FOWIC
ESG REPORT 2021

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Fred. Olsen Windcarrier
Lifting your potential

CONTENT

CEO LETTER

One of the greatest challenges of our time is to provide the world with more renewable energy and offshore wind is one of the key technologies to achieve this goal. Installation of Offshore wind is at the core of the services Fred. Olsen Windcarrier (FOWIC) provide. It is not insignificant how we act in solving this task.

In 2021 FOWIC installed more than 1 GW of offshore wind capacity from our vessels, and maintained more than 200MW capacity, the first a significant increase from 2020. This was our contribution to a world run on renewable energy.

The driving force behind the results we achieve in FOWIC is the people and the culture we jointly create. This is a culture that focus on teamwork and the welfare of our people. That means our people shall feel safe in all aspects of the word which includes mentally as well as physical. People that feel safe, will feel comfortable to contribute to a culture of constant development, where we win and lose as a team. In 2021 all officers in our fleet were offered and went through leadership training based on our values curious, engaged and connected. For 2022 the same will be implemented for office personnel. This is a key tool in defining who we are and what all our stakeholders can expect from FOWIC in terms of behaviour.

2021 has been a challenging year for many of our employees due to the ongoing Covid pandemic, and although we have seen reliefs in Europe this is not the case for Asia where FOWIC have significant activity. In general, we see fatigue in the organization related to Covid from personnel in quarantine hotels, those tackling Covid-cases on board the vessels and office personnel with prolonged periods of home office and FOWIC are increasing our efforts related to psychosocial work environment. The safety record on our vessels is in general good. We did unfortunately not reach our target of zero LTI's as we had one event related to slip/trip/falls. This resulted in short time sick leave for the individual.

FOWIC is striving to conduct our business in a manner that contributes to a more circular economy and lower emissions. We re-use steel for grillage and seafastening to the largest degree possible from project to project. We have in 2021 placed a firm order for yet another crane to upgrade our fleet. Upgrade will take place in 2024. This will make the vessel fully capable of installing next generation turbines and is a sound decision environmentally, but also financially. In addition, we have set an investment budget for 2022 which are linked to initiatives to reduce emissions from our vessel operations. We will focus on scope 3 (supplier) emissions. We did not reduce emissions in 2021, which is mainly due to repositioning of a vessel to APAC, as we did in 2020. We are recognizing that increased effort is needed to see actual improvement in reduction of emissions, but with increased focus on action we aim to see quantifiable results in 2022.

Regards,

Alexandra Koefoed

Digitally signed by Alexandra Stokkeland Koefoed
Date: 2022-03-09 15:44:00+01:00

Alexandra Koefoed,
Chief Executive Officer,
Fred. Olsen Windcarrier

FOWIC SUSTAINABILITY PERFORMANCE AT A GLANCE

Personnel injuries
lost time incidents

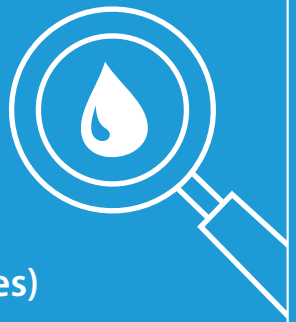
LTI 1,0

LTIF 0,7

Diversity
Female/male share

	Vessels	Offices
women	13%	38%
men	87%	62%

Fuel consumption and GHG emissions



Fuel (tonnes)
11,603

CO_2 (tonnes)
36,665

Installed MW
1,038

Maintained MW
205.9

ABOUT THE REPORT

This report contains disclosures in line with the World Economic Forum's[1] (WEF) efforts to develop a core set of common sustainability metrics, covering the topics of Governance, Planet, People, and Prosperity.

Reporting boundaries

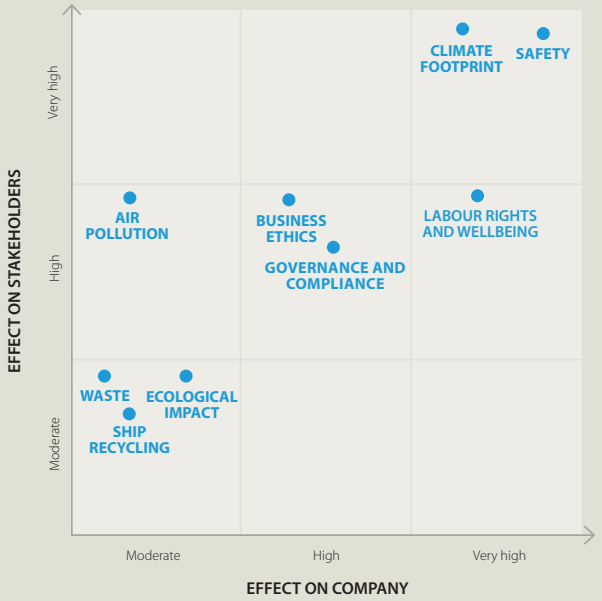
The report covers our total activities, including our contribution to clean energy installation. For 2021, we have limited the ESG reporting with the following boundaries:

- WEF Theme: "Climate Change": The Scope 1, 2, and 3 GHG emissions are reported in accordance with the GHG Protocol Corporate standard. However, scope 3 is limited to the topics where reliable data is available
- WEF Theme: "Dignity and equality": The reporting in accordance with the Norwegian Equality and Anti-Discrimination Act for FOWIC employees includes FOWIC office personnel only. A descriptive text is included for offshore workers

Our material ESG aspects

We have selected the ESG topics that are the most significant to FOWIC and its stakeholders. These topics have been selected and prioritised through processes including internal interviews and market analysis, in addition to considering relevant ESG standards and the business context of our industry. In accordance with the WEF Metrics referenced above, we have structured this report in to four main sections:

Materiality assessment



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

ABOUT FOWIC

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

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

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

We have offices in Oslo, Norway; Fredericia, Denmark and Taipei, Taiwan.

