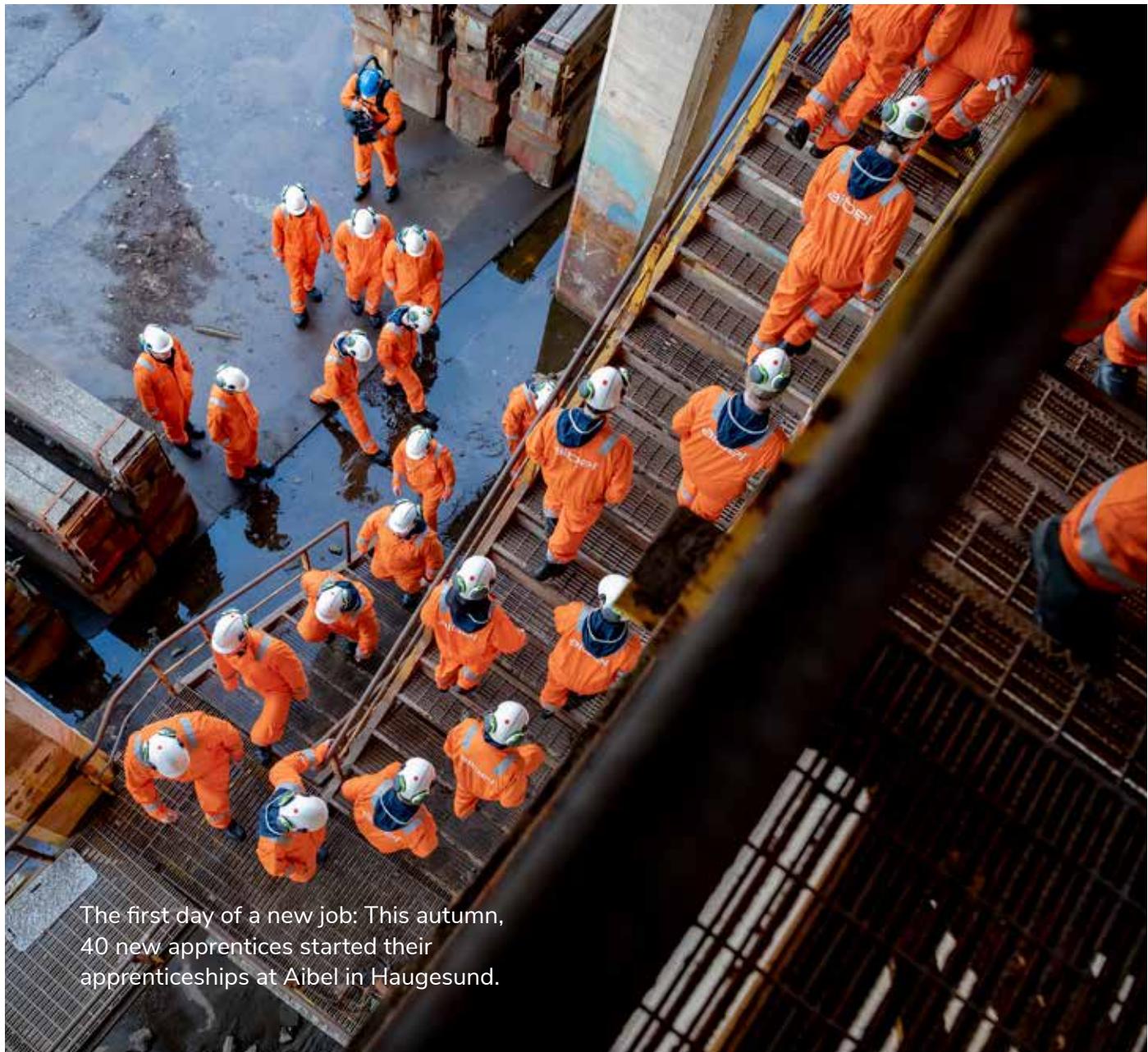
Aibel has a target of at least 80% sorting/separation of waste. The result for the whole company in 2021 was 86%. This is a small increase from the average of 84.6 % in the last 5 years. Waste handling has a high focus in our production processes and in the offices, where we have several initiatives to improve our sorting and re-use of waste. For the offices we have different initiatives in cooperation with our facility management suppliers. At the Haugesund yard, which accounts for the largest amount of waste, Aibel has made an agreement with a new waste handling supplier. This has resulted in a higher level of sorting and a reduction in both internal and external transport activities due to improved logistic routines.