OUR VISION

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

OUR MISSION

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

OUR VALUES

CURIOUS, ENGAGED AND CONNECTED

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

GOVERNANCE, PLANET, PEOPLE, AND PROSPERITY

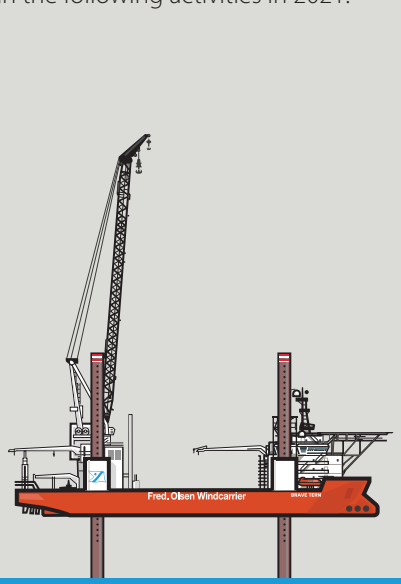
GOVERNANCE

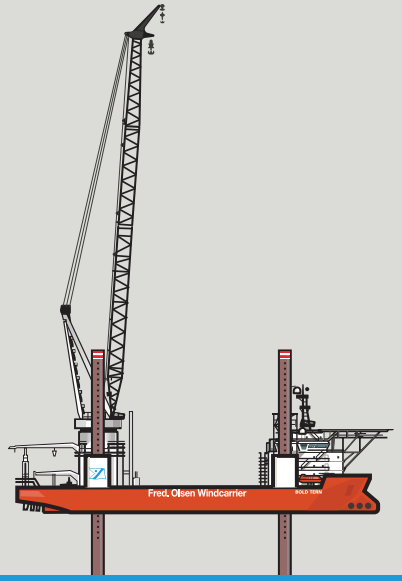
Business context

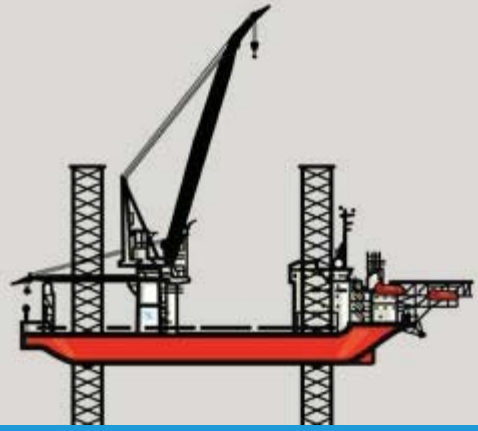
From a business perspective, good corporate governance is of great importance to FOWIC as it not only sets the "Tone at the Top" from senior management but also provides direction and guidance towards achieving the goals through the management and control of FOWIC. Governance activities within FOWIC are carried out systematically and effectively aiming to ensuring that any prevailing risks are taken into consideration in the decision-making process and dealt with appropriately.

Our activities

FOWIC indirectly owned vessels were engaged in the following activities in 2021:







Brave Tern (BRT)

- Yunlin I WTG installation project
- Yunlin II WTG installation project

Bold Tern (BOT)

- Component exchange project
- Moray East WTG installation project
- Conversion and Crane replacement

Blue Tern (BLT)

- Component exchange projects
- Moray East WTG installation project
- Dry dock

The FOWIC board consists of the following members:

- Anette Sofie Olsen
- Richard Olav Aa
- Ingelise Arntsen
- Håkon Borgen

Performance

Stakeholder engagement

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

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

The stakeholder list is primarily used when identifying risks, and for communication and consultation. Each stakeholder is evaluated regarding its particular interest, involvement, interdependencies, influence, and potential impact by and from FOWIC activities. FOWIC engage with stakeholders on several different platforms. Close cooperation with clients during projects is maintained and feedback received via customer satisfaction surveys, client audits, and lessons learned sessions. Feedback is received from class/flag state and the authorities during external audits. Further, FOWIC communicates information widely via actively using official social media accounts and keeping our website up to date and participating in conventions.

In 2021 we received 72 responses on our customer satisfaction surveys from seven different clients with an overall impression score "Very satisfied" 68%, "Satisfied" 28%, and "Neutral" 3%.

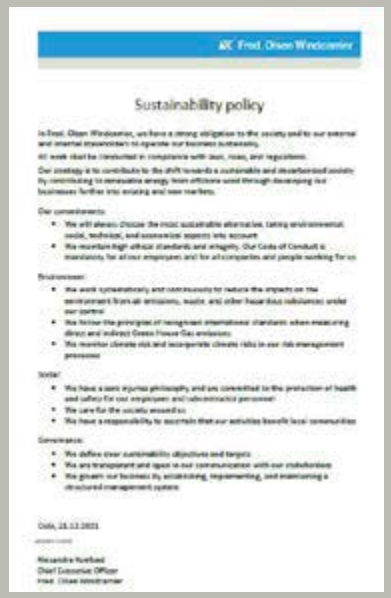
Customer satisfaction survey

68%
answered 'Very satisfied'

28%
answered 'Satisfied'

3%
answered 'Neutral'

Policies and ethical behaviour



Fred. Olsen Windcarrier

Sustainability policy

> Sustainability policy

Fred. Olsen Ocean

Code of conduct

> Code of conduct

Fred. Olsen Windcarrier

HSEQ policy

> HSEQ policy

Fred. Olsen Ocean

Anti-bribery policy

> Anti-briberty policy

Whistle blowing
Whistle-blower function: The whistle blower function is handled internally with approachability and transparency being encouraged.

On board the vessels, the process for handling complaints is in accordance with the Maritime Labour Convention (MLC) 2006 and a copy of the on-board Complaint procedure is provided to all crew members as well as being posted in public locations on-board the vessels. The procedure specifies fair and effective handling of any complaint made by the seafarer and any form of victimisation or penalising of the complaining seafarer is prohibited. Amendments to MLC 2006 regarding the protection of seafarers against shipboard harassment and bullying entered into force in January 2019. A "Hot line" for addressing complaints is available through the Designated Person Ashore (DPA), the name and contact details of which are permanently posted on information boards at various public locations around the vessels.

Reporting routines for office personnel have been implemented in our personal handbook and e-learning courses have been implemented to ensure all employees are aware of the reporting procedures.

FOWIC had six documented complaints recorded throughout 2021. Refer to KPIs, sections 4.3.5 for details.

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

- Corporate risk management database for the enterprise risks
- Task force on Climate-related Financial Disclosures risk assessment (see 2.2.3)
- Project risk register, covering all relevant project risks
- Operational risk assessments
- Task risk assessment (TRA) for task specific risks
- 'Take2' last minute point-of-work risk assessment

Strengths:
- Efficient vessels for WTG installation
- Strong brand
- Good market and client reputation
- Efficient project and engineering team
- Access to GWS installation crew
- High safety and environmental standards
- +170 years of maritime experience

Opportunities:
- Leverage O&M market experiences
- Double digit growth forecasted for offshore wind worldwide
- Bundling of jack-up vessels and installation crew
- New SoW emerging with investment into new crane and vessel upgrades on Tern vessel
- Well established organisation able to handle more vessels/projects
- Subsidy free PPA regime and scalability enabling offshore wind to compete against all energy sources

PLANET

Business context

FOWIC's main assets include the three Tern vessels owned and operated through subsidiaries and offices in Norway, Denmark, and Taiwan. FOWIC's jack-up vessels deliver services to the offshore wind industry and are indirectly contributing to renewable energy productions by installing and maintaining offshore wind turbines. FOWIC's vessels are also used for geotechnical surveys and as accommodation vessel for the offshore wind industry. The operation of FOWIC's vessels involves release of greenhouse gases (GHG) to the atmosphere, water usage, impact of the coastal ecosystems by potentially transferring alien species through ballast water operations.

Vessel environmental aspects

NOISE:
- Jacking operations
- Helicopter transfers
- Propulsion
- Port operations

AIR:
- CO_2
- SOx
- NOx
- PM

INPUT:
- Resource use
- Fuel oil
- Lube oil
- Water / air
- Ballast water
- Paints
- Chemicals
- Food / paper
- Spare parts
- Fabricated steel

OUTPUT:
- Wind energy

LAND:
- Waste
- Sludge
- Hazardous waste

WATER:
- Bilge water
- Ballast water
- Toxic substances from paint
- Accidental discharges
- Sewage
- Grey water

Our activities

In 2021, FOWIC had four vessels in operation.

The vessels were utilised
92%
of the year

The transfer of jack-up vessel Bold Tern (BOT) to Singapore, a total steaming distance of 12 359 nautical miles, has contributed to increased fuel consumption and CO_2 emission.

In 2021 FOWIC's activities have involved:

- Installation of 111 WTGs with an installed capacity of 1 038 MW and contributing indirectly to a material positive contribution to reduce CO_2 emission
- Repair and exchange of WTG components with a total capacity of 205,9 MW maintained and contributing indirectly to positive contribution to reduce CO_2 emission
- Design and installation of grillage and seafastening for the transport of offshore WTG components
- Dry dock and major upgrades to vessels

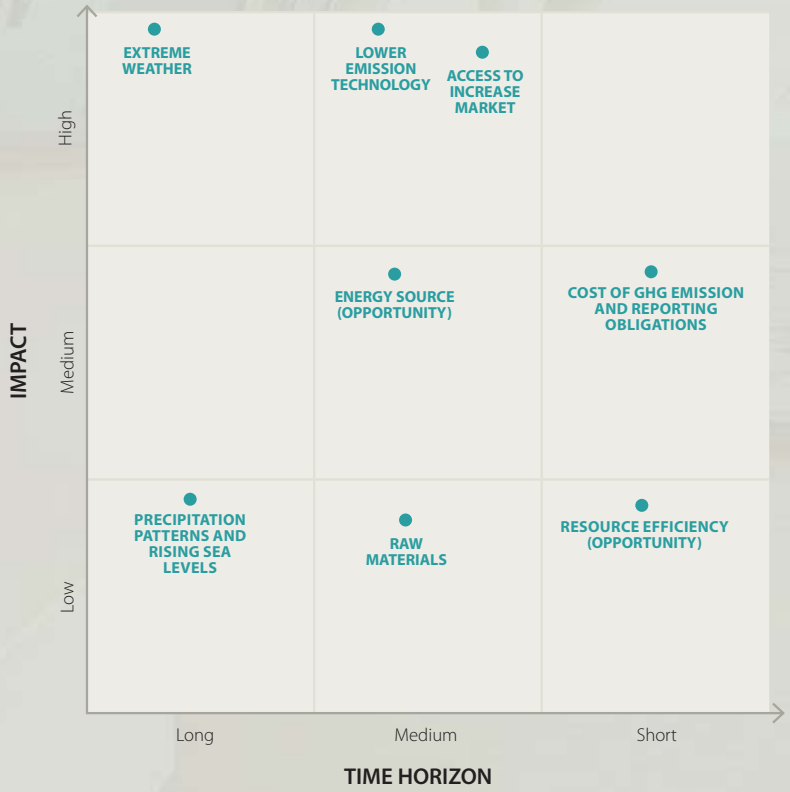
Installation of
111 WTG
with an installed capacity of
1038 MW
and contributing indirectly to a material positive contribution to reduce CO_2 emission

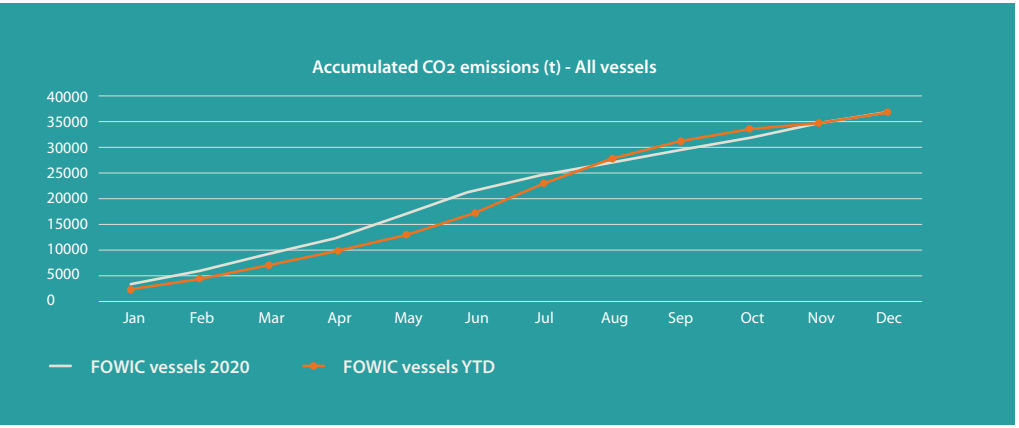
Repair and exchange of WTG components with a total capacity of
205.9 MW
maintained and contributing indirectly to positive contribution to reduce CO_2 emission

Climate change - Task force on Climate-related Financial Disclosures (TCFD) implementation

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Disclose the organization's governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Climate risks and opportunities is an integrated part of FOWIC Sustainability policy. The corporate risk assessment (including climate-related risks) is presented and discussed at monthly risk management meetings. Management discusses current risks assessments, including climate risk, monthly. ESG status and progress are included at quarterly Board meetings. FOWIC CEO is the overall responsible for Sustainability (including climate related risks and opportunities) in the Company. The CEO is supported by the COO and the Sustainability Manager on the day to day basis.	**Opportunities** • Use of more efficient modes of transportation in order to reduce fuel consumption may result in reduced operational costs • Access to increased markets in offshore wind industry due to increased demand for renewable energy may result in increased revenues • Use of lower-emission sources of energy and new technology may lead to reduced exposure to future fossil fuel price increases, reduced exposure to GHG emissions and therefore reduced sensitivity to changes in cost of carbon, returns on investment in low-emission technology, increased capital availability (investors favour lower-emissions producers) and reputational benefits resulting in increased demand for services **Risks** • Increased pricing of GHG emissions could lead to increased operational/project cost • Enhanced emissions-reporting obligations could lead to deviation towards customer expectations/deviation towards authorities resulting in loss of project opportunities/reputational loss • Unsuccessful investment in new technology could lead to falling behind competitors, resulting in loss of project opportunities • Cost of transition to lower emission technology may lead to increased operational/ project cost • Increased cost of raw materials could lead to increased project and operational cost • Increased severity of extreme weather events such as tropical revolving storms/ seismic event may lead to loss of vessel • Changes in precipitation patterns and extreme variability in weather patterns may lead to increased WoW periods and increased tolerance requirement for structure and seafastening • Rising sea levels may lead to FOWIC not being able to execute projects with current vessels (leg length/crane length)	Climate risk is a part of FOWIC integrated corporate risk management process. FOWIC risk management is following ISO 31001.	Climate related objectives are established, reference is made to chapter 3. Scope 1, scope 2 and Scope 3 reference is made to 4.1.1 – 4.1.4.

Climate change





Climate change - Scope 1, 2, and 3 emissions

Scope 1 is the direct GHG emissions occurring from sources that are owned and controlled by the company. In FOWIC this is emission from combustion onboard the vessels.

Scope 2 accounted for GHG emissions from generation of purchased electricity consumed by the company. Scope 2 emissions physically occur at the facility where electricity is generated.