Reduced use of blue shoe covers

The yard in Haugesund has tested a new type of door mat that reduces the use of disposable blue shoe covers. The total saving was an incredible 7000 covers per day. The mats have been tested in the Johan Sverdrup P2 project and have saved an estimated total of 2–3 million shoe covers in 2021. Aibel is now evaluating how to extend the use of these door mats in all of the company's workshops and office buildings.

CO₂ emission measures and initiatives

During 2021, Aibel has implemented further measures to improve greenhouse gas (GHG) and CO₂ reporting. A database has been implemented for GHG reporting from CEMAsys.com to help reporting and systematizing CO₂ data, gaining a better understanding of the company's footprint, and to generate ideas on how it can be reduced.



Aibel has obtained complete data for direct emissions (Scope 1) and energy (Scope 2) for all locations for the period 2018 to 2021. In addition, Aibel has obtained data for air travel and other initiatives, such as logistic services, waste and purchase of some materials in indirect emissions (Scope 3). An overall material mapping performed by a 3rd party GHG specialist in 2020 shows that material purchase of metals such as steel and other large bulk groups, is probably the most significant contributor to our total footprint. The table below shows Aibel's total direct emissions for Scope 1 and 2 elements, and business air travel for indirect Scope 3 elements. A goal for 2021 was to

establish a CO₂ emission intensity rate. The established intensity rate includes the Scope 1, 2 and 3 elements mentioned, divided on total man-hours performed and then multiplied with 1,000,000. Our intensity rate target for 2022 is set to: ≤ 700.

Comments to the emission figures

Scope 1

Direct emissions

The most significant emissions in this category are fuel for hired and leased cars for business and

Aibel emission data 2018–2021

Year	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 air travel (tCO ₂ e)	Total Scope 1, 2 & 3 (air travel) (tCO ₂ e)	tCO ₂ e/man-hours * 1 000 000 (intensity rate)
2018	4 774.4	2 070.3	3 078.2	9 922.9	1124
2019	3 661.7	3 320.0	3 871.0	10 852.7	730
2020	3 377.7	5 109.8	1 392.4	9 879.9	531
2021	3 151.6	5 348.7	1 582.5	10 082.8	503

project activities, internal yard transport, and use of diesel generators and diesel heaters. The total fuel consumption (diesel and petrol) has been reduced with more than 300,000 litres over the last four years. One important measure is the new high voltage facilities at the yard in Haugesund where electrical power can be used instead of diesel generators for energy demanding activities like commissioning and testing. The new facilities are described in the section about important environmental investments above.

Scope 2

Energy

Use of electrical power for office buildings has been stable during the last four years. Although the Covid-19 virus has forced the use of working from home and less people in the offices, Aibel sees that it is difficult to reduce heat and cooling in the buildings. The company notices a significant increase in energy consumption for the yards from 31,532 MW in 2018 to 47,656 MW in 2021. This is mainly caused by higher activity levels at the yards. In addition, the yard in Thailand was expanded in 2019, with new assembly and workshop facilities. The two new painting workshops at the Thailand yard were especially energy demanding to operate. Also, the use of the new high voltage facilities

at the Haugesund yard for commissioning and testing, which were taken into use in 2021, have resulted in higher energy consumption.

Several energy-saving projects were undertaken at the yards in Haugesund and Thailand and in the offices in recent years. At both yards, a high number of new LED lamps have been installed to reduce energy consumption. The project started in 2019 and was continued in 2020 and 2021. An annual saving of approx. 1,000,000 kWh is anticipated for these investments.

The large surface and treatment workshops have a high energy consumption due to strict requirements for temperature and humidity during these processes, and the heat loss is significant. For our two workshops in Haugesund we have initiated a project, with the help from engineering students. The project scope is to evaluate an installation of a heat and energy recovery system to reduce the energy consumption.