Scope 3 is indirect emissions that are a consequence of the activities of the Company but occur from sources not owned or controlled by the Company. It is the intention of FOWIC to expand the reported scope 3 emission categories as reliable and transparent data become available. The three categories ticked off in the table included in this year's report show that we have started the processes. Emissions excluded from the upstream and downstream value chain are not accounted in this report due to lack of completeness and accuracy principles. Collecting data and assessing and improving data quality is an iterative process. In the initial years of scope 3 data collection, FOWIC may need to use data of relatively low quality due to limited data availability. Over time, FOWIC shall seek to improve the data quality of the inventory by replacing lower quality data with higher quality data as it becomes available.

SCOPE 3 CATEGORIES	INCLUSION
Purchased goods and services	✗
Capital goods	✓ Partly
Fuel and energy related activities (not covered in scope 1 or scope 2)	✗
Upstream transportation and distribution	✗
Waste generated in operations	✓
Business travel	✓
Employee commuting	✗
Upstream leased assets	N/A
Downstream transportation and distribution	N/A
Process of sold products	N/A
Use of sold products	N/A
End-of life treatment of sold products	N/A
Downstream leased assets	N/A
Franchises	N/A
Investments	N/A

EMISSION TYPE	ACTIVITY DATA	tCO_2e	EMISSION FACTOR	REMARKS
SCOPE 1				
Direct emission	Fuel consumption	36,665	3.16	Emission factor calculated from the molecular formula we use for Marine Diesel Oil (C12H23)
SCOPE 2				
Indirect emission Oslo offices	Purchased electricity	0.437	8 g CO2e/Kwh NVE	Total kwh received by Fred. Olsen Property. Best estimate on company split received by the same company
Indirect emission Fredericia office	Purchased electricity	1.25	109 g CO2e/Kwh eea.europa.eu	Kwh received from GWS. Best estimate on company split received by the same company
Indirect emission Taiwan office	Purchased electricity	535	535 kg CO2/kwh taipower	Data from Taiwan not available. Kwh is based on best estimate with kwh in Oslo offices used as baseline
Indirect emission Shore power	Purchased electricity	0	TBC	No shore power used in 2021
SCOPE 3				
Capital goods	Grillage and seafastening	128.4	1.85 t CO2e/t World steel association	Capital goods limited to grillage and seafastening in the start-up year for Scope 3 reporting in 2021
Waste generated in operations	Waste generated in operations (t)	3.21	21.294 kg CO2e/t DEFRA	Waste limited to waste from the vessel. Data on waste from offices not available for the 2021 report. For combustion and recycling, the factors consider transport to an energy recovery or material reclamation facility only. This is in line with GHG Protocol Guidelines with subsequent emissions attributed to electricity generation or recycled material production respectively
Business travel	Flights	411.8	-	Fred. Olsen Travel provides CO_2 reports

GHG emission inventory is found in chapter 4.1.1 – 4.1.7.

EU Taxonomy

The EU Taxonomy is the EUs classification system for sustainable activities and is meant as a tool to help drive capital towards sustainable economic activities and investments and help investors avoid greenwashing. The EU Taxonomy regulation has defined technical screening criteria as well as Do No Significant Harm (DNSH) criteria for six environmental objectives, relevant to a set of industries considered able to support the green transition. This includes shipping and energy from wind power. In FOWIC, we will implement a project to screen our activities according to the EU Taxonomy during 2022 so as to be able to report on our degree of sustainability according to the Taxonomy in our next ESG report.

Nature loss

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

- Discharge of ballast water is carried out strictly in accordance with the requirements of the compliance with Ballast Water Management Convention
- Ballast water treatment systems installation is ongoing on all three vessels
- Discharge of sewage is through an approved sewage treatment unit
- The discharge of bilge water is controlled via an Oily Water Separator (OWS) which is certified to 5 ppm. It is considered that bilge water with <5 ppm has little environmental impact
- The vessels, BRT and BOT, have Voith Schneider thrusters installed which produce lower noise levels than conventional thruster units and hence reduce the impact on marine animals
- FOWIC's land use is limited to the permanent offices. Land use is therefore not considered material to FOWIC
- Zero biodiversity incidents in 2021

Fresh water availability

Efforts are being put in place to improve water quality during production and for the vessels to be self-sufficient with water.

Solid waste

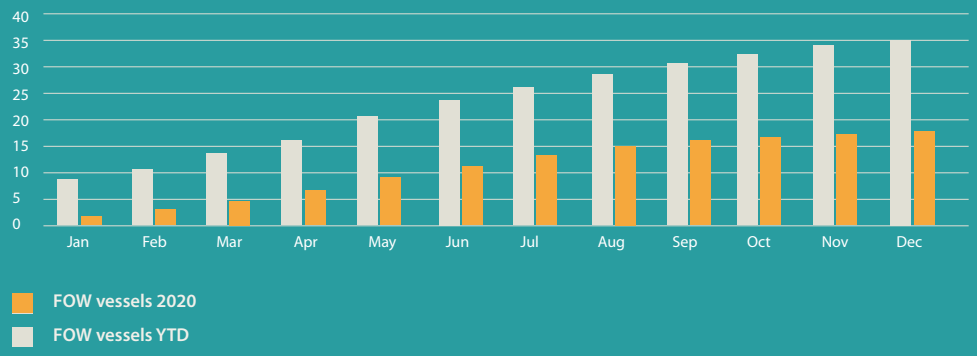
FOWIC have implemented a system of re-useable water bottles and banned all plastic bottles from our vessels. FOWIC are sorting waste onboard its vessels in accordance with MARPOL Annex V and monitoring and recording all waste generated onboard our vessels. Targets have been established to reduce waste generation. Reference is made to chapter 3. Waste is included in our Scope 3 emission reporting.

Spills

FOWIC have requirements and barriers against dropped objects to sea and environmental spill to sea. Vessel specific SOPEP manuals are in place to prevent environmental spills and have prepared mitigating actions in case of an incident. Environmental drills are carried out on a regular basis in accordance with drill plan.

FOWIC vessels have had no environmental spills in 2021. Reference is made to 4.1.17 – 4.1.18 for further details.

Accumulated general waste and non-recycable plastic



The diagram show the amount of general waste and non-recycable plastic accumulated per month, and compared with last year. All results are metric measurement units.

PEOPLE

Business context

FOWIC creates jobs both within its own corporate structure and contributes to facilitate jobs externally. We also contribute to growth within the ocean economy at large. FOWIC has business activities in Norway, Denmark, Taiwan, and in international waters. FOWIC employ 252 people between the vessels and offices.

Our activities

FOWIC are committed to complying with all national and maritime laws, rules, and regulations wherever FOWIC operate. FOWIC require its subcontractors to do the same. We do not accept any form of discrimination on the basis of gender, age, ethnic origin, disability, sexual orientation, religion, political opinion, or otherwise.

The working environment committee ("Arbeidsmiljøutvalg" (AMU)), for the FOWIC Oslo office, is organised through Fred. Olsen & Co (FOCO) as a common committee for all Fred. Olsen related companies in the Oslo office. Five AMU-meetings were held in 2021. An ergo-therapist assessment of the working environment conditions in the office was carried out in Q4 2021.

Due to the size of the FOWIC DK and FOWIC TW offices they do not have a separate work environment committee. However, FOWIC's AMU representative and safety delegate is in close cooperation with these offices.

Safety committees are established onboard the vessels with crew and management representatives. Safety committee meetings are held on a monthly basis onboard the vessels.

Work on FOWIC vessels includes several hazards related to marine activity and the wind industry.

Safety for our personnel is therefore very important. FOWIC have assembled the Company's HSE requirements in the 'HSE Manual' which was revised and republished in December 2021.

The work environment was significantly affected by the COVID-19 situation for the majority of 2021, which has had a direct impact on our employees both ashore and offshore. The Company has gone to extraordinary lengths to meet crew change challenges in Asia in 2021 directly related to COVID. This includes maintaining three shifts of crew in Taiwan to account for local quarantine requirements and placing offshore colleagues ashore in Singapore to provide rotation stability.

FOWIC is satisfied with its balanced distribution of men and women in the onshore organisation at all levels. FOWIC is a modern company, and as such, is investing in the ongoing movement to highlight and promote higher and sustained presence of women at sea. Although the global portion of women to men among the seafaring community is low, FOWIC has continued its effort to emphasize recruiting appropriate female seafaring colleagues for the future growth of the Company.

Performance

Dignity and equality
The personnel policy is defined in our Personnel Handbook and is reflected in the Code of Conduct (see 2.1.3) covering fundamental employment rights, human rights, non-acceptance of child labour, acceptance of union memberships, and non-tolerance for discrimination of any kind.

FOWIC acknowledge that there are clear developments in Norway and the EU in increased transparency into the supply chain and increase in regulation. FOWIC will continue to monitor and keep abreast of regulatory developments relevant for our company and are prepared to report in accordance with 'Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions' (Transparency Act) which enters into force 01.07.2022.

Vessel officers are employed by individual contracts. Designated Crewing Agent standard contracts shall be used and signed by both parties. Other crews are employed through contracts with approved crewing agents. Seafarers' contracts are in accordance with valid Collective Bargaining Agreements (CBA's), with International Transport Federation (ITF), or the Seaman Union of the respective countries. FOWIC offshore employees are contracted on a wage scale system – there is no differentiation between gender.

Onshore personnel are employed by individual contracts in accordance with national and local laws and regulations. Reporting in accordance with the Norwegian Equality and Anti-Discrimination Act for FOWIC office employees (including Oslo, Denmark and Taiwan).

In general, FOWIC are satisfied with the gender diversity. The gender pay gap is due to men being overrepresented in senior positions from back in time. However, the latest years recruiting has shown a better balance between the gender in both applying for and recruiting in these positions. FOWIC promotes equal opportunities withing the company and it is believed that with the current progress the gender pay gap will reduce in future years. One example of this is a female engineer that was given the opportunity to conduct a maritime trainee program arranged by Norwegian Shipowners Association.

FOWIC have implemented measures to ensure work-life balance which includes paying actual yearly salary for parental leave. This contributes to both genders being able to take out full parental leave without risk of financial loss. Routines have been established for HR to challenge the recruiting responsible if percentage of a gender is lower represented in the candidate list compared with the percentage of the gender in the application list.

FOWIC conducts bi-yearly working environment surveys. In 2021 FOWIC have worked on the result from the 2020 working environment survey and a new survey is planned for in Q1 2022 to measure the results.

FOWIC have initiated a process for further looking into our responsibilities in line with 'Norwegian Equality and Anti-Discrimination Act' for FOWIC office employees to further develop within this area.

Reference is made to 4.2.6 – 4.2.16 for further details on around diversity.

	Female	Male
Gender diversity (%)	38	62
Temporary employees (number)	0	0
Part-time employees (number)	0	0
Number of week parental leave (number)	39 (2 cases)*	9 (1 case)*
Total gender pay gap (%)**	70	100
Gender pay gap managers (%)**	99.8	100

* Note: One woman and one man started their parental leave in 2020 and as a result the numbers of weeks in 2021 may not give a full overview of the mean number of weeks.

** Gender pay gap is calculated based on reference month (December).

Health and well-being

Work on FOWIC vessels includes several hazards related to marine activity and the wind industry. The 'Fred. Olsen HSE Manual' is the governing document and specifies the performance standards and requirements for safety. A comprehensive Safety Management System (SMS) has been implemented, consisting of procedures, risk assessments, emergency response, and incident reporting system.

In 2021, FOWIC had one Lost Time Incident (LTI). The LTI case was related to slip/trips/falls in low-risk area during low-risk activity. The injured person suffered a back injury and was given three weeks sick leave.

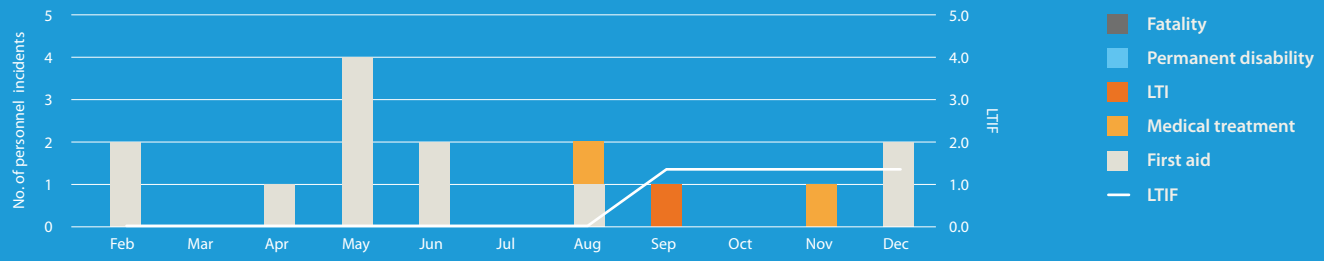
Skills for the future

Training is an integrated part of FOWIC's SMS. Training programs are determined by national, international, regulatory, and industry requirements and are being consciously reviewed and improved. In addition to external training, we have an internal training program consisting of training modules and computer-based training.

In 2021 FOWIC launched its Behaviour Competency Framework for the offshore workforce. The Framework defines and pin-points behavioural competencies the Company expect of leaders and managers with special focus on developing soft skills in five core areas. Combined with the competencies and skills required for personnel to sail onboard FOWIC vessels, the Framework provides the leadership expectations to create a comprehensive approach to selecting, recruiting, and promoting future leaders whilst supporting further development for existing leaders.

FOWIC's Leadership Development Training, provided in collaboration with Maersk Training, and delivered over summer 2021 brought together offshore and onshore managers to ground the Behaviour Competency Framework in daily leadership practices onboard. In all, 31 delegates completed all four sessions held over several weeks.

Personnel incidents and exposed hours (total FOWIC)



PROSPERITY

Business context

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

Employment and wealth creation
Vessel officers are employed by individual contracts. Designated Crewing Agent standard contracts shall be used and signed by both parties. Other crews are employed through contracts with approved crewing agents. Seafarers' contracts are in accordance with valid CBA's with ITF or the Seaman Union of the respective countries.

Onshore personnel are employed by individual contracts in accordance with national and local laws and regulations.