Scope 3

Business air travel

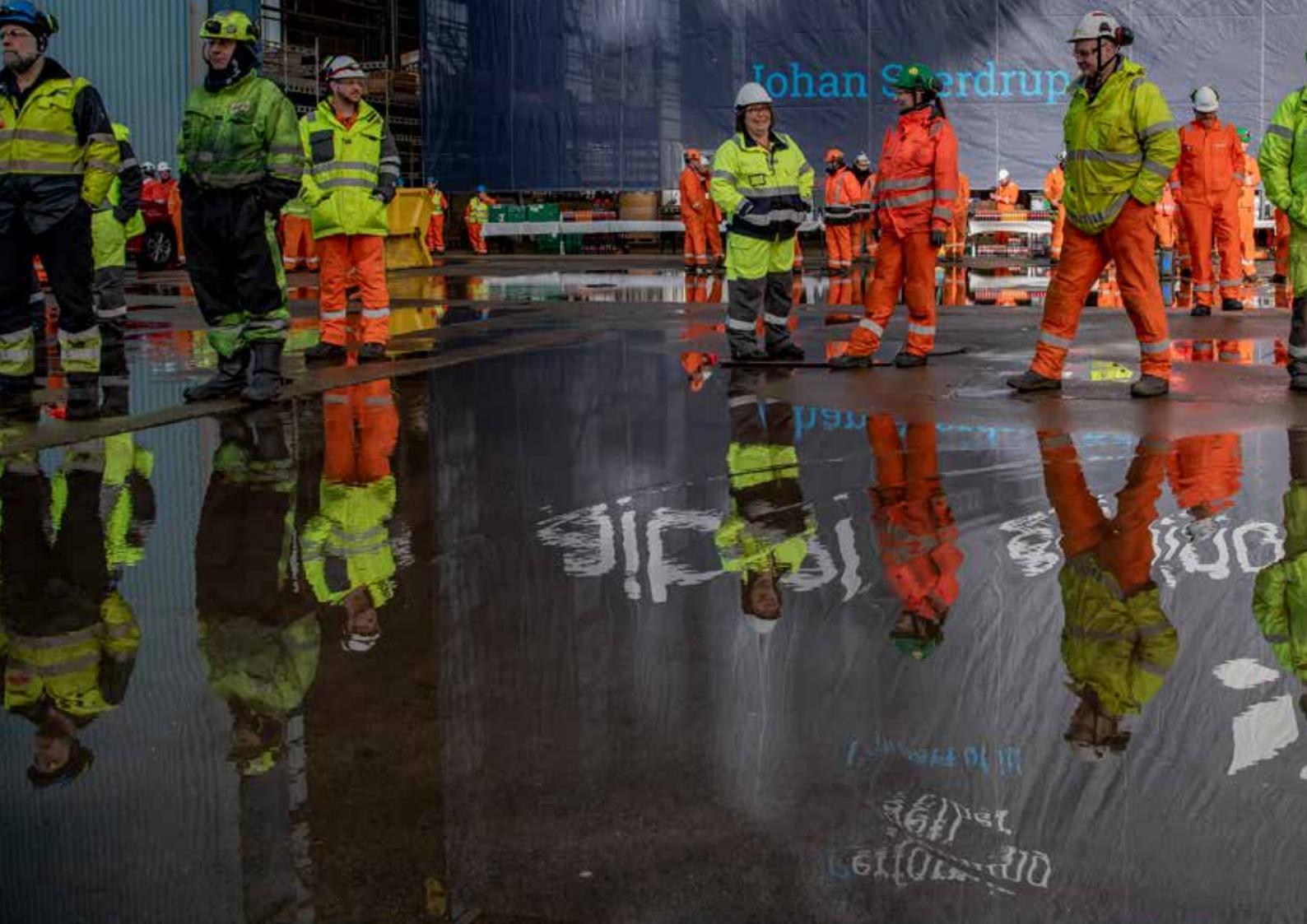
Several years ago, Aibel established a strategy to start using video conferencing/collaboration rooms, Skype and Teams solutions to reduce travel costs



aibel®

equinor

Johan Sverdrup



and travel-related emissions. Investments and improvements have been made to IT and technical solutions, to facilitate and improve communication between our sites without travelling. The Covid-19 situation in 2020 and 2021 has accelerated our scheduled implementation and forced everyone to embrace the use of remote meetings. This is reflected in the company's figures for travel activity along with the Covid-19 restriction. From 2019 to 2021 the emissions are reduced by 59%.

Other initiatives

Aibel is dependent on significant transport of goods and equipment. Therefore, the company has, in cooperation with our main logistic provider, started to investigate how to improve transport activities in a more environmentally friendly way, e.g. by better utilization of space to avoid transportation of "air", and the use of "green" ships and "green" fuel for the different transportation types.