In 2016, the Fred. Olsen Social Engagement Group (FOSEG) was established with a view to further strengthen Bonheur ASA's efforts within social and charitable purposes, in addition to projects and purposes that are considered to be close to the Bonheur's sphere of interest, with more direct engagement from employees across the board of Bonheur-related companies and hence also FOO and FOWIC. The group has continued its work during 2021 and focuses on supporting qualifying sustainable projects, both globally and locally.

Globally, FOSEG has followed up on previous years' support towards the non-profit organisation "Health and Human Rights Info (HHRI)". HHRI's object is to strengthen and develop health and psychosocial work towards people that have been exposed to organised (sexual) violence, war, and serious violation of human rights by establishing and operating a resource database to assist health workers working amongst such people. FOSEG has close relationship to the Development Fund ("Utviklingsfondet") and are actively following their specific water irrigation projects in Ethiopia with a view to improve self-sustainability. Further, to mention some among several others, FOSEG has supported rescue companies in both Norway and the UK contributing to making traffic at sea safer, as well as the World Wildlife Fund for Nature's fight against plastic in the sea.

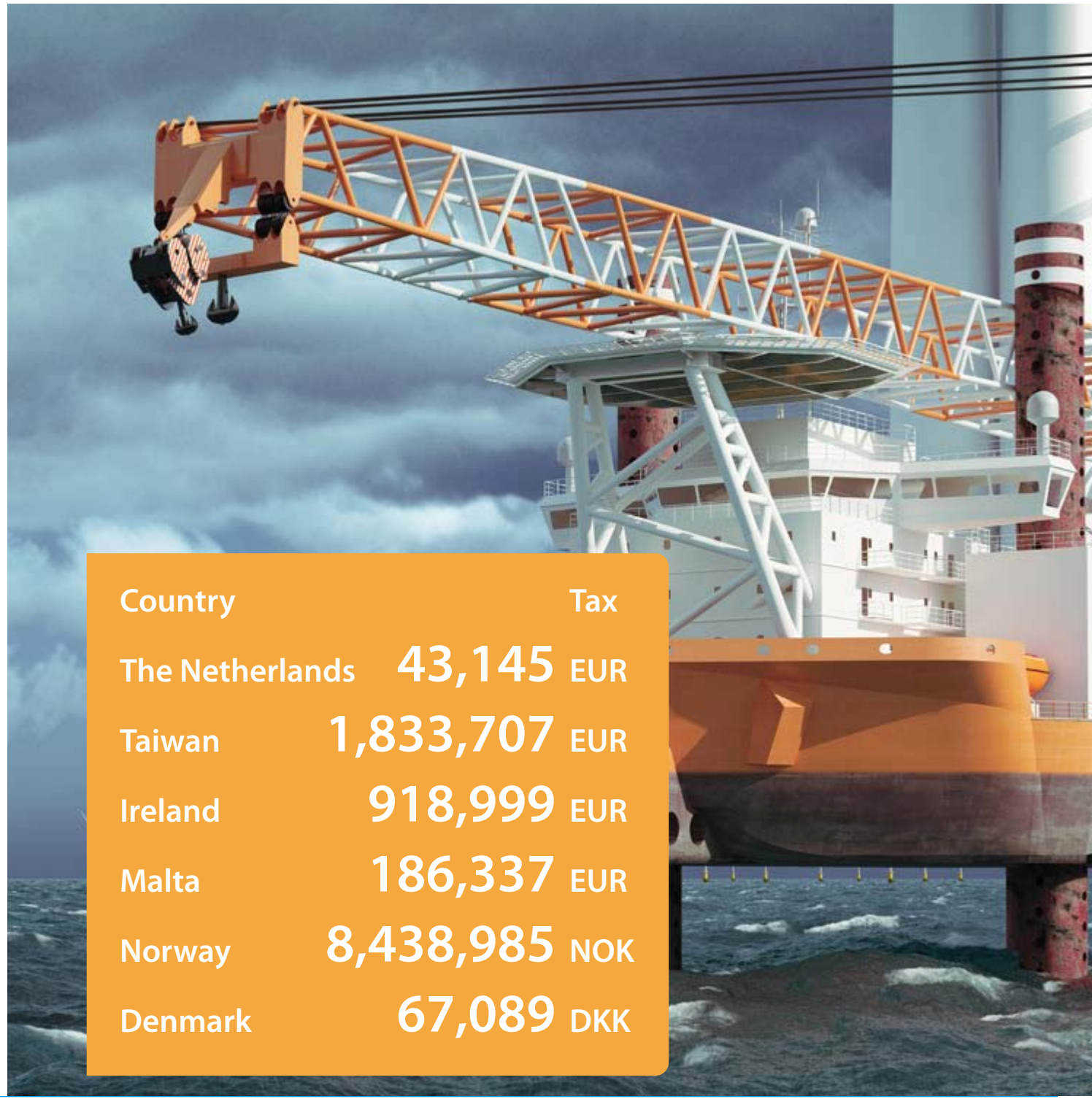
LOCATION	NO. OF EMLOYEES	RENTENTION RATE
FOWIC offices (NO, DK, TW)	63	87.2
FOWIC vessels	189	98.9
COUNTRY*	**FOWIC VESSELS**	**FOWIC OFFICES (NO, DK, TW)**
Norwegian	14	46
USA	1	2
Great Britain	15	1
Denmark	2	11
Philippines	82	1
Netherland	17	1
Iran	1	1
Sweden	4	
Ireland	1	
Poland	19	
Latvia	11	
Lithuania	5	
Estonia	1	
Germany	3	
Andorra	1	
Iceland	1	
Croatia	9	
South Africa	1	
Belgium	1	

* Registry of country is linked to citizenship

Locally, FOSEG support various charities with emphasis on stimulating self-sustainability among youth and people in general that have fallen outside the society and/or the labour market.