An important activity was the transportation of the large Johan Sverdrup P2 MSF module from Thailand to Norway in April 2021. Together with the client, it was decided to fund the required extra cost to fuel with “green” bunker oil. For the large transport vessel, it was possible to use marine gas oil, instead of heavy fuel oil. It reduced CO₂ emission from 3.2 to 3.17 tCO₂e pr tonne fuel. The biggest advantage is that the exhaust is cleaner. For the transportation of the JSP2 module,

it is estimated that sulphur (SO₂) emissions were reduced with approx. 97%, from 70 tonnes to 2 tonnes. Another upside effect is that cleaner exhaust, also reduces the need for cleaning activities in the module after the transport.

Looking ahead

Aibel has started working on its emission reduction strategy towards 2030 and 2050. Aibel's long-term goals are to achieve net-zero emissions within its own activities and sites within 2050 and deliver sustainable projects and enable/support to our energy clients to achieve net-zero within 2050.

In 2022, Aibel will initiate the following activities to improve the environmental footprint:

- **Dialogue with stakeholders about their strategy and requirements towards suppliers**
- **Evaluate commitment on science-based targets and the awareness/commitment on «no greenwashing» presentations**
- **Establish the following improvement groups:**
 - Digitalization of supplier emissions in SAP for further logging / monitoring.
 - Participate in the Federation of Norwegian Industry Group regarding collaboration of Scope 3 data towards suppliers
 - Establish multidiscipline group, within project FEED & design, to establish a process on how to improve, regarding environmentally friendly designs.
 - Establish groups at the yards in Thailand and Haugesund to identify and prioritize Scope 1 & 2 improvement projects, with timeline and estimated cost

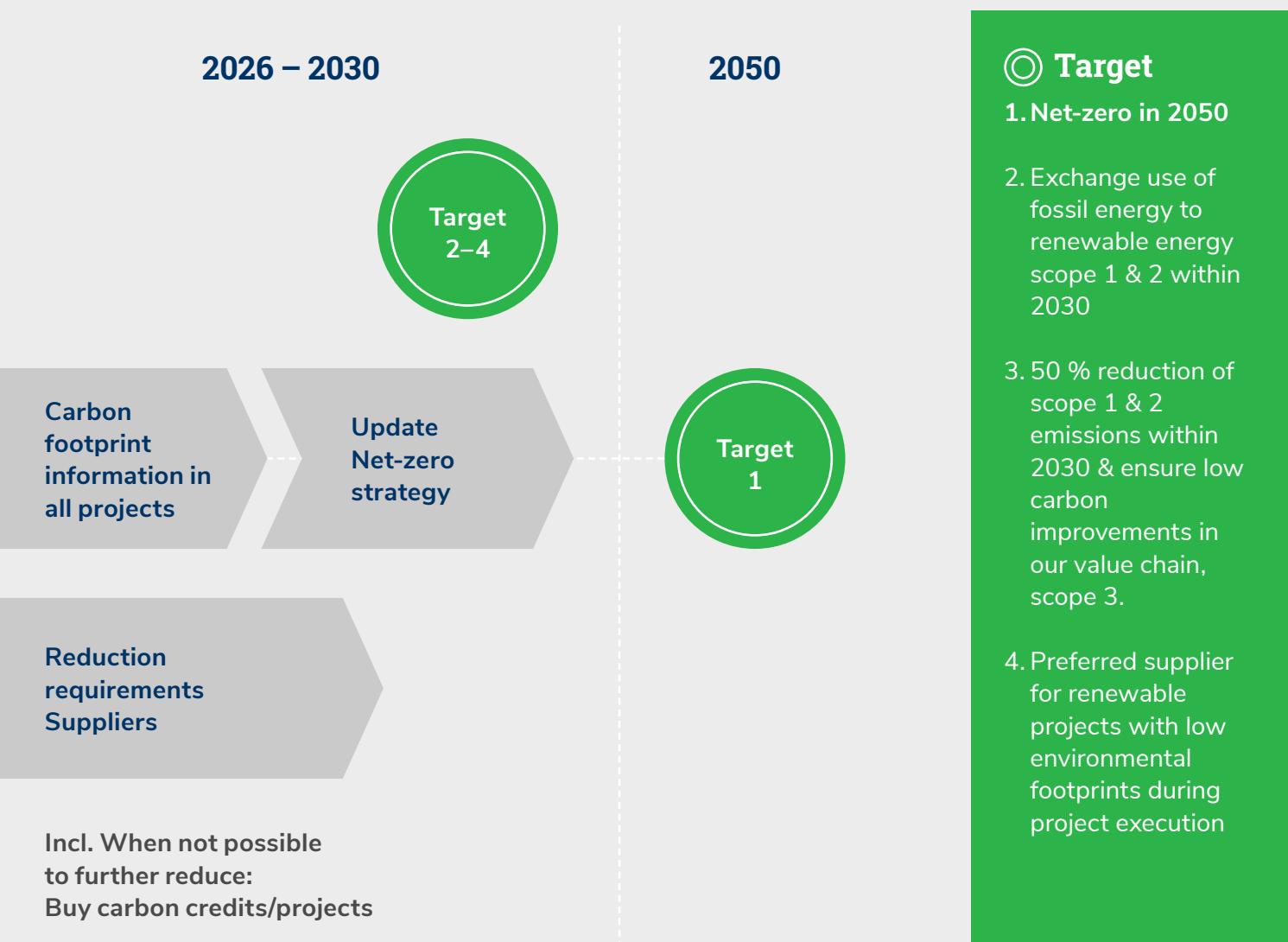
Roadmap low carbon & net Zero



Supply Chain Management involvement

Aibel Supply Chain Management (SCM) acknowledge its responsibility, to contributing to greener, circular and more sustainable solutions within SCM core area of expertise, supplier qualification, project procurement and logistics. As SCM has a mandate across all projects and business units and these activities represent

a significant part of Aibel's yearly turnover, it is recognized the high potential impact of our SCM actions to reduce emissions. Going forward we intend to work internally and with our suppliers and sub-suppliers, placing sustainability and lower carbon on the agenda. We will convert focus and strategies into more tangible, quantifiable and measurable targets, where all involved parties of



our value chain, alter their actions to reduce the environmental footprint of our projects input factors.

Defined actions are already implemented, and SCM has in December 2021, for the first time, included 'Sustainability with special attention to Lower Carbon' as a separate section in the

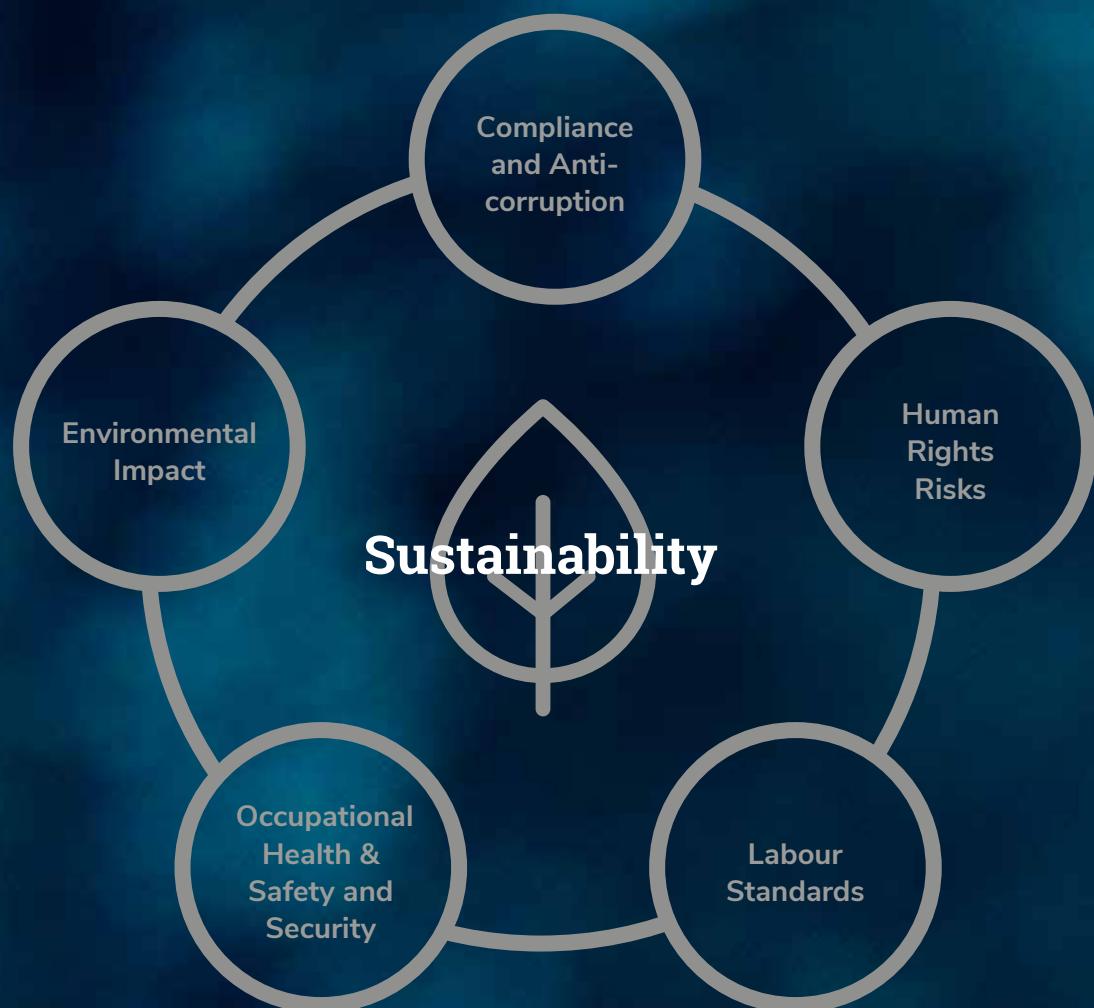
overall Project Procurement Strategy of an ongoing feed contract. Additional initiatives are planned this coming year with the goal of becoming a market differentiator.