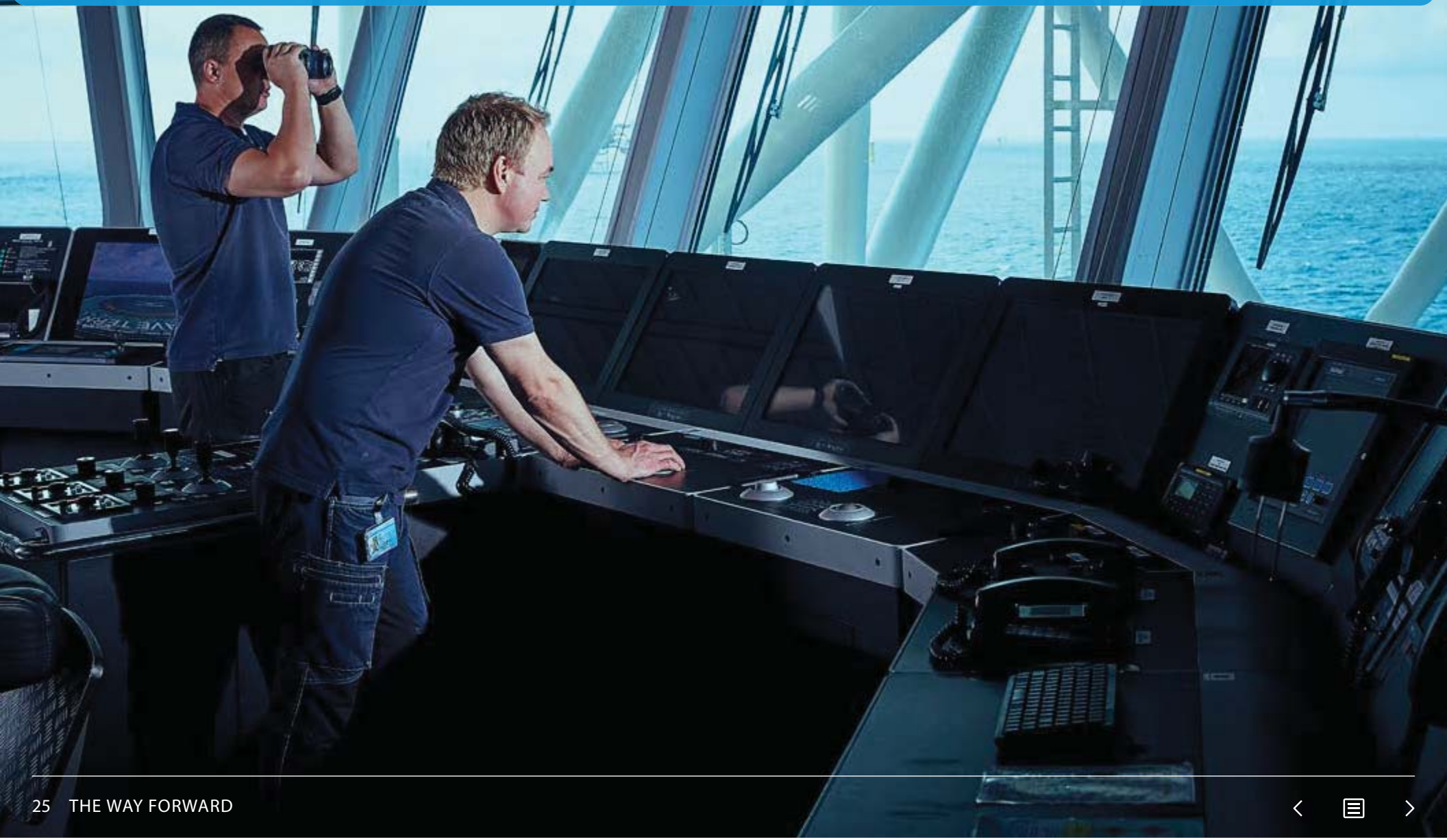
Kirkens Bymisjon (The Church City Mission Oslo) and Tøyen Sportsklubb represent projects that have received support in this respect. During the pandemic, FOSEG has supported multiple local engagement to improve the everyday quality of people that already struggled before the free offers had to close due to governmental restrictions.

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



Country	Tax
The Netherlands	43,145 EUR
Taiwan	1,833,707 EUR
Ireland	918,999 EUR
Malta	186,337 EUR
Norway	8,438,985 NOK
Denmark	67,089 DKK

THE WAY FORWARD



THE WAY FORWARD

Environmental

Our objectives

- Continue to provide shipping services for distributing renewable energy
- Reduce CO_2 emission (scope 1 and scope 2) in project with 5% in 2022 compared with tender baseline for each project
- Reduce CO_2 emissions (scope 1 and scope 2) in idle periods with 4% in 2022 compared with average 2015–2020
- Zero environmental spills and dropped objects to sea
- Reduce environmental impact to life below water related to microplastic from cloth washing
- Report Scope 3 CO_2 emissions
- Reduce vessel non-recyclable plastic, general waste, and food waste per POB with 10% compared to 2021
- Enable digitalisation actively in reduction of environmental footprint

Reduce CO_2 emission (scope 1 and 2) in project with

5%

in 2022 compared with tender baseline for each project

Reduce CO_2 emission (scope 1 and 2) in idle periods with

4%

in 2022 compared with average 2015-2020

Reduce vessel non-recyclable plastic, general waste, and food waste per POB with

10%

compared to 2021

How we will achieve this

- Modify DPR to include smart functions for CO_2 reporting on daily basis related to fuel consumptions
- Technical solution for further development/investment:
  - Detailed fuel monitoring data collection
  - Increase VFD controlled rotating equipment. 4 per vessel
  - Implement AVHC improvements
- Include CO_2 calculations in tender documentation
- Include CO_2 reporting and variation overview from tender documentation in projects
- Install shore power connections on vessels
- Install microplastic filters on dirty water from washing machines

THE WAY FORWARD

Social responsibility

Our objectives

- Zero lost time incidents
- Zero medical treatment case incidents
- Retention rate for marine crew >97%
- Work related sick leave 0%
- Short term sick leave <1%
- Substituted hazardous chemicals in health class 4&5
- Increase satisfaction with leadership development in 2022 compared with 2020 work environment survey
- Increase satisfaction with skills development in 2022 compared with 2020 work environment survey

Zero
lost time incidents

Zero
medical treatment case

Retention rate for marine crew
>97%

Work related sick leave
0%

Short term sick leave
<1%

How we will achieve this

- Implement training campaign for psychosocial work environment
- Conduct work environment assessment offshore and onshore (ergonomics)
- Establish chemical reduction and substitution plan
- Develop leadership framework and conduct competence development program for leaders
- Conduct work environment survey

THE WAY FORWARD

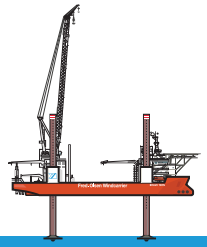
Governance

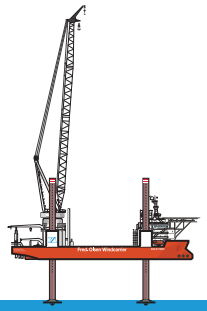
Our objectives

- Ensure a sustainable business through fleet utilisation Fleet utilisation target (incl. time spend in yard)
  - BRT: 70%
  - BOT: 85%
  - BLT: 80%
- Commercial uptime> 99%
- Customer satisfaction score> total score 22 or higher (of 25)
- Be in compliance with all national, local, and maritime laws, rules and regulation that apply for our activity
- Zero corruption incidents

How we will achieve this

- Install new crane to ensure capacity for future projects
- Monitor customer satisfaction
- Conduct gap analysis of 'Transparency act' and implement measures as required
- Conduct 10 HSEQ supplier audits





Brave Tern (BRT)
70%
utilisation

Bold Tern (BOT)
85%
utilisation

Blue Tern (BLT)
80%
utilisation

Commercial uptime
>99%

Customer satisfaction score > total score
22
or higher (of 25)