The LNG production facility at Melkøya in Hammerfest.



Sustainability Key Performance Indicators



GC Main topic	Statement	KPI used to measure performance	2021 Target	2021 Achieved	2022 Target
Human Rights	We want to secure that our business partners respect Human Rights	Human Rights assessment of high risk parties	> 10	13	> 10
Labour	We do not tolerate any forms of harassment	Zero incidents of harassment	0	3 %	0.0 %
Labour	We believe in equal opportunities and rights for both genders	Share of female managers	> 18%	17%	> 18%
Labour	We want to keep our workforce healthy	Sick leave	bench-mark*	3.9 %	<bench-mark*
Labour	We want to keep workforce safe	SIR	< 0.2	0.1	0.16
Labour	We want to minimize number of HSE incidents to limit the risk for serious accidents	TRIR	< 1.8	2.2	< 1.8
Environment	We take responsibility for our external environment	Spills or environmental incidents	0	0	0
Environment	We seek to minimize our environmental footprint	Waste separation	> 80%	> 86%	> 80%
Environment	We believe it is our duty to minimize energy consumption to protect the environment	Energy reduction projects	2	2	2
Environment	We want to limit climate change by contributing to a low emission society	CO2 reduction projects	2	2	2
Environment	We want to be sustainable by increasing our Renewable & Electrification market share	Non- O&G share of order intake	> 40%	60%	> 40%
Anti-Corruption	We believe that our Code of Conduct helps us make sound judgements & decisions	Code of Conduct training by eligible personnel	> 90%	95%	95%
Anti-Corruption	We believe that zero corruption is fundamental to achieve well-functioning societies	Zero corruption incidents	0	0	0
Labour, Human Rights, Anti-Corruption	We want to secure that the business standard of our partners meets our requirements	On site IDD audits conducted	> 10	13	> 10

* Separate goals/target set for different countries/sites

About this report

This report presents the Aibel Group's Corporate Responsibility performance and activities in 2021. The report also constitutes our communication on progress to the UN Global Compact. It has been prepared based on the Global Reporting Initiative (GRI) Standard Sustainability Reporting Guidelines: Core option.

The GRI index, including references to materiality indicators, is available online at www.aibel.com. The basis and scope of the report derive from our materiality assessment and stakeholder analysis conducted in 2018, and the annual reassessments to embrace and weigh changes and improvements.

This report serves as our annual Communication on Progress for the UNGC.

Date of report:
10.02.2022

Report boundaries

We have prepared the report based on the GRI reporting principles and guidance on boundaries. The report boundary is generally drawn around companies under the operational control of the Aibel Group. However, we also provide information on some aspects where we have the potential to influence, but not to exert direct control.

Data quality

We continue to work to improve our data quality to enhance the reporting processes and transparency and we continuously strive to improve our internal data reporting procedures.

About the Sustainalytics assessment

* About Sustainalytics

Sustainalytics, a Morningstar company, is a leading independent ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The firm also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. For more information, visit www.sustainalytics.com

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Cover photo: Estifanos Tesfatsion is one of our apprentices in Haugesund. He joined Aibel in 2021 and is working within pipe fitting.

Photos: Øyvind Sætre and Aibel

Layout: Melvær&Co

Aibel group

Vestre Svanholmen 14
PO box 300, Forus
4068 Stavanger – Norway

www.aibel.com

Tel: 08527
Tel international: (+47) 85 27 00 00
Fax: (+47) 85 27 00 01