INDICATORS AND KPIs

Environment KPIs

TOPIC	ACCOUNTING METRIC	UNIT	2021	2020	2019	COMMENTS
Climate risk and climate footprint	4.1.1 Scope 1 GHG emissions, fuel consumption	Metric tonnes (t)	11,603	11,540.5	10,070	[Gross global Scope 1 GHG emissions to the atmosphere, in line with the GHG Protocol]
	4.1.2 Scope 1 GHG emissions, CO_2 emission	CO_2-eq.	36,665	36,466.8	30,325	FOWIC use a CO_2 factor of 3,16. The calculation factor of 3,16 is calculated from the molecular formula we use for Marine Diesel Oil ($C_{12}H_{23}$) [Gross global Scope 1 GHG emissions to the atmosphere, in line with the GHG Protocol]
	4.1.3 Scope 2 GHG emissions, CO_2 emission	CO_2-eq.	536.68	0	0	[Gross global Scope 2 GHG emissions to the atmosphere, in line with the GHG Protocol]
	4.1.4 Scope 3 GHG emissions, CO_2 emissions	CO_2-eq.	543.41	-	-	[Gross global Scope 3 GHG emissions to the atmosphere, in line with the GHG Protocol] Initial reporting on 2021
	4.1.5 GHG emission intensity	CO_2 / MW	29.47	60	-	[GHG emissions divided by installation/maintenance work]
	4.1.6 GHG emission management	Text	-	-	-	Reference is made to section 4 for information on GHG emission strategies and objectives
	4.1.7 Energy mix	Gigajoules, Percentage (%)	510,532 GJ 100% MDO	507,782 GJ 100% MDO	443,080 GJ 100% MDO	
Air pollution	4.1.8 Sulphur emissions	Text/figure	-	-	-	Reference is made to 2.2 for details on sulphur emission
	4.1.9 Sulpher dioxide	Metric tonnes (t)	9.38	18.77	12.00	
	4.1.10 Nitrogen dioxide	Metric tonnes (t)	583	564.9	508.9	

TOPIC	ACCOUNTING METRIC	UNIT	2021	2020	2019	COMMENTS
Ship recycling	4.1.11 Responsible ship recycling	Figure	0	0	0	Zero recycled any ships. FOWIC are committed to recycle ships in accordance with the relevant regulations (EU 1257/2013, "Forskrift om gjennvinning av skip og flyttaber innretninger" for future recycling of ships
Waste	4.1.12 Hazardous waste	Metric tonnes (t)	5.54	4.58	1.95	
	4.1.13 Sludge	Cubic meters (m^3)	225	129.5	93.3	
	4.1.14 Oily water	Cubic meters (m^3)	273	135	181.1	Oily water reported are bilge sent onshore
	4.1.15 General waste	Metric tonnes (t)	17.88	36.29	27.46	
	4.1.16 Food waste	Metric tonnes (t)	34.07	34.64	22.60	
Ecological impacts	4.1.17 Accidental discharge (spills)	Numbers	0	1	2	
	4.1.18 Accidental discharge (spills)	Cubic meters (m^3)	0	0.05	0.01	
	4.1.19 Discharged to sea (Bilge)	Cubic meters (m^3)	179	350	169.3	OWS certified to 5 PPM (MARPOL require 15 PPM). It is considered that bilge water with <5 ppm has little environmental impact and effects
	4.1.20 Discharge to sea (grey water)	Cubic meters (m^3)	2,925	1,371	1,911	Untreated sewage discharged to sea. Sewage treatment plant is certified according to IMO MARPOL MEPC.159(55)

Social KPIs

TOPIC	ACCOUNTING METRIC	UNIT	2021	2020	2019	COMMENTS
Accidents, safety and labour rights	4.2.1 Fatalities	Number	0	0	0	
	4.2.2 Lost time incident (LTI)	Number	1	1	1	
	4.2.3 Medical Treatment cases (MTC)	Number	2	2	3	
	4.2.4 Lost time incident frequency	Rate	0.7	0.6	0.7	
	4.2.5 a) Sick leave vessels	Percentage (%)	4.37	2.4	-	2021 detailed
	4.2.5 b) Sick leave FOWIC Oslo office	Percentage (%)	2.3	1.5	-	
	4.2.5 c) Sick leave FOWIC DK/TW offices	Percentage (%)	0.4	-	-	
	4.2.6 FOWIC Offices Women/men	Percentage (%)	38/62	33/67	37/63	
	4.2.7 FOWIC DK/TW Offices Women/men	Percentage (%)	18/82	-	-	
	4.2.8 Vessel Women/men	Percentage (%)	13/87	14/86	-	Increased headcount in 2021 vs 2020
	4.2.9 Vessel Managers women/men	Percentage (%)	0/100	0/100	0/100	
	4.2.10 FOWIC Executives women/men	Percentage (%)	100/0	100/0	100/0	
	4.2.11 FOWIC Board women/men	Percentage (%)	33/67	33/67	33/67	
	4.2.12 Temporary employees women/men	Number	0/0	-	-	

2021 detailed

	Personal notice	1 – 3 days	4 – 16 days	16 days – 8 weeks	> 8 weeks	Total absence %
Vessels	N/A	0	113	384	824	4.37
Oslo office	20.4	5	5	21.5	218.5	2.3
DK/ TW office	0	3	4	0	0	0.4

TOPIC	ACCOUNTING METRIC	UNIT	2021	2020	2019	COMMENTS	
	4.2.13 Part-time employees women /men	Number	0/0	-	-		
	4.2.14 Weeks parental leave women/men	Number	39/9	-	-	Split between respectively two and 1 cases. Note; One women and one man started their parental leave in 2020. This results in the number reported for 2021 does not reflect the total amount of weeks in each case	
	4.2.15 Total gender pay gap	Percentage (%)	70				
	4.2.16 Gender pay gap managers	Percentage (%)	99.8	-	-		
	4.2.17 FOWIC employees age split	Number	Age group			Vessels	Ændre til: FOWIC offices (NO, DK, TW)
			20-29			9	2.74
			30-39			74	15.45
			40-49			77	17.52
			50-59			27	22.79
			60+			2	4
	4.2.18 Labour rights	Text	-	-	-	Ref. 2.3 for description	
	4.2.19 Port state control deficiencies	Number	2	2	6		
	4.2.20 Port state control detentions	Number	0	0	0		
	4.2.21Marine casualties	Number	1	3	2		

*Numbers based on completed man-years

Governance KPIs

TOPIC	ACCOUNTING METRIC	UNIT	2021	2020	2019	COMMENTS
Business ethics	4.3.1 Corruption risk	Number	0	0	0	[Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index]
	4.3.2 Anti-corruption training	Percentage (%)	76	91	85	[% number of employees given anti-corruption course]
	4.3.3 Facilitation payments	Number	0	0	0	[Number of incidents where bribes have been requested]
	4.3.4 Fines	Figure	0	0	0	[Total monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and/or regulations.]
Whistle blowing	4.3.5 Reporting hotline	Number	6	4	2	Six of six were FOWIC related incidents. Three incidents are closed still open, and three are satisfactorily closed out
ESG governance	4.3.6 Policies and targets	Text	-	-	-	Reference is made to chapter 2 and 3
Standards	4.3.7 International standardisation	Text	Certified	Certified	Certified	ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certified

About Fred. Olsen Windcarrier

Backed by almost 175 years of marine experience and over 750 installations, customers around the world rely on us for timely, predictable and dependable results. Whether you need a full-service solution or custom-fit selection of services, we support competitive installations with dependable and predictable outcomes at every stage.

